



EVENLODE

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Best Execution Reporting (RTS 28/ Article 65(6)) for the period ending 31 December 2019

Introduction

We note below the information required to be provided under Article 3(3) of MiFID RTS 28, providing a summary of the analysis and conclusions drawn from Evenlode's monitoring of the quality of the execution venues where we executed all client orders in the previous year. Please note that all trading instructed by Evenlode is on behalf of regulated collective investment schemes which are classified as professional clients.

Requirement under Article 3(3) of MiFID RTS 28	Evenlode 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>The execution factors that Evenlode have deemed to be most important are price, cost and size.</p> <p>We consider price and size to be closely linked, as the price is often determined by the size of the bargain. Therefore, deals are often routed to brokers who have indicated that they have volume in a specific stock at a reasonable price. Brokers who prove, over a period of time, that they are able to trade well, at attractive prices, for a reasonable cost, are likely to receive a higher proportion of our orders.</p> <p>Speed and likelihood of execution are seen to be very similar, in that both will have an impact on the price achievable. For example, if Evenlode is looking for a quick execution, that may have an impact on the price we are willing to pay. We may also wish to build, or sell a position over time, to limit market impact, as opposed to executing a large single bargain.</p> <p>There is typically a high level of liquidity for equities in Evenlode's investment universe but where liquidity is lower, speed and likelihood of execution will be more important factors than where liquidity is high.</p> <p>Evenlode does not consider the likelihood of settlement as a material factor that influences execution. This is due to the fact that our investable universe comprises entirely of securities listed by companies on major, international exchanges. We only ever deal with reputable counterparties, that are also authorised and through whom settlement problems are very rarely experienced.</p>



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<p>(b) a description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders;</p>	<p>Evenlode does not have any close links, conflicts of interest or any common ownerships with respect to any execution venues.</p>
<p>(c) a description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates, or non-monetary benefits received;</p>	<p>We do not have any arrangements in place with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits. This is covered in our order execution policy, as it could create a conflict of interest between the firm and our co-investors.</p>
<p>(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;</p>	<p>There were no changes to the venues listed in our approved broker list (ABL) or order execution policy.</p>
<p>(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;</p>	<p>This does not apply to us, as we do not execute retail client orders.</p>
<p>(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;</p>	<p>This does not apply to us, as we do not execute retail client orders.</p>



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<p>(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) 2017/757 [RTS 27]</p>	<p>Evenlode seeks to obtain, on average, the best possible result for clients by referring to all relevant factors. Evenlode monitors the quality of execution on a regular basis and we are satisfied that we have adhered to the requirements laid out in our order execution policy.</p> <p>Each deal is approved by the fund managers before placing to ensure that it is executed on the best terms available. The trades are then monitored by the dealer. It is a prerequisite of our terms of business that all brokers used by Evenlode must provide our clients with best execution.</p> <p>Broker firms on our ABL are subject to ongoing monitoring through Transaction Cost Analysis (TCA) reports. We can analyse individual fills and whole orders. Reports are also created to evaluate broker execution quality in various scenarios, for example buying against selling, different market cap bands and geographic regions. This analysis shows how well brokers have performed in achieving best execution against others in the market. Evenlode will use this analysis to ensure clients achieve the best possible result.</p> <p>Our ABL is kept under constant review, and new brokers can be added if they demonstrate an ability to provide best execution and access relevant liquidity. We continue to monitor our best execution arrangements and order execution policy to identify, and where appropriate, correct deficiencies.</p> <p>As Evenlode does not execute orders on an execution venue and instead places trades with brokers, we have not reviewed RTS 27 reports published by execution venues.</p>
<p>(h) where applicable, an explanation of how the investment firm has used output of a consolidated tape provider.</p>	<p>N/A - there were no consolidated tape providers for equity instruments in Europe in the period</p>

Please refer to our order execution policy for further details.

Appendix – Information on the top five execution venues

Class of Instrument	Equities – Shares and Depositary Receipts Tick Size Liquidity Bands 5 and 6 (from 2,000 trades per day)				
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 % of total in that class	Proportion of orders executed as a % of total in that class	% of passive orders	% of aggressive orders	% of directed orders
Canaccord Genuity Limited LEI: ZBU7V5V5NIMN4ILRFC23	30.2%	27.0%	0	0	0
Jefferies International Limited LEI: S5THZMDUJCTQZBTRVI98	17.8%	32.6%	0	0	0
Instinet Europe Limited LEI: 213800MXAKR2LA1VBM44	16.4%	25.2%	0	0	0
Numis Corporation Plc LEI: 213800ARWWDZZCNBHD25	14.1%	4.3%	0	0	0
Investec Bank Plc LEI: 84SoVF8TSMHoT6D4K848	9.4%	2.6%	0	0	0

Notes

- Passive order – an order entered into the order book that adds liquidity to the relevant order book (e.g. submitting an order to an exchange which does not match an existing resting order).
- Aggressive order – an order entered into the order book that removes existing liquidity (e.g. submitting an order to an exchange which is immediately matched with an existing resting order).
- Directed order – an order where a specific execution venue was specified prior to the execution of the order.

As Evenlode sends all orders to an external broker for execution, the distinction between passive and aggressive orders as defined in Article 2 of RTS 28 (see above) is not relevant unless specific instructions are attached to an order.

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