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BEST ONLINE BROKERS

How We Ranked the Brokers (2018)

March 24, 2018



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Trading Technology: This category represents the overall workflow for placing an order as well as the order-routing technology.

We evaluated the quality of the data available prior to placing an order with an emphasis on streaming real-time data. Real-time quotes are now standard prior to entering an order, so streaming data on the order entry ticket is preferred. We checked out the ways a trader is told that an order is executed, such as pop-up notices, an order-status update, and/or a text on a mobile device when the order fills.

We looked for prefilled order tickets when closing a position, which eliminates possible errors during the closing process. A "Close" button when looking at a portfolio report is preferred. We also evaluated the options order-entry process, as well as mutual-fund, bond, and (when available) futures, commodities and foreign-exchange order-entry screens. Methods for placing conditional orders, such as one-cancels-another or one-triggers-another, were checked.

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The availability of price-improvement strategies and smart-order routing technology (which finds the best bid or offer) is necessary to earn top ratings in this category. We asked whether a broker's order-routing engine used a spray or sequential engine; spray routing contacts multiple venues simultaneously and is less inclined to execute orders via routes that offer payment for order flow. Brokers offering price improvement — a sale above the bid price, a buy below the offer — a fraction of a point depending on

the portion of their transactions that benefited.

Top marks were earned by brokers who offered a wide array of order types, and emphasized price improvement when routing orders. The ability to place a trade from a graph earned a fraction of a point. In addition, we looked for ways to customize the trading experience, such as setting a default number of shares or contracts, to speed order entry. The order entry-and-execution process must flow easily from one step to the next, with streaming real-time information (including buying power and margin balance) available when needed.

Usability: A 5 here means the site or program was easy to use and well-designed, didn't bog down when moving from screen to screen, and can be tailored to the user's needs. We looked at how easy it is to get started on the platform or Website as a new customer. Constant availability of a trading ticket and easy access to research and account status data are key. Being able to easily switch from one area of the website or program to another is important. Customization options contribute to points that can be

earned, allowing clients to tailor the broker's offering to their needs. The ability to quickly generate an order ticket from research pages without having to enter the symbol manually is also an important part of earning high marks for usability.



Mobile: The availability and quality of mobile trading and account data are measured here, as well as education opportunities that you can take along for the ride. We looked for streaming real-time data, including charting and news. We looked for ways to trade stock and options on your tablet or smartphone; the ability to trade other asset classes is a plus. Cross-platform integration is vital; when you set up a watchlist on your desktop, it should be available on your mobile devices as well. We also considered the workflow for placing an order and managing an account. To earn a 5 in this category, a broker must offer streaming real-time data, the ability to place complex options transactions and conditional orders, and be able to share watchlists and trade ideas with the customer's desktop or Web-based offering.

Range of Offerings: We awarded points for the diversity of investments that can be traded online, with partial points given for those that can only be traded offline. Since long and short stock-trading, as well as single-leg options orders are now standard, we don't award points for those transactions. We asked brokers how many stocks, on average, their customers can sell short, and awarded up to a half-point based on their answer. Complex options trading, and the availability of mutual funds, bonds, futures, commodities, and international trading were also considered. A fraction of a point was given to brokers who have robo-advisory offerings. A 5 in this category means you can execute all of these transactions online. Some brokers offer certain asset classes via live broker only; those earned partial credit.

Research Amenities: This category measures the quality and accessibility of research, quotes and charting. We looked for research, news and charting linked to a customer's portfolio and watch lists; the quality of third-party research and its integration with the rest of the site; and the availability of screeners, with special emphasis on options screeners. We take a long look at the available screeners, awarding points for the ability to customize a filter and generate precise and actionable results, such as adding to a watchlist or opening an order ticket. Brokers also won points for offering real-time streaming quotes at no additional cost, powerful charting capabilities, and Level II quotes. Partial credit was awarded for features that generated an extra fee.

Portfolio Analysis and Reports: The emphasis here is on clearly laid-out reports, updated in real time, showing current balances, positions and margin status. We looked for ways that investors and traders can monitor their own successes and failures, to help them make better trades in the future. Customizable portfolio-analysis reports, with links to news and research, as well as extensive transaction history, are most desirable. The ability to beta-weight one's portfolio, or compare it to an index or customized indicator, earns additional points. Tax reporting also falls in this category. Full credit is given for reports that can be created on the broker's Website, with no additional fees or data entry required. Partial credit is awarded to brokers that populate services such as GainsKeeper and Maxit (tax analysis and reporting programs) for an additional fee.

Customer Service, Education and Security: We sized up online help such as live-chat capability, user guides and frequently-asked-question files. Offline help was assessed by making calls to customer service, and weighing the brokers' reports of the average time spent on hold when a customer calls in. We took a look at the education offerings, both online and live. The ability to visit a broker in person is taken into account here. When it comes to security issues, we looked at whether a broker offers two-factor authentication, and checked out security measurement statistics for the Websites by third-party evaluators. We also looked at the strength of the passwords each broker required, and whether password changes are forced from time to time. Use of biometric identification on mobile devices is also considered. Brokers who are able to weather surges in trading are rewarded in this category, especially those with capacity to handle all of their customers logging on simultaneously.

Costs: We looked at commissions for stock and options trades and margin interest rates, giving more points for lower costs. We scaled the points awarded so that the lowest costs in the group earned the

maximum number of points, with fractions (and occasional zeros) given to the more expensive brokers. Stock and options commissions are the biggest determinants for scoring, but mutual-fund and other transaction fees are also considered. A 5 could be earned here by very low stock and mutual-fund commissions, \$5 or less for 10 options contracts, margin interest rates below 3%, and no account-maintenance or data fees.

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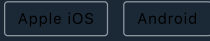
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FEATURE

Interactive Brokers Takes Top Spot in Online Broker Ranking

By Theresa W. Carey

March 24, 2018



PHOTO: DALE EDWIN MURRAY

Investors may not have liked all of the news they got in the past year, but they can't complain about their ability to retrieve, understand, and act on it.

Online brokers have talked up "mobile first" development for years, but in 2017 and 2018 they finally delivered on the promise of a more consistent experience across platforms—whether it's creating watchlists, making charts, or following daily events—for their clients. Their success came through again and again as we reviewed the firms in *Barron's* 23rd annual ranking of The Best Online Brokers.

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It's no small feat. In the past, a broker's smartphone or tablet app could produce jarringly different experiences, compared with a firm's a web-based or downloadable platform. Customers had to reset their trading defaults and watchlists for each mobile device because choices made on a desktop were saved only there. Mobile investors risked placing the wrong trade if they strayed from their desktop. Now, all devices can share the same information and issue the same commands.

"The mobile app has become a key element of any serious retail brokerage firm's value proposition," says Michael Ellison, president of consulting firm Corporate Insight. "The importance of mobile will only grow as the phone replaces the laptop and millennials become the focal point of new-client-acquisition efforts," he says.

Staying connected was never more important than in the past year. The Dow Jones Industrial Average popped 25% in 2017, only to go into free fall in early February of 2018—and again last week—as volatility suddenly returned. Little known two years ago, bitcoin (yes, cybercurrencies factor into this year's review) traced an even steeper advance and decline than the Dow, while individual stocks, sectors, and entire markets ebbed and flowed, along with global trade fights. North Korea's nuclear threat pushed global markets down more than once, while its Olympics peace overtures boosted prices.

Members of *Barron's* 2018 ranking—including Ally Invest, eOption, E*Trade, Fidelity, Merrill Edge, Interactive Brokers, and Schwab—all invested heavily in trying to provide the same look and feel for investors, regardless of whether they were using a phone, tablet, or laptop. Example: eOption enabled clients to open and fund accounts on mobile devices for the first time, says Shawn Herrin, president of the

firm's parent, Regal Securities. "Customers are happy with that," he says. "We added paper trading on mobile, too, so customers can test out strategies before using their own money."

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Fidelity

At newcomer tastyworks, Tom Sosnoff, co-CEO of parent company tastytrade, says the firm gave Apple iOS and Android devices the same capabilities as its full platform, including charting and spread creation tools. To make it easier, "we set it up so you don't have to type anything on your mobile device—just drag and drop," says Sosnoff. During a recent demo, he entered an order on his smartphone; it appeared immediately on his laptop's open order list.

It's not just about improving life for smartphone users. Thirteen of the 19 brokers we reviewed this year have apps that run on smartwatches, notifying customers of price alerts and trade executions. Most work on both Apple and Android watches. Planner Securities was among the firms adding smartwatch support, as were all three new additions to our survey—tastyworks, AutoTrade, and OptionsRoute.

Of course, there is a downside to adding that much access for clients amid so much news-driven volatility. Keeping pace with events can strain a system's capacity. On Feb. 5, when volatility spiked, online brokers were swamped, and several had extended outages. Clients of Fidelity, Charles Schwab, TD Ameritrade, and E*Trade took to more robust social-media platforms to express their unhappiness. As we designed our scoring rubric for this review, we awarded Customer Service points based on performance during trading surges.

In our scoring, the ability to create a personalized experience on both a PC and a mobile device is a major focus. Being able to move smoothly from idea generation to trade ticket, and then quickly get the results, also were evaluated. We think it's important for investors and traders to understand which of their strategies work—and which need more work. Price-improvement statistics are built into the Trading Experience and Technology category. Costs, which have stabilized after last year's big cuts, also are reviewed.

Tastyworks appears in our review for the first time, along with AutoShares and OptionsRoute, which are subsidiaries of ViewTrade Securities. And we welcome Vanguard to our ranking for only the second time in 23 years.

Overall, 2017 and early 2018 have seen continued consolidation among online brokers. "The fastest way to grow active trader market share is through acquisitions, and there have been plenty in the past few years. With these deals closed, we may see another round of acquisitions in 2018," notes Ellison. E*Trade has absorbed the OptionsHouse platform and integrated many of its tools, and Schwab has completed its optionsXpress takeover. In addition, TD Ameritrade is pulling in its new Scottrade subsidiary, and Ally Financial's rebranding of TradeKing's site is finished.

Beware. The consolidation wave could mean that your account with a small, independent broker suddenly is in the hands of a bigger firm that you've tried to avoid. I experienced that firsthand in helping a family member shift an optionsXpress account to Charles Schwab. Overall, the transfer went smoothly, but we had to hunt to find some of the features I enjoy using.

So which firms were victorious? Three earned 4½ stars, and a prior champ, Interactive Brokers, muscled its way back to the top. Fidelity, the winner the past couple of years, fell to second, while TD Ameritrade remains No. 3. Five brokers that offer terrific tools earned four stars: Schwab, TradeStation, Merrill Edge, E*Trade, and tastyworks.

As well as picking an overall best of the best, *Barron's* identifies the top choices for frequent traders, in-person service, investor education, long-term investing, services for novices, and options traders.

We also identify the brokers that were at the extremes when we calculated the monthly cost of trading for infrequent traders, as well as for those who buy and sell securities multiple times per day. You can read about our methodology in "How We Ranked our Online Brokers," and review the categories that informed

our analysis in "*Barron's* Online Broker Survey: How The Brokers Stack Up." The latter is a comprehensive look at the tools and services that each broker provides. We have modified those tables, based on readers' requests, and appreciate all of you who reached out with questions.

Interactive Brokers

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Interactive Brokers (4½ stars) returns to the top spot in our survey after a year of impressive growth. Though its range of services, low costs, and technology make it an excellent fit for extremely frequent traders—average annualized transactions per account hit 476 in this year's volatile February—the firm has broadened its menu to appeal to less active clients, as well.

The updated client portal that launched last fall is very responsive; it automatically adjusts the display, depending on which device you're using. On some, it offers a simpler view of Interactive's complex Traders Workstation platform, which will supplant its Web Trader this year. The software has become friendlier and offers a ton of information on a single page. You can customize the quote page to display graphs of various types, with a news ticker in the right-hand column.

Within the Traders Workstation on desktop or iPhone, you'll find Interactive Brokers' natural-language assistant, IBot, which lets you ask questions in plain English and get a quick answer. For example, rather than digging for an options chain, you can ask IBot to display a particular strike and expiry date by saying, "Show options chain for SPY for the next three expirations." You can type in queries or use voice recognition. It's slick and reduces the learning curve.

Interactive Brokers is known for allowing clients to trade around the world and around the clock. More prosaically, it now has a robo-advisory service, IB Asset Management, geared to people who don't want to trade too often. Among the possibilities: 13 index-tracking portfolios that hold fractional shares of the companies in whatever benchmark they're based on.

Through IBot, investors can use institutional-level trading algorithms to accumulate or sell large positions. The client chooses the desired starting price, order type, and price increment over a set period. In addition, options traders can access a wide variety of spread tools; one lets them roll a spread to a future month with just a couple of clicks.

On mobile platforms, you'll find the Mobile Order Wheel. It lets you use your thumb to choose price, spread, dollar value of the trade, and other possibilities. About 50 more data points were added to the charting function on mobile devices, and IBot can help you learn about them.

Fixed-income traders can use the secondary bond market scanner, which includes reports on municipal bonds. In a nice touch, the system offers links to local newspapers, where you can get the skinny on the projects tied to the bonds.

A new service called Traders' Academy provides lessons to both clients and noncustomers. Each course has two to eight lessons with quizzes along the way. Another offering is the PortfolioAnalyst, which can review assets held outside IB for complete analysis of your financial position. PortfolioAnalyst will be made available to non-IB clients later this year, and could be the answer to the death of Google Finance's portfolio feature.

One issue with IB is that you can only display streaming quotes on one platform at a time, so if you log in to your mobile app while the desktop platform is still running, one of them will be restricted to snapshot quotes rather than streaming. This seems like a quibble. But in light of the push toward uniform client experiences, it should be addressed.

Fidelity

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Fidelity (4½ stars) spent the year improving and streamlining the customer experience on its platforms. Among the new features are a place for digital-currency holdings in the portfolio view, an updated watchlist with streaming quotes, and more video content on the education page.

In addition, iOS apps have been more tightly integrated with the website experience, adding most of the available research capabilities.

Fidelity's exchange-traded-fund screener has been enhanced with social governance themes, while 21 investment themes were added to the stock screener to help clients find companies that match their strategy. And ETF fans now have a search tool that indicates whether a company is in a particular fund.

Fidelity flags ETFs that don't meet at least 80% of a stated objective, such as valuation, or sector, industry, or regional exposure.

Fidelity customers have their choice of several platforms, including Active Trader Pro, or ATP, for accounts that meet certain trading or asset criteria. Options traders can access tools on the ATP platform that will be expanded to include implied and historical volatility charting later this year. You can also set up a one-on-one coaching session, at no additional fee, to learn more about options trading. The Option Trade Builder helps clients learn which strategies work for a given market outlook.

One caveat: Fidelity had a rough go maintaining client connections during the roiled markets of February. Although it says platform stability is a top priority, it obviously has work to do.

TD Ameritrade

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TD Ameritrade (4½ stars) remains No. 3 in our ranking, on the strength of its excellent research, charting (on its thinkorswim site), and education offerings across all platforms. In October, the firm even launched its own news network, which streams video on thinkorswim, mobile apps, the TDAmeritrade.com website, and TDAmeritradeNetwork.com. The network offers eight hours of market news and commentary, lessons on using TD's trading platforms, and other subjects. It airs on days the market is open, starting at 8 a.m. Eastern time.

With the absorption of the Scottrade business, the firm plans to dramatically expand its branch footprint. Following integration of the two systems, 89% of TD Ameritrade customers will be within 25 miles of a branch.

TD Ameritrade has revamped its education offerings with an online university. Courses are free to clients, who can view webcasts, short videos, and articles. Courses built into thinkorswim cover technical analysis and options trading; passing the options course can qualify a customer for more-complex trading.

TD Ameritrade has also begun 24-hour trading in a group of ETFs on the thinkorswim platforms. Eligible customers can buy or sell these ETFs from Sunday evening through Friday evening, allowing them to respond to news that breaks when U.S. markets are closed.

TD also has introduced an income estimator, which shows interest and dividends expected for the coming 12 months. The firm also partnered with FeeX to help customers analyze their retirement plans, and switch out expensive funds for lower-cost ETFs to bolster returns.

Charles Schwab

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Charles Schwab (4 stars) had a busy year, between final assimilation of the optionsXpress platform to the launch of a robo-advisory service, Schwab Intelligent Advisory.

For the former, the StreetSmart Central web-based and mobile trading platforms were launched, encompassing most of the optionsXpress functionality and allowing clients to trade equities, options, futures, and options on futures. Going forward, the firm plans to focus on combining online service and personalized advice. There are multiple modes for working with an advisor; fees vary depending on the level of engagement and assets under management.

The firm's Satisfaction Guarantee, first offered in February 2017, promises to refund any commission or fee to clients who aren't satisfied with a particular experience. Schwab also has a security guarantee that declares it will cover 100% of losses in a client's account due to unauthorized activity.

It has been pouring resources into updating the platform over the past few years, eliminating almost all of its outdated technology.

The StreetSmart Central platforms are designed to help active traders, especially those interested in options. Customers who qualify for trading on margin can use a tool that shows how a hypothetical transaction would affect their margin balances. The IdeaHub feature from optionsXpress can be found in the StreetSmart Central platform. It takes you from generating an idea to conducting a trade.

One issue I have with Schwab stems from the proliferation of its platforms; some tools are only on the Central platform and others on the standard website. Consolidation would be a big improvement.

TradeStation

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TradeStation (4 stars) launched Version 10 of its trading platform last November. It features a much easier-to-use experience. Included is a feature called TradeStation Today, which is intended to be a trader's home base. It features educational content, market update videos, and other new tools.

In response to customers who were confused by the many ways to customize TradeStation's platform, all options are now in one place, rather than scattered. The charting package has been cleaned up and simplified, without losing any significant power.

The web platform got some options-trading functionality enhancements, plus more-comprehensive charts. Mobile customers can use the Trader Concierge, which provides notifications on news, price changes, and technical alerts, based on the account's holdings.

Though you can't trade cryptocurrencies with TradeStation yet, you can track bitcoin prices against the U.S. dollar. TradeStation officials are bullish on cryptocurrencies as an asset class, so expect to see additional data supplied, along with educational content. TradeStation University also has been updated, and includes short videos, podcasts, social-media feeds, and additional live-streaming content.

One last thing: If you're at the World Trade Center transportation hub in New York City on March 27-29, you can check out TradeStation's "Get a Fresh Look" event. You can get your hair dyed blue and take part in an interactive trading contest.

Merrill Edge

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Merrill Edge (4 stars) this year launched Portfolio Story, which serves up content about portfolio planning, investing toward goals, and the building blocks of a successful portfolio. It is also building environmental, social, and governance, or ESG, measures, so clients know how their portfolios align with their personal beliefs. In its MarketPro platform, Merrill has integrated the OptionsPlay suite of tools, aimed at helping options traders locate opportunities.

The firm says that approximately 50% of its customers now primarily use a mobile platform to connect with their brokerage tools, so Merrill updated that experience. The app opens with a portfolio summary and a performance evaluation, and integrates any banking activity done with Merrill parent Bank of America, as well. The program is versatile. You can write a call and pay your electric bill with the proceeds.

General financial and retirement planning were added to the mobile apps, organized by life stage and goal. You'll find calculators for charitable giving, too. There is Morningstar-generated educational content, with courses organized by difficulty.

Customers who maintain a relationship of a certain size with Bank of America and Merrill Edge are eligible for free stock trades, which can make the brokerage a cost-effective choice for stock and ETF traders.

E*Trade

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E*Trade (4 stars) added tools for advanced traders in 2017 with the relaunch of Power E*Trade, while integrating the core functionality of its acquired OptionsHouse operations into web and mobile platforms. For more-passive investors, the firm's robo-advisory, Personalized Investments, offers a range of portfolio choices that can include as much human management as you'd like. Or you can go completely digital with one of its Core Portfolios. E*Trade also has improved its education offerings, including tutorials on how to take action on your trade ideas.

E*Trade's OptionsHouse platforms introduced some slick options tools, including streaming strategy options chains that can be customized by the type of spread you want. For instance, you can tell the system that you want to look at butterfly spreads with \$5 wide wings, and only those strategies will appear. The performance risk tool lets you evaluate your risk on an individual holding or your entire portfolio, asking questions such as, if the entire market slides 25%, what happens to my portfolio, and which positions would be most affected? There are six different preset risk ranges that you can use to stress-test your portfolio. This tool is valuable for every investor.

E*Trade also refreshed its OptionsHouse charting capabilities, adding more than 100 technical studies and 30 drawing tools. The new Technical Insights feature offers the fledgling technical analyst a lot of educational information. A green dot on the chart indicates a new technical event; click on the dot to dive in deeper and learn more about the event. The spectral analysis charts, part of TradeLab, are visually

dazzling ways to forecast how a spread might behave in the future. The LiveAction scanners show potential trades, based on your criteria, in real time.

I'd like to see the platforms merge, so you needn't choose whether to log in to the E*Trade or OptionsHouse tool set to get all of the goodies available.

Tastyworks

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Tastyworks (4 stars) is built for active traders. You won't find any mutual funds or robo-advisory services here, but you will find tons of content and cool features designed to keep you engaged—and trading. A video feed from companion company tastytrade is built in, and you can follow the trades of the personalities who host the shows, if you'd like.

The platform's newness means that it's built on the latest technology, so it's fast. Tom Sosnoff, co-CEO of affiliated unit tastytrade, says that it executes orders at speeds that would please high-frequency traders, though all of its customers are self-directed individual investors. And the fee structure, which assesses a commission to open a position but not to close it (except for futures), makes tastyworks one of the least expensive brokers in our survey.

There are three ways to access tastyworks: a downloadable platform, a web-based offering, and mobile apps. There isn't a huge difference among them, though the downloadable one has the most bells and whistles. The platform appears simple but can be customized. The left-hand column shows market statistics and activity, while the middle column displays positions and a trade blotter. Clicking on a position generates a chart with a streaming quote displayed below. To start entering a trade, just click on the bid or offer. It's possible to set up trades with mouse clicks or drags and drops without ever using the keyboard.

Sosnoff wants traders to pay attention to liquidity, probability, and volatility. He says his primary objective is to get people to think about the markets in a different way, and the platform's design reflects his vision. "Liquidity trumps the news," Sosnoff asserts. "Probability tells you more than a bus full of analysts. And volatility is your best friend. That's how you beat Wall Street."

Lightspeed Trading

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Lightspeed Trading (3½ stars) is for frequent traders, and it spent 2017 enhancing its flagship software platform with tools for short sellers and options traders.

The Short Locator Window lets customers request access to hard-to-borrow securities from within the platform, displaying the terms for borrowing the shares and letting would-be shorts accept or reject the offer. "This is enormously valued by our clients," observes Tom Gibb, Lightspeed's co-president. For options traders, there is now a profit-and-loss risk graph for complex strategies, and the ability to group positions by underlying symbol.

Lightspeed's software is built to handle high volatility and heavy market volume, and it remained stable during the February stock swoon, Gibb reports. "We believe that those are the make-or-break times for traders, and so we invest time and money into making sure we perform during those times." The firm has a dedicated team of service specialists who answer phone calls.

Lightspeed could rank higher in our survey if its offerings weren't so restricted, which isn't a problem for its target clients.

Ally Invest

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Ally Invest (3½ stars) unveiled its rebranded TradeKing platform in 2017, and returns to our survey after an absence of a year. Its standard Web platform, found linked to the Ally Bank site, is extremely basic, so we recommend the use of the Ally Invest LIVE platform, which has streaming quotes and most of the former TradeKing options tools. It also offers lower pricing for those with \$100,000 or more in assets at Ally Invest at \$3.95, and round-the-clock customer support.

The home page can be customized. Click on the gear icon and you can move the various tiles around to your heart's content. Among the widgets available are an event calendar, a list of top gainers and losers from your watchlist, and a market overview. New widgets are being added, many based on customer requests. Options traders use a shopping-cart-style trading card, which is located at the bottom of the

screen. As you click on various bids and asks, you build a trade ticket that recognizes the type of spread being set up. There, you'll find a profit/loss calculator that lets you perform what-if analysis by playing with volatility, expiry date, and other variables.

Ally's managed portfolios were brought in-house, and the dashboard displays your progress toward a goal you can set when you log in. The firm will be updating its charting capabilities this year and plans to add more research capability to the site.

eOption

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eOption (3 stars) is a low-cost, few-frills platform for frequent options traders. There's a real benefit to trading large spreads here, due to its pricing model, which keeps costs very low. Seventeen widgets are available, including one that puts options spreads on a watchlist. The platform also has integrated further with OptionsPlay, an options-analysis package.

The mobile apps are identical to what you'll see on your desktop or laptop, making for a smooth transition. The confirmation screen displays the cost of a trade, plus any exchange fees—something that should be offered by all brokers. Another thing that should be universal: The platform appeared stable during the recent trading surges.

SogoTrade

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SogoTrade (3 stars) redesigned its front end and revamped its cash-transfer capabilities. It further integrated its robo-advisory, Sogo MarketRiders, into the dashboard. The firm also added two lower pricing tiers, with tabs based on activity; those trading 150 times or more per quarter pay a base rate of \$2.88. In addition, new clients who open an account with \$10,000 or more get the \$2.88 rate for the first year, regardless of trading volume.

This broker offers support for Chinese-speaking customers, and has representatives in Taiwan to serve them. The entire platform can be transformed into Chinese, including the robo-advisory. Login security is enhanced by a PIN that must be entered using an on-screen keypad, to thwart programs crooks use to capture keystrokes.

Firstrade

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Firstrade (3 stars) changed its approach in 2017, according to CEO John Liu, with decreased commissions and streamlined digital processes. Commissions are now \$2.95 per stock trade and 50 cents per options contract. The firm plans to launch an advisory service this year in partnership with BlackRock.

The mobile apps include real-time streaming quotes for holdings, watchlists, and research. The firm's new iPad app, Firstrade Navigator, is now available to all customers—previously, it was restricted to premium clients. It has been upgraded significantly and includes Morningstar research and interactive charting. Firstrade has seen mobile trading increase to 32% of the transactions it handles. It's continuing to update its mobile capabilities with more research and tools.

OptionsRoute and AutoShares

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OptionsRoute and AutoShares (2½ stars) are supported by the same back-end services and earn similar scores. AutoShares is designed for those who subscribe to various newsletter trading strategies, and automates those recommended trades. OptionsRoute lets clients log in using an ETNA Software platform with limited capabilities. AutoShare's scores are slightly lower than OptionsRoute's because its commissions are higher.

Just2Trade

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Just2Trade (2½ stars) just launched an app with a redesigned account summary page and other enhancements. Just2Trade Pro includes options tools and advanced strategies, plus educational material

from WhoTrades. Day traders mostly use the Sterling and MetaTrader platforms, which come at an additional cost. The Just2Trade platform is integrating ClickIPO, which allows access to initial public offerings.

TradingBlock

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TradingBlock (2½ stars) offers a proprietary website, plus trading services from third parties, such as Sterling Trader and RealTick. It's the only broker in our survey without mobile apps. That drags down its overall score, though Vice President Tom Heffernan believes that voice search is the next extension for mobility. TradingBlock cut its commissions in 2017; very active traders can request even lower rates.

Vanguard

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Vanguard (2 stars) is one of the behemoths in the online brokerage universe, but doesn't provide much for digital customers. Its funds and ETFs are low-cost, and the company's platform is designed to help its customers add to their Vanguard assets while constructing a balanced portfolio. There is almost nothing here for options investors or frequent traders because they're not the firm's target customers. Frequent trading also doesn't fit in with Vanguard's investment philosophy. "We're here for the buy-and-hold investor," says spokesperson Timothy Stokes.

Planner Securities

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Planner Securities (2 stars) is primarily focused on Brazilian investors who want in on the U.S. markets. Its trading platform, Alpha Plan, offers streaming data, and the online and mobile experiences it provides are very similar. It's range of offerings is narrow; mutual funds must be bought through a live broker, for example. Its research offerings also are slight, while costs are on the high side.

Who's your favorite online broker and why? Tell us in comments below.

Email: editors@barrons.com

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Barron's Online Broker Survey 2018: How The Brokers Stack Up

6. Costs for Account with \$100,000 or more in assets

										367	361	370	354	calc	calc	363	364	365	366	382
	Commission: Stock Order (1)	Commission: Options Order Base / Per Contract	Commission on 10 options contracts	Commission for Covered Call (2)	Fee to Close Low-Priced Options Contracts	Mutual Fund Commission (outside NTF list)	Bond Transaction Fee (5)	Futures Commission per Contract (6)	Broker-Assisted Trades	Platform or Maintenance Fee	Account Transfer Fee (outgoing)	Voluntary Reorganization Fee (for corporate actions) (3)	Monthly Trading Costs (6 stock trades, 2 options)	Monthly Trading Costs (200 trades plus \$30K margin)	Margin Rate, \$10,000 balance	Margin Rate, \$25,000 balance	Margin Rate, \$50,000 balance	Margin Rate, \$100,000 balance	Discounts for large accounts and/or frequent traders	
Ally Invest	\$3.95	\$3.95 / \$0.50	\$8.95	\$10.40	Free for contracts \$0.05 or less	\$9.95	\$1/bond, minimum \$10	\$0.85 up to 250 contracts; tiers down to \$0.45 for over 2,000 contracts.	\$20 listed, but firm usually applies online fee only	None	\$50	\$50	\$41.60	\$1,509	9.00%	8.75%	8.00%	6.75%	Rack rate of \$4.95 lowered to \$3.95 for clients with \$100,000+ in accounts	
AutoShares	4.95	4.95 / 0.75	12.45	13.65	Standard commissions	25	50	N/A	39.95	API 39.95 monthly	75	50	54.6	1,926	7.45	7.45	7.45	7.45		
Charles Schwab	4.95	4.95 / 0.65	11.45	8.20	Standard commissions	76 (purchase only)	1/bond, minimum 10	3.50	Add 25	TotalView/Level II data 10/month for infrequent traders	Full 50, partial 25	39 (waived for large accounts / frequent traders)	52.60	1,848	8.8	8.325	7.375	7.33	Not published, but pricing can be negotiated	
eOption	3	3 / 0.15	4.50	\$6.75	No fee for buy-to-close low value options; otherwise standard commissions	5	5/bond, minimum 39	N/A	Add 6	\$50 for inactive accounts; Sterling Trader Pro cost is 230/month plus data	50 partial, 60 full	50	27	906	6.25	6.25	5.75	5.75	Discounted margin rates for larger debit balances	
E*Trade Securities	6.95, 4.95 for more than 30 trades/quarter	4.95-6.95 / 0.65	11.45-13.45	\$13.05-\$17.05	Standard commissions	19.99	1/bond	\$2.99	Add 25	Non-qualified accounts can subscribe to E*Trade Pro for \$99.95/month	60 full, 25 partial	38	68.60	1,878	9.75	9.5	9.0	8.5	More than 30 trades per quarter, or accounts larger than \$250,000 qualify for free access to E*Trade Pro.	
Fidelity	4.95	4.95 / 0.65	11.45	8.20	Free for contracts 0.10 or less	49.95 (purchase only)	1/bond	N/A	\$32.95	None	50 retirement account close-out	38 (waived for large accounts / frequent traders)	52.60	1,848	8.825	8.325	7.375	7.325	Rates negotiated on a case-by-case basis.	
Firsttrade	4.95	4.95 / 0.65	11.45	13.15	Standard commissions	9.95	Net yield basis.	N/A	\$19.95 (plus \$0.65/contract for options)	None	25 partial, 75 full	25	52.60	1,846	8.5	8.25	8.0	7.5	None listed	
Interactive Brokers	.005/share, minimum 1	0.15-0.70/contract, minimum 1	7.00	6.00	Premium less than 0.05; 0.25/contract, premium 0.05-0.10; 0.50/contract	14.95	10 basis points (0.10 percent) for first 10,000, remainder 2.5bps.	0.85 plus exchange and regulatory fees.	\$30 (closing orders only) IB Block Desk \$0.01/share (min 10,000) and \$0.95/contract (min 100 contracts)	None for accounts over \$100,000. \$10/month minimum monthly commission if under \$100,000.	No fee	No fee	20	873	2.92	2.92	2.92	2.92	Aggressive commission discounts for frequent U.S. equity and options traders.	
Just2Trade	2.50	2.50 / 0.50	7.50	7.50	Standard commissions	N/a	N/A	\$2.50	\$20 plus \$0.50 per contract	\$15/quarter, waived for accounts over \$10,000 or for more than 5 trades per quarter.	75	25	30	1,169	8.25	6.75	6.5	5.75	Very active traders may qualify for a \$0.50/trade discount.	
Lightspeed Trading	Maximum 4.50	0.60 per contract.	6.00	5.25	Standard commissions	N/A	N/A	\$0.60	\$20	None. Accounts under \$15,000 must generate \$25/month in commissions.	No fee	20	29.94	1,244	7.75	7.75	6.75	6.75	Very active traders can negotiate discounted pricing for equities, options and futures.	
Merrill Edge	6.95 (4)	6.95 / 0.75	14.45	17.65	Lesser of standard commissions or 75% of principal.	19.95	Net yield basis.	N/A	\$29.95	None	49.95	30	28.90	1,644	9.875	8.75	8.75	7.375	Discounts negotiated on a case by case basis on margin rates, equity and options commissions.	
OptionsRoute	4.95	4.95 / 0.50	9.95	12.40	Free for contracts 0.10 or less; otherwise 0.50/contract.	20	25 per trade	\$2.00	\$25	None	75	50	49.60	1,676	7.45	7.45	7.45	7.45	Rates negotiated on a case-by-case basis.	
Planner Securities	8.95	1/contract, minimum 10	10	18.95	Standard commissions	25	Negotiated	N/A	\$15/transaction, negotiable	\$8.95/month. Waived if more than \$20 commissions generated.	100	No fee	73.70	2,076	7.25	7.25	7.0	6.5	None listed	
Sogotrade	2.88-4.88	4.88 / 0.50	9.88	10.26-12.26	Standard commissions	15	25	N/A	25	\$50 Low Equity fee for accounts with under \$100 that have no trades in the last year.	75	50	49.04	1,501	9.0	9.0	8.0	6.75	Discounted rates on options and equities for traders averaging 50+ trades per month.	
tastyworks	\$ to open, 0 to close.	0 / 1 to open, 0 to close.	10 to open, 0 to close.	10 to open, 0 to close.	0.00	N/A	25 flat fee.	\$2.50 round trip	Available for no extra fee.	None	No fee	50	25	938	8.0	7.5	7.0	6.5	All rates are negotiable. Average rates across all accounts are lower than rack rates.	
TD Ameritrade	6.95	6.95 / 0.65	13.45	17.05	Free for contracts 0.05 or less	49.99	Net yield basis	\$2.25	44.99	None	75	38	68.60	2,271	9.5	9.25	8.25	8.0	Negotiated rates for margin, data, and commissions.	

TradeStation Securities	5.00	5.00 / 0.50 or 1/contract	10	7.50	Standard commissions	14.95	14.95 plus 5/bond	\$0.25-1.20	50 per transaction	\$35/year for IRAs. Platform fee is \$50/year for low activity and balances under \$2,000.	125	20	50	1,706	8.5	8.25	7.75	7.75	Can opt for unbundled pricing plan.
TradingBlock	5.00	5 / 0.50	10	7.50	Standard commissions	30	1/bond, 50 minimum	\$1.99 per side	No additional fee.	Sterling Trader Pro \$230/month plus data.	75	Domestic 50, international 100	50	1,686	7.45	7.45	7.45	7.45	Minimums and ticket charges waived for very active traders.
Vanguard	7.00	1-Jul	17	19.00	Lesser of standard commissions or proceeds of sale	20	Most bonds have no transaction fee. Secondary issues are 2 per 1,000 face value, maximum 250	N/a	50	No fee for clients holding more than \$10,000 in Vanguard products, otherwise \$20/year	No fee	No fee	76	2,581	7.75	7.25	7.0	6.0	Clients with more than \$500,000 in Vanguard products receive discounted fees. There are 5 tiers.

(1) Stock order of 500 shares

(2) 500 shares of stock plus 5 contracts.

(3) There are no fees for mandatory reorganizations.

(4) For accounts with over \$100,000 at Merrill Edge, there are 100 commission-free stock transactions monthly.

(5) Brokers who charge on net yield basis do not charge an explicit commission, but they mark up the price of the bond, thus reducing your yield.

(6) Trading costs include exchange fees and regulatory fees, which depend on the instrument being traded.

(7) Rates shown are the base Tradier fees. The partner chosen to supply the front-end may apply additional fees. Tradier has an all-you-can-trade plan of \$19.95/month for stocks, \$99 for options.