

Identification of the main execution venues and the quality of execution of GarantiBank International N.V. clients orders

2020

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Introduction

This document includes the information required by the Delegated Regulation (EU) 2017/576 of 8 June 2016 related to those types of instruments on which GarantiBank International N.V. (“GBI” or “GarantiBank NV”) executes their clients’ orders.

GBI’s Order Execution Policy and execution venues can be found at <https://www.garantibank.eu/about-us/terms-and-conditions/>

This document will be published in a machine-readable electronic format, which could be downloaded by the public during the next two years on GBI’s website (<http://www.garantibank.eu>).

Identification of the top five execution venues and brokers in terms of trading volume for all executed client orders per class of financial instrument

Below is an identification of the top five execution venues in terms of trading where the clients’ orders have been executed by GBI during 2020, broken down by the client categorisation and the category of the financial instrument.

Professional clients

Equities Shares and depository receipts

Ticket size liquidity band 1 and 2 (0-79 trades per day)

Class of Instrument	Equities – Shares & Depository Receipts	Tick size liquidity bands 1 and 2			
Notification if <1 average trade per business day in the previous year	N				
Top five execution brokers 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
J.P. Morgan Securities PLC K6Q0W1PS1L1O4IQL9C32	30.62%	70.75%	N/A	N/A	0%
Ata Yatirim Menkul Kiymetler A.Ş. 789000NN12X9UZM8V594	69.38%	29.25%	N/A	N/A	0%

Ticket size liquidity band 3 and 4 (80-1999 trades per day)

Class of Instrument	Equities – Shares & Depository Receipts	Tick size liquidity bands 3 and 4			
Notification if <1 average trade per business day in the previous year	Y				
Top five execution brokers 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
J.P. Morgan Securities PLC K6Q0W1PS1L1O4IQL9C32	100.00%	100.00%	N/A	N/A	0%

Ticket size liquidity band 5 and 6 (from 2000 trades per day)

Class of Instrument	Equities – Shares & Depository Receipts	Tick size liquidity bands 5 and 6			
Notification if <1 average trade per business day in the previous year	N				
Top five execution brokers 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
J.P. Morgan Securities PLC K6Q0W1PS1L1O4IQL9C32	100.00%	100.00%	N/A	N/A	0%

Debt Instruments

Bonds

Class of Instrument	Debt Instruments	Bonds			
Notification if <1 average trade per business day in the previous year	N				
Top five execution brokers 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
Bloomberg Trading Facility Limited BMTF	100.00%	100.00%	N/A	N/A	0.00%

Currency Derivatives

Swaps, Forwards and Other Currency Derivatives

Class of Instrument	Currency Derivatives	Swaps, forwards, and other currency derivatives			
Notification if <1 average trade per business day in the previous year	N				
Top five execution brokers 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
GarantiBank International N.V. L3SYSDFOIH056VDJ2557	100.00%	100.00%	N/A	N/A	0.00%

Exchange Traded Products (Exchange Traded Funds, Exchange Traded Notes)

Class of Instrument	Exchange traded products	Exchange traded funds, exchange traded notes and exchange traded commodities			
Notification if <1 average trade per business day in the previous year	Y				
Top five execution brokers 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
J.P. Morgan Securities PLC K6Q0W1PS1L1O4IQL9C32	100.00%	100.00%	N/A	N/A	0.00%

Summary of the analysis and conclusions of GBI related to the quality of execution obtained on the execution venues where they executed all client orders in 2020

GarantiBank International N.V. (L35YSDFOIH056VDJ2557)	
Class of Instruments	Shares & Depositary Receipts
Best Execution and Execution factors	<p>For above indicated products, GarantiBank NV has worked with two different institutions. For all securities & DR's (except those that are traded in Turkish stock exchange), GarantiBank NV has routed client orders to J.P. Morgan Securities PLC, which provides us access to execute our clients' orders in financial markets, as we do not have direct access to these markets ourselves. For the securities & DR's traded in Turkish stock exchange, GarantiBank NV has routed client orders to Ata Yatirim Menkul Kiymetler A.S. (Ata Invest Securities), which provides us access to execute our clients' orders in financial markets, as we do not have direct access to these markets ourselves</p> <p>Providing a good execution requires a careful consideration of weighing different execution factors like price, cost, likelihood of execution and settlement, size and nature of the order, speed of execution and execution venue. GarantiBank NV considers the price of the financial instrument as the most important above of all others.</p> <p>J.P. Morgan Securities PLC and Ata Yatirim Menkul Kiymetler A.S. were selected with their abilities to provide high quality execution service to GarantiBank NV and comply with our best execution criteria in above-mentioned products, considering also our trading volume, we are satisfied with their services provided to the best interest of our clients.</p>
Execution Venues	<p>All trades are executed through J.P. Morgan Securities PLC or Ata Yatirim Menkul Kiymetler A.S.</p> <p>Due to Brexit the name of J.P. Morgan Securities PLC changed to J.P. Morgan AG (549300ZK53CNGEEI6A29) as of 1st December 2020.</p>
Information on close links, conflicts of interest and common ownership	There are no close links, conflicts of interests, and common ownership with respect to the brokers used to execute orders.
Specific arrangements with the venue regarding payments made or received, discounts, rebates or non-monetary benefits received	GarantiBank NV does not have any specific arrangements with any external execution venues or brokers used to execute client orders relating to payments made or received, discounts, rebates or non-monetary benefits received. Execution fees to external venues follow official pricing schemes.
Changes to execution venue(s)	The list of execution venues are still the same.
Explanation of how order execution differs according to client categorization	(GarantiBank NV does not offer any financial instruments to retail clients.)

Data or tools used relating to the quality of execution	The quality of execution is ensured by monitoring tools. Use of data on quarterly reports for execution venues under RTS 27 were limited.
Use of Consolidated Tape Providers	No information has been used from providers of consolidated tape.

GarantiBank International N.V. (L35YSDFOIH056VDJ2557)											
Class of Instruments	Debt instruments_Bonds										
Best Execution and Execution factors	<p>All fixed income orders from clients are collected through our internal Treasury Order Management system (TOM) and then executed through Bloomberg's trading venue BMTF system or over-the-counter (OTC) markets on a matched principal basis (i.e. same price executed on MTF).</p> <p>Upon receiving the order, the Desk checks the best executable quotation among multiple counterparties, who either provide quotes at Bloomberg BMTF system or make OTC prices.</p> <p>During the execution, we consider multiple factors such as price, speed of execution, likelihood of execution, size and nature of the order, likely market impact and any other factors deemed relevant. The bank considers the price of the financial instrument as the most important factor, as followed by speed and likelihood of execution.</p>										
Execution Venues	<p>GBI uses the RFQ system of Bloomberg BMTF. It allows to identify and select the different counterparties we wish to obtain quotes from, before concluding the trade with the selected counterparty on BMTF's RFQ system. For the RTS 28 reports to accurately reflect GBI's venue selection process and order execution policy and behaviour, and to provide an accurate picture of our order routing, we also disclose the identity of the (five) counterparties we most commonly execute against together with the proportion of volume traded with each of these counterparties as a percentage of the total in that class of financial instruments.</p> <p>Top 5 counterparties, in this respect are as follows:</p> <table border="0"> <tr> <td>Citigroup Global Markets Limited</td> <td>20.46%</td> </tr> <tr> <td>Credit Suisse Securities (Europe) Limited</td> <td>12.59%</td> </tr> <tr> <td>Barclays Bank PLC</td> <td>12.19%</td> </tr> <tr> <td>J.P. Morgan Securities PLC</td> <td>9.71%</td> </tr> <tr> <td>BNP PARIBAS</td> <td>7.74%</td> </tr> </table>	Citigroup Global Markets Limited	20.46%	Credit Suisse Securities (Europe) Limited	12.59%	Barclays Bank PLC	12.19%	J.P. Morgan Securities PLC	9.71%	BNP PARIBAS	7.74%
Citigroup Global Markets Limited	20.46%										
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J.P. Morgan Securities PLC	9.71%										
BNP PARIBAS	7.74%										
Information on close links, conflicts of interest and common ownership	There are no close links, conflicts of interests, and common ownership with respect to the brokers used to execute orders.										
Specific arrangements with the venue regarding payments made or received, discounts, rebates or non-monetary benefits received	GarantiBank NV does not have any specific arrangements with any external execution venues or brokers used to execute client orders relating to payments made or received, discounts, rebates or non-monetary benefits received. Execution fees to external venues follow official pricing schemes.										
Changes to execution venue(s)	The list of execution venues are still the same.										
Explanation of how order execution differs according to client categorization	(GarantiBank NV does not offer any financial instruments to retail clients.)										

Data or tools used relating to the quality of execution	The quality of execution is ensured by monitoring tools. Use of data on quarterly reports for execution venues under RTS 27 were limited.
Use of Consolidated Tape Providers	No information has been used from providers of consolidated tape.

GarantiBank International N.V. (L35YSDFOIH056VDJ2557)	
Class of Instruments	Currency Derivatives_ Forwards and swaps
Best Execution and Execution factors	The relative importance of the execution factors is variable as market conditions never remain constant. That said, total consideration (price and cost), speed, size and certainty of execution are generally the most relevant factors when executing orders.
Execution Venues	GarantiBank NV acts as the counterparty to OTC currency derivatives. Those are restricted with the limits approved by GarantiBank N.V. internally. In nature those transactions are tailored to the needs of specific clients and are bespoke.
Information on close links, conflicts of interest and common ownership	There are no close links, conflicts of interests, and common ownership with respect to the brokers used to execute orders.
Specific arrangements with the venue regarding payments made or received, discounts, rebates or non-monetary benefits received	GarantiBank NV does not have any specific arrangements with any external execution venues or brokers used to execute client orders relating to payments made or received, discounts, rebates or non-monetary benefits received.
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Use of Consolidated Tape Providers	No information has been used from providers of consolidated tape.

GarantiBank International N.V. (L35YSDFOIH056VDJ2557)	
Class of Instruments	Exchange Traded Products
Best Execution and Execution factors	<p>For above indicated products, GarantiBank NV has routed client orders to J.P. Morgan Securities PLC, which provides us access to execute our clients' orders in financial markets, as we do not have direct access to these markets ourselves.</p> <p>Providing a good execution requires a careful consideration of weighing different execution factors like price, cost, likelihood of execution and settlement, size and nature of the order, speed of execution and execution venue. GarantiBank NV considers the price of the financial instrument as the most important above of all others.</p>

	J.P. Morgan Securities PLC was selected with its ability to provide high quality execution service to GarantiBank and complies with our best execution criteria in above-mentioned products, considering also our trading volume, we are satisfied with the service provided to the best interest of our clients.
Execution Venues	All trades are executed through J.P. Morgan Securities PLC. Due to Brexit the name of J.P. Morgan Securities PLC changed to J.P. Morgan AG (549300ZK53CNGEEI6A29) as of 1 st December 2020.
Information on close links, conflicts of interest and common ownership	There are no close links, conflicts of interests, and common ownership with respect to the brokers used to execute orders.
Specific arrangements with the venue regarding payments made or received, discounts, rebates or non-monetary benefits received	GarantiBank NV does not have any specific arrangements with any external execution venues or brokers used to execute client orders relating to payments made or received, discounts, rebates or non-monetary benefits received.
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