

# RTS 28 Report for the period 1/1/2019 to 31/12/2019



This report has been prepared by Louis Capital Markets UK LLP ("LCM") for the period 1st January 2019 to 31st December 2019 (the "Reporting Period") for the purposes of meeting LCM's regulatory obligations under Commission Delegated Regulation (EU) 2017/576 (RTS28 "MiFID II") which requires LCM to annually publish (i) the top five venues where it executed clients orders; and (ii) the top five firms to whom it transmitted or placed client orders for execution, in respect of each class of financial instruments noted below. This report also provides information on LCM'S assessment of the quality of execution it obtained from these execution venues and firms (based on its internal monitoring), for each class of financial instruments. Please note that information for the Reporting Period has been collated based on the regulatory obligations that applied to LCM, its affiliates, and execution venues during that time. In respect of LCM and other financial institutions to whom MiFID II applies, those regulatory obligations were different to those that apply to them now and pursuant to which this report has been prepared.

Subsequently, certain sections contained within this report for which information required under MiFID II for the Reporting Period (i) was not available; (ii) was only available partly; or (iii) was available in a different format. As a result this report has been prepared on a best efforts basis only. The assumptions and available information used to prepare this report may result in inconsistencies in information and as such may not accurately reflect the trading activities undertaken by LCM during 2019.

Please also note that the assumptions and methodologies used to produce this report may not be used for the preparation of future reports. LCM does not guarantee the correctness or completeness of the information in this report and shall not be responsible for or have any liability whatsoever for any loss or damage caused by errors, inaccuracies or omissions in connection with use or reliance on this information.

Class of Instrument	Equities – Shares & Depositary Receipts				
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 percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
XPAR - EURONEXT - EURONEXT PARIS	20.97%	3.89%	N/A	N/A	N/A
CHIX - CBOE EUROPE - CXE ORDER BOOKS	7.68%	3.02%	N/A	N/A	N/A
GSSI - GOLDMAN SACHS INTERNATIONAL - SYSTEM. INTERNALISER	6.50%	1.60%	N/A	N/A	N/A
XNYS - NEW YORK STOCK EXCHANGE, INC.	6.21%	5.42%	N/A	N/A	N/A
XNAS - NASDAQ	5.72%	5.70%	N/A	N/A	N/A

#### Equities - Shares & Depositary Receipts:

The assessment of Execution Venues is based on the factors as described in our policies that enable the desks to obtain the best possible result when executing orders for their clients. The current Client Order Execution Policy further referred to as "the Policy" is available at: <http://www.louiscapital.com/legal-compliance.php>

In order to achieve the best possible result for a client, LCM will give consideration to a range of execution factors when determining the best outcome. Some of the below factors are considered to be more important than others as further described in the Policy; The execution factors that LCM will consider are:

1) Price 2) Costs 3) Speed 4) Likelihood of execution and settlement 5) Size 6) Nature 7) Any other consideration relevant to the execution of the order.

However, there may be scenarios where the priority of execution factors may change for example: i) due to a lack of liquidity on a particular venue or across venues where likelihood of execution and speed will become more important; ii) where volume discovery is the primary purpose of the order as opposed to price discovery where size will more significant.

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 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
XOFF - OFF EXCHANGE TRANSACTIONS	67.93%	83.00%	N/A	N/A	N/A
LOUI - LOUIS CAPITAL MARKETS UK LLP	32.07%	17.00%	N/A	N/A	N/A

**Debt instruments: Bonds - An explanation of the relative importance LCM 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.**

When assessing the relative importance given to execution factors, LCM will take into account the following criteria for determining the relative importance of the execution factors in the circumstances:

1)Likelihood of execution and settlement 2) Price 3) Size 4) Speed 5) Costs 6) Nature 7) Any other consideration relevant to the execution of the order.

There may be scenarios where the priority of execution factors will change for example: i) due to a lack of liquidity on a particular venue or across venues where likelihood of execution and speed will become more important; ii) where volume discovery is the primary purpose of the order as opposed to price discovery where size will more significant; iii) whether the order is executed using an execution venue or OTC.

Class of Instrument	Interest rates derivatives - Futures and options admitted to trading on a trading venue				
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 percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
XCBT - CHICAGO BOARD OF TRADE	64.98%	64.28%	N/A	N/A	N/A
IFLL - ICE FUTURES EUROPE - FINANCIAL PRODUCTS DIVISION	22.93%	12.55%	N/A	N/A	N/A
XEUR - EUREX DEUTSCHLAND	9.39%	20.97%	N/A	N/A	N/A
XCME - CHICAGO MERCANTILE EXCHANGE	2.60%	2.06%	N/A	N/A	N/A
XMOD - THE MONTREAL EXCHANGE / BOURSE DE MONTREAL	0.11%	0.14%	N/A	N/A	N/A

**Interest rates derivative - Futures and options admitted to trading on a trading venue:**

When assessing the relative importance given to execution factors, LCM will take into account the following criteria for determining the relative importance of the execution factors in the circumstances:

1) Likelihood of execution and settlement 2) Price 3) Costs 4) Size 5) Speed 6) Nature 7) Any other consideration relevant to the execution of the order.  
There may be scenarios where the priority of execution factors will change for example: i) where there is unusual levels of volatility, any of the factors may become of greater importance depending upon the circumstances; ii) where the characteristics of each individual order such as client preferences, nature will be more significant; iii) unusual market conditions, speed and likelihood of execution will become more important; iv) when the order is received during the day and/or the size of order may affect the significance of speed and likelihood of execution, v) lack of liquidity on a particular venue or across venues where likelihood of execution and speed will become more important.

Class of Instrument	Interest rates derivatives - Swaps, forwards, and other interest rates derivatives				
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 percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
XOFF - OFF EXCHANGE TRANSACTIONS	100.00%	100.00%	N/A	N/A	N/A

**Interest rates derivatives - Swaps, forwards, and other interest rates derivatives**

When assessing the relative importance given to execution factors, LCM will take into account the following criteria for determining the relative importance of the execution factors in the circumstances:

1) Likelihood of execution and settlement 2) Price 3) Size 4) Speed 5) Costs 6) Nature 7) Any other consideration relevant to the execution of the order.

There may be scenarios where the priority of execution factors will change for example: i) due to a lack of liquidity on a particular venue or across venues where likelihood of execution and speed will become more important; ii) where volume discovery is the primary purpose of the order as opposed to price discovery where size will more significant; iii) whether the order is executed using an execution venue or OTC.

Class of Instrument	Structured finance instruments				
Notification if <1 average trade per business day in the previous year	Y				
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
XOFF - OFF EXCHANGE TRANSACTIONS	100.00%	100.00%	N/A	N/A	N/A

**Structured finance instruments:**

When assessing the relative importance given to execution factors, LCM will take into account the following criteria for determining the relative importance of the execution factors in the circumstances:

1) Likelihood of execution and settlement 2) Price 3) Size 4) Speed 5) Costs 6) Nature 7) Any other consideration relevant to the execution of the order.

There may be scenarios where the priority of execution factors will change for example: i) due to a lack of liquidity on a particular venue or across venues where likelihood of execution and speed will become more important; ii) where volume discovery is the primary purpose of the order as opposed to price discovery where size will more significant; iii) whether the order is executed using an execution venue or OTC.

Class of Instrument	Equity Derivatives - Options and Futures admitted to trading on a trading venue				
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 percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
XEUR - EUREX DEUTSCHLAND	68.14%	37.44%	N/A	N/A	N/A
XCBO - CHICAGO BOARD OPTIONS EXCHANGE	6.73%	27.87%	N/A	N/A	N/A
AMXO - NYSE AMEX OPTIONS	6.03%	5.72%	N/A	N/A	N/A
XMON - EURONEXT PARIS MONEP	5.81%	0.73%	N/A	N/A	N/A
XPHO - PHILADELPHIA OPTIONS EXCHANGE	4.84%	5.04%	N/A	N/A	N/A

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**Equity Derivatives - Options and Futures admitted to trading on a trading venue**

When assessing the relative importance given to execution factors, LCM will take into account the following criteria for determining the relative importance of the execution factors in the circumstances:

1) Likelihood of execution and settlement 2) Price 3) Costs 4) Size 5) Speed 6) Nature 7) Any other consideration relevant to the execution of the order.

\*Please note that, for this asset class, venue selection will be driven by the instruction of the client. The execution venue data is therefore a reflection of where clients typically direct their orders for this asset class.

Nonetheless, there may be instances where the priority of the execution factors will vary for example: i) where there is unusual levels of volatility, any of the factors may become of greater importance depending upon the circumstances; ii) where the characteristics of each individual order such as client preferences, nature will be more significant; iii) unusual market conditions, speed and likelihood of execution will become more important; iv) when the order is received during the day and/or the size of order may affect the significance of speed and likelihood of execution, v) lack of liquidity on a particular venue or across venues where likelihood of execution and speed will be of greater significance.

Class of Instrument	Equity Derivatives - Swaps and other equity derivatives				
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 percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
XOFF - OFF EXCHANGE TRANSACTIONS	83.73%	71.86%	N/A	N/A	N/A
LOUI - LOUIS CAPITAL MARKETS UK LLP	16.27%	28.14%	N/A	N/A	N/A

LCM act in the an arranging capacity in this Finicial instrument type.

Class of Instrument	Commodities derivatives and emission allowances Derivatives - Options and Futures admitted to trading on a trading venue				
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 percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
XCBT - CHICAGO BOARD OF TRADE	39.97%	23.82%	N/A	N/A	N/A
IMAG - ICE MARKETS AGRICULTURE	21.61%	18.07%	N/A	N/A	N/A
IFLX - ICE FUTURES EUROPE - AGRICULTURAL PRODUCTS DIVISION	17.65%	29.36%	N/A	N/A	N/A
IFUS - ICE FUTURES U.S.	16.74%	24.28%	N/A	N/A	N/A
XCME - CHICAGO MERCANTILE EXCHANGE	1.41%	3.85%	N/A	N/A	N/A

#### Commodities derivatives and emission allowances Derivatives - Options and Futures admitted to trading on a trading venue

\*Please note that, for this asset class, financial instruments are generally traded only on the execution venue of their listing and therefore client orders in the instrument will determine the execution venue.

When assessing the relative importance given to execution factors, LCM will take into account the following criteria for determining the relative importance of the execution factors in the circumstances:

1)Size 2) Price 3) Likelihood of execution and settlement 4) Speed 5) Costs 6) Nature 7) Any other consideration relevant to the execution of the order.

However, there may be instances where the priority of the execution factors will vary, for example: where there is unusual levels of volatility, any of the factors may become of greater importance depending upon the circumstances; ii) where the characteristics of each individual order such as client preferences, nature will be more significant; iii) unusual market conditions, speed and likelihood of execution will become more important; iv) when the order is received during the day and/or the size of order may affect the significance of speed and likelihood of execution. v) lack of liquidity on a particular venue or across venues where likelihood of execution and speed will be more significant.

Class of Instrument	Exchange traded funds				
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 percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
BMTF - BLOOMBERG TRADING FACILITY LIMITED	28.83%	10.13%	N/A	N/A	N/A
XNAS - NASDAQ	11.31%	9.56%	N/A	N/A	N/A
XPAR - EURONEXT - EURONEXT PARIS	9.55%	3.56%	N/A	N/A	N/A
ARCX - NYSE ARCA	7.30%	5.05%	N/A	N/A	N/A
XNYS - NEW YORK STOCK EXCHANGE, INC.	6.16%	6.48%	N/A	N/A	N/A

#### Exchange traded funds:

When assessing the relative importance given to execution factors, LCM will take into account the following criteria for determining the relative importance of the execution factors in the circumstances:

1)Size 2) Price 3) Likelihood of execution and settlement 4) Speed 5) Costs 6) Nature 7) Any other consideration relevant to the execution of the order.

However, there may be instances where the priority of the execution factors may vary, for example: where there is unusual levels of volatility, any of the factors may become of greater importance depending upon the circumstances; ii) where the characteristics of each individual order such as client preferences, nature will be more significant; iii) unusual market conditions, speed and likelihood of execution will become more important; iv) when the order is received during the day and/or the size of order may affect the significance of speed and likelihood of execution. v) lack of liquidity on a particular venue or across venues where likelihood of execution and speed will be more significant.

#### RTS 28 - Summary:

LCM UK LLP is authorised and regulated to transact for eligible counterparties and professional clients only. LCM does not differentiate between clients of different classifications or categorizations in determining how to execute client orders aiming to achieve the best result. LMC does not conduct trades on behalf of retail clients.

The data referenced in this report relates to trading activity conducted in 2019. As the OTF was not established in 2019, debt instruments traded are considered to be OTC. Therefore, assessment of the execution factors has not led to a change in the selection of execution venues throughout the reference period.

LCM UK LLP does not have any arrangements in place with any execution venues and nor does the firm receive rebates from any exchanges which can conflict with the selction of a venue.

LCM UK LLP had various internal monitoring in 2019 to ensure that execution took place in accordance with the established best execution policy. This also included the monitoring of off market pricing.

LCM UK LLP has not used the output of a consolidated tape provider during this reporting period.