

# Annual Best Execution Disclosure 2019



INDEPENDENT THINKING

Issue date: June 2020

Under Article 65(6) and RTS 28 of the MiFID II regulations SVM Asset Management are required to provide additional disclosures for each class of financial instruments in relation to the execution venues where we have transmitted client orders for execution, along with certain information on the quality of execution obtained. The disclosures below apply to all classes of financial instruments.

One report has been provided for each of class of financial instrument, traded by SVM Asset Management, on behalf of its institutional clients, in the preceding year. As mandated in RTS 28, EEA traded equities, (shares and depository receipts) have been split by liquidity bands as detailed below. These are based on average daily number of transactions in the most relevant market in terms of liquidity for that instrument.

- (i) Tick size liquidity bands 5 and 6 (from 2000 trades per day)
- (ii) Tick size liquidity bands 3 and 4 (from 80 to 1999 trades per day)
- (iii) Tick size liquidity band 1 and 2 (from 0 to 79 trades per day)

Equities which do not trade in the EEA have not been allocated a liquidity band and have therefore been included in report 'other instruments'.

SVM Asset Management Limited only trades on behalf of professional clients therefore all reports have been produced in accordance with Table 2 requirements under RTS 28.

***A description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders.***

SVM does not have any close links, conflicts of interests or common ownerships with respect to any execution venues used to execute orders.

***A description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received.***

SVM does not have any arrangements in place with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits.

***An explanation of the factors that led to a change in the list of execution venues listed in the firm's execution policy, if such a change occurred.***

SVM will only transmit orders to brokers on our approved list; Brokers are subject to ongoing monitoring process, and the Firm may at its discretion remove or add from the approved broker list depending on results of its execution and broker reviews as well as trading requirements. There were no significant changes during 2019.

***An explanation of how order execution differs according to client categorisation, where the firm treats categories of clients differently and where it may affect the order execution arrangements.***

SVM only trades on behalf of professional investors, all clients are treated the same.

***An explanation of whether other criteria were given precedence over immediate price and cost when executing retail client orders and how these other criteria were instrumental in delivering the best possible result in terms of the total consideration to the client.***

SVMs execution policy does not treat different categories of clients differently. We do not have any direct execution; all execution decisions are made by a central desk who execute according to a single policy. SVM does not execute retail client orders.

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**An explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under Delegated Regulation (EU) 2017/575 [RTS27].**

SVM use an independent TCA (transaction cost analysis) provider to assist with regular monitoring of the quality of execution obtained on the execution venues where we place client orders. No concerns were identified. This has included review of relevant RTS 27 reports but we have found the data to be of limited use.

**Where applicable, an explanation of how the investment firm has used output of a consolidated tape provider.**

This is not applicable as there are currently no consolidated tape providers in Europe.

## Equities – Shares & Depositary Receipts

Class of instrument	Equities – Shares & Depositary Receipts - liquidity Band 5 and 6 (from 2000 trades per day)				
Notification if <1 average trade	N				
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion on orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Merrill Lynch LEI: GGDZP1UYGU9STUHRDP48	44.26%	36.02%	N/A	N/A	0.00%
Investec LEI: 84S0VF8TSMH0T6D4K848	16.44%	22.22%	N/A	N/A	0.00%
Goodbody LEI: 635400IL71G3SXS7OE16	6.98%	4.48%	N/A	N/A	0.00%
Whitman Howard LEI: 2138006QBN4BY5TE7574	5.03%	8.42%	N/A	N/A	0.00%
Jefferies International LEI: S5THZMDUJCTQZBTRVI98	4.85%	1.97%	N/A	N/A	0.00%

Class of instrument	Equities – Shares & Depositary Receipts - liquidity Band 3 and 4 (from 80 to 1999 trades per day)				
Notification if <1 average trade	N				
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion on orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Investec LEI: 84S0VF8TSMH0T6D4K848	21.31%	23.87%	N/A	N/A	0.00%
Goodbody LEI: 635400IL71G3SXS7OE16	19.96%	11.49%	N/A	N/A	0.00%
Merrill Lynch LEI: GGDZP1UYGU9STUHRDP48	10.49%	10.36%	N/A	N/A	0.00%
Barclays Capital LEI: AC28XWWI3WIBK2824319	7.73%	5.41%	N/A	N/A	0.00%
Winterflood Securities LEI: 8BRUP6V1DX3PIG2R0745	6.92%	8.33%	N/A	N/A	0.00%

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Class of instrument	Equities – Shares & Depository Receipts - Liquidity Band 1 and 2(from 0 to 79 trades per day)				
Notification if <1 average trade	N				
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion on orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Numis LEI: 213800P3F4RT97WDSX47	12.97%	9.06%	N/A	N/A	0.00%
Berenberg Bank LEI: 529900UC2OD7II24Z667	11.74%	11.70%	N/A	N/A	0.00%
Goodbody LEI: 635400IL71G3SXS7OE16	8.43%	5.28%	N/A	N/A	0.00%
N+1 Singer LEI: 2138006PRPC7DIAIZV82	8.13%	7.92%	N/A	N/A	0.00%
Winterflood Securities LEI: 8BRUP6V1DX3PIG2R0745	7.81%	18.87%	N/A	N/A	0.00%

## Relative importance of execution factors

When dealing in stocks with the highest liquidity price and cost of execution are the most important factors. As we move into less liquid stocks then speed and likelihood of execution increase in priority but would be very unlikely to replace price or cost as the most important factors.

## Other Instruments

Class of instrument	Other Instruments				
Notification if <1 average trade	Y				
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion on orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Berenberg Bank LEI: 529900UC2OD7II24Z667	68.60%	26.32%	N/A	N/A	0.00%
Goldman Sachs LEI: W22LROWP2IHZNBB6K528	14.08%	42.11%	N/A	N/A	0.00%
CLSA LEI: 213800VZMAGVIU2IJA72	8.91%	15.79%	N/A	N/A	0.00%
Goodbody LEI: 635400IL71G3SXS7OE16	6.15%	10.53%	N/A	N/A	0.00%
Handelsbanken LEI: NHBDILHZTYCNBV5UYZ31	2.26%	5.26%	N/A	N/A	0.00%

## Relative importance of execution factors

SVM executes transactions as part of initial public offerings 'IPOs', IPOs are only available from the issuing broker therefore when deciding whether to participate in such an offer we will consider price and counterparty risk as the most important factors. This section also contains equities which do not trade in the EEA.

## Debt Instruments - Money Market Instruments

Class of instrument	Debt Instruments - Money Market Instruments				
Notification if <1 average trade	Y				
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion on orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Panmure Gordon LEI: 213800GM8RB7MS4L3Z24	100.00%	100.00%	N/A	N/A	0.00%

### Relative importance of execution factors

The very low volume and specific requirements in terms of size & duration for each transaction means that it is more efficient to deal all securities through one broker. All trades were executed with Panmure Gordon where price and likelihood of execution were the most important factors.

## Currency Derivatives - Swaps, Forwards, and other Currency Derivatives

Class of instrument	Currency Derivatives - Swaps, forwards, and other currency derivatives				
Notification if <1 average trade	Y				
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion on orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
UBS LEI: BFM8T61CT2L1QCCEMIK50	100.00%	100.00%	N/A	N/A	0.00%

### Relative importance of execution factors

The very low volume of transactions combined with the additional requirements of the EMIR regulations that apply to currency derivatives means that it is more efficient to execute all trades through one broker. All trades are executed with UBS where price and costs are the most important factors.