

INVESTMENT SERVICES UK LTD – ANNUAL TRADE EXECUTION REPORT (RTS 28)

RTS28 was introduced as part of MiFID II. Under the technical standards introduced to supplement Directive 2014/65/EU (aka RTS28), and the associated Article 65 of Delegated Directive 2398, we, Investment Services UK Ltd.(hereinafter referred as “ISUL”), as a MiFID investment firm are required to publish detail of our top five trading venues, by asset class, and detail of the quality of execution obtained.

The exact requirements are detailed within COBS 11 Annex1EU Regulatory Technical Standard 28 (RTS 28) within the FCA Handbook:

“Investment firms shall publish for each class of financial instruments, a summary of the analysis and conclusions they draw from their detailed monitoring of the quality of execution obtained on the execution venues where they executed all client orders in the previous year. We provide below information regarding ISUL’s execution practices and conclusions drawn from our monitoring of the quality of execution obtained on the execution venues for all client trades in the previous year.

Requirement under Article 3(3)	Investment Services UK Ltd’s Response
<p>(a) an 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;</p>	<p><u>Fixed Income:</u></p> <p>ISUL would execute all client buy/sell trades by sourcing/selling the security from/to a market intermediary (investment bank, broker, etc) or end investor on an MTF (e.g. Bloomberg) or other such mediums that the market adopts for trade execution. Due to the quote driven nature of the corporate bond market, price discovery can be a little challenging. ISUL usually relies of ALLQ, ‘Runs’ and ‘Axes’ received electronically (via Bloomberg) or on direct enquiries with market intermediaries. ISUL considers a number of factors to determine the manner in which trades are executed. These factors include:</p> <ul style="list-style-type: none"> • Price • Likelihood of execution/settlement • Speed of execution • Market impact • Nature of the order • Expertise / trading volume of the intermediary / counterparty in the market segment • Past experience of trading with the intermediary / counterparty • Counterparty risk <p>Usually price and likelihood of execution dictate the manner of execution for debt instruments. For smaller or very illiquid issues, market impact also becomes important as having several conversations with other market participants may distort the market.</p>

	<p>Equities:</p> <p>ISUL executes client equity trades through authorised brokers via the electronic platform provided by Bloomberg or direct with clients custodian banks. As our trading volumes are not high, we primarily execute all our trades through our prime broker at predetermined costs. Where liquidity is available electronically, trades are executed via Bloomberg. Where we need to avail the services of a market maker or liquidity provider, the same is done over phone/email via our prime broker.</p>
(b) a description of any closelinks, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders;	ISUL does not have any close links, conflicts of interests or common ownerships with respect to any execution venues used 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;	ISUL does not have any arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received.
(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;	No significant changes have occurred to the list of execution venues in the review period. Brokers/venues will be added/removed, as required, and based on market access, cost, liquidity provision and quality of execution.
(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;	ISUL's order execution process is the same for all its clients.
(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;	ISUL does not execute retail client orders. ISUL's clients are Professional clients.

(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 [RTS 27];	During 2020-21, ISUL has regularly monitored the quality of execution obtained from the execution venues. More information can be found in the Best Execution Monitoring, Oversight & Governance section of our Order Execution Policy.
(h) where applicable, an explanation of how the investment firm has used output of a consolidated tape provider.	No general consolidated tape is available currently. If this becomes available, ISUL will review the usefulness of the consolidated tape and will utilise it accordingly.

The Markets in Financial Instruments Directive (MiFID II) requires investment firms who execute client orders to summarise and publish the top five execution venues in terms of trading volumes, for each class of financial instrument, where they executed client orders in the preceding year, as well as information on the quality of execution obtained.

Investment Services UK Ltd's RTS 28 report for the period April 1, 2020 to March 31, 2021 is as follows:

Top 5 Venues – Execution:

Class of Instrument: Bonds

Notification if <1 average trade per business day in the previous year: Yes

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 percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Bridport & Co (Jersey) Ltd.	29	31	0	0	0
LEI: 2138001S6PWXXBKX9S40					
Shore Capital Stockbrokers Ltd.	18	19	0	0	0
LEI: 2138009KZO3MK7TV6372					
UBS AG	16	14	0	0	0
LEI: FM8T61CT2L1QCEMIK50					
J.P. Morgan Securities PLC	10	9	0	0	0
LEI: K6Q0W1PS1L1O4IQL9C32					
ZURCHER KANTONALBANK	6	6	0	0	0
LEI: 165GRDQ39W63PHVONY02					