



# **Wells Fargo Securities International Limited (WFSIL)**

RTS 28: Top Five Execution Venue Reporting

*Note: WFSIL is required by MiFID II to publish certain information regarding the identity of execution venues and execution quality through an RTS 28 report. Whilst WFSIL has made reasonable efforts to ensure the data in the report is accurate, it does not represent or guarantee that the data in the report is wholly accurate or complete. WFSIL reserves the right to update and amend data in the report. WFSIL disclaims any and all liability for any loss or damage in connection with use of or reliance on the data in the report.*

*Due to the WFSIL business model, WFSIL has excluded RTS 28, Table 1 and 3 from each class of financial instrument to be reported. WFSIL does not serve retail clients in-region, thus reporting for Table 1 is not applicable. Additionally, WFSIL does not conduct any Securities Financing Transaction (SFT) activity with professional clients in circumstances that it owes a best execution obligation to such clients. Accordingly, Annex II, Table 3 of RTS 28 shall not be populated.*

**(a) Equities – Shares & Depositary Receipts**

- (i) Tick size liquidity bands 5 and 6 (from >2000 trades per day)**
- (ii) Tick size liquidity bands 3 and 4 (from 80 to 1999 trades per day)**
- (iii) Tick size liquidity bands 1 and 2 (from 0 to 79 trades per day)**

WFSIL does not have transactions that fit the tick size liquidity bands that are appropriate for this asset class. However please see asset class (m) below for transactions in US shares.

**(b) Debt instruments**

**(i) Bonds**

***Debt Instruments (Bonds) Summary***

Investment firms shall publish for each class of financial instruments, a summary of the analysis and conclusions they draw from their detailed monitoring of the quality of execution obtained on the execution venues where they executed all client orders in the previous year. The information shall include:

- (a) an 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

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| Price is prioritized unless the customer instructs otherwise, followed by size, completion of order, and any instructions stipulated by the client. |
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- (b) a description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders

For debt instruments, WFSIL only uses itself as an execution venue.

- (c) a description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received

Not Applicable.

- (d) an 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

No such changes of venue occurred.

- (e) an 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

Best execution is only provided to Professional Clients (PC).

- (f) an 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

Not Applicable - Wells Fargo does not transact with clients classified as Retail Clients in region.

- (g) an explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under RTS 27

For exchange traded derivatives (ETD) there is only one venue available to execute specific ETDs, hence quality of execution data from RTS 27 across venues is not relevant.

From Q3 of 2019, for exchange traded derivatives (ETD), WFSIL used cost analysis tools provided by Bloomberg (BTCA).

- (h) 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

Not Applicable.

## **(ii) Money Markets Instruments**

WFSIL does not owe Best Execution in this asset class or set of instruments based on its policy or that there were no transactions in this asset class or instruments.

## **(c) Interest rates derivatives**

### **(i) Futures and Options admitted to trading on a trading venue**

Investment firms shall publish for each class of financial instruments, a summary of the analysis and conclusions they draw from their detailed monitoring of the quality of execution obtained on the execution venues where they executed all client orders in the previous year. The information shall include:

- (a) an 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;

Various factors relevant to the execution of an order are taken into account including market price, the speed and likelihood of execution, market liquidity, order size and its potential impact on the market, underlying and related markets' price action, and any other relevant factors at the time.

- (b) a description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders

WFSIL uses a US affiliate to execute orders on US exchanges.

- (c) a description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received

WFSIL currently has no arrangements of this sort.

- (d) an 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

No such changes occurred.

- (e) an 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

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- (f) an 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

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- (h) 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

Not Applicable.

**(ii) Swaps, Forwards, and Other Interest Rates Derivatives**

WFSIL does not owe Best Execution in this asset class or set of instruments based on its policy or that there were no transactions in this asset class or instruments.

**(d) Credit derivatives**

**(i) Futures and options admitted to trading on a trading venue**

WFSIL does not owe Best Execution in this asset class or set of instruments based on its policy or that there were no transactions in this asset class or instruments.

**(ii) Other credit derivatives**

WFSIL does not owe Best Execution in this asset class or set of instruments based on its policy or that there were no transactions in this asset class or instruments.

**(e) Currency derivatives**

**(i) Futures and Options admitted to trading on a trading venue**

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Various factors relevant to the execution of an order are taken into account including market price, the speed and likelihood of execution, market liquidity, order size and its potential impact on the market, underlying and related markets' price action, and any other relevant factors at the time.

- (b) a description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders

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- (c) a description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received

WFSIL currently has no arrangements of this sort.

- (d) an 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

No such changes occurred.

- (e) an 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

Best Execution is only provided to Professional Clients (PC).

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Not Applicable - Wells Fargo does not transact with clients classified as Retail Clients in region.

- (g) an explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under RTS 27

For exchange traded derivatives (ETD) there is only one venue available to execute specific ETDs, hence quality of execution data from RTS 27 across venues is not relevant.

From Q3 of 2019, for exchange traded derivatives (ETD), WFSIL used cost analysis tools provided by Bloomberg (BTCA).

- (h) 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

Not Applicable.

**(ii) Swaps, forwards, and other currency derivatives**

WFSIL does not owe Best Execution in this asset class or set of instruments based on its policy or that there were no transactions in this asset class or instruments.

**(f) Structured finance instruments**

WFSIL does not owe Best Execution in this asset class or set of instruments based on its policy or that there were no transactions in this asset class or instruments.



## **(g) Equity Derivatives**

### **(i) Options and Futures admitted to trading on a trading venue**

Investment firms shall publish for each class of financial instruments, a summary of the analysis and conclusions they draw from their detailed monitoring of the quality of execution obtained on the execution venues where they executed all client orders in the previous year. The information shall include:

- (a) an 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;

Various factors relevant to the execution of an order are taken into account including market price, the speed and likelihood of execution, market liquidity, order size and its potential impact on the market, underlying and related markets' price action, and any other relevant factors at the time.

- (b) a description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders

WFSIL uses a US affiliate to execute orders on US exchanges.

- (c) a description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received

WFSIL currently has no arrangements of this sort.

- (d) an 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



No such changes occurred.



## **(ii) Swaps and Other Equity Derivatives**

WFSIL does not owe Best Execution in this asset class or set of instruments based on its policy or that there were no transactions in this asset class or instruments.

**(h) Securitized Derivatives**

**(i) Warrants and Certificate Derivatives**

**(ii) Other securitized derivatives**

WFSIL does not owe Best Execution in this asset class or set of instruments based on its policy or that there were no transactions in this asset class or instruments.

**(i) Commodities derivatives and emission allowances Derivatives**

**(i) Options and Futures admitted to trading on a trading venue**

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- (a) an 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;

Various factors relevant to the execution of an order are taken into account including market price, the speed and likelihood of execution, market liquidity, order size and its potential impact on the market, underlying and related markets' price action, and any other relevant factors at the time.

- (b) a description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders

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- (f) an 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

Not Applicable - Wells Fargo does not transact with clients classified as Retail Clients in region.

- (g) an explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under RTS 27

For exchange traded derivatives (ETD) there is only one venue available to execute specific ETDs, hence quality of execution data from RTS 27 across venues is not relevant.  
From Q3 of 2019, for exchange traded derivatives (ETD), WFSIL used cost analysis tools provided by Bloomberg (BTCA).

- (h) 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

Not Applicable.

**(ii) Other commodities derivatives and emission allowances derivatives**

WFSIL does not owe Best Execution in this asset class or set of instruments based on its policy or that there were no transactions in this asset class or instruments.

**(j) Contracts for difference**

WFSIL does not owe Best Execution in this asset class or set of instruments based on its policy or that there were no transactions in this asset class or instruments.

**(k) Exchange traded products (Exchange traded funds, exchange traded notes and exchange traded commodities)**

WFSIL does not owe Best Execution in this asset class or set of instruments based on its policy or that there were no transactions in this asset class or instruments.

**(l) Emission allowances**

WFSIL does not owe Best Execution in this asset class or set of instruments based on its policy or that there were no transactions in this asset class or instruments.

**(m) Other Instruments*****(i) Equities – Shares and Depositary Receipts Traded in the US***

The below represents United States equities listed on United States exchanges transacted on behalf of WFSIL clients.

Investment firms shall publish for each class of financial instruments, a summary of the analysis and conclusions they draw from their detailed monitoring of the quality of execution obtained on the execution venues where they executed all client orders in the previous year. The information shall include:

- (a) an 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

Price is prioritized unless the customer instructs otherwise, followed by size, completion of order, and any instructions stipulated by the client.

- (b) a description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders

WFSIL does not have any close links, conflicts or common ownership with an execution venue. However, client orders are placed onto various US national markets via a USA affiliate. Execution quality received from an affiliated entity is subject to monitoring and assessment under local regulations.

- (c) a description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received

WFSIL currently has no arrangements of this sort. However, client orders are placed onto various US national markets via a USA affiliate who routes client orders to national securities exchanges, alternative trading systems, including electronic communications networks and other market centers (including other broker-dealers), some of which provide the affiliate with rebates for adding liquidity and charges for removing liquidity.

- (d) an 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

No such changes occurred.

- (e) an 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

Best Execution is only provided to Professional Clients (PC).

- (f) an 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

Not Applicable - Wells Fargo does not transact with clients classified as Retail Clients in region.

- (g) an explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under RTS 27

Equities executed on US national markets are subject to FINRA rules, and hence RTS 27 data is less relevant.

- (h) 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

Not Applicable.