|  |  |
| --- | --- |
| Legal Entity | J.P. Morgan AG (549300ZK53CNGEEI6A29) |
| Class of Instrument | Futures and Options admitted to trading on a trading venue (Currency Derivatives and Equity Derivatives) |
| Summary of Analysis | |
| J.P. Morgan AG’s top five report includes information for:   * Currency Derivatives: Swaps, Forwards, And Other Currency Derivatives * Equity Derivatives: Swaps And Other Equity Derivatives.   These products relate to futures and options listed on venues outside the EEA. As such these have been listed separately on the top five report but are considered alongside the following in the below analysis   * Equity Derivatives: Options And Futures Admitted To Trading On A Trading Venue.   The majority of client business placed with other firms for execution, by J.P. Morgan AG, related to orders transmitted to other regional J.P. Morgan entities (affiliates) for the purposes of providing access to those markets. Note that we have classified this business as “directed” on the basis that clients placing business with J.P. Morgan AG have a reasonable expectation that it will be executed either directly by J.P. Morgan AG, or by an affiliate, where possible.  For certain client business J.P. Morgan AG uses a number of third party entities for order execution, such as carry brokers (for access to certain regulated markets), which allows J.P. Morgan to provide market access where it otherwise may not be able to execute or where it is believed this will achieve more favorable execution terms for the client. Where J.P. Morgan engages either an affiliate or a third party broker for order execution, J.P. Morgan will comply with it’s regulatory obligation with respect to that.  J.P. Morgan monitored Best Execution in Futures and Options admitted to a trading venue on a regular basis, through post-trade controls. The results of the monitoring were reviewed by J.P. Morgan management and control functions. J.P. Morgan regularly reviews the post trade controls to ensure that these continue to be relevant and where possible enhanced to ensure Best Obligations continue to be met. Best Execution monitoring results were inline with J.P. Morgan expectations. | |
| Relative importance given to execution factors & other considerations | The importance given in situations in which J.P. Morgan AG owes best execution is set out in Appendix 3 of to the [J.P. Morgan Execution Policy](https://www.jpmorgan.com/global/disclosures/mifidii). |
| Receiving firm close links / conflicts of interest / common ownerships | J.P. Morgan AG is a fully owned subsidiary of J.P. Morgan Chase & Co. JP Morgan will engage with global affiliates to manage order execution in local markets.  The affiliates used for the majority of cross-regional execution are all owned by J.P. Morgan holding companies and are expected to co-operate closely to meet the objectives of the firm and its clients.  Best Execution obligations continue to apply where J.P. Morgan engages either an affiliate or third party for execution. |
| Specific receiving firm arrangements | There were no such specific arrangements with the receiving firms. |
| Changes to receiving firms | In preparation for Brexit the following Affiliates were added:  J.P. Morgan Securities plc  J.P. Morgan Securities LLC |
| Client distinctions | J.P. Morgan AG does not differentiate between different classes of clients for the purposes of Best Execution. |
| Use of data/tools relating to the quality of execution | J.P. Morgan AG used internal data sources to assess Best Execution. |
| Use of consolidated tape provider output or other algorithms to assess execution performances | Not Applicable. |