

Integrated Financial Arrangements Ltd

Order Execution Venue and Quality Report 2020

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 2020 to 31 December 2020.

We treat all clients equally as retail clients in line with Financial Conduct 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 2020

To achieve the best results when executing a trade during 2020, 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 2020, 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.

Execution quality during 2020

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 2020. Overall, looking across all classes of instrument, 91.8% 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 Companies (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 2020

We placed significant reliance on Winterflood Securities Limited as our primary execution venue in 2020 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 2020.

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 2020

We have no close links, conflicts of interests or common ownership with respect to any execution venues used during 2020. We also do not have any special arrangements with any execution venue used in 2020 regarding payments, discounts, rebates or non-monetary benefits given or received.

Financial instruments traded in 2020

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, 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 2020

The content of this report and the format of the tables set out below are 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 & Depositary 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	98.85%	99.92%	0%	100%	0%
Peel Hunt LLP 5493007DWN0R4YBM4C84	1.15%	0.08%	0%	100%	0%

Class of Instrument	Equities – Shares & Depositary 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	98.99%	99.95%	0%	100%	0%
Peel Hunt LLP 5493007DWN0R4YBM4C84	1.01%	0.04%	0%	100%	0%
Panmure Gordon (UK) Ltd 213800GM8RB7MS4L3Z24	0%	0.01%	0%	100%	0%

Class of Instrument	Equities – Shares & Depositary 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	97.66%	99.29%	0%	100%	0%
Peel Hunt LLP 5493007DWN0R4YBM4C84	1.19%	0.12%	0%	100%	0%
Panmure Gordon (UK) Ltd 213800GM8RB7MS4L3Z24	0.77%	0.58%	0%	100%	0%
Octopus Investments Ltd 213800D8ZGDJZPOC9180	0.01%	0.01%	0%	100%	0%
Finncap Ltd 213800DSWHX26RRA1N75	0.37%	0%	0%	100%	100%

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	99.50%	99.86%	0%	100%	0%
Peel Hunt LLP 5493007DWN0R4YBM4C84	0.09%	0.09%	0%	100%	0%
Idad Ltd 2138009WMHUBARK68L43	0.41%	0.05%	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	99.96%	99.84%	0%	100%	0%
Peel Hunt LLP 5493007DWN0R4YBM4C84	0.04%	0.16%	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	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	99.68%	99.99%	0%	100%	0%
Peel Hunt LLP 5493007DWN0R4YBM4C84	0.32%	0.01%	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%

Summary by Class of Instrument – Order Transmission

Class of Instrument	Equities – Shares & Depositary 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
Canaccord Genuity Wealth Management Ltd 213800LJU4K7L7CBFN57	88.85%	55.62%	0%	100%	0%
Charles Stanley & Co Ltd 213800R62RPGBBLQRT21	11.15%	44.38%	0%	100%	0%

Class of Instrument	Equities – Shares & Depositary 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	97.26%	86.59%	0%	100%	1.41%
Charles Stanley & Co Ltd 213800R62RPGBBLQRT21	2.74%	13.41%	0%	100%	0%

Class of Instrument	Equities – Shares & Depositary 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	97.22%	91.21%	0%	100%	0.98%
Charles Stanley & Co Ltd 213800R62RPGBBLQRT21	2.78%	8.79%	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	84.75%	79.61%	0%	100%	0%
Charles Stanley & Co Ltd 213800R62RPGBBLQRT21	15.25%	20.39%	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	68.39%	92.86%	0%	100%	69.23%
Charles Stanley & Co Ltd 213800R62RPGBBLQRT21	31.61%	7.14%	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	93.94%	75.00%	0%	100%	0%
Charles Stanley & Co Ltd 213800R62RPGBBLQRT21	6.06%	25.00%	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	93.68%	77.78%	0%	100%	1.30%
Charles Stanley & Co Ltd 213800R62RPGBBLQRT21	6.32%	22.22%	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
Canaccord Genuity Wealth Management Ltd 213800LJU4K7L7CBFN57	100%	100%	0%	100%	0%



M166 Version (3) April 2021

"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

Registered office: as above; Registered in England and Wales under number: 3727592

Authorised and regulated by the Financial Conduct Authority (entered on the Financial Services Register under number: 190856).