

## Pilling & Co Order Execution Quality Report

RTS 28 Report for the period 1<sup>st</sup> January 2017 - 31 December 2017

### Background:

Under MiFID II which came into force in January 2018, we are required to publish the top 5 Execution Venues in terms of trading volumes / value of trades and number of trades per class of financial instrument (Equities, bonds, ETF's etc.). This information must be published on an annual basis by April each year.

We have published this information on our website ([link](#)), please note that due to data collection restrictions details of active, passive and directed transactions are not available for our 2017 reporting period.

The following table outlines the summary of the analysis and conclusions drawn from our monitoring of the quality of execution.

RTS 28 Requirement	Comment
<p><b>(a) an explanation of the relative importance the firm gave to the execution factors of price, costs, speed, likelihood of execution and any other consideration including qualitative factors when assessing the quality of execution</b></p>	<p>The firm has an obligation to execute orders on behalf of its clients on terms that are the most favourable at the time the order is executed. We take into account execution factors such as price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of an order.</p> <p>Price and costs: The firm places most emphasis on obtaining the most favourable 'total consideration' (that is, the external cost of the trade plus our own costs) for you when executing a trade. Total consideration includes both implicit and explicit costs.</p> <p>Speed: Most of our orders are dealt electronically, so speed should not be an issue in obtaining the best result. In some circumstances, such as larger or complex orders, it may take longer to execute your trade. We use our experience and market knowledge to achieve the best result.</p> <p>Likelihood of execution: In some cases the ability to execute and settle the order will be the main factor, this may be the case where a stock is illiquid or the size of the order is large.</p> <p>Size: Sometimes the size of the order may affect the price we can achieve or the venue.</p> <p>Nature of the order and other relevant considerations: Any specific dealing instruction from you (for example, if you request that we only execute an order if/when certain market conditions are met) may prevent us from obtaining the best possible result for you.</p> <p>In considering all of the execution factors we will use our experience and market knowledge with the aim to achieve the best possible result.</p>
<p><b>(b) a description of any close links, conflicts of interests, and common ownerships with respect</b></p>	<p>Pilling &amp; Co do not have any close links, conflicts of interest and common ownerships with respect to any execution venues used to execute orders.</p>

<b>to any execution venues used to execute orders.</b>	
<b>( c ) a description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received</b>	Pilling & Co do not have any arrangements with execution venues regarding payments, discounts, rebates or non-monetary benefits
<b>(d) 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</b>	There have been no changes to the execution venues listed in our execution policy.
<b>(e) 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</b>	All of our clients are classified as retail, in the rare occurrence that we upgrade a client to elective professional for a one-off trade we will treat that client in the same way as a retail client under our execution policy.
<b>(f) 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</b>	Not applicable
<b>(g) 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</b>	Pilling & Co utilises LiquidMetrix to analyse and monitor execution quality. All client orders are benchmarked against available venues that had an executable price at the time of trade.
<b>(h) where applicable, an explanation of how the investment firm has used output of a consolidated tape provider</b>	Not applicable

<b>Instrument Class: Equities Shares &amp; Depository Receipts</b> <b>Client Type: Retail Clients</b> <b>Interaction: Execution</b> <b>Period: 01/01/2017 – 31/12/2017</b>				Fewer than 1 trade per day over the year on average? <b>No</b>	
Top five execution venues ranked in terms of trading volumes (descending)	Proportion of volume traded as a % of total in that class	Proportion of orders executed as % of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Winterflood Securities Ltd	27.08%	31.85%	0	0	0
Cantor Fitzgerald	13.31%	4.97%	0	0	0
KCG Europe	10.57%	10.47%	0	0	0
Peel Hunt	9.63%	11.04%	0	0	0
Numis Securities	4.88%	5.02%	0	0	0

<b>Instrument Class: Exchange Traded Products (Exchange traded funds, notes and commodities)</b> <b>Client Type: Retail Clients</b> <b>Interaction: Execution</b> <b>Period: 01/01/2017 – 31/12/2017</b>				Fewer than 1 trade per day over the year on average? <b>No</b>	
Top five execution venues ranked in terms of trading volumes (descending)	Proportion of volume traded as a % of total in that class	Proportion of orders executed as % of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Winterflood Securities Ltd	54.90%	43.68%	0	0	0
Peel Hunt	25.05%	25.27%	0	0	0
Susquehanna International Group	9.43%	14.41%	0	0	0

Winterflood Gilts	4.91%	7.32%	0	0	0
Haywood Securities	3.32%	6.21%	0	0	0

<b>Instrument Class: Debt Instruments, Bonds</b>				Fewer than 1 trade per day over the year on average?	
<b>Client Type: Retail Clients</b>				<b>No</b>	
<b>Interaction: Execution</b>					
<b>Period: 01/01/2017 – 31/12/2017</b>					
Top five execution venues ranked in terms of trading volumes (decending)	Proportion of volume traded as a % of total in that class	Proportion of orders executed as % of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Winterflood Gilts	56.95%	63.83%	0	0	0
Peel Hunt	14.70%	18.96%	0	0	0
Canaccord Genuity	13.81%	8.70%	0	0	0
RIA Capital	7.57%	0.35%	0	0	0
Cantor Fitzgerald	2.74%	2.78%	0	0	0

<b>Instrument Class: Other Instruments</b>				Fewer than 1 trade per day over the year on average?	
<b>Client Type: Retail Clients</b>				<b>No</b>	
<b>Interaction: Execution</b>					
<b>Period: 01/01/2017 – 31/12/2017</b>					
Top five execution venues ranked in terms of trading volumes (decending)	Proportion of volume traded as a % of total in that class	Proportion of orders executed as % of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Cofunds	64.64%	29.99%	0	0	0
GAM	25.81%	2.81%	0	0	0
Baillie Gifford	4.59%	66.52%	0	0	0
GAM (Lux)	1.08%	0.11%	0	0	0
Smith & Williamson	1.064%	0.17%	0	0	0

