

City Financial Investment Company - RTS 28 2017

Following the implementation of MIFID II on 3rd January 2018, we are pleased to provide annual disclosures regarding which execution venues we have used by asset class, and how we assess the quality of these executions.

We take all sufficient steps on a consistent basis to obtain the best possible result when executing orders on behalf of our clients. In obtaining the best possible results (rather than merely the best price) we take into account the execution criteria and factors applicable to the particular type of transaction. Best execution applies to all financial instruments although execution factors are considered and applied as appropriate to different instrument types depending on relative importance.

Should you have any questions regarding this disclosure, please contact City Financial Investor Relations.

Contact us

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Disclaimer

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Top 5 broker disclosures (RTS 28) - 2017

Firm name: City Financial Investment Company Limited

Disclosure Period: 01/01/2017 to 31/12/2017

Disclosure type: Professional Clients

This disclosure is being made pursuant to Article 65(6) of the MiFID II Delegated Organisational Regulation, which require firms to disclose, for each class of financial instruments traded on behalf of clients during the period, the top 5 brokers that were used. For the purpose of this report all transactions were executed via brokers and no direct execution has taken place.

Class of Instrument	(a) Equities - Shares & Depositary Receipts (i) Tick size liquidity bands 5 and 6 (from 2000 trades per day)				
Notification if <1 average trade per business day in the previous year	No				
Top five brokers 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
Louis Capital Markets UK LLP (213800KL2QZT2GQMQQ34)	82.9%	58.3%	[N/A]	[N/A]	[0%]
Goldman Sachs & Co (W22LROWP2IHZNBB6K528)	15.6%	35.0%			
Sanford C. Bernstein Fund, Inc. (549300GA5IHQHIM7CU60)	1.1%	4.2%			
BNP Paribas (2J5703FH5U5M97R1I237)	0.3%	0.8%			

Class of Instrument	(a) Equities – Shares & Depositary Receipts (ii) 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	No				
Top five brokers 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
Merill Lynch US (GGDZP1UYGU9STUHRDP48)	23.8%	35.6%	[N/A]	[N/A]	[0%]
Deutsche Bank (8EWQ2UQKS07AKK8ANH81)	19.1%	25.4%			
Goldman Sachs & Co (W22LROWP2IHZNBB6K528)	18.8%	14.4%			
Jones Trading (213800DIYIKDWRCFOC55)	8.1%	5.1%			
Mint Partners/ BGC Brokers (ZWNFQ48RUL8VJZ2AIC12)	7.8%	2.5%			

Class of Instrument	(a) Equities – Shares & Depositary Receipts (iii) 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	Yes				
Top five brokers 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
Goldman Sachs & Co (W22LROWP2IHZNBB6K528)	22.1%	13.2%	[N/A]	[N/A]	[0%]
Merill Lynch US (GGDZP1UYGU9STUHRDP48)	18.8%	37.7%			
Jones Trading (213800DIYIKDWRCFOC55)	15.6%	14.1%			
Deutsche Bank (8EWQ2UQKS07AKK8ANH81)	11.4%	10.4%			
Bloomberg Tradebook (5493002FO2Q9EGLQ2416)	6.2%	2.6%			

Class of Instrument	(b) Debt instruments (i) Bonds				
Notification if <1 average trade per business day in the previous year	Yes				
Top five brokers 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
Odeon Capital Group (549300S158163H2DN048)	15.0%	5.9%	[N/A]	[N/A]	[0%]
JP Morgan (5493008Z4LT56JZXGL54)	7.6%	10.6%			
Goldman Sachs & Co (W22LROWP2IHZNBB6K528)	7.0%	10.0%			
Citi Group (5493009MO8D3PKFH2439)	7.0%	6.8%			
Nomura Securities International, Inc (OXTKY6Q8X53C9ILVV871)	6.6%	2.1%			

Class of Instrument	(c) Interest rates derivatives (i) Futures and options admitted to trading on a trading venue				
Notification if <1 average trade per business day in the previous year	Yes				
Top five brokers 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
Goldman Sachs & Co (W22LROWP2IHZNBB6K528)	78.3%	53.0%	[N/A]	[N/A]	[0%]
Credit Suisse (E58DKGMJYYYYJLN8C3868)	15.4%	14.7%			
Jefferies International (VF80D4YX82GPFLXLYG15)	3.2%	13.4%			
Wells Fargo (BWS7DNS2Z4NPKPNYKL75)	1.4%	9.4%			
Louis Capital Markets UK LLP (213800KL2QZT2GQMQQ34)	0.7%	5.1%			

Class of Instrument	(c) Interest rates derivatives (i) Swaps, forwards and other interest rate derivatives				
Notification if <1 average trade per business day in the previous year	No				
Top five brokers 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
Goldman Sachs & Co (W22LROWP2IHZNBB6K528)	71.1%	68.2%			
Morgan Stanley (LSMWH68Y2RHEDP8W5261)	26.8%	27.3%			
Citi Group (5493009MO8D3PKFH2439)	2.1%	4.5%	[N/A]	[N/A]	[0%]

Class of Instrument	(d) credit derivatives (i) Futures and options admitted to trading on a trading venue				
Notification if <1 average trade per business day in the previous year	Yes				
Top five brokers 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
BNP Paribas (2J5703FH5U5M97R1I237)	21.2%	15.9%	[N/A]	[N/A]	[0%]
Citi Group (5493009MO8D3PKFH2439)	18.4%	18.4%			
Credit Suisse (E58DKGMJYYYYJLN8C3868)	17.0%	11.6%			
Goldman Sachs & Co (W22LROWP2IHZNBB6K528)	12.2%	9.3%			
JP Morgan (5493008Z4LT56JZXGL54)	6.4%	8.8%			

Class of Instrument	(d) credit derivatives (ii) Other credit derivatives				
Notification if <1 average trade per business day in the previous year	Yes				
Top five brokers 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
Credit Suisse (E58DKGMJYYYYJLN8C3868)	49.4%	19.3%	[N/A]	[N/A]	[0%]
BNP Paribas (2J5703FH5U5M97R1I237)	14.7%	14.9%			
Citi Group (5493009MO8D3PKFH2439)	12.3%	14.9%			
Goldman Sachs & Co (W22LROWP2IHZNBB6K528)	10.0%	16.4%			
Morgan Stanley (LSMWH68Y2RHEDP8W5261)	9.3%	6.3%			

Class of Instrument	(e) currency derivatives (i) Futures and options admitted to trading on a trading venue				
Notification if <1 average trade per business day in the previous year	No				
Top five brokers 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
Jefferies International (VF80D4YX82GPFLXLYG15)	55.9%	42.9%	[N/A]	[N/A]	[0%]
Wells Fargo (BWS7DNS2Z4NPKPNYKL75)	37.3%	23.8%			
Credit Suisse (E58DKGMJYYYYJLN8C3868)	3.4%	19.0%			
Louis Capital Markets UK LLP (213800KL2QZT2GQM34)	3.4%	14.3%			

Class of Instrument	(e) currency derivatives (ii) Swaps, forwards, and other currency derivatives				
Notification if <1 average trade per business day in the previous year	Yes				
Top five brokers 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
Citi Group (5493009MO8D3PKFH2439)	52.8%	58.0%	[N/A]	[N/A]	[0%]
Goldman Sachs & Co (W22LROWP2IHZNBB6K528)	35.3%	32.4%			
JP Morgan (5493008Z4LT56JZXGL54)	8.2%	5.2%			
Merill Lynch US (GGDZP1UYGU9STUHRDP48)	1.3%	1.3%			
BNP Paribas (2J5703FH5U5M97R1I237)	1.4%	0.4%			

Class of Instrument	(g) Equity Derivatives (i) Options and Futures admitted to trading on a trading venue				
Notification if <1 average trade per business day in the previous year	Yes				
Top five brokers 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
Goldman Sachs & Co (W22LROWP2IHZNBB6K528)	74.5%	47.9%	[N/A]	[N/A]	[0%]
Barclays Capital Inc US (K9WDOH4D2PYBSLSOB484)	7.4%	4.2%			
Jefferies International (VF80D4YX82GPFLXLYG15)	4.5%	8.3%			
Macro Risk Advisors (254900MJHRL6XM3JXB53)	3.6%	4.3%			
Merill Lynch US (GGDZP1UYGU9STUHRDP48)	3.0%	1.0%			

Class of Instrument	(g) Equity Derivatives (ii) Swaps and other equity derivatives				
Notification if <1 average trade per business day in the previous year	No				
Top five brokers 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
Societe Generale (213800OIBYO1PZW1JZ15)	39.5%	38.1%	[N/A]	[N/A]	[0%]
BNP Paribas (2J5703FH5U5M97R1I237)	21.3%	20.5%			
Merill Lynch US (GGDZP1UYGU9STUHRDP48)	20.6%	15.2%			
Barclays Capital Inc US (K9WDOH4D2PYBSLSOB484)	14.2%	20.5%			
Credit Suisse (E58DKGMJYYYYJLN8C3868)	4.5%	5.7%			

Class of Instrument	(i) Commodities derivatives and emission allowances Derivatives (i) Options and Futures admitted to trading on a trading venue				
Notification if <1 average trade per business day in the previous year	Yes				
Top five brokers 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
Goldman Sachs & Co (W22LROWP2IHZNBB6K528)	49.7%	48.6%	[N/A]	[N/A]	[0%]
Citi Group (5493009M08D3PKFH2439)	12.4%	8.8%			
JP Morgan (5493008Z4LT56JZXGL54)	11.0%	8.8%			
Morgan Stanley (LSMWH68Y2RHEDP8W5261)	10.2%	7.0%			
EOX Holdings LLC (549300FEJBQ8K4I92U89)	7.9%	6.2%			

Class of Instrument	(i) Commodities derivatives and emission allowances Derivatives (ii) Other commodities derivatives and emission allowances derivatives				
Notification if <1 average trade per business day in the previous year	No				
Top five brokers 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
JP Morgan (5493008Z4LT56JZXGL54)	94.9%	95.1%	[N/A]	[N/A]	[0%]
BNP Paribas (2J5703FH5U5M97R11237)	5.1%	4.9%			

Class of Instrument	(j) Contracts for difference				
Notification if <1 average trade per business day in the previous year	No				
Top five brokers 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
Louis Capital Markets UK LLP (213800KL2QZT2GQMQQ34)	55.9%	73.6%	[N/A]	[N/A]	[0%]
Goldman Sachs & Co (W22LROWP2IHZNBB6K528)	40.2%	19.3%			
Sanford C. Bernstein Fund, Inc. (549300GA5IHQHIM7CU60)	3.9%	5.7%			
Merill Lynch US (GGDZP1UYGU9STUHRDP48)	0.0%	1.4%			

Class of Instrument	(k) 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	Yes				
Top five brokers 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
Merill Lynch US (GGDZP1UYGU9STUHRDP48)	27.1%	47.5%	[N/A]	[N/A]	[0%]
Jones Trading (213800DIYIKDWRCFOC55)	24.9%	12.9%			
Louis Capital Markets UK LLP (213800KL2QZT2GQMQQ34)	9.2%	11.1%			
Goldman Sachs & Co (W22LROWP2IHZNBB6K528)	7.5%	11.8%			
Credit Suisse (E58DKGMJYYYJLN8C3868)	7.2%	1.5%			

- a) An explanation of the relative importance City Financial Investment Company Limited (“CFIC”) gave to the execution factors of price, costs, speed, likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution;

The importance of the execution factors is outlined in CFIC’S MiFID II Best Execution Policy available on the website.

Where the Firm is dealing with retail clients, the Firm should prioritise price and cost together in order to achieve the best financial result for the client in terms of total consideration for the trade. This should include the Firm’s own costs, to the extent that they are passed on to the client, which means that in most cases the Firm is obliged to select the execution method, venue or broker that minimises the costs passed on to the client. The exception to this would be where the selection of a more expensive method of execution leads to a demonstrably better outcome in terms of total consideration for the trade due to an improved price being received. The other execution factors however, including speed, size and likelihood of execution can and should still be considered, where relevant, and particularly where price and costs are distributed in a narrow range between the available execution options.

In relation to professional clients, the first execution factor to consider is the probability of execution. The priority here will be to assess which brokers and execution venues are capable of executing the order on the required terms. Following this, and assuming a range of execution options exist, the highest priority factor is to obtain the best result for the client in terms of the total consideration for the trade, defined as the total price obtained minus any costs or fees.

- b) A description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders;

CFIC does not have any broker or execution venue affiliates.

- c) A description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received;

CFIC does not receive payments, discounts, rebates or non-monetary benefits in its trading arrangements.

- d) An explanation of the factors that led to a change in the list of execution venues listed in the firm's execution policy, if such a change occurred;

No major changes have occurred. CFIC is constantly seeking new sources of liquidity and so will seek to add (or remove) a broker based upon a consideration of whether they are subject to an authorisation and ongoing monitoring process, which includes, but is not limited to, the broker's credit worthiness and financial stability, a review of the performance of execution services provided by the broker, and the broker's ability to trade effectively on our clients' behalf.

- e) An explanation of how order execution differs according to client categorisation, where the firm treats categories of clients differently and where it may affect the order execution arrangements;

All clients are subject to the same execution process detailed in the Firm Best Execution Policy.

- f) An explanation of whether other criteria were given precedence over immediate price and cost when executing retail client orders and how these other criteria were instrumental in delivering the best possible result in terms of the total consideration to the client;

CFIC does not execute orders for Retail Clients.

- g) An explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under Delegated Regulation (EU) 2017/575;

CFIC has regularly monitored the quality of execution obtained from the execution venues. CFIC is satisfied that it has adhered to its Best Execution Policy, available on the website.

Each trade is reviewed by the Chief Investment Officer who reviews trades on a real time basis and is able to identify and undertake remedial actions if required.

Brokers found to be not providing best execution for the Firm's clients on an ongoing basis, this broker will be removed from the list of approved brokers. The Best Execution Committee will be responsible for making this determination and has the authority (and responsibility) to add and remove brokers from this list as necessary.

- h) Where applicable, an explanation of how the investment firm has used output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU.

N/A

This table directly responds to the information required and as detailed in Article 3(3)(a-h) of the Commission Delegated Regulation (EU) 2017/576. This Article requires firms to publish a summary of the analysis and conclusions drawn from monitoring of the quality of execution obtained on the execution venues where they executed all client orders in the previous year.