

Amati Global Investors Limited

Markets in Financial Instruments Directive (MiFID) II

RTS 28 report for the period 1 January 2018 to 31 December 2018

Under Article 3(3) of Regulatory Technical Standards (RTS) 28, investment firms must provide a summary of the analysis undertaken of the quality of execution obtained from the execution venues used for the fulfilment of client orders in the previous year. The information in the table below is drawn from Amati Global Investors' ongoing monitoring programme.

Requirement under Article 3(3)	Response by Amati Global Investors ("AGI")
<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>When deciding upon a counterparty to us to execute an instruction, we take into account the following factors: price; bid/offer; costs (explicit and implicit); speed of execution; market impact; size of the order; nature of the order; likelihood of execution; execution venue; and likelihood of settlement.</p> <p>The speed, likelihood of execution, size and nature of the order, market impact and implicit transaction costs may be given precedence over the immediate price and cost consideration only insofar as they are instrumental in delivering the best possible result for the client in terms of the total consideration. This will be the price of the security plus the explicit and implicit transaction costs.</p> <p>Market impact is a major consideration and the choice of execution venue will not only depend on the available liquidity but also the ability of the execution venue to work the order in such a way as to minimise the extent to which the transaction itself moves the price of the asset to the possible detriment of the client.</p> <p>The likelihood of settlement is not a material consideration as the overwhelming majority of our transactions relate to securities issued by companies listed on the London Stock Exchange or quoted on the Alternative Investment Market (AIM). All of the counterparties involved are reputable firms which are authorised and regulated by the Financial Conduct Authority, and in any case we perform due diligence on all brokers before entering into a relationship with them and enabling them on our dealing system.</p>

	Settlement problems rarely occur and those that do are generally technical in nature and do not indicate that our counterparties are unreliable or financially unsound. Nevertheless, any such problems are thoroughly investigated and remedied so as to ensure that the client is not disadvantaged.
(b) a description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders;	AGI 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;	AGI 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;	There are no changes to the list of execution venues listed in AGI's Execution Policy.
(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;	AGI treats all clients the same as per its Order Allocation Policy, irrespective of 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;	See our responses to (a) and (e). We try to obtain the best possible result for all clients, irrespective of whether they are retail or professional, taking into account all the execution factors identified above and at all times in accordance with our Best Execution and Order Allocation policies.
(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];	<p>AGI monitors the effectiveness of our Best Execution and Order Allocation policies and procedures and processes relating to it in order to identify and, where appropriate, correct any deficiencies.</p> <p>We assess whether any broker, in respect of the instruments that we trade, enables us on a consistent basis to provide the best possible result for orders and whether as a consequence we need to amend our execution procedures. Our overall aim is to build up an accurate picture of the efficiency of an execution venue and/or broker throughout the life of each trade, and to determine whether the weighted average efficiency across all execution venues and brokers remains within acceptable parameters (as defined in our Best Execution Policy).</p> <p>As part of our monitoring process and in respect of every trade executed we will capture, record and analyse the following data: bid/mid/offer at</p>

	<p>time of the decision to trade; bid/mid/offer at time of execution; volume weighted average price (VWAP); price vs VWAP; price vs mid; price vs bid/offer; explicit transaction costs; and implicit transaction costs (i.e. slippage).</p> <p>Under RTS 27 execution venues and market makers are obliged to provide data on the quality of transactions executed on a quarterly basis. We use this information to monitor the quality of execution obtained on execution venues and to inform our broker selection and due diligence process.</p> <p>We undertake sampling exercises on a monthly basis to determine whether we have complied with our Best Execution and Order Allocation policies and that this has resulted in the best possible result in the execution of orders placed on behalf of clients. This involves comparing similar transactions on the same execution venue or with the same entity, to test our previous judgement as to the quality and efficiency of the execution. Similar transactions on different execution venues are also compared so as to determine whether reliance on one execution venue at the exclusion of others is not prejudicing our ability to obtain the best possible results for our clients on a consistent basis.</p> <p>We review our policy at least annually or whenever a material change has occurred that affects our ability to obtain the best result for the execution of client orders on a consistent basis. We consider the following as part of the review process: whether we could obtain better results for the client if we transacted with additional or different execution venues or entities; whether the importance we assign to the various execution factors is appropriate and is achieving the best possible results for clients on a consistent basis; and whether we should modify any other aspect of our Best Execution and Order Allocation policies and any arrangements in place in relation to them.</p>
(h) where applicable, an explanation of how the firm has used the output of a consolidated tape provider.	Not applicable.