

# RTS 28 Report



James Hambro  
& Partners

In accordance with the requirements under Regulatory Technical Standard 28 (“RTS 28”) of the updated Markets in Financial Instruments Directive, James Hambro & Partners LLP (‘JH&P’) is required, on an annual basis, to provide information regarding the top five execution venues it utilised to undertake transactions for individual classes of financial instruments, along with certain information pertaining to the quality of execution achieved.

Top five execution venue reports are available in both PDF and machine-readable CSV format, while the qualitative assessment of execution report is available in PDF format.

## General disclosures

For Best Execution purposes JH&P treats all clients as retail clients. Therefore, the top 5 Execution venues are only provided in the format set out in RTS 28 Table 1 of Annex II.

Top 5 Execution Venue data and commentary cover the below financial instruments:

- Equities – Shares & Depositary Receipts
  - o Tick size liquidity bands 5 and 6 (from 2000 trades per day)
  - o Tick size liquidity bands 3 and 4 (from 80 to 1999 trades per day)
  - o Tick size liquidity band 1 and 2 (from 0 to 79 trades per day)
- Debt instruments
  - o Bonds
- Exchange traded products (Exchange traded funds, exchange traded notes and exchange traded commodities)

Top 5 Execution Venue data and commentary in the remaining classes of financial instruments are not included, due to having not been traded by JH&P during the year or having been traded at much lower frequency than less than one trade per business day to provide meaningful data.

## TOP 5 Execution Venues

Class of Instrument	Equities – Tick size liquidity band 1 and 2				
Notification if <1 average trade per business day in the previous year	N				
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Instinet DMA – 213800MXAKR2LA1VBM44	40.35%	26.17%	N/A	N/A	N/A
Royal Bank of Canada – Low Touch – TXDSU46SXBWIGJ8G8E98	39.02%	28.09%	N/A	N/A	N/A
Winterflood Securities – 8BRUP6V1DX3PIG2R0745	15.94%	5.42%	N/A	N/A	N/A
Jefferies – 58PU97L1C0WSRCWADL48	2.06%	8.59%	N/A	N/A	N/A
Investec – 2138007Z3U5GWDN3MY22	0.92%	1.06%	N/A	N/A	N/A

Class of Instrument	Equities – Tick size liquidity band 3 and 4				
Notification if <1 average trade per business day in the previous year	N				
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percent-age of to-tal in that class	Proportion of orders executed as a per-centage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Instinet DMA – 213800MXAKR2LA1VBM44	49.79%	35.44%	N/A	N/A	N/A
Royal Bank of Canada – Low Touch – TXDSU46SXBWIGJ8G8E98	48.39%	32.87%	N/A	N/A	N/A
Winterflood Securities – 8BRUP6V1DX3PIG2R0745	0.91%	0.58%	N/A	N/A	N/A
Jefferies – 58PU97L1C0WSRCWADL48	0.35%	29.60%	N/A	N/A	N/A
Citigroup Global Markets Ltd UK – XKZZ2JZF41MRHTR1V493	0.35%	1.31%	N/A	N/A	N/A

Class of Instrument	Equities – Tick size liquidity band 5 and 6				
Notification if <1 average trade per business day in the previous year	N				
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Instinet DMA – 213800MXAKR2LA1VBM44	56.06%	38.01%	N/A	N/A	N/A
Royal Bank of Canada – Low Touch – TXDSU46SXBWIGJ8G8E98	42.02%	25.78%	N/A	N/A	N/A
Winterflood Securities – 8BRUP6V1DX3PIG2R0745	0.81%	8.84%	N/A	N/A	N/A
Jefferies – 58PU97L1C0WSRCWADL48	0.54%	12.70%	N/A	N/A	N/A
Instinet – 213800MXAKR2LA1VBM44	0.26%	4.00%	N/A	N/A	N/A

Class of Instrument	Debt instruments – Bonds				
Notification if <1 average trade per business day in the previous year	N				
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percent-age of to-tal in that class	Proportion of orders executed as a per-centage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Citigroup Global Markets Ltd UK FI – XKZZ2JZF41MRHTR1V493	57.92%	55.54%	N/A	N/A	N/A
Royal Bank of Canada – FI TSOX – TXDSU46SXBWIGJ8G8E98	20.33%	17.04%	N/A	N/A	N/A
Winterflood Securities – 8BRUP6V1DX3PIG2R0745	16.95%	11.84%	N/A	N/A	N/A
Royal Bank of Canada – FI TSOX – TXDSU46SXBWIGJ8G8E98	3.78%	11.66%	N/A	N/A	N/A
Jefferies Fixed Interest – 58PU97L1C0WSRCWADL48	0.66%	3.18%	N/A	N/A	N/A

<b>Class of Instrument</b>	<b>Exchange traded products – Exchange traded funds</b>				
<b>Notification if &lt;1 average trade per business day in the previous year</b>	N				
<b>Top five execution venues ranked in terms of trading volumes (descending order)</b>	<b>Proportion of volume traded as a percentage of total in that class</b>	<b>Proportion of orders executed as a percentage of total in that class</b>	<b>Percentage of passive orders</b>	<b>Percentage of aggressive orders</b>	<b>Percentage of directed orders</b>
<b>Instinet DMA – 213800MXAKR2LA1VBM44</b>	51.12%	27.30%	N/A	N/A	N/A
<b>Royal Bank of Canada – Low Touch – TXDSU46SXBWIGJ8G8E98</b>	44.03%	28.77%	N/A	N/A	N/A
<b>Winterflood Securities – 8BRUP6V1DX3PIG2R0745</b>	04.16%	14.52%	N/A	N/A	N/A
<b>ITG – 213800EEC95PRUCEUP63</b>	0.46%	28.35%	N/A	N/A	N/A
<b>Royal Bank of Canada – High Touch – TXDSU46SXBWIGJ8G8E98</b>	0.15%	1.00%	N/A	N/A	N/A

## Commentary

Apart from paragraph (a), the commentary below applies to all asset classes traded by JH&P.

- (a) Explanation of the relative importance the firm gave to the execution factors of price, costs, speed, likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution:

### Equities – Shares & Depositary Receipts (All tick sizes) / Exchange Traded Products

The total consideration (price of the instrument and costs of execution, both implicit and explicit) followed by size were the most considered factors when setting our execution strategy. The ranking of each factor was dependent on the specific characteristics of the instrument being traded and the markets in which they were to be dealt. For example, high volatility may have made speed of execution more important, or low liquidity making the likelihood of completion the most important factor when assessing execution. We used our knowledge of the markets to decide the most appropriate execution venue/broker. Every order received by the dealing desk varies, as do market conditions, so there is no specific prioritisation that fits all circumstances.

Once the desk had assessed the priority of factors based on each order, a decision on whether to go 'low touch' or 'high touch' was taken. This decision is heavily influenced by liquidity. Where liquidity could be sourced electronically, with a high degree of certainty, then 'low touch' methods were employed to interact with the liquidity available at a low commission rate. Where liquidity was less likely to be sourced electronically, then high touch methods were used for us to respond, to liquidity opportunities our brokers may have, or in order for them to source liquidity on our behalf.

The top 5 trading venues for the period show a very high percentage of our equity order count was traded electronically through Instinet & RBC low touch algorithmic offerings. Winterflood are the 3rd most active broker with the main trading focus on small & midcap UK orders.

### Exchange Trade Products

ETP's are traded using the same methodology as shares & depositary receipts. Depending on size and market liquidity we may look to use specialist ETP market makers to execute orders at the best price & cost for our clients.

The trading venues for the period show the majority of our ETP orders were executed electronically using low touch trading strategies to source liquidity. A low percentage of orders went to Winterflood & ITG specialist market maker desks for execution in larger size orders or more illiquid products.

### Debt Instruments – Bonds

As over the counter (OTC) products are not executed on any exchange, it is vital we have the most appropriate broker available to us to source the liquidity we require. We execute electronically using a 'request for quote' model, with the best price securing the order.

The report shows Citigroup & RBC quoted the best price & size on a 'request For Quote' basis in a high percentage of bond orders.

- (b) a description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders;

No close links, conflicts of interests, or common ownerships exist with respect to brokers or execution venues accessed to execute orders.

- (c) a description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received;

No specific arrangements exist with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits.

- (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;

Our approved brokers are reviewed at least annually, on a quantitative and qualitative basis with findings presented to and approved by JH&P's Risk Committee. When appointing a new trading counterparty this is driven by the head of dealing with the assistance of the dealing team who are required to consider why we would specifically use the counterparty. This rationale is documented and has to be approved by the Risk Committee.

Changes during the period:

Following the decision by Deutsche Bank to close their equity execution offering, two new brokers were approved and added to the JH&P broker list for equity execution during the course of the period to further help source liquidity and overall service to the JH&P dealing team.

New approved equity brokers:

Cowen  
Investec

There have been no changes to the trading counterparty lists for other financial instruments

- (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;

Our order execution arrangements do not differ according to client categorisation

- (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;

Immediate price & cost are always the foremost factors considered when executing retail client orders.

- (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 Commission Delegated Regulation (EU) 2017/575;

Live Bloomberg market data is used to monitor orders on an ongoing basis. In addition to this, for all client orders, we use a third-party provider for Transaction Cost Analysis to monitor execution performance. This is overseen by the Head of Dealing. Detailed management information is produced on a regular basis and reviewed by the Execution Committee quarterly.

- (h) where applicable, an explanation of how the investment firm has used output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU.

At this time JH&P doesn't use output from a consolidated tape provider.