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# Best Execution Disclosure (RTS 28)

*Firm: Petrus Advisers Limited (“Petrus”)*

*Disclosure Period: calendar year 2021*

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| **Scope of report** | Petrus Advisers is an FCA authorised and regulated Alternative Investment Fund Manager (AIFM). In this capacity, the scope of the reporting requirement extends to orders that Petrus pass to other entities, such as execution brokers, for the execution of its orders (“indirect orders”). From the classes of financial instruments listed in Annex II of RTS 28, Petrus traded the following sub-set classes that are included in this report:  Equities – Shares, Depositary Receipts and CFDs:  Equity Derivatives   * Options and futures admitted to trading on a trading venue   Debt instruments   * Bonds and Convertible Bonds |
| **Quantitative disclosure** | Petrus’ qualitative report should be read in conjunction with Petrus’ quantitative disclosure in which Petrus published the top five execution brokers for each of the relevant instrument classes. |

# Qualitative disclosure:

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| **Class of Instrument** | Equities   * Shares, Depositary Receipts and CFDs | |
|  | **Summary** | **Conclusion** |
| **Execution factors** | Petrus take into account various factors that affect execution of an order and assess the most appropriate way to do so. Since not all the factors are equally weighted, Petrus factored in the relative importance of the execution by   * the characteristics of the order including:  1. Speed of execution, size and skill in order to avoid the order having a detrimental impact on the price of the shares 2. Likelihood of execution or settlement in less-liquid securities 3. where the order involves a securities financing transaction such as a short sale or swap  * the characteristics of the broker to whom the order can be directed * the characteristics of the financial instrument of a particular order | The relative importance given to the execution factors was in line with Petrus’ Order and Best Execution Policy.  Petrus have mostly put precedence on price and likelihood of execution in less-liquid securities as the most important execution factor. Petrus’ overall strategy fulfilled best execution requirements for its funds. |



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| **Class of Instrument** | Equity Derivatives   * Options and Futures admitted to trading on a trading venue | |
|  | **Summary** | **Conclusion** |
| **Execution factors** | Petrus determined the relative importance of the execution factors by the same criteria as for Equities..  Petrus determines the relative importance of the execution factors by the same criteria as for Equities, albeit subject to a smaller, limited list of approved derivative counterparties. | The relative importance given to the execution factors was in line with Petrus’ Order and Best Execution Policy. |

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| **Class of Instrument** | Debt Instruments   * Bonds and Convertible Bonds | |
|  | **Summary** | **Conclusion** |
| **Execution factors** | For Fixed Income trades Petrus applies similar criteria as for Equities – Shares and Depositary Receipts, characteristics include:   1. Price 2. Likelihood of execution and size  * the characteristics of the broker to whom the order can be directed | The relative importance given to the execution factors was in line with Petrus’ Order and Best Execution Policy.  Petrus has mostly put precedence on price and likelihood of execution. |



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| **Close links, conflicts of interest or common ownership with respect to any execution venues** | ***Close links*** | Petrus has no close links to report for the review period. | n.a. |
| ***Conflicts of interest*** | Petrus has no conflicts of interest to report for the review period. | n.a. |
| ***Common ownerships*** | Petrus has no common ownerships to report for the review period. | n.a. |
| **Any arrangements with any execution venues regarding payments made or received, discounts or any non-monetary benefits received** | During the review period until end of December 2021, Petrus received non-monetary benefits in form of investment research from some of the brokers.  In accordance with MiFID2 requirements effective 3rd January 2018, Petrus implemented a separation of execution price and research by way of an annual Research budget. Petrus pays a standard service commission fee which is split between Execution and Research. Fees accrued fund the Research Payment Account (RPA). | | Petrus had policies and procedures in place (for example CSAs) to ensure that execution and research provision did not influence the choice of execution brokers. Petrus acted according to their best execution policy valid for the review period.  Petrus established a list of brokers together with an annual research budget to ensure greater transparency on costs in line with its Order and Best Execution and RPA policy. |
| **Factors leading to a change in the list of execution venues** | There were no changes to the list of execution venues in Petrus’ Order and Best Execution Policy | | n.a. |
| **Differentiation according to client categorisation** | No differentiation is made. Petrus’ clients are all professional clients. | | n.a. |
| **Use of data / tools for execution quality analysis** | In accordance with MiFID2 regulations Petrus has integrated the Multi-Asset Bloomberg Transaction Cost Analytics product (BTCA) for trade and trend outlier identification. | | BTCA provides powerful analysis and exception-based workflow processes to help ensure you obtain the best possible result for the end client when executing orders whilst adhering to Petrus’ internal order execution policy. |