



---

**MiFID II Best Execution Quality and Identity of  
Execution Venues Annual Publication**

---

**HOCH CAPITAL LTD**

*Regulated by the Cyprus Securities and Exchange Commission*

*License Number: 198/13*

**January 2018**

---

## **A. INFORMATION ON THE QUALITY OF EXECUTION OBTAINED DURING 2017**

### **PURPOSE:**

The publication of this information relates to the Quality of Execution obtained by the execution venues used by the Company during the reporting year 2017 for executing clients' orders. This analysis provides an overview of how the Company executed clients' orders and the factors that were taken into consideration.

This publication will provide a clear picture of the execution strategies and tools used by the Company to assess the quality of execution obtained and will also allow investors to assess the effectiveness of the monitoring carried out by the Company in relation to those execution arrangements. It is suggested for this publication to be read in conjunction with the Order Execution Policy available onto the Company's website.

The content of information is reviewed on an annual basis and reflects the data of the previous year.

**Table 1 – Retail Clients**

Class of Instrument	Contracts for difference				
Notification if < 1 average trade per business day in the previous year	N				
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
Bayline Trading Ltd 549300CRL6RUCZ8CU298	100%	100%	N/A	N/A	N/A

**Table 2 – Professional Clients**

Class of Instrument	N/A				
Notification if < 1 average trade per business day in the previous year	Y/N				
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
Name and Venue Identifier(MIC or LEI)	N/A	N/A	N/A	N/A	N/A
Name and Venue identifier(MIC or LEI)	N/A	N/A	N/A	N/A	N/A
Name and venue identifier(MIC or LEI)	N/A	N/A	N/A	N/A	N/A
Name and venue identifier(MIC or LEI)	N/A	N/A	N/A	N/A	N/A
Name and venue identifier(MIC or LEI)	N/A	N/A	N/A	N/A	N/A

**Table 3 – Executed Client Orders in Securities Financing Transactions(SFTs)**

Class of Instrument	N/A	
Notification if < 1 average trade per business day in the previous year	N/A	
Top 5 Venues ranked in terms of volume (descending order)	Proportion of volume executed as a percentage of total in that class	Proportion of orders executed as percentage of total in that class
Name and Venue Identifier(MIC or LEI)	N/A	N/A
Name and Venue identifier(MIC or LEI)	N/A	N/A
Name and venue identifier(MIC or LEI)	N/A	N/A
Name and venue identifier(MIC or LEI)	N/A	N/A
Name and venue identifier(MIC or LEI)	N/A	N/A

\* The Company has not executed any clients' orders in SFTs during 2017.



***B. Summary of the analysis and conclusions drawn from the monitoring of the quality of execution obtained on the execution venues used in 2017:***

**EXECUTION FACTORS DURING 2017**

The Company, when managing client's orders takes into account various execution factors, provided that there are no specific instructions from the client to the Company about the way of execution of the orders. The execution factors include:

- Price
- Costs or commissions
- Speed and likelihood of execution
- Size and nature of the order
- Market conditions and variations
- Execution capability
- Any other direct consideration relevant to the execution of the order

The Company also ensured that the execution venue can cover the Negative Balances of our clients.

**EXECUTION VENUES USED BY THE COMPANY DURING 2017**

The Company during 2017 cooperated and routed orders to its sole execution venue: Bayline Trading Ltd which is a regulated investment firm by the International Financial Services Commission of Belize. The execution venues of the Company were not subject to changes during the reporting year 2017.

**CONFLICTS OF INTEREST**

As mentioned above the Bayline Trading Ltd is the sole execution Venue for the execution of clients' orders. The Company's approach to identify and prevent conflicts of interests is set out in the [Conflicts of Interests Policy](#).

**PAYMENTS OR NON-MONETARY BENEFITS BETWEEN THE COMPANY AND ITS EXECUTION VENUES**

The Company does not receive any payments, discounts, rebates or non-monetary benefits.

**ORDER EXECUTION ACCORDING TO CLIENT CATEGORISATION**

During the reporting year 2017 the Company has provided its services only to clients categorised as Retail Clients. Therefore, the Company has not applied any different arrangement in respect to execution of clients classified as Professional Clients. As regards to the order execution arrangements please refer to the Company's [Order Execution Policy](#).

It shall be noted that during the year under review no other criteria were given precedence over immediate price and cost when executing retail client orders.

---

## **MONITORING OF QUALITY OF EXECUTION**

The Company monitors the quality of execution on an ongoing basis and assess whether it needs to make any amendments. The monitoring is performed by the Company's brokerage department which takes into consideration the following:

- Price updates
- Latency (speed of execution – time from reception to execution)
- Price freezing or halts
- Spread widening
- Technology -connectivity of platforms with the execution venue
- Comparison or pricing
- Slippage

The above monitoring procedure is reviewed on a regular basis by the Company's control functions (e.g. compliance, internal audit).

During the year under review the Company has not used output of a consolidated tape provider.