

ELARA CAPITAL PLC – ANNUAL TRADE EXECUTION REPORT (RTS 28)

RTS28 was introduced as part of MiFID II. Under the technical standards introduced to supplement Directive 2014/65/EU (aka RTS28), and the associated Article 65 of Delegated Directive 2398, we, Elara Capital PLC (hereinafter referred as “Elara”), as a MiFID investment firm are required to publish detail of our top five trading venues, by asset class, and detail of the quality of execution obtained.

The exact requirements are detailed within COBS 11 Annex1EU Regulatory Technical Standard 28 (RTS 28) within the FCA Handbook:

“Investment firms shall publish for each class of financial instruments, a summary of the analysis and conclusions they draw from their detailed monitoring of the quality of execution obtained on the execution venues where they executed all client orders in the previous year. We provide below information regarding Elara’s execution practices and conclusions drawn from our monitoring of the quality of execution obtained on the execution venues for all client trades in the previous year.

Requirement under Article 3(3)	Elara Capital PLC’s 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><u>Fixed Income:</u></p> <p>Elara would execute all client buy/sell trades by sourcing/selling the security from/to a market intermediary (investment bank, broker, etc) or end investor on an MTF (e.g. Bloomberg) or other such mediums that the market adopts for trade execution. Due to the quote driven nature of the corporate bond market, price discovery can be a little challenging. Elara usually relies of ALLQ, ‘Runs’ and ‘Axes’ received electronically (via Bloomberg) or on direct enquiries with market intermediaries. Elara considers a number of factors to determine the manner in which trades are executed. These factors include:</p> <ul style="list-style-type: none"> • Price • Likelihood of execution/settlement • Speed of execution • Market impact • Nature of the order • Expertise / trading volume of the intermediary / counterparty in the market segment • Past experience of trading with the intermediary / counterparty • Counterparty risk <p>Usually price and likelihood of execution dictate the manner of execution for debt instruments. For smaller or very illiquid issues, market impact also becomes important as having several conversations with other market participants may distort the market.</p>

	<p><u>Equities:</u></p> <p>Elara executes client equity trades through authorised brokers via the electronic platform provided by Bloomberg. As our trading volumes are not high, we primarily execute all our trades through our prime broker at predetermined costs. Where liquidity is available electronically, trades are executed via Bloomberg. Where we need to avail the services of a market maker or liquidity provider, the same is done over phone/email via our prime broker.</p>
<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>Elara does not have any close links, conflicts of interests or common ownerships with respect to any execution venues used to execute orders.</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>Elara does not have any arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received.</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>No significant changes have occurred to the list of execution venues in the review period. Brokers/venues will be added/removed, as required, and based on market access, cost, liquidity provision and quality of execution.</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>Elara’s order execution process is the same for all its clients.</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>Elara does not execute retail client orders. Elara’s clients are Professional clients.</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) 2017/575 [RTS 27];	During 2019 - 20, Elara has regularly monitored the quality of execution obtained from the execution venues. More information can be found in the Best Execution Monitoring, Oversight & Governance section of our Order Execution Policy.
(h) where applicable, an explanation of how the investment firm has used output of a consolidated tape provider.	No general consolidated tape is available currently. If this becomes available, Elara will review the usefulness of the consolidated tape and will utilise it accordingly.

The Markets in Financial Instruments Directive (MiFID II) requires investment firms who execute client orders to summarise and publish the top five execution venues in terms of trading volumes, for each class of financial instrument, where they executed client orders in the preceding year, as well as information on the quality of execution obtained.

For equities, this information is required for each tick size liquidity band, categorised based on the average daily number of trades for each equity instrument traded in the preceding year.

Elara Capital PLC's RTS 28 report for the period April 1, 2019 to March 31, 2020 is as follows:

Top 5 Venues – Execution:

Class of Instrument: Equities - Tick Size liquidity bands 1 and 2

Notification if <1 average trade per business day in the previous year: No

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
Global Prime Partners	1	1	0	0	0
LEI: 213800P92PNWWOSITY17					

Top 5 Venues – Execution:**Class of Instrument: Bonds****Notification if <1 average trade per business day in the previous year: Yes**

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
Orbit Investment Securities Services Plc. LEI: 213800Q6ROFLJ17H1M10	0.220	0.154	0	0	0
MarketAxess Capital Limited LEI: 529900CTXON8S5AOCB70	0.212	0.236	0	0	0
Goldman Sachs International Ltd LEI: W22LROWP21HZNB6K528	0.106	0.081	0	0	0
Seaport Global Securities LLC LEI: 54930028D6D0G5RZJ888	0.075	0.049	0	0	0
JP Morgan Securities Plc LEI: K6Q0W1PS1L1O4IQL9C32	0.057	0.041	0	0	0