Transaction Cost Analysis (TCA) Data Template

Explanatory statement

The GFXC's TCA Data Template is a response to feedback received during the 2020/21 3-year review of the Code and the findings of the report 'FX execution algorithms and market functioning' submitted by a Study Group established by the Markets Committee at the Bank for International Settlements (BIS), which was published in October 2020. These findings and feedback indicated that the bar for market participants to evaluate the performance of algorithmic execution by conducting Transaction Cost Analysis (TCA) is high.

The template aims to provide a standardised framework for the data that Algo providers should disclose to their clients for the purpose of TCA. The standardised data set should enable users to conduct a meaningful analysis of the execution and to facilitate comparison of the performance of different providers. It may be especially useful for less experienced users of execution algorithms and smaller buy-side market participants with limited technical and/or financial resources. Simultaneously, Algo providers may also benefit from a standardised reporting approach.

Principle 18 of the FX Global Code states that 'Market Participants providing algorithmic trading services to Clients are encouraged to disclose pertinent information to be used for the purpose of Transaction Cost Analysis (TCA) in a market-wide standardised format – for example, by using the GFXC's Transaction Cost Analysis Data Template. Additional data should be provided if it is considered useful.' Market participants may consider using this template while also keeping in mind the concept of proportionality in the FX Global Code. The template is not formally part of the FX Global Code and should not be viewed as an extension of it.

Below you will find the information to be included in the GFXC's TCA Data Template. It contains two sections, one with a summary at the level of the parent order, the other with details on the child orders. The template also defines a standard format for the content of the fields by specifying each data field's content, format and its allowed values. Algo providers can provide the data bilaterally to their clients. Clients who need less granular data can filter or aggregate the data as needed.

Section 1: Parent order information

Field	Description	Format	Allowed values	Example*
Algo Provider	Name of the algo's provider	Alphanumeric		Company
Algo Name	Name of the algorithm	Alphanumeric		Floater
Parent Order Currency Pair	Currency pair of the parent order	Alpha (XXXYYY)	Any two ISO currency codes	EURJPY
Parent Order Direction	Direction of the parent order currency pair from the client's perspective	Alpha	Buy, Sell	Sell
Parent Order Amount	Amount of the parent order	Numeric		6000000.00
Parent Order Amount Currency	Currency of the amount of the parent order	Alpha (XXX)	Any one ISO currency code	EUR
Parent Order Start Time	Start time of the parent order (in UTC)	HH:MM:SS.sss		08:18:52.450
Parent Order End Time	End time of the parent order (in UTC)	HH:MM:SS.sss		08:19:37.526
Parent Order Traded Rate (excl. Fee)	Traded rate of the parent order excluding the algo fee	Numeric		120.706158
Parent Order Traded Rate (incl. Fee)	Traded rate of the parent order including the algo fee	Numeric		120.703319
Parent Order Unique Reference	Algo provider's internal identification of the parent order	Alphanumeric		AA1125:434XYZ
Parent Order Trade Date	Trade date of the parent order	Numeric (YYYYMMDD)		20210119
Parent Order Value Date	Value date of the parent order	Numeric (YYYYMMDD)		20210121
Mid at Arrival	Top of book mid rate at the start time of the parent order	Numeric		120.711000

Risk Transfer Price (if available)	The estimated risk transfer price for the parent order, if the whole notional amount had been dealt at the start time of the parent order	Numeric		120.695000

Section 2: Child order information

Field	Description	Format	Allowed values	Example*
Child Order ID	Algo provider's internal identification tag of the child order	Alphanumeric		XYC125:434XUN
Action Time	Timestamp for each action taken in UTC. Action includes fill on child order level and amendment on parent order level.	HH:MM:SS.sss		08:19:29.837
Action	Action includes fill on child order level and amendment on parent order level	Alpha	Fill, Parent order amendment	Fill
Child Order Direction	Direction of the child order currency pair from the client's perspective	Alpha	Buy, Sell	Sell
Child Order Currency Pair	Currency pair of the child order	Alpha (XXXYYY)	Any two ISO currency codes	EURUSD
Child Order Action Amount	Notional amount of the corresponding action of the child order	Numeric		1000000.00
Child Order Amount Currency	Currency of the amount of the child order	Alpha (XXX)	Any one ISO currency code	EUR
Parent Order Algo Mode	Most important setting of the algorithm (for example urgency parameter)	Alphanumeric		Slow
Parent Order Limit Price	Limit price of the parent order in place at the action time	Numeric		120.000000
Parent Order Amount	Amount of the parent order in place at the action time	Numeric		5000000.00
Child Order Order Type	Classification of the aggressiveness of the child order	Alpha	Aggressive, Mid, Passive, Other	Passive

Child Order Rate (excl. Fee)	Rate of the child order excluding the algo fee	Numeric		1.143850
Child Order Rate (incl. Fee)	Rate of the child order including the algo fee	Numeric		1.143832
Execution Venue	Name of the execution venue to which the child order was submitted	Alphanumeric		Venue 1
Execution Venue Location	Location of the execution venue	Alphanumeric	LD4, NY4, NY5, SG1, TY3, Other	LD4
Execution Venue Liquidity	Liquidity policy of the execution venue	Alpha	Firm, Last look, Mixed	Firm
Reference Market Bid Rate	Top of book bid rate at the time of the child order's action	Numeric		1.142910
Reference Market Offer Rate	Top of book offer rate at the time of the child order's action	Numeric		1.143881

*Sample data for illustrative purposes only