

BEST EXECUTION MONITORING SUMMARY ANALYSIS FOR THE PERIOD 2018

RTS 28 Summary Analysis

In accordance with the MiFID II best execution obligation, Caxton FX Limited takes all sufficient steps to obtain the best possible result when executing or transmitting orders on behalf of our retail and professional clients, taking into account the execution factors, which include price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of the order.

To ensure that we are constantly able to deliver best execution to our clients, we monitor on an ongoing basis the quality of execution provided by venues and brokers, and whether these continue to meet our standards.

This report provides a written summary of the analysis and conclusions drawn from our best execution monitoring, together with a list of the top execution venues and brokers used to execute retail and professional client orders in each class of financial instrument, as per article 3(3) of Commission Delegated Regulation (EU) 2017/576 of 8 June 2016 supplementing Directive 2014/65/EU ("MiFID II").

Qualitative Assessment

Investment firms such as Caxton FX Limited must publish, for each class of financial instruments, a summary of the analysis and conclusions drawn from our monitoring of the quality of execution obtained on the execution venues where we executed all client orders in the previous year. Our detailed response is set out below and applies to the two investment types to which this requirement applies and that Caxton FX Limited engages in.

Issue	Caxton Response
<p>Explanation of the relative importance the firm 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.</p>	<p>In taking all reasonable steps to obtain the best possible result for its clients, Caxton FX take into account the various execution factors including price, costs, speed and likelihood of execution and any relevant consideration to the order, which Caxton FX prioritised in accordance with execution criteria including, but not limited to, characteristics of client, specific instructions on the order, currency pairings and market conditions.</p> <p>Ordinarily, price will merit a high relative importance in obtaining the best possible result. However, in some circumstances, we may appropriately decide that other factors are more important than price in obtaining the best possible execution result.</p>

Issue	Caxton Response
Description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders.	Caxton FX does not have any close links, conflicts of interests, or common ownerships with respect to any external execution venues or brokers used to execute client orders.
A description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received.	Caxton FX does not have any specific arrangements with any execution venue regarding payments made or received, discounts, rebates or non-monetary benefits received.
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.	Caxton FX's Execution Policy outlines the Firm's approach to the selection of execution venues. No material changes were made to the policy during the period.
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.	Caxton FX does not treat client's categories differently when executing orders. However, certain products are not available to all categories of clients hence the number of services offered between the two client categories mentioned may differ.
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.	Caxton FX uses its judgement and experience in light of available market information and its understanding of particular clients to achieve the appropriate balance of priorities across a range of execution factors. If no specific instructions are received to the contrary, then price is usually considered the most significant execution factor, followed by the speed of execution and then the size of the order. This is particularly the case for FX Derivatives in liquid currency pairings. In certain situations where the market for a particular currency or currency pairing is volatile, illiquid or the order is of a large size, Caxton FX has determined in certain cases that the full execution or the likelihood of execution was more important to the client than the price.
Explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under Commission Delegated Regulation (EU) .../...to be inserted before publication [RTS 27].	Caxton FX monitors the quality of execution provided by the execution venues and brokers used to execute client orders in all derivatives products we offer on a consistent basis, using automatic monitoring tools. In such monitoring we always strive to use external and independent market data against which to compare our execution quality, e.g. the use of order and quote data from third party venues and brokers to assess our execution prices.
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.	Currently not applicable as no such data has yet been published in accordance with Article 65 of Directive 2014/65/EU (MiFID II Directive).

Top Venues – FX Options

Class of instrument	Options				
Notification if <1 average trade per business day in the previous year	Y				
Top five execution venues 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
NatWest Markets PLC RR3QWICW-WIPCS8A4S074	80	60	0	100	0
SAXO CAPITAL MARKETS UK LTD 2138002TJAEV-DAI8BF78	20	40	0	100	0

Top Venues – FX Derivatives

Class of instrument	Derivative Products (Non Deliverable Forwards)				
Notification if <1 average trade per business day in the previous year	Y				
Top five execution venues 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
NatWest Markets PLC RR3QWICW-WIPCS8A4S074	98	50	0	100	0
SAXO CAPITAL MARKETS UK LTD 2138002TJAEV-DAI8BF78	2	50	0	100	0