



ETFs AT ROSENBLATT: EXPERT EXECUTION & ANALYSIS

Rosenblatt Securities is proud to offer a truly unique set of services for ETF investors. Combining more than three decades of agency execution experience with our deep understanding of market structure and longstanding relationships with the world's leading ETF market makers, Rosenblatt delivers liquidity and insight to your doorstep.

Market structure and trading expertise. Having studied ETF market structure and trading dynamics extensively, we have gained unparalleled expertise in trading ETFs and average several million shares executed daily. And our globally renowned market-structure analysts regularly speak at major ETF-industry conferences, as well as at our own ETF-focused events.

We get it: ETFs trade very, very differently than traditional equities.

- Because ETF shares are derivatives that can be freely created and redeemed, the liquidity of their underlying securities matters most, not the displayed quotes or ADVs. Vastly greater size is frequently available off-exchange, near the NBBO.
- The vast majority of liquidity in US equities is accessible electronically, making the need for outbound calls to search for liquidity very limited and usually not worth risking information leakage. With ETFs, in contrast, a greater percentage of volume is executed off-exchange and calling to access bigger, tighter quotes offered by OTC market makers can be essential for quality ETF execution. And information leakage risk is minimized because ETF prices are derived from other securities.
- For most ETFs, benchmark execution strategies like VWAP don't work. This is particularly true outside the most actively traded names, for which it can be most efficient to access principal bids and offers.
- Similarly, trading in relation to NAV can backfire when underlying instruments have stale prices (because of closed overseas markets, for example) or are unlisted (bonds). Some times of the day are better than others for trading certain ETFs.

Rosenblatt connects you with the premier sources of off-exchange ETF liquidity. Our market-structure knowledge and solid relationships with market makers have enabled us to assemble an unparalleled network of liquidity providers. As your agent, we deliver their tight, large ETF markets directly to you.

- We maintain relationships with all of the leading ETF market makers.
- Accessing our network often results in sizeable, tighter-than-expected markets for institutions wishing to trade blocks of seemingly illiquid ETF shares.
- We can make the biggest difference on the most difficult trades — those involving fixed-income, commodity and non-US ETFs, and for size exceeding ADV — for which displayed liquidity and prices are least relevant.

And we refuse payments from market makers, to make sure you get the best prices. Other ETF agents accept commissions from both sides of the trade. We believe that serving only one master allows us to achieve the best executions possible for investors. So we ask the market makers in our network to take the penny per share they pay other agents and use it instead to make tighter markets for our clients.

Call us today to find out more.

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