

BondWave Introduces Universal Prevailing Market Price (UPMP) Dashboards

BondWave, a leading financial technology firm servicing the fixed income market, has calculated up to eight pricing benchmarks for every customer trade disseminated by FINRA and the MSRB for asset classes requiring mark-up disclosure dating back to 2018. This Universal PMP data set is part of [BondWave's Benchmark Data & Trading Indices \(BDTI\)](#).

Beginning with Q4 2020, BondWave will begin producing dashboards for each of the four covered asset classes (corporate, municipal, agency, and 144A bonds) with plans to expand coverage to securitized products (MBS, ABS, CMO, etc.). The dashboards will help market participants better understand trading trends in the fixed income markets.



bondwave

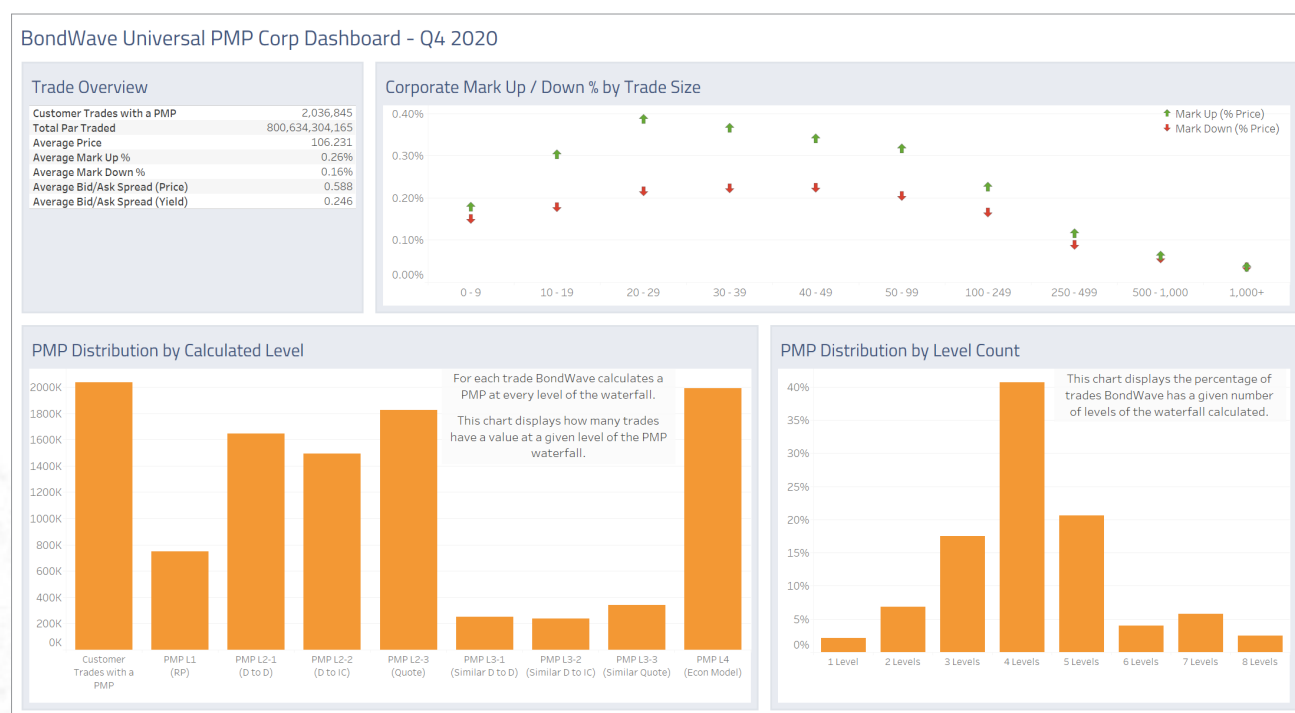
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FOURTH QUARTER 2020 DASHBOARDS

Corporate

- Corporate bond customer trading exceeded \$800 billion in the fourth quarter
 - Volume decreased 0.3% relative to the third quarter
 - Volume decreased 26.0% from the post-stimulus highs of the second quarter
- Average mark-ups in the fourth quarter were 26 basis points
- Average mark-downs were 16 basis points
 - Both those values are the lowest seen in our data

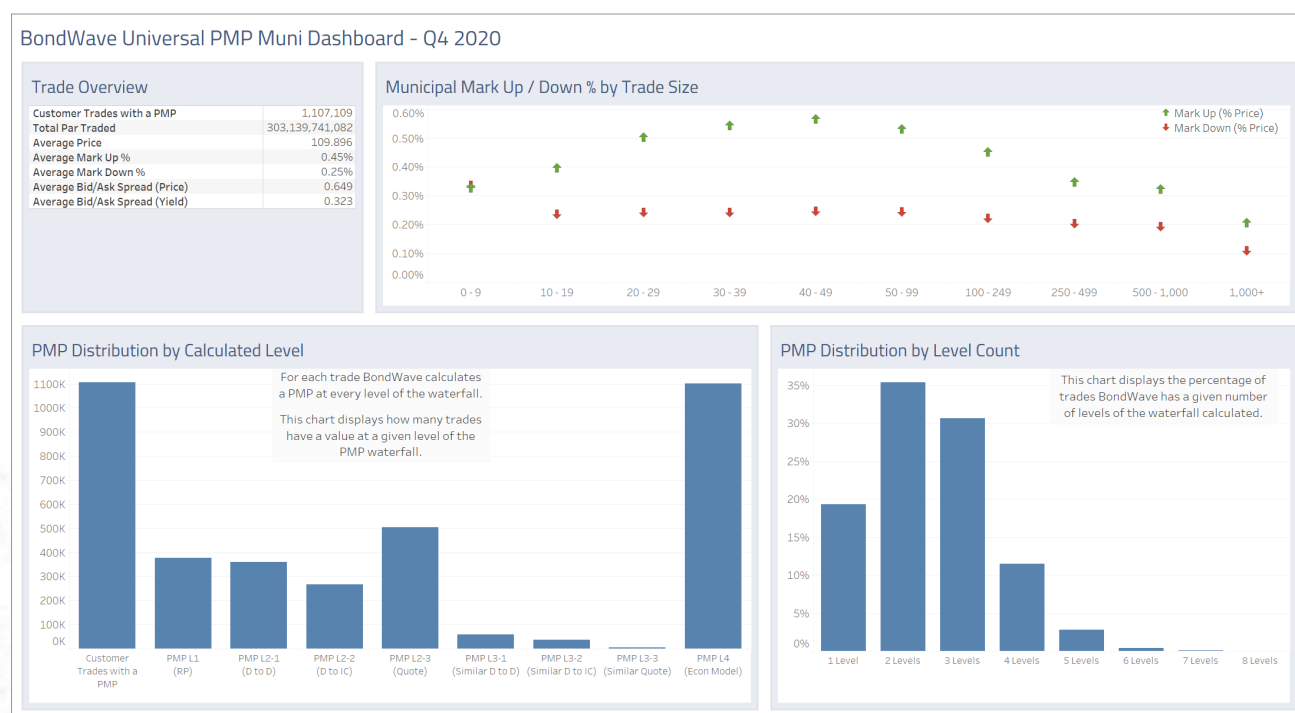


*Source: BondWave BDTI data.

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Municipal

- Municipal bond customer trading exceeded \$303 billion in the fourth quarter
 - Volume decreased 6.7% relative to the third quarter
 - Volume decreased 40% relative to the pandemic driven sell-off of the first quarter
- Average mark-ups in the fourth quarter were 45 basis points
 - The lowest level seen in our data
- Average mark-downs in the fourth quarter were 25 basis points
 - The second lowest level seen in our data behind only the 24 basis points we saw in the first quarter of 2020

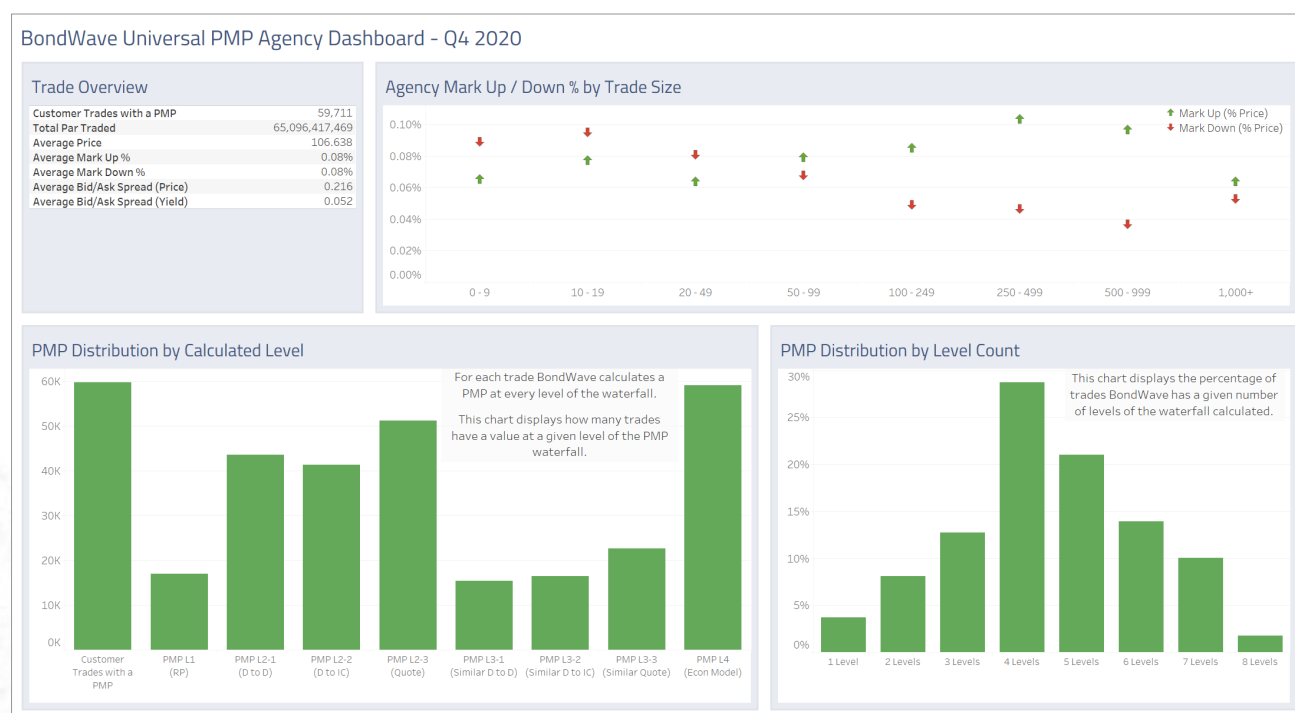


*Source: BondWave BDTI data.

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Agency

- Agency bond customer trading exceeded \$65 billion in the fourth quarter
 - Volume decreased 16.5% relative to the third quarter
 - Volume decreased 22.2% relative to the first quarter high
- Average mark-ups in the fourth quarter were 8 basis points
- Average mark-downs were also 8 basis points
 - Both those values are the lowest seen in our data

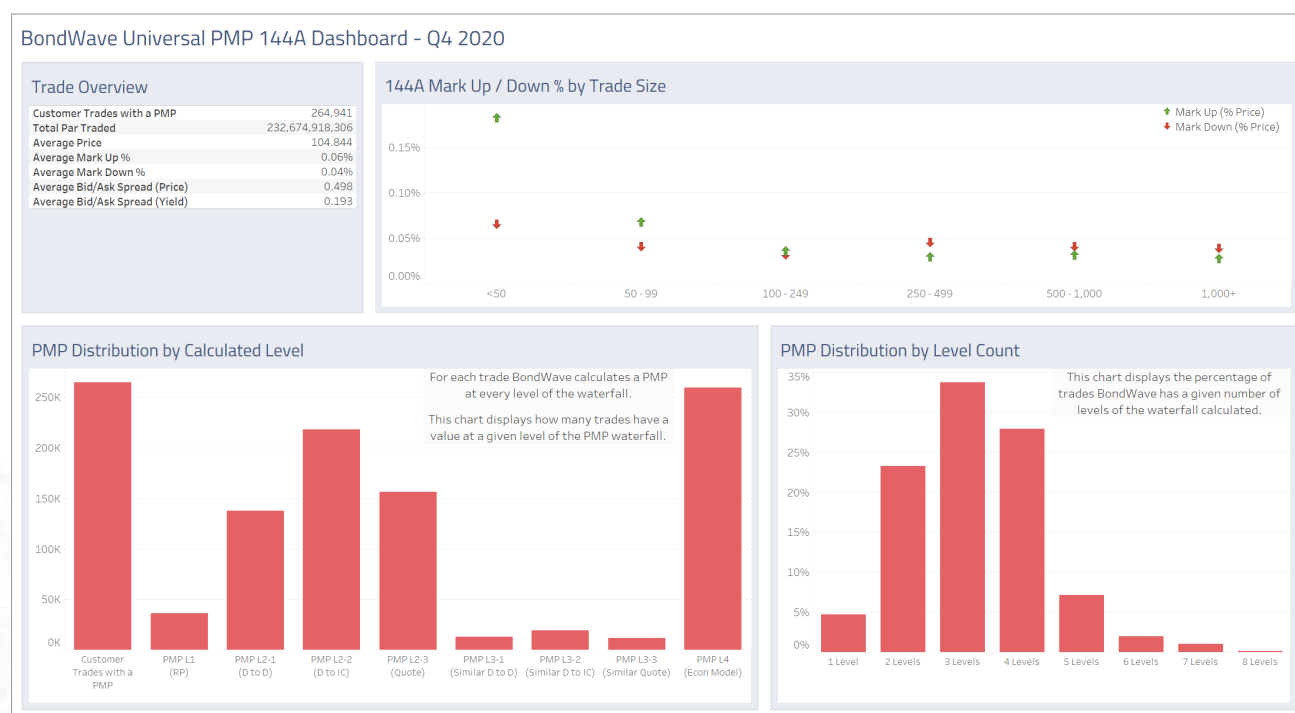


*Source: BondWave BDTI data.

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144A

- 144A bond customer trading was nearly \$233 billion in the fourth quarter
 - Volume increased 5.3% relative to the third quarter
 - Volume decreased 10.7% relative to the second quarter high
- Average mark-ups in the fourth quarter were 6 basis points
- Average mark-downs were 4 basis points
 - Both values are below the historic average



*Source: BondWave BDTI data.

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ABOUT BONDWAVE LLC

Founded in 2001, BondWave, an affiliate of First Trust Portfolios, is a financial technology firm specializing in fixed income solutions. We serve a wide range of users including traders, compliance professionals, and RIAs from the smallest to the largest firms in the industry who use our tools to provide a superior fixed income experience to their clients while supporting critical regulatory mandates.

Effi™, our Engine for Fixed Income, is the single platform through which we deliver all our solutions providing intuitive dashboards and insights into every fixed income position and transaction. Capabilities include portfolio analytics and reporting, custom alerts, and proposal generation, as well as tools that support best execution, fair pricing, and mark-up monitoring and disclosure on both a pre- and post-trade basis. BondWave leverages advanced technologies and data science to develop proprietary data sets that fuel our innovative solutions.