



Q2 2022 Conference Call and Webcast

July 20, 2022

Strategic Update

❖ Rick McVey, Chairman and CEO

2Q22 Strategic Update & Highlights¹

Increase penetration in core credit products

- **Record total credit trading volume; record** composite corporate bond² estimated market share of 20.2%.
- **Record combined U.S. high-grade and U.S. high-yield** estimated market share, of 20.9%, up from 19.1%.
- **Record U.S. high-yield** estimated market share of 17.3%, up from 14.3%.
- **Record emerging markets** (FINRA TRACE-reportable)³ estimated market share of 29.2%, up from 26.4%.
- **Record Eurobonds** estimated market share of 15.1%, up from 11.7%.
- **Record 1,935 total active clients; record 11,298 total active traders.**

Expand into new products

- **Record U.S. Treasury** estimated market share of 3.7%, up from 2.3%; 160 active client firms, up 19%.
- **Record municipal bond** trading volume and ADV of \$23.0 billion and \$371 million, respectively.
- **Significantly expanded ETF / index strategic capabilities** with launch of MKTX Investment Grade 400 Corporate Bond Index and ETF with State Street Global Advisors, strategic collaboration with MSCI and RFQ-hub investment.

Expand trading protocols & leverage the Open Trading[®] Network

- **Market conditions continue to improve**—wider spreads, higher spread volatility driving increased client cost savings.⁴
- **\$238 million in estimated cost savings⁴** (\$439 million YTD); average cost savings per million of \$1,030.
- **Record total Portfolio Trading** volume of \$22.8 billion, up from \$4.1 billion in 2Q21; 96 clients executing trades in 1H22.
- **\$3.5 billion in Live Markets** credit trading volume in 1H22; 171 active client firms.
- **Record trade automation** (trading volume and trade count); **record** levels of automation in Eurobonds.

Grow our business through geographic diversification

- **Record 982 total active international clients**, up 6%.
- **Record total European (561) and Asia (229) active clients**, up 5% and 12%, respectively.
- **Record 5,269 total active international traders**, up 7%.
- **Record total APAC trading volume of \$34.6 billion**, up 45%.
- **Record emerging markets local markets trading volume of \$68 billion**, up 38%.

1. All period comparisons are 2Q22 vs. 2Q21 unless otherwise noted.

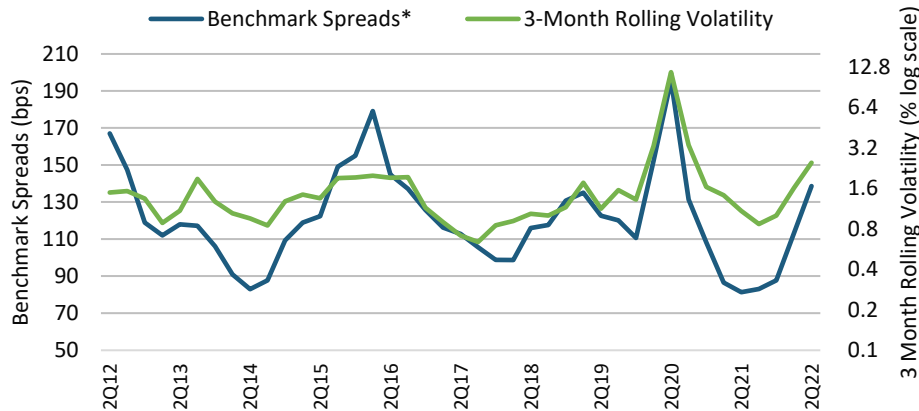
2. Composite corporate bond estimated market share is defined as combined estimated market share across U.S. high-grade (derived from FINRA TRACE-reported data), U.S. high-yield (derived from FINRA TRACE-reported data), emerging markets (derived from FINRA TRACE-reportable emerging markets volume) and Eurobonds (derived from MarketAxess TRAX data which is estimated to represent approximately 75% of the total European market) product areas.

3. Emerging markets estimated share is based on FINRA TRACE-reportable emerging markets volume.

4. Estimated liquidity taker cost savings is defined as the difference between the winning price and the best disclosed dealer cover price. Estimated liquidity provider cost savings is 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.

Market Conditions and U.S. Credit

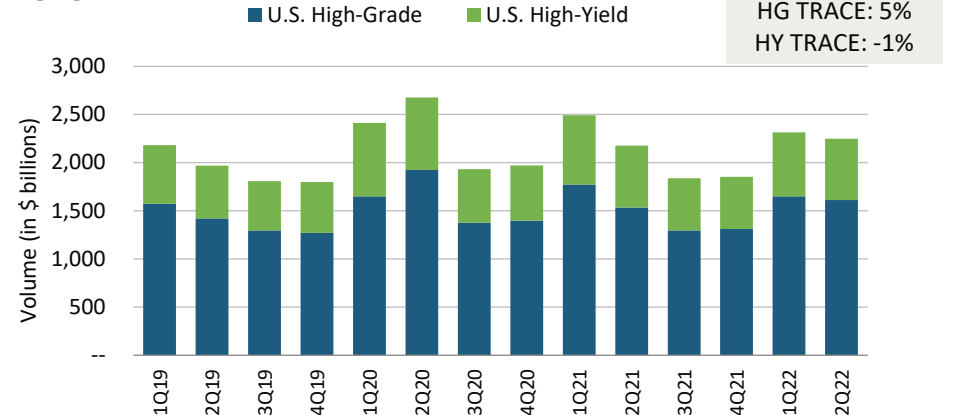
LIQUID U.S. CORPORATE INDEX (LUCI)



Source: Credit Suisse Global Credit Strategy

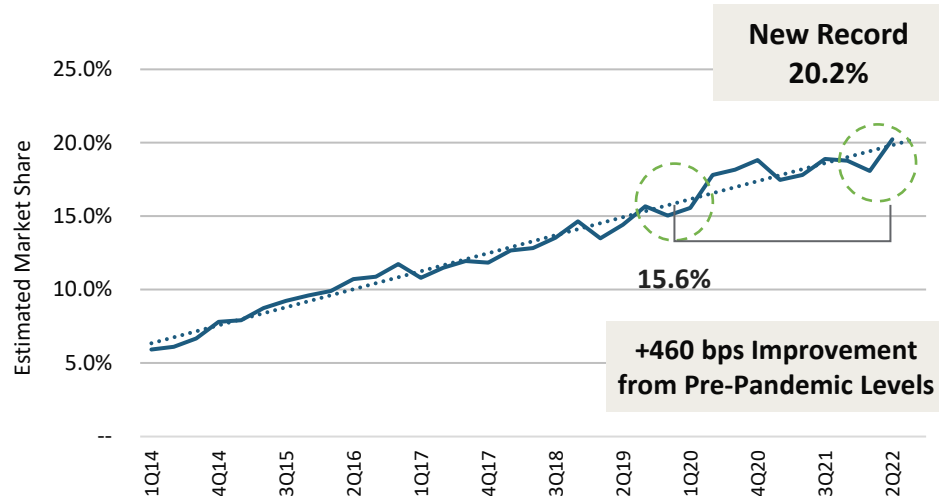
*Data based on quarterly average

U.S. HIGH-GRADE & U.S. HIGH-YIELD TRACE VOLUME



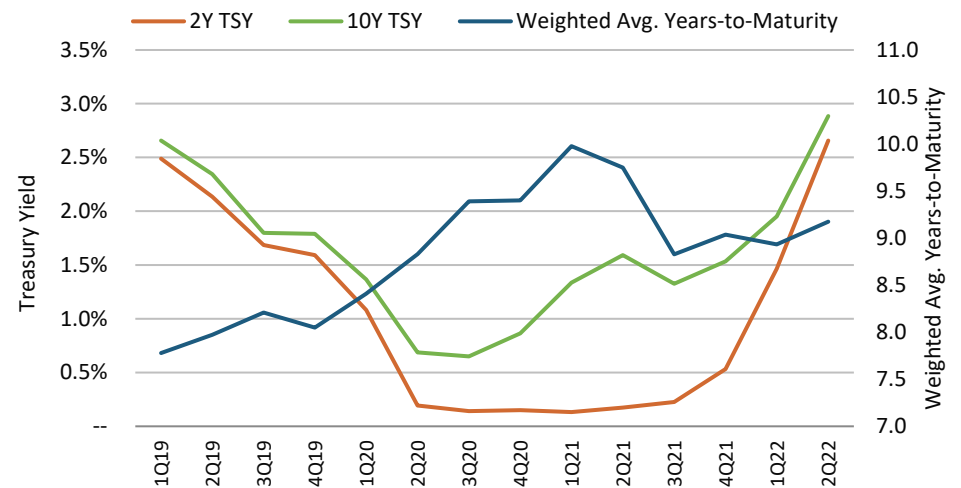
Source: BondTicker

COMPOSITE CORPORATE BOND ESTIMATED MARKET SHARE¹



1. 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 only) and Eurobonds (derived from MarketAxess TRAX data which is estimated to represent approximately 75% of the total European market) product areas.

10-YEAR & 2-YEAR TREASURY YIELD & MKTX U.S. HIGH-GRADE WEIGHTED AVG. YEARS TO MATURITY



Source: Federal Reserve

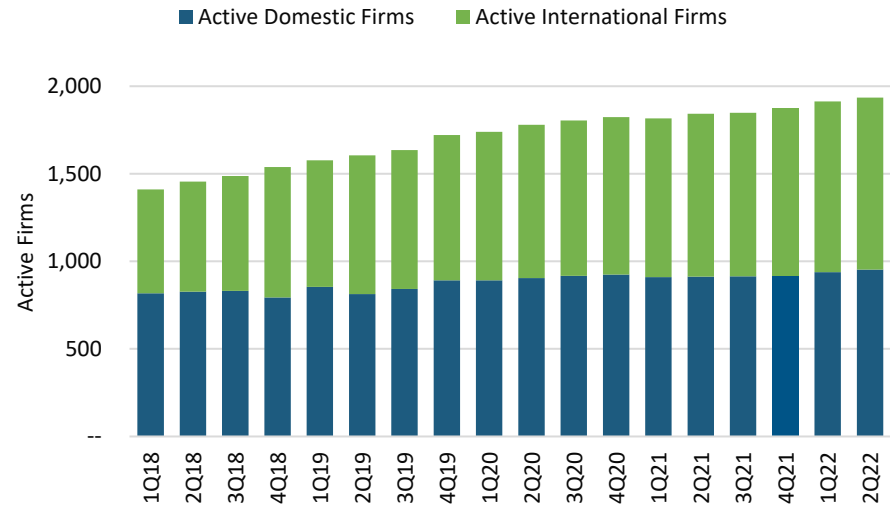
Note: Data based on quarterly average

Expanding the Client Network

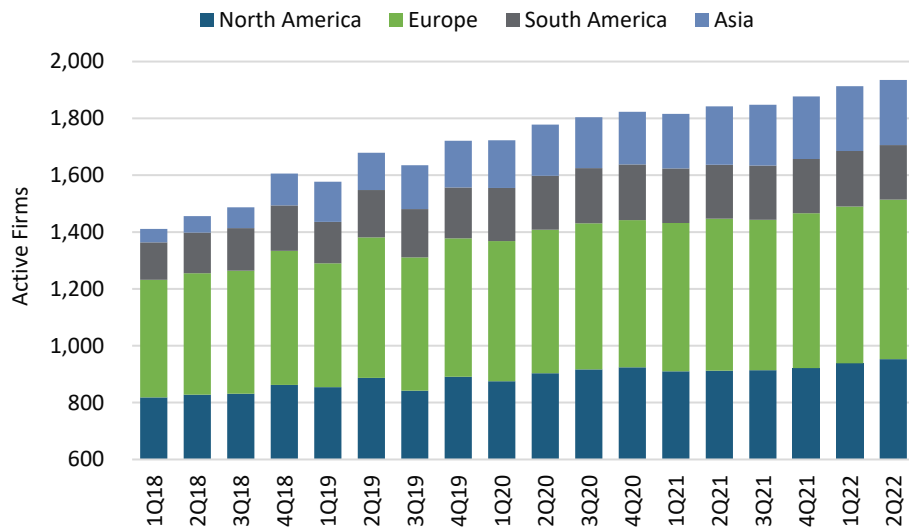
HIGHLIGHTS

- Record 1,935 total active client firms, up 5%
 - Record 982 international active client firms, up 6%
 - Record Asia active client firms, up 12%, representing over 45% of the increase in international active client firms
 - Record European active client firms, up 5%
- Record 11,298 total active traders
 - Record 5,269 total active international traders
- 92% of credit trading on the platform was executed by institutional investor clients

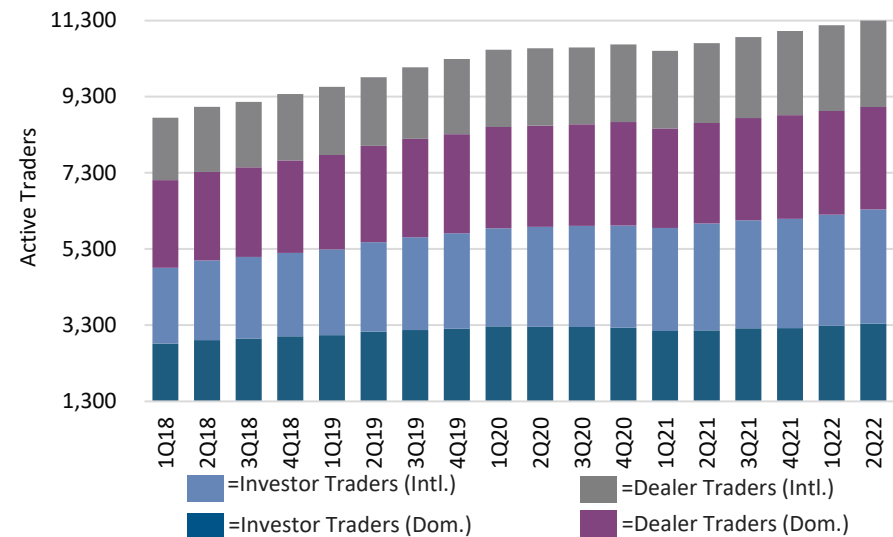
ACTIVE CLIENT FIRMS



ACTIVE CLIENT FIRMS BY REGION



ACTIVE INVESTOR CLIENT AND DEALER TRADERS



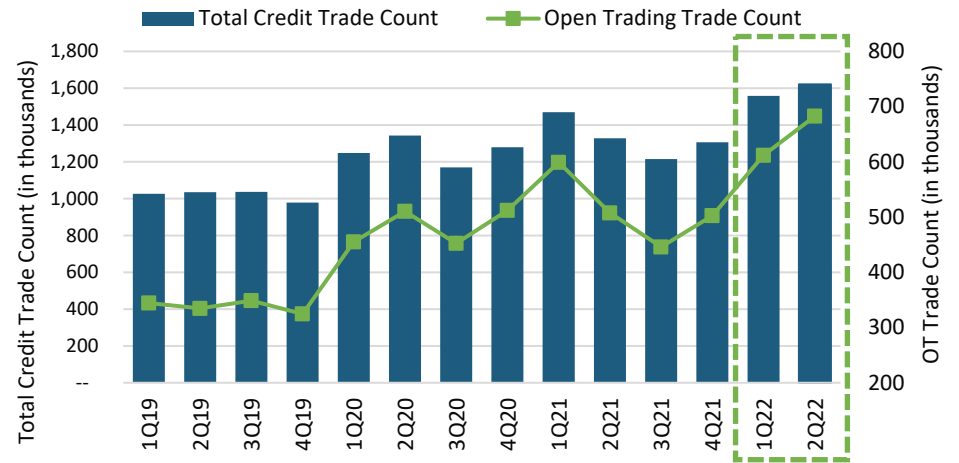
Improved Environment Driving Increased Client Cost Savings¹

HIGHLIGHTS

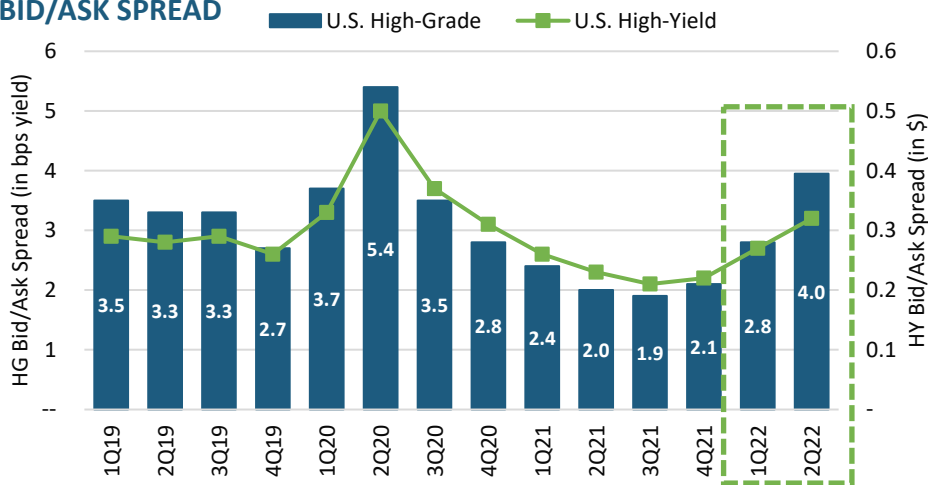
- Median bid/ask spread reflected in Composite+™ for U.S. high-grade has doubled since the beginning of 2022
- \$238 million in estimated cost savings¹ via Open Trading; \$439 million in estimated cost savings¹ year-to-date
 - Average cost savings¹ per million of \$1,030
 - Estimated cost savings¹ for clients represented 1.5x MKTX total credit revenue
- Record 1.6 million total credit trades executed, up from 1.3 million in the prior year

OPEN TRADING AND TOTAL CREDIT TRADE COUNT

Q2 YoY Growth
OT Trade Count: 35%
Total Credit Trade Count: 22%



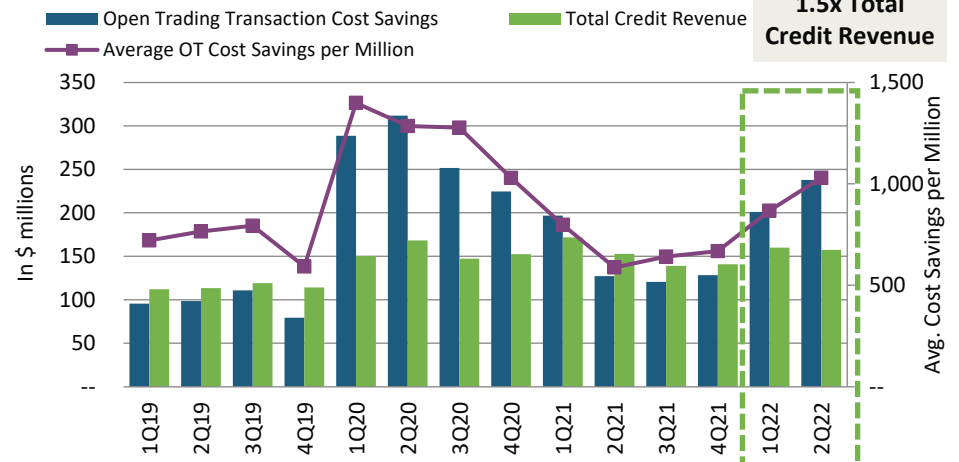
U.S. HIGH-GRADE AND U.S. HIGH-YIELD MEDIAN BID/ASK SPREAD



Source: MarketAxess Composite+™

OPEN TRADING COST SAVINGS¹ AND TOTAL CREDIT REVENUE

Cost Savings
1.5x Total
Credit Revenue

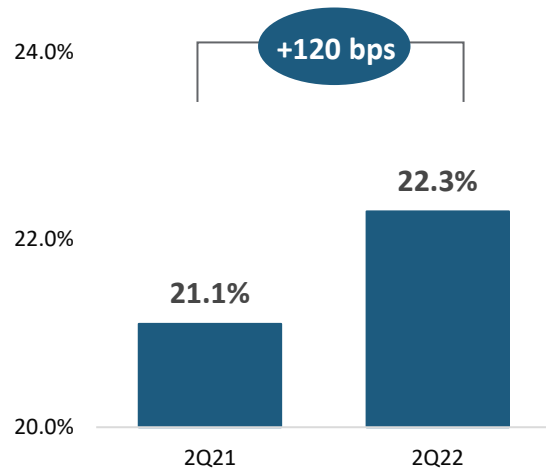


Source: MarketAxess Composite+™

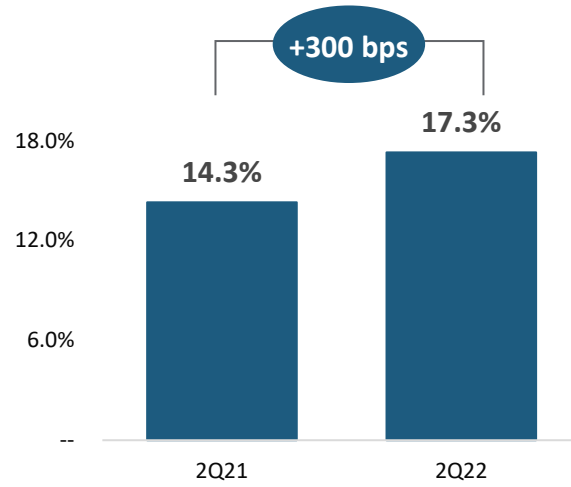
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Strong YoY Estimated Market Share Gains

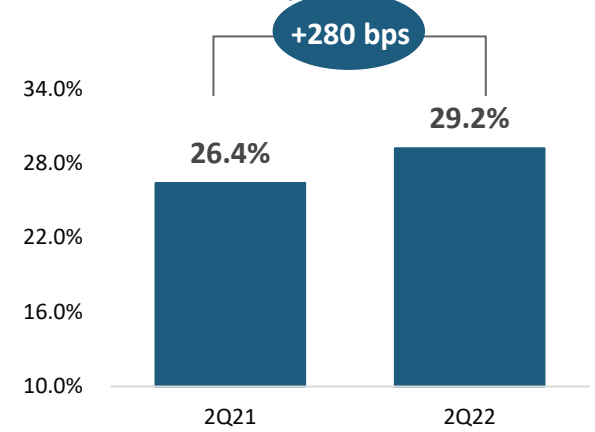
U.S. HIGH-GRADE



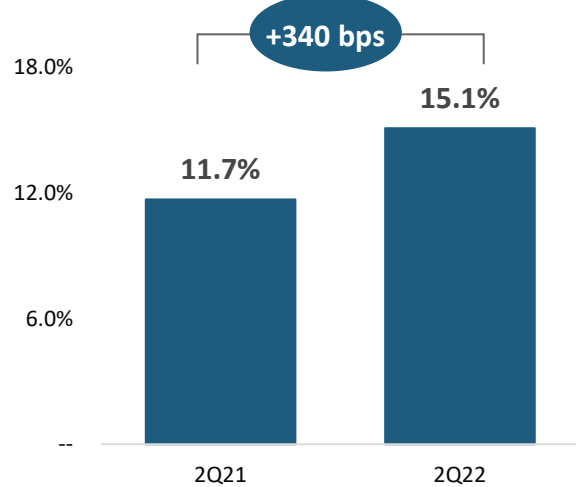
U.S. HIGH-YIELD



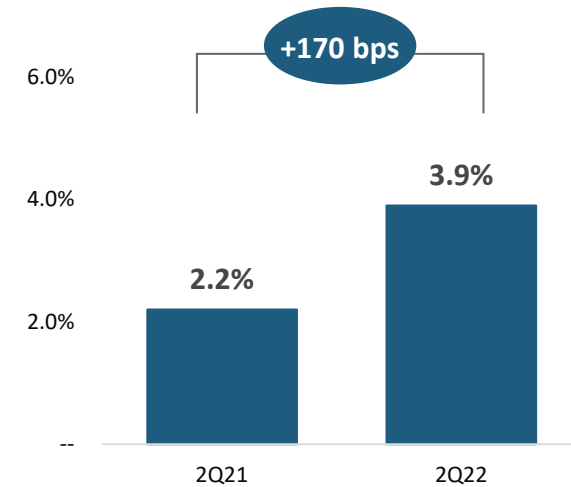
EMERGING MARKETS (FINRA TRACE-REPORTABLE)¹



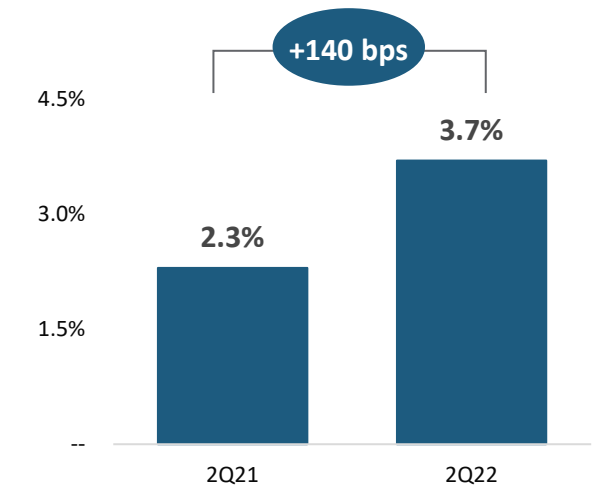
EUROBONDS



MUNICIPAL BONDS



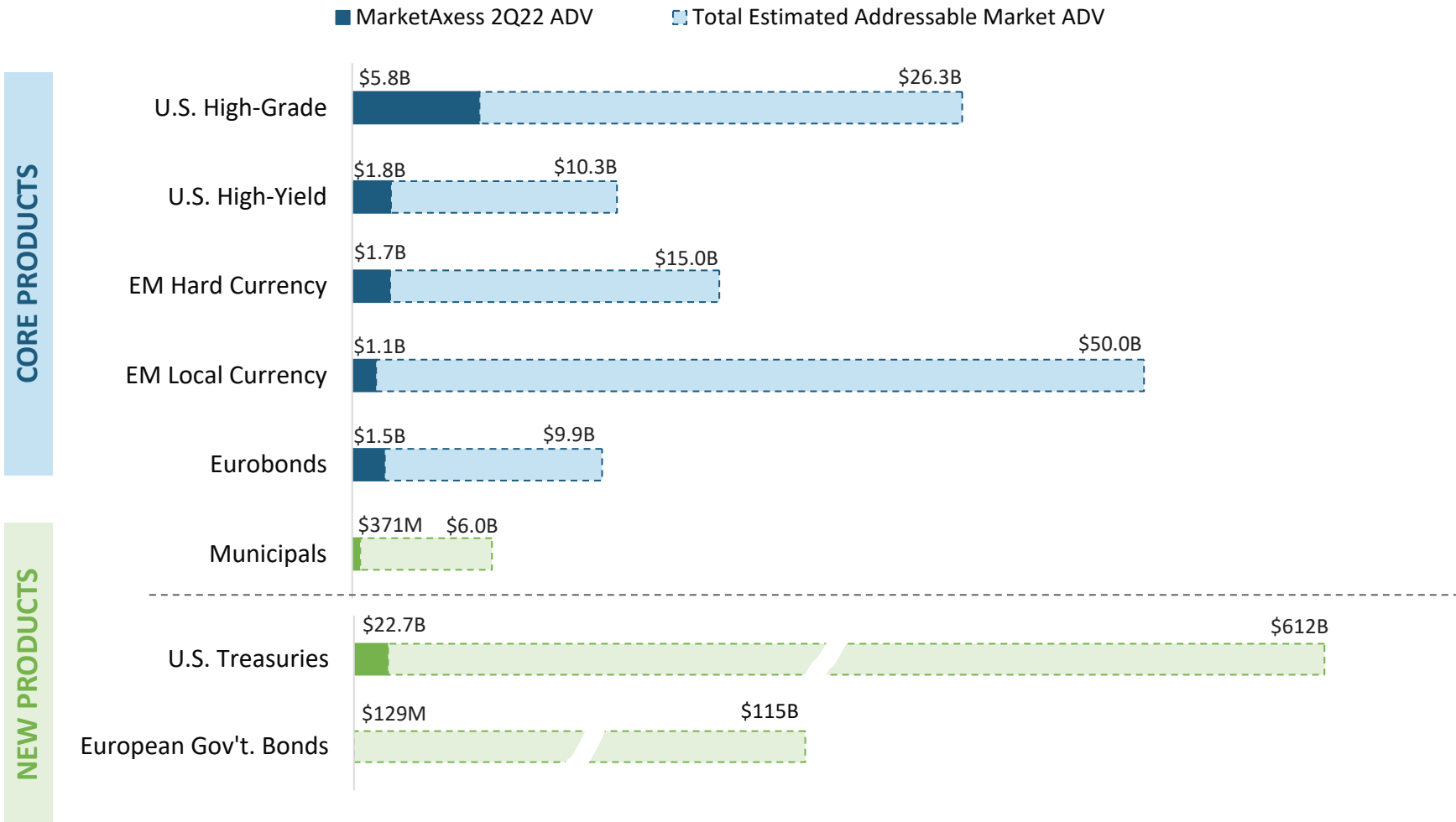
U.S. TREASURIES



1. Emerging markets estimated share is based on FINRA TRACE-reportable emerging markets volume.

The Long-Term E-Trading Opportunity

TOTAL ADDRESSABLE MARKET – 2022 ESTIMATES¹



1. Source: Market volumes calculated using the most recently available market data for TRACE, Trax, Emerging Markets Trade Association, Municipal Securities Rulemaking Board, Loan Syndications and Trading Association, JPMorgan Research and various local market central banks. Excludes other new product opportunities including ETFs, mortgages and structured products.

Update on Growth Initiatives

❖ Chris Concannon, President and COO

Open Trading[®] is at the Core of All Products and Protocols

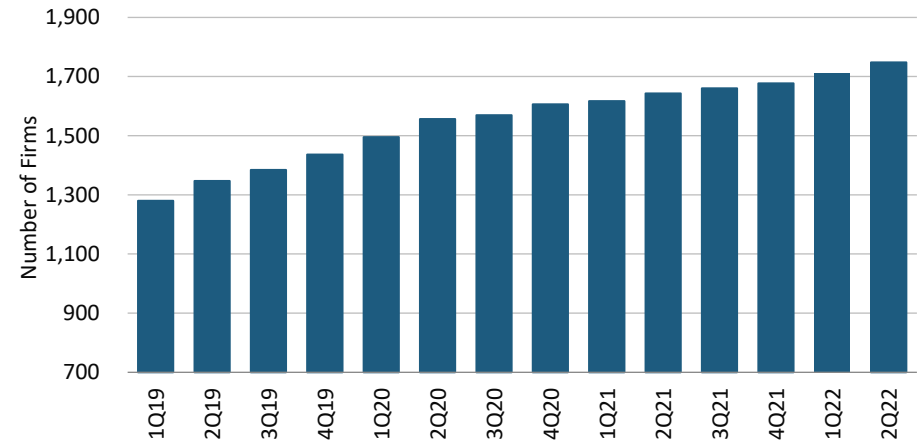
OPEN TRADING HIGHLIGHTS

- Over 38,000 orders and \$21 billion in notional value available through Open Trading on average per day in 2Q22, up 32% and 33%, respectively
- Estimated system-wide cost savings of \$161 million for liquidity takers and \$77 million for liquidity providers¹ in 2Q22 (total of \$238 million); YTD \$439 million in cost savings
- Record 1,748 number of unique client firms executed a trade with MKTX
- 976 firms provided liquidity in the quarter

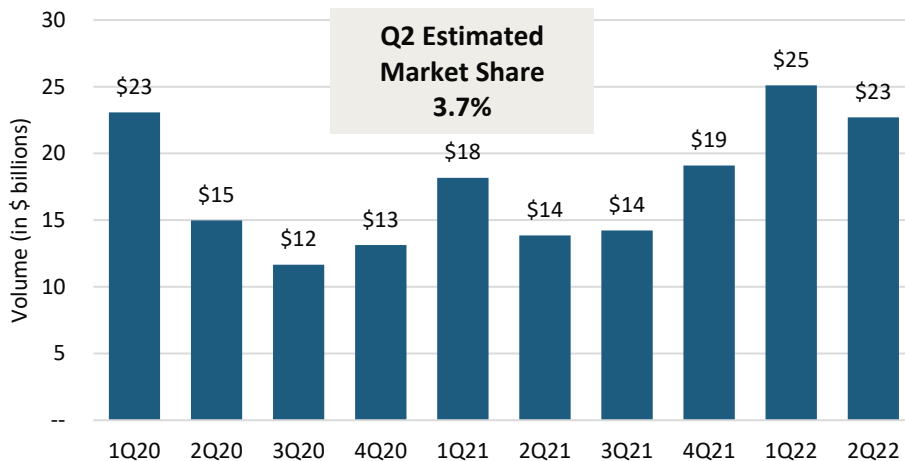
LIVE MARKETS

- **Rates** - U.S. Treasuries Live Markets trading volume, up 57% from 2Q21; unique 160 participants, up 18%
- **Credit** - \$3.5 billion in credit trading volume in 1H22; 171 client firms trading

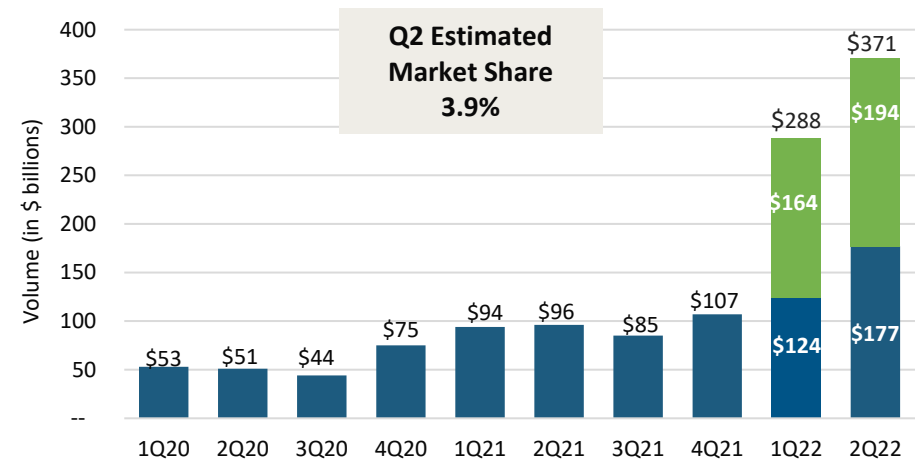
UNIQUE OPEN TRADING FIRMS



U.S. TREASURY ADV



RECORD MUNICIPAL ADV



■ = addition of MuniBrokers

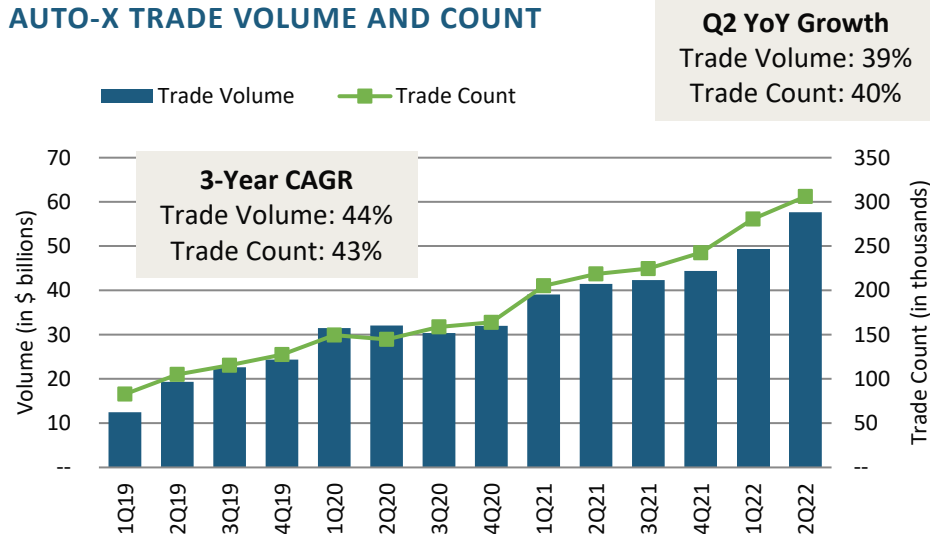
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Trading Automation Continues to Grow

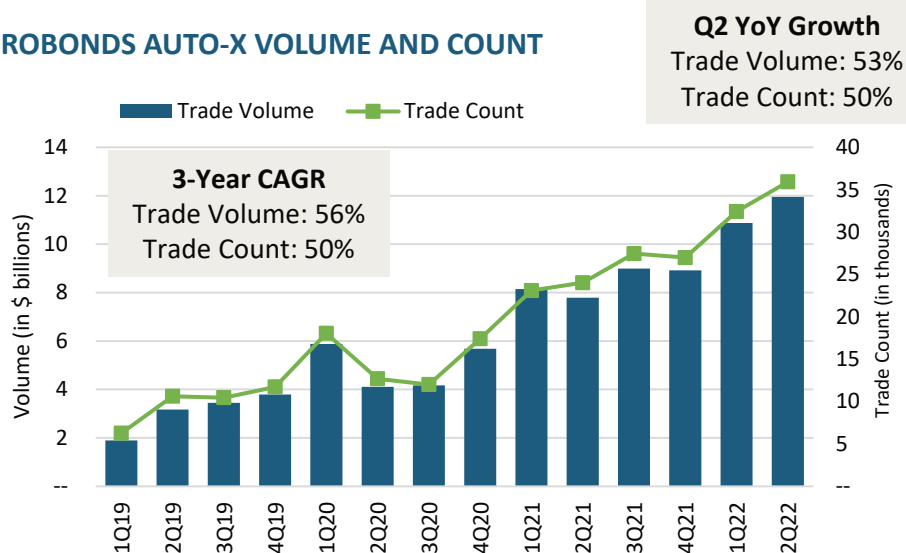
HIGHLIGHTS

- Continued growth in trade automation despite increase in volatility
- Record \$57.6 billion in Auto-X volume in 2Q22, up 39% from 2Q21
 - Record 305,000 trades completed using automated execution, up from 218,000 trades in 2Q21, representing an increase of 40%
 - Auto-X represented 19% of credit trade count and 8% of credit trading volume in 2Q22
 - 30% of automation trades are now “no-touch”
- Active automation firms, up 26%; increasing adoption in Europe
- 5.7 million algo responses in 2Q22, up 23% from 2Q21¹

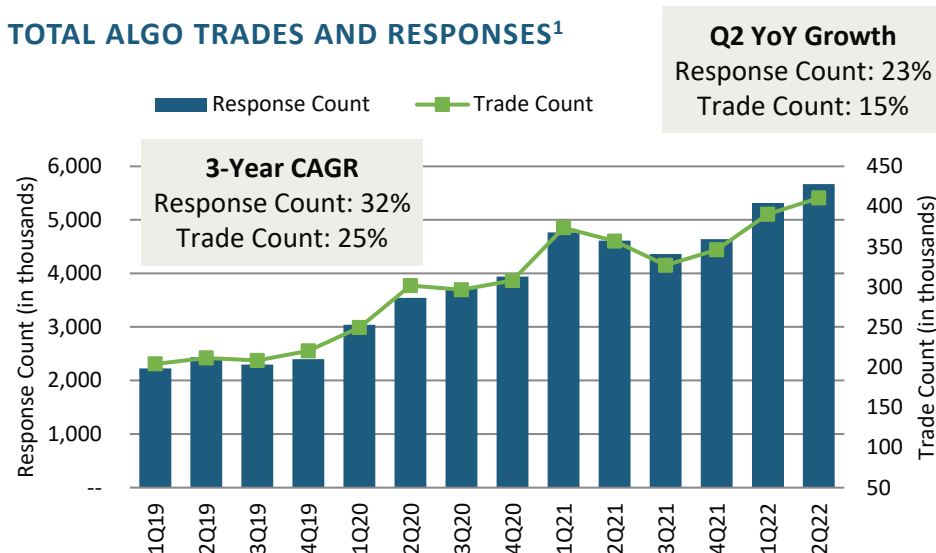
AUTO-X TRADE VOLUME AND COUNT



EUROBONDS AUTO-X VOLUME AND COUNT



TOTAL ALGO TRADES AND RESPONSES¹



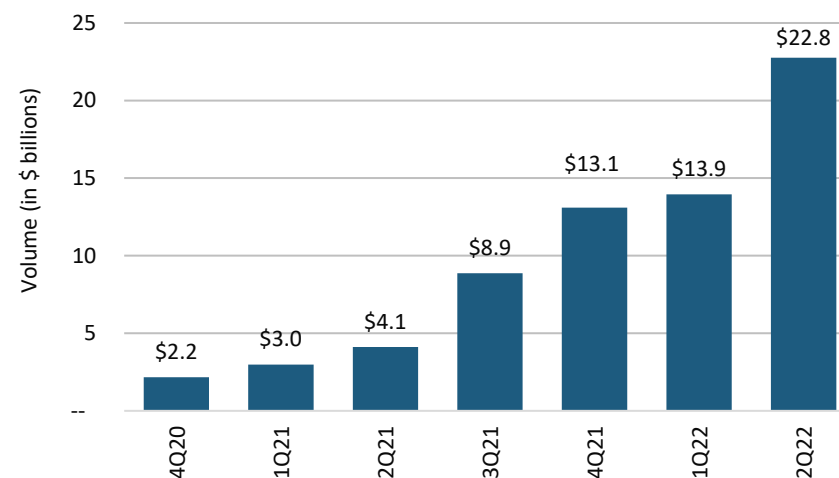
1. Algorithmic response for U.S. high-grade and U.S. high-yield spread-based trades only.

Strong Momentum in Portfolio Trading Activity

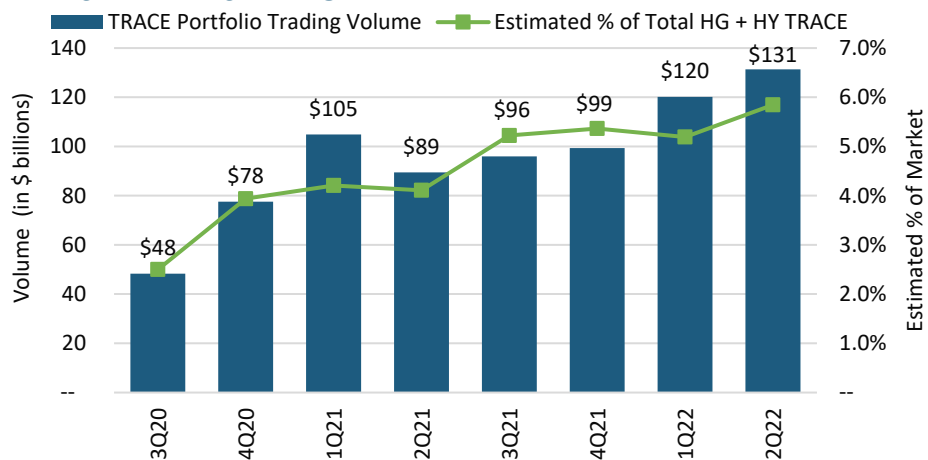
HIGHLIGHTS

- Record total Portfolio Trading volume of \$22.8 billion in 2Q22
- Record \$37 billion in Portfolio Trading volume in 1H22
- Record 534 trades executed in 1H22
- 96 active client firms in 1H22
- Record growth driven by Portfolio Trading strategy:
 - Leverage global credit investor and dealer networks
 - Deliver enhanced technology solution
 - Integrate data and analytics

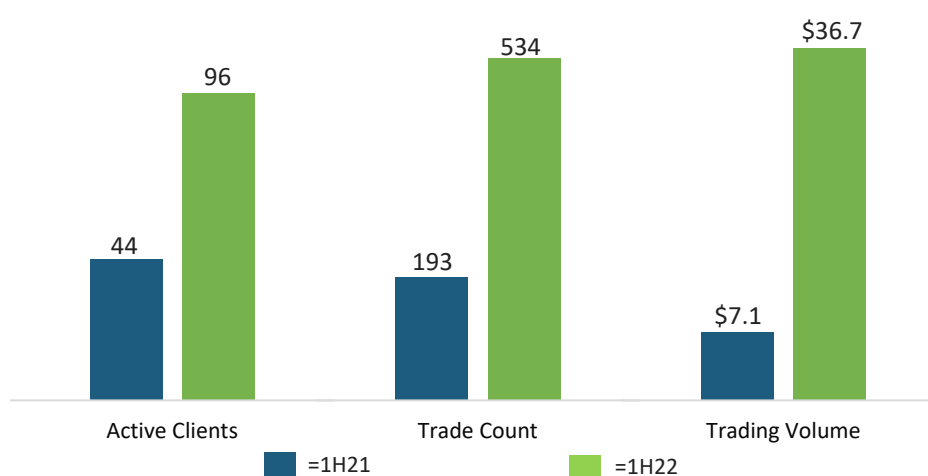
RECORD PORTFOLIO TRADING VOLUME



ESTIMATED PORTFOLIO TRADING MARKET VOLUME AND ESTIMATED SHARE OF MARKET¹



RECORD PORTFOLIO TRADING METRICS*



*Trading volume in \$ billions.

1. Estimated Portfolio Trading market volume defined as U.S. high-grade and U.S. high-yield only. Estimated market share defined as estimated U.S. high-grade and U.S. high-yield Portfolio Trading market volume divided by total U.S. high-grade and U.S. high-yield TRACE market volume.

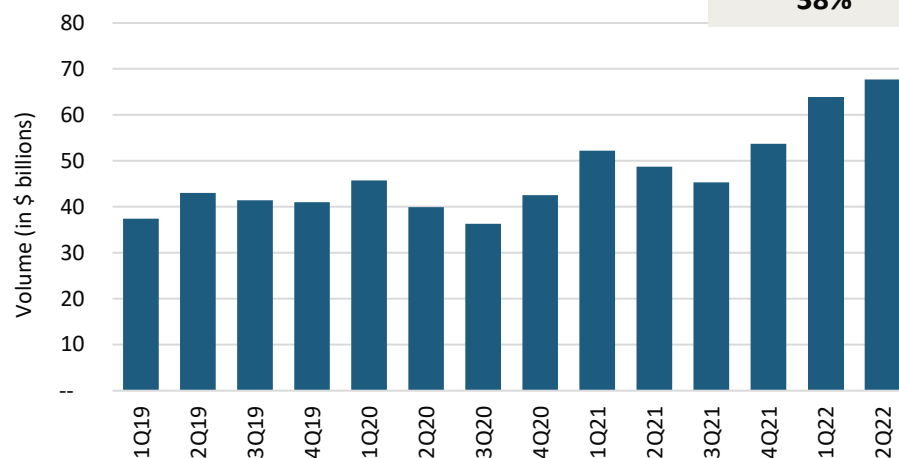
Strength in Emerging Markets Continues

HIGHLIGHTS

- Record emerging markets active clients of 1,371, up 7%
- Total emerging markets trading volume of \$175.3 billion, up 11% on record estimated market share
- Record \$27.3 billion in APAC emerging markets trading volume, up 59%
- Record emerging markets local markets trading volume of \$68 billion
 - Record 39% of total emerging market volume

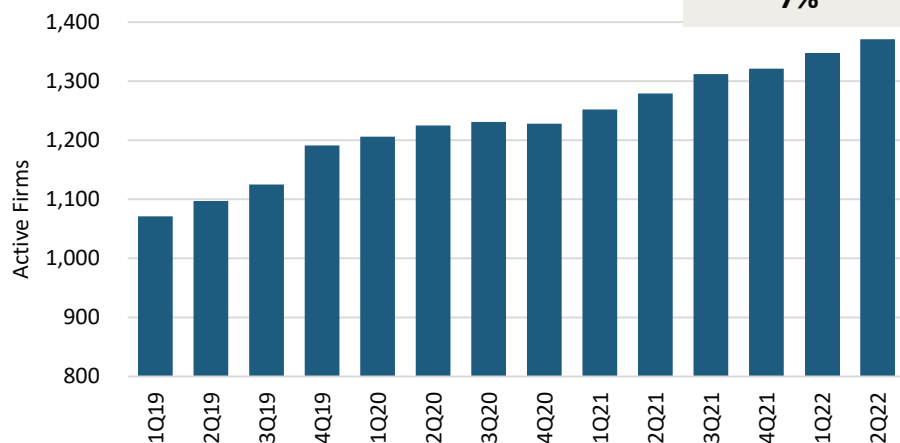
LOCAL MARKETS TRADING VOLUME

**Q2 YoY Growth
38%**



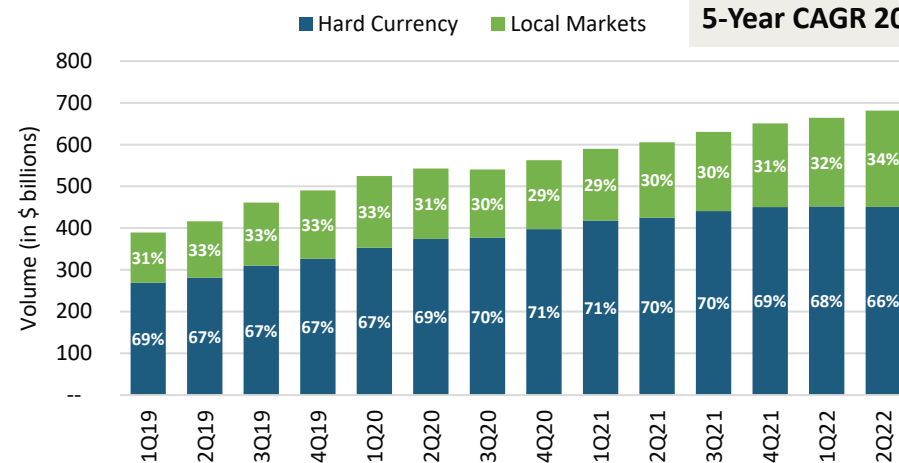
EMERGING MARKETS ACTIVE CLIENT FIRMS

**Q2 YoY Growth
7%**



TTM EM HARD CURRENCY VS. LOCAL MARKETS

**Q2 TTM Growth
5-Year CAGR 20%**



Our Data Strategy: Integrated Solutions

KEY PILLARS / Solutions

Best-in-class front office trading solutions and real-time data
Existing products: HG, HY, EM, Eurobonds
New Products: Treasuries, Municipals
Composite+™ / Automation

Portfolio construction and valuation
Tradability / Liquidity Scores

Create trading protocols and tradable products for active and systematic clients that deliver unparalleled data sets
Live Markets

CATALYSTS



Composite+™
AxessAll™ Prints



**MSCI
Collaboration**



**MKTX IG 400
(Ticker: LQIG)**

BENEFITS

- Improved trading decisions and outcomes
- Increased market transparency
- Enhanced liquidity
- Higher velocity of trading
- More robust proprietary data

Financial Review

◆ Chris Gerosa, CFO

2Q22 Financial Summary

(in \$ thousands)

Financial Results	2Q22	1Q22	2Q21	2Q22 vs. 2Q21
Commissions	163,463	166,113	156,431	4.5%
Information Services	9,396	9,809	9,844	(4.6%)
Post-trade Services	9,144	9,912	9,848	(7.1%)
Other	226	223	211	7.1%
Total Revenues	182,229	186,057	176,334	3.3%
Expenses	97,441	97,953	89,157	9.3%
Operating Income	84,788	88,104	87,177	(2.7%)
Other income (expense)	4,790	2,315	(1,124)	N/M
Income Before Taxes	89,578	90,419	86,053	4.1%
Provision for Income Taxes	22,656	25,650	18,765	20.7%
Net Income	66,922	64,769	67,288	(0.5%)
Operating Margin	46.5%	47.4%	49.4%	-2.9 pts
EBITDA	105,155	105,593	99,321	5.9%
EBITDA Margin	57.7%	56.8%	56.3%	1.4 pts
ETR	25.3%	28.4%	21.8%	3.5 pts
Diluted EPS	\$ 1.78	\$ 1.71	\$ 1.77	\$ 0.01
Diluted Shares	37,608	37,824	38,104	(1.3%)

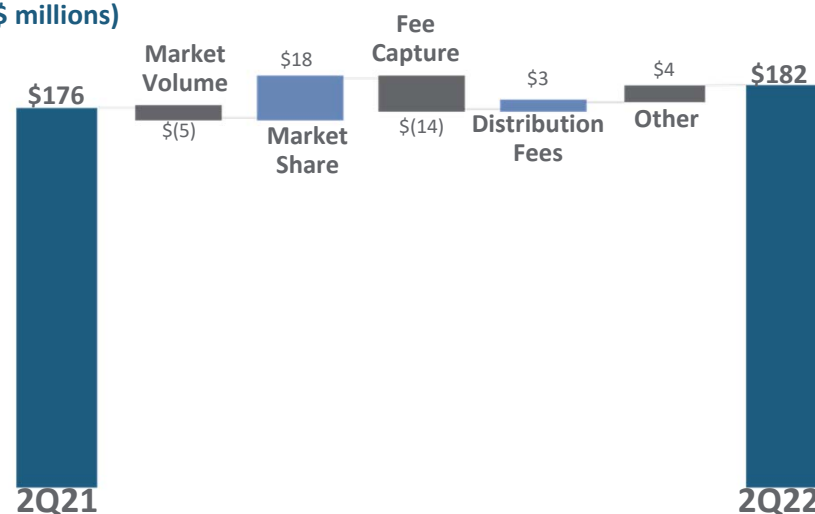
N/M = not meaningful

COMMENTARY

- Commission revenue benefited from strong estimated market share gains, partiality offset by lower average fees per million, principally in U.S. high-grade
- Lower information services and post-trade revenue was driven by currency fluctuations and anticipated customer attrition in connection with the Regulatory Reporting Hub integration
 - Excluding impact of currency fluctuations, combined information services / post-trade revenue would have been up 3%
- Other income (expense) net gain of \$4.8 million, compared to prior year loss of (\$1.1) million
 - Includes FX gain of \$5.5 million (\$0.11 per diluted share impact)
- Increase in effective tax rate driven by a \$5.7 million decrease in estimated excess tax benefits related to share-based compensation awards

REVENUE MIX ANALYSIS 2Q21 to 2Q22

(in \$ millions)



Commission Revenue Detail

(in \$ thousands, except transaction fee data)

Commissions	2Q22	1Q22	2Q21	2Q22 vs. 2Q21
Transaction Fees				
U.S. High-Grade	51,576	52,878	56,413	(8.6%)
Other Credit	74,226	75,804	67,074	10.7%
Total Credit	125,802	128,682	123,487	1.9%
Rates	6,020	6,191	3,612	66.7%
Total Transaction Fees	131,822	134,873	127,099	3.7%
Distribution Fees				
U.S. High-Grade	23,496	23,026	21,373	9.9%
Other Credit	8,096	8,152	7,895	2.5%
Total Credit	31,592	31,178	29,268	7.9%
Rates	49	62	64	(23.4%)
Total Distribution Fees	31,641	31,240	29,332	7.9%
Total Commissions	163,463	166,113	156,431	4.5%
Transaction Fees per Million				
U.S. High Grade	\$ 143	\$ 155	\$ 174	(17.7%)
Other Credit	\$ 186	\$ 188	\$ 194	(4.4%)
Total Credit	\$ 166	\$ 173	\$ 185	(10.2%)
Rates	\$ 4.21	\$ 3.92	\$ 4.07	3.5%

COMMENTARY (2Q22 vs. 2Q21)

U.S. High Grade

- Reduction in transaction fees due to 18% decline in U.S. high-grade fees per million impact driven by:
 - Higher bond yields
 - Shorter years to maturity of bonds traded on platform
- Increase in distribution fees due to dealer migration to a fixed distribution fee plan, upgrades in existing fixed fee plans and higher unused monthly minimum commitment fees

Other Credit

- Increase in transaction fees due to strong market share gains, partially offset by lower fees per million due to:
 - Mix shift in EM to local markets which have a lower fee per million
 - Dealers migrating to HY fixed distribution fee plans

Rates

- Increase in transaction fees due to increased market share

Expense Detail

(in \$ thousands)

Expense Summary	2Q22	1Q22	2Q21	2Q22 vs. 2Q21
Employee Compensation and Benefits	45,435	47,756	40,732	11.5%
Depreciation and Amortization	15,240	15,174	13,097	16.4%
Technology and Communications	12,490	12,192	10,544	18.5%
Professional and Consulting	8,920	9,621	10,704	(16.7%)
Occupancy	3,700	3,387	3,300	12.1%
Marketing and Advertising	2,949	1,789	3,128	(5.7%)
Clearing Costs	4,263	4,575	4,372	(2.5%)
General and Administrative	4,444	3,459	3,280	35.5%
Total Expenses	97,441	97,953	89,157	9.3%

COMMENTARY (2Q22 vs. 2Q21)

- Total expenses of \$97.4 million, up 9% on continued investment
- Year-over-year increase in operating expenses due to continued investments to drive revenue diversification through trading system enhancements, product and protocol expansion
- Increase of \$5 million in employee compensation and benefits driven by increase in headcount
- Depreciation and amortization expense increased \$2.1 million due to higher software development depreciation expense of \$1.8 million and higher acquired intangible amortization expense of \$0.6 million
- Technology and communications expense increased \$2 million due to higher software subscription costs, market data expense and platform technology licensing fees

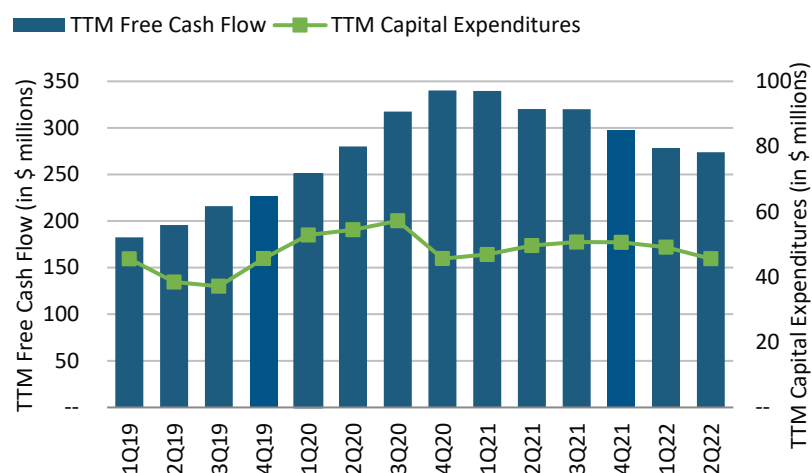
Cash Flow and Capital Management

QUARTERLY OVERVIEW

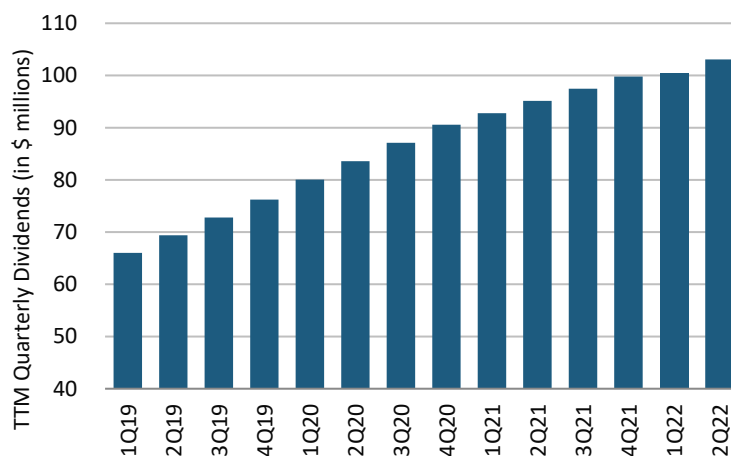
- Total cash and investments of \$325 million
- Trailing 12-month capital expenditures of \$46 million to support investment in trading system enhancements
- Trailing 12-month free cash flow of \$274 million
- \$75 million in capital returned to investors in 2Q22 through share repurchases and dividends
- No outstanding debt on borrowing facilities
- Board of directors declared a regular quarterly cash dividend of \$0.70 per share

TTM FREE CASH FLOW¹ AND CAPITAL EXPENDITURES

Q2 TTM FCF²
5-Year CAGR 11%



TTM QUARTERLY DIVIDENDS



1. See second quarter 2022 earnings release and the Investor Relations section of the Company's website for a reconciliation of net cash provided by operating activities to free cash flow.
2. 5-year compound annual growth rate "CAGR" calculated on a trailing twelve months basis.

Key Takeaways

- Strong execution against growth strategy
- Market conditions improving in global fixed income
- Open Trading delivering increased cost savings for institutional clients
- Broad-based estimated record market share gains
- Increasing momentum with product / geographic diversification
- Record levels of trading automation as adoption continues
- Significant headway in enhancing ETF / Index capabilities – MKTX IG 400 Index / ETF, MSCI strategic collaboration and RFQ-hub

Disclosures

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This presentation 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.

Non-GAAP Financial Measures and Other Items

To supplement the Company's unaudited financial statements presented in accordance with generally accepted accounting principles ("GAAP"), the Company uses certain non-GAAP measures of financial performance, including earnings before interest, taxes, depreciation and amortization ("EBITDA"), EBITDA margin and free cash flow. The Company believes that these non-GAAP financial measures, when taken into consideration with the corresponding GAAP financial measures, are important in understanding the Company's operating results. See the investor relations website at <http://investor.marketaxess.com> for a reconciliation of GAAP net income to EBITDA and EBITDA margin and GAAP cash flow from operating activities to free cash flow.



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