HSBC FX Execution Algorithms

Summary

HSBC FX Execution Algorithms: innovative access to a unique pool of FX liquidity

HSBC's suite of third-generation FX Execution algorithms are specifically designed to elevate your execution experience via the embedding of state-of-the-art probabilistic and statistical techniques within the fully dynamic and market-adaptive algorithmic decision-making processes

	Available for FX							
	Available for Metals							
Algorithm	**IS** Implementation Shortfall	**LS** Liquidity Seeking	**TWAP** Time-Weighted Average Price	**VWAP** Volume-Weighted Average Price	**POV** Percentage Of Volume	**Get Done** Aggressive Smart Order Router	**Liquidity+** Bespoke Algorithm Combiner	**Basket** Portfolio Execution
Summary	Opportunistic open-ended algorithm balancing the opportunity cost between market volatility risk and market impact, placing both passive and aggressive order types	Passive open-ended algorithm, suitable for clients seeking spread capture, whilst avoiding market impact. Works on a floating iceberg basis.	Time-based scheduler algorithm which executes at relatively even pace throughout selected order duration	Volume-based scheduler algorithm which executes at market activity pace throughout selected order duration using historic volume	Volume-based open-ended algorithm which executes at market activity pace subject to selected participation rate constraint	Aggressive open-ended algorithm which consumes maximum liquidity within selected limit to meet immediate execution requirement	Access to HSBC's suite of FX Execution Algorithms where up to two Algorithms can be selected to operate in different price zones	Optimises a portfolio of orders on a cost / risk basis utilising an IS or TWAP style
Aim	Minimise slippage against primary mid arrival while minimising risk	Execute passively at market pace, minimising market impact and increasing probability of spread capture	Minimise slippage against primary mid TWAP	Minimise slippage against primary VWAP	Execute in line with participation rate and minimise slippage against primary VWAP	Execute aggressively at best possible price within limit as fast as possible	Combine HSBC FX Execution Algorithms for a bespoke execution experience	Reduce risk and execution costs by leveraging netting and correlation awareness

	FX	Metals
Currency Pairs	All crosses of USD, EUR, JPY, GBP, CHF, AUD, CAD, NZD, NOK, SEK, DKK, CZK, PLN, HUF, RON, CNH, HKD, SGD, THB, ILS, ZAR, MXN, TRY NDFs: USDKRW, USDTWD, USDINR, USDIDR, USDPHP	XAU and XAG (versus USD, JPY, EUR, GBP, AUD, CAD, CHF, NOK, NZD, HKD and ZAR)
Liquidity	HSBC Internal Liquidity, EBS, LSEG (MAPI), Currenex, Hotspot (CBOE), 360TGTX (Gain), ParFX, LMAX, Euronext FX (FastMatch), FXSpotStream, Curex, CME Spot, Fenics, 24X	HSBC Internal Liquidity, EBS, Currenex, Hotspot (CBOE), 360TGTX, LMAX, Euronext FX, FSS
Platforms	Where available: HSBC Evolve, Bloomberg, FXall, BidFX, FX Connect, Portware FX, FlexTrade, 360T, SmartTrade, FXSpotStream, FIX API	HSBC Evolve, Bloomberg, FXall, FIX API
TCA	HSBC, BestX, TradeFeedr, bespoke solutions on request	HSBC, BestX, Tradefeedr, bespoke solutions on request

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Execution risk disclosure

The execution risk associated with the use of the HSBC FX Execution Algorithms resides with the client, not HSBC. If a Limit Price is specified and the market price moves considerably or liquidity is insufficient during the execution of the order, the Algorithm may not achieve full completion. Due to uncertainty of legged executions for illiquid currency pairs, there may be market conditions in which HSBC is not able to guarantee the Limit Price on child fills. Execution will ultimately always be liquidity-dependent, e.g. if the market becomes distressed, the Algorithm may fail to complete the order before the End Time. HSBC may be active in the market with its own orders at the same time of a client order. Although HSBC and client orders are treated independently, they may interact in the market and compete for the same liquidity.

For further information on our offering, please contact fxalgo@hsbc.com

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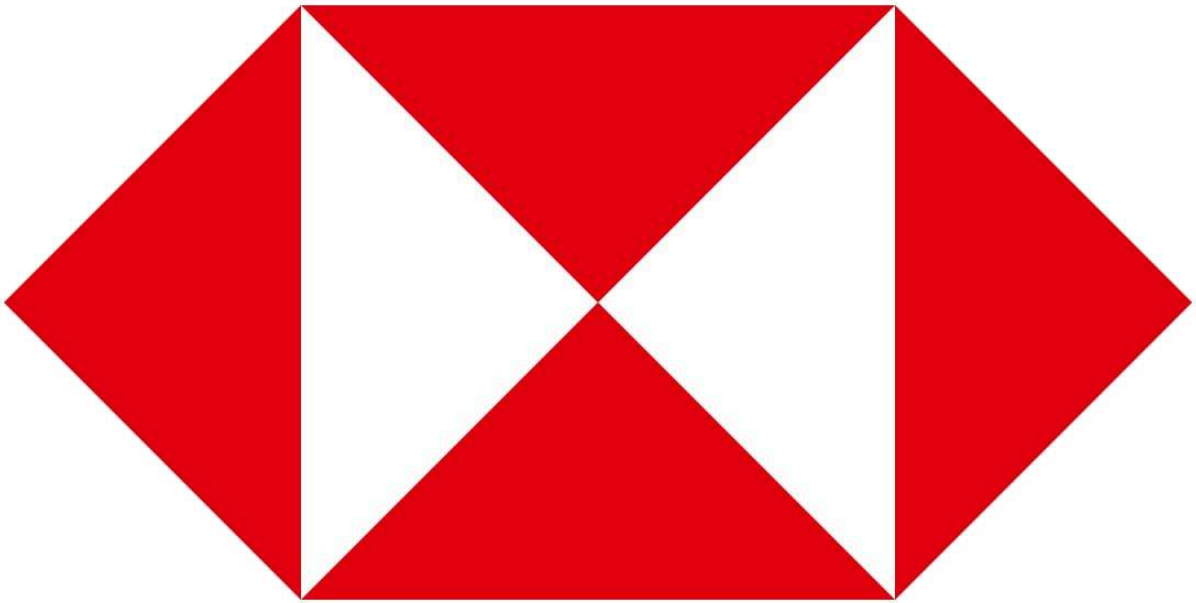
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