



Your Social Investment Network

**eToro (Europe) Ltd**

**Annual disclosure on the quality of execution obtained**

**Disclosure Period: 01/01/2017 to 31/12/2017**



## Annual qualitative and quantitative disclosure on the quality of execution obtained

This disclosure is being made pursuant to **Article 3 of COMMISSION DELEGATED REGULATION (EU) 2017/576 of 8 June 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council with regard to regulatory technical standards for the annual publication by investment firms of information on the identity of execution venues and on the quality of execution and/or Article 65(6) of the COMMISSION DELEGATED REGULATION (EU) 2017/565 of 25 April 2016**, which require firms to disclose for each class of financial instruments traded for clients during the period, a summary of the analysis and conclusions drawn from the execution quality monitoring that the Firm has undertaken.

The table below covers the Company's analysis for **Contracts for difference**:

Class of Instrument	(j) Contracts for difference				
Notification if <1 average trade per business day in the previous year	N				
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
eToro (EU) Ltd LEI:	100%	100%	-	-	-

Definitions:

**"Passive Order"** means an order entered into the order book that provided liquidity - not applicable to eToro (EU) Ltd as we do not operate the order book.

**"Aggressive Order"** means an order entered into the order book that took liquidity - not applicable to eToro (EU) Ltd as we do not operate the order book.

**"Directed Order"** means an order where a specific execution venue was specified by the client prior to the execution of the order; not applicable therefore deemed as 0%.

### eToro (Europe) Ltd

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There was relative importance given to the Execution Factors for, by the Company and any other consideration including qualitative factors when assessing the quality of execution.

**The following Execution Factors are considered in order of importance:**

- a. Price;
- b. Expected impact of execution;
- c. Likelihood of execution and settlement;
- d. Costs;
- e. Speed;
- f. Other factors

**Close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders**

The Company does not have any close links, common ownership of other relationships that would give rise to any conflicts of interests with any of the hedging venues and price providers.

**Specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received**

The Company does not have in place any specific arrangements to report with any hedging venues and price providers regarding payments made or received, discounts, rebates or non-monetary benefits received.

**Factors that led to a change in the list of execution venues listed in the firm's execution policy, if such a change occurred were**

The Company deals at arm's-length as principal and a sole execution venue, putting its own capital at risk, in transactions with clients, no changes occurred. The Company is using number of trading and execution venues as price providers and hedging venues for risk management purposes.

**How order execution differs according to client categorization, where the firm treats categories of clients differently and where it may affect the order execution arrangements**

The Company prioritizes factors based on client classification as outlined in the Company's Best Execution Policy.

**Whether other criteria were given precedence over immediate price and cost when executing retail client orders and how these other criteria were instrumental in delivering the best possible result in terms of the total consideration to the client**

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In relation to Retail clients' orders, the Company's Best Execution criteria are determined on the basis of the total consideration paid to or by the client.

**Use of any data or tools relating to the quality of execution, including any data published under the Commission Delegated Regulation, to be provided by execution venues on the quality of execution of transactions**

The Firm did not use RTS 27 reports or RTS 28 reports produced by execution venues or brokers during the period under review (2017), as these were not available.

**Use of the output of a consolidated tape provider as established under Article 65 of MiFID II or any other algorithms used to optimize and assess execution performances**

No consolidated tape provider was established under MiFID II. It is noted that there were not any authorized Consolidated Tape Providers in Europe during the period under review.

**Disclosures around the use of Direct Electronic Access ("DEA") providers**

N/A

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