

MarketAxess Announces Record Total Credit ADV for February 2023

NEW YORK | March 3, 2023 - MarketAxess Holdings Inc. (Nasdaq: MKTX), the operator of a leading electronic trading platform for fixed-income securities, and the provider of market data and post-trade services for the global fixed-income markets, today announced monthly trading volume and preliminary variable transaction fees per million (“FPM”) for the month of February 2023.¹

Select February 2023 highlights*

- **Record \$14.4 billion** in total credit average daily volume (“ADV”), up **25%** from **\$11.6 billion** in the prior year.
- **30%** increase in U.S. high-grade ADV to a **record \$6.7 billion** with estimated market share of **20.1%**.² Estimated U.S. high-grade TRACE market ADV increased **28%** due to an increase in trading velocity. The February new issue calendar was robust with high-grade new issuance up approximately **78%** year-over-year and up approximately **5%** from January 2023 levels.
- **43%** increase in U.S. high-yield ADV to a **record \$2.3 billion** with estimated market share of **19.2% (+400 bps)**, up from **15.2%**.
- **11%** increase in emerging markets ADV to **\$3.2 billion**; FINRA TRACE-reportable emerging markets ADV was flat year-over-year.
- **14%** increase in Eurobonds ADV to **\$1.8 billion** with **15.1% (+260 bps)** estimated market share, up from **12.5%**.
- **43%** increase in municipal bond ADV to **\$402 million**, with estimated market share of **5.7% (+150 bps)**.
- **90%** of credit volume on the platform was executed by institutional clients.
- **36%** of total eligible credit trading volume was executed via **Open Trading®**. Estimated **price improvement**³ via Open Trading was approximately **\$81 million**, and average estimated **price improvement per million** was **\$908**.
- The preliminary FPM¹ for total credit for February 2023 was approximately **\$167**, compared to **\$160** in January 2023. **The increase in the preliminary total credit FPM in February 2023 compared to January 2023 was driven principally by favorable mix across credit products, with a slight improvement in the duration of U.S. high-grade bonds traded on our platform.** The preliminary FPM for total rates was **\$3.96**, compared to **\$3.79** in February 2022.

Chris Concannon, President and COO of MarketAxess commented:

“In February we delivered 25% growth in total credit average daily volume to a record \$14.4 billion, driven by 30% growth in high-grade to a record \$6.7 billion, and 43% growth in high-yield to a record \$2.3 billion. These results were generated in part by strong estimated market share gains in high-yield, Eurobonds and municipals, with record Open Trading average daily trading volume of \$4.7 billion.

Open Trading estimated price improvement³ was approximately \$81 million in February and average estimated price improvement per million was approximately \$908. Year-to-date, price improvement is running 27% above prior year levels.

We believe that stronger industry volumes, estimated market share gains and a favorable macro backdrop, combined with stable average fees per million for total credit, are setting the stage for a strong 2023.”

*All comparisons versus February 2022 unless otherwise noted.

Table 1: February 2023 trading ADV

\$ in millions (unaudited)	US/UK Trading Days ⁴	Total ADV	Total Credit	CREDIT					RATES		
				High-Grade	High-Yield	Emerging Markets	Eurobonds	Municipal Bonds	Total Rates	US Govt. Bonds	Agcy./Other Govt. Bonds
Feb-23	19/20	\$37,896	\$14,446	\$6,729	\$2,290	\$3,222	\$1,790	\$402	\$23,450	\$23,019	\$431
Feb-22	19/20	\$37,629	\$11,570	\$5,196	\$1,598	\$2,901	\$1,572	\$282	\$26,059	\$25,678	\$381
% Change		1%	25%	30%	43%	11%	14%	43%	(10%)	(10%)	13%

Table 1A: February 2023 estimated market share

(unaudited)	CREDIT						RATES
	High-Grade	High-Yield	High-Grade/High-Yield Combined	Eurobonds	Composite Corporate Bond ⁵	Municipals	US Govt. Bonds
Feb-23	20.1%	19.2%	19.9%	15.1%	19.3%	5.7%	3.3%
Feb-22	19.9%	15.2%	18.6%	12.5%	17.6%	4.2%	3.6%
Bps Change	+20 bps	+400 bps	+130 bps	+260 bps	+170 bps	+150 bps	(30) bps

Table 1B: Rolling 6-month trading ADV (period ending Feb. 2023 and Feb. 2022)

\$ in millions (unaudited)	US/UK Trading Days ⁴	Total ADV	Total Credit	CREDIT					RATES		
				High-Grade	High-Yield	Emerging Markets	Eurobonds	Municipal Bonds	Total Rates	US Govt. Bonds	Agcy./Other Govt. Bonds
Feb-23	121/125	\$32,995	\$12,781	\$5,845	\$1,896	\$2,907	\$1,656	\$463	\$20,214	\$19,818	\$396
Feb-22	122/126	\$31,116	\$10,449	\$4,775	\$1,440	\$2,729	\$1,332	\$163	\$20,667	\$20,286	\$381
% Change		6%	22%	22%	32%	7%	24%	184%	(2%)	(2%)	4%

Table 1C: Rolling 6-month estimated market share (period ending Feb. 2023 and Feb. 2022)

(unaudited)	CREDIT						RATES
	High-Grade	High-Yield	High-Grade/High-Yield Combined	Eurobonds	Composite Corporate Bond ⁵	Municipals	US Govt. Bonds
Feb-23	20.7%	19.7%	20.4%	17.3%	20.3%	5.2%	3.3%
Feb-22	20.9%	15.2%	19.2%	12.7%	18.3%	3.3%	3.1%
Bps Change	(20) bps	+450 bps	+120 bps	+460 bps	+200 bps	+190 bps	+20 bps

¹ The FPM for total credit and total rates for the month of February 2023 are preliminary and may be revised in subsequent updates and public filings. The Company undertakes no obligation to update any fee information in future press releases.

² Estimated market share for U.S. high-grade for February 2023 is calculated using FINRA's January 2023 capped trade volume due to an error in FINRA's currently reported February 2023 data.

³ Estimated price improvement consists of estimated liquidity taker price improvement (defined as the difference between the winning price and the best disclosed dealer cover price) and estimated liquidity provider price improvement (defined as the difference between the winning price and then current Composite+ bid or offer level, offer if the provider is buying, bid if provider is selling) at the time of the inquiry.

⁴ The number of U.S. trading days is based on the SIFMA holiday recommendation calendar and the number of U.K. trading days is based primarily on the U.K. Bank holiday schedule.

⁵ Composite corporate bond estimated market share is defined as combined estimated market share across U.S. high-grade (derived from FINRA TRACE reported data), U.S. high-yield (derived from FINRA TRACE reported data), emerging markets (derived from FINRA TRACE-reportable emerging markets volume, principally U.S. dollar denominated corporates) and Eurobonds (derived from MarketAxess TRAX data which is currently estimated to represent approximately 70% of the total European market) product areas.

Reported MarketAxess volume in all product categories includes only fully electronic trading volume. MarketAxess trading volumes, TRACE reported volumes and MarketAxess Post-Trade processed volumes are available on the Company's website at investor.marketaxess.com/volume.

Cautionary Note Regarding Forward-Looking Statements

This press release may contain forward-looking statements, including statements about the outlook and prospects for Company and industry growth, as well as statements about the Company's future financial and operating performance. These and other statements that relate to future results and events are based on MarketAxess' current expectations. The Company's actual results in future periods may differ materially from those currently expected or desired because of a number of risks and

uncertainties, including: global economic, political and market factors; risks relating to the COVID-19 pandemic, including the possible effects of the economic conditions worldwide resulting from the COVID-19 pandemic; adverse effects as a result of climate change or other ESG risks that could affect our reputation; the level of trading volume transacted on the MarketAxess platform; the rapidly evolving nature of the electronic financial services industry; the level and intensity of competition in the fixed-income electronic trading industry and the pricing pressures that may result; reputational or credibility risks related to our data products and index business; the variability of our growth rate; our ability to introduce new fee plans and our clients' response; our ability to attract clients or adapt our technology and marketing strategy to new markets; risks related to our growing international operations; our dependence on our broker-dealer clients; the loss of any of our significant institutional investor clients; our exposure to risks resulting from non-performance by counterparties to transactions executed between our clients in which we act as an intermediary in matched principal trades; risks related to self-clearing; risks related to sanctions levied against states or individuals that could expose us to operational or regulatory risks; the effect of rapid market or technological changes on us and the users of our technology; our dependence on third-party suppliers for key products and services; our ability to successfully maintain the integrity of our trading platform and our response to system failures, capacity constraints and business interruptions; the occurrence of design defects, errors, failures or delays with our platforms; our vulnerability to malicious cyber-attacks and attempted data security breaches; our actual or perceived failure to comply with privacy and data protection laws; our ability to protect our intellectual property rights or technology and defend against intellectual property infringement or other claims; our ability to enter into strategic alliances and to acquire other businesses and successfully integrate them with our business; our dependence on our management team and our ability to attract and retain talent; limitations on our flexibility because we operate in a highly regulated industry; the increasing government regulation of us and our clients; risks related to the divergence of U.K. and European Union legal and regulatory requirements following the U.K.'s exit from the European Union; our exposure to costs and penalties related to our extensive regulation; our risks of litigation and securities laws liability; our future capital needs and our ability to obtain capital when needed; limitations on our operating flexibility contained in our credit agreement; and other factors. The Company undertakes no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise. More information about these and other factors affecting MarketAxess' business and prospects is contained in MarketAxess' periodic filings with the Securities and Exchange Commission and can be accessed at www.marketaxess.com.

About MarketAxess

MarketAxess (Nasdaq: MKTX) operates a leading electronic trading platform that delivers greater trading efficiency, a diversified pool of liquidity and significant cost savings to institutional investors and broker-dealers across the global fixed-income markets. Over 2,000 firms leverage MarketAxess' patented technology to efficiently trade fixed-income securities. MarketAxess' award-winning Open Trading® marketplace is widely regarded as the preferred all-to-all trading solution in the global credit markets. Founded in 2000, MarketAxess connects a robust network of market participants through an advanced full trading lifecycle solution that includes automated trading solutions, intelligent data and index products and a range of post-trade services. Learn more at www.marketaxess.com and on Twitter [@MarketAxess](https://twitter.com/MarketAxess).

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Table 2: Trading Volume Detail

In millions (unaudited)	Month Ended February 28,					
	2023		2022		% Change	
	Volume	ADV	Volume	ADV	Volume	ADV
Credit						
High-grade	\$ 127,843	\$ 6,729	\$ 98,726	\$ 5,196	29.5 %	29.5 %
High-yield	43,502	2,290	30,355	1,598	43.3	43.3
Emerging markets	61,217	3,222	55,111	2,901	11.1	11.1
Eurobonds	35,808	1,790	31,440	1,572	13.9	13.9
Other credit	7,881	415	5,749	303	37.1	37.0
Total credit trading¹	276,251	14,446	221,381	11,570	24.8	24.9
Rates						
U.S. Government Bonds ²	437,356	23,019	487,887	25,678	(10.4)	(10.4)
Agency and other government bonds ¹	8,467	431	7,504	381	12.8	13.1
Total rates trading	445,823	23,450	495,391	26,059	(10.0)	(10.0)
Total trading	\$ 722,074	\$ 37,896	\$ 716,772	\$ 37,629	0.7	0.7
Number of U.S. Trading Days³		19		19		
Number of U.K. Trading Days⁴		20		20		

In millions (unaudited)	Year-to-Date Ended February 28,					
	2023		2022		% Change	
	Volume	ADV	Volume	ADV	Volume	ADV
Credit						
High-grade	\$ 252,301	\$ 6,469	\$ 207,967	\$ 5,332	21.3 %	21.3 %
High-yield	80,962	2,076	63,950	1,640	26.6	26.6
Emerging markets	130,095	3,336	116,642	2,991	11.5	11.5
Eurobonds	76,406	1,864	60,420	1,511	26.5	23.4
Other credit	18,417	472	11,750	301	56.7	56.8
Total credit trading¹	558,181	14,217	460,729	11,775	21.2	20.7
Rates						
U.S. Government Bonds ²	879,442	22,550	\$ 954,936	24,486	(7.9)	(7.9)
Agency and other government bonds ¹	17,914	445	16,758	423	6.9	5.2
Total rates trading	897,356	22,995	971,694	24,909	(7.7)	(7.7)
Total trading	\$ 1,455,537	\$ 37,212	\$ 1,432,423	\$ 36,684	1.6	1.4
Number of U.S. Trading Days³		39		39		
Number of U.K. Trading Days⁴		41		40		

¹ Consistent with FINRA TRACE reporting standards, both sides of trades are included in the Company's reported volumes when the Company executes trades on a matched principal basis between two counterparties.

² Consistent with industry standards, U.S. Government Bond trades are single-counted.

³ The number of U.S. trading days is based on the SIFMA holiday recommendation calendar.

⁴ The number of U.K. trading days is based primarily on the U.K. Bank holiday schedule.