



# FirstRand Bank

## FirstRand Bank Limited (London Branch)

### 2018 BEST EXECUTION DISCLOSURES IN ACCORDANCE WITH RTS 28

#### 1. INTRODUCTION

- 1.1 FirstRand Bank Limited (London Branch) ("**FRB London Branch**") provides execution services to institutional clients in respect of African government bonds, corporate bonds and treasury bills. FRB London Branch does not arrange orders.
- 1.2 Article 27 of MiFID II and Commission Delegated Regulation (EU) 2017/576 supplementing MiFID II ("**RTS 28**") requires FRB London Branch to publish in a machine-readable format, and make available on its website, on an annual basis:
- (a) the top five execution venues, in terms of trading volumes, for all executed client orders, for each class of financial instrument which FRB London Branch deals in, being government bonds and treasury bills.
  - (b) a summary of the quality of execution obtained from the top five execution venues.

#### 2. TOP 5 EXECUTION TRADING VENUES

Class of Instrument	Bonds				
Client type	Professional				
Order type	Execution				
Period start and end	01/01/2018 – 31/12/2018				
Notification if <1 average trade per business day in the previous year	Yes				
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 percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders

#### FirstRand Bank Limited (London Branch)

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Registered in England (Branch registration number BR010027) at the above address. FirstRand Bank Limited (London Branch) is a branch of **FirstRand Bank Limited**, a public limited company registered with the Companies and Intellectual Property Commission in South Africa (registration number 1929/001225/06). **FirstRand Bank Limited** is authorised and regulated by the South African Reserve Bank's Prudential Authority. Authorised by the Prudential Regulation Authority. Subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. Details about the extent of its regulation by the Prudential Regulation Authority are available upon request.

Head office: 4 Merchant Place, Corner of Fredman Drive and Rivonia Road, Sandton, South Africa, 2196.



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FirstRand Bank Limited (London Branch) LEI Code: ZAYQDKTCATIXF9OQY690	41.18%	41.18%	0	100%	0
RMB Nigeria Stockbrokers Limited LEI Code: 029200349B6N0U9J1G94	52.94%	52.94%	0	100%	0
AfrAsia Bank Limited LEI Code: 549300N8BDWE3MP97605	5.88%	5.88%	0	100%	0

Class of Instrument	Money market instruments				
Client type	Professional				
Interaction	Execution				
Period start and end	01/01/2018 – 31/12/2018				
Notification if <1 average trade per business day in the previous year	Yes				
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 percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
RMB Nigeria Stockbrokers Limited LEI Code 029200349B6N0U9J1G94	100%	100%	0	100%	0



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## 3. QUALITY OF EXECUTION

### 3.1 Explanation of the relative importance which FRB London Branch gave to the execution factors of price, costs, speed, likelihood of execution or any other considerations (e.g. size and nature of the order, market impact etc.)

FRB London Branch primarily executes trades in sovereign bonds and treasury bills, and therefore places significant importance on price, liquidity and costs when executing client orders. This includes the total cost related to execution, including execution venue fees and clearing and settlement fees. However, depending on the relevant order other factors may be given more importance, for example:

- speed;
- the character of the market for the relevant instrument (e.g. price volatility or relative liquidity);
- the number of execution venues that can provide a quote;
- the market impact of an order; and
- the execution capability and responsiveness of an execution venue.

In particular, where FRB London Branch trades in large in size or in less liquid debt securities (which may make it difficult to execute an order), FirstRand may place priority on the need for timely execution, and/or the likelihood of execution, including execution venues to which the order can be directed, or whether the order should be executed over-the-counter ("OTC"). Alternatively, where a client provides FRB London Branch with specific instruments, FRB London Branch will execute their order in accordance with those instructions. In all cases, FRB London Branch takes all sufficient steps to obtain best possible result for its clients.

### 3.2 Description of close links, conflicts of interest, and common ownership with respect to any execution venues used to execute orders

FRB London Branch does not trade in a proprietary capacity, but facilitates client business by executing all trades as principal. FirstRand then enters into (equivalent) back-to-back trades with its related entity FirstRand Bank Limited (based in South Africa) or RMB Nigeria Stockbrokers Limited in such a way that FRB London Branch is not exposed to market risk. FRB London Branch's parent entity is a member of African execution venues or is a client of members of African execution venues. All prices offered by FRB London Branch are provided by its parent company.

### 3.3 Description of specific arrangements with any execution venue regarding payments made or received, discounts, rebates or non-monetary benefits received

FRB London Branch does not have special arrangements with any execution venues. Outside of standard business relations, FRB London Branch does not receive any payments, discounts, rebates or non-monetary benefits from any execution venues which FRB London Branch executes on.



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3.4 *Explanation of factors which led to a change in the list of execution venues listed in FRB London Branch's execution policy*

Any changes in the list of execution venues listed in FRB London Branch's Order Execution Policy will be reflected at the earliest opportunity following the next policy update.

3.5 *Explanation of how order execution differs according to client categorisation*

FRB London Branch does not carry out execution services for retail clients. Separately, business which FRB London Branch conducts with eligible counterparties do not form part of this report.

3.6 *Explanation of whether other criteria were given precedence over immediate price and cost when executing retail client orders*

FRB London Branch does not carry out execution services for retail clients.

3.7 *Explanation of how FRB London Branch has used any data or tools relating to the quality of execution, including any data published under Commission Delegated Regulation (EU)*

FRB London Branch consistently reviews the effectiveness of its execution arrangements. FRB London Branch Executive Committee has representation from the board, business heads and the head of compliance and reviews and challenges its execution quality, including against third party benchmarks. If it is found that a change is required in order to improve execution, then its Order Execution Policy will be revised accordingly.

3.8 *How FRB London Branch has used output of a consolidated tape provider*

FRB London Branch does not use a consolidated tape provider established under Article 65 of MiFID II as there is no entity which has approval for such activity. Instead, FRB London Branch relies on a wide range of data sources to assess order and execution quality.