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LYXOR INTERMEDIATION'S EXECUTION VENUES AND QUALITY OF EXECUTION ANNUAL REPORT FOR YEAR 2019 PROFESSIONAL CLIENTS

In application of Commission Delegated Regulation 2017/576 supplementing Directive 2014/65/EU, LYXOR INTERMEDIATION prepared the annual report on the execution venues and the quality of execution applicable to year 2019

The report is split between all financial instruments executed during the year 2019 (for avoidance of any doubt, any missing instrument means that no trade had been made on it during the year under review). It comprises a quantitative analysis summarized in the tables below (traded volumes per venue and number of orders executed on them).

In application of LYXOR INTERMEDIATION's best selection and best execution policy (available on the site www.lyxor.com), the explanation of the factors retained in the selection process of the venues for each financial instrument are summarized in the cell below each table.

In 2019, as depicted in the tables below, measures were taken to prepare for the "Brexit". In doing so, new counterparties and trading platforms located in the European Union (exception made of the UK) were selected all over the year and gradually replaced the existing ones located in the UK. This movement will keep going through the transition period of 2020 for the remaining UK brokers who have not activated their adaptation plan yet.

1. EQUITIES – SHARES & DEPOSITORIES RECEIPTS – TICK SIZE LIQUIDITY BANDS 5 AND 6 (FROM 2 000 TRADES PER DAY)

LYXOR INTERMEDIATION is not a member of any regulated market. The orders on equities are thus transmitted to brokers (Reception and Transmission of Orders activity) which select the venues on which the orders are executed. LYXOR INTERMEDIATION selects the brokers according to the process described in the table below.

Equities - Shares & Depository Receipts - Tick size liquidity bands 5 and 6					
Notification if < 1 average trade per business day in the previous year	No				
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 percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
ICAP SECURITIES LIMITED (213800NMEZS3MD2IUP33)	32%	0%	12%	88%	
SOCIETE GENERALE (O2RNE8IBXP4R0TD8PU41)	18%	35%	3%	97%	
TFS DERIVATIVES LIMITED (549300WXUYR1CMLDQF25)	14%	0%	100%		
BOFA SECURITIES EUROPE SA (549300FH0WJAPEHTIQ77)	11%	12%		100%	
J.P.MORGAN AG (549300ZK53CNGEEI6A29)	6%	19%		100%	
<p>- Société Générale was selected on the basis of the fees charged, the rapidity of execution, the capacity to execute orders in full and a large range of order sizes. This broker offers the "DMA service which strengthens the safety of the execution process.</p> <p>- JP Morgan and Bofa Securities were selected on the basis of the level of fees charged and since they provided access to specific markets. The rapidity of execution and the capacity to execute orders in full are other factors used in the selection process.</p> <p>- Icap and TFS Securities were selected since they provide access to specific markets and may execute large size orders. The rapidity of execution and the capacity to execute orders in full are other selection factors.</p>					

2. EQUITIES – SHARES & DEPOSITORIES RECEIPTS – TICK SIZE LIQUIDITY BANDS 3 AND 4 (FROM 80 TO 1 999 TRADES PER DAY)

LYXOR INTERMEDIATION is not a member of any regulated market. The orders on equities are thus transmitted to brokers (Reception and Transmission of Orders activity) which select the venues on which the orders are executed. LYXOR INTERMEDIATION selects the brokers according to the process described in the table below.

Equities - Shares & Depository Receipts - Tick size liquidity bands 3 and 4					
Notification if < 1 average trade per business day in the previous year	No				
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 percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
BOFA SECURITIES EUROPE SA (549300FH0WJAPEHTIQ77)	27%	13%		100%	
SOCIETE GENERALE (O2RNE8IBXP4R0TD8PU41)	15%	20%		100%	
JP MORGAN SECURITIES LLC (ZBUT11V806EZRVWT807)	9%	22%		100%	
J.P.MORGAN AG (549300ZK53CNGEEI6A29)	9%	14%		100%	
MERRILL LYNCH INTL (GGDZP1UYGU9STUHRDP48)	7%	3%		100%	
<p>- BOFA Securities Europe was selected on the basis of the level of the fees charged. The rapidity of execution, the capacity to execute orders in full and a large range of order sizes are other factors used in the selection process.</p> <p>- Société Générale was selected on the basis of the fees charged. The rapidity of execution, the capacity to execute orders in full are other factors used in the selection process. This broker offers the "DMA" service which strengthens safety of the execution process.</p> <p>- JP Morgan Securities, JP Morgan AG, Merrill Lynch International were selected on the basis of the fees charged and for execution of order placed on specific trading strategies. The rapidity of execution the capacity to execute orders in full are other factors used in the selection process.</p>					

3. EQUITIES – SHARES & DEPOSITORIES RECEIPTS – TICK SIZE LIQUIDITY BANDS 1 AND 2 (FROM 0 TO 79 TRADES PER DAY)

LYXOR INTERMEDIATION is not a member of any regulated market. The orders on equities are thus transmitted to brokers (Reception and Transmission of Orders activity) which select the venues on which the orders are executed. LYXOR INTERMEDIATION selects the brokers according to the process described in the table below.

Equities - Shares & Depository Receipts - Tick size liquidity bands 1 and 2					
Notification if < 1 average trade per business day in the previous year	No				
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 percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
SOCIETE GENERALE (O2RNE8IBXP4R0TD8PU41)	21%	11%		100%	
BOFA SECURITIES EUROPE SA (549300FH0WJAPEHTIQ77)	18%	21%		100%	
LOUIS CAPITAL MKTS UK LLP (213800KL2QZT2GQM34)	16%	0%			100%
MERRILL LYNCH INTL (GGDZP1UYGU9STUHRDP48)	11%	2%		100%	
JP MORGAN SECURITIES LLC (ZBUT11V806EZRTWT807)	9%	18%		100%	
<p>- Société Générale was selected on the basis of the fees charged. The rapidity of execution, the capacity to execute orders in full are other factors used in the selection proces. This broker provides the "DMA" service which threnghens the safety of the execuion process.</p> <p>- BOFA Securities Europe, JP Morgan Securities and Merrill Lynch were selected on the basis of the level of fees charged and since this broker gives access to specific markets. The rapidity of execution, the capacity to execute orders in full are other factors used in the selection process.</p> <p>- Louis Capital was selected since this broker gives access to specific markets, sometimes on large size orders. The rapidity of execution and the capacity to execute orders in full are other factors used in the selection process</p>					

4. DEBT INSTRUMENTS – BONDS

Orders on bonds are executed (Execution activity) on MTFs or with SIs according to the process described in the table below.

LYXOR INTERMEDIATION keeps increasing the share of its execution activity on bonds made on execution platform according to an open architecture model, which allows the execution at the best price available at the time when the order is placed on the platform.

Debt instruments - Bonds					
Notification if < 1 average trade per business day in the previous year	No				
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 percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
SOCIETE GENERALE (O2RNE8IBXP4R0TD8PU41)	61%	76%			100%
Bloomberg MTF (549300ROEJDDAXM6LU05)	13%	6%		100%	
BNP PARIBAS PARIS (R0MUWSFPU8MPRO8K5P83)	10%	2%		39%	61%
Bloomberg Trading Facility B.V. (254900QBKK4WBSO3GE51)	10%	3%		100%	
JANE STREET FINANCIAL LTD (549300ZHEHX8M31RP142)	4%	9%		7%	93%
<p>- Bloomberg MTF and Bloomberg Trading Facility BV are leading platforms for fixed income trading which are used by a large number of counterparties and thus offer liquidity and allow best execution by way of Rfq. The platforms also offer safety in the order execution process by way of electronic exchange of information.</p> <p>- Société Générale (SI) is used to execute directed or specific orders or orders placed on specific strategies. The platform provides safety and transparency in the execution of orders; the placement of orders is based on a workflow which proved to be robust since it has been used for years. The platform offers the transparency of the market prices which favours best execution.</p> <p>- BNP Paribas Paris and Jane Street Financial Ltd were used to execute specific orders.</p>					

5. DEBT INSTRUMENTS – MONEY MARKETS INSTRUMENTS

Orders on Money market Instruments are executed (Execution activity) on MTFs or with SIs according to the process described in the table below.

LYXOR INTERMEDIATION keeps increasing the share of its execution activity on bonds made on execution platform according to an open architecture model, which allows the execution at the best price available at the time when the order is placed on the platform.

Debt instruments - Money Market Instruments					
Notification if < 1 average trade per business day in the previous year	No				
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 percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Bloomberg MTF (549300ROEJDDAXM6LU05)	63%	53%		100%	
Bloomberg Trading Facility B.V.(254900QBKK4WBSO3GE51)	36%	25%		100%	
SOCIETE GENERALE (O2RNE8IBXP4R0TD8PU41)	0%	22%		100%	
Néant					
Néant					
<p>- Bloomberg MTF and Bloomberg Trading Facility BV are leading platforms for fixed income trading which are used by a large number of counterparties and thus offer liquidity and allow best execution by way of Rfq. The platforms also offer safety in the order execution process by way of electronic exchange of information.</p> <p>- Société Générale is used since this counterparty provides liquidity for specific orders.</p>					

6. INTEREST RATE DERIVATIVES – FUTURES AND OPTIONS ADMITTED ON A TRADING VENUE

LYXOR INTERMEDIATION is not a member of any regulated market. The orders on future contracts are thus channeled to broker entities (Reception and Transmission of Orders activity) which select the venues on which the orders are executed. LYXOR INTERMEDIATION selects the brokers according to the process described in the table below.

Interest rates derivatives - Options and Futures admitted to trading on a trading venue					
Notification if < 1 average trade per business day in the previous year	No				
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 percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
SOCIETE GENERALE (O2RNE8IBXP4R0TD8PU41)	66%	44%		100%	
JP MORGAN SECURITIES PLC (K6Q0W1PS1L1O4IQL9C32)	13%	0%		100%	
GFI SECURITIES LIMITED (GUNTJCA81C7IHNBGI392)	11%	22%		100%	
SOCIETE GENERALE INTL Ltd (0IKLU6X1B10WK7X42C15)	7%	6%		100%	
Deutsche Bank AG - London (7LTWFZYICNSX8D621K86)	4%	27%		100%	
<p>- Société Générale, Société Générale International and Deutsche Bank were selected on the basis of the DMA services they provide, which strengthens the safety of the order execution process. The rapidity of execution together with the low level of fees are two other selection factors.</p> <p>- GFI Securities is used mainly because this entity offers specific trading facilities and on the basis of the level of fees charged.</p> <p>- JP Morgan Securities was used for the capacity to execute specific orders.</p>					

7. CURRENCY DERIVATIVES – FUTURES AND OPTIONS ADMITTED ON A TRADING VENUE

LYXOR INTERMEDIATION is not a member of any regulated market. The orders on future contracts are thus transmitted to broker entities (Reception and Transmission of Orders activity) which select the venues on which the orders are executed. LYXOR INTERMEDIATION selects the brokers according to the process described in the table below.

Currency derivatives - Options and Futures admitted to trading on a trading venue					
Notification if < 1 average trade per business day in the previous year	No				
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 percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
SOCIETE GENERALE (O2RNE8IBXP4R0TD8PU41)	71%	36%		100%	
Deutsche Bank AG - London (7LTWFZYICNSX8D621K86)	15%	54%		100%	
SOCIETE GENERALE INTL Ltd (0IKLU6X1B10WK7X42C15)	15%	10%		100%	
Néant					
Néant					
- Société Générale, Société Générale International and Deutsche Bank were selected on the basis of the DMA services they provide, which strengthens the safety of the order execution process. The rapidity of execution together with the low level of fees are two other selection factor.					

8. CURRENCY DERIVATIVES – SWAPS, FORWARDS AND OTHER CURRENCY DERIVATIVES

Orders on not listed currency derivatives are executed (Execution activity) on MTFs or with SIs according to the process described in the table below.

Currency derivatives - Swaps, Forwards and other currency derivatives					
Notification if < 1 average trade per business day in the previous year	No				
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 percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Reuters Transaction Services Ltd (549300SDDJE84DDJNB30)	63%	63%		64%	36%
SOCIETE GENERALE (O2RNE8IBXP4R0TD8PU41)	32%	15%			100%
Financial & Risk Transaction (635400MQZIPRVPDDZK76)	5%	23%		94%	6%
Bloomberg MTF (9695009GGL2ARI16WO24)	0%	0%		100%	
Néant					
<p>- Société Générale (SI) is used to execute directed orders . The platform provides safety and transparency in the execution of orders; the placement of orders is based on a workflow which proved to be robust since it has been used for years. The platform offers the transparency of the market prices which favours best execution.</p> <p>- Reuters Transactions Services - Fxall MTF and Financial & Risk Transaction Services were selected as they both offer safety in the execution of orders by way of electronic exchange of information. The platforms are used to execute directed orders and offer transparency of prices which favours best execution.</p> <p>- Bloomberg MTF is used for orders placed by specific funds. The platform provides safety in the execution of orders by way of electronic exchange of information.</p>					

9. EQUITY DERIVATIVES – FUTURES AND OPTIONS ADMITTED ON A TRADING VENUE

LYXOR INTERMEDIATION is not a member of any regulated market. The orders on future contracts are thus transmitted to broker entities (Reception and Transmission of Orders activity) which select the venues on which the orders are executed. LYXOR INTERMEDIATION selects the brokers according to the process described in the table below.

Equity derivatives - Options and Futures admitted to trading on a trading venue					
Notification if < 1 average trade per business day in the previous year	No				
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 percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
TFS DERIVATIVES LIMITED (549300WXUYR1CMLDQF25)	43%	7%	89%	11%	
SOCIETE GENERALE (O2RNE8IBXP4R0TD8PU41)	24%	32%		100%	
Deutsche Bank AG - London (7LTWFZYICNSX8D621K86)	11%	36%		100%	
GFI SECURITIES LIMITED (GUNTJCA81C7IHNBGI392)	10%	14%		100%	
SOCIETE GENERALE INTL Ltd (0IKLU6X1B10WK7X42C15)	4%	8%		100%	
<p>- Société Générale, Société Générale International and Deutsche Bank were selected on the basis of the DMA services they propose, which strengthens the safety of the order placement process. The rapidity of execution together with the low level of fees are two other selection factors.</p> <p>- GFI Securities was used mainly because this entity offers specific trading facilities and low level of fees.</p> <p>- TFS Derivatives was selected for its capacity to execute specific orders and large size orders.</p>					

10. EQUITY DERIVATIVES – SWAPS, FORWARDS AND OTHER CURRENCY DERIVATIVES

Orders on not listed equity derivatives are executed (Execution activity) with SIs according to the process described in the table below.

Equity Derivatives (Swaps and other equity derivatives)					
Notification if < 1 average trade per business day in the previous year	yes				
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 percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
SOCIETE GENERALE (O2RNE8IBXP4R0TD8PU41)	100%	100%		100%	
Néant					
Néant					
Néant					
Néant					
The counterparty was used to execute orders placed on specific strategies with previously negotiated costs.					

11. COMMODITIES DERIVATIVES AND EMISSION ALLOWANCES DERIVATIVES – FUTURES AND OPTIONS ADMITTED ON A TRADING VENUE

LYXOR INTERMEDIATION is not a member of any regulated market. The orders on future contracts are thus transmitted to broker entities (Reception and Transmission of Orders activity) which select the venues on which the orders are executed. LYXOR INTERMEDIATION selects the brokers according to the process described in the table below.

Commodities derivatives - Options and Futures admitted to trading on a trading venue					
Notification if < 1 average trade per business day in the previous year	No				
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 percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
SOCIETE GENERALE (O2RNE8IBXP4R0TD8PU41)	78%	38%		100%	
SOCIETE GENERALE INTL Ltd (0IKLU6X1B10WK7X42C15)	16%	5%		100%	
Deutsche Bank AG - London (7LTWFZYICNSX8D621K86)	5%	49%		100%	
GFI SECURITIES LIMITED (GUNTJCA81C7IHNBGI392)	0%	7%		100%	
Néant					
<p>- Société Générale, Société Générale International and Deutsche Bank were selected on the basis of the DMA services they propose, which strengthens the safety of the order placement process. The rapidity of execution together with the low level of fees are two other selection factors.</p> <p>- GFI Securities was selected mainly because this entity offers specific trading facilities and on the basis of the level of fees charged.</p>					

12. EXCHANGE TRADED PRODUCTS

Orders received on ETFs are executed by way of two different channels according to the type or the size of the orders: LYXOR INTERMEDIATION executes the order directly on MTFs mostly when the size or the liquidity observed on the market are large (see the first table below for details). Otherwise, LYXOR INTERMEDIATION transmits the order to brokers or liquidity providers mainly when the orders are to be executed on specific target fixing point or when the size of the order is small (see the table below for details).

LYXOR INTERMEDIATION keeps increasing the share of its execution activity on exchange traded products made on execution platform according to an open architecture model, which allows the execution at the best price available at the time when the order is placed on the platform.

Exchange Traded Products					
Notification if < 1 average trade per business day in the previous year	No				
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 percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
SOCIETE GENERALE (O2RNE8IBXP4R0TD8PU41)	45%	28%		100%	
Tradeweb EU B.V. (724500D4BFEWKWVC1G62)	39%	59%		100%	
Tradeweb MTF (2138001WXZQOPMPA3D50)	10%	12%		100%	
FLOW TRADERS BV (549300CLJI9XDH12XV51)	5%	0%		100%	
OPTIVER VOF (7245009KRY SAYB2QCC29)	0%	0%		100%	
<p>- Tradeweb MTF and Tradeweb EU BV offer safety in the execution of orders in an open architecture model and transparency in the market prices. The platform are also used by a large number of liquidity providers for orders executed via the Rfq process. The Rfq process is an important factor in the best execution processes.</p> <p>- The other counterparties or liquidity providers were selected for the liquidity provided, the capacity to execute rapidly and in full, large size orders and to trade with negotiated fees. Settlement quality is another selection factor.</p>					