

Qualitative Data for the Purpose of Article 65 Report - 2018

This report analyses and summarises the conclusions of **Cavendish Asset Management Limited** (“Firm”) regarding the quality of its order execution. It has been drawn from the monitoring of its trading activities.

Requirement	Analyses and conclusions
(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>In determining the relative importance of the execution factors as detailed in our order execution policy, we took into account the following criteria:</p> <ul style="list-style-type: none"> • The characteristics of the client including the categorisation of the client as retail or professional; • The characteristics of the client order; • The characteristics of financial instruments that are the subject of that order; • The characteristics of the execution venues to which that order can be directed; and • For the period where we were a UCITS management company, the objectives, investment policy and risks specific to the UCITS scheme, as indicated in its prospectus and instrument constituting the fund.
(b) a description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders;	The Firm does not trade with any affiliates.
(c) a description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received;	The Firm does not receive payments, discounts, rebates or non-monetary benefits in its trading arrangements.
(d) an explanation of the factors that led to a	Brokerage firms remain on our list of execution venues subject to an

<p>change in the list of execution venues listed in the firm's execution policy, if such a change occurred;</p>	<p>authorisation and ongoing monitoring process, which includes, but is not limited to, the broker's credit worthiness and financial stability, a review of the performance of execution services provided by the broker, and the broker's ability to trade effectively on our clients' behalf.</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>All clients types are treated the same.</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>As explained above we treat all clients the same, as we afford all clients the highest level of protection. However as required, for Retail Clients (as was the case in our approach for Professional Clients) the best possible result was determined in terms of the total consideration, representing the price of the financial instrument and the costs related to execution. Total consideration was the overriding priority but other factors such as speed, size of transaction and where relevant any specific consideration or client instruction (such as limit orders) was taken into account as part of this process. This was where:</p> <ul style="list-style-type: none"> • For smaller capitalised equities and less liquid stocks, the likelihood of execution and the provision of liquidity may be more important than Total consideration. • In certain markets and market conditions prevailing at the time of the order execution, the level of price volatility may mean that timeliness of execution is the priority. • When executing certain instruments, such as mutual funds where the choice of execution venue may be limited. • When we execute orders where clients have given us specific instruction (such as limit orders).

<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];</p>	<p>We remain in the process of implementing new independent TCA (transaction cost analysis) systems to help us with our detailed monitoring of the quality of execution obtained on the execution venues where we place for execution client orders. This new arrangement was not fully operational at the time of the publication of this report but continue to resolve the technical issue we are experiencing.</p>
<p>(h) where applicable, an explanation of how the investment firm has used output of a consolidated tape provider.</p>	<p>This is not applicable, as we understand that there are currently no meaningful consolidated tape providers in Europe.</p>