

Algo Order Strategies

Our Algo order strategies can help you achieve your risk management goals more efficiently and in a low-touch manner. Algos also minimize market impact by providing a way for large notional orders to be broken down into a series of smaller orders over time across multiple venues.

All Algo orders are managed by our Program Trading team¹. Any queries on the strategies below should be directed to efxSales@bnymellon.com prior to execution.

ALGO STRATEGY/ DESCRIPTION	ORDER PLACEMENT STRATEGY	TYPICAL OBJECTIVE ²	LIQUIDITY SOURCES AVAILABLE	TIME SENSITIVE
 <p>FLOAT Floats with the market - passively post and repeg orders based on current pricing levels and trading activity.</p>	<p>Opportunistic Order placement and frequency is determined by the aggression parameters (passive orders only).</p>	<p>Execute passively and not pay spread.</p>	<p>Hybrid Internal External</p>	<p>X</p>
 <p>TWAP Executes by posting evenly distributed orders over a user defined time horizon.</p>	<p>Interval based Posts passive orders on a schedule determined by the duration and price sensitivity parameters. Will take liquidity if resting child orders</p>	<p>Minimize market impact, assuming a suitable duration is set.</p>	<p>Hybrid Internal External</p>	<p>✓</p>
 <p>TIMESLICER Based on TWAP, adheres rigidly to the schedule, only taking liquidity, not placing resting orders.</p>	<p>Interval based Only executes by taking liquidity as determined by the schedule. No passive orders placed.</p>	<p>Minimize market impact and signal risk.</p>	<p>Hybrid</p>	<p>✓</p>
 <p>VWAP Executes orders that are distributed and posted based on historic volumes and real-time variables over a user defined time horizon.</p>	<p>Volume base Posts passive orders on a schedule determined by the duration and price sensitivity parameters. Will take liquidity if resting child orders are not filled.</p>	<p>Minimize market impact, assuming a suitable duration is set.</p>	<p>Hybrid Internal External</p>	<p>✓</p>
 <p>POV Executes orders based on historical volume averages. Trajectory is drawn by targeting a specific fraction of historical volume. Users will define higher or lower participation rate.</p>	<p>Volume based Posts passive orders on a schedule determined by the duration and price sensitivity parameters. Will take liquidity if resting child orders are not filled.</p>	<p>Target a specific percentage of historical volume.</p>	<p>Hybrid Internal External</p>	<p>✓</p>

1. The Program Trading desk is physically separated from franchise traders. No Algo order information is visible or accessible by franchise traders.
 2. If the duration dictates the pace of the execution, it is considered time sensitive. If the pace is not affected by the duration set and may not complete by the end time, it is not considered time sensitive.

Algo Parameters

		KEY	REQUIRED ✓	OPTIONAL ✓	NON-APPLICABLE ✗		
PARAMETERS/ DESCRIPTION	OPTIONS	DEFAULT	FLOAT	TWAP	TIMESLICER	VWAP	POV
CURRENCY PAIR Currency pair of the order	See supported currencies		✓	✓	✓	✓	✓
DIRECTION Specify which currency to buy or sell	Buy / sell selected currency		✓	✓	✓	✓	✓
AMOUNT Order notional amount in specified currency	User specified amount		✓	✓	✓	✓	✓
START TIME Start time of the order	User specified amount	Now	✓	✓	✓	✓	✓
END TIME End time of the order	GTC - Good until cancelled GTT - Good until time GTD - Good until end of day	5pm EST (GTD) / 5pm LDN for SANV clients	✓	✓	✓	✓	✓
LIMIT PRICE Price that the order will not breach, nor place buy orders above or sell orders below this limit.	User specified rate	No Limit	✓	✓	✓	✓	✓
PRICE SENSITIVITY Sensitivity to market rate - will speed up or slow down depending on the favorability of the current market; finish earlier than end time or underfill as a result. Low can deviate less from the trajectory than High .	Low / Medium / High	Not Enabled	✗	✓	✓	✓	✗
MUST COMPLETE If price sensitivity is set and must complete is Yes , the algo will adapt the trajectory to complete the order by the specified end time. If No , then there is the possibility of an underfill.	Yes / No	No	✗	✓	✓	✓	✗
LIQUIDITY Specify liquidity pools in which to participate.	Hybrid / Internal / External	Medium	✓	✓	✓	✓	✓
AGGRESSION Urgency of execution: Low posts more passively and less frequently; High posts less passively and more frequently	Low / Medium / High	No	✓	✗	✗	✗	✗
PASSIVE MODE If Yes , will limit order placement to top of book price (market bid or offer). If No , order placement is driven by the aggression setting.	Yes / No	Regular market size	✓	✗	✗	✗	✗
MAX DISPLAY SIZE Maximum size order that can be posted on any venue available to the algorithm.	User specified size	User specified amount	✓	✗	✗	✗	✗

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