

MarketAxess Announces Monthly Volume Statistics for January 2023

NEW YORK | February 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 January 2023.¹

Select January 2023 highlights*

- **Record \$14.0 billion** in total credit average daily volume (“ADV”), up **17%** from **\$12.0 billion** in the prior year.
- **14%** increase in U.S. high-grade ADV to **\$6.2 billion** with estimated market share of **19.5%**. The January new issue calendar was robust and credit market volatility declined.
- **11%** increase in U.S. high-yield ADV to **\$1.9 billion** with estimated market share of **16.8%**, up from **15.3%**.
- **Record** emerging markets ADV of **\$3.4 billion**, up **12%**. Emerging markets local markets volume up **26%** from January 2022 levels.
- **33%** increase in Eurobonds ADV to a **record \$1.9 billion** with **16.8% (+580 bps)** estimated Eurobonds market share, up from **11.0%**.
- **\$516 million** in municipal bond ADV, up **81%**, with **record** estimated market share of **6.6% (+150 bps)**.
- **90%** of credit volume on the platform was executed by institutional clients.
- **35%** of total credit trading volume was executed via **Open Trading®**. Estimated **price improvement²** via Open Trading was approximately **\$71 million**, and average estimated **price improvement per million** was **\$809**.
- **\$9.7 billion** in Portfolio Trading volume, up **80%** from **\$5.4 billion** in the prior year.
- The preliminary FPM¹ for total credit for January 2023 was approximately **\$160**, compared to **\$165** in December 2022. The decrease in the preliminary FPM in January 2023 compared to December 2022 was driven principally by mix across credit products. The preliminary FPM¹ for total rates was **\$4.10**, in line with December 2022 levels

*All comparisons versus January 2022 unless otherwise noted.

Chris Concannon, President and COO of MarketAxess commented:

“In January, we generated record credit average daily volume of \$14 billion, driven by strong double-digit growth across all credit product areas, including record emerging markets and Eurobonds average daily volume and record estimated market share in municipal bonds. We delivered these strong results against a backdrop of increasing estimated market volumes, with U.S. high-grade increasing 27% year-over-year, driven in part by a strong new issue calendar.

Open Trading estimated price improvement² was approximately \$71 million in January and average estimated price improvement per million was approximately \$809.

We believe that the current operating environment, characterized by increasing asset inflows and higher industry volumes, reflects market participants’ increasing comfort with operating in a higher interest rate environment. We believe that this continued normalization of market conditions creates a favorable macro-backdrop for our model and that our enhanced product and geographic footprint, higher levels of estimated market share, and increasing U.S. credit market volumes provide us with multiple levers to drive growth in 2023.”

Table 1: January 2023 trading ADV

\$ in millions (unaudited)	US/UK Trading Days ³	Total ADV	CREDIT						RATES		
			Total Credit	High-Grade	High-Yield	Emerging Markets	Eurobonds	Municipal Bonds	Total Rates	US Govt. Bonds	Agcy./Other Govt. Bonds
Jan-23	20/21	\$36,561	\$14,000	\$6,223	\$1,873	\$3,444	\$1,933	\$516	\$22,561	\$22,104	\$457
Jan-22	20/20	\$35,769	\$11,968	\$5,462	\$1,680	\$3,077	\$1,449	\$285	\$23,801	\$23,352	\$449
% Change		2%	17%	14%	11%	12%	33%	81%	(5%)	(5%)	2%

Table 1A: January 2023 estimated market share

(unaudited)	CREDIT						RATES
	High-Grade	High-Yield	High-Grade/High-Yield Combined	Eurobonds	Composite Corporate Bond ⁴	Municipals	US Govt. Bonds
Jan-23	19.5%	16.8%	18.8%	16.8%	18.8%	6.6%	3.7%
Jan-22	21.8%	15.3%	19.8%	11.0%	18.2%	5.1%	3.5%
Bps Change	(230) bps	+150 bps	(100) bps	+580 bps	+60 bps	+150 bps	+20 bps

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

\$ in millions (unaudited)	US/UK Trading Days ³	Total ADV	CREDIT						RATES		
			Total Credit	High-Grade	High-Yield	Emerging Markets	Eurobonds	Municipal Bonds	Total Rates	US Govt. Bonds	Agcy./Other Govt. Bonds
Jan-23	125/127	\$31,816	\$12,050	\$5,538	\$1,759	\$2,765	\$1,529	\$447	\$19,766	\$19,395	\$371
Jan-22	125/127	\$28,403	\$9,858	\$4,535	\$1,381	\$2,592	\$1,212	\$129	\$18,545	\$18,192	\$353
% Change		12%	22%	22%	27%	7%	26%	247%	7%	7%	5%

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

(unaudited)	CREDIT						RATES
	High-Grade	High-Yield	High-Grade/High-Yield Combined	Eurobonds	Composite Corporate Bond ⁴	Municipals	US Govt. Bonds
Jan-23	20.8%	19.5%	20.5%	17.8%	20.5%	5.1%	3.3%
Jan-22	21.1%	15.3%	19.4%	12.8%	18.6%	2.9%	2.9%
Bps Change	(30) bps	+420 bps	+110 bps	+500 bps	+190 bps	+220 bps	+40 bps

¹ The FPM for total credit and total rates for the month of January 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 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.

³ 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.

⁴ 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; 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 cyber security risks; 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 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 1,900 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 the full trading lifecycle, including automated trading solutions, intelligent data 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 January 31,					
	2023		2022		% Change	
	Volume	ADV	Volume	ADV	Volume	ADV
Credit						
High-grade	\$ 124,458	\$ 6,223	\$ 109,241	\$ 5,462	13.9 %	13.9 %
High-yield	37,460	1,873	33,595	1,680	11.5	11.5
Emerging markets	68,878	3,444	61,531	3,077	11.9	11.9
Eurobonds	40,598	1,933	28,980	1,449	40.1	33.4
Other credit	10,536	527	6,001	300	75.6	75.7
Total credit trading¹	281,930	14,000	239,348	11,968	17.8	17.0
Rates						
U.S. Government Bonds ²	442,086	22,104	467,049	23,352	(5.3)	(5.3)
Agency and other government bonds ¹	9,447	457	9,254	449	2.1	1.8
Total rates trading	451,533	22,561	476,303	23,801	(5.2)	(5.2)
Total trading	\$ 733,463	\$ 36,561	\$ 715,651	\$ 35,769	2.5	2.2
Number of U.S. Trading Days³		20		20		
Number of U.K. Trading Days⁴		21		20		

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.