



Integrated Financial Arrangements Ltd

Order Execution Quality Report 2019

Integrated Financial Arrangements Ltd

A firm authorised and regulated by the Financial Conduct Authority

Introduction

We are required to publish a summary of the quality of our order execution activities carried out during each calendar year. This report satisfies our obligation to provide that data for the period 1 January 2019 to 31 December 2019.

We treat all clients equally as retail clients in line with Financial Conduct Authority and Prudential Regulation Authority rules. As a result, this report contains the information required to be presented to retail clients in the standard tabular format prescribed by the European Commission.

Execution factors used during 2019

To achieve the best results when executing a trade during 2019, we took into account various execution factors in the following priority order:

- total Consideration*
- speed of completion
- the likelihood of successfully executing a Client Order
- the size of a Client Order
- the characteristics of the Financial Instrument involved
- any other considerations relevant to executing a Client Order

Occasionally, when dealing with large trades, particularly in illiquid securities and during volatile market conditions, the size of the transaction and likelihood of execution may have been more important than otherwise.

* Total Consideration is the price of the Financial Instrument and all costs and expenses directly related to the execution of an order. Total Consideration was the most important execution factor we considered when executing orders in 2019, except where we had to execute a non-electronic trade without an alternative quote. In such cases, the likelihood of successfully executing a Client Order was the most important factor we considered during 2019.

Execution quality during 2019

We typically aggregate individual client orders. This approach to trading enables greater operational efficiency and lower transaction costs. Generally, express trade instructions are not aggregated. See our Order Execution Policy which can be accessed through Transact online for further details.

Total Consideration was generally the most important factor we referenced when performing post-trade assessments of the quality of execution. We used a third party data provider, Liquid Metrix, in our Trade Cost Analysis ("TCA") process which benchmarked prices achieved for our trades against the prices achieved for others' trades in the relevant markets. The TCA process also takes into account the time, size and cost of the trade to analyse quality and performance.

We compared all secondary market trades to the most appropriate industry best execution price benchmark for the circumstances. For example, while the best available price at the time was used as the benchmark for most trades, a volume weighted measure was used where an individual client trade was greater than the size available at the prevailing market price. We conducted analysis for each class of instrument and have determined our execution and transmission arrangements performed effectively during 2019. Overall looking across all classes of instrument 94.2% of trades beat the relevant best execution benchmark.

Compliance performs periodic monitoring reviews on the processes designed to monitor execution quality, as well as the results achieved. Senior management participate in this process and any significant observations are considered and addressed accordingly.

For orders in collective investment schemes (e.g. Unit Trusts, Open Ended Investment Company (OEICs)) we place orders directly with the third party product provider, plan manager, or via their appointed administrator or manager. These orders are not included in the above analysis.

Execution venues used in 2019

We placed significant reliance on Winterflood Securities Limited as our primary execution venue in 2019 as it consistently produced the required best execution outcomes for our clients.

We choose execution venues based on our assessment of their ability to execute and settle a range of classes of Financial Instruments commonly traded by retail clients. There were no material changes to our list of execution venues during 2019.

Transact evaluates the RTS27 data being published by execution venues and incorporates it into its analysis where it is deemed to be of benefit.

Close links, conflicts of interest and specific arrangements with execution venues in 2019

We have no close links, conflicts of interests or common ownership with respect to any execution venues used during 2019. We also do not have any special arrangements with any execution venue used in 2019 regarding payments, discounts, rebates or non-monetary benefits given or received.

Financial instruments traded in 2019

We undertook transactions in the following Financial Instruments as categorised by the European Commission:

- Equities – Shares & Depositary Receipts, Debt Instruments, Structured Finance Instruments, Securitized Derivatives and Exchange Traded Products and Other instruments.

Further information is provided on these transactions in the tables below.

We are required to state that we did not undertake transactions in the following Financial Instruments as categorised by European Commission:

- Interest Rates Derivatives, Credit Derivatives, Currency Derivatives, Equity Derivatives, Commodities Derivatives and Emission Allowances Derivatives, Contracts for Difference or Emission Allowances.

We executed a very small number of orders in the Securitized Derivatives - Warrants and Certificated Derivatives class, therefore, information on the top five execution venues would not be meaningful nor representative of our order execution arrangements.

Order Execution and Transmission Summary Tables for 2019

The content of this report and the format of the tables set out below is as prescribed by the European Commission.

A machine-readable electronic format of the tables is available for download on the Legal & Regulatory Information page of our website.

Summary by Class of Instrument – Order Execution

Class of Instrument	Equities – Shares & Depository Receipts Tick size liquidity bands 5 and 6 (from 2000 trades per day)				
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 Ltd 8BRUP6V1DX3PIG2R0745	99.37%	99.49%	0%	100%	0%
Peel Hunt LLP 5493007DWN0R4YBM4C84	0.63%	0.51%	0%	100%	0%

Class of Instrument	Equities – Shares & Depository Receipts Tick size liquidity bands 3 and 4 (from 80 to 1999 trades per day)				
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 Ltd 8BRUP6V1DX3PIG2R0745	98.01%	99.37%	0%	100%	0%
Peel Hunt LLP 5493007DWN0R4YBM4C84	1.99%	0.63%	0%	100%	0%

Class of Instrument	Equities – Shares & Depository Receipts Tick size liquidity bands 1 and 2 (from 0 to 79 trades per day)				
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 Ltd 8BRUP6V1DX3PIG2R0745	98.08%	98.92%	0%	100%	0%
Peel Hunt LLP 5493007DWN0R4YBM4C84	1.34%	0.53%	0%	100%	0%
Panmure Gordon (UK) Ltd 213800GM8RB7MS4L3Z24	0.58%	0.55%	0%	100%	0%

Class of Instrument	Debt instruments				
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 Ltd 8BRUP6V1DX3PIG2R0745	99.67%	99.72%	0%	100%	0%
Peel Hunt LLP 5493007DWN0R4YBM4C84	0.33%	0.28%	0%	100%	0%

Class of Instrument	Structured finance instruments				
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 Ltd 8BRUP6V1DX3PIG2R0745	99.95%	99.79%	0%	100%	0%
Peel Hunt LLP 5493007DWN0R4YBM4C84	0.05%	0.21%	0%	100%	0%

Class of Instrument	Securitised Derivatives - Other securitised derivatives				
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 Ltd 8BRUP6V1DX3PIG2R0745	100%	100%	0%	100%	0%

Class of Instrument	Other instruments				
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
Winterflood Securities Ltd 8BRUP6V1DX3PIG2R0745	100%	100%	0%	100%	0%

Class of Instrument	Exchange traded products				
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 Ltd 8BRUP6V1DX3PIG2R0745	99.7%	99.61%	0%	100%	0%
Peel Hunt LLP 5493007DWN0R4YBM4C84	0.30%	0.39%	0%	100%	0%

Summary by Class of Instrument – Order Transmission

Class of Instrument	Equities – Shares & Depository Receipts Tick size liquidity bands 5 and 6 (from 2000 trades per day)				
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
Canaccord Genuity Wealth Management Ltd 213800LJU4K7L7CBFN57	92.23%	55.41%	0%	100%	0%
Charles Stanley & Co Ltd 213800R62RPGBBLQRT21	7.77%	44.59%	0%	100%	0%

Class of Instrument	Equities – Shares & Depository Receipts Tick size liquidity bands 3 and 4 (from 80 to 1999 trades per day)				
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
Canaccord Genuity Wealth Management Ltd 213800LJU4K7L7CBFN57	97.80%	82.52%	0%	100%	0%
Charles Stanley & Co Ltd 213800R62RPGBBLQRT21	2.20%	17.48%	0%	100%	0%

Class of Instrument	Equities – Shares & Depository Receipts Tick size liquidity bands 1 and 2 (from 0 to 79 trades per day)				
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
Canaccord Genuity Wealth Management Ltd 213800LJU4K7L7CBFN57	92.47%	80.91%	0%	100%	0%
Charles Stanley & Co Ltd 213800R62RPGBBLQRT21	7.53%	19.09%	0%	100%	0%

Class of Instrument	Debt instruments				
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
Canaccord Genuity Wealth Management Ltd 213800LJU4K7L7CBFN57	79.76%	72.26%	0%	100%	0%
Charles Stanley & Co Ltd 213800R62RPGBBLQRT21	20.24%	27.74%	0%	100%	0%

Class of Instrument	Structured finance instruments				
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
Canaccord Genuity Wealth Management Ltd 213800LJU4K7L7CBFN57	100%	100%	0%	100%	0%

Class of Instrument	Securitised Derivatives - Other securitised 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
Canaccord Genuity Wealth Management Ltd 213800LJU4K7L7CBFN57	100%	100%	0%	100%	0%

Class of Instrument	Exchange traded products				
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
Canaccord Genuity Wealth Management Ltd 213800LJU4K7L7CBFN57	85.61%	74.14%	0%	100%	0%
Charles Stanley & Co Ltd 213800R62RPGBBLQRT21	14.39%	25.86%	0%	100%	0%



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"Transact" is operated by Integrated Financial Arrangements Ltd, 29 Clement's Lane, London EC4N 7AE.

Tel: (020) 7608 4900 Fax: (020) 7608 5300 email: info@transact-online.co.uk web: www.transact-online.co.uk

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