

# Top Considerations for Executing Client Orders

Getting the best outcome means investment firms need to keep a few important things in mind when handling client orders.



## Price

Regulators don't expect firms to achieve a best ex on every transaction. Be consistent, highlight deviations and see what can be done to improve the process.

## Costs

Costs must be explicit.  
Measure implicit costs where possible.  
Cost must equal total consideration (implicit + explicit costs).



## Speed, Nature & Size

The key to all three is the impact of the market on price e.g. should the trader work the execution in the market longer to avoid impact? Or quickly to take advantage of price momentum?



## Likelihood of Execution & Settlement

Assess liquidity. Does the broker you execute with hold inventory of the asset or will it be a problem come settlement date? Will it impact the overall cost of the trade?



## Other Considerations

This relates to the client, order (market, care, limit), or execution venue. Since MIFID II classes that your Best Ex must cover has expanded, so has choosing the appropriate venue to execute.

