

Quality of Execution Report 2017



Under the Markets in Financial Instruments Directive (MiFID) II, NW Brown Wealth Management (NW Brown) is required to take all sufficient steps to obtain the best possible result when trading in securities on behalf of our clients. As all trades are carried out through intermediate brokers and not directly, NW Brown is considered to be a transmitter of orders and relies on third parties for their execution. We have carried out due diligence on the brokers that we use and we monitor their performance, however as the period of this report is for the calendar year 2017, prior to the implementation of MiFID II, not all data may be available

Through the period NW Brown prioritised the following execution factors in descending order:

- Price
- Speed
- Likelihood of execution & settlement
- Size
- Any other criteria relevant to the execution of the order

Cost is not generally considered as we charge a flat fee to clients, to consider costs would create a conflict of interest. As we deal entirely with retail clients and almost entirely with highly liquid securities price will be the overriding factor. Full details of our rationale for each of these factors can be found in our Best Execution policy (available on request).

NW Brown is an independent firm and directly authorised by the Financial Conduct Authority (FCA). Consequently, we have no close links or common ownerships with any of the brokers we use. Additionally, we have no special arrangements with any brokers regarding any payments made or received, discounts, rebates or non-monetary benefits.

The performance of our brokers is monitored through publically available information and in accordance with the execution factors on each deal. Based on the factors above the execution performance has been in line with our expectations.

As this is the first report since the implementation of MiFID II, there have been no changes to our list of brokers. Factors that could lead to an amendment include execution performance, access to specific market sectors or securities, liquidity and administration quality. These are reviewed at least annually by the Broker and Research Committee.

Our five most frequently used brokers for each asset class are listed in the tables below. Of these Charles Stanley & Co Ltd is the most frequently used broker for all sizes of equity. This is because for the majority of equities and bonds we trade the market is highly liquid. The electronic order routing system we use allows us to place smaller trades with Charles Stanley & Co where the clients are not disadvantaged.

Please note that in the tables below our brokers are referred to as "Execution Venues" as this is the terminology used within the regulation in order to capture a range of methods that can be used to execute transactions on behalf of clients, but we will only execute through intermediate brokers.

Equities have been split into three categories depending on how frequently they are traded on a daily basis. The trading frequencies have been provided by the European Securities and Markets Authority (ESMA).

The volume traded column relates to the number of shares traded multiplied by the trade price in order to give a comparison of the value of trades carried out by each broker, while the orders executed column relates to the number of individual orders transacted through each broker.

The proportion of passive and aggressive orders is not relevant to businesses such as NW Brown, and we have had no directed orders, where clients have specified the broker we should use.

Class of Instrument	Equities (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 a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Charles Stanley & Co Ltd 213800R62RPGBBLQRT21	66.53%	96.13%	N/A	N/A	0%
Redburn (Europe) Limited 213800PKEJQZQXQCOJ04	14.53%	1.56%	N/A	N/A	0%
J.P. Morgan Securities plc K6Q0W1PS1L104IQL9C32	10.30%	1.02%	N/A	N/A	0%
Numis Securities Ltd 213800P3F4RT97WDSX47	6.01%	0.73%	N/A	N/A	0%
Investec Bank plc 84S0VF8TSMH0T6D4K848	1.37%	0.32%	N/A	N/A	0%

Class of Instrument	Equities (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 a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Charles Stanley & Co Ltd 213800R62RPGBBLQRT21	64.16%	95.95%	N/A	N/A	0%
Winterflood Securities Ltd 8BRUP6V1DX3PIG2R0745	14.40%	0.77%	N/A	N/A	0%
Canaccord Genuity Ltd ZBU7V5NIMN4ILRFC23	9.91%	1.48%	N/A	N/A	0%
Numis Securities Ltd 213800P3F4RT97WDSX47	6.73%	0.93%	N/A	N/A	0%
Peel Hunt LLP 5493007DWN0R4YBM4C84	2.68%	0.55%	N/A	N/A	0%

Class of Instrument	Equities (Tick size liquidity band 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 a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Charles Stanley & Co Ltd 213800R62RPGBBLQRT21	64.95%	94.66%	N/A	N/A	0%
Canaccord Genuity Ltd ZBU7V5V5NIMN4ILRFC23	10.56%	1.32%	N/A	N/A	0%
Numis Securities Ltd 213800P3F4RT97WDSX47	6.02%	0.66%	N/A	N/A	0%
NPlus1 Singer Capital Markets Ltd 213800IT07QMNQ9SFG53	4.98%	0.80%	N/A	N/A	0%
Stockdale Securities Ltd 213800BK5V89QKLV1L85	4.35%	0.95%	N/A	N/A	0%

Class of Instrument	Exchange traded products (Exchange traded funds, exchange traded notes and exchange traded commodities)				
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 a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Charles Stanley & Co Ltd 213800R62RPGBBLQRT21	63.44%	95.33%	N/A	N/A	0%
Peel Hunt LLP 5493007DWN0R4YBM4C84	21.83%	1.87%	N/A	N/A	0%
J.P. Morgan Securities plc K6Q0W1PS1L104IQL9C32	14.73%	2.80%	N/A	N/A	0%

Class of Instrument	Debt instruments - Bonds				
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 a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Charles Stanley & Co Ltd 213800R62RPGBBLQRT21	79.46%	96.62%	N/A	N/A	0%
Stifel Nicolaus Europe Ltd 213800BVEFNZ8UYPKL03	16.05%	2.42%	N/A	N/A	0%
Peel Hunt LLP 5493007DWN0R4YBM4C84	4.50%	0.97%	N/A	N/A	0%