



# PRICE IMPROVEMENTS

## Our Technology: Over 100 Thousand orders with Price Improvements

(December 1, 2017 THROUGH December 20, 2017)

With ICM Capital's price improvement technology, all orders can receive positive slippage, or price improvements as a result of natural market price fluctuations. This means you can potentially make more money if the market gaps or spikes favorably through your price. This is especially true in situations where the market moves fast (during weekend gaps or around news events). You may though also experience negative slippage. This means the price you are filled at will be worse than the order price and in extremely volatile markets, the fill price could be much worse. However, we're committed to maintaining an efficient trading environment that reduces latency to help you manage the degree of acceptable slippage.

## ICM Capital HIGHLIGHTS

- 69.50% of all orders had NO SLIPPAGE.
- 13.60% of all orders received positive slippage.
- 16.90% of all orders received negative slippage.

**All trading involves risk. Losses can exceed deposits.**

ICM Capital Limited is authorised and regulated by the Financial Conduct Authority (FCA) Register Number: 520965.

ICM Capital Limited is a wholly owned subsidiary of ICM Holding SARL, registered address: 121, Avenue De La Faiencerie, L-1511 Luxembourg.

ICM Capital Limited is a company registered in England and Wales, registered number: 07101360.

Registered address: Dauntsey House, 4B Frederick's Place, London, EC2R 8AB, United Kingdom.



## ICM Capital Slippage Statistics

**SUMMARY:** AN ICM CAPITAL **PRICE IMPROVEMENT** (POSITIVE SLIPPAGE) OCCURS WHEN YOUR ORDER EXECUTES AT A MORE FAVORABLE PRICE THAN THE PRICE YOU REQUEST. THE OPPOSITE OF A **PRICE IMPROVEMENT** IS NEGATIVE SLIPPAGE, WHEN YOUR ORDER EXECUTES AT A LESS FAVORABLE PRICE. WITH ICM CAPITAL'S ECN FOREX EXECUTION MODEL, BOTH PRICE IMPROVEMENTS AND NEGATIVE SLIPPAGE ARE POSSIBLE, AS THE STATISTICS BELOW SHOW. FIND OUT IN THIS ARTICLE WHICH ORDER TYPES AND MARKET CONDITIONS COULD POTENTIALLY PUT YOU IN THE MOST LIKELY SITUATION TO RECEIVE EITHER A PRICE IMPROVEMENT OR NEGATIVE SLIPPAGE.

### HIGHLIGHTS

These highlights come from orders that executed through ICM Capital from 1 December 2017 to 20 December 2017. Data includes all types of clients:

- **69.50%** of all orders had **NO SLIPPAGE**.
- **13.60%** of all orders received **positive slippage**.
- **16.90%** of all orders received negative slippage.

AS YOU CAN SEE, WITH ICM CAPITAL, POSITIVE SLIPPAGE OCCURS ABOUT AS FREQUENTLY AS NEGATIVE SLIPPAGE. WE BELIEVE THAT THIS REFLECTS POSITIVELY ON OUR ECN FOREX EXECUTION MODEL, WHICH AIMS TO PROVIDE FAIR AND TRANSPARENT EXECUTION.

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**TABLE 1.1 POSITIVE AND NEGATIVE SLIPPAGE BY ORDER TYPE**

Slippage can occur for many reasons, but **price volatility** is often the largest contributor. Typically, as price volatility increases, slippage (both positive and negative) occurs more frequently; as price volatility decreases, slippage occurs less frequently. This is, for example, why traders typically see more slippage around news events.

Order Type	Orders Placed	No Slippage (at price)	Price Improvements	Negative Slippage	No Slippage (at price) %	Price Improvement %	Negative Slippage %
Close Market	64,093	45,152	9,217	9,725	70.45	14.38	15.17
Open Market	63,456	43,516	8,168	11,770	68.58	12.87	18.55
<b>Total</b>	<b>127,548</b>	<b>88,668</b>	<b>17,385</b>	<b>21,495</b>	<b>69.5</b>	<b>13.6</b>	<b>16.9</b>

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**TABLE 1.2 MARKET ORDERS BY ORDER SIZE**

Close Market Order & Open Market

The data above comes from order types OPEN and CLOSED that executed through ICM Capital from December 1, 2017, to December 20, 2017.

Order Size	Orders Placed	No Slippage (at price)	Price Improvements	Negative Slippage	No Slippage (at price) %	Price Improvements %	Negative Slippage %
0-0.49	109,813	76,840	15,313	17,655	69.97	13.94	16.08
0.50-0.99	6,088	4,182	807	1,098	68.7	13.3	18.0
1.0-1.99	7,099	4,979	823	1,298	70.1	11.6	18.3
2.0-2.99	3,152	2,210	279	664	70.1	8.9	21.1
3.0-3.99	370	151	47	173	41	13	47
4.0-4.99	413	153	50	211	37	12	51
5.0-9.99	327	119	42	167	36	13	51
10+	286	36	15	236	13	5	83
<b>Total</b>	<b>127,548</b>	<b>88,670</b>	<b>17,376</b>	<b>21,502</b>	<b>69.5</b>	<b>13.6</b>	<b>16.9</b>

All clients are included from the data. Price improvements are subject to available liquidity.

### Key Order Type Description

**Close Market**, market order to close a position; order type is set to 'at best.'

**Open Market**, market order to open a position; order type is set to 'at best.'

**Orders Placed**, defined as the total amount of trades executed 'at best' market price.

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**No Slippage**, amount of 'Orders Placed' That Received No Slippage, executed at requested price.

**Price Improvement**, amount of 'Orders Placed' That Received a Price Improvement.

**Negative Slippage**, amount of 'Orders Placed' That Received Negative Slippage.

**No Slippage %**, Percentage of 'Orders Placed' That Received No Slippage, executed at requested price.

**Price Improvement %**, Percentage of 'Orders Placed' That Received a Price Improvement.

**Negative Slippage %**, Percentage of 'Orders Placed' That Received Negative Slippage.

## SELECTING ORDER TYPES

There are several order types to choose from when trading forex. Each one is designed to address a specific trading need. Some order types are better suited for times when price volatility is high; some when it is low. Some order types are better suited for use around news events; some are more suitable to use when you hold positions open over the weekend. The following information regarding order types may be helpful when deciding which order type to use.

## HIGHLIGHTS

Based on data gathered from orders executed through ICM Capital from December 1, 2017, to December 20, 2017, we have found the following to be true:

- ✓ **Close market orders** are most likely to receive **positive slippage** and **no slippage** at all.

**Execution Certainty** – traders typically use order types that offer execution certainty when they want to ensure entry into the market and are not concerned about the execution price.

**Price Certainty** – traders typically use order types that offer price certainty when they want to ensure that their orders are only filled, if a particular price (or price range) is satisfied.

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## MARKET ORDERS

A market order executes at the current market price. It is **the most frequently used order type** with ICM CAPITAL.

**Slippage Characteristics:** Market orders can receive both positive slippage and negative slippage. An 'at best' market order provides execution certainty but it does not provide price certainty.

**At Best:** ICM CAPITAL market orders include: 'at best'. Selecting 'at best' instructs the order to fill at the market price. This could be the price requested, a better price, or a worse price depending on market conditions. The executed price is determined primarily by price volatility at the time the order executes.

**THE TAKEAWAY: THE 'AT BEST' ORDER TYPE GUARANTEES EXECUTION CERTAINTY BUT NOT PRICE CERTAINTY.**

## Disclaimers

The article does not in any way attempt to represent that ICM CAPITAL maintains a particular capacity or performance level. The figures in this article are provided for information purposes only, and are not intended for trading purposes or advice. ICM CAPITAL is not liable for any information errors, incompleteness, or delays, or for any actions taken in reliance on information contained herein. Past results are not indicative of future performance.

## HIGH RISK INVESTMENT

Trading forex/CFD's on margin carries a high level of risk and may not be suitable for all investors as you could sustain losses in excess of deposits. Leverage can work against you. Be aware and fully understand all risks associated with the market and trading. Prior to trading any products offered by ICM CAPITAL, carefully consider your financial situation and experience level.

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