

RTS 28 Summary Analysis

This RTS 28 Summary Analysis is produced by Northern Bank Limited. Danske Bank is a trading name of Northern Bank Limited which is part of the Danske Bank Group of companies.

In order to comply with the requirements of the Markets in Financial Instruments Directive (MIFID II) as it relates to order execution, we take all sufficient steps to obtain the best possible result when executing orders on behalf of our retail and professional clients. The execution factors that we take into account for best execution include price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of the order.

To ensure that we are consistently able to deliver best execution to our clients, we carry out detailed monitoring on an ongoing basis as to the quality of execution we provide in the regulated financial instruments you can trade with us on an over-the-counter (OTC) basis.

Under MiFID II, we are required to publish a written summary of the analysis and conclusions drawn from this monitoring, together with a list of the top five execution venues and brokers we used to execute retail and professional client orders. Our Order Execution Policy makes it clear that we will be the **sole** execution venue when executing orders in regulated derivatives on an OTC basis.

This Summary Analysis covers the following classes of financial instruments you can trade with us:

[Interest Rates Derivatives \(page 2\)](#) and:

[Currency Derivatives \(page 5\)](#).

This report can be found on our website at: www.danskebank.co.uk/best-execution

RTS 28 Summary Analysis - Interest rates derivatives

- Swaps, forwards, and other interest rates derivatives

Explanation of the relative importance we 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:

When you place an order with us for an interest rate derivative, we execute your order as principal on an over-the-counter (OTC) basis (i.e. outside a trading venue). We will not execute your order with third parties or execute your order on a trading venue.

When we assess the quality of execution for interest rates derivatives, the main execution factor we consider is execution price.

Secondary execution factors we take into account when assessing the quality of execution are costs, speed, likelihood of execution, type & size of the order and settlement.

Since we would normally rank price as the most important execution factor, we may adjust our importance weighting for the remaining execution factors, on a per trade basis, taking into account the nature of the order and the market at the time.

In order to make sure that we provide best execution and continue to meet our standards on an ongoing basis, we continuously monitor our own performance. Our monitoring consists of trade by trade monitoring as well as an overall trend monitoring on the performance of the execution factors.

For a detailed description of how we execute customer orders, application of execution factors and how we prioritise the factors, please refer to our Order Execution Policy.

Description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders:

We will be the sole execution venue when executing orders in interest rate derivatives on your behalf. We will not execute orders using other execution venues or brokers. We will enter into transactions with you as principal by dealing on our own account. On this basis, Danske Bank does not have any close links, conflicts of interests, or common ownerships with respect to any external execution venues or brokers used to execute client orders in interest rates derivatives.

Description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received:

None - we do not currently execute orders using other execution venues.

Explanation of the factors that led to a change in the list of execution venues listed in our execution policy, if such a change occurred:

None - we do not currently execute orders using other execution venues.

Explanation of how our order execution differ according to client categorisation, where we treat categories of clients differently and where it may affect our order execution arrangements:

In general, we treat categories of customers the same when we are acting on their behalf in the execution of orders.

When executing orders for retail clients the best possible result will be determined in terms of the total consideration payable by the client. Total consideration means the price of the financial instrument together with any costs directly related to execution.

In practice, in respect of both Retail Clients and Professional Clients (where we act on their behalf), we will give the highest priority to price, unless other factors would be instrumental in delivering the best possible result in terms of the total consideration.

For a detailed description of how we carry out customer orders in interest rate derivatives, please refer to our Order Execution Policy.

Explanation of whether we gave other criteria 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:

For retail clients the best possible result will always be determined in terms of the total consideration being the price of the financial instrument together with any costs directly related to execution.

However, if a retail client provides us with specific instructions regarding an order or any part of it, we will execute the order in accordance with such instructions to the extent reasonably possible, which may take precedence over total consideration.

Explanation of how we used any data or tools relating to the quality of execution, including any data published under Commission Delegated Regulation (EU) 2017/575 of 8 June 2016 [RTS 27]:

We monitor the quality of our execution of client orders in interest rates derivatives on a consistent basis, using automatic monitoring tools. In the monitoring we always strive to use external and independent market data to compare our execution quality against. If no observable market price is available for the specific instrument, we check the fairness of the price by using relevant market data and also, where possible, by making a comparison with similar or comparable products.

Our monitoring also includes exception-based controls, with results reviewed by a specialist team together with front office staff.

For information on our best execution monitoring, please refer to our Order Execution Policy.

Under MiFID II Art 27(3) and Commission Delegated Regulation (EU) 2017/575 (RTS 27), execution venues are required to publish a range of information on execution quality on a quarterly basis. The first reports published under RTS 27 will cover a reporting period that is representative of the first quarter of 2018 and will be published by 30 June 2018. Subsequently no RTS 27 data have yet been published under Commission Delegated Regulation (EU) 2017/575.

Where applicable, an explanation of how we have used output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU:

Currently not applicable as no such data have yet been published in accordance with Article 65 of Directive 2014/65/EU (MiFID II Directive).

Summary of the analysis and conclusions drawn from our monitoring on equities – interest rates derivatives:

We believe that the analysis and conclusions drawn from our monitoring of the quality of execution confirms that we are meeting our standards in delivering best execution to our customers on a consistent basis.

Top five venues- Interest rates derivatives

Table I - Retail clients

Class of Instrument	Swaps, forwards, and other interest rates derivatives				
Notification if <1 average trade per business day in the previous year					
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 a percentage of total in that class	Percentage of passive orders ¹	Percentage of aggressive orders ²	Percentage of directed orders ³

Table II - Professional clients

Class of Instrument	Swaps, forwards, and other interest rates derivatives				
Notification if <1 average trade per business day in the previous year	Y				
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 a percentage of total in that class	Percentage of passive orders ¹	Percentage of aggressive orders ²	Percentage of directed orders ³
Northern Bank Limited	100%	100%		100%	

¹ Order entered into the order book that provided liquidity

² Order entered into the order book that took liquidity - Where Northern Bank Limited is the execution venue all orders are defined as taking liquidity

³ Order where a specific execution venue was specified by the client prior to the execution of the order

RTS 28 Summary Analysis - Currency derivatives

- Swaps, forwards, and other currency derivatives

Explanation of the relative importance we 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:

When you place an order with us for currency derivatives, we execute your order as principal on an over-the-counter (OTC) basis (i.e. outside a trading venue). We will not execute your orders with third parties or execute your orders on a trading venue

When we assess the quality of execution for currency derivatives, the main execution factor we consider is execution price.

Secondary execution factors we take into account when assessing the quality of execution are costs, speed, likelihood of execution, type & size of the order and settlement.

Since we would normally rank price as the most important execution factor, we may adjust our importance weighting for the remaining execution factors, on a per trade basis, taking into account the nature of the order and the market at the time.

In order to make sure that we provide best execution and continue to meet our standards on an ongoing basis, we continuously monitor our own performance. Our monitoring consists of trade by trade monitoring as well as an overall trend monitoring on the performance of the execution factors.

For a detailed description of how we execute customer orders, application of execution factors and how we prioritise the factors, please refer to our Order Execution Policy.

Description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders:

We will be the sole execution venue when executing orders in currency derivatives on your behalf. We will not execute orders using other execution venues or brokers. We will enter into transactions with you as principal by dealing on our own account. On this basis, Danske Bank does not have any close links, conflicts of interests, or common ownerships with respect to any external execution venues or brokers used to execute client orders in currency derivatives.

Description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received:

None - we do not currently execute orders using other execution venues.

Explanation of the factors that led to a change in the list of execution venues listed in our execution policy, if such a change occurred:

None - we do not currently execute orders using other execution venues.

Explanation of how our order execution differ according to client categorisation, where we treat categories of clients differently and where it may affect our order execution arrangements:

In general, we treat categories of customers the same when we are acting on their behalf in the execution of orders.

When executing orders for retail clients the best possible result will be determined in terms of the total consideration payable by the client. Total consideration means the price of the financial instrument together with any costs directly related to execution.

In practice, in respect of both Retail Clients and Professional Clients (where we act on their behalf), we will give the highest priority to price, unless other factors would be instrumental in delivering the best possible result in terms of the total consideration.

For a detailed description of how we carry out customer orders in currency derivatives, please refer to our Order Execution Policy.

Explanation of whether we gave other criteria 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:

For retail clients the best possible result will always be determined in terms of the total consideration being the price of the financial instrument together with any costs directly related to execution.

However, if a retail client provides us with specific instructions regarding an order or any part of it, we will execute the order in accordance with such instructions to the extent reasonably possible, which may take precedence over total consideration.

Explanation of how we used any data or tools relating to the quality of execution, including any data published under Commission Delegated Regulation (EU) 2017/575 of 8 June 2016 [RTS 27]:

We monitor the quality of our execution of client orders in currency derivatives on a consistent basis, using automatic monitoring tools. In the monitoring we always strive to use external and independent market data to compare our execution quality against. If no observable market price is available for the specific instrument, we check the fairness of the price by using relevant market data and also, where possible, by making a comparison with similar or comparable products.

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Summary of the analysis and conclusions drawn from our monitoring on equities – currency derivatives:

We believe that the analysis and conclusions drawn from our monitoring of the quality of execution confirms that we are meeting our standards in delivering best execution to our customers on a consistent basis.

Top five venues – Currency derivatives

Table I – Retail clients

Class of Instrument	Swaps, forwards, and other currency derivatives				
Notification if <1 average trade per business day in the previous year	Y				
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 a percentage of total in that class	Percentage of passive orders ¹	Percentage of aggressive orders ²	Percentage of directed orders ³
Northern Bank Limited	100%	100%		100%	

Table II – Professional clients

Class of Instrument	Swaps, forwards, and other currency derivatives				
Notification if <1 average trade per business day in the previous year	Y				
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 a percentage of total in that class	Percentage of passive orders ¹	Percentage of aggressive orders ²	Percentage of directed orders ³
Northern Bank Limited	100%	100%		100%	

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