

Annual publication of information on the identity of execution venues and on the quality of execution

In accordance with the Financial Services (Markets in Financial Instruments) Act 2018, commonly known as MiFID II, Argon Financial Limited (“Argon”), as a Financial Institution regulated by the Gibraltar Financial Services Commission (“GFSC”) is required to 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 we execute client orders in the preceding year and information on the quality of the execution obtained.

We believed that this is essential to improve clients’ understanding and scrutiny over execution quality and to allow our client’s the ability to form opinions as to the flow of orders from Argon to execution venues, and to assess the effectiveness of our monitoring and controls of our Order Execution and Best Execution Policies.

Although Argon does not differentiate between Retail and Professional clients when obtaining the best possible results for our clients, the requirements under the Act to publish the information on the top five execution venues must be provided distinctly for retail and professional clients.

Argon will also conduct an assessment of execution quality obtained on all execution venues used, by class of financial instrument, summarising the analysis and conclusions drawn from our monitoring of the quality of execution obtained.

Class of Instrument	Equities – Shares & Depositary Receipts - Professional				
Notification if <1 average trade per business day in the previous year					N
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in the class	Proportion of orders executed as a percentage of total in the class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Sino-Rich Securities & Futures Limited LEI 213800E34M3S93NOMR88	19.12 %	1.30 %	0.00 %	0.00 %	100.00 %
Bank of Montreal LEI NQQ6HPCNCCU6TUTQYE16	19.08 %	12.13 %	0.00 %	0.00 %	100.00 %
LINK a division ICAP Securities Ltd LEI 213800NMEZS3MD2IUP33	15.23 %	17.05 %	0.00 %	0.00 %	100.00 %
HongKong and Shanghai Banking Corporation Limited LEI 2H13YI5320L3RW6NJ957	10.13 %	0.50 %	0.00 %	0.00 %	100.00 %
Jefferies Hong Kong Limited LEI 549300NUP2MJOC4Q619	8.37 %	3.28 %	0.00 %	0.00 %	100.00 %

Class of Instrument	Equities – Shares & Depositary Receipts – Retail (No activity)				
Notification if <1 average trade per business day in the previous year					Y
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in the class	Proportion of orders executed as a percentage of total in the class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
N/A	N/A	N/A	N/A	N/A	N/A

Class of Instrument	Debt Instruments – Professional				
Notification if <1 average trade per business day in the previous year					
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in the class	Proportion of orders executed as a percentage of total in the class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Morgan Stanley & Company International PLC LEI 4PQUHN3JPFGFNF3BB653	100.00 %	100.00 %	0.00 %	0.00 %	100.00 %

Class of Instrument	Debt Instruments – Retail (No activity)				
Notification if <1 average trade per business day in the previous year					Y
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in the class	Proportion of orders executed as a percentage of total in the class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
N/A	N/A	N/A	N/A	N/A	N/A

Class of Instrument	Interest Rate Derivatives – Professional (No activity)				
Notification if <1 average trade per business day in the previous year					Y
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in the class	Proportion of orders executed as a percentage of total in the class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
N/A	N/A	N/A	N/A	N/A	N/A

Class of Instrument	Interest Rate Derivatives – Retail (No activity)				
Notification if <1 average trade per business day in the previous year					Y
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in the class	Proportion of orders executed as a percentage of total in the class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
N/A	N/A	N/A	N/A	N/A	N/A

Class of Instrument	Credit Derivatives – Professional (No activity)				
Notification if <1 average trade per business day in the previous year					Y
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in the class	Proportion of orders executed as a percentage of total in the class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
N/A	N/A	N/A	N/A	N/A	N/A

Class of Instrument	Credit Derivatives – Retails (No activity)				
Notification if <1 average trade per business day in the previous year					Y
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in the class	Proportion of orders executed as a percentage of total in the class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
N/A	N/A	N/A	N/A	N/A	N/A

Class of Instrument	Currency Derivatives - Professional				
Notification if <1 average trade per business day in the previous year					N
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in the class	Proportion of orders executed as a percentage of total in the class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
ADM Investor Services International Limited LEI 213800GNABQM2M887812	100.00 %	100.00 %	0.00 %	100.00 %	0.00 %

Class of Instrument	Currency Derivatives – Retail (No activity)				
Notification if <1 average trade per business day in the previous year					Y
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in the class	Proportion of orders executed as a percentage of total in the class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
N/A	N/A	N/A	N/A	N/A	N/A

Class of Instrument	Structured Finance Instruments – Professional (No activity)				
Notification if <1 average trade per business day in the previous year					Y
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in the class	Proportion of orders executed as a percentage of total in the class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
N/A	N/A	N/A	N/A	N/A	N/A

Class of Instrument	Structured Finance Instruments – Retails (No activity)				
Notification if <1 average trade per business day in the previous year					Y
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in the class	Proportion of orders executed as a percentage of total in the class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
N/A	N/A	N/A	N/A	N/A	N/A

Class of Instrument	Equity Derivatives - Professional				
Notification if <1 average trade per business day in the previous year					N
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in the class	Proportion of orders executed as a percentage of total in the class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
G.H. Financials Limited LEI 213800TUOKZC29M46H06	100.00 %	100.00 %	0.00 %	0.00 %	100.00 %

Class of Instrument	Equity Derivatives – Retail (No activity)				
Notification if <1 average trade per business day in the previous year					Y
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in the class	Proportion of orders executed as a percentage of total in the class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
N/A	N/A	N/A	N/A	N/A	N/A

Class of Instrument	Securitised Derivatives – Professional (No activity)				
Notification if <1 average trade per business day in the previous year					Y
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in the class	Proportion of orders executed as a percentage of total in the class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
N/A	N/A	N/A	N/A	N/A	N/A

Class of Instrument	Securitised Derivatives – Retail (No activity)				
Notification if <1 average trade per business day in the previous year					Y
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in the class	Proportion of orders executed as a percentage of total in the class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
N/A	N/A	N/A	N/A	N/A	N/A

Class of Instrument	Commodities Derivatives and Emissions Allowances Derivatives - Professional				
Notification if <1 average trade per business day in the previous year					N
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in the class	Proportion of orders executed as a percentage of total in the class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Argon Financial Limited LEI 213800AOJXFQMQ9Y991	100.00 %	100.00 %	100.00 %	0.00 %	0.00 %

Class of Instrument	Commodities Derivatives and Emissions Allowances Derivatives – Retail (No activity)				
Notification if <1 average trade per business day in the previous year					Y
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in the class	Proportion of orders executed as a percentage of total in the class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
N/A	N/A	N/A	N/A	N/A	N/A

Class of Instrument	Contracts for Difference - Professional				
Notification if <1 average trade per business day in the previous year					N
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in the class	Proportion of orders executed as a percentage of total in the class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Morgan Stanley & Company International PLC LEI 4PQUHN3JPF GFNF3BB653	100.00 %	100.00 %	89.80 %	10.20 %	00.00 %

Class of Instrument	Contracts for Difference - Retail				
Notification if <1 average trade per business day in the previous year					N
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in the class	Proportion of orders executed as a percentage of total in the class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Morgan Stanley & Company International PLC LEI 4PQUHN3JPF GFNF3BB653	100.00 %	100.00 %	96.50 %	3.50 %	100.00 %

Class of Instrument	Exchange Traded Products (funds, notes and commodities) - Professional				
Notification if <1 average trade per business day in the previous year					N
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in the class	Proportion of orders executed as a percentage of total in the class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Kingdom Futures Limited LEI 213800KK9PYXSVTH1994	100.00 %	100.00 %	0.00 %	0.00 %	100.00 %

Class of Instrument	Exchange Traded Products (funds, notes and commodities) – Retail (No activity)				
Notification if <1 average trade per business day in the previous year					Y
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in the class	Proportion of orders executed as a percentage of total in the class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
N/A	N/A	N/A	N/A	N/A	N/A

Class of Instrument	Emission Allowances – Professional (No activity)				
Notification if <1 average trade per business day in the previous year					Y
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in the class	Proportion of orders executed as a percentage of total in the class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
N/A	N/A	N/A	N/A	N/A	N/A

Class of Instrument	Emissions Allowances – Retail (No activity)				
Notification if <1 average trade per business day in the previous year					Y
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in the class	Proportion of orders executed as a percentage of total in the class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
N/A	N/A	N/A	N/A	N/A	N/A

Class of Instrument	Other Instruments - Professional				
Notification if <1 average trade per business day in the previous year					N
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in the class	Proportion of orders executed as a percentage of total in the class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
G.H. Financials Limited LEI 213800TUOKZC29M46H06	100.00 %	100.00 %	100.00 %	100.00 %	0.00 %

Class of Instrument	Other Instruments – Retail				
Notification if <1 average trade per business day in the previous year					N
Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in the class	Proportion of orders executed as a percentage of total in the class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
G.H. Financials Limited LEI 213800TUOKZC29M46H06	100.00 %	100.00 %	100.00 %	100.00 %	0.00 %

Argon continually reviews its relationships with brokers, clearing members and other investment entities to ensure the services we are receiving consistently provide us, and in turn our clients with the best possible results when considering all factors of execution.

Upon analysis of the quality of execution obtain on the execution venues Argon utilises, we considered all factors within our Order Execution Policy, specifically our Best Execution Procedure which include;

- Price
- Size of order
- Speed of execution
- Qualitative factors
- Cost
- Likelihood of execution
- Nature of the order
- Any other consideration of execution

The primary execution venues Argon currently maintain relationships with were chosen due to the services they are able to provide given the financial instruments Argon's clients currently trade, however, the majority of our over the counter ("OTC") orders received, are provided by clients advising which venue they wish for us to approach, as with orders received for OTC Futures; our clients provide the execution venue they wish to utilise. Therefore, our current relationships with the below listed entities are client driven;

Kingdom Futures Limited

Sino-Rich Securities & Futures Limited

Bank of Montreal

LINK a division ICAP Securities Ltd

Hong Kong and Shanghai Banking Corporation Limited

Jefferies Hong Kong Limited

G.H. Financial Limited ("GHF"), Argon's primary clearer for exchange traded derivatives. GHF is a global clearing member, allowing competitive pricing and access to exchanges with predominate liquidity.

Morgan Stanley & Company International PLC ("Morgan Stanley"), Argon's primary clearer for equities provides competitive prices, but moreover provides a comprehensive breadth of jurisdictional coverage, allowing our clients access to a substantially larger list of equities.

Sucden Financial Limited ("Sucden"), provides Argon with foreign exchange capabilities; having conducted a review of multiple providers, Argon believes Sucden provided the most competitive rates and services.

E D & F Man Capital Markets Limited ("ED&F"), provides Argon with equity capabilities; having conducted a review, Argon utilises ED&F as a secondary clearer for equities due to its competitive price offering.

ADM Investor Services International Limited (“ADM”), although our relationship with ADM has not been used on a regular basis within 2018, we have a proven relationship lasting several years, providing us services for futures, stocks and foreign exchange when required.

Jefferies International Limited, although this affiliation was initially client driven, the relationship has proven to facilitate other client orders, allowing Argon the capacity to provide alternatives to our clients.

Argon does not currently maintain any close links to any of the execution venues utilised in 2018 and all relationships are reviewed to ensure there are no conflicts of interest or potential conflicts of interest and no common ownerships are established or maintained.

Argon also concluded during the review and analysis that during 2018 there were no specific arrangements with any of the execution venues utilised for payments made or received, nor discounts or rebates paid, or non-monetary benefits received.

Argon effected a change to its primary clearer for equities in December 2018, and instead will be utilising the ED&F relationships established going forward. Argon does not foresee any further changes in the immediate future, only initiating new relationships on the request of our clients.

As previously advised, Argon does not currently differentiate between Retail and Professional clients, ensuring that all clients receive the best possible service in all cases.

Although Argon maintains financial trading accounts for individuals, corporates and institutional clients, and provides different services to these categories of clients, our policies ensure our attention to our clients are the same regardless of their classification and categorisation.

Argon’s Order Execution Policy applies to all client orders executed by Argon acting on behalf of a client relating to a financial transaction.

The majority of our individual clients utilise our trading platforms, placing trades themselves, therefore, there is no intervention by Argon and although our Order Execution Policy applies, in these circumstances Argon has complied with its obligation to take all sufficient steps to obtain the best possible results for our clients.

Where a client executes an order through Argon’s trading desk and provides a specific instruction, Argon is not obliged to follow the Best Execution Procedure which may result in best execution not being achievable.

Conversely, should a client provide an order through our trading desk and in the absence of a specific instruction, Argon will follow its Best Execution Procedure for the aspects of the order not covered in the client's instruction, taking in to consideration various qualitative and quantitative execution factors and criteria relevant to the client order with the intention of obtaining the best possible result on a consistent basis.

Argon does not give precedence to price and cost when executing client orders, ensuring that our Order Execution Policy is followed for every order received. Argon believes that utilising our Best Execution Procedure is instrumental in delivering the best possible results for all of our clients on a consistent basis.

Argon is currently utilising and has access to data relating to the quality of execution. This data is currently obtained from the underlying exchange via dedicated price gateways and also accesses, via low latency, high speed data through industry recognised data vendors.

For further information on our Order Execution Policy or Conflicts of Interest Policy please see our website.