

COLUMBUS POINT LLP

Annual Disclosure

2020

Annual disclosure of the top execution venues by trading volume used to execute Professional Client orders

Columbus Point LLP (“Columbus Point” or “the Firm”) is authorised and regulated by the Financial Conduct Authority as an Investment Management Firm authorised to undertake business with Professional Clients. The Firm is *not* authorised to provide services to Retail Clients.

On an annual basis Columbus Point is required to summarize and make public on its website data on its top 5 (or less) execution venues (e.g., brokers and trading venues), in terms of trading volumes by class of financial instrument traded, and to disclose information on the quality of execution.

The following summaries apply to all financial instruments traded by Columbus Point.

Execution factors

When determining the strategy for placing orders for execution in the market, the Firm will take into consideration several execution factors dependent upon the characteristics of the order and the prevailing market conditions. Subject to any specific instructions from the client, the Firm will generally prioritise the availability of liquidity and the overall price of the trade. The Firm will also consider the desire for anonymity for more effective trading by limiting the market impact of the order. Other relevant factors are costs and speed, together with any other consideration relevant to the execution of the order, including, where relevant, the availability of appropriate credit lines. In determining the relative importance of these factors, Columbus Point will take into account a client’s status as a Professional Client, together with the nature of the order, the characteristics of the financial instruments to which the order relates and the characteristics of the available execution venues. In the absence of specific instructions from its clients, the Firm will exercise its discretion to determine which of these factors, or combination of them, will be relevant to the Firm to achieve best execution.

For each class of financial instrument, we have set out below the relative importance of the execution factors considered.

Relationship with execution venues

Columbus Point places orders to be executed with approved counterparties (“brokers”). The list of brokers is reviewed regularly and changes over time. Amendments to the list of brokers will be made taking into account a number of factors including the credit worthiness of the counterparty and the execution performance of the counterparty.

Columbus Point does not have any close links, conflicts of interests and/or common ownership with respect to any execution venues used. There are no specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received. Minor non-monetary benefits which are judged not to impair Columbus Point’s duty to act in the best interests of its clients and which are capable of enhancing the quality of client service may be received such as; information relating to financial instruments e.g. market commentaries, participation at conferences or seminars on specific financial instruments and reasonable and proportionate hospitality of a de minimis value.

Monitoring of execution arrangements

Columbus Point monitors the effectiveness of its order execution arrangements on a regular basis through the following controls:

- The effectiveness of the Firm’s execution arrangements are considered by the Investment Team whenever they are trading, as a first line of defence;
- Execution prices are compared to available execution venue data;
- Daily monitoring is performed via daily trade and portfolio reports sent by the Firm’s order management system which highlights any stocks with 1% or worse difference to the Volume Weighted Average Price;
- Daily monitoring is performed by the Operations Team and Head of Business Controls using a third party best execution analysis system to view execution timing against market movements;
- Monthly and quarterly monitoring of best execution is undertaken as part of compliance monitoring and any potential issues identified are investigated and reported to the Executive Committee of Columbus Point as required; and
- An annual review of the effectiveness of Columbus Point’s execution arrangements is undertaken by Compliance and reported to the Executive Committee of Columbus Point.

No deficiencies were identified in the testing of Columbus Point’s execution arrangements in 2020.

ANALYSIS OF TOP 5 TRADING VENUES PER ASSET CLASS FOR THE YEAR 2020

Equities

Class of Instrument	Equities – Shares and depositary Receipts Tick size liquidity bands 5 and 6 (from 2,000 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 % of total of that class	Proportion of orders executed as % of total in that class	% of passive orders	% of aggressive orders	% of directed orders
Outset Global LLP 549300CODTFC3OHCJJ49	100%	100%	N/A	N/A	N/A

Class of Instrument	Equities – Shares and 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 % of total of that class	Proportion of orders executed as % of total in that class	% of passive orders	% of aggressive orders	% of directed orders
Outset Global LLP 549300CODTFC3OHCJJ49	100%	100%	N/A	N/A	N/A

Equities - execution factors: the provision, on a consistent basis, of market (or better) prices given the order size and the likelihood of execution of the size in question. The Firm will also take into account the implicit cost derived from the broker’s skill at being able to limit market movement arising as a consequence of transacting in a large order by, for example, working a large order patiently whilst preserving the Firm’s confidentiality.

Currency Derivatives

Class of Instrument	Currency derivatives				
Notification if <1 average trade per business day in the previous year	Swaps, forwards and other currency derivatives				
	N				
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a % of total of that class	Proportion of orders executed as % of total in that class	% of passive orders	% of aggressive orders	% of directed orders
JPMorgan Chase Bank, N.A. London 7H6GLXDRUGQFU57RNE97	70.74%	64.29%	N/A	N/A	N/A
Pictet Global Markets (UK) Limited 2138008LCT2T4PXE2R97	29.26%	35.71%	N/A	N/A	N/A

Currency forwards - execution factors: Liquidity, speed of execution and settlement for the sizes traded.