



FX Global Code

Liquidity Provider Disclosure Cover Sheet

A. INSTRUCTIONS:

All Liquidity Providers should complete this Cover Sheet in relation to their wholesale foreign exchange market making activities. Liquidity Providers can make use of the FAQs and the “Liquidity Provider Disclosure Cover Sheet Instructions” available on the GFXC website to facilitate the completion of this Cover Sheet ([Disclosure Cover Sheets \(globalfx.org\)](https://www.globalfx.org/docs/globalfx/globalfx-disclosure-cover-sheet-instructions.pdf)). All terms used in this Cover Sheet are as defined in the FX Global Code unless otherwise stated ([https://www.globalfx.org/docs/global.pdf](https://www.globalfx.org/docs/globalfx/global.pdf)).

B. SCOPE:

Liquidity Provider / Entity Name: NatWest Markets Plc and NatWest Markets N.V.

Most Recent Date Completed: February 2023

Liquidity Provider to confirm the entity / business area(s) to which this Cover Sheet applies:

NatWest Markets Plc and NatWest Markets N.V.

C. KEY DISCLOSURES:

1. Capacity (Principle 8)

I. Liquidity Provider acts as (check one):

- Agent
- Principal
- Both

II. If ‘Both’, briefly describe when Liquidity Provider acts in each capacity:

N/A

III. Liquidity Provider’s disclosure regarding capacity is located here:

See page 1 of our *General Sales and Trading Disclosure* under “Principal Trading” at <https://www.natwest.com/corporates/support/disclosures.html>.

2. Pre-Hedging (Principle 11)

- I. Liquidity Provider ever pre-hedges (check one):
- Yes
 No
- II. If yes, Liquidity Provider ever offers clients, upon request, the option of placing an individual order specifying no pre-hedging (check one):
- Yes
 No
- III. Liquidity Provider's disclosure regarding pre-hedging is located here:

See page 4 of our *General Sales and Trading Disclosure* under "Hedging and Pre-hedging" at <https://www.natwest.com/corporates/support/disclosures.html>. We do not pre-hedge as a default, but may do so in line with our disclosure and internal policies.

3. Last Look (Principle 17)

- I. Liquidity Provider ever employs Last Look (as defined in the FX Global Code) (check one):
- Yes
 No
- II. Liquidity Provider's use of Last Look is (check all that apply):
- Symmetrical
 Asymmetrical

If Asymmetrical is used, briefly describe the circumstances:

Except as described below, we apply symmetrical price tolerance to our FX trading.

We may apply asymmetrical price tolerance if requested by the client. In addition, for some modes of connection, we are unable to offer symmetrical price tolerance due to technology limitations.

Further information regarding our use of price tolerance is set out in our *FX E-Trading Disclosure* available at <https://www.natwest.com/corporates/support/disclosures.html>.

This also explains how we use price improvement to adjust FX rates applied to certain transactions for the benefit of the client.

III. Liquidity Provider’s Last Look window maximum and minimum length (in m/s)

Based on a review of FX transactions entered into in 2022 across NatWest Markets Plc and NatWest Markets N.V. for which last look was applied, the typical last look window depending on transaction type is as follows:

Product	Minimum	Median	Maximum – large majority of transactions
Spot FX transactions	1ms	5ms	14ms
FX forwards (including the forward element of FX swaps)	3ms	15ms	302ms
FX options	276ms	574ms	1364ms

Note that figures in this table are approximate and to remove outliers, the “Maximum” figures shown are periods that are equal to or greater than the last look window applicable to 90% of transactions measured. The last look window is the time that it takes for NatWest Markets to respond to a transaction request, measured from the point at which the request is received by, to the time when the response leaves, the NatWest Markets eFX infrastructure. The products listed include both deliverable and non-deliverable transactions. As we no longer apply latency buffers (or ‘hold periods’) to our FX transactions, the statistics exclude historical transactions to which latency buffers were applied. The statistics for FX forwards do not include FX time options or multi-deal transactions.

Further information on this topic is set out in our *FX E-Trading Disclosure* available at <https://www.natwest.com/corporates/support/disclosures.html>.

Liquidity Provider may briefly describe the circumstances under which Last Look window times may change

Factors which may impact the duration of the last look window for any transaction include, without limitation, the duration of credit checks, system latency and geographical location of available liquidity used to price the transaction.

IV. Liquidity Provider ever trades during the Last Look window:

No

When sourcing liquidity under a “Cover and Deal” arrangement that meets all of the characteristics set out in Principle 17 of the Code.

- V. Liquidity Provider's disclosure regarding Last Look is located here:

See our *FX E-Trading Disclosure* available at <https://www.natwest.com/corporates/support/disclosures.html>.

- VI. Liquidity Provider may include free form text regarding any of the above Last Look key topics, if it would like to highlight anything referenced in the main body of its disclosure attached

Section 6 of Part A of our *FX E-Trading Disclosure* (available at <https://www.natwest.com/corporates/support/disclosures.html>) explains how we use "Cover and Deal" arrangements in limited circumstances. Such arrangements involve us using a liquidity provider's price in the price we distribute to our client in order to improve the price that we are able to offer. Our disclosure provides more detail on the criteria we use to select liquidity providers to support this solution.

D. DISCLOSURES INDEX:

Order Handling

Order Aggregation (Principle 9)

- I. Liquidity Provider's disclosure regarding order aggregation is located here:

See page 2 of our *General Sales and Trading Disclosure* under "Market Maker" at <https://www.natwest.com/corporates/support/disclosures.html>.

Discretion (Principle 9)

- I. Liquidity Provider's disclosure regarding use of discretion is located here:

See page 2 of our *General Sales and Trading Disclosure* under "Client Orders" at <https://www.natwest.com/corporates/support/disclosures.html>.

Time-Stamping (Principle 9)

- I. Liquidity Provider's disclosure regarding time-stamping is located here:

See page 2 of our *General Sales and Trading Disclosure* under "Client Orders" at <https://www.natwest.com/corporates/support/disclosures.html>.

Stop-Loss Orders (Principle 10)

- I. Liquidity Provider's disclosure regarding stop-loss orders is located here:

See page 1 of our *General Sales and Trading Disclosure* under "Market Maker" at <https://www.natwest.com/corporates/support/disclosures.html>.

Partial Fills (Principle 10)

- I. Liquidity Provider's disclosure regarding use of partial fills is located here:

See page 2 of our *General Sales and Trading Disclosure* under "Client Orders" at <https://www.natwest.com/corporates/support/disclosures.html>.

Additional Disclosures

Use of Reference Prices (Principle 13)

- I. Liquidity Provider's disclosure regarding use of reference prices is located here:

See page 4 of our *General Sales and Trading Disclosure* under "Pricing" at <https://www.natwest.com/corporates/support/disclosures.html>.

Markup / Fair Pricing Standards (Principle 14)

- I. Liquidity Provider's disclosure regarding use of mark-up is located here:

See page 3 of our *General Sales and Trading Disclosure* under "Pricing" at <https://www.natwest.com/corporates/support/disclosures.html>.

Aggregation Services (Principle 18)

- I. Liquidity Provider uses aggregation services:

Yes

No

- II. If 'Yes', Liquidity Provider's disclosure describing its aggregation services is located here:

See page 3 of our *General Sales and Trading Disclosure* under "Electronic Trading; Use of Algorithms; Aggregation" at <https://www.natwest.com/corporates/support/disclosures.html>.

- III. Liquidity Provider's disclosure regarding use of liquidity sources is located here:

See page 3 of our *General Sales and Trading Disclosure* under “Electronic Trading; Use of Algorithms; Aggregation” at <https://www.natwest.com/corporates/support/disclosures.html>.

Internal sharing of Confidential FX Trading Information (Principle 19)

- I. Liquidity Provider’s high level disclosure regarding internal sharing of confidential FX Trading Information is located here:

See page 4 of our *General Sales and Trading Disclosure* under “Client and NatWest Markets Information” at <https://www.natwest.com/corporates/support/disclosures.html>.

Market Colour (Principle 20)

- I. Liquidity Provider’s disclosure regarding use of Market Colour is located here:

See page 4 of our *General Sales and Trading Disclosure* under “Client and NatWest Markets Information” at <https://www.natwest.com/corporates/support/disclosures.html>.

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