



BEST EXECUTION REPORT

GC Exchange Limited



Best Execution Report

June 2020



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Introduction

RTS 28

Directive 2014/65/EU in financial instruments (MiFID II) requires investment firms who execute Client orders to summarise and make public on an annual basis, for each class of financial instruments the top five execution venues in terms of trading volumes where they executed Client orders in the preceding year and information on the quality of execution obtained.

http://ec.europa.eu/finance/securities/docs/isd/mifid/rts/160608-rts-28_en.pdf

Article 65

Investment firms, when providing the service of reception and transmission of orders, shall comply with the obligation under Article 24(1) of Directive 2014/65/EU to act in accordance with the best interests of their Clients when transmitting Client orders to other entities for execution.

<https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32017R0565&from=EN>

Reporting Requirements and Guidelines

The European Securities and Markets Authority (ESMA) developed and submitted a number of regulatory technical standards to the European Commission for adoption. These standards included RTS 28, which outlines the requirements designed to increase transparency related to executing client orders on trading venues - including systematic internalisers, market makers or other liquidity providers - intended to improve investor protection. For firms transmitting orders to brokers for execution, the broker is considered to be the trading venue.

Investment firms are required to publish information on the top five execution venues for each class of financial instruments. Specifically, firms must publish information about the volume and number of orders executed on each execution venue so that investors may be able to form an opinion as to the flow of client orders from the firm to execution venues.



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Who is GCEX?

GCEX is an advanced digital asset and currencies technology solution for institutional and professional clients. Headquartered in London, GCEX part of the GC Group was established in 2018 in response to demand for regulated and compliant exposure to the digital asset market.

Authorised and regulated by the Financial Conduct Authority, GCEX provides funds, brokers, asset managers, professional traders and banks with an advanced suite of integrated financial technology products including AI applications, allowing clients to automate on-boarding, offer and trade digital assets and currencies with tight spreads, deep liquidity from Tier 1 banks and solutions for clearing.

GCEX is fast catapulting to a leading position in the Institutional Digital Brokerage Market globally. Sourcing the best in class technologies and bringing them together with a proven team of professionals, GCEX is created to lead the next phase of financial digitalisation, while at the same time retaining the benefits and expectations held in Institutional Finance.

GCEX operates as a matched-principal broker in over-the-counter (OTC) spot foreign exchange and precious metals (Spot FX) and CFDs.

GCEX acts as a Principal on behalf of clients for Spot FX and CFD transactions and therefore GCEX is the sole execution venue for all orders.





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SUMMARY OF DATA

Execution Venue

Execution Venue	% of total trades	% of total value
GC Exchange Limited	100%	100%

Product Type

Product	% of total trades	% of total value
FX	96.94%	99.59%
CFD	3.06%	0.41%

Client Categorisation

Client Type	% of total trades	% of total value
Professional	100%	100%
Retail	0%	0%

Turnover Frequency

< 1 trade /day	% of total trading days
No	89.31%
Yes	10.69%

Points to Note

- Trading commenced on July 1st 2019 therefore the data set above is not of a full calendar year.
- GCEX is the sole execution venue for all orders since all trades entered into are between Clients and GCEX.
- GCEX offers OTC Spot FX and CFD trading to its clients. It is evident that a vast majority of the volume of trades were for Spot FX (including precious metals).
- GCEX only deals with Professional and Eligible Counterparty clients.
- For the purpose of this Best Execution report, Eligible Counterparties have not been included in the data set.
- GCEX will never execute orders on behalf of a Retail client. GCEX has a strict policy in place to ensure no Retail client is onboarded. Therefore, Retail client orders will always be 0% of the total.
- Since trading commenced midway through the year, the total trading days for the year has been calculated as 131 days, from 01 July 2019 to 31 December 2019. Weekends and Christmas day have been excluded from this total since markets remain closed on weekends and Christmas day.