

## SPECIAL REPORT

Amid price cuts, Fidelity repeats as *Barron's* Best Online broker, nosing out Interactive Brokers.

# One More Reason to Buy Online

by Theresa W. Carey

The bull market is on sale for online brokerage customers.

In the run-up to our 22nd annual ranking of *Barron's* Best Online Brokers, two developments topped all others: The three major indexes—the Dow Jones Industrial Average, the Standard & Poor's 500, and the Nasdaq Composite—all set record highs, and six brokers slashed commissions and other fees. At the 16 brokers we reviewed this year, the average monthly cost of trading for an occasional investor had fallen 25% since early 2016, to \$47.51 from \$63.45. That means more of the market's gains are ending up in the pockets of self-directed online traders.

Charles Schwab kicked off the price wars by cutting its base commission from \$8.95 to \$6.95, and after a flurry of activity, six brokers settled into reduced-fee structures. Following a second cut, Schwab now charges \$4.95 per equity trade, as does Firsttrade. TD Ameritrade and E\*Trade dropped to \$6.95 from \$9.99. E\*Trade charges active traders—those who trade more than 30 times per quarter—\$4.95 per transaction. TradeStation announced that it is waiving its \$99 monthly platform fee for its sophisticated analysis and trading engine, and also added a flat \$5-per-trade charge to its elaborate fee schedule. And our 2017 winner of Best Online Brokers, Fidelity Investments, also joined in: The firm dropped its commission rate in two steps to \$4.95 from \$7.95.

"We know that costs matter to investors," says Barry Metzger, a senior vice president in Schwab's Trading Services unit. When Schwab surveyed its clients recently, more than 70% said that cost is a critical component in investing and finan-

cial-advice decisions. *Barron's* own reader survey shows that the majority of respondents want to keep their costs at a bare minimum.

"But cost is just one piece of the puzzle," as Metzger says. *Barron's* encourages investors to look at the entire set of services a broker provides, including research and education offerings, and then decide whether the commissions assessed provide adequate value.

Cost is an element in our rankings, and the six brokers who changed their pricing all earned more points in that category this year. The points awarded there are based on the range from cheapest to most expensive, with the least-expensive brokers earning more points.

We also take margin rates and other charges into account, and they can affect a broker's score. Schwab achieved the biggest bump in its Cost rating from 2016 to 2017, going to 2.2 points from 0.9 points. Fidelity and TD Ameritrade both edged up a fraction. Margin rates rose this year for almost every broker.

The rise in interest rates—demonstrated by the Federal Reserve once more last week—can help bolster the bottom lines of the brokers that have cut their commissions. The increase leads to higher margin-interest rates and higher rates of return on cash held in customer accounts.

As we've written about price-cutting, we've received emails from fans of tastyworks, a new online brokerage launched in January by the founder of thinkorswim, Tom Sosnoff. His acolytes believe that the launch of tastyworks, with its innovative fee structure, was the first salvo in the price war. Tastyworks charges a commis-

sion only for opening a position—\$5 for equities and \$1 per contract for options. Closing a position is free.

As much as we admire tastyworks, it seems unlikely that a small newcomer could cause such an upheaval. Schwab, one of the largest online brokers, both by assets under management and by number of clients, isn't a nimble little sailboat that reacts to every passing breeze. It is, rather, a large ship—and it can take time to change headings. The firm appears to have started the process of lowering its fees months before the launch of tastyworks.

Not everyone was eager to join in. TD Ameritrade said as recently as mid-February that it had no plans to cut fees. But when its biggest competitors slashed fees to \$4.95, TD had to respond. "While we have made a point not to get involved in past price wars, in this case, the time was right," says Steven Quirk, the firm's executive vice president of trading. "We had the benefits of a rising-rate environment, the competitive environment, and our integration planning for Scottrade to consider." Scottrade, which TD recently purchased, charges \$7 for a stock trade, so TD's new pricing is in line with that of its acquisition.

Quirk says the brokerage business will continue to be dynamic, but warns against a price war that takes all participants to the bottom. "Firms that try to compete across multiple dimensions, such as price, product, and experience, will inevitably fail to be the best at any of them," he says, adding that nobody wins in a price war when firms cut back on platform innovation, client service, and investor education.

**A WAVE OF CONSOLIDATION** continues to

(over please)

# Barron's 2017 Best Online Brokers Ranking

No. 1 Fidelity scored highly in virtually all areas—even raising last year's low ranking for trading costs a bit. Interactive Brokers did well across the board, though its customer service was on the low side. Like Fidelity, TD Ameritrade generally did well, with the sole exception of trading costs.

Broker	Trading Experience & Technology	Usability	Mobile	Range of Offerings	Research Amenities	Portfolio Analysis & Reports	Customer Service, Education, Security	Costs	Total	Stars
Fidelity	4.7	4.6	4.9	4.3	4.9	4.9	4.8	2.5	35.6	★★★★½
Interactive Brokers	4.7	4.4	4.3	4.7	4.4	4.9	3.9	4.2	35.5	★★★★½
TD Ameritrade	4.7	4.7	4.9	4.2	4.8	4.9	4.8	1.1	34.1	★★★★½
OptionsHouse	4.5	4.6	4.8	3.9	4.3	4.7	4.3	2.6	33.7	★★★★
Charles Schwab	4.2	4.4	4.5	4.1	4.8	4.4	4.9	2.2	33.5	★★★★
Merrill Edge	3.7	4.2	4.8	3.0	4.8	4.7	4.6	2.4	32.2	★★★★
TradeStation	4.4	4.3	4.2	3.1	4.5	4.3	4.6	2.4	31.8	★★★★
E*Trade	4.2	4.5	4.7	3.3	4.7	4.0	4.6	1.1	31.1	★★★★
Tradier	2.8	4.4	3.7	3.1	3.6	3.4	2.9	4.0	27.9	★★★½
Lightspeed Trading	4.1	3.9	3.7	2.4	3.0	2.5	3.7	3.5	26.8	★★★½
SogoTrade	2.9	2.8	2.6	3.0	3.0	2.2	3.5	2.3	22.3	★★★
eOption	2.8	2.8	3.7	1.9	2.2	2.1	2.3	4.0	21.8	★★★
Firstrade	2.0	2.9	3.5	1.9	2.8	2.9	3.4	2.2	21.6	★★★
Just2Trade	1.5	2.4	3.3	1.1	0.8	1.4	2.6	3.6	16.7	★★
TradingBlock	2.4	2.7	0.0	3.4	2.7	1.7	2.7	0.7	16.3	★★
Planner Securities	1.4	2.8	3.6	1.8	0.7	1.5	2.3	1.5	15.6	★★

break over the industry, with the venerable Scottrade having been acquired by TD Ameritrade, and OptionsHouse purchased by E\*Trade. At some point this year, Schwab plans to complete its integration of optionsXpress, but E\*Trade is moving at a faster pace, expecting its new unit to be assimilated this year.

The number of online brokers has steadily declined over the past decade, and fees are generally lower but much less variable. In 2007, we reviewed 26 firms and 29 total platforms. Commissions for a stock order that year averaged \$6.35, with a range going from free (at a couple of long-gone sites) to \$14.95 (at Muriel Siebert). Placing an order for 10 options contracts resulted in much more variation, from a low of \$7.50 (at Interactive Brokers) to a high of nearly \$40 (at Bank of America Investment Services). And not every broker had enabled options trading at that time.

The 16 firms reviewed here all allow options transactions. Stock trading ranges from free (at Merrill Edge, which gives customers 100 no-fee equity trades per month, as long as they hold the requisite assets) to \$7.50 (at TradingBlock). Ten options contracts incur commissions ranging from \$4.50 (eOption) to \$15 (TradingBlock).

Another big trend this year is the proliferation of robo-advisors. Ten of the 16 firms in our survey report offering an automated portfolio-builder and rebalancing feature to clients. Though frequent traders are most coveted by online brokers, growing assets under management is also a key driver of success. Robo-advisors are nudging reluctant investors, particularly millennials, into the markets.

Ram Subramaniam, head of brokerage and investment solutions at Fidelity, says the firm “believes the easy access and lower fees for professionally managed money has encouraged younger investors to move from savers to investors, which can help them meet their longer-term financial goals.” We did not explicitly review robo-advisory services for this feature, though having one helped a broker's Range of Offerings score.

Our informal survey of Barron's readers and other interested online traders turned up fewer security worries than in the past

two years. Though the Identity Theft Resource Center ([idtheftcenter.org](http://idtheftcenter.org)) reports an increase of 40% in overall data breaches in 2016, uncovering a total of 1,093, only 52 (4.8%) of those occurred at banks or other financial institutions.

A data breach occurs when an individual's name, along with his or her Social Security and driver's license numbers, and medical or financial records, have been exposed electronically or on paper. The only brokerage that appears on the list of those reporting a breach is Schwab, which told customers about “unusual login activity” in

## Playing to Their Strengths

We again deemed TD Ameritrade best for long-term and novice investors. Interactive Brokers was tops for frequent traders and options players. Schwab scored on education and Merrill Edge, for personal service.

BEST FOR LONG-TERM INVESTING	STARS	BEST FOR NOVICES	STARS
TD Ameritrade	★★★★½	TD Ameritrade (Website)	★★★★½
Fidelity	★★★★½	Fidelity	★★★★½
Charles Schwab	★★★★½	Merrill Edge	★★★★
Merrill Edge	★★★★	Charles Schwab	★★★★
E*Trade	★★★★	E*Trade	★★★★
BEST FOR FREQUENT TRADERS	STARS	BEST FOR INVESTOR EDUCATION	STARS
Interactive Brokers	★★★★½	Charles Schwab	★★★★½
TradeStation	★★★★½	Fidelity	★★★★½
Lightspeed Trading	★★★★½	TD Ameritrade	★★★★½
Tradier	★★★★	Merrill Edge	★★★★
TD Ameritrade (thinkorswim)	★★★★	TradeStation	★★★★
BEST FOR OPTIONS TRADERS	STARS	BEST FOR IN-PERSON SERVICE	STARS
Interactive Brokers	★★★★½	Merrill Edge	★★★★½
TD Ameritrade (thinkorswim)	★★★★½	Charles Schwab	★★★★
OptionsHouse	★★★★½	Fidelity	★★★★
TradeStation	★★★★	TD Ameritrade	★★★★
eOption	★★★★	E*Trade	★★★★

May 2016. “We believe someone may have obtained your username and password from a non-Schwab account or Website that you use and tried them successfully on Schwab.com,” the firm told clients.

**THIS SORT OF SECURITY BREACH** falls roughly into the user-error bucket, though. If you use the same user name and password for multiple sites, scammers might be able to access your account. Fortunately, most of the brokers detect when you are using a new device or browser and require additional steps before you can log in. Schwab’s Metzger says, “Our sites use multilayered protections beyond login name and password before granting access to an account. In the event unauthorized account activity is suspected, the user is prompted to answer additional security questions, and failed login attempts are limited.”

Mobile platforms continue to drive development at most brokers. Every brokerage in our survey with a mobile app—15 of the 16—reported growth ranging from 15% to 30% in trades placed on phones and tablets. To make the experience seamless across platforms, brokers have, for the most part, made it possible to synchronize watchlists and trading defaults across platforms.

That means that when you set a trading default on, say, the Web browser of your broker’s services so that your standard order type is a limit order, that setting also appears on your mobile app the next time you log in, and vice versa. This is most helpful when your watchlists synchronize between your desktop or laptop and your mobile device. Until this year, most brokers required you to set up watchlists separately on each platform, a tedious task that, mercifully, appears to have gone extinct.

Smartwatch apps, which primarily display alerts such as trade executions, are offered by 11 of our 16 brokers. The Apple Watch is supported by 10 of our brokers; one (Just2Trade) supports only Android-based watches. Two brokers, Tradier Brokerage and TD Ameritrade, support both Apple and Android watches.

**BUT LET’S GET TO** the real excitement of our rankings. For 2017, Barron’s reviewed 16 firms, each of which supplied us with a large amount of data and hands-on trading accounts. As has become customary, Vanguard once again rejected our overtures. We considered resorting to other means because so many readers are interested in seeing how Vanguard would stack up. But since much of the data we request is difficult to find without a firm’s help, we

## Amid a Price War, Interactive Brokers, Tradier the Cheapest

By our calculations, Interactive Brokers ranks as the least-expensive broker for occasional traders, while newcomer Tradier excels for price-conscious frequent traders.

### OCCASIONAL TRADER’S\* MONTHLY COSTS

—— LOWEST ——	
Interactive Brokers	\$20.00
eOption	27.00
Merrill Edge***	28.90
Lightspeed Trading	29.94
Just2Trade	30.00
—— HIGHEST ——	
TradingBlock	\$75.00
Planner Securities	73.70
TD Ameritrade	68.60
E*Trade	68.60
Schwab, Fidelity, Firstrade (tied)	52.60
<b>AVERAGE (16 brokers)</b>	<b>\$47.51</b>

### FREQUENT TRADER’S\*\* MONTHLY COST

—— LOWEST ——	
Tradier****	\$213.00
Interactive Brokers	854.00
eOption	888.00
Lightspeed Trading	1,200.00
SogoTrade	1,506.00
—— HIGHEST ——	
TD Ameritrade	\$2,259.00
Planner Securities	2,076.00
E*Trade	1,859.00
Charles Schwab	1,840.00
Fidelity	1,836.00
<b>AVERAGE (16 brokers)</b>	<b>1,513.00</b>

All costs assume customer has a minimum of \$100,000 in assets with broker. \*Occasional Trader: six stock and two options trades per month. \*\*Frequent Trader: 100 stock and 100 options trades plus \$30,000 in margin debt. \*\*\*Assumes customer qualifies for 100 free stock trades per month. If not, occasional fee is \$70.60 per month and frequent fee is \$2,328/month. \*\*\*\*Assumes customer opts in to the all-you-can-trade plans for stocks and options.

decided to move on.

Two brokers we’ve examined for many years, Scottrade and TradeKing, stepped away this year due to acquisitions. (In TradeKing’s case, the buyer was Ally Bank.) But we have two newcomers: Planner Securities and Tradier, each of which has an interesting story to tell.

To analyze 2017’s top brokers, we took a hard look at the value they offer to clients, analyzing security, mobility, and social-media features as well as the depth of their investment tools and their trading capabilities. Our primary consideration in judging these 16 firms is how they work for our readers, who are high-net-worth active investors. Price-improvement statistics are built into our Trading Experience and Technology category.

The ability to set up a personalized experience, both on a computer and with a mobile device, is a key area of focus. We want to see how smoothly the system moves from idea generation to trade ticket, and then on to reporting the results of one’s hard work. Customizable reporting is a concern. We think it’s important for investors and traders to understand which of their strategies work—and which need a little more work.

Three firms earned 4½stars, and our winner, Fidelity, was a repeat from 2016. Its margin was a bare 1/10th of a point over longtime favorite Interactive Brokers. TD Ameritrade moved up one spot to No. 3. Five brokers, each with unique strengths, earned four stars: OptionsHouse, Charles Schwab, Merrill Edge, TradeStation, and E\*Trade.

Because there are so many different trading styles, Barron’s also pinpoints top

online brokers in six categories—frequent trading, in-person service, investor education, long-term investing, services for novices, and options trading—to help you decide where you might want to open an account or transfer an existing one (see table). We also show the brokers that were at the extremes when we calculated the monthly cost of trading for infrequent traders, as well as for those who trade multiple times per day.

You can read about our methodology at Barron’s.com in “How We Ranked Our Online Brokers,” and review the categories that informed our analysis in the tables “Barron’s Online Broker Survey: How the Brokers Stack Up,” the most comprehensive comparison we’re aware of listing the tools and services each firm provides. This year, we expanded the tables displaying research and news based on reader requests. Those requests are extremely helpful in our research, so please keep them coming.

**Fidelity Investments** (4½stars) wins because of its excellent mobile tools and assistance available whenever you want it. The firm is one of the rare brokerages that maintained access to international markets when others walked away. Now that the company has lowered its base commission to \$4.95 and its per contract options fee to 65 cents, Fidelity’s full suite of tools and services is also a terrific value.

Fidelity is leading the way in making the quality of its trade executions more transparent. We’re fans of the Fidelity report that displays after every execution showing how much price improvement its trading engine generated.

As one of the three brokers that partic-

ipate in the Financial Information Forum's voluntary extended reporting program, which is working to standardize execution quality reports (the others are Schwab and Scottrade), the firm also puts out quarterly reports that show the percentage of orders that were price-improved, and the average savings per order. In the fourth quarter of 2016, a 500-to-1,000 share order of a stock listed on the S&P 500 attained an average savings of \$10.25 per order at Fidelity. That gives you more back in price improvement than you pay in commissions.

On its Website and in mobile apps, Fidelity's design mandate is to create a unified customer experience, so that you don't feel like you're in a different universe on your tablet compared with your desktop.

Its exchange-traded-fund screener now includes technical pattern recognition powered by Recognia, which lets you look for particular price events, such as a moving average crossover or, perhaps, a bullish engulfing line for candlestick enthusiasts. The screener will display all of the technical events you've chosen, then narrow down the choices further by fundamental items, such as market capitalization, or pricing characteristics such as volatility. Fidelity also has an ETF Compare tool, which shows you similar funds and lets you compare them side by side. ETFs that trade commission-free—91 in all at Fidelity—are indicated with an icon.

Fidelity has made a concerted effort to go after the millennial market, including repackaging educational content onto its mobile site. There are 12 programs available now, with more being added monthly. The Planning and Guidance center is designed to allow customers to focus on the future, planning for any kind of goal from college tuition to retirement to taking a long vacation. Fidelity Go, the firm's robo-advisory service, is clearly aimed at the younger set.

Fidelity has also added a site that allows guest access for 30 days and includes its premium research. When the 30 days are up, you can decide whether to open an account.

**Interactive Brokers** (4½stars) maintains its position near the top of the charts. IB is aiming at more than just the hyperactive trader these days. In order to ease a new customer onto its flagship trading platform, the downloadable Trader Workstation, or TWS, IB has launched a layout library that includes 20 predefined setups for different styles of trading. There are templates for options traders, fundamental research, and traders who focus on the news. You can set up as many layouts as you'd like and switch among them using

the tabs at the bottom of the screen.

To keep from getting lost in the complexity of the Trader Workstation, IB introduced an artificial-intelligence-enabled assistant named IBot, which responds to plain English questions. IBot can answer queries about price quotes, option chains, order placement, upcoming corporate events, and market activity, among other things.

The trader's journal has been enhanced significantly, allowing you to organize your notes by underlying symbol so you can see all of your notes in one streaming view. These notes are stored on IB's server, so you can access them whether you're using the desktop, Web, or mobile version of the platform.

IB also offers 10 low-fee robo-advisory portfolios from its Covestor Smart Beta Portfolios unit. The portfolios combine automated investing with human oversight, and their risk-return profiles are potentially more profitable than passive index trackers. Rather than being invested in ETFs, the portfolios, which are rebalanced quarterly, include a wide range of individual stocks. The minimum investment is \$5,000, and the portfolios may include fractional shares of some of the stocks. Fees top out at 0.08%.

**TD Ameritrade** (4½stars) moved up into the top three this year by enhancing each of its platforms. On the Web, the experience of analyzing stocks has become more personalized in the My Stocks Overview section of its research section. The firm's thinkorswim platform added global indexes to the charting package, as well as Federal Reserve data. Technical traders can use an enhanced scanner, which looks for classic and candlestick patterns. You can even set up a scan graphically, by dragging and dropping components into the tool.

One of the creature comforts we appreciate is the way TD watchlists can be generated quickly from the output of a screener and then made available to all platforms—including mobile. You can have a multiscreen setup that includes your mobile devices, and all of your data and watchlists are instantly synchronized.

The designer crew at TD has made thoughtful changes to the mobile experience, including the way long watchlists are sorted on smaller devices. Some other brokers don't allow you to access real-time streaming data on multiple devices simultaneously, mainly because of the cost of supplying the data. "We're good at negotiating with data providers," notes a technical manager at the firm. With 20% of trades occurring on mobile devices, the focus on mobile is appropriate.

Over the past year, TD launched its own robo-advisory service, Essential Portfolios, via its advisory affiliate, TD Ameritrade Investment Management. Goal-setting is a key piece of this service, with five diversified model portfolios recommended by Morningstar. Slider bars allow the client to make adjustments at any point in the investing cycle, and display the updated results. For clients who are not projected to hit their targets, up to three tips are presented to help them get back on track.

**OptionsHouse** (4 stars), which was acquired last year by E\*Trade, continues to operate as a separate entity but will be integrated into a single platform this year. The combined firms are targeting the summer for the completion of the process, which will offer the OptionsHouse platform to E\*Trade customers, and vice versa. OptionsHouse's Steve Claussen assures us that the platform will not be going away, and will be developing additional tools for analyzing and trading futures. When the merger is complete, OptionsHouse customers will be able to utilize E\*Trade's extensive education offerings as well as its recently-launched robo-advisory.

On the mobile front, OptionsHouse launched two new native mobile apps in 2016, and is currently rolling out a new HTML5 application that can run on any device, from desktop to smartphone. The new layout is extremely flexible, and the design team worked to reduce the number of clicks and taps that it takes to get around, and to provide more functionality for active traders. Options chains displays snap onto the screen. When placing an options order, data for the underlying stock continue to stream, keeping the trader up to date during the process of crafting a spread.

The platform has switched from a proprietary charting package to one powered by third party Chart IQ, which has given OptionsHouse additional technical studies as well as fundamental data (dividends, earnings, splits) that display on a chart.

On mobile, the platform has been redesigned so that it can be operated with one hand, either right or left, for quick access to quotes and trading. The mobile options chain uses a tumbler for choosing strikes and dates rather than long drop-down menus. There are multiple trade analysis tools on both mobile and the HTML5 platform to make sure you know the probability of success.

**Charles Schwab** (4 stars) continues to pull tools from optionsXpress into its flagship Web platform, and in the last year has invested into its trading infrastructure to

support those tools. Once the integration is complete, Schwab will offer portfolio margining, which will be a benefit to active traders who use options to mitigate risk. Idea generation functions, including Trade Source, a gain/loss analyzer, have also been added to the Website.

The site has also been enhanced with additional personalization, such as a customizable opening view with widgets that can be dropped into the display. Once you've updated this view on the Web, it follows you to your mobile app. For active traders, StreetSmart Edge added quite a few options tools, including a nicely laid-out trading workflow. A probability calculator is built into the trade ticket. When viewing account positions, you can resubmit, close, or roll out a position into a future strike with minimal effort.

One area where Schwab has made a big push is transparency around order execution and quality. The firm has introduced a new order routing system that allows it to make direct comparisons of quality across execution venues. During the fourth quarter of 2016, this new system ensured that 98.4% of shares traded in the 500-1,999 share bucket were executed at the current market quote or better, and the average savings per order was \$11.29. This focus on execution quality is most welcome.

Schwab's robo-advisory service, Schwab Intelligent Portfolios, managed to amass \$12.3 billion in assets by the end of 2016, which is an incredible figure for a service that launched in 2015. The firm has added another level of financial planning, Schwab Intelligent Advisory, which combines professional advisors with automated portfolios. Performance details are displayed upon logging in to the Website or the mobile apps.

**Merrill Edge** (4 stars) found that about 50% of its customers who are using its mobile apps are mobile only, so it pushed to enrich the experience on smartphones and tablets. The apps now include a Dashboard feature that displays your portfolio, and quite a bit of information related to your holdings such as corporate events, ratings changes, and news. The events are presented based on how recently they occurred, and how impactful they are to your portfolio.

When placing a trade on a mobile app, the entire process can be done on a single page rather than swiping back and forth. There is also quite a bit of customizable research and education content that can be

viewed on mobile. The charting function is slick – when you switch to landscape mode on your device, the charts are fully interactive, which includes indicators, event markers, and comparisons to peers, indexes, or sectors. Store the template and use it again for a different symbol. There was also an emphasis on long-term investing on mobile, integrating goal planning content with self-service functions. In April, there will be a suite of mobile education modules through a partnership with Morningstar.

Back on the Website, an options strategy builder has been launched, which helps a customer filter strategies by market outlook and volatility expectations. The options order entry screen was updated as well. The MarketPro platform includes the OptionsPlay toolkit as well as Recognia's pattern recognition.

Life events drive the planning and goal-setting capabilities of the platform. More than 20 life events, such as getting married, sending a child to college, buying a house, or retiring are included. Merrill has been baking in an enterprise-wide approach to helping clients meet their goals with varying levels of assistance from completely self-directed to advisor managed. Merrill Edge Guided Investing is the firm's robo-advisory, which makes it possible to restrict the ETFs that will be included in the account. Customers with a Bank of America relationship, whether checking, savings, mortgage, or credit card, can see a unified view of all accounts from Merrill Edge. You'll find financial advisors in almost every Bank of America branch.

**TradeStation** (4 stars) dropped its \$99 monthly platform fee, and added a \$5 flat rate commission, which could be more appealing to less active traders. All customers will be able to access the firm's RadarScreen tool for no extra charge as well. GainsKeeper, a tax management system, has been integrated to make April a less cruel month. Other enhancements include an Intraday Short Locate app to allow short sellers to find shares to borrow. When viewing quote detail on a particular stock, you'll be able to see an "easy to borrow" or "hard to borrow" indicator. Several algorithms for managing large block trades have also been published.

OptionsStation Pro is also available to all customers for no additional fee, and it has been simplified considerably in the last year. At the bottom of the options chain screen are four tabs rather than the previous 12, with access to trading, analysis,

position management, and search. When viewing an options chain, as you click on a bid or ask, a spread gets built. The platform recognizes the spread you are building, or you can click on a drop-down menu to start with a particular strategy. The Analyze tab displays a profit/loss graph, while the manage tab lets you quickly roll a strategy out, or add legs.

On mobile devices, options chain displays were expanded, including Greeks calculations. Conditional order types were enabled on mobile, as well as the ability to close all positions with a click.

The firm added a huge amount of content to its educational offerings, with resources that address all asset classes and skill levels. There are live Webinars every day the market is open, including those on strategy trading, daily market intelligence, and "I Want To Be A Trader" sessions for novices. The platform is ideal for technical analysis junkies, and for those who want to build their own trading system.

**E\*Trade** (4 stars) rolled out its new Portfolio display last fall, which offers a much cleaner layout with easier access to additional functionality. The aim was to allow customers to get more tasks done without having to leave the page, which was a most welcome update. The entire navigation experience was overhauled and simplified; as a result, the Website feels much cleaner and up-to-date. The Estimated Income tool was overhauled, giving customers a clearer picture of how their portfolios are generating income with a customizable time frame and the ability to seek out additional income.

E\*Trade Pro's charting package was significantly enhanced as well, including 110 technical and fundamental studies and comparison tools. The charts created in E\*Trade Pro can also be loaded in the mobile apps, which is a welcome cross-platform integration.

With the acquisition of OptionsHouse, E\*Trade will be able to offer additional options analytics and trading functionality later this year. E\*Trade launched its own robo-advisor, Adaptive Portfolio, in mid-year, which allows combinations of actively and passively managed ETFs and mutual funds. Portfolio analysis functions look similar when viewing a robo-generated portfolio or your regular portfolio in terms of asset allocation. The firm offers three other managed solutions with higher initial minimums. ■

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