



## **ADG Capital Management LLP – Best Execution Qualitative Disclosures**

To fulfil our obligations under the Markets in Financial Instruments Directive 2014/65/EU (“MiFID II”), ADG Capital Management LLP (“ADGCM”) is required provide the following summary of the analysis and conclusions from our monitoring of the quality of execution obtained on Professional Client orders in the previous year (1<sup>st</sup> January to 31<sup>st</sup> December 2017) in accordance with the Regulatory Technical Standards 28 supplementing MiFID II.

Unless specified, the summary below applies across all assets of financial instruments traded.

**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.**

### Currency Derivatives

#### *(a) FX Forwards*

As part of ADGCM analysis of best execution in relation to currency derivatives, price reviews were undertaken using the RFQ mechanism, obtaining competing quotes from counterparties to assess a spread of all quoted prices to illustrate RFQ competitiveness. The monitoring completed confirmed that best execution was obtained consistently on the approved execution venues throughout the year.

#### *(b) FX Futures*

The Firm uses various brokers to execute its currency futures trades. The Firm considers various execution factors, including price and cost, and have chosen Goldman Sachs as its primary executing broker for its currency future trading on behalf of its ADG Systematic Macro UCITS Fund.

The choice of executing brokers for managed accounts is at the client’s discretion.

### Interest Rates Derivatives and Equity Index Derivatives

The Firm uses various brokers to execute its bond futures and equity index futures. The Firm considers various execution factors, including price and cost, and have chosen Goldman Sachs as its primary executing broker for its bond futures and equity index futures trading on behalf of its ADG Systematic Macro UCITS Fund.

The choice of executing brokers for managed accounts is at the client’s discretion.

**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.**

ADGCM’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 ensures 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.



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.

**A description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders.**

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.

**A description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received.**

ADGCM has not entered into any arrangements with its execution venues regarding payments made or received, discounts or non-monetary benefits that would compromise its ability to meet its obligations in regards to best execution, conflicts of interest or inducements.

**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.**

During the period under review, ADGCM'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 the front office and as part of this review it was determined that a change was 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.

**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.**

The Firm's clients are exclusively professional clients and so are treated with a consistent approach.

**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.**

Not applicable. The Firm does not execute retail client orders.

**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.**

ADGCM does not currently use data or tools relating to the quality of execution, but will utilise such data and tools as are made available in due course, particularly data published by trading venues under 'RTS 27'.

**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.**

This is not currently applicable as the services of a Consolidated Tape Provider were not available during the period to which this disclosure relates.



**ADG Capital Management LLP – Best Execution Quantitative Disclosure**

Class of Instrument	Debt instruments		
Notification if <1 average trade per business day in the previous year	<b>No</b>		
Top 5 Venues ranked in terms of volume (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 directed orders
Goldman Sachs International (W22LROWP2IHZNBB6K528)	100%	100%	0%

Class of Instrument	Interest Rate Derivatives		
Notification if <1 average trade per business day in the previous year	<b>No</b>		
Top 5 Venues ranked in terms of volume (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 directed orders
Morgan Stanley & Co. International PLC (4PQUHN3JPFQFNF3BB653)	82%	90%	0%
Goldman Sachs International (W22LROWP2IHZNBB6K528)	18%	10%	0%



Class of Instrument	Currency Derivatives		
Notification if <1 average trade per business day in the previous year	<b>No</b>		
Top 5 Venues ranked in terms of volume (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 directed orders
Societe Generale International Limited (0IKLU6X1B10WK7X42C15)	31%	10%	0%
Barclays Bank PLC (G5GSEF7VJP5I7OUK5573)	17%	4%	0%
Skandinaviska Enskilda Banken AB (F3JS33DEI6XQ4ZBPTN86)	9%	3%	0%
The Royal Bank of Scotland Plc (549300WHU4EIHRP28H10)	8%	2%	0%
UBS AG (BFM8T61CT2L1QCCEMIK50)	7%	2%	0%

Class of Instrument	Equity Derivatives		
Notification if <1 average trade per business day in the previous year	<b>No</b>		
Top 5 Venues ranked in terms of volume (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 directed orders
Morgan Stanley & Co. International PLC (4PQUHN3JPFGFNF3BB653)	82%	89%	0%
Goldman Sachs International (W22LROWP2IHZNBB6K528)	18%	11%	0%

This quantitative disclosure report is completed for the period between 1<sup>st</sup> January to 31<sup>st</sup> December 2017.



**ADG Capital Management LLP - Currency Derivatives Execution Disclosure 2018**

<b>Class of Instrument</b>	<b>Currency Derivatives</b>		
Notification if <1 average trade per business day in the previous year	No		
<b>Top 5 Venues ranked in terms of volume (descending order)</b>	<b>Proportion of volume traded as a percentage of total in that class</b>	<b>Proportion of orders executed as percentage of total in that class</b>	<b>Percentage of directed orders</b>
Societe Generale International Limited (OIKLU6X1B10WK7X42C15)	31%	10%	0%
Barclays Bank PLC (G5GSEF7VJP5I7OUK5573)	17%	4%	0%
Skandinaviska Enskilda Banken AB (F3JS33DEI6XQ4ZBPTN86)	9%	3%	0%
The Royal Bank of Scotland Plc (549300WHU4EIHRP28H10)	8%	2%	0%
UBS AG (BFM8T61CT2L1QCEMIK50)	7%	2%	0%



**ADG Capital Management LLP – Debt Instruments Execution Disclosure 2018**

<b>Class of Instrument</b>	<b>Debt instruments</b>		
Notification if <1 average trade per business day in the previous year	No		
<b>Top 5 Venues ranked in terms of volume (descending order)</b>	<b>Proportion of volume traded as a percentage of total in that class</b>	<b>Proportion of orders executed as percentage of total in that class</b>	<b>Percentage of directed orders</b>
Goldman Sachs International (W22LROWP2IHZNBB6K528)	100%	100%	0%



**ADG Capital Management LLP - Equity Derivatives Execution Disclosure 2018**

<b>Class of Instrument</b>	<b>Equity Derivatives</b>		
Notification if <1 average trade per business day in the previous year	No		
<b>Top 5 Venues ranked in terms of volume (descending order)</b>	<b>Proportion of volume traded as a percentage of total in that class</b>	<b>Proportion of orders executed as percentage of total in that class</b>	<b>Percentage of directed orders</b>
Morgan Stanley & Co. International PLC (4PQUHN3JPF GFNF3BB653)	82%	89%	0%
Goldman Sachs International (W22LROWP2IHZNB6K528)	18%	11%	0%



**ADG Capital Management LLP – Interest Rate Derivatives Execution Disclosure 2018**

<b>Class of Instrument</b>	<b>Interest Rate Derivatives</b>		
Notification if <1 average trade per business day in the previous year	No		
<b>Top 5 Venues ranked in terms of volume (descending order)</b>	<b>Proportion of volume traded as a percentage of total in that class</b>	<b>Proportion of orders executed as percentage of total in that class</b>	<b>Percentage of directed orders</b>
Morgan Stanley & Co. International PLC (4PQUHN3JPF GFNF3BB653)	82%	90%	0%
Goldman Sachs International (W22LROWP2IHZNBB6K528)	18%	10%	0%