

This report contains the details of the top 5 venues on which WH Ireland (“WHI”) has executed client orders and summary analysis of the execution obtained for the year 2018. This report is presented in line with the European Union’s In accordance with the Markets in Financial Instruments Directive II (“MiFID II”), and the rules, guidance, principles and codes in the Handbook of Rules and Guidance issued by the UK Financial Conduct Authority.

We recognise the importance of achieving the best possible result when carrying out (executing) trades for you. This is important for maintaining and developing our relationship with you. At all times, we will do our best to act fairly and reasonably in dealing with you.

WH Ireland Limited (“WHI”) is required to disclose the quality of its execution practices under its Best Execution Policy, and to identify the Top 5 Execution Venues in terms of trading volumes (value of trades) and number of trades per class of Financial Instrument on an annual basis. There are thirteen classes of Financial Instrument, it should be noted that WHI trade in the following on behalf of its clients:

- Equities;
- Debt Instruments; and
- Exchange Traded Products.

In accordance with MiFID II guidance, WHI has published its annual Top 5 Execution Venues report to distinguish between orders it:

- executed directly on exchange (“Execution”); or
- transmitted via a counterparty (“Transmission”).

A further dimension, is that separate tables have been made to publish the Top 5 Execution Venues when executing trades for:

- Professional Clients; and
- Retail Clients.

Top 5 Execution Venues reports will display the:

- Class of Financial Instrument;
- Execution venue name;
- Information on the total volume (value of trades);
- Number of trades as a percentage of all client orders executed;
- Confirmation of whether WHI has executed an average of less than one trade per business day in the previous year;
- Percentage of Passive and Aggressive Orders; and
- Percentage of Directed Orders.

A Passive Order is characterised as an order that is entered into the order book of a trading venue and provides liquidity, whereas an Aggressive Order is defined as an order that is entered into the order book of a trading venue and removes liquidity.

The conditions of a Directed Order are met, when a specific Execution Venue was specified by the client prior to the execution of the order.

Execution Factors

When executing orders we take account of various execution factors including:

- Price;
- Costs payable by the client as a result of the execution;
- Speed of execution and settlement;
- Likelihood of execution and settlement;
- Size of transaction;
- Nature of the transaction; and
- Market impact.
- Any other consideration relevant to executing the order

Table 1

Class of Instrument	Equities - Shares & Depository Receipts	Client Type	Retail	Interaction	Transmission
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
COWEN EXECUTION SERVICES LIMITED 213800SS94VGJTFLLIG64	25.33	45.93	39.28	58.31	0
PEEL HUNT 5493007DWNOR4YBM4C84	22.62	18.73	3.72	18.07	0
WINTERFLOOD SECURITIES LIMITED 8BRUP6V1DX3PIG2R0745	14.28	15.83	0.00	0.00	0
NUMIS SECURITIES LIMITED 213800P3F4RT97WDSX47	4.32	2.01	0.00	0.00	0
CANTOR FITZGERALD EUROPE 549300KM6VUHPKQLQX53	3.23	2.66	0.00	0.00	0

Table 2

Class of Instrument	Bonds	Client Type	Retail	Interaction	Transmission
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
WINTERFLOOD SECURITIES LIMITED 8BRUP6V1DX3PIG2R0745	52.70	27.92	0	0	0
PEEL HUNT 5493007DWNOR4YBM4C84	31.55	54.95	0	0	0
CANTOR FITZGERALD EUROPE 549300KM6VUHPKQLQX53	4.11	4.01	0	0	0
CANACORD GENUITY LIMITED ZBU7V5NIMN4ILRFC23	4.02	11.51	0	0	0
PERSHING SECURITIES LIMITED 549300NC3GURN0AEZU06	2.87	0.45	0	0	0

Table 3

Class of Instrument	Exchange Traded Funds	Client Type	Retail	Interaction	Transmission
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
COWEN EXECUTION SERVICES LIMITED 213800SS94VGJTFLLIG64	15.81	7.76	71.79	23.59	0
RBC EUROPE LIMITED TXDSU46SXBWIGJ8G8E98	14.91	25.62	0.00	0.00	0
SUSQUEHANNA INTERNATIONAL SECURITIES LIMITED 635400IAV22ZOU1NFS89	12.58	5.73	0.00	0.00	0
PEEL HUNT 5493007DWN0R4YBM4C84	10.97	14.03	0.00	0.14	0
WINTERFLOOD SECURITIES LIMITED 8BRUP6V1DX3PIG2R0745	9.47	26.11	0.00	0.00	0

Quality of Execution for Retail Client Orders in Liquid Securities

Whilst WHI does not differentiate treatment of its retail and professional clients when providing best execution, tables 1 to 3 relate to the venues where retail client orders were executed or transmitted for equities, bonds and exchange traded funds (“liquid securities”) and sets out WHI’s considerations and rationale when executing retail client orders filled on the execution venues as set out in those tables for calendar year 2018. This is the quality of execution.

WHI place price and cost as Execution Factors of Importance when executing client orders, in liquid markets when the order size is within or at “normal market size”. Tables 1 to 3 represents the venues available to WHI, where the price and cost of execution is negotiated competitively.

When executing orders which are large in size and/or the security is illiquid, both speed and likelihood of execution and settlement are the Execution Factors of Importance, particularly if there are a limited number of venues providing a price and where the security is likely to rise after execution.

All other execution factors are considered, though the weighting of importance may be lower.

Conflict Management

Conflicts of interest generally arise when two or more parties have close links. We do not have any close links or common ownership with any venue listed in tables 1 to 3.

WHI employees performing and managing best execution for retail client, declared gifts and hospitality received during the course of calendar year 2018 from brokers and venues who appear in tables 1 to 3. The value of these gifts and hospitality declared is below £500.00, which is a de minimis value and as such WHI does not consider these gifts and hospitality to be a conflict of interest

Execution venues listed in Best Execution Policy

During calendar year 2017, WHI moved from self-settling client orders and their executions to a Model B arrangement with the custodian and settlement agent SEI Investments (Europe) Ltd, consequently, WHI no longer has access to the London Stock Exchange platform SETS when executing retail client orders, therefore any equity on the trading service SETS will be executed using a broker or brokers who may appear in tables 1 to 3.

Table 4

Class of Instrument	Equities - Shares & Depository Receipts	Client Type	Professional	Interaction	Execution (as a member of the relevant exchange)
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
London Stock Exchange XLON	100	100	55.75	20.45	0

Table 5

Class of Instrument	Equities - Shares & Depository Receipts	Client Type	Professional	Interaction	Transmission
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
PERSHING SECURITIES LIMITED 549300NC3GURN0AEZU06	44.09	48.76	0	0	0
COWEN EXECUTION SERVICES LIMITED 213800S94VGJTFLLIG64	35.77	49.30	11.72	18.25	0
W H IRELAND LIMITED 213800036BEFEQ3ZRP871	8.87	0.51	0	0	0
PEEL HUNT 5493007DWN0R4YBM4C84	2.52	0.30	0	0	0
WINTERFLOOD SECURITIES LIMITED 8BRUP6V1DX3PIG2R0745	2.13	0.48	0	0	0

Table 6

Class of Instrument	Bonds	Client Type	Professional	Interaction	Transmission
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
THE TORONTO-DOMINION BANK PT3QB789TSUIDF371261	29.62	16.50	0	0	0
KING & SHAXON LIMITED 213800ARTVZQSADRZ559	22.49	33.00	0	0	0
CANTOR FITZGERALD EUROPE 549300KM6VUHPKQLQX53	18.49	5.82	0	0	0
Citigroup Global Markets Limited XKZZ2JZF41MRHTR1V493	10.65	5.82	0	0	0
NCL INVESTMENTS LIMITED D2FOVEF263OY4T3YK397	6.90	9.70	0	0	0

Table 7

Class of Instrument	Exchange Traded Funds	Client Type	Professional	Interaction	Execution (as a member of the relevant exchange)
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
London Stock Exchange XLON	100	100	33.33	0	0

Table 8

Class of Instrument	Exchange Traded Funds	Client Type	Professional	Interaction	Transmission
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
COWEN EXECUTION SERVICES LIMITED 213800SS94VGJTFLIG64	83.80	95.28	31.10	11.43	0
FLOW TRADERS B.V. 549300CLJI9XDH12XV51	5.54	0.47	0	0	0
SUSQUEHANNA INTERNATIONAL SECURITIES LIMITED 635400IAV22ZOU1NFS89	1.92	0.04	0	0	0
PEEL HUNT 5493007DWNOR4YBM4C84	1.83	0.25	0	0	0
MACQUARIE CAPITAL (EUROPE) LTD 549300GX4FPMFF91RJ37	1.61	0.04	0	0	0

Quality of Execution for Professional Client Orders in Liquid Securities

A two tier price discovery model provides access to Retail Service Providers (“RSPs”) and trading venues. Smart Order Router (“SOR”) technology in addition to the RSP model is used to source the best available price. Trades are executed on a venue (via the SOR) having firstly attempted to source the best available RSP price and as such we do not consider this trading model to be a conflict of interest. For trades that are unable to be executed automatically, a Dealer will perform a manual price discovery search.

Price, size and costs are the Execution Factors of Importance during venue selection when executing professional client orders in liquid securities. This is largely due to the majority of these instruments being available across multiple execution venues resulting in a vast amount of competing prices which can be negotiated.

Tables 4 to 8 reflect the venues where WHI obtain preferential prices, in particular venues in positions 1 and 2 provide value when orders placed are large in size.

All other execution factors are considered, though the weighting of importance may be lower due to the variety of venues available to WHI.

Post-trade monitoring is carried out by the Compliance department which is independent to the dealing team. The Compliance department utilise a third party system to review execution quality. This involves sourcing benchmark information from a range of venues to compare against the execution price achieved. This process ensures that our choice of counterparties and venues consistently meets the high standards expected.

Conflict Management

Pershing Securities Limited (“PSL”) is engaged by WHI to provide clearing and settlement services to WHI clients as a model B agent. PSL also provide direct market access services to WHI in order to execute equities, bonds and exchange traded funds directly with the relevant exchange. Client orders are directed to PSL in the event that the price available can beat other venues, as such WHI does not consider the model B arrangement to be a conflict of interest when selecting a venue for execution.

Conclusion

The Order Execution Policy was reviewed in December 2018. No material change was made to how orders are executed. The surveillance and analysis of 2018 execution is consistent with our expectations and the order execution policy. In conclusion, it is determined that overall best execution was achieved and there is no requirement to amend the policy including; execution factors or venues.