



## **Algebris (UK) Limited - Annual Best Execution Disclosure 2018**

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April 2019

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# Algebris (UK) Limited

## Annual Best Execution Disclosure 2018

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### Objective

In accordance with its regulatory obligations under the Markets in Financial Instruments Directive 2014/65/EU (“MiFID II”) and RTS 28 of MiFID II. Algebris (UK) Limited (“Algebris”) is required to publish information annually on the top five execution venues it has utilised to place or transmit orders for execution to a broker and the quality of execution obtained.

### Execution Factors

When executing orders on behalf of clients Algebris will take into account a number of execution factors in order to obtain the best possible result. Broadly the following factors are taken into account:

- Price;
- Cost;
- Speed;
- Likelihood of execution;
- Settlement;
- Order size;
- Nature;
- Venue;
- Expertise;
- Counterparty risk;
- Characteristics of the underlying instruments (liquidity etc.)

For the most part price and cost will be important factors when determining which counterparty to utilise and when and how to execute orders. Depending on the type of instrument price may not be the overriding factor. For instruments with limited liquidity and instruments that are highly negotiated other execution factors may take precedence such as expertise, likelihood and speed/timeliness.

### Counterparty Selection

Algebris will select and on-board counterparties based on their ability to meet the execution factors listed above and the quality of services they are able to provide. Counterparties are monitored and evaluated on an on-going basis by the Algebris group investment and risk teams.

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Class of Instrument		Bonds				
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)	LEI	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
Merrill Lynch International	GGDZP1UYGU9STUHRDP48	14.88	12.06	0	0	100
Citigroup Global Markets Limited	XKZZ2JZF41MRHTR1V493	14.31	14.01	0	0	100
HSBC Bank plc	MP6I5ZYZBEU3UXPYFY54	9.96	7.27	0	0	100
J.P. MORGAN SECURITIES PLC	K6Q0W1PS1L1O4IQL9C32	7.88	7.98	0	0	100
Goldman Sachs International	W22LROWP2IHZNBB6K528	7.78	5.96	0	0	100

Class of Instrument		Bonds (SFT)	
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)	LEI	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class
J.P. MORGAN SECURITIES PLC	K6Q0W1PS1L1O4IQL9C32	90.57	89.86
HSBC Bank plc	MP6I5ZYZBEU3UXPYFY54	6.68	7.12
MORGAN STANLEY & CO. INTERNATIONAL PLC	4PQUHN3JPF GFNF3BB653	1.68	2.34
Merrill Lynch International	GGDZP1UYGU9STUHRDP48	1.07	0.68

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Class of Instrument		Credit Derivatives - Futures & options				
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)	LEI	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
Merrill Lynch International	GGDZP1UYGU9STUHRDP48	38.96	36.80	0	0	100
Citigroup Global Markets Limited	XKZZ2JZF41MRHTR1V493	22.06	10.40	0	0	100
BNP PARIBAS	R0MUWSFPU8MPRO8K5P83	15.85	22.40	0	0	100
Goldman Sachs International	W22LROWP2IHZNBB6K528	12.25	14.40	0	0	100
J.P. MORGAN SECURITIES PLC	K6Q0W1PS1L1O4IQL9C32	10.58	14.40	0	0	100

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Class of Instrument		Credit Derivatives - Other credit 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)	LEI	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
J.P. MORGAN SECURITIES PLC	K6Q0W1PS1L1O4IQL9C32	22.28	27.13	0	0	100
BNP PARIBAS	R0MUWSFPU8MPRO8K5P83	20.06	13.31	0	0	100
Citigroup Global Markets Limited	XKZZ2JZF41MRHTR1V493	16.92	10.07	0	0	100
Merrill Lynch International	GGDZP1UYGU9STUHRDP48	14.41	14.33	0	0	100
HSBC Bank plc	MP6I5ZYZBEU3UXPYFY54	12.01	12.80	0	0	100

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Class of Instrument		Currency Derivatives - Futures & options				
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)	LEI	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
BNP PARIBAS	R0MUWSFPU8MPRO8K5P83	49.05	38.46	0	0	100
J.P. MORGAN SECURITIES PLC	K6Q0W1PS1L1O4IQL9C32	19.98	21.54	0	0	100
HSBC Bank plc	MP6I5ZYZBEU3UXPYFY54	16.41	18.97	0	0	100
Goldman Sachs International	W22LROWP2IHZNBB6K528	10.31	11.79	0	0	100
Merrill Lynch International	GGDZP1UYGU9STUHRDP48	2.22	4.10	0	0	100

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Class of Instrument		Currency Derivatives - Swaps, Forwards and other currency 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)	LEI	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
HSBC Bank plc	MP6I5ZYZBEU3UXPYFY54	65.50	78.53	0	0	100
MORGAN STANLEY & CO. INTERNATIONAL PLC	4PQUHN3JPFQFNF3BB653	12.67	7.61	0	0	100
Fideuram Bank (Luxembourg) S.A.	7S8518QC0P5IKHFFCP88	11.73	1.28	0	0	100
RBC Europe Limited	TXDSU46SXBWIGJ8G8E98	7.46	5.44	0	0	100
CACEIS Bank Luxembourg S.A.	6IBE5RUJI08B8EKSZY62	0.97	2.73	0	0	100

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Class of Instrument		Equity Derivatives - Futures & options				
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)	LEI	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
BNP PARIBAS	R0MUWSFPU8MPRO8K5P83	69.76	63.64	0	0	100
MORGAN STANLEY & CO. INTERNATIONAL PLC	4PQUHN3JPF GFNF3BB653	15.90	18.18	0	0	100
Merrill Lynch International	GGDZP1UYGU9STUHRDP48	11.46	13.64	0	0	100
J.P. MORGAN SECURITIES PLC	K6Q0W1PS1L1O4IQL9C32	2.88	4.55	0	0	100

Class of Instrument		Equity Derivatives - Futures & options (Placement / RTO)		
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)	LEI	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	
HSBC Bank plc	MP6I5ZYZBEU3UXPYFY54	56.62	10.91	
Merrill Lynch International	GGDZP1UYGU9STUHRDP48	32.23	39.69	
MORGAN STANLEY & CO. INTERNATIONAL PLC	4PQUHN3JPF GFNF3BB653	7.85	13.99	
Goldman Sachs International	W22LROWP2IHZNBB6K528	1.14	3.37	
J.P. MORGAN SECURITIES PLC	K6Q0W1PS1L1O4IQL9C32	0.93	11.14	



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Class of Instrument		Equity Derivatives - Swaps and other equity 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)	LEI	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
Merrill Lynch International	GGDZP1UYGU9STUHRDP48	71.59	33.67	0	0	100
MORGAN STANLEY & CO. INTERNATIONAL PLC	4PQUHN3JPFGFNF3BB653	28.32	64.29	0	0	100
J.P. MORGAN SECURITIES PLC	K6Q0W1PS1L1O4IQL9C32	0.09	2.04	0	0	100

Class of Instrument		Equity Derivatives - Swaps and other equity derivatives (Placement / RTO)			
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)	LEI	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class		
HSBC Bank plc	MP6I5ZYZBEU3UXPYFY54	35.47	24.26		
Merrill Lynch International	GGDZP1UYGU9STUHRDP48	34.42	42.21		
MORGAN STANLEY & CO. INTERNATIONAL PLC	4PQUHN3JPFGFNF3BB653	17.96	22.23		
Keefe Bruyette & Woods, Inc	549300OM47DQV01G4854	3.98	2.88		
Citigroup Global Markets Limited	XKZZ2JZF41MRHTR1V493	2.97	3.83		

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Class of Instrument		Interest Rate Derivatives - Swaps, forwards and other interest rate 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)	LEI	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
Goldman Sachs International	W22LROWP2IHZNBB6K528	44.63	39.43	0	0	100
Merrill Lynch International	GGDZP1UYGU9STUHRDP48	17.82	18.29	0	0	100
J.P. MORGAN SECURITIES PLC	K6Q0W1PS1L1O4IQL9C32	17.47	23.43	0	0	100
BNP PARIBAS	R0MUWSFPU8MPRO8K5P83	7.07	8.00	0	0	100
MORGAN STANLEY & CO. INTERNATIONAL PLC	4PQUHN3JPFGFNF3BB653	5.86	2.86	0	0	100

Class of Instrument		Interest Rate Derivatives - Swaps, forwards and other interest rate derivatives (Placement / RTO)		
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)	LEI	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	
Goldman Sachs International	W22LROWP2IHZNBB6K528	49.18	45.16	
J.P. MORGAN SECURITIES PLC	K6Q0W1PS1L1O4IQL9C32	30.29	22.58	
MORGAN STANLEY & CO. INTERNATIONAL PLC	4PQUHN3JPFGFNF3BB653	6.52	16.13	
Deutsche Bank AG	7LTFWZYICNSX8D621K86	5.53	3.23	
Citigroup Global Markets Limited	XKZZ2JZF41MRHTR1V493	4.00	3.23	

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Class of Instrument		Interest Rate Derivatives - Futures & options (Placement / RTO)		
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)	LEI	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	
HSBC Bank plc	MP6I5ZYZBEU3UXPYFY54	56.59	50.94	
Merrill Lynch International	GGDZP1UYGU9STUHRDP48	41.57	37.27	
MORGAN STANLEY & CO. INTERNATIONAL PLC	4PQUHN3JPFQFNF3BB653	1.55	9.93	
Goldman Sachs International	W22LROWP2IHZNBB6K528	0.29	1.87	

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Class of Instrument		Commodity Derivatives - Futures & options (Placement / RTO)		
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)	LEI	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	
Merrill Lynch International	GGDZP1UYGU9STUHRDP48	81.61	26.56	
MORGAN STANLEY & CO. INTERNATIONAL PLC	4PQUHN3JPFNF3BB653	11.37	60.94	
J.P. MORGAN SECURITIES PLC	K6Q0W1PS1L1O4IQL9C32	7.02	12.50	

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Class of Instrument		Equity - Ticksizeliquidity band 1 & 2 (Placement / RTO)	
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)	LEI	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class
Merrill Lynch International	GGDZP1UYGU9STUHRDP48	46.18	44.70
STIFEL NICOLAUS EUROPE LIMITED	213800BVEFNZ8UYPKL03	17.50	2.53
MORGAN STANLEY & CO. INTERNATIONAL PLC	4PQUHN3JPF GFNF3BB653	8.36	4.38
Equita S.i.m. S.p.A.	815600E3E9BFBC8FAA85	5.75	13.59
Robert W. Baird Limited	549300Y95API7Z66XV03	5.33	2.07

Class of Instrument		Equity - Ticksizeliquidity band 3 & 4 (Placement / RTO)	
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)	LEI	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class
Merrill Lynch International	GGDZP1UYGU9STUHRDP48	48.52	45.72
MORGAN STANLEY & CO. INTERNATIONAL PLC	4PQUHN3JPF GFNF3BB653	20.48	22.61
HSBC Bank plc	MP6I5ZYZBEU3UXPYFY54	5.46	1.10
Robert W. Baird Limited	549300Y95API7Z66XV03	4.70	3.37
Keefe Bruyette & Woods, Inc	549300OM47DQV01G4854	3.09	4.17

Class of Instrument		Equity - Ticksizeliquidity band 5 & 6 (Placement / RTO)	
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)	LEI	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class
Merrill Lynch International	GGDZP1UYGU9STUHRDP48	41.81	43.62
MORGAN STANLEY & CO. INTERNATIONAL PLC	4PQUHN3JPF GFNF3BB653	20.91	26.36
HSBC Bank plc	MP6I5ZYZBEU3UXPYFY54	13.27	10.26
Keefe Bruyette & Woods, Inc	549300OM47DQV01G4854	7.00	5.40
Citigroup Global Markets Limited	XKZZ2JZF41MRHTR1V493	4.12	3.27

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Class of Instrument		Equity - Ticksizeliquidity band 1 & 2 (SFT)		
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)	LEI	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	
MORGAN STANLEY & CO. INTERNATIONAL PLC	4PQUHN3JPF GFNF3BB653	74.11	64.71	
Merrill Lynch International	GGDZP1UYGU9STUHRDP48	21.54	26.47	
HSBC Bank plc	MP6I5ZYZBEU3UXPYFY54	4.36	8.82	

Class of Instrument		Equity - Ticksizeliquidity band 3 & 4 (SFT)		
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)	LEI	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	
MORGAN STANLEY & CO. INTERNATIONAL PLC	4PQUHN3JPF GFNF3BB653	86.79	93.63	
Merrill Lynch International	GGDZP1UYGU9STUHRDP48	9.47	2.45	
HSBC Bank plc	MP6I5ZYZBEU3UXPYFY54	3.73	3.92	

Class of Instrument		Equity - Ticksizeliquidity band 5 & 6 (SFT)		
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)	LEI	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	
MORGAN STANLEY & CO. INTERNATIONAL PLC	4PQUHN3JPF GFNF3BB653	67.65	84.93	
Merrill Lynch International	GGDZP1UYGU9STUHRDP48	32.24	13.70	
RBC Europe Limited	TXDSU46SXBWIGJ8G8E98	0.11	1.37	

## Disclaimer

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