



# Top 5 Venues Report



# Top 5 Venues Report

Direct order execution: under the MiFID II Level 1 Directive, a firm which directly executes client orders must summarise and make public on an annual basis, for each class of financial instruments, the top five execution venues in terms of trading volumes, where it executed client orders in the preceding year, together with information on the quality of execution obtained. Article 27(6) of MiFID II.

This report embeds data relating to the Top 5 venues utilised by BlackBee over the course of 2017 for the execution of trades on an OTC basis directly with a counterparty on behalf of its clients, broken down by sub-asset class as outlined in the Tables below.

BlackBee executes orders with counterparties where it has the relevant agreements in place. BlackBee defines the key product variables including the issuer, price and costs in its brochures and other product offering documentation which is provided to clients prior to order(s) being placed. Client orders to purchase securities are therefore instructions to execute trades on behalf of clients in a security on the pre-determined terms specified in the marketing materials.

|   |   |   |
|---|---|---|
| Class of Instrument   | Credit Derivatives (Other Credit Derivatives)             |   |
| Notification if <1 average trader per business day in the previous year | Y   |   |
| Top 5 execution venues ranked in terms of trading volumes               | Proportion of volume traded as a % of total in that class | Proportion of orders executed as a % of total in that class |
| Leonteq Securities AG   | 100%  | 100%  |

|   |   |   |
|---|---|---|
| Class of Instrument   | Structured Finance Instruments                            |   |
| Notification if <1 average trader per business day in the previous year | Y   |   |
| Top 5 execution venues ranked in terms of trading volumes               | Proportion of volume traded as a % of total in that class | Proportion of orders executed as a % of total in that class |
| APIS Capital II plc   | 100%  | 100%  |

|   |   |   |
|---|---|---|
| Class of Instrument   | Debt Instruments (Bonds)                                  |   |
| Notification if <1 average trader per business day in the previous year | Y   |   |
| Top 5 execution venues ranked in terms of trading volumes               | Proportion of volume traded as a % of total in that class | Proportion of orders executed as a % of total in that class |
| Commerzbank   | 80.71%  | 50%   |
| Morgan Stanley & Co. Intl. plc  | 19.29%  | 50%   |

|   |  |   |
|---|--|---|
| Class of Instrument   | Securitized Derivatives (Warrants and Certificate Derivatives) |   |
| Notification if <1 average trader per business day in the previous year | Y  |   |
| Top 5 execution venues ranked in terms of trading volumes               | Proportion of volume traded as a % of total in that class      | Proportion of orders executed as a % of total in that class |
| Leonteq Securities AG   | 100%   | 100%  |

## Quality of Execution

At the time of this report, BlackBee Investments Limited is satisfied with the execution quality of its approved counterparties. BlackBee's approved counterparty list specialises in the manufacture of structured products and satisfy the Firm's due diligence requirements which are reviewed on a regular basis.

BlackBee has collated trade data for 2017 so that the 'top 5 venues' report shows the distribution of trades across the approved counterparties broken down by sub-asset class over the 12 months.

## Relative Factor Importance

The execution factors are set out in the Order Execution Policy, which can also be found on the company website. BlackBee executes purchase orders on behalf of its clients on the pre-determined terms that are outlined in its brochures and other product offering documentation. When negotiating each bespoke trade, the best possible result for clients is determined primarily based on the total consideration of a trade, representing the price of the financial instrument and all costs and expenses relating to execution. Other factors have also been considered, including speed, nature, credit quality, asset expertise and likelihood of execution and settlement, albeit to a smaller degree relative to the aforementioned factors.

## Venue Conflicts

BlackBee utilises Apis Capital II plc ("Apis"), an affiliated entity, for the issuance of alternative assets and disclosures are provided in product brochures in this regard.

## Venue Payments

Fee structures for each product are clearly outlined in product brochures and other product offering documentation. No other arrangements are in place with regard to payments made to or received, discounts, rebates or non-monetary benefits.

## Venue Changes

As this is the first RTS 28 report there have been no venue changes.

## Client Categorisation

BlackBee products are distributed ultimately to clients classified as retail under the MiFID II client categorisations. The Order Execution Policy as well as product brochures and marketing materials are designed for this client category, ensuring enhanced investor protection measures are applied to all product offerings.

## Execution Analysis Tools

BlackBee's proprietary front office system (HIVE) is used to record transactions performed for MiFID clients. The Firm utilises data from HIVE amongst other sources to assess the quality of execution.

## Consolidated Tape Provider (CTP) Usage

Since legal requirements on output of a consolidated tape provider became effective from 3 January 2018 no such output was used for this reporting period.

The BlackBee logo (the "logo") is a registered trademark of BlackBee Investments Limited. The logo may not be reproduced by any means or in any form whatsoever without written permission. The name 'BlackBee' is a registered trademark and as such may not be reproduced by any means or in any form whatsoever without written permission.

**BlackBee Investments Limited trading as BlackBee & BlackBee Investments is regulated by the Central Bank of Ireland.**

Registered in Ireland Number: 535412 - Registered Office: City Quarter, Lapps Quay, Cork