

# Castlefield Advisory Partners Ltd – RTS 28 Best Execution report

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As a financial advisory firm who place trades on behalf of their clients Castlefield Advisory Partners Ltd (CAP) are required to publish, on an annual basis, a statement of the top five entities used for the transmission or placing of client orders, during the previous year.

This report covers the period of 1<sup>st</sup> January 2018 to 31<sup>st</sup> December 2018.

In accordance with regulatory requirements this report is aimed at CAP clients, although it must be publicly disclosed and we have chosen to publish it on our website. The aim is to provide meaningful information to clients of CAP, for them to effectively assess the execution quality achieved by the firm during the year.

During the specified reporting period, CAP placed trades, as required, via platforms upon which their clients held assets. The European Supervision and Markets Authority (ESMA) requires that firms who carry out trades in this way should disclose the top five entities to which they routed client orders of each asset type, during the relevant period, within an RTS 28 Best Execution report.

## Part 1: Disclosure of Asset Classes

ESMA has defined thirteen different asset classes. In accordance with our Best Execution Policy CAP are active only in those asset classes indicated in the following table. Please note that there is now a requirement to specify the sub-classes of assets within which a firm is active, as well as differentiate those orders made on behalf of retail and professional clients.

Asset Class	Sub-classes	
Equities – shares and depository receipts	(i) Tick size liquidity bands 5 and 6 (from 2000 trades per day) (ii) Tick size liquidity bands 3 and 4 (from 80 to 1999 trades per day) (iii) Tick size liquidity bands 1 and 2 (from 0 to 79 trades per day)	✓
Debt instruments	(i) Bonds (ii) Money market instruments	✓
Interest rates derivatives	(i) Futures and options admitted to trading on a trading venue (ii) Swaps, forwards and other interest rate derivatives.	

Credit derivatives	(i) Futures and options admitted to trading on a trading venue (ii) Other credit derivatives	
Currency derivatives	(i) Futures and options admitted to trading on a trading venue (ii) Swaps, forwards and other currency derivatives	
Structured finance instruments		
Equity derivatives	(i) Futures and options admitted to trading on a trading venue (ii) Swaps and other equity derivatives	
Securitized derivatives	(i) Warrants and certificate derivatives (ii) Other securitized derivatives	
Commodities derivatives and emission allowances derivatives	(i) Futures and options admitted to trading on a trading venue (ii) Other commodities derivatives and emission allowances derivatives	
Contracts for difference		
Exchange traded products (exchange traded funds, exchange traded notes and exchange traded commodities)		✓
Emission allowances		
Other instruments (including OEICs, Unit Trusts and UCITS funds)		✓

## Part 2: Top 5 entities (platforms) used to route client orders

The following tables show the top 5 venues to whom CAP routed client orders for each of the asset classes in which we were active during the reportable period.

<b>Class of Investment</b>	Equities – shares and depository receipts	
<b>Notification if fewer than one average trade per business day in the previous year</b>	YES	
<b>Top 5 venues ranked in terms of volume, descending order</b>	Percentage transmitted to venue as a proportion of <b>total monetary value</b> of trades in this asset class	Percentage transmitted to venue as a proportion of <b>total number</b> of trades in this asset class
AJ Bell Securities Ltd [LEI 213800Y4I7TN34WUBD71]	100%	100%

Please note that the data in this table represents only a small number of cases and therefore only a small percentage of our overall business.

For this type of investment, we only sent orders to 1 firm, therefore there are fewer than five venues to report on.

<b>Class of Investment</b>	Debt instruments	
<b>Notification if fewer than one average trade per business day in the previous year</b>	YES	
<b>Top 5 venues ranked in terms of volume, descending order</b>	Percentage transmitted to venue as a proportion of <b>total monetary value</b> of trades in this asset class	Percentage transmitted to venue as a proportion of <b>total number</b> of trades in this asset class
AJ Bell Securities Ltd [LEI 213800Y4I7TN34WUBD71]	100%	100%

Please note that the data in this table represents only a small number of cases and therefore only a small percentage of our overall business.

For this type of investment, we only sent orders to 1 firm, therefore there are fewer than five venues to report on.

<b>Class of Investment</b>	Exchange traded products	
<b>Notification if fewer than one average trade per business day in the previous year</b>	YES	
<b>Top 5 venues ranked in terms of volume, descending order</b>	Percentage transmitted to venue as a proportion of <b>total monetary value</b> of trades in this asset class	Percentage transmitted to venue as a proportion of <b>total number</b> of trades in this asset class
AJ Bell Securities Ltd [LEI 213800Y4I7TN34WUBD71]	80.7%	82.31%
Aviva Wrap UK Ltd [2138008EY5V67I9UY420]	10.55%	1.7%
Aegon Platform (Cofunds Holdings Ltd) [213800TUQ2NEDA8SO169]	8.75%	15.99%

Please note that the data in this table represents only a small number of cases and therefore only a small percentage of our overall business.

For this type of investment, we only sent orders to 3 firms, therefore there are fewer than five venues to report on.

<b>Class of Investment</b>	Other instruments (including OEICs, Unit Trusts and UCITS funds)	
<b>Notification if fewer than one average trade per business day in the previous year</b>	NO	
<b>Top 5 venues ranked in terms of volume, descending order</b>	Percentage transmitted to venue as a proportion of <b>total monetary value</b> of trades in this asset class	Percentage transmitted to venue as a proportion of <b>total number</b> of trades in this asset class
Aviva Wrap UK Ltd [2138008EY5V67I9UY420]	35.85%	28.82%
AJ Bell Securities Ltd [LEI 213800Y4I7TN34WUBD71]	31.01%	23.61%
Aegon Platform (Cofunds Holdings Ltd) [213800TUQ2NEDA8SO169]	24.12%	43.13%
Elevate Portfolio Services Ltd [2138009LKV8MTQNLV29]	8.83%	1.28%
Novia Financial PLC [213800PBPMC23C4GZS83]	0.20%	3.17%

## **A note on the requirements of this report**

The RTS 28 is a retrospective report, introduced in January 2018 as a part of the second Markets in Financial Instruments Directive (MiFID II).

We have completed this report in line with our interpretation of ESMA guidance and in good faith, to the best of our capability with the data that was available at the time of publishing. It may be subject to amendment, following which updated versions will be published and clearly identified as such.

## **Amendments to trading policies and procedures**

During the reporting period CAP also began to review their policies and procedures to ensure that entities who execute trades on its behalf would be able to meet the extra best execution reporting requirements of MiFID II, which came into force on 3<sup>rd</sup> January 2018. This is subsequently documented in CAP's Best Execution Policy.

Whilst compiling this report we encountered inconsistencies in the data recorded. To obtain the best representation, we therefore extrapolated 7 months' worth of data into 12 months, based on averages.

We have rectified this problem moving forward, and the report for 1<sup>st</sup> January 2019 to 31<sup>st</sup> December 2019 will be derived entirely from 12 months' worth of consistent data to create a true reflection and an accurate report.

## **Monitoring and review**

- We operate in accordance with our best execution policy. Please ask, if you want to see a copy of our policy.
- Under the terms of our policy, we regularly assess the third parties available to us to identify those that will enable us, on a consistent basis, to obtain the best possible result when arranging for the execution of your orders.
- The third parties that we use, also have responsibilities in relation to best execution and client order handling. We undertake periodic monitoring to make sure that they continue to meet our requirements. This review is carried out at least annually or whenever a significant change occurs that we feel could affect our ability to continue to obtain the best possible results for our clients.