MARKET SECURITIES
Direct Market Access and Algorithmic Trading
Global Services and Expertise

Kyte Broking Limited is a global, independent inter-dealer broker, with offices in London and Paris, and affiliated offices in New York and Dubai.

We specialise in the following asset classes:

**Equity & ETFs**
- Cash Equity
- Research
- Execution
- Derivatives
- Single Stocks
- Index

**Fixed Income**
- Cash Bonds
- Credit
- Energy Market
- Rates
- Swaps
- Sovereign and Supra National Bonds
- Futures And Options
- OTC Interest Rate Options

**Structured Products**
- Capital Protected
- Capital At Risk
- UCITS and QIF Funds
- Commodity Linked
- Credit Linked

**Foreign Exchange**
- Derivatives
- Forwards

**Commodities**
- Physical
- Derivatives
- Swaps
Global Services and Expertise

We offer large natural execution flows for various asset classes as well as designated research and technical analysis to a wide institutional client base of investment banks, hedge funds, asset managers, proprietary trading desks, pension funds and insurance companies.

Equity & ETFs
- Global

FX & Commodities
- Global

Equity Derivatives
- Europe, Asia and US

Fixed Income
- Global

Structured Products
- Global

Equity Markets
- All MSCI developed markets;
- Most of the MSCI Emerging Markets (except Pakistan); and
- An non-exhaustive list of Frontier Markets (Nigeria, Romania, Tunisia, Tanzania, Kenya, Bulgaria, Botswana, Bangladesh, Morocco, Jordan, Bahrain, Saudi Arabia, Oman*)

Bonds Markets
- Dealing in primary markets, new issuances and secondary markets in Euroclear/Clearstream markets as well as local markets
(Australia, Austria, Belgium, Canada, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Hong Kong, Italy, Israel, Indonesia, Japan, Mexico, Morocco, Netherlands, New Zealand, Norway, Philippines, Poland, Portugal, Singapore, Slovak Republic, Slovenia, South Africa, Spain, Sweden, Switzerland, Thailand, UK, USA)

* Certain of these markets are subject to specific procedures
## Global Services and Expertise

### Expertise

- Intelligent Execution: algorithmic trading, baskets, programs at the close
- Execution of complex strategies: cross currencies, risk arbitrage, pairs trading
- Optimisation of execution strategy thanks to trade cost analysis (TCA) models
- Block trading
- Connection to well-known reputable Forex platforms
- Macroeconomic research and top-down investment strategies
- Technical analysis: cross assets, sectors, single stocks, pairs trading, etc

### Distinctions

- Leading Derivatives House
- Leading broker on certain products traded on NYSE Euronext since 2010
- One of the largest players on EuroStoxx Index trading
- Top Tier Equity Derivatives Single Stocks Desk
- One of the larger players in Exotics and Light Exotics Products
- Bloomberg’s top forecaster for the US and Eurozone economies since 2012
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## Cash Equity Strategies

<table>
<thead>
<tr>
<th>Algorithm</th>
<th>Strategy</th>
<th>Description</th>
<th>Typical usage</th>
</tr>
</thead>
<tbody>
<tr>
<td>VWAP</td>
<td>VWAP</td>
<td>Aims to match VWAP for a specified time interval by dynamically following multiple trading indicators.</td>
<td>For stocks with low variability in their volume profile when VWAP is the benchmark</td>
</tr>
<tr>
<td>TWAP</td>
<td>TWAP</td>
<td>Spreads executions out evenly over a specified time period.</td>
<td>For liquid stocks when the user would like to distribute executions more evenly over a set time period ignoring the VWAP curve.</td>
</tr>
<tr>
<td>With volume</td>
<td>Participation</td>
<td>Works order by actively participating using a target percentage of the volume. Will attempt price improvement depending on market indicators and order book conditions.</td>
<td>Stocks in which trading volume varies substantially from day to day. Less liquid High % ADV names.</td>
</tr>
<tr>
<td>Relative value</td>
<td>Participation</td>
<td>Changes participation based on stocks performance relative to an index.</td>
<td>Alternative to classic volume in line or even simple arrival price strategy.</td>
</tr>
<tr>
<td>Eclipse</td>
<td>Liquidity Seeking</td>
<td>Aims to intelligently extract liquidity from displayed and non-displayed venues, whilst minimising signalling risk and market impact.</td>
<td>Liquidity seeking – can be used to reside 100% in the dark or access dark and lit venues.</td>
</tr>
<tr>
<td>Shortfall</td>
<td>Implementation</td>
<td>Aims to minimise the slippage between the arrival price and the actual average execution price by minimising both opportunity cost and impact cost.</td>
<td>Appropriate when user has a specific price range and wants to execute intelligently within that range.</td>
</tr>
<tr>
<td>Pairs</td>
<td>Pairs</td>
<td>Flexible way to trade two stocks with a contingent relationship.</td>
<td>Use for event arbitrage, long/short, or cash-neutral stock switch.</td>
</tr>
<tr>
<td>Peg</td>
<td>Spread Capture</td>
<td>Floats orders at a level pegged within the bid/offer spread based on the user’s instructions, with a display size being either a specific share amount or a percentage of the total order size (total order size is hidden). The peg price will float with the quote; if the stock moves away, the order is cancelled and replaced to join the new offer or bid.</td>
<td>When you want to passively follow the market automatically. Appropriate for stocks with wide spreads.</td>
</tr>
<tr>
<td>Open/close</td>
<td>Open/Close</td>
<td>Seeks to minimise the shortfall of an opening/closing benchmark by participating in the opening/closing auction (and volume traded before/after, if discretion is selected).</td>
<td>Orders benchmarked to open/close price.</td>
</tr>
</tbody>
</table>
# Cash Equity Strategies

## Algorithms

<table>
<thead>
<tr>
<th>Algorithm</th>
<th>Trading style</th>
<th>Dark pool participation</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>VWAP</td>
<td>Optional – via Block Cross parameter</td>
<td>Algorithm trades between the Start Time and End Time when no End Time is selected. It defaults to the end of the trading day without participating in the closing auction.</td>
<td></td>
</tr>
<tr>
<td>TWAP</td>
<td>Optional – via Block Cross parameter</td>
<td>Algorithm trades between the Start Time and End Time when no End Time is selected. It defaults to the end of the trading day without participating in the closing auction.</td>
<td></td>
</tr>
<tr>
<td>VWth volume</td>
<td>Optional – via Block Cross parameter</td>
<td>Algorithm trades between the Start Time and End Time when no End Time is selected. It defaults to the end of the trading day without participating in the closing auction.</td>
<td></td>
</tr>
<tr>
<td>Relative value</td>
<td>Aggressive, Neutral (default), Conservative</td>
<td>Optional – via Block Cross parameter</td>
<td>Min/Max % controls range of participation. Initial participation is average of the two. Trading style controls rate of increase/decrease as relative value changes. Participation mode allows a user to express a momentum or reversion view on the stock.</td>
</tr>
<tr>
<td>Eclipse</td>
<td>Aggressive, Neutral (default), Conservative</td>
<td>Yes</td>
<td>Trading Style controls level of aggression. It manages how much patience the algorithm will have when looking for opportunities to trade. Block Only provides the ability to reside in non-displayed venues only. (Block Cross Mode) including SG CIB’s internal liquidity pool AlphaY.</td>
</tr>
<tr>
<td>Shortfall</td>
<td>Aggressive: 10.5% – 22.05%, Neutral (default): 7% – 15%, Conservative: 5% – 10%</td>
<td>Optional – via Block Cross parameter</td>
<td>Algorithm trades between the Start Time and End Time when no End Time is selected. It defaults to the end of the trading day without participating in the closing auction. Trading Style controls the level of market participation and can be defaulted on a per client basis.</td>
</tr>
<tr>
<td>Pairs</td>
<td>Post (BOTH), Post (BUY), Post (SELL), Hit (ONLY)</td>
<td>No</td>
<td>Trading Strategy: indicates how the pair should trade prior to being in ratio. Currency: defaulted to the trading currency but can be overridden to express the pair relationship in a different currency.</td>
</tr>
<tr>
<td>Peg</td>
<td>Aggressive, Neutral, Conservative (default)</td>
<td>Optional – via Block Cross parameter</td>
<td>Conservative mode follows the bid for buys and offer for sells. Neutral mode pegs to the middle of the bid/offer spread. Aggressive mode follows the bid for sells and offer for buys.</td>
</tr>
<tr>
<td>Open/close</td>
<td>Yes (Close Only)</td>
<td>The algo calculates the expected volume by looking at a range of factors including 20 day average and intraday trading patterns. If expected volume is not sufficient the algo will trade before/after if discretion is selected.</td>
<td></td>
</tr>
</tbody>
</table>
## Derivative Strategies

### Algorithms

<table>
<thead>
<tr>
<th>Algorithm</th>
<th>Description</th>
<th>Typical usage</th>
<th>Parameter options</th>
</tr>
</thead>
</table>
| VWAP      | Strives to match Volume-Weighted Average price utilising projected volume profiles over a specified time period. (Volume analysis takes into account known fundamental events.) | While it can be used to achieve VWAP, it also attempts to limit market impact by capturing predicted liquidity. | 1. Start / End Time  
2. Trading Style (see table) |
| TWAP      | Spreads orders out evenly over a specified time period. | TWAP might be used during illiquid times, where volume curves are less reliable or to distribute executions more evenly, e.g., in volatile markets. | 1. Start / End Time  
2. Trading Style (see table) |
| Arrival Price | Aims to minimise slippage between the arrival price and the actual average execution price. (Order may finish prior to end time depending on duration and order size.) | Appropriate during liquid times when the target is the arrival price benchmark. | 1. Start / End Time  
2. Trading Style (see table)  
3. Urgency Level:  
4. Medium Urgency: 50% of the order quantity will be released within the first 25% of the specified time period.  
5. High Urgency: 50% of the order quantity will be released within the first 12.5% of the specified time period. |
| Destination Price |  | Appropriate during liquid times when the target is the end-time benchmark, e.g. market close. | 1. Start / End Time  
2. Trading Style (see table)  
3. Urgency Level:  
4. Medium Urgency, 50% of the order quantity will be released within the first 25% of the specified time period.  
5. High Urgency: 50% of the order quantity will be released within the first 12.5% of the specified time period. |
| POV | Works order by actively participating using a target percentage of the volume. | Products in which trading volume varies substantially from day to day or if trading objective is to participate at a rate with the market. | 1. Start / End Time  
2. Participation rates  
3. Price Bands  
4. Trading Style (see table) |
# Derivative Strategies

<table>
<thead>
<tr>
<th>Trading style</th>
<th>Description</th>
<th>Typical usage</th>
<th>Parameter options</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aggressive</td>
<td>Deploys limit and market orders to achieve immediate fills.</td>
<td>More efficient way to execute an order when the primary goal is speed of execution.</td>
<td>Peg offset Override Default values may be overridden in number of ticks.</td>
</tr>
<tr>
<td>Normal</td>
<td>Pegs limit orders ‘n’ ticks above the best bid if buying (below the ask if selling) ‘n’ is determined by our analysis</td>
<td>Speed of execution remains important but want to avoid overpaying or selling too cheaply when the bid/ask spread temporarily widens.</td>
<td>Peg offset Override Default values may be overridden in number of ticks.</td>
</tr>
<tr>
<td>Sliding peg</td>
<td>Dynamically pegs the bid/ask and rejoins until the child order is filled.</td>
<td>Desires to provide liquidity (not pay bid/ask) but assumes the risk of the market moving away.</td>
<td>Working Quantity Working Patience Time Increase aggression by sending market orders if designated time or quantity thresholds are met.</td>
</tr>
<tr>
<td>Patient</td>
<td>Joins bid/ask and remains there for a period of a time determined by our analysis</td>
<td>Has specific price objectives (ie. the arrival bid/ask prices) but assumes the risk of the market moving away.).</td>
<td>Slice Time to Market Default time values may be overridden.</td>
</tr>
</tbody>
</table>
Equity Market Coverage

North America
- Canada
- USA
- All venues

South America
- Brazil
- Chile
- Mexico

Africa
- South Africa

Asia
- Malaysia
- Philippines
- Singapore
- South Korea
- Taiwan
- Thailand

Europe
- Austria
- Belgium
- Denmark
- Finland
- France
- Germany
- Ireland
- Italy
- Netherlands
- Norway
- Spain
- Sweden
- Czech
- Republic
- Hungary
- Greece
- Poland
- Turkey
- Virtx
- uK-Ise
- Pan euro MTF
- Pan Euro BCN

Oceania
- Australia
- New Zealand

Market Securities
Contact us

London Office
55 Baker Street, London W1U 8EW
t: +44 (0) 20 7150 0767
e: London@market-securities.com
w: market-securities.com

Paris Office
25, Rue Balzac, 75008, France
t: +33 1 70 99 52 00
e: paris@market-securities.com

New York City Office
85 Broad Street, floor 27, NY 10004, USA
t: +1 646 588 4429
e: nyc@market-securities.com

Dubai Office
Emirates Financial Towers South 2401, UAE
t: +971 4 374 1300
e: dubai@market-securities.com

Compliance
t: +44 207 192 1036
e: compliance@market-securities.com

Account Opening
t: +44 207 390 4224
e: accounts@market-securities.com

Trading and Flows
t: +33 1 70 99 52 36
t: +44 207 150 07 56

Middle Office
t: +44 203 192 10 10
e: msl-mo@market-securities.com
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