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## **Market Participants Voice Growing Support for Greater Transparency in European Fixed Income**

LONDON, July 8, 2015 (GLOBE NEWSWIRE) -- 72% of European capital market participants believe that there is not sufficient transparency in the European fixed income markets today, according to a survey of approximately 200 senior buy- and sell-side market participants conducted at the MarketAxess and Trax European Capital Markets Forum. Support for increased post-trade transparency is up sharply compared to last year's forum, where just over half believed further transparency was needed.

While 56% of respondents at the forum believe pre-trade transparency under MiFID II will harm European fixed income markets, 55% saw the post-trade transparency requirements envisaged under the regulation as beneficial.

### **MiFID II delay continues to affect market preparation**

Nearly three quarters (73%) of participants are currently putting their preparations for MiFID II on hold while finalisation of the level-2 text remains pending. Half of participants also admitted that the delay to MiFID II has affected their preparations.

### **Importance of trading technology continues to grow**

The overwhelming majority (90%) of participants expect the number of counterparties they trade with electronically to increase over the coming 12 months. Furthermore, efficient trading technology is seen as the most important attribute in achieving best execution, with strong dealer relationships and robust market data following as top contributors to achieving best execution.

### **Capital Markets Union to play important role in stimulating Europe's corporate bond market**

65% of market participants believe that the proposed Capital Markets Union (CMU) will play an important role in growing and deepening Europe's corporate bond market. Only a small minority (8%) disagreed with the potential importance of the CMU initiative.

Commenting on the results, Scott Eaton, Chief Operating Officer, MarketAxess Europe and Trax, said: "The results of our annual European Capital Markets Forum survey show that there is still significant concern about the impact that pre-trade transparency proposals set out under MiFID II/MiFIR will have on fixed income market liquidity. However, it is clear that there is a growing consensus for further, well-calibrated fixed income post-trade transparency in Europe. We remain an active participant in dialogues with industry working groups and regulators to explore proposals which benefit the wider institutional market and ultimately end-investors."

### **Additional key findings include:**

- | 74% of respondents indicated that they currently do not have a Transaction Cost Analysis (TCA) tool but are planning on implementing a solution in the near future.
- | If a definitive instrument list is not made available by ESMA, a significant majority (77%) stated they would build-out or buy a reference data solution, in order to satisfy instrument eligibility for transaction reporting.
- | Participants were split on their confidence to meet the CSDR mandated settlement rate of 99.5%, with 56% either somewhat or very confident and 39% not confident at all.

### **About the European Capital Markets Forum**

The annual European Capital Markets Forum, jointly hosted by MarketAxess and Trax, took place at the Andaz Hotel, Liverpool Street, London on Thursday, 18 June 2015.

The keynote speech at the conference was given by The Rt Hon Mark Field MP, Cities of London and Westminster. Panel sessions addressed the most pressing challenges being faced by the European capital markets: regulation and changes to market structure; transparency and its effects on liquidity; implications of CSDR; trade reporting under MiFID II/MiFIR and the market impact of MiFID II/MiFIR on trade execution. The event concluded with an armchair discussion between Rick

McVey, Chairman and CEO of MarketAxess Holdings Inc., and James Davis, Partner in Corporate and Institutional Banking at Oliver Wyman.

For more information about the conference please visit [www.eucm-forum.com](http://www.eucm-forum.com).

### **About MarketAxess®**

MarketAxess operates a leading electronic trading platform that enables fixed-income market participants to efficiently trade corporate bonds and other types of fixed-income instruments using MarketAxess' patented trading technology. Over 1,000 institutional investor and broker-dealer firms are active users of the MarketAxess trading platform, accessing global liquidity in U.S. high-grade corporate bonds, emerging markets and high-yield bonds, European bonds, U.S. agency bonds, credit default swaps and other fixed-income securities. MarketAxess SEF Corporation has received temporary registration from the U.S. Commodity Futures Trading Commission to operate a swap execution facility. MarketAxess also offers a number of trading-related products and services, including: market data to assist clients with trading decisions; connectivity solutions that facilitate straight-through processing; technology services to optimize trading environments; and execution services for exchange-traded fund managers and other clients. Through its Trax® subsidiary, MarketAxess also offers a range of pre- and post-trade services, including trade matching, regulatory transaction reporting and market and reference data, across a range of fixed-income products.

MarketAxess maintains its headquarters in New York and has offices in London, Boston, Chicago, Los Angeles, Salt Lake City, São Paulo, Hong Kong and Singapore. For more information, please visit [www.marketaxess.com](http://www.marketaxess.com).

### **About Trax®**

Trax is a leading provider of capital market data, trade matching and regulatory reporting services to the global securities market. In 2014 Trax processed 1.1 billion of transactions on behalf of its user community. Trax provides capital market firms with information to assist them in conducting net asset valuations, mark-to-market calculations, fixed-income portfolio mapping, liquidity and volume modelling, as well as reference data population updates. It also provides a wide range of pricing data for approximately 74,000 unique bonds, volume data on over 53,000 individual bonds as well as securities reference data for over 310,000 government bonds, corporate bonds, medium-term notes and private derivative issues.

Trax is based in London and was originally established in 1985. Acquired by MarketAxess in 2013, Trax is a trading name of Xtrakter Ltd. and is a wholly owned subsidiary of MarketAxess Holdings, Inc. For more information, please visit [www.traxmarkets.com](http://www.traxmarkets.com).

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