

**Execution Quality Summary Statement**

(EQSS)

&

**RTS 28**

(Regulatory Technical Standards to Identify Venues and Quality of Execution)

**EQUITY DERIVATIVES (OPTIONS & FUTURES)**

April 2021

## 1. Introduction

FFF Asset Management Ltd (hereinafter referred to as the "Company") is authorized and regulated by the Cyprus Securities and Exchange Commission (CySEC), as an Alternative Investment Fund Manager (AIFM) with license AIFM 25/56/2013 and operates under the Alternative Investment Fund Managers Law 56(I)/2013 (hereinafter referred to as the "Law"). Pursuant to the Article 6(6) of the Law, the Company also has permission to carry out management of investment portfolios on a discretionary basis and non-core services.

As part of the best execution requirements under Directive 2014/65/EU (MiFID II), AIFMs are required to publish a disclosure report on the execution venues of transactions undertaken on behalf of clients ("Quantitative Disclosures") together with certain information on the quality of execution obtained in respect of such transactions ("Qualitative Disclosures"). The disclosures are required to be made in respect of 22 sub-classes of financial instruments specified in the MiFID reporting requirements.

This report constitutes the Quantitative and Qualitative Disclosures in respect of the transactions undertaken by the Company during 2020 on behalf of clients who were provided with the management of investment portfolios on a discretionary basis. The Quantitative Disclosures for 2020 detail the top five execution brokers (by trading volume and proportion of orders executed) with whom client orders were placed for execution during the period under review. The Company's Quantitative and Qualitative Disclosures have been prepared in accordance with the reporting template and other requirements specified under the relevant MiFID regulatory technical standards, and in respect of the relevant sub-classes of financial instruments detailed below.

### Services Provided:

Article 6(6) of the Law 56(I)/2013:

- (a) management of portfolios of investments, including those owned by pension funds and institutions for occupational retirement provision in accordance with Paragraph 1 of Article 19 of Directive 2003/41/EC, in accordance with mandates given by investors on a discretionary, client-by-client basis; and
- (b) Non-core services comprising:
  - i. Investment advice,

- ii. Safe-keeping and administration in relation to shares or units of collective investment undertakings,
- iii. Reception and transmission of orders in relation to financial instruments.

## **2. Information required to be disclosed under Regulatory Technical Standard 28 of MiFID II**

### **(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.**

In circumstances where trades fall inside the scope of best execution under MiFID, the ranking of the Execution Factors will typically be as follows:

- Price
- Speed and/or likelihood of execution
- The impact on market prices of executing an order or part of an order
- The availability of price improvement (the opportunity for an order to be executed at a better price than what is currently quoted publicly); and
- Any other consideration relevant to the efficient execution of the order.

The remaining Execution Factors, such as costs, nature of the order and other considerations relevant to the efficient execution of Client transactions are generally given equal ranking. However, where Clients gave the Company specific instructions as to how they require the transactions to be executed, the duty of best execution was limited to those matters which are not covered by specific instructions.

### **(b) a description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders.**

The Company does not have any close links, conflicts of interests, and common ownerships or other relationships that would give rise to any conflicts of interest with any of the execution venues or brokers used to execute orders on the instruments.

### **(c) a description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received.**

The Company does not receive payments, discounts, rebates or non-monetary benefits in its trading arrangements.

**(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.**

Counterparty banks and venues remain on our list of execution venues subject to an authorisation and ongoing monitoring process, which includes, but is not limited to, the counterparty's credit worthiness and financial stability, performance of execution and suitability in relation to the overall execution process. There were no changes to the venues over the period.

**(e) an explanation of how order execution differs according to Client categorization, where the firm treats categories of Clients differently and where it may affect the order execution arrangements.**

This is not applicable to the Company, as all the Company's clients are categorised as Professional clients within the meaning of Annex II to Directive 2014/65/EU (MiFID II).

**(f) an explanation of whether other criteria were given precedence over immediate cost when executing Retail Client orders and how these other criteria were instrumental in delivering the possible result in terms of the total consideration to the Client.**

Not applicable as the Company does not deal with Retail Client orders.

**(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 2020, the Company has additionally used Bloomberg platform data relating to the quality of execution. However, it will utilize the RTS27 data, where available, going forward.

**(h) an explanation of how the AIFM has used output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU.**

Not applicable.

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COMMISSION DELEGATED REGULATION (EU) 2017/576

of 8 June 2016

Supplementing Directive 2014/65/EU

*Regulatory technical standards for the annual publication by AIFMs of information on the identity of execution venues and on the quality of execution.*

The information below contains a summary of the analysis and conclusions that the Company has drawn from its monitoring of the quality of execution obtained on the execution venues where it has executed client orders in 2020.

**Professional Clients – Table 1**

Class of Instrument	Equity Derivatives (i) Options and Futures				
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 (lots) traded as a percentage of total in that class	Proportion of orders (number of trades) executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
SG; 5493002HXPWNWONL4B16	4%	9%	80%	20%	0%
CH; BFM8T61CT2L1QCEMIK50	96%	91%	90%	10%	0%