

# TRADING AND EXECUTION SERVICES

**MiFID II requires EU asset managers to ‘unbundle’ their trading and pay separately for research and execution. With a new external partner, you could improve your trading approach and benefit from lower costs, enhanced performance and operational support.**

## WHY APPOINT A NEW PARTNER?

### 1. Lower costs

For many asset managers, trading represents a significant operational cost to the business.

An external partner uses scale and efficiencies to provide you with meaningful cost reductions including capital outlay, personnel cost (including, but not limited to, trading, middle and back office, compliance etc.) and commissions achieved.

### 2. Enhanced performance

Aside from the explicit costs (such as trading commissions and taxes), implicit trading costs – i.e. the price you achieve in the market, including spread and market impact – can significantly erode the performance of your portfolio.

An external partner can reduce implicit trading costs and preserve more of your intended alpha. A partner with a ‘pure agency’ trading desk is 100% incentivised to get you the best price possible.

Non-pure agency brokerage partners typically have other incentives and make additional sources of revenue over and above the commission charged to you.

### 3. Operational support

Operational responsibilities associated with trading and execution can be burdensome (operational set-up and reporting, trading, settlement, oversight etc.). Regulatory developments are only making this more onerous and expensive.

Many firms find themselves limiting the number of counterparties or relationships used to ease operations; however, this has a knock-on impact for trading performance.

An external partner can plug-in to your portfolio management systems and take on operational responsibilities – freeing up your resources to focus on alpha-generation activities. Furthermore, an outsourced provider will continue to evolve, keeping you ahead in the regulatory and ever-changing operational landscape.

**#1 GLOBAL BROKER**

2015-2016  
Institutional Investor

**1936**

Founded in Tacoma,  
Washington

**£1.9 TRILLION\***

Traded in 2017

\*equivalent to \$2.5 trillion or €2.2 trillion

**24 HOURS**

Trading coverage,  
6 days per week

**100+**

Tradable markets

**TOP TIER BROKER**

2011 - 2018 Pensions &  
Investments

## WHY RUSSELL INVESTMENTS?

**Our global, pure agency trading desk is designed to improve your portfolio performance and reduce business costs.**

### Experienced and well-resourced trading team

- 16 traders with an average of 14 years trading experience.
- 24-hour staffing on our trading desk enables efficient access to all global markets. With dedicated experts in each area we trade equities, fixed income and foreign exchange.
- On average, we beat the equity peer group by 19 basis points per trade<sup>1</sup> and were voted 'Top Global Broker' in equities for 2015 and 2016.<sup>2</sup>

### Pure agency business model with unsurpassed access to liquidity

- Our pure agency model executes on your behalf, without the conflicts associated with proprietary books or internal crossing networks. We cannot participate in any spread and are therefore completely agnostic towards which venues or dealers we trade with. Fees are fully transparent.
- The ability to access both buy side and sell side pools of liquidity is unique to our pure agency model. It is powerful in providing extra channels to find you the deepest liquidity and most attractive pricing.

### Flexible service designed to make your life easy

- Russell Investments can accept client orders in a variety of ways including: FIX connections, Bloomberg, SWIFT and email.
- Our experienced traders can interact with your team sharing market colour.
- Full and transparent reporting.

For more information please contact your Russell Investments representative or visit <https://russellinvestments.com>

### For Professional Clients Only.

This material does not constitute an offer or invitation to anyone in any jurisdiction to invest in any Russell Investments Investment services where such offer or invitation is not lawful, or in which the person making such offer or invitation is not qualified to do so, nor has it been prepared in connection with any such offer or invitation.

Unless otherwise specified, Russell Investments is the source of all data. All information contained in this material is current at the time of issue and, to the best of our knowledge, accurate. Any opinion expressed is that of Russell Investments, is not a statement of fact, is subject to change and does not constitute investment advice.

The value of investments and the income from them can fall as well as rise and is not guaranteed. You may not get back the amount originally invested. Any past performance is not necessarily a guide to future performance.

Issued by Russell Investments Implementation Services Limited. Company No. 3049880. Registered in England and Wales with registered office at: Rex House, 10 Regent Street, London SW1Y 4PE. Telephone 020 7024 6000. Authorised and regulated by the Financial Conduct Authority, 12 Endeavour Square, London E20 1JN.

Russell Investments Limited (DIFC Representative Office) is regulated in the United Arab Emirates by the Dubai Financial Services Authority at: Office 4, Level 1, Gate Village Building 3, DIFC, PO Box 506591, Dubai UAE. Telephone +971 4 359 0322.

Russell Investments Ireland Limited. Company No. 213659. Registered in Ireland with registered office at: 78 Sir John Rogerson's Quay, Dublin 2, Ireland. Authorised and regulated by the Central Bank of Ireland. KvK number 67296386.

Russell Investments Implementation Services LLC. Is a subsidiary of Russell Investments Group, a Washington USA Corporation, and operates through subsidiaries worldwide, including Russell Investments Implementation Services Limited. EMEA-1652 MCI-01511 Issued: July 2018 Expires: July 2019

1 Source: Elkins McSherry. Since our initial participation in 2010, Russell Investments has consistently ranked in the top of the Elkins McSherry universe of brokers. For the four quarters to 31 March 2018, Russell Investments' performance was 19 basis points better than the average execution.

2 Source: TCA analytics at Elkins McSherry (a State Street company) conducted the survey. Transaction costs benchmarked against full-day volume-weighted average price, for the 24-months ended 30 June 2016.