

## MarketAxess Announces Monthly Volume Statistics for July 2023

NEW YORK | August 3, 2023 - MarketAxess Holdings Inc. (Nasdaq: MKTX), the operator of a leading electronic trading platform for fixed-income securities, today announced monthly trading volume and preliminary variable transaction fees per million (“FPM”) for July 2023.<sup>1</sup>

### Chris Concannon, CEO of MarketAxess, commented:

“Unusually low credit spread volatility persisted in July, temporarily reducing credit spread price dispersion and Open Trading price improvement. Lower U.S. high-yield volatility has reduced ETF market maker activity, but our leading market position remains strong. Estimated market share trends in our international product areas, emerging markets and Eurobonds, are encouraging and we are starting to see a rebound in emerging market volumes on strong local currency activity. Our new technology roll-out is gaining momentum, providing clients with new tools to access our unique liquidity pool and diverse set of trading protocols. We believe that our Open Trading liquidity pool, combined with our innovative technology solutions, will drive stronger growth in the coming quarters as markets normalize.”

### Select July 2023 highlights\*

- Total credit average daily volume (“ADV”) of **\$11.4 billion**, up **8.0%**.
- U.S. high-grade ADV of **\$5.2 billion**, up **8.9%** with estimated market share of **19.9%**. New issuance represented approximately **13%** of U.S. high-grade TRACE in the second half of July, compared to approximately **7%** in the first half of the month.
- U.S. high-yield ADV of **\$1.4 billion**, down **13.7%** with estimated market share of **17.1%**. ETF market maker activity decreased approximately **62%** in the second half of July, compared to the first half of the month.
- **13.8%** increase in emerging markets ADV to **\$2.9 billion** driven by a **26.7%** increase in local markets trading activity; **1.9%** increase in emerging markets estimated market ADV.<sup>2</sup>
- **27.8%** increase in Eurobonds ADV to **\$1.6 billion** with estimated market share of **16.5%**. Eurobonds estimated market ADV increased **29.2%**.<sup>3</sup>
- Municipal bond ADV of **\$348 million**, down **12.8%** with estimated market share of **5.7% (+20 bps)**. Municipal bond estimated market ADV decreased **16.0%**.
- **34%** Open Trading® share<sup>4</sup> of total credit trading volume, down from **36%** in the prior year on low volatility. Estimated **price improvement**<sup>5</sup> via Open Trading was approximately **\$44 million** and is **\$453 million** year-to-date through July 2023.
- The preliminary FPM<sup>1</sup> for total credit for July 2023 was approximately **\$160**, compared to **\$165** in the prior year. The decline in total credit FPM was principally due to the mix of credit products, specifically the decline in U.S. high-yield trading volume which is the highest FPM product. The preliminary FPM for total rates was **\$4.90**, compared to **\$4.39** in the prior year.

\*All comparisons versus July 2022 unless otherwise noted.

Table 1: July 2023 trading ADV

\$ in millions (unaudited)	US/UK Trading Days <sup>6</sup>	Total ADV	CREDIT						RATES		
			Total Credit	High-Grade	High-Yield	Emerging Markets	Eurobonds	Municipal Bonds	Total Rates	US Govt. Bonds	Agcy./Other Govt. Bonds
Jul-23	20/21	\$28,315	\$11,393	\$5,164	\$1,370	\$2,947	\$1,555	\$348	\$16,922	\$16,530	\$392
Jul-22	20/21	\$31,138	\$10,551	\$4,743	\$1,587	\$2,589	\$1,217	\$399	\$20,587	\$20,299	\$288
% Change		(9%)	8%	9%	(14%)	14%	28%	(13%)	(18%)	(19%)	36%

**Table 1A: July 2023 estimated market share**

(unaudited)	CREDIT						RATES
	High-Grade	High-Yield	High-Grade/High-Yield Combined	Eurobonds <sup>3</sup>	Composite Corporate Bond <sup>7</sup>	Municipals	US Govt. Bonds
<b>Jul-23</b>	19.9%	17.1%	19.2%	16.5%	19.0%	5.7%	2.7%
<b>Jul-22</b>	20.7%	18.6%	20.1%	16.7%	20.0%	5.5%	3.9%
<b>Bps Change</b>	<i>(80) bps</i>	<i>(150) bps</i>	<i>(90) bps</i>	<i>(20) bps</i>	<i>(100) bps</i>	<i>+20 bps</i>	<i>(120) bps</i>

**Table 1B: Rolling 6-month trading ADV (period ending July 31, 2023 compared to period ending July 31, 2022)**

\$ in millions (unaudited)	US/UK Trading Days <sup>6</sup>	Total ADV	Total Credit	CREDIT					RATES		
				High-Grade	High-Yield	Emerging Markets	Eurobonds	Municipal Bonds	Total Rates	US Govt. Bonds	Agcy./Other Govt. Bonds
<b>Jul-23</b>	124/124	\$31,680	\$12,549	\$5,847	\$1,647	\$2,824	\$1,830	\$389	\$19,131	\$18,709	\$422
<b>Jul-22</b>	124/124	\$35,694	\$11,917	\$5,544	\$1,684	\$2,865	\$1,453	\$348	\$23,777	\$23,374	\$403
<b>% Change</b>		(11%)	5%	5%	(2%)	(1%)	26%	12%	(20%)	(20%)	5%

**Table 1C: Rolling 6-month estimated market share (period ending July 31, 2023 compared to period ending July 31, 2022)**

(unaudited)	CREDIT						RATES
	High-Grade	High-Yield	High-Grade/High-Yield Combined	Eurobonds <sup>3</sup>	Composite Corporate Bond <sup>7</sup>	Municipals	US Govt. Bonds
<b>Jul-23</b>	20.3%	17.6%	19.5%	17.1%	19.5%	5.9%	2.9%
<b>Jul-22</b>	21.4%	16.7%	19.4%	14.4%	19.4%	4.2%	3.7%
<b>Bps Change</b>	<i>(110) bps</i>	<i>+90 bps</i>	<i>+10 bps</i>	<i>+270 bps</i>	<i>+10 bps</i>	<i>+170 bps</i>	<i>(80) bps</i>

<sup>1</sup> The FPM for total credit and total rates for July 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.

<sup>2</sup> Emerging markets estimated market ADV is derived by combining MarketAxess TrAX emerging markets trading volume (currently estimated to represent approximately 55% of the total emerging markets market) and FINRA TRACE-reportable emerging markets trading volume, principally U.S. dollar denominated corporates.

<sup>3</sup> Eurobonds estimated market ADV and estimated market share is derived from MarketAxess TrAX data for Eurobonds and covered bonds market trading volume, which is currently estimated to represent approximately 70% of the total European market.

<sup>4</sup> Total credit Open Trading share is derived by taking total Open Trading volume across all credit products where Open Trading is offered and dividing by total credit trading volume across all credit products where Open Trading is offered.

<sup>5</sup> 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.

<sup>6</sup> 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.

<sup>7</sup> 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](http://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, market conditions 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](http://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](http://www.marketaxess.com) and on Twitter [@MarketAxess](https://twitter.com/MarketAxess).

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## Contacts

### INVESTOR RELATIONS

**Stephen Davidson**

MarketAxess Holdings Inc.

+1 212 813 6313

[sdavidson2@marketaxess.com](mailto:sdavidson2@marketaxess.com)

### MEDIA RELATIONS

**Marisha Mistry**

MarketAxess Holdings Inc.

+1 917 267 1232

[mmistry@marketaxess.com](mailto:mmistry@marketaxess.com)

**William McBride**

RF | Binder

+1 917 239 6726

**Table 2: Trading Volume Detail**

In millions (unaudited)	Month Ended July 31,					
	2023		2022		% Change	
	Volume	ADV	Volume	ADV	Volume	ADV
<b>Credit</b>						
High-grade	\$ 103,276	\$ 5,164	\$ 94,875	\$ 4,743	8.9 %	8.9 %
High-yield	27,401	1,370	31,746	1,587	(13.7)	(13.7)
Emerging markets	58,932	2,947	51,779	2,589	13.8	13.8
Eurobonds	32,659	1,555	25,558	1,217	27.8	27.8
Other credit	7,143	357	8,296	415	(13.9)	(14.0)
<b>Total credit trading<sup>1</sup></b>	<b>229,411</b>	<b>11,393</b>	<b>212,254</b>	<b>10,551</b>	<b>8.1</b>	<b>8.0</b>
<b>Rates</b>						
U.S. government bonds <sup>2</sup>	330,607	16,530	405,990	20,299	(18.6)	(18.6)
Agency and other government bonds <sup>1</sup>	8,090	392	5,924	288	36.6	36.1
<b>Total rates trading</b>	<b>338,697</b>	<b>16,922</b>	<b>411,914</b>	<b>20,587</b>	<b>(17.8)</b>	<b>(17.8)</b>
<b>Total trading</b>	<b>\$ 568,108</b>	<b>\$ 28,315</b>	<b>\$ 624,168</b>	<b>\$ 31,138</b>	<b>(9.0)</b>	<b>(9.1)</b>
<b>Number of U.S. Trading Days<sup>3</sup></b>		20		20		
<b>Number of U.K. Trading Days<sup>4</sup></b>		21		21		

  

In millions (unaudited)	Year-to-Date Ended July 31,					
	2023		2022		% Change	
	Volume	ADV	Volume	ADV	Volume	ADV
<b>Credit</b>						
High-grade	\$ 849,230	\$ 5,897	\$ 796,754	\$ 5,533	6.6 %	6.6 %
High-yield	241,664	1,678	242,401	1,683	(0.3)	(0.3)
Emerging markets	419,030	2,910	416,832	2,895	0.5	0.5
Eurobonds	267,520	1,845	209,113	1,452	27.9	27.1
Other credit	60,555	420	51,957	361	16.5	16.3
<b>Total credit trading<sup>1</sup></b>	<b>1,837,999</b>	<b>12,750</b>	<b>1,717,057</b>	<b>11,924</b>	<b>7.0</b>	<b>6.9</b>
<b>Rates</b>						
U.S. government bonds <sup>2</sup>	2,762,026	19,181	3,365,458	23,371	(17.9)	(17.9)
Agency and other government bonds <sup>1</sup>	61,872	427	59,287	412	4.4	3.6
<b>Total rates trading</b>	<b>2,823,898</b>	<b>19,608</b>	<b>3,424,745</b>	<b>23,783</b>	<b>(17.5)</b>	<b>(17.6)</b>
<b>Total trading</b>	<b>\$ 4,661,897</b>	<b>\$ 32,358</b>	<b>\$ 5,141,802</b>	<b>\$ 35,707</b>	<b>(9.3)</b>	<b>(9.4)</b>
<b>Number of U.S. Trading Days<sup>3</sup></b>		144		144		
<b>Number of U.K. Trading Days<sup>4</sup></b>		145		144		

<sup>1</sup> 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.

<sup>2</sup> Consistent with industry standards, U.S. government bond trades are single-counted.

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

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