

Firm: Farallon Capital Europe LLP (“**Firm**”)

Calendar Year Disclosure Period: 1 January 2017 to 31 December 2017

Date: 30 April 2018

Summary of classes of instruments included in this report, and class of instruments not included in this report (because the Firm has not executed client orders in that class of instruments during the relevant disclosure period):

Classes of instruments included in this report	Classes of instruments not included in this report
<ul style="list-style-type: none">• Equities – Shares & Depositary Receipts• Debt instruments - Bonds• Credit derivatives - Other credit derivatives• Equity Derivatives - Options and Futures admitted to trading on a trading venue• Equity Derivatives - Swaps and other equity derivatives	<ul style="list-style-type: none">• Debt instruments - Money markets instruments• Interest rates derivatives - Futures and options admitted to trading on a trading venue• Interest rates derivatives - Swaps, forwards, and other interest rates derivatives• Credit derivatives - Futures and options admitted to trading on a trading venue• Currency derivatives - Futures and options admitted to trading on a trading venue• Currency derivatives - Swaps, forwards, and other currency derivatives• Structured finance instruments• Securitized Derivatives - Warrants and Certificate Derivatives• Securitized Derivatives - Other securitized derivatives• Commodities derivatives and emission allowances Derivatives - Options and Futures admitted to trading on a trading venue• Commodities derivatives and emission allowances Derivatives - Other commodities derivatives and emission allowances

	<p>derivatives</p> <ul style="list-style-type: none"> • Contracts for difference • Exchange traded products (Exchange traded funds, exchange traded notes and exchange traded commodities) • Emission allowances • Other instruments
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1. Equities – Shares & Depositary Receipts

Top five entities (brokers)

Class of Instrument	Equities – Shares & Depositary Receipts				
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
Morgan Stanley & Co. International PLC (LEI: 4PQUHN3JPFQFNF3BB653)	14.4%	13.3%	N/A	N/A	0%
UBS Limited (LEI: REYPIEJN7XZHSUI0N355)	11.3%	13.1%	N/A	N/A	0%
Merrill Lynch International (LEI: GGDZP1UYGU9STUHRDP48)	9.2%	7.6%	N/A	N/A	0%
J.P. Morgan Securities PLC	8.8%	4.7%	N/A	N/A	0%

(LEI: K6Q0W1PS1L1O4IQL9C32)					
Goldman Sachs International (LEI: W22LROWP2IHZNBB6K528)	7.9%	7.4%	N/A	N/A	0%

General observations	The Firm was satisfied with the quality of execution obtained from each of the brokers listed above for trading in the 'Equities – Shares & Depository Receipts' asset class during the relevant period and the Firm's hierarchy of execution factors is described below	
	Summary of analysis	Conclusion
Execution factors	For trades in the 'Equities – Shares & Depository Receipts' asset class during the relevant period, the Firm generally placed the highest importance on the execution factors of price and transaction cost. For those equities with low liquidity, the Firm also considered the likelihood of execution, size and speed as primary considerations	The relative importance given to the execution factors was in line with the Firm's order execution policy
Close links, conflicts of interest and common ownership with respect to execution venues	Close links The Firm has no close links to report.	Close links N/A
	Conflicts of interest The Firm has no conflicts of interest to report.	Conflicts of interest N/A
	Common ownerships The Firm has no common ownership to report.	Common ownerships N/A
Specific arrangements with execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received	The Firm has no specific arrangements to report.	N/A
Factors leading to a change in the list of	There were no changes to the list of execution venues/brokers in the Firm's Order Execution Policy	N/A

execution venues listed in the Order Execution Policy		
Differentiation across client categories	N/A - all of the Firm's clients are professional clients	N/A
Use of data / tools relating to quality of execution	The Firm has not used data and/or tools relating to quality of execution in respect of 2017 trading. However, the Firm has onboarded Liquidmetrix and OTAS and will take into account data provided from these service providers in the Firm's next RTS 28 report in respect of 2018 trading in the 'Equities – Shares & Depository Receipts' asset class	N/A
Use of consolidated tape provider output	The Firm has not used output from consolidated tape providers as no such consolidated tape providers are available in respect of 2017 trading	N/A
Use of DEA	N/A	

2. Debt instruments - Bonds

Top 5 execution venues

Class of Instrument	Debt instruments - Bonds				
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
Barclays Bank PLC (LEI: G5GSEF7VJP5I7OUK5573)	22.0%	10.8%	N/A	N/A	0%
BNP Paribas (LEI: R0MUWSFPU8MPRO8K5P83)	21.0%	4.6%	N/A	N/A	0%

J.P. Morgan Securities PLC (LEI: K6Q0W1PS1L1O4IQL9C32)	8.8%	19.7%	N/A	N/A	0%
Deutsche Bank Aktiengesellschaft (LEI: 7LTFWZYICNSX8D621K86)	7.7%	2.4%	N/A	N/A	0%
Citigroup Global Markets Limited (LEI: XKZZ2JZF41MRHTR1V493)	7.4%	7.5%	N/A	N/A	0%

General observations	The Firm was satisfied with the quality of execution obtained from each of the venues listed above for trading in the ‘Debt instruments – Bonds’ asset class during the relevant period and the Firm’s hierarchy of execution factors is described below	
	Summary of analysis	Conclusion
Execution factors	For trades in the ‘Debt instruments – Bonds’ asset class during the relevant period, the Firm generally placed the highest importance on likelihood of execution as an execution factor, with price and minimisation of the potential market impact as secondary considerations	The relative importance given to the execution factors was in line with the Firm’s order execution policy
Close links, conflicts of interest and common ownership with respect to execution venues	Close links The Firm has no close links to report.	Close links N/A
	Conflicts of interest The Firm has no conflicts of interest to report.	Conflicts of interest N/A
	Common ownerships The Firm has no common ownership to report.	Common ownerships N/A
Specific arrangements with execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received	The Firm has no specific arrangements to report.	N/A

Factors leading to a change in the list of execution venues listed in the Order Execution Policy	There were no changes to the list of execution venues/brokers in the Firm's Order Execution Policy	N/A
Differentiation across client categories	N/A - all of the Firm's clients are professional clients	N/A
Use of data / tools relating to quality of execution	The Firm has not used data and/or tools relating to quality of execution in respect of 2017 trading. However, the Firm has onboarded Liquidmetrix and will take into account data it provides in the Firm's next RTS 28 report in respect of 2018 trading in the 'Debt instruments – Bonds' asset class	N/A
Use of consolidated tape provider output	The Firm has not used output from consolidated tape providers as no such consolidated tape providers are available in respect of 2017 trading	N/A
Use of DEA	N/A	

3. Credit derivatives - Other credit derivatives

Top 5 execution venues

Class of Instrument	Credit derivatives - Other credit 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 percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
TW SEF LLC (LEI: 5493003NKIZWOQGS5U67)	99.0%	82.6%	N/A	N/A	0%
J.P. Morgan Securities PLC	0.5%	8.7%	N/A	N/A	0%

(LEI: K6Q0W1PS1L1O4IQL9C32)					
Goldman Sachs International (LEI: W22LROWP2IHZNBB6K528)	0.5%	8.7%	N/A	N/A	0%
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A

General observations	The Firm was satisfied with the quality of execution obtained from each of the venues listed above for trading in the ‘Credit derivatives - Other credit derivatives’ asset class during the relevant period and the Firm’s hierarchy of execution factors is described below	
	Summary of analysis	Conclusion
Execution factors	For trades in the ‘Credit derivatives - Other credit derivatives’ asset class during the relevant period, the Firm primarily executed such trades over the Tradeweb SEF platform. For liquid contracts, the Firm generally placed the highest importance on price, followed by likelihood of execution and size. For illiquid contracts, likelihood of execution and size were generally the most important factors, followed by price and minimisation of the potential market impact	The relative importance given to the execution factors was in line with the Firm’s order execution policy
Close links, conflicts of interest and common ownership with respect to execution venues	Close links The Firm has no close links to report.	Close links N/A
	Conflicts of interest The Firm has no conflicts of interest to report.	Conflicts of interest N/A
	Common ownerships The Firm has no common ownership to report.	Common ownerships N/A
Specific arrangements with execution venues regarding payments made or received, discounts, rebates or	The Firm has no specific arrangements to report.	N/A

non-monetary benefits received		
Factors leading to a change in the list of execution venues listed in the Order Execution Policy	There were no changes to the list of execution venues/brokers in the Firm's Order Execution Policy	N/A
Differentiation across client categories	N/A - all of the Firm's clients are professional clients	N/A
Use of data / tools relating to quality of execution	The Firm has not used data and/or tools relating to quality of execution in respect of 2017 trading	N/A
Use of consolidated tape provider output	The Firm has not used output from consolidated tape providers as no such consolidated tape providers are available in respect of 2017 trading	N/A
Use of DEA	N/A	

4. Equity Derivatives - Options and Futures admitted to trading on a trading venue

Top five entities (brokers)

Class of Instrument	Equity Derivatives - Options and Futures admitted to trading on a trading venue				
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 percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Goldman Sachs International (LEI: W22LROWP2IHZNBB6K528)	97.3%	98.4%	N/A	N/A	0%
UBS Limited	2.7%	1.6%	N/A	N/A	0%

(LEI: REYPIEJN7XZHSUI0N355)					
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A

General observations	The Firm was satisfied with the quality of execution obtained from each of the brokers listed above for trading in the ‘Equity Derivatives - Options and Futures admitted to trading on a trading venue’ asset class during the relevant period and the Firm’s hierarchy of execution factors is described below	
	Summary of analysis	Conclusion
Execution factors	For trades in the ‘Equity Derivatives - Options and Futures admitted to trading on a trading venue’ asset class during the relevant period, the Firm generally placed the highest importance on price and speed for liquid contracts. For illiquid contracts, the Firm generally placed the highest importance on likelihood of execution and size, followed by price	The relative importance given to the execution factors was in line with the Firm’s order execution policy
Close links, conflicts of interest and common ownership with respect to execution venues	Close links The Firm has no close links to report.	Close links N/A
	Conflicts of interest The Firm has no conflicts of interest to report.	Conflicts of interest N/A
	Common ownerships The Firm has no common ownership to report.	Common ownerships N/A
Specific arrangements with execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received	The Firm has no specific arrangements to report.	N/A

Factors leading to a change in the list of execution venues listed in the Order Execution Policy	There were no changes to the list of execution venues/brokers in the Firm's Order Execution Policy	N/A
Differentiation across client categories	N/A - all of the Firm's clients are professional clients	N/A
Use of data / tools relating to quality of execution	The Firm has not used data and/or tools relating to quality of execution in respect of 2017 trading	N/A
Use of consolidated tape provider output	The Firm has not used output from consolidated tape providers as no such consolidated tape providers are available in respect of 2017 trading	N/A
Use of DEA	N/A	

5. Equity Derivatives - Swaps and other equity derivatives

Top 5 execution venues

Class of Instrument	Equity Derivatives - Swaps and other equity derivatives				
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
UBS AG (LEI: BFM8T61CT2L1QCEMIK50)	36.7%	30.0%	N/A	N/A	0%
Merrill Lynch International (LEI: GGDZP1UYGU9STUHRDP48)	32.5%	30.7%	N/A	N/A	0%
Credit Suisse Securities (Europe)	23.5%	23.7%	N/A	N/A	0%

Limited (LEI: DL6FFRRLF74S01HE2M14)					
Goldman Sachs International (LEI: W22LROWP2IHZNBB6K528)	4.6%	11.8%	N/A	N/A	0%
JPMorgan Chase Bank, National Association (LEI: 7H6GLXDRUGQFU57RNE97)	2.6%	3.8%	N/A	N/A	0%

General observations	<p>The Firm was satisfied with the quality of execution obtained from each of the venues listed above for trading in the ‘Equity Derivatives - Swaps and other equity derivatives’ asset class during the relevant period and the Firm’s hierarchy of execution factors is described below.</p> <p>Transactions that are included within the ‘Equity Derivatives - Swaps and other equity derivatives’ instrument class are often effected by the Firm seeking “indicative pricing” from an executing broker. If the indicative pricing is acceptable to the Firm, the executing broker then enters into a cash equity transaction with the relevant swap counterparty and a corresponding swap arises between the swap counterparty and the fund or funds on whose behalf of which the Firm is acting. Although the pricing of the cash equities transaction influences the pricing of the related swap, the Firm has not included the indicative pricing activity conducted with executing brokers in the analysis of its top 5 execution venues above (or in the ‘Equities – Shares & Depositary Receipts’ instrument class) because the Firm does not execute (or transmit or place orders that give rise to) such transactions. Instead, the Firm has, for the purposes of the ‘Equity Derivatives - Swaps and other equity derivatives’ instrument class, counted only the swap transactions to which the relevant funds are party (and has treated the Firm’s involvement in effecting those transactions as a form of “direct” execution, with the consequence that the Firm has categorised the relevant swap counterparties as execution venues rather than brokers).</p>	
	Summary of analysis	Conclusion
Execution factors	For trades in the ‘Equity Derivatives - Swaps and other equity derivatives’ asset class during the relevant period, the Firm generally placed the highest importance on the execution factors of price and transaction costs and, in the case of short exposures, borrower availability (size) and, in the case of long exposures, counterparty exposure capacity (size)	The relative importance given to the execution factors was in line with the Firm’s order execution policy
Close links, conflicts of interest and	Close links The Firm has no close links to report.	Close links N/A

common ownership with respect to execution venues	Conflicts of interest The Firm has no conflicts of interest to report.	Conflicts of interest N/A
	Common ownerships The Firm has no common ownership to report.	Common ownerships N/A
Specific arrangements with execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received	The Firm has no specific arrangements to report.	N/A
Factors leading to a change in the list of execution venues listed in the Order Execution Policy	There were no changes to the list of execution venues/brokers in the Firm's Order Execution Policy	N/A
Differentiation across client categories	N/A - all of the Firm's clients are professional clients	N/A
Use of data / tools relating to quality of execution	The Firm has not used data and/or tools relating to quality of execution in respect of 2017 trading	N/A
Use of consolidated tape provider output	The Firm has not used output from consolidated tape providers as no such consolidated tape providers are available in respect of 2017 trading	N/A
Use of DEA	N/A	

6. Securities Financing Transactions (Equities – Shares & Depository Receipts)

Top five execution venues

Class of Instrument	Securities Financing Transactions (Equities – Shares & Depository Receipts)	
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 executed as a percentage of total in that class	Proportion of orders executed as percentage of total in that class
Goldman Sachs & Co. LLC (LEI: FOR8UP27PHTHYVLBNG30)	100%	100%
N/A	N/A	N/A
N/A	N/A	N/A
N/A	N/A	N/A
N/A	N/A	N/A

General observations	The Firm was satisfied with the quality of execution obtained from each of the brokers listed above for trading in the ‘Securities Financing Transactions (Equities – Shares & Depository Receipts)’ asset class during the relevant period and the Firm’s hierarchy of execution factors is described below	
	Summary of analysis	Conclusion
Execution factors	For trades in the ‘Securities Financing Transactions (Equities – Shares & Depository Receipts)’ asset class during the relevant period, the Firm generally placed the highest importance on the execution factors of likelihood of execution and likelihood of recall, with price, transaction cost and likelihood of settlement being important secondary considerations	The relative importance given to the execution factors was in line with the Firm’s order execution policy
Close links, conflicts of interest and common ownership with respect to execution venues	Close links The Firm has no close links to report.	Close links N/A
	Conflicts of interest The Firm has no conflicts of interest to report.	Conflicts of interest N/A

	Common ownerships The Firm has no common ownership to report.	Common ownerships N/A
Specific arrangements with execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received	The Firm has no specific arrangements to report.	N/A
Factors leading to a change in the list of execution venues listed in the Order Execution Policy	There were no changes to the list of execution venues/brokers in the Firm's Order Execution Policy	N/A
Differentiation across client categories	N/A - all of the Firm's clients are professional clients	N/A
Use of data / tools relating to quality of execution	The Firm has not used data and/or tools relating to quality of execution in respect of 2017 trading	N/A
Use of consolidated tape provider output	The Firm has not used output from consolidated tape providers as no such consolidated tape providers are available in respect of 2017 trading	N/A
Use of DEA	N/A	

7. Securities Financing Transactions (Debt instruments – Bonds)

Top execution venues

Class of Instrument	Securities Financing Transactions (Debt instruments – Bonds)	
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 executed as a percentage of total in that class	Proportion of orders executed as percentage of total in that class
Goldman Sachs & Co. LLC (LEI: FOR8UP27PHTHYVLBNG30)	100%	100%
N/A	N/A	N/A
N/A	N/A	N/A
N/A	N/A	N/A
N/A	N/A	N/A

General observations	The Firm was satisfied with the quality of execution obtained from each of the brokers listed above for trading in the ‘Securities Financing Transactions (Debt instruments – Bonds)’ asset class during the relevant period and the Firm’s hierarchy of execution factors is described below	
	Summary of analysis	Conclusion
Execution factors	For trades in the ‘Securities Financing Transactions (Debt instruments – Bonds)’ asset class during the relevant period, the Firm generally placed the highest importance on the execution factors of likelihood of execution and likelihood of recall, with price, transaction cost and likelihood of settlement being important secondary considerations	The relative importance given to the execution factors was in line with the Firm’s order execution policy
Close links, conflicts of interest and common ownership with respect to execution venues	Close links The Firm has no close links to report.	Close links N/A
	Conflicts of interest The Firm has no conflicts of interest to report.	Conflicts of interest N/A

	Common ownerships The Firm has no common ownership to report.	Common ownerships N/A
Specific arrangements with execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received	The Firm has no specific arrangements to report.	N/A
Factors leading to a change in the list of execution venues listed in the Order Execution Policy	There were no changes to the list of execution venues/brokers in the Firm's Order Execution Policy	N/A
Differentiation across client categories	N/A - all of the Firm's clients are professional clients	N/A
Use of data / tools relating to quality of execution	The Firm has not used data and/or tools relating to quality of execution in respect of 2017 trading	N/A
Use of consolidated tape provider output	The Firm has not used output from consolidated tape providers as no such consolidated tape providers are available in respect of 2017 trading	N/A
Use of DEA	N/A	