

Citi® Execution to Custody

Total Trade Life Cycle Management

The equities market landscape has experienced dramatic changes. The number of trading venues has risen, often causing complex liquidity fragmentation. As the industry experiences cost pressures through decreasing trade sizes and commissions, underlying clients are seeking investment opportunities in new markets, creating a unique challenge to capture this cross-border flow without significant foreign infrastructure investment. It has become increasingly difficult and costly to remain competitive in this landscape. Citi has developed an end-to-end solution for clients seeking to overcome these challenges in a cost-effective, efficient and innovative manner.

Citi Markets and Citi Securities and Fund Services (SFS) can now jointly address our clients' need for execution and clearing services around the world without needing to invest in their own infrastructures or connect to multiple providers. By using Citi's integrated pre- and post-trade platform and extensive global network to provide a single counterparty in all major execution markets worldwide, you can achieve operational efficiencies and reduce the risks and complexity of dealing with multiple providers.

Direct market access through a single connection

Citi Markets has connectivity to all leading third-party order- and execution-management systems. With Execution to Custody (E2C), you can have direct access to multiple visible and dark liquidity pools in 38 markets.

Solving the liquidity fragmentation challenge

To achieve best execution in a trading landscape with fragmented liquidity, Citi Markets employs its best-in-class Smart Order Router (SOR). This SOR gives Citi the ability to access displayed and hidden liquidity and to optimally source the best prices.

Citi Smart Order Router (SOR)

Citi Markets will strategically access liquidity at alternative venues away from the primary exchanges, in order to achieve best execution. In addition to direct market access, Citi also has an innovative algorithmic offering that will determine the optimal execution strategy for an order in terms of size and schedule, based on your trading goals.

Citi electronic execution

Citi Markets' algorithms provide unique access to Citi's internal liquidity via CitiMatchSM, which provides anonymity and price improvement opportunities while minimizing market impact. You can benefit from the same algorithm suite developed for Citi Markets' own trading team. It spans 32 countries and ten core strategies, each with a diverse parameter set to allow customization.

Improved efficiency in settlement

By making Citi your end-to-end provider, we can help you avoid the significant costs associated with clearing and settling transactions with the multiple venues you need to trade with to achieve best execution.

Benefits at a Glance

- Only one connection to Citi for both execution and custody enabling seamless Straight-Through Processing (STP)
- Enables global expansion through leveraging Citi's connections to the global markets
- Citi Securities and Fund Services automatically generates client settlement instructions
- Higher STP rates and increased operational efficiency
- Best execution through Citi Markets' market leading Smart Order Router and best-execution logic
- Access to Citi's unrivaled network in 64 equities markets and 90+ custody markets, with proprietary custody network of over 60 markets

With E2C, Citi Markets can clear market trades on your behalf with its own general clearing membership so you do not have the expense of maintaining those memberships.

Through its E2C services, Citi SFS will automatically generate your settlement instructions based on predetermined information supplied during implementation. This will eliminate the need for your back office to send settlement instructions for every trade. This will also result in fewer fails and, in turn, lower costs per trade.

Citi enhances its E2C offering to clients with the addition of TradeDate AutoFX. TradeDate AutoFX enables clients currently utilizing a single currency platform to reach international markets without the need to implement a multicurrency solution. TradeDate AutoFX solution is designed to actively manage foreign exchange transactions at market execution thus reflecting trade information in clients' base currency.

Use SFS' robust CitiDirect® for Securities platform for custody and asset servicing

CitiDirect® for Securities is a web-based platform that offers analytic tools, transaction banking, dynamic information and other online services that securities professionals need to increase efficiency, reduce operating costs and increase straight-through-processing rates.

Utilizing SFS' proprietary network, CitiDirect taps into the industry's most comprehensive data warehouse, providing you with transparency into aggregated account information and market insight from around the globe, 24/7. It gives you the control to receive up-to-the-minute information wherever you are – quickly, accurately and customized to suit your needs and schedule.

Our unrivaled global footprint

SFS' award-winning network delivers to over 90 custody markets globally, covering 95% of global market capitalization in over 60 proprietary branches for direct custody and clearing. In addition, SFS maintains eight global windows in Singapore,

London, Jersey, Luxembourg, Hong Kong, China, Toronto and New York.

"One-stop-shop" service model

Our one-stop-shop concept which combines the strengths of Citi Global Markets and Global Custody gives you access to a range of multi-asset products including equities, warrants, fixed income, exchange traded funds, mutual funds, futures, options and tailored investment strategies.

With a fully integrated platform, trade execution, clearing and settlement are all straight through processing and seamless.

Operational inefficiencies and risks of dealing with multiple providers are also removed, without sacrificing quality execution or service. You will have access to a flexible operating model, reduce your overall process risk and receive the exceptional customer service that all of our clients have come to expect from Citi.

For more information about Citi® Execution to Custody, please contact your Citi Relationship Manager or Account Manager.

