AMT FUTURES LIMITED

2020 RTS 28 REPORT

**1 Introduction**

AMT Futures Limited (the Company) is a matched principal broker specialising in providing a comprehensive range of services to retail and professional clients who participate in the world’s futures, options and derivatives markets. The Company’s registered office is at 55 Bishopsgate, London EC2N 3AH. We are authorised and regulated as an investment firm by the Financial Services Authority with a firm reference number of 146311.

We take our Best Execution obligations very seriously. Whether by executing orders “on a client’s behalf”, or transmitting them to a third party firm for execution, we will endeavour to protect your interests in relation to the pricing or other aspects of the transaction that may be affected by how we, or the other entity to which the order is transmitted, execute the order. Our Order Execution Policy can be located at [www.amtfutures.co.uk/copy-of-regulatory](http://www.amtfutures.co.uk/copy-of-regulatory).

EU Directive 2014/65/EU on Markets in Financial Instruments (MiFID II) requires investment firms who execute client orders to summarise and make public on an annual basis, for each class of financial instrument, the top five execution venues in terms of trading volumes where they executed client orders in the preceding year and information on the quality of execution obtained. This is commonly known as an RTS 28 report.

**2 Our Approach**

We publish this data annually in a machine readable format and make this available on our website at [www.amtfutures.co.uk/copy-of-regulatory](http://www.amtfutures.co.uk/copy-of-regulatory).

We frequently review the effectiveness of our execution arrangements. This includes:

* Quality of execution
* Our procedures
* Broker selection
* Accessible execution venues

Any changes arising from these reviews are incorporated into a revised and enhanced Order Execution Policy. We also carry out compliance monitoring of our adherence to the Order Execution Policy.

**3 Overview**

We do not trade in a proprietary capacity, but facilitate client business by acting in a matched principal capacity. When executing client orders, the execution factors that will be taken into account are:

* price;
* costs of the transaction;
* speed of execution;
* likelihood of execution and/or settlement;
* size and complexity of the order; and
* characteristics and nature of the order or any other consideration relevant to the execution of the order.

The best possible result will be determined in terms of the total consideration, representing the price of the financial instrument and the costs related to execution. Speed, likelihood of execution and/or settlement, the size and nature of the order, market impact and any other implicit transaction costs will be given precedence over the immediate price and cost consideration only insofar as they are instrumental in delivering the best possible result in terms of the total consideration to you.

More detail concerning the execution factors considered by the Company are set out in Annex 1.

**4 Data classification**

As noted in section 1, there are two different client categories to whom we owe best execution, and hence whose business will be contained within this regulatory report, namely retail and professional clients. This report is broken down into retail and professional clients as outlined in the regulations. The category of client has no bearing on how we execute a client order unless the client requests that we follow any specific instruction.

The regulations require the report to be broken down into 22 different asset classes. However, during 2020, we only traded the following asset classes and therefore our report only covers these asset classes:

* Equities – Shares and Depositary Receipts (note the comment in Section 5 below concerning Liquidity Tick bands)
* Interest Rate Derivatives – Futures and options admitted to trading on a trading venue
* Currency Derivatives – Futures and options admitted to trading on a trading venue
* Equity Derivatives – Options and futures admitted to trading on a trading venue
* Commodity Derivatives – Futures and options admitted to trading on a trading venue

1. **Data quality**

Due to the limited nature of our brokerage of Equities, we are unable to analyse our Equities trades by the three Liquidity Tick Bands.

**6 Summary of observations**

The majority of business we execute are Equity Derivatives – Options and futures admitted to trading on a trading venue. This is made up as follows:

* Our retail client base is predominantly foreign private investors investing in US stock options. This business is transmitted through an execution platform which uses a smart order router algorithm to determine the best execution venue.
* Our professional client base is predominantly UK clients investing in UK stock options. This business is executed via a clearing member of the exchange which offers these products, ICE Futures Europe.

The firm also executes a limited quantity of orders in equities. In the case of UK equities, these were executed through Winterflood Securities Limited, as reflected in Annex 2 of this report. Occasionally, we may execute orders in equities through a different execution venue.

**7 Other comments**

We are charged market rates by our clearing brokers to execute business on these execution venues. We do not receive any discounts, rebates or non-monetary benefits

There are no close links, conflicts of interest, and common ownerships with respect to any execution venues used to execute orders. We do not receive any payments for order flow.

Annex 1

Execution Factors

|  |  |
| --- | --- |
| **Execution Factor** | **Detail** |
|  |  |
| Price of Execution | Price is the primary factor we will consider when executing your order. We will seek to access the Execution Venue offering the best price to satisfy your order. See list of Execution Venues in Annex 2 |
| Cost of Execution | We will incur trading, clearing and settlement fees. Any relevant commission rates will have been agreed with you in advance. Costs that are inherent in the transaction, such as Stamp Duty, PTM Levy or Financial Transaction Taxes are not considered a cost of execution. |
| Nature of Order | Consideration will need to be given to the order type requested, as well as the liquidity of the financial instrument at the relevant time. |
| Size of Order | As per the nature of the order, the size of the order in relation to the liquidity of the financial instrument may have significant influence on the best execution process. |
| Speed of Execution | The importance of speed of execution will vary. For example, to reduce the costs associated with market impact, and hence price, a large client order might be worked over a day or more. |
| Likelihood of Execution and/or Settlement | We measure the performance of our counterparties, looking specifically at the failure rate. A shortage in the market (lack of liquidity) might also have a direct impact on price. |
| Other Relevant Considerations | This may include client specific instructions, certain corporate action events, technical trading situations, or natural client crossing opportunities for example. |

Annex 2

Execution Venues

|  |  |
| --- | --- |
| **Financial Instrument** | **Execution Venue** |
| UK/EU Equity Derivatives | ICE Futures Europe |
| US Equity Derivatives | Various US Regulated Markets # |
| UK Equities | Winterflood Securities Limited |
| Global Futures and Options | Global Futures and Options Regulated Markets |

# - orders transmitted to Rox Systems, Inc’s order routing mechanism for execution. Transactions executed by Lek Securities Corp.