

Tradewatch

ITG Broker Edge features a transaction database of nearly 11.6 million trades (\$1.5 trillion) compiled solely from aggregated trade data from ITG's Transaction Cost Peer Universe. The data is sourced directly from buy-side institutions and may include some soft-dollar, CSA and other payments over and above execution-only commissions. The information presented herein is based upon the "placement" time stamp recorded in ITG clients' order management systems and encompasses four quarters of U.S. equity trading data for the period ended June 30. Brokers are separated into two categories, core brokers and specialty brokers. Core brokers must a) trade globally; b) provide trading services in multiple asset classes to include, in particular, exchange-traded equity derivatives; c) provide research; and d) offer soft-dollar and/or CSA services to their clients. Specialty brokers are often used for a specific area of expertise and do not meet all of the above criteria. Ranks are based on the top 50 by dollar volume in each of the two categories. Execution cost is the price difference from order to execution. Value added is the difference between execution cost and ITG's Post-Trade Agency Cost Estimator benchmark, excluding the impact of market momentum. Difficulty is based on the dollar-weighted Post-Trade Agency Cost Estimator. Commissions are ranked in cents per share.

Best execution: Specialty brokers

Large trades (More than 50,000 shares)	Value added (bps)	Medium trades (10,000-50,000 shares)	Value added (bps)	Small trades (Less than 10,000 shares)	Value added (bps)
JonesTrading	32	Brockhouse & Cooper	25	Leerink Swann	38
ISI Group	23	Weeden & Co.	22	Lava Trading	22
Pershing	19	Lava Trading	17	Keefe Bruyette & Woods	16
Weeden & Co.	13	Leerink Swann	10	Pipeline Trading	13
Fox-Pitt, Kelton	11	William Blair & Co.	8	Robert W. Baird & Co.	12
RBC Dain Rauscher	9	REDIPlus	8	Thomas Weisel Partners	12
Piper Jaffray	8	Pipeline Trading	7	Liquidnet	11
Thomas Weisel Partners	7	Stifel, Nicolaus & Co.	6	Wachovia Securities	10
Liquidnet	2	Fox-Pitt, Kelton	5	Cowen & Co.	10
Pipeline Trading	1	Robert W. Baird & Co.	5	William Blair & Co.	9

Other rankings: Specialty brokers

	LOWEST EXECUTION COST	MOST DIFFICULT TRADES	LOWEST COMMISSION
Large trades (More than 50,000 shares)	Pershing Weeden & Co. ISI Group Liquidnet Fox-Pitt, Kelton	JonesTrading Stifel, Nicolaus & Co. Pipeline Trading ISI Group Albert Fried	Lava Trading Pipeline Trading Brockhouse & Cooper REDIPlus Rosenblatt Securities
Medium trades (10,000 to 50,000 shares)	Weeden & Co. Fox-Pitt, Kelton Lava Trading Liquidnet Rosenblatt Securities	Brockhouse & Cooper William Blair & Co. Wachovia Securities Leerink Swann Pipeline Trading	Lava Trading Pipeline Trading Rosenblatt Securities REDIPlus Fox-Pitt, Kelton
Small trades (Less than 10,000 shares)	Capital Institutional Services GSEC Wells Fargo Securities Lava Trading Morgan, Keegan & Co.	Leerink Swann Cowen & Co. Keefe Bruyette & Woods Robert W. Baird & Co. Thomas Weisel Partners	Lava Trading REDIPlus Morgan, Keegan & Co. Pipeline Trading Stifel, Nicolaus & Co.

Source: Investment Technology Group

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