



Annual Trade Execution Report
for the year ended 31 December 2017



1. Introduction

The second Markets in Financial Instruments Directive and delegated regulations (“MiFIDII/R”) necessitates that investment firms report on the quality of execution and the top five execution venues for each prescribed class of financial instrument traded on an annual basis. The contents of this report and the traded data provided are published in order to meet the requirements prescribed by Article 3(3) of the Regulatory Technical Standard 28 (“RTS 28”) of MiFID/R.

2. RTS 28 Reporting Requirement

RTS 28 requires investment firms to provide the following information for each prescribed class of financial instrument traded on an annual basis:

- 2.1 an explanation of the relative importance given to the execution factors of price, costs, speed, likelihood of execution, or to any other consideration including qualitative factors when assessing the quality of execution;
- 2.2 a description of any close links, conflicts of interests, and common ownerships with any execution venues and brokers used;
- 2.3 a description of any specific arrangements with any execution venues and brokers regarding payments made or received, discounts, rebates or non-monetary benefits received.

- 2.4 an explanation of the factors that led to any change in the execution venues and brokers listed in the firm's execution policy, if any such change occurred;
- 2.5 an explanation of how order execution differs according to client categorisation, if there is a difference;
- 2.6 an explanation of whether other criteria were given precedence over immediate price and cost when executing retail client orders and how these helped deliver the best possible result in terms of the total consideration to the client;
- 2.7 an explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under RTS 27 (now Delegated Regulation (EU) 2017/575); and
- 2.8 an explanation of how the investment firm has used output of a consolidated tape provider established under Article 65 of MiFID II.

3. Report Structure

This report covers the trading activity of Miton Asset Management Limited and Miton Trust Managers Limited where both FCA authorised entities act as the delegated investment managers for a number of clients, further details of which can be found on Miton's website www.mitongroup.com. This report is structured such, that aside from the general disclosures noted below, our analysis of each of the RTS 28 reporting requirements set out above are considered for each prescribed class of

financial instrument traded by each of Miton Asset Management Limited and Miton Trust Managers Limited on behalf of their clients.

4. General Disclosures

The following table sets out our response to RTS 28 reporting requirements 2.2, 2.3 and 2.5 to 2.8 above.

2.2	Provide a description of any close links, conflicts of interests, and common ownerships with any execution venues and brokers used.	Miton Asset Management Limited and Miton Trust Managers Limited may invest on behalf of their clients in the shares of our brokers who we may also use to execute our orders, where the investment case and our order execution arrangements are considered separately.
2.3	Provide a description of any specific arrangements with any execution venues and brokers regarding payments made or received, discounts, rebates or non-monetary benefits received.	Miton Asset Management Limited and Miton Trust Managers Limited do not make or receive any payments, discounts, or rebates to or from our brokers. Miton Asset Management Limited and Miton Trust Managers Limited may receive minor non-monetary benefits from our brokers where this is consistent with Miton's Policy on Research and use of Research Payment Accounts and Miton's Conflicts of Interest Policy.

2.5	Provide an explanation of how order execution differs according to client categorisation, if there is a difference.	All of our clients are classified as professional and consequently our order execution arrangements do not differ according to client categorisation.
2.6	Provide an explanation of whether other criteria were given precedence over immediate price and cost when executing retail client orders and how these helped deliver the best possible result in terms of the total consideration to the client.	Miton Asset Management Limited or Miton Trust Managers Limited do not execute retail client orders.
2.7	Provide an explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under RTS 27 (now Delegated Regulation (EU) 2017/575)	Once it is available we will review RTS 27 trading venue data that has been published by our counterparties and report on how this has been incorporated into our execution review procedures.
2.8	Provide an explanation of how the investment firm has used output of a consolidated tape provider	As at the date of publication of this report we have not considered any data analysis from consolidated tape providers (“CTPs”) as there

	established under Article 65 of MiFID II.	were no CTPs registered from which we place reliance on.
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5. Execution Report for Miton Asset Management Limited (LEI: 2138005QPVI3K8CTGY46)

Class of Financial Instrument: Equity – Shares & Depositary Receipts

Class of Instrument	Equities - Shares and 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
Instinet Europe Limited, 213800MXAKR2LA1VBM44	13.35	14.08	N/A	N/A	N/A
Autonomous Research LLP, 213800LBM6PT85IGM996	12.65	12.29	N/A	N/A	N/A
RBC Europe Limited, TXDSU46SXBWIGJ8G8E98	5.92	2.38	N/A	N/A	N/A
Numis Securities Limited, 213800P3F4RT97WDSX47	4.75	4.98	N/A	N/A	N/A
Merrill Lynch International, GGDZP1UYGU9STUHRDP48	3.47	1.47	N/A	N/A	N/A

Qualitative Description

2.1	Provide an explanation of the relative importance given to the execution	The trading profile for this asset class is varied as it is global in nature and varies across all market capitalisations. This requires the
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	<p>factors of price, costs, speed, likelihood of execution, or to any other consideration including qualitative factors when assessing the quality of execution.</p>	<p>ability to be able to trade in various time zones, and with various liquidity providers.</p> <p>The range of trading partners available allows us to trade in all types of securities. We will not trade with a counterparty who we do not believe will be unable to ultimately settle a transaction so this ranks highest when choosing a counterparty. After this price will be the most important factor and when trading in less liquid securities, then likelihood of execution will be ranked higher than usual.</p> <p>The current platform of trading partners is adequate for the nature of trading and changes when a partner is identified that offers something not currently available from the current platform of trading partners. The factors in order of importance are: Likelihood of settlement, Price, Costs, Speed, Size, Nature, Likelihood of Execution, Other Relevant Factors.</p>
2.4	<p>Provide an explanation of the factors that led to any change in the execution venues and brokers listed in the firm's execution policy, if any such change occurred</p>	<p>Changes in 2017 to our liquidity platform were added to give us the ability to trade with less associated costs and where they have been identified as being able to trade in less liquid areas of the market</p>

Class of Financial Instrument: Debt Instruments – Bonds

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
JP Morgan Securities Plc, K6Q0W1PS1L1O4QL9C32	21.94	22.16	N/A	N/A	N/A
Merrill Lynch International, GGDZP1UYGU9STUHRDP48	15.46	13.3	N/A	N/A	N/A
Deutsche Bank AG, 7LTWFZYCNSX8D621K86	15.28	12.94	N/A	N/A	N/A
Citigroup Global Markets Limited, XKZZ2JZF41MRHTR1V493	10.78	11.7	N/A	N/A	N/A
Morgan Stanley & Co. International PLC, 4PQUHN3JPFQFN3BB653	10.37	8.87	N/A	N/A	N/A

Qualitative Description

2.1	Provide an explanation of the relative importance given to the execution factors of price, costs, speed, likelihood of execution, or to any other consideration including qualitative factors when	The trading profile in the fixed income area is varied but the funds that trade in this area specifically look for liquid securities and purposefully avoid illiquid holdings. Most of the trading partners will be large investment banks with access to capital and a large range of clients. Other partners used, specialise in
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	<p>assessing the quality of execution.</p>	<p>trading as agents and liquidity providers have been added which broaden our access to the fixed income space. We will not trade with a counterparty who we do not believe will be unable to ultimately settle a transaction so this ranks highest when choosing a counterparty. After this price will be of the highest importance when trading but if liquidity were an issue for any trade then likelihood of execution would be of more importance. The factors in order of importance are: Likelihood of settlement, Price, Likelihood of Execution, Size, Costs, Speed, Nature, Other Relevant Factors.</p>
2.4	<p>Provide an explanation of the factors that led to any change in the execution venues and brokers listed in the firm's execution policy, if any such change occurred</p>	<p>A liquidity platform was added to our list of trading partners which will eventually open up a broad range of liquidity sources to improve our ability to trade in fixed income.</p>

Class of Financial Instrument: Currency derivatives – swaps, forwards and other currency derivatives

Class of Instrument		Currency derivatives: (Swaps, Forwards and other currency derivatives)			
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
BNY Mellon Capital Markets EMEA Limited, 21380005FBGOWU89LN14	71.7	64.49	N/A	N/A	N/A
Brown Brothers Harriman & Co., 5493006KMX1VFTYPW14	28.3	35.51	N/A	N/A	N/A

Qualitative Description

2.1	Provide an explanation of the relative importance given to the execution factors of price, costs, speed, likelihood of execution, or to any other consideration including qualitative factors when	The trading profile in the currency derivatives area requires periodic trades and is highly liquid. We will not trade with a counterparty who we do not believe will be unable to ultimately settle a transaction so this ranks highest when choosing a counterparty. After this price will be of the highest importance
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	assessing the quality of execution.	when trading. Additional trading partners are to be added to this area as the trading becomes larger. The factors in order of importance are: Likelihood of settlement, Price, Size, Likelihood of Execution, Costs, Speed, Nature, Other Relevant Factors.
2.4	Provide an explanation of the factors that led to any change in the execution venues and brokers listed in the firm's execution policy, if any such change occurred.	With respect to our execution arrangements no changes occurred for this class of financial instrument during the period.

Class of Financial Instrument: Equity derivatives – Options and Futures admitted to trading on a trading venue

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	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
RBC Europe Limited, TXDSU46SXBWIGJ8G8E98	100	100	N/A	N/A	N/A

Qualitative Description

2.1	Provide an explanation of the relative importance given to	Trading in equity derivatives is infrequent. Price and likelihood of execution will be the
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	the execution factors of price, costs, speed, likelihood of execution, or to any other consideration including qualitative factors when assessing the quality of execution.	most important factors taken into account when trading, followed by size, cost, nature, speed and other relevant factors.
2.4	Provide an explanation of the factors that led to any change in the execution venues and brokers listed in the firm's execution policy, if any such change occurred.	With respect to our execution arrangements no changes occurred for this class of financial instrument during the period.

Class of Financial Instrument: Exchange Traded Products (Exchange Traded Funds, Exchange Traded Notes and Exchange Traded Commodities)

Class of Instrument	Exchange Traded Products (Exchange Traded Funds, Exchange Traded Notes and Exchange Traded Commodities)				
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
Flow trader B.V., 549300CLJ9XDH12XV51	65.26	36.84	N/A	N/A	N/A
Bloomberg	27.42	57.89	N/A	N/A	N/A
Autonomous Research LLP, 213800LBM6PT85IGM996	7.32	5.26	N/A	N/A	N/A

Qualitative Description

2.1	Provide an explanation of the relative importance given to the execution factors of price, costs, speed, likelihood of execution, or to any other consideration including qualitative factors when assessing the quality of execution.	Trading in Exchange Traded Products is infrequent and an extremely small proportion of what we trade in but will be large in size when we trade. We will not trade with a counterparty who we do not believe will be unable to ultimately settle a transaction so this factor ranks highest when choosing a counterparty. After this price will be of the highest importance when trading but if liquidity were an issue for any trade then likelihood of execution would be of more importance. The factors in order of importance are: Likelihood of settlement, Price, Likelihood of Execution, Size, Costs, Speed, Nature, Other Relevant Factors.
2.4	Provide an explanation of the factors that led to any change in the execution venues and brokers listed in the firm's execution policy, if any such change occurred.	With respect to our execution arrangements no changes occurred for this class of financial instrument during the period.

6. Execution Report for Miton Trust Managers Limited (LEI: 21380001473FSBR52K95)

Class of Financial Instrument: Equity – Shares & Depositary Receipts

Class of Instrument	Equities - Shares and 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
Redburn (Europe) Limited, 213800PKEJQZQXQCCJ04	20.27	10.23	N/A	N/A	N/A
Citigroup Global Markets Limited, XKZZZJZF41MRHTR1V493	18.45	11.99	N/A	N/A	N/A
Canaccord Genuity Limited, ZBU7VVF5NIMN4ILRFC23	7.74	5.26	N/A	N/A	N/A
JP Morgan Securities Plc, K6Q0W1PS1L1O4IQL9C32	7.23	5.26	N/A	N/A	N/A
Autonomous Research LLP, 213800LBM6PT85IGM996	7.17	17.25	N/A	N/A	N/A

Qualitative Description

2.1	Provide an explanation of the relative importance given to the execution factors of price, costs, speed, likelihood of execution, or to any other consideration including qualitative factors when assessing the quality of execution.	The nature of the trading profile for this firm and asset class is usually liquid and represents a low percentage of average daily volume. We will not trade with a counterparty who we do not believe will be unable to ultimately settle a transaction so this ranks highest when choosing a counterparty. After this, price will be of the highest importance and then costs associated with execution. Where the liquidity available is reduced then likelihood of execution and
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		<p>speed are included more in the decision process than usual. The venues used offer a broad range of trading strategies and represent good value when looking at execution costs. Some of these venues offer the ability to collect a research charge along with trading. The factors in order of importance are: Likelihood of settlement, Price, Costs, Speed, Size, Nature, Likelihood of Execution, Other Relevant Factors.</p>
2.4	<p>Provide an explanation of the factors that led to any change in the execution venues and brokers listed in the firm's execution policy, if any such change occurred</p>	<p>Miton Trust Managers Limited has an adequate platform of liquidity providers and trading partners and no changes occurred to our execution arrangements for this class of financial instrument during the period.</p>