



Engadine Partners LLP - Annual Best Execution Disclosure 2019

This report contains a summary of classes of instruments traded only, any class of instruments not included in this report is because the Firm has not executed client orders in that class of instruments.

Class of Instrument		Equities – Shares & Depository Receipts Tick Size Liquidity Bands 1 and 2				
Notification if <1 average trade per day		Yes				
Top five execution venues (desc. order)	LEI	% of Volume	% of Orders	% of Passive Orders	% of Agressive Orders	% of Directed Orders
UBS Limited	REYPIEJN7XZHSUI0N355	39.15	19.63	N/A	N/A	N/A
Morgan Stanley & Co International PLC	4PQUHN3JPFQFNF3BB653	14.97	20.56	N/A	N/A	N/A
Credit Suisse Securities (Europe) Limited	DL6FFRRL74S01HE2M14	14.38	11.21	N/A	N/A	N/A
Goldman Sachs International	W22LROWP2IHZNBB6K528	10.19	18.69	N/A	N/A	N/A
Instinet Europe Limited	213800MXAKR2LA1VBM44	10.10	7.48	N/A	N/A	N/A

Class of Instrument		Equities – Shares & Depository Receipts Tick Size Liquidity Bands 3 and 4				
Notification if <1 average trade per day		No				
Top five execution venues (desc. order)	LEI	% of Volume	% of Orders	% of Passive Orders	% of Agressive Orders	% of Directed Orders
Liquidnet Europe Limited	213800ZIRB79BE5XQM68	20.45	17.27	N/A	N/A	N/A
Morgan Stanley & Co International PLC	4PQUHN3JPFQFNF3BB653	12.92	18.12	N/A	N/A	N/A
Goldman Sachs International	W22LROWP2IHZNBB6K528	9.26	13.28	N/A	N/A	N/A
J.P. Morgan Securities PLC	K6Q0W1PS1L1O4IQL9C32	7.34	5.83	N/A	N/A	N/A
Merrill Lynch International	GGDZP1UYGU9STUHRDP48	7.34	14.10	N/A	N/A	N/A

Class of Instrument		Equities – Shares & Depository Receipts Tick Size Liquidity Bands 5 and 6				
Notification if <1 average trade per day		No				
Top five execution venues (desc. order)	LEI	% of Volume	% of Orders	% of Passive Orders	% of Agressive Orders	% of Directed Orders
Liquidnet Europe Limited	213800ZIRB79BE5XQM68	17.62	13.89	N/A	N/A	N/A
Morgan Stanley & Co International PLC	4PQUHN3JPFQFNF3BB653	15.40	18.45	N/A	N/A	N/A
Merrill Lynch International	GGDZP1UYGU9STUHRDP48	9.71	16.92	N/A	N/A	N/A
J.P. Morgan Securities PLC	K6Q0W1PS1L1O4IQL9C32	8.16	7.03	N/A	N/A	N/A
Goldman Sachs International	W22LROWP2IHZNBB6K528	8.01	14.23	N/A	N/A	N/A

Class of Instrument		Contracts for Difference - Equity				
Notification if <1 average trade per day		No				
Top five execution venues (desc. order)	LEI	% of Volume	% of Orders	% of Passive Orders	% of Agressive Orders	% of Directed Orders
Liquidnet Europe Limited	213800ZIRB79BE5XQM68	17.34	16.01	N/A	N/A	N/A
Morgan Stanley & Co International PLC	4PQUHN3JPFQFNF3BB653	15.34	17.20	N/A	N/A	N/A
Goldman Sachs International	W22LROWP2IHZNBB6K528	9.90	19.49	N/A	N/A	N/A
Merrill Lynch International	GGDZP1UYGU9STUHRDP48	8.00	11.74	N/A	N/A	N/A
J.P. Morgan Securities PLC	K6Q0W1PS1L1O4IQL9C32	7.90	5.84	N/A	N/A	N/A

Class of Instrument		Equity Derivatives Futures and Options				
Notification if <1 average trade per day		Yes				
Top five execution venues (desc. order)	LEI	% of Volume	% of Orders	% of Passive Orders	% of Agressive Orders	% of Directed Orders
Morgan Stanley & Co International PLC	4PQUHN3JPFQFNF3BB653	100.00	100	N/A	N/A	N/A

Class of Instrument		Currency Derivatives - Swaps, forwards, and other currency derivatives				
Notification if <1 average trade per day		No				
Top five execution venues (desc. order)	LEI	% of Volume	% of Orders	% of Passive Orders	% of Agressive Orders	% of Directed Orders
Goldman Sachs International	W22LROWP2IHZNBB6K528	48.99	50.91	N/A	N/A	N/A
Morgan Stanley & Co International PLC	4PQUHN3JPFQFNF3BB653	49.83	46.65	N/A	N/A	N/A
Merrill Lynch International	GGDZP1UYGU9STUHRDP48	0.97	0.92	N/A	N/A	N/A
UBS Limited	REYPIEJN7XZHSUI0N355	0.21	1.52	N/A	N/A	N/A

Class of Instrument		Debt Instruments - Bonds				
Notification if <1 average trade per day		Yes				
Top five execution venues (desc. order)	LEI	% of Volume	% of Orders	% of Passive Orders	% of Agressive Orders	% of Directed Orders
Morgan Stanley & Co International PLC	4PQUHN3JPFQFNF3BB653	100	100	N/A	N/A	N/A

Class of Instrument		Debt Instruments - Money Market Instruments				
Notification if <1 average trade per day		No				
Top five execution venues (desc. order)	LEI	% of Volume	% of Orders	% of Passive Orders	% of Agressive Orders	% of Directed Orders
Morgan Stanley & Co International PLC	4PQUHN3JPFQFNF3BB653	40.14	37.26	N/A	N/A	N/A
UBS Limited	REYPIEJN7XZHSUI0N355	32.15	28.96	N/A	N/A	N/A
Goldman Sachs International	W22LROWP2IHZNBB6K528	27.71	33.78	N/A	N/A	N/A

Class of Instrument		SFR Instruments				
Notification if <1 average trade per day		No				
Top five execution venues (desc. order)	LEI	% of Volume	% of Orders	% of Passive Orders	% of Agressive Orders	% of Directed Orders
Goldman Sachs International	W22LROWP2IHZNBB6K528	38.43	38.98	N/A	N/A	N/A
UBS Limited	REYPIEJN7XZHSUI0N355	25.12	24.04	N/A	N/A	N/A
Morgan Stanley & Co International PLC	4PQUHN3JPFQFNF3BB653	24.44	26.32	N/A	N/A	N/A
Merrill Lynch International	GGDZP1UYGU9STUHRDP48	12.01	10.67	N/A	N/A	N/A

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Best Execution Qualitative Information

<p>A summary of the analysis and conclusions the firm draws from its detailed monitoring of the quality of execution obtained on the execution venues where it executed all client orders in the previous year</p>	<p>(a) Equities - Shares & Depositary Receipts As part of Engadine Partners LLP ("Engadine")'s analysis of best execution in relation to equities, the Firm analysed the trades during the relevant period to determine whether any of the trades were executed at a price outside of an internally defined variance of the Volume Weighted Average Price ("VWAP"). Where any trades were found to be outside of the tolerance, Compliance investigated to determine the cause.</p> <p>The monitoring completed supported that best execution was obtained consistently on the approved execution venues throughout the year.</p> <p>(b) Debt Instruments As part of the Firm's analysis of best execution in relation to debt instruments, reviews of externally verifiable reference prices (where available) were undertaken when pricing or checking the price of bids/offers. The monitoring completed supported that best execution was obtained consistently on the approved execution venues throughout the year.</p> <p>(e) Currency Derivatives As part of the Firm's analysis of best execution in relation to currency derivatives, reviews were undertaken of the established request for quote ("RFQ") process, which involves obtaining competing quotes from counterparties to assess a spread of all quoted prices to illustrate RFQ competitiveness.</p> <p>The monitoring completed supported that best execution was obtained consistently on the approved execution venues throughout the year.</p> <p>(g) Equity Derivatives As part of Engadine's analysis of best execution in relation to equity derivatives, the Firm analysed a sample of the trades during the relevant period to determine whether they were executed in-line with exchange-traded levels and, where relevant, examined the RFQ process to determine this was carried out in accordance with internally established protocols.</p> <p>The monitoring completed supported that best execution was obtained consistently on the approved execution venues throughout the year.</p> <p>(j) Contracts for difference As part of Engadine's analysis of best execution in relation to contracts for difference, the Firm analysed a sample of trades during the relevant period to determine whether any of the trades were executed at a price outside of an internally defined tolerance to a pre-determined benchmark for the underlying. Where any trades were found to be outside the tolerance, Compliance investigated to determine the cause.</p> <p>The monitoring completed supported that best execution was obtained consistently on the approved execution venues throughout the year.</p>
<p>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>Engadine's delivery of best execution is a key element in its commitment to act in the best interests of its clients, as well as being a regulatory requirement. The Firm prioritises ensuring that all sufficient steps are taken to obtain the best possible result for its clients when it executes, places or transmits orders on their behalf. This means taking into account the 'execution factors' such as price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of the order.</p> <p>The relative importance of the execution factors is judged on an order-by-order basis in line with the Firm's industry experience and prevailing market conditions. In addition, common key factors for relevant asset classes have been identified as follows:</p> <p>(a) Equities - Shares & Depositary Receipts For small indirect orders over a short period of time, the key factors are generally price, quantity based on market availability, and likelihood of execution. For larger orders executed over a longer period of time, the Firm additionally takes into account confidentiality, minimising the impact on the market, and slippage historically achieved on each venue.</p> <p>Where transactions are executed indirectly, relevant factors are overall costs including broker fee schedules, impact and observed slippage.</p> <p>The impact of implicit costs is taken into account when considering the execution strategy of orders to ensure that they are managed and do not result in an undue impact to total costs.</p> <p>(b) Debt Instruments Due to the nature of debt instruments, the Firm will typically place price, size and the nature of the transaction as of primary importance.</p> <p>(e) Currency Derivatives (ii) Swaps, Forwards, and other Currency Derivatives Where derivatives are executed directly, key factors considered are price, size and overall transaction costs. Prices are compared via an RFQ, taking into account additional transaction costs that may be applicable. When transactions are time-sensitive, response time to RFQ is often a defining factor. On occasion, preference is given to counterparties that are operationally easier to work with where time factors are a consideration.</p> <p>Where orders are executed indirectly, relevant factors are costs and the existing counterparty relationship.</p> <p>(g) Equity Derivatives Due to the nature of the orders the Firm will typically place size, price and cost as of primary importance.</p> <p>(j) Contracts for difference As part of Engadine's analysis of best execution in relation to contracts for difference, the Firm analysed a sample of trades during the relevant period to determine whether any of the trades were executed at a price outside of an internally defined tolerance to a pre-determined benchmark for the underlying. Where any trades were found to be outside the tolerance, Compliance investigated to determine the cause.</p> <p>The monitoring completed supported that best execution was obtained consistently on the approved execution venues throughout the year.</p>

<p>A description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders</p>	<p>Applies across all classes of financial instruments traded.</p> <p>The Firm does not have any close links, conflicts of interests or common ownerships with respect to the execution venues it uses to execute orders.</p>
<p>A description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received</p>	<p>Applies across all classes of financial instruments traded.</p> <p>The Firm has determined that it will pay for research from its Research Payment Account ("RPA"). Additionally, Engadine may on occasion receive or provide minor non-monetary benefits from execution venues. They must be received/provided in accordance with the Firm's Inducements policy.</p> <p>When selecting execution venues for inclusion in the execution policy, the Firm does not take into account the non-monetary benefits it may obtain in connection with the services provided to its clients, but focuses on the potential of the venues to enable the Firm to obtain on a consistent basis the best possible result for the execution of its client orders. However, the Firm does take into account the effect of fees and commission when choosing a venue for the execution of a particular client order.</p>
<p>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</p>	<p>Applies across all classes of financial instruments traded.</p> <p>During the period under review, Engadine's list of execution venues changed. The Firm regularly reviews the effectiveness of its Best Execution Policy and its execution arrangements to identify and, where appropriate, incorporate any changes to enhance the quality of execution obtained. Following discussions with front office staff and as part of the reviews carried out over the period it was determined that certain changes involving both addition and removal of certain counterparties were required to ensure that the Firm continues to obtain the best possible result for its clients. Factors considered included price, access to the market, counterparty risk and market liquidity.</p>
<p>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</p>	<p>Applies across all classes of financial instruments traded.</p> <p>While Engadine does take the characteristics of its clients into account when judging the relative importance of the execution factors, the Firm's clients are exclusively professional clients and so are treated with a consistent approach.</p>
<p>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</p>	<p>Applies across all classes of financial instruments traded.</p> <p>Not applicable. The Firm does not execute retail client orders.</p>
<p>An explanation of how the Firm has used any data or tools relating to the quality of execution, including any data published under Commission Delegated Regulation (EU) 2017/575</p>	<p>Applies across all classes of financial instruments traded.</p> <p>Engadine has considered the data published under Commission Delegated Regulation (EU) 2017/575 by the trading venues we have used, those of our counterparties which operate as systematic internalisers and a sample of reports published by other execution venues which we do not currently utilise. Where the Firm directly executes transactions on behalf of its client with counterparties where the order relates to OTC products, the Firm takes steps to check the fairness of the price on offer by gathering market data used in the estimation of the price of such product and, where possible, by comparing with similar or comparable products</p>
<p>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.</p>	<p>Applies across all classes of financial instruments traded.</p> <p>This is not currently applicable as the services of a Consolidated Tape Provider were not available during the period to which this disclosure relates.</p>

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