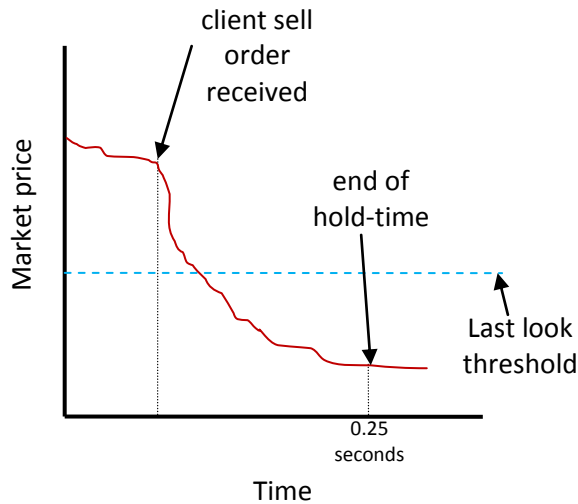
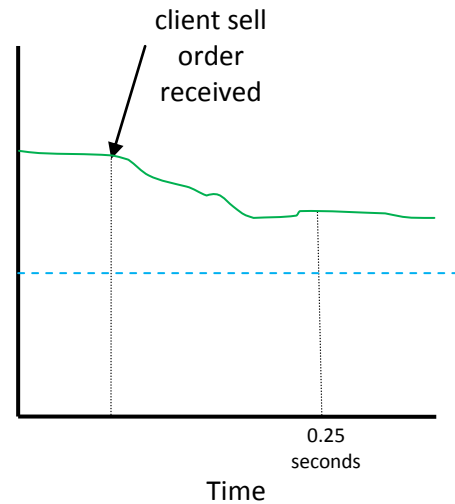


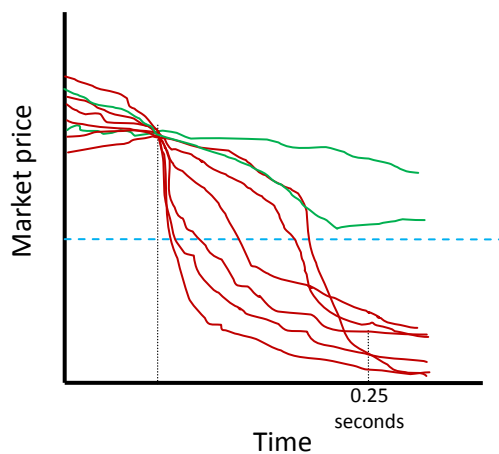
Single high toxicity order (rejected)



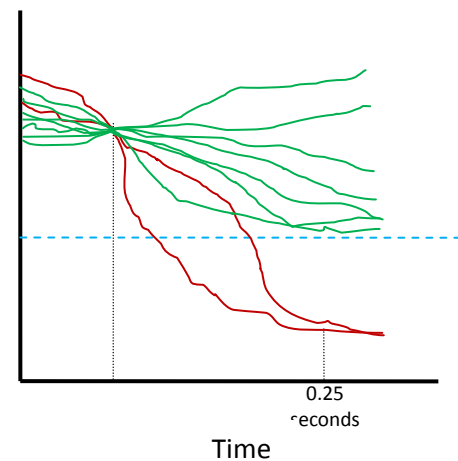
Single low toxicity order (accepted)



High toxicity client (high % orders rejected)



Low toxicity client (low % orders rejected)



The graphs show the change in market price immediately before and after an order is received – often called the ‘price action’. Green lines show the price action around *accepted* orders, red lines show price action around *rejected* orders. The top 2 graphs show the meaning of ‘toxicity’ for a single order. The bottom 2 graphs show the meaning of ‘toxicity’ for a client. Note that high toxicity clients will have some low toxicity orders and vice versa. A client has high toxicity if their *average* toxicity is high.

Only client sell orders have been shown above. The principles are identical for client buy orders but with the vertical direction reversed i.e. following a highly toxic buy order, the market price would increase sharply.