

New Trax 'APA Demonstrator' Enables Firms to Validate MiFID II Transparency Preparedness

Trax will register as an APA under MiFID II

London, 20 April 2016 - Trax, a leading provider of capital market data, trade matching and regulatory reporting services, has launched the Approved Publication Arrangement (APA) Demonstrator, a validation engine that allows institutional firms to test preparedness for their MiFID II transparency obligations.

The APA Demonstrator leverages Trax's sophisticated rules-based technology to provide an early opportunity for firms to view the effect of the MiFID II trade reporting (pre- and post-trade transparency) regime and test technical readiness ahead of the expected 3 January 2018 implementation date. The launch of the APA Demonstrator capitalises on Trax's extensive expertise in providing industry-leading transaction reporting capabilities as an Approved Reporting Mechanism (ARM) under MiFID I and follows the recent successful launch of the [MiFID II ARM rules engine](#), which provides a testing environment for MiFID II transaction reporting.

In addition to the APA Demonstrator, Trax has developed a range of solutions, available now, to help firms test and analyse the impact of the transparency rules ahead of MiFID II:

- ▮ **Systematic Internaliser (SI) determination**¹ to assess whether a firm would be an SI at instrument level and to what extent a firm would be subject to pre- and post-trade reporting as well as reference data reporting obligations
- ▮ **Liquid classification** to determine whether an instrument would be classified as liquid or illiquid based on a consolidated MiFID II eligible instrument list
- ▮ **Firm specific analysis** of trading activity to determine the impact of transparency requirements under the MiFID II regime

Built in close collaboration with the industry, a critical mass of leading investment firms have agreed to support the development of Trax's transparency tools.

Geoffroy Vander Linden, Head of Business Development, Regulatory Reporting and Post-Trade Services, added, "MiFID II pre- and post-trade reporting obligations will impact all areas of the trading lifecycle, encompassing sales, trading, research and operations and will have implications across the market including both investor and dealer firms. The pre-MiFID II transparency tools available today from Trax, including the APA Demonstrator, are helping firms engage with their regulatory obligations in a secure environment, ultimately supporting their firm-wide preparations."

Through industry consultation on its pre-MiFID II services, Trax will be extending its ARM transaction reporting capabilities and developing a complete pre- and post-trade reporting (transparency) solution, including an APA, to comply with MiFID II. The suite of MiFID II transaction reporting and transparency tools will be available through Trax Insight™, a fully customisable web-based system.

¹ according to the most recently published rules

About Trax®

Trax is a leading provider of capital market data, trade matching and regulatory reporting services to the global securities market. In 2015, Trax processed 1.1 billion transactions on behalf of its user community, including 13.3 million fixed income transactions. Trax estimates that it processes approximately 65% of all fixed income transactions in Europe as part of its post-trade service offering.

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.

For the latest information and analysis on regulation, please visit the Capital Markets Forum, www.capitalmarkets-forum.com.

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