



TRADEWEB MARKETS MONTHLY ACTIVITY REPORT

JANUARY 2019

CONTACT US

 +1.646.430.6007

 communications@tradeweb.com

 tradeweb.com

TRADEWEB MARKETS – ACTIVITY RECAP

JANUARY 2019

TRADING ACTIVITY STARTS THE NEW YEAR STRONG

Trading activity set a new record in January 2019 following the previous high set in December 2018. Average daily volume (ADV) for Tradeweb Markets of \$624.5 billion (bn) across rates, credit, money markets and equities during the month was up 20.7 percent (%) year over year and average daily trades totaled 51,221.

At Tradeweb, Mortgage trading averaged over \$164 bn per day, up over 16% compared to January 2018; its best month in over five years. U.S. high-grade and high-yield credit set new platform records of \$2.7 bn and \$0.4 bn, respectively; U.S. high-grade exceed 11% of TRACE for the first time. Trading activity in repurchase agreement exceeded \$170 bn per day and set a new post-crisis record. European Government Bonds and ETF volume traded continued to rise, up 14.1% and 36.4% versus January 2018, respectively. Ahead of the Lunar New Year, trading in Chinese bonds averaged over \$0.9bn per day, an increase of over 56% compared to last January.

Among the markets in which Tradeweb operates:

- Average daily volume (ADV) in U.S. Government Bonds of \$82.3 billion (bn) decreased 0.6 percent (%) month over month (MoM) and rose 15.2% year over year (YoY).
- ADV in European Government Bonds of \$21.9 bn increased 31.2% MoM and 14.1% YoY.
- ADV in Mortgages of \$164.4 bn increased 25.1% MoM and 16.3% YoY.
- ADV in Rates Swaps/Swaptions of \$140.8 bn declined 21.0% MoM and rose 35.7% YoY.
- In U.S. Credit, ADV in High-Grade of \$2.7 bn increased 59.7% MoM and 59.9% YoY while ADV in High-Yield of \$0.4 bn rose 86.7% MoM and 44.6% YoY.
- ADV in European Credit of \$1.3 bn increased 49.7% MoM and fell 21.4% YoY.
- ADV in U.S. ETFs of \$3.4 bn decreased 21.6% MoM and 3.8% YoY.
- ADV in European ETFs of \$1.5 bn increased 6.9% MoM and 36.4% YoY.
- ADV in Chinese Bonds of \$0.9 bn increased 70.9% MoM and 56.1% YoY.

TRADEWEB MARKETS – SINGLE COUNT

JANUARY 2019

Asset Class	Product	January 2019		December 2018		January 2018		MoM	YoY
		ADV (USD mm)	Volume (USD mm)	ADV (USD mm)	Volume (USD mm)	ADV (USD mm)	Volume (USD mm)	ADV	ADV
Rates	Cash	271,247	5,716,816	232,578	4,436,410	233,958	4,931,986	16.63%	15.94%
	U.S. Government Bonds	82,289	1,728,075	82,755	1,572,341	71,407	1,499,547	-0.56%	15.24%
	European Government Bonds	21,934	482,549	16,719	334,382	19,221	422,852	31.19%	14.12%
	Mortgages	164,445	3,453,352	131,431	2,497,195	141,344	2,968,223	25.12%	16.34%
	Other Government Bonds	2,578	52,839	1,672	32,492	1,987	41,365	54.17%	29.79%
	Derivatives	141,423	3,026,694	178,560	3,465,659	104,398	2,224,442	-20.80%	35.47%
	Swaps / Swaptions	140,782	3,013,216	178,124	3,457,369	103,771	2,211,286	-20.96%	35.67%
	Futures	642	13,478	436	8,290	627	13,157	47.08%	2.40%
Total		412,670	8,743,510	411,138	7,902,069	338,356	7,156,428	0.37%	21.96%
Credit	Cash	5,611	120,026	3,616	70,093	4,558	97,958	55.17%	23.11%
	U.S. High-Grade	2,722	57,167	1,705	32,393	1,702	35,743	59.67%	59.94%
	U.S. High-Yield	390	8,191	209	3,971	270	5,664	86.65%	44.60%
	European Credit	1,278	28,126	854	17,085	1,627	35,804	49.66%	-21.44%
	Municipal Bonds	275	5,780	292	5,548	290	6,082	-5.73%	-4.96%
	Chinese Bonds	885	19,481	518	10,361	567	12,483	70.93%	56.06%
	Other Credit Bonds	60	1,280	38	735	102	2,183	57.59%	-41.27%
	Derivatives	7,186	153,994	5,907	114,541	5,324	114,030	21.65%	34.98%
	Swaps	7,186	153,994	5,907	114,541	5,324	114,030	21.65%	34.98%
	Total	12,797	274,019	9,523	184,634	9,882	211,988	34.38%	29.51%
Money Markets	Cash	190,995	4,062,806	187,209	3,596,196	160,956	3,394,926	2.02%	18.66%
	Repurchase Agreements (Repo)	171,423	3,650,533	167,162	3,214,530	138,685	2,925,489	2.55%	23.61%
	Other Money Markets	19,572	412,273	20,047	381,666	22,271	469,437	-2.37%	-12.12%
Total		190,995	4,062,806	187,209	3,596,196	160,956	3,394,926	2.02%	18.66%
Equities	Cash	4,901	104,371	5,755	110,704	4,648	98,679	-14.84%	5.44%
	U.S. ETFs	3,442	72,279	4,390	83,410	3,579	75,150	-21.60%	-3.82%
	European ETFs	1,459	32,092	1,365	27,294	1,070	23,529	6.90%	36.40%
	Derivatives	3,146	67,166	3,785	73,267	3,455	73,435	-16.86%	-8.93%
	Options / Convertibles / Swaps	1,295	28,282	1,479	29,450	957	20,979	-12.43%	35.27%
	Futures	1,852	38,884	2,306	43,816	2,498	52,456	-19.71%	-25.87%
	Total	8,047	171,537	9,539	183,971	8,103	172,114	-15.64%	-0.69%

	ADV (USD mm)	Average Daily Trades	ADV (USD mm)	Average Daily Trades	ADV (USD mm)	Average Daily Trades
Total	624,510	51,221	617,409	47,771	517,297	40,124

PRODUCT CATEGORIES INCLUDE

U.S. Government Bonds: U.S. Treasury bills, notes and bonds, and Treasury Inflation-protected Securities.

Mortgages: To-be-announced mortgage-backed securities, specified pools, commercial mortgage-backed securities, other mortgage derivatives and other asset-backed securities.

Other Government Bonds: Japanese, Australian and New Zealand government bonds, covered bonds (including Pfandbriefe), other government-guaranteed securities, supranational, sub-sovereign and agency bonds/debentures.

Rates Futures: Government bond futures leg of exchange for physicals (EFPs).

U.S. High-Grade and High-Yield: All TRACE-reported corporates, excluding convertibles (see page 3 for segmentation methodology)

Chinese Bonds: Chinese Interbank Bond Market (CIBM) instruments – government and corporate – transacted via Bond Connect Company Limited (BCL).

Other Credit Bonds: Other developed market (including non-TRACE-reported bonds, preferreds and structured notes), developing and emerging market corporate and government bonds.

Credit Swaps: Index and single name credit default swaps.

Other Money Markets: Agency discount notes, commercial paper, certificates of deposits (including structured CDs), and deposits.

ETF: Exchange traded funds (ETFs), ETF leg of EFPs, and net asset value trades.

Equities Futures: Equity futures leg of EFPs.

VOLUMES

Volumes include Tradeweb, Dealerweb and Tradeweb Direct. Except with respect to U.S. Treasuries, both sides of a trade are included in volume totals where the trade is fully-anonymous and a Tradeweb broker-dealer is the matched principal counterparty. Riskless principal trades on Tradeweb Direct are single-count.

All volumes converted to U.S. Dollars.

Volumes for mortgages represent current face value at time of trade.

U.S. CORPORATE BONDS

USING MARKET REPORTING STANDARDS

JANUARY 2019

TRADEWEB MARKETS

Product	Type	January 2019						December 2018						January 2018						MoM		YoY	
		Volume (USD mm)			Trades			Volume (USD mm)			Trades			Volume (USD mm)			Trades			ADV	ADT	ADV	ADT
		ADV	Total	% of Reported	ADT	Total	% of Reported	ADV	Total	% of Reported	ADT	Total	% of Reported	ADV	Total	% of Reported	ADT	Total	% of Reported				
U.S. High-Grade	Total	2,838	59,588	11.1%	11,064	232,353	20.2%	1,814	34,462	10.2%	10,202	193,835	20.3%	1,819	38,197	7.9%	9,788	205,557	20.5%	56.44%	8.46%	56.00%	13.04%
	Electronically Processed	1,876	39,392	7.3%	269	5,655	0.5%	1,026	19,491	5.8%	188	3,566	0.4%	1,077	22,610	4.6%	142	2,985	0.3%	82.85%	43.48%	74.22%	89.45%
	Fully Electronic	962	20,196	3.8%	10,795	226,698	19.7%	788	14,971	4.4%	10,014	190,269	19.9%	742	15,587	3.2%	9,646	202,572	20.2%	22.06%	7.80%	29.57%	11.91%
U.S. High-Yield	Total	401	8,429	3.8%	1,715	36,008	10.4%	219	4,154	3.2%	1,473	27,985	11.1%	283	5,938	2.9%	1,651	34,666	11.3%	83.61%	16.41%	41.94%	3.87%
	Electronically Processed	252	5,289	2.4%	70	1,472	0.4%	145	2,751	2.1%	47	899	0.4%	185	3,886	1.9%	42	890	0.3%	73.93%	48.14%	36.11%	65.39%
	Fully Electronic	150	3,141	1.4%	1,645	34,536	10.0%	74	1,403	1.1%	1,426	27,086	10.8%	98	2,053	1.0%	1,608	33,776	11.0%	102.60%	15.36%	52.99%	2.25%

REPORTED MARKET

Product	January 2019						December 2018						January 2018						MoM		YoY	
	Volume (USD mm)			Trades			Volume (USD mm)			Trades			Volume (USD mm)			Trades			ADV	ADT	ADV	ADT
	ADV	Total		ADT	Total		ADV	Total		ADT	Total		ADV	Total		ADT	Total					
U.S. High-Grade (TRACE)	25,597	537,544		54,700	1,148,697		17,782	337,854		50,217	954,129		23,167	486,500		47,759	1,002,936		43.95%	8.93%	10.49%	14.53%
U.S. High-Yield (TRACE)	10,516	220,839		16,469	345,848		6,743	128,109		13,232	251,406		9,678	203,244		14,661	307,882		55.97%	24.46%	8.66%	12.33%

FOOTNOTES

Numbers include all activity on Tradeweb, Dealerweb and Tradeweb Direct.

Corporate bond volume and trade count numbers reflect all trades reported to TRACE, excluding emerging market and convertible bonds.

Monthly average capped volumes for HG and HY applied to capped trades.

Electronically Processed include voice trades processed electronically on Tradeweb.

Day counts for corporate bonds reflect all SIFMA trading days.

Segmentation between HG and HY determined using the following methodology and ratings from Standards & Poor's (S&P), Moody's Investor Services and Fitch Ratings:

- If 2 of 3 of the bond's ratings are equal to or worse than BB+/Ba1/BB+ (but not including "other ratings") then the bond is HY.
- If 1 of 3 of the bond's ratings are equal to or worse than BB+/Ba1/BB+, and none are better, then the bond is HY.
- If the bond is not rated by any agency then the bond is HY.
- If 3 of 3 of the bond's ratings are better than BB+/Ba1/BB+ (but not including "other ratings") then the bond is HG.
- If 2 of 3 of the bond's ratings are better than BB+/Ba1/BB+ then the bond is HG.
- If 1 of 3 of the bond's ratings are better than BB+/Ba1/BB+, and none are equal or worse, then the bond is HG.
- If 1 of 3 of the bond's ratings are better than BB+/Ba1/BB+ and 1 of 3 are equal or worse, then the bond is HG. (i.e. The bond is split rated: 1 HG, 1 HY)

DISCLOSURES

ABOUT TRADEWEB MARKETS

Tradeweb Markets LLC is a leading, global operator of electronic marketplaces for rates, credit, money markets and equities. Founded in 1996, the company provides access to markets, data and analytics, electronic trading, straight-through-processing and reporting for more than 40 products to clients in the institutional, wholesale and retail markets. Advanced technologies developed by Tradeweb enhance price discovery, order execution and trade workflows while allowing for greater scale and reduced risks in client trading operations. The company serves approximately 2,500 clients in more than 60 countries. In an average trading day, Tradeweb facilitates more than \$540 billion in notional value. For more information, please go to www.tradeweb.com.

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