

Gresham House Asset Management  
Limited

Best Execution Annual Report 2018 (Article 65(6))

## 1 Introduction

MiFID II requires Gresham House Asset Management Limited (“GHAM”) to provide on an annual basis, for each class of financial instruments traded by the firm, the top five execution venues used for the preceding year.

The below qualitative information is applicable to trading undertaken by GHAM in reportable instruments during the period 1 January 2018 to 31 December 2018. The quantitative information relating to the 65(6), execution via a broker is also provided within this document.

## 2 Qualitative Report

### 2.1 Relative importance of execution factors

GHAM transmits orders primarily in relation to Equities. Total consideration, speed and likelihood of execution of the total order remain the top considerations in the use of brokers to execute client orders. To achieve the best possible results, GHAM always seeks to obtain the best price in aggregate for the instruments traded from top quality brokers. The firm monitors the results obtained to ensure the best possible outcome is obtained.

### 2.2 Close links, conflicts of interests, and common ownerships

GHAM underlying funds held shares in Finncap Group plc (0.53%) and Numis Corporation (0.09%) at 31 December 2018. GHAM ensures that all transactions, including those placed with these entities, are executed in line with its Best Execution Policy. GHAM regularly monitors transactions with all brokers to ensure any potential conflicts of interest are effectively mitigated.

No other conflicts or links to report.

### 2.3 Payments or other arrangements with execution venues

GHAM does not receive payments, discounts, rebates or non-monetary benefits as part of any special arrangements with the brokers with whom it places orders. This is in line with MiFID II rules on Inducements. For the period January 2018 to April 2018, GHAM used only one broker, Winterfloods Business Securities Ltd (“WBS”) which also provided custody services to GHAM’s clients. All payments made to WBS were proper fees necessary for the provision of the portfolio management service to our clients.

### 2.4 Changes to the list of Execution Venues

New brokers were added to our panel based on the acquisition of former Livingbridge vehicles in 2018 and the need to maintain existing relationships with those brokers.

### 2.5 Order execution across client categories

GHAM acted for professional clients only in 2018. All clients are treated in the same manner.

### 2.6 Precedence of other execution factors in executing retail client orders

Not applicable as GHAM did not act for retail clients in 2018.

### 2.7 Use of any data or tools relating to execution quality

GHAM did not use any such tools.

### 2.8 Use of the output of a consolidated tape provider (where applicable)

GHAM did not use any output of a consolidated tape provider.

## ARTICLE 65(6) DISCLOSURES

Article 65(6) disclosures cover all GHAM trading placed with Brokers/Counterparties.

Class of Instrument	Equities- Tick size liquidity band 1 - 2				
Notification if <1 average trade per business day in the previous year	Y				
Top 5 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 a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Shore Capital Stockbrokers Limited - 2138009KZO3MK7TV6372	32.36%	4.76%	0%	0%	0%
Cantor Fitzgerald Europe - 549300KM6VUHPKQLQX53	31.13%	23.81%	0%	0%	0%
Nplus1 Singer - 213800ITO7QMNQ9SFG53	14.17%	26.19%	0%	0%	0%
Winterflood Securities Limited - 8BRUP6V1DX3PIG2R0745	11.72%	19.05%	0%	0%	0%
Numis Securities Limited - 213800P3F4RT97WDSX47	3.00%	9.52%	0%	0%	0%

This report is intended to enable our clients evaluate the quality of GHAM's execution practices and is a regulatory requirement.

The relative importance of each of the execution factors within our dealing process will vary depending upon a number of criteria, including the characteristics of the client, the order, the financial instrument and execution venue.

Each trade that is placed with our brokers is inherently unique in its characteristics. The relative importance of the execution factors is therefore variable.

The most important factors for equities are likelihood of execution, price and speed.

Each Order is handled on its own merit and transacted in line with our Best Execution Policy.

We added 4 brokers in 2018 in order to ensure we consistent obtain best execution.