

Louis Capital Markets LLC

(SEC I.D. No. 8-52013)

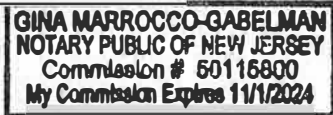
Statement of Financial Condition

as of December 31, 2021

and Report of Independent Registered Public Accounting Firm

OATH OR AFFIRMATION

I, Christian Pezeu, swear (or affirm) that, to the best of my knowledge and belief, the financial report pertaining to the firm of Louis Capital Markets LLC, as of December 31, 2021, is true and correct. I further swear (or affirm) that neither the company nor any partner, officer, director, or equivalent person, as the case may be, has any proprietary interest in any account classified solely as that of a customer.



Gina Marrocco-Gabelman

Subscribed and sworn to before me on this day April 6, 2022

Signature:

[Handwritten Signature]

Title:

Chief Financial Officer

Notary Public

This filing** contains (check all applicable boxes):

- (a) Statement of financial condition.
(b) Notes to consolidated statement of financial condition.
(c) Statement of income (loss) or, if there is other comprehensive income in the period(s) presented, a statement of comprehensive income...
(d) Statement of cash flows.
(e) Statement of changes in stockholders' or partners' or sole proprietor's equity.
(f) Statement of changes in liabilities subordinated to claims of creditors.
(g) Notes to consolidated financial statements.
(h) Computation of net capital under 17 CFR 240.15c3-1 or 17 CFR 240.18a-1, as applicable.
(i) Computation of tangible net worth under 17 CFR 240.18a-2.
(j) Computation for determination of customer reserve requirements pursuant to Exhibit A to 17 CFR 240.15c3-3.
(k) Computation for determination of security-based swap reserve requirements pursuant to Exhibit B to 17 CFR 240.15c3-3 or Exhibit A to 17 CFR 240.18a-4, as applicable.
(l) Computation for Determination of PAB Requirements under Exhibit A to § 240.15c3-3.
(m) Information relating to possession or control requirements for customers under 17 CFR 240.15c3-3.
(n) Information relating to possession or control requirements for security-based swap customers under 17 CFR 240.15c3-3(p)(2) or 17 CFR 240.18a-4, as applicable.
(o) Reconciliations, including appropriate explanations, of the FOCUS Report with computation of net capital or tangible net worth...
(p) Summary of financial data for subsidiaries not consolidated in the statement of financial condition.
(q) Oath or affirmation in accordance with 17 CFR 240.17a-5, 17 CFR 240.17a-12, or 17 CFR 240.18a-7, as applicable.
(r) Compliance report in accordance with 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
(s) Exemption report in accordance with 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
(t) Independent public accountant's report based on an examination of the statement of financial condition.
(u) Independent public accountant's report based on an examination of the financial report or financial statements under 17 CFR 240.17a-5, 17 CFR 240.18a-7, or 17 CFR 240.17a-12, as applicable.
(v) Independent public accountant's report based on an examination of certain statements in the compliance report under 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
(w) Independent public accountant's report based on a review of the exemption report under 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
(x) Supplemental reports on applying agreed-upon procedures, in accordance with 17 CFR 240.15c3-1e or 17 CFR 240.17a-12, as applicable.
(y) Report describing any material inadequacies found to exist or found to have existed since the date of the previous audit, or a statement that no material inadequacies exist, under 17 CFR 240.17a-12(k).
(z) Other:

**To request confidential treatment of certain portions of this filing, see 17 CFR 240.17a-5(e)(3) or 17 CFR 240.18a-7(d)(2), as applicable.

Louis Capital Markets LLC

Index

December 31, 2021

	Page(s)
Report of Independent Registered Public Accounting Firm.....	1
Statement of Financial Condition	2
Notes to Statement of Financial Condition.....	3–9



REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Member of Louis Capital Markets, LLC

Opinion on the Financial Statement

We have audited the accompanying statement of financial condition of Louis Capital Markets, LLC (the “Company”) as of December 31, 2021, and the related notes (collectively referred to as the “financial statement”). In our opinion, the financial statement presents fairly, in all material respects, the financial position of the Company as of December 31, 2021 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

The financial statement is the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statement based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the financial statement, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statement. We believe that our audit provides a reasonable basis for our opinion.

Mayer Hoffman McCann CPAs

We have served as the Company’s auditors since 2014.

New York, New York
April 6, 2022



Louis Capital Markets LLC
Statement of Financial Condition
December 31, 2021

(dollars in thousands)

Assets

Cash	\$	2,523
Receivable from brokers and dealers		1,317
Commissions receivable, net of allowance for expected credit loss \$0		619
Receivable from affiliates		93
Prepaid expenses and other assets		4
Total assets	\$	4,556

Liabilities and Member's Equity

Liabilities		
Accrued personnel costs	\$	42
Payable to brokers and dealers		29
Payable to affiliate		1,083
Accrued expenses and accounts payable		262
Total liabilities		1,416

Member's equity		3,140
Total liabilities and member's equity	\$	4,556

The accompanying notes are an integral part of this statement of financial condition.

Louis Capital Markets LLC

Notes to Statement of Financial Condition

December 31, 2021

(dollars in thousands)

1. Organization

Louis Capital Markets LLC (the “Company”) is a Delaware limited liability company. The Company’s sole Member is TP ICAP Americas Holdings Inc. (“TPIAHI”). TPIAHI is a wholly owned indirect subsidiary of TP ICAP Group plc, and therefore the Company is an indirect wholly owned subsidiary of TP ICAP Group plc, as such TP ICAP Group plc is the ultimate parent of the Company.

TP ICAP Group plc is a public company registered in the United Kingdom that engages principally as an intermediary in global financial, energy and commodity markets. In its intermediary role, TP ICAP Group plc provides access to dynamic and efficient markets that enhance the flow of capital, energy and commodities around the world.

The Company is a broker-dealer registered with the Securities and Exchange Commission (“SEC”) and is a member of the Financial Industry Regulatory Authority (“FINRA”). The Company was also previously registered as a non-clearing Independent Introducing Broker (“IB”) with the Commodities Futures Trading Commission (“CFTC”) and was previously a member of the National Futures Association (“NFA”). On April 29, 2021, the NFA approved the Company’s membership withdrawal request and therefore as of that date the Company was no longer a broker of commodities futures contracts or subject to NFA oversight.

The Company is a broker of over the counter equity securities, and listed options. The Company does not hold customer funds or securities or provide clearing services for other broker dealers and therefore has fully disclosed clearing agreements with third parties.

Brokerage capacities

The Company may act in the capacity of “exchange give-up” and/or “name passing”.

When acting in the “exchange give-up” capacity, the Company facilitates the trading activity of its client on an exchange or trading facility. Once the execution has occurred, the executed position is then given-up to the client or the client’s clearing member through the clearing services at the exchange clearing house.

When acting in the “name passing” capacity, the Company connects buyers and sellers and may assist in the negotiation of the price and other material terms of the transaction. At the point at which the parties agree to terms, the Company leaves the buyer and seller to clear and settle through the appropriate market mechanism.

The Company routes for execution and/or acts as executing broker for orders in certain products, and introduces such transactions to a clearing firm for settlement and clearance on a deliver verse payment and receive verse payment (“DVP/RVP”) basis.

Fees/commissions

The Company is generally compensated for its role in facilitating and consummating transactions by charging a brokerage fee. In “exchange give-up” and “name-passing” market places and for other transactions the fee will typically take the form of a commission. Commission income is recorded on a trade date basis.

Louis Capital Markets LLC

Notes to Statement of Financial Condition

December 31, 2021

(dollars in thousands)

Securities transactions

Securities transactions are recorded on a trade-date basis. Amounts receivable and payable for securities transactions that have not reached their contractual settlement date are recorded net in receivables from brokers or dealers and clearing organizations on the statement of financial condition as trades pending settlement, net.

COVID-19 Pandemic

During the first quarter of 2020, the World Health Organization declared the outbreak of a novel coronavirus ("COVID-19") as a pandemic, which continues to spread throughout the world. In late March 2020, the Company activated its Business Continuity Planning strategies to safeguard the wellbeing of its employees, the continuation of its operations and the support of its clients. Currently the Company continues to operate with its employees utilizing a hybrid work schedule involving a combination of teleworking from home and working in offices. Employees working in offices are required to respect social distancing standards. This new way of working has resulted in the Company being able to operate as usual without disruption to business continuity.

The COVID-19 outbreak has resulted in governments around the world putting restrictions in place regarding the movement of people, leading to widespread disruption and significant market volatility. As of the date of this report, there are no indicators of significant impairment to the Company's financial and non-financial assets nor significant loss or credit risk exposures as a result of these conditions.

The full extent of how these conditions will continue to impact the Company are not yet known as there is uncertainty around the duration and severity. Therefore, while we expect this matter to impact our business, results of operations, and financial position, the related financial impact cannot be reasonably estimated at this time. The Company has a positive net asset value and cash reserves available to help preserve its financial flexibility. Additionally, the Company is closely monitoring regional and global developments and remains attentive to signals that could impact its business.

2. Summary of Significant Accounting Policies

Basis of presentation

The statement of financial condition has been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"). The U.S. Dollar is the functional currency of the Company. In the opinion of management, the statement of financial condition includes all adjustments necessary to present fairly the financial position at December 31, 2021.

Use of estimates

Preparation of the statement of financial condition in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the statement of the statement of financial condition. Significant estimates include an allowance for receivables. Actual results could differ from those estimates.

Louis Capital Markets LLC

Notes to Statement of Financial Condition

December 31, 2021

(dollars in thousands)

Revenue recognition

The Company acts as an intermediary in the wholesale financial markets and therefore acts in an agency role.

Agency commissions

The Company acts in an agency capacity, by connecting buyers and sellers. When the buyers and sellers agree to price and other terms of the transaction, the Company's performance obligation is met and it leaves both parties, to clear and settle through the appropriate market mechanism. In agency transactions, the Company charges commission for executing transactions between buyers and sellers. Agency commissions revenue and related expenses are recognized on a trade date basis and are presented net of discounts and are recognized at the time of the transaction. The Company believes that their performance obligation is satisfied on trade date because that is when the underlying financial instrument or purchase is identified, the pricing is agreed upon and the risks and rewards of ownership have been transferred to/from the customer. The Company invoices customers on a monthly basis and the payment is due within 30 days. The Company accounts for agency commissions on an accrual basis and therefore records a receivable between trade date and payment date (the date customer invoice payments are received).

Management fee

The Company provides trade execution services to its UK affiliate (see note 9). The Company believes the performance obligation providing trade execution services is satisfied over time because the customer is receiving and consuming the benefits as they are provided by the Company. Fee arrangements are based on a percentage applied to the UK affiliate's net commission income. Fees are billed monthly and are recognized as revenue at the time as they relate specifically to the services provided in that period, which are distinct from the services provided in other periods. The balance with the affiliate is settled on a monthly basis.

Cash

Cash at December 31, 2021 includes \$2,523 of cash held in demand deposit accounts by two major financial institutions. Additionally, at December 31, 2021, the Company had a cash balance that exceeded the Federal Deposit Insurance Corporation ("FDIC") limit of \$250, held at two major institutions.

Commissions receivable

Commissions receivable represents balances due from brokers, dealers, banks, financial institutions and non-financial institutions for the execution of securities, derivatives and futures brokerage transactions. The Company reflects commission receivables on its statement of financial condition net of allowance for doubtful accounts. As of December 31, 2021, 25% of the commissions receivable balance is due from one financial institution.

Louis Capital Markets LLC

Notes to Statement of Financial Condition

December 31, 2021

(dollars in thousands)

Expected credit loss allowance for commissions receivable

The Company recognizes lifetime expected credit losses for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. As of December 31, 2021, there was an expected credit loss allowance of \$0.

Foreign currency translation

Assets and liabilities denominated in foreign currencies are translated into United States dollar amounts at year end exchange rates. Transactions denominated in foreign currencies including income and expenses, are translated into United States dollar amounts on transaction date. Adjustments arising from foreign currency transactions are immaterial.

3. Income Taxes

In December 2019, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") ASU 2019-12 Income Taxes - Topic 740 - Simplifying the Accounting for Income Taxes ("ASU 2019-12"). This ASU was issued as part of the FASB's simplification initiative aimed at reducing overall complexity in accounting standards while maintaining or improving the usefulness of information provided to users of statement of financial condition. ASU 2019-12 clarifies that an entity such as a single member limited liability company which is not subject to tax and disregarded by the tax authority is not required to include in their separate statement of financial condition amounts of consolidated and deferred taxes.

The Company adopted ASU 2019-12 as of January 1, 2020, and therefore, no liability or receivable for federal or state income taxes has been included in the Company's statement of financial condition.

4. Receivable from and Payable to Brokers and Dealers

The Company introduces its transactions for settlement and clearance on a fully disclosed basis to Goldman Sachs Execution and Clearing, L.P. ("GSEC"). As of December 31, 2021, the Company has a \$1,317 balance due from GSEC.

5. Commitments and Contingencies

Litigation

In the ordinary course of business, various legal actions are brought and are pending or threatened against the Company. In some of these actions, substantial amounts are claimed. The Company is also involved, from time to time, in other reviews, investigations and proceedings by governmental and self-regulatory agencies (both formal and informal) regarding the Company's business, judgments, settlements, fines, penalties, injunctions or other relief.

The Company contests the liability or the amount of damages in each pending matter. In view of the inherent difficulty of projecting the outcome of such matters, the Company cannot predict with certainty the loss or range of loss related to such matters, how such matters will be resolved, when

Louis Capital Markets LLC

Notes to Statement of Financial Condition

December 31, 2021

(dollars in thousands)

they ultimately will be resolved, or what the eventual settlement, fine, penalty or other relief might be. Management believes, based on currently available information, that the results of such matters, in the aggregate, will not have a material adverse effect on its statement of financial condition.

6. Net Capital Requirements

As a registered broker-dealer and member of FINRA, the Company is subject to the Uniform Net Capital Rule (Rule 15c3-1) (“the Rule”) of the SEC. The Company computes its net capital under the aggregate indebtedness standard permitted by the Rule, which requires that the Company maintain minimum net capital, as defined, equal to the greater of \$250 or 6 2/3% of aggregate indebtedness to all persons. Additionally, under this standard the ratio of aggregate indebtedness to net capital shall not exceed 15 to 1 and that equity capital may not be withdrawn if the resulting net capital ratio would exceed 10 to 1. At December 31, 2021, the Company had net capital of \$2,447, which exceeded the minimum requirement of \$250 by \$2,197. The Company’s ratio of aggregate indebtedness to net capital was 58 to 1.

7. Fair Value Measurements

ASC 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measure date. Various valuation inputs are used to determine the fair value of assets or liabilities. Such inputs are defined broadly as follows:

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2 – Quoted prices for similar assets in active markets or quoted prices for identical assets in markets that are not considered to be active, or financial instruments for which all significant valuation inputs are observable, either directly or indirectly; and

Level 3 – Prices or valuations that require inputs that are both significant to fair value measurement and unobservable.

The Company did not have any assets or liabilities classified as Level 3 at December 31, 2021.

Financial Instruments Measured at Fair Value

At December 31, 2021, the Company’s cash of \$2,523 is held in demand deposit accounts and therefore considered a level 1 asset.

ASU 2010-6 “Improving Disclosures about Fair Value Measurements” (“ASU”) requires the following disclosures: (1) significant transfers in and out of Levels 1 and 2 and the reasons that such transfers were made; and (2) additional disclosures in the reconciliation of Level 3 activity; including information on a gross basis for purchases, sales issuances and settlements. For the year ended December 31, 2021, the Company did not have any transfers between levels or level 3 activity.

Louis Capital Markets LLC
Notes to Statement of Financial Condition
December 31, 2021

(dollars in thousands)

Financial Instruments Not Measured at Fair Value

The Company estimates that the fair value of its remaining financial instruments recognized on the statement of financial condition approximate their carrying value, because they have limited counterparty credit risk and are short-term, replaceable on demand, or bear interest at market rates.

The table below presents the carrying value and fair value of the Company's financial instruments which are not carried at fair value. In addition, the table excludes the values of non-financial assets and liabilities.

	December 31, 2021			
Assets:	Level 1	Level 2	Level 3	Total
Receivable from broker dealers	\$ -	\$ 1,317	\$ -	\$ 1,317
Commissions receivable	-	619	-	619
Total	<u>\$ -</u>	<u>\$ 1,936</u>	<u>\$ -</u>	<u>\$ 1,936</u>
Liabilities:	Level 1	Level 2	Level 3	Total
Payable to broker and dealers	\$ -	\$ 29	\$ -	\$ 29
Total	<u>\$ -</u>	<u>\$ 29</u>	<u>\$ -</u>	<u>\$ 29</u>

8. Financial Instruments with Off-Balance-Sheet Risk and Concentration of Credit Risk

If transactions do not settle because of failure by either counterparty to perform, the Company may, under certain circumstances, be required to discharge the obligation of the non-performing party.

As a result of acquiring a position as discussed under Note 1 herein, the Company may incur a gain or a loss if the market value of the security at the time of discharge is different from the value of the original transaction.

In addition, pursuant to the terms of the clearing agreements between the Company and its clearing brokers, the clearing brokers have the right to charge the Company for losses that result from a counterparty's failure to fulfill its contractual obligations. At December 31, 2021, the Company has recorded no liability. As the right to charge the Company has no maximum amount and applies to all trades executed through the clearing broker, the Company believes there is no maximum amount assignable to this right.

In the normal course of its operations, the Company enters into contracts that contain a variety of representations and warranties and which provide general indemnifications. The Company's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Company that have not yet occurred. However, based on experience, the Company believes the risk of loss is remote.

The Company's policy is to monitor its market exposure and counterparty risk through the use of a variety of financial position and credit exposure reporting and control procedures. In addition, the

Louis Capital Markets LLC
Notes to Statement of Financial Condition
December 31, 2021

(dollars in thousands)

Company has a policy of reviewing, as considered necessary, the credit standing of each counterparty and customer with which it conducts business. The Company does not anticipate non-performance by the counterparties.

9. Transactions with Affiliates

The Company has service agreements with indirect wholly owned subsidiaries of TP ICAP plc, whereby the subsidiaries provide the Company with shared occupancy, fixed assets and administrative services (including finance, human resources, operations, legal and electronic data processing functions), and the Company provides similar services to other TP ICAP plc subsidiaries. The agreements also include the payment of certain expenses such as payroll and executions fees incurred by the affiliates on behalf of the Company and instances where payroll and execution fees are incurred by the Company on behalf of its affiliates. Additionally, the agreements include payment for the collection of commissions by affiliates on behalf of the Company and commissions collected by the Company on behalf of its affiliates.

LCM LLP introduces transactions to the Company for execution. Under the agreement the Company invoices and collects agency brokerage for transactions introduced to it by LCM LLP and therefore earns a fee for the execution service it provides to LCM LLP.

The table below presents the amounts owed from and due to affiliates under these agreements as of December 31, 2021.

	Receivable from affiliates	Payable to affiliates		
TPIAHI	\$ -	\$ 1,062		
Louis Capital Markets UK, LLP	-	8		
Tullett Prebon Financial Services LLC	-	4		
TP ICAP Group Services Ltd	-	9		
TP ICAP (Europe) SA	65	-		
ICAP Corporates LLC	26	-		
Tullett Prebon (Europe) Ltd	2	-		
	<u>\$ 93</u>	<u>\$ 1,083</u>		

Amounts receivable from affiliates are non-interest bearing and due on demand.

10. Subsequent Events

The Company has performed an evaluation of subsequent events through April 6, 2022. There have been no subsequent events that occurred during this period that would require recognition in this statement of financial condition or disclosure as of December 31, 2021, or for the year then ended.