



SIFMA™

Securities Industry and
Financial Markets Association

THE ROLE OF

*Interdealer
Brokers*

in the Fixed Income Markets

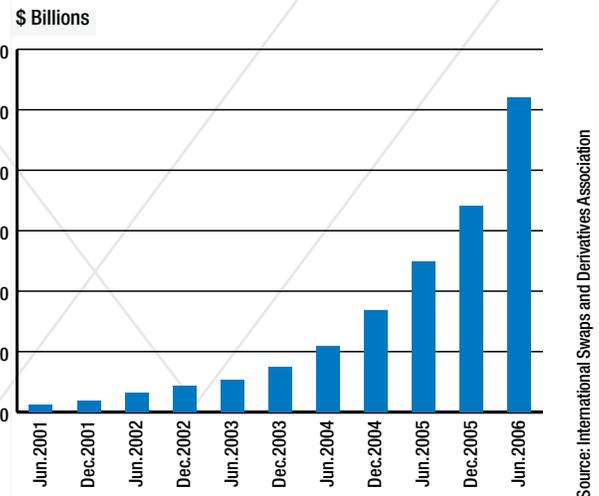
THE ROLE OF Interdealer Brokers in the Fixed Income Markets

INTRODUCTION

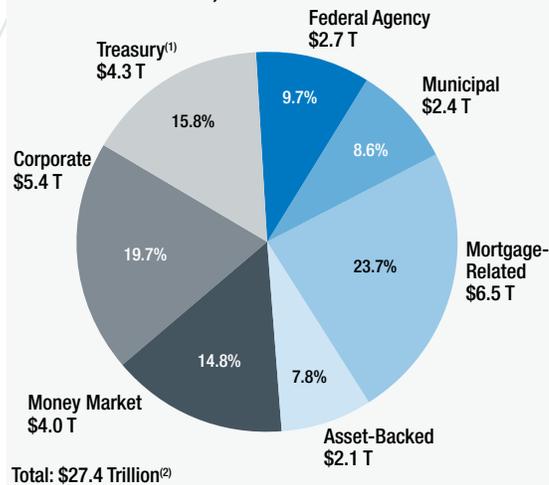
Broker/dealers and other financial institutions utilize the secondary fixed income markets to execute their customers' orders, trade for a profit and manage their exposure to risk, including credit, interest rate and exchange rate risks. There is no centralized exchange in the fixed income market. As a result, financial institutions need a way to find information, liquidity and anonymity for their trading activity. This need created a demand for the services of perhaps the least known and understood market participants, interdealer brokers (IDBs).

IDBs in the secondary government, agencies, corporate and other debt markets — also known as “Municipal Se-

Credit Default Swaps Outstanding
June 2001-June 2006



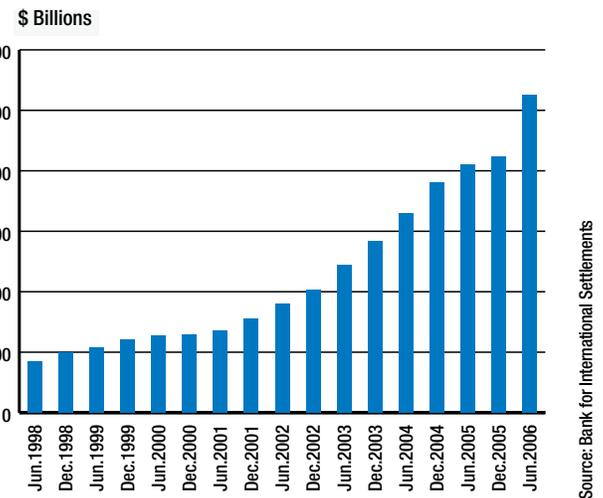
U.S. Outstanding Bond Market Debt
As of December 31, 2006*



⁽¹⁾ Includes marketable public debt
⁽²⁾ Figures may not add due to rounding
 * SIFMA estimates

The chart above indicates the relative size of the secondary fixed income markets, in terms of outstanding bonds.

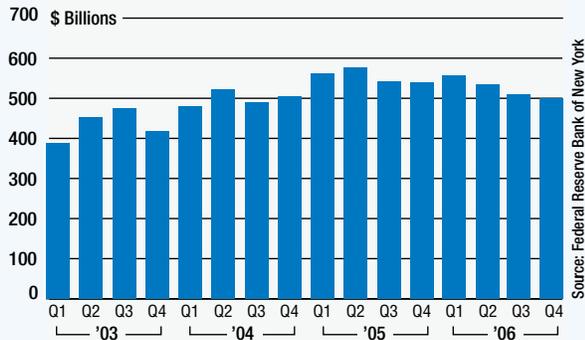
Interest Rate Derivatives Outstanding
June 1998-June 2006



* This document was developed by the Brokers Advisory Committee, a group comprised of traders, lawyers and compliance officers from interdealer broker member firms of the Securities Industry and Financial Markets Association. The Securities Industry and Financial Markets Association brings together the shared interests of more than 650 securities firms, banks and asset managers. SIFMA's mission is to promote policies and practices that work to expand and perfect markets, foster the development of new products and services and create efficiencies for member firms, while preserving and enhancing the public's trust and confidence in the markets and the industry. SIFMA works to represent its members' interests locally and globally. It has offices in New York, Washington D.C., and London and its associated firm, the Asia Securities Industry and Financial Market Association, is based in Hong Kong. While SIFMA's activities are global in nature, this document focuses on the role of interdealer brokers in the U.S. financial markets.

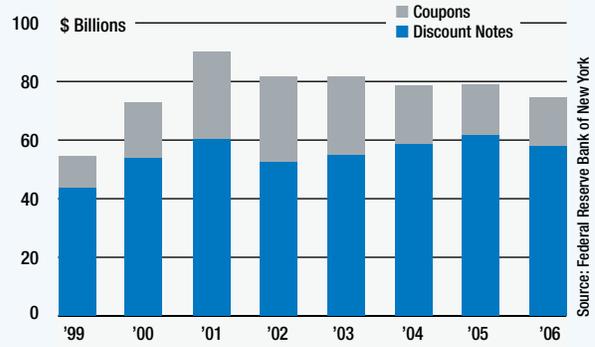
Average Daily Trading Volumes

Average Daily Trading Volume of U.S. Treasury Securities* 2003–2006



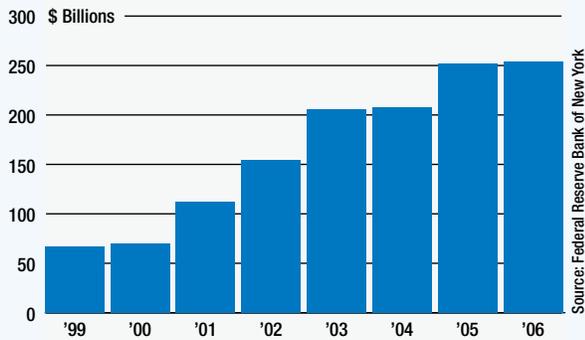
* Primary dealer activity. Approximately 45% of trades in U.S. Treasury Securities are conducted through IDBs.

Average Daily Trading Volume of Federal Agency Securities⁽¹⁾ 1999–2006



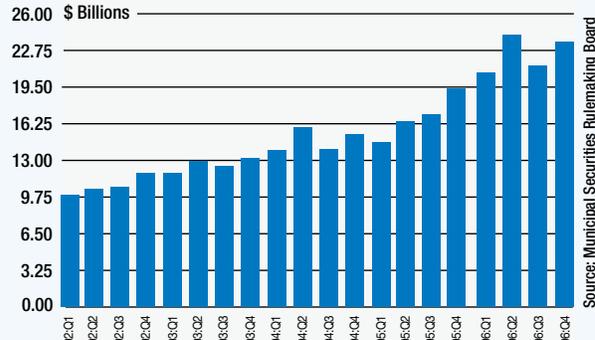
⁽¹⁾ Primary dealer activity

Average Daily Trading Volume of Agency Mortgage-Backed Securities⁽¹⁾ 1999–2006



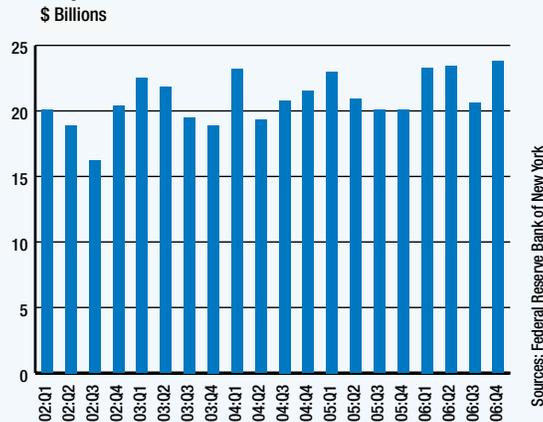
⁽¹⁾ Primary dealer activity

Average Daily Trading Volume of Municipal Securities* 2002–2006



* Includes both dealer-to-dealer and dealer-to-customer transactions

Average Daily Trading Volume for Corporate Bonds⁽¹⁾ 2002–2006



¹ Primary dealer activity; excludes all issues with maturities of one year or less, and includes REMICs.

curities Broker's Brokers" in the municipal bond markets¹ — are specialized securities companies who act as intermediaries working to facilitate transactions between broker/dealers and dealer banks in these markets. IDBs are sometimes described as providing a "Petri dish" of liquidity in the bond markets. That is, they provide a "nurturing environment" wherein market participants can ascertain information about a given market, thereby eventually facilitating a trade between buyers and sellers.

That IDBs are crucial to the functioning of the markets has been repeatedly highlighted in times of market stress. In times like these, dealers are often the only parties willing to buy bonds they believe are undervalued, and to hold them until a market imbalance is righted. Because IDBs are global and trade on a 24/7 basis, their ability to identify dealers and arrange trades is regarded as key to keeping the financial markets open in such highly stressful times as the aftermath of the attacks of September 11, 2001.

THE MARKETS

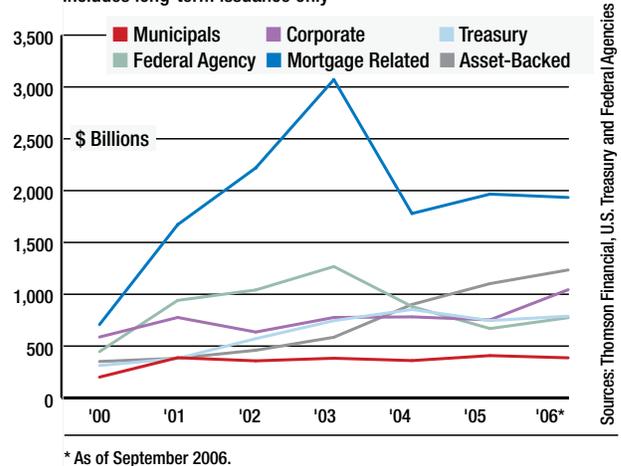
The IDB community distributes information and facilitates transactions in the secondary, or wholesale, financial debt markets between dealers and dealer banks around the world. Although market participants often refer colloquially to a single "bond market," there are actually quite separate markets, which include: (1) high grade sovereigns, including the U.S. government and G-10 foreign governments, (2) U.S. federal agencies and government sponsored enterprises ("GSEs", and, collectively with federal agencies, "Agencies"), (3) corporate debt, (4) Agency and non-Agency mortgage backed securities (MBS) and asset-backed securities ("ABS"), including collateralized debt obligations ("CDO"), (5) high yield securities, such as high yield corporate debt, distressed debt and emerging markets debt, including emerging markets sovereigns, (6) municipal securities, and (7) interest rate, credit and other derivative products. Some of these debt markets utilize IDBs more than others. Typically, markets which make extensive use of IDBs include the corporate bond, fixed income derivatives, U.S. Government and Agency, municipal securities and emerging markets.

Overall, the markets that IDBs are active in can be characterized as single-price auctions. Unlike exchanges, trades in these markets tend to occur sporadically. They

Issuance in the U.S. Bond Markets

2000-September 2006*

Includes long-term issuance only



are characterized by "evaporative" liquidity, as participants are either ready to transact at given prices, or out of the market entirely. As a result, dealers seek out IDBs with expertise in the securities they seek to trade in, so that they can test trade ideas against what may be possible in the market at any given time. This is in contrast, for example, to an open-outcry system (such as a futures pit or other exchange) wherein many market participants provide bids and offers on many trades in a public environment.

THE ROLE OF IDBS

Interdealer brokers play varying roles in each of the fixed income markets and have become instrumental to their effectiveness and efficiency. IDBs draw together buyers and sellers so that trades can be executed by market participants.

Some IDBs are licensed as broker/dealers; others are not. Whether or not an IDB is licensed depends on the security or instrument being brokered. For example, whereas brokering credit rate default swaps does not require a license, performing the same services for U.S. Treasury notes does.

IDBs provide potential buyers and sellers with the critical market information they need to trade. This information includes the narrowness of bid and offer quotes, for example, and follows a strict protocol regarding identification of sellers. In general, dealers with an order to buy or sell a

¹ A Municipal Securities Broker's Broker (MSBB) is a municipal securities broker or dealer who acts exclusively as an undisclosed agent in the purchase or sale of municipal bonds, notes and other instruments for a registered broker or dealer or registered municipal securities dealer, who has no "customers" as defined in MSRB Rules and who does not have or maintain any municipal securities in its proprietary or other accounts. As an undisclosed agent, an MSBB acts in the limited capacity of providing anonymity, communication and order matching. It does not exercise discretion as to the price at which its transactions are executed or when they are executed.

bond (on behalf of a customer or themselves) must ascertain the best price available in the interdealer market. In their search, they can contact an IDB directly via telephone or obtain an aggregated quotation from an IDB's electronic screen. An IDB may also act as the dealer's independent intermediary, thereby protecting the dealer's identity and level of trading interest. This is to guard against the possibility that revelation of this information to the market could negatively impact the price at which the dealer is willing to buy or sell the security.

Municipal Securities Broker's Brokers

In the municipal securities markets, a municipal securities broker's broker ("MSBB") intermediates in the interdealer segment of the secondary market (made up of dealers and dealer banks). There are several aspects of the municipal bond market and its regulatory structure that set MSBBs apart from IDBs in other markets. First, as a consequence of this market's size, complexity and lack of homogeneity, MSBBs tend to specialize in subsections of the municipal bond markets, either by region, issuer or type of security. Second, unlike IDBs in other markets, MSBBs do not normally present traders with "live" or "tradeable" prices via electronic platforms. Rather, business is primarily conducted through voice communication. Third, MSBBs use a method for finding prices for securities which is unique to that market. This method is referred to as "Bids Wanted", where a dealer asks an MSBB to gather bids from the interdealer market on a specific security so the dealer or ultimate owner (customer) may make a sell or hold decision on their position.

It is important to note that under the Securities Exchange Commission net capital rules,² MSBBs are prohibited from maintaining customer accounts, and are further specifically restricted from maintaining an inventory of securities for their own accounts (ie proprietary inventory). Thus, all transactions that an MSBB undertakes must be equally-matched buys and sells. Registered broker/dealers and dealer banks are their clients, including (a) dealers seeking liquidity on behalf of a customer, retail or institutional, or (b) dealers seeking to distribute a new issue or adjust an inventory position.

All MSBB executions must have a dealer or dealer bank as the contra-party. MSBBs may provide information to non-dealers; however, they may not execute transactions directly with customers.

EARNING TRANSACTION FEES

IDBs earn transaction fees when acting as intermediaries. This transaction fee is customarily known to all parties prior to a trade. By virtue of their business model, IDBs do not receive remuneration for posting prices which they receive from buyers and sellers, although this practice in fact represents the vast majority of their daily activity. The way they earn a transaction fee is if the seller and buyer agree to execute the trade. An IDB's transaction fee is earned at the point of sale.

IDBs almost never know what the execution price will be and they necessarily must work to find the best acceptable price to the buyer and seller, in the hope of earning the right to facilitate that trade.

IDBS' VALUE TO THE DEBT MARKETS

In general terms, IDBs add value to the markets by:

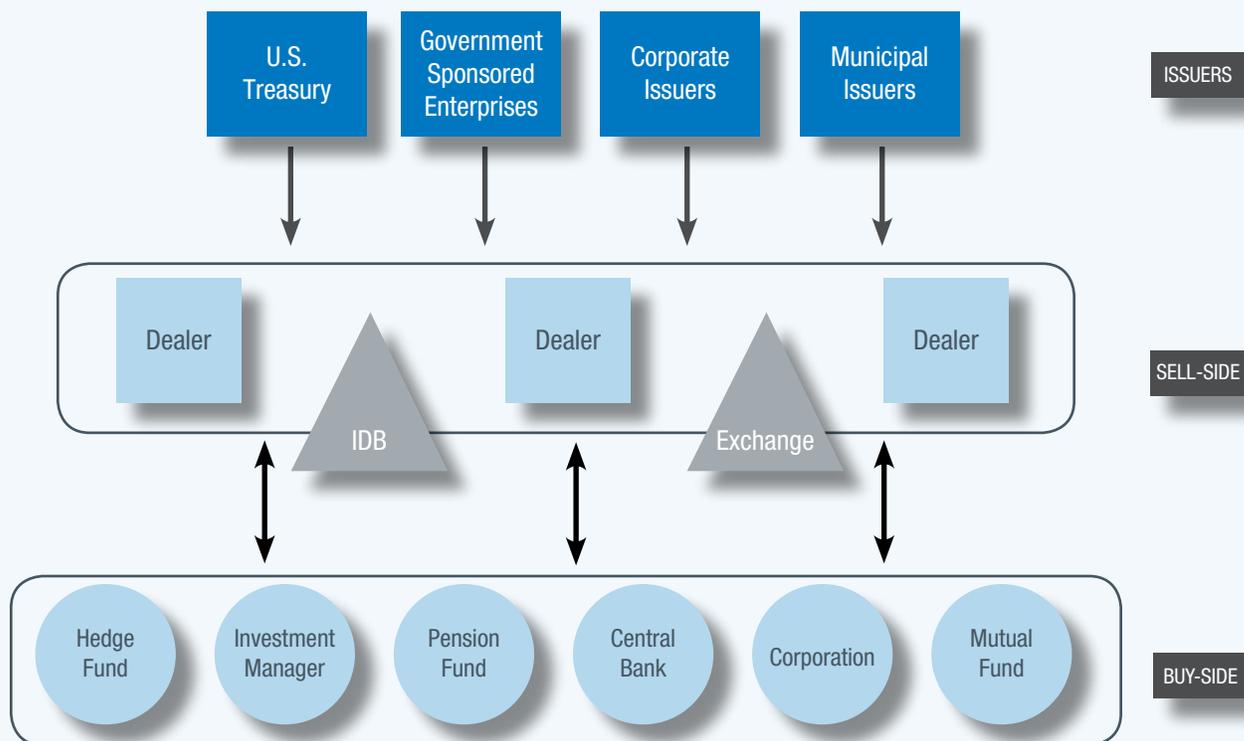
- Enhancing price discovery and transparency (Via communicating dealer interests and transactions)
- Providing anonymity and confidentiality (Via their position in the "middle" of trades)
- Facilitating information flow (Via acting as a central information point)
- Facilitating enhanced liquidity (Via their broad range of contacts)
- Improving market efficiency (Via their rapid access to liquidity)
- Lowering costs (Via their provision of prices to traders without incurring staffing costs)

Enhancing price discovery and transparency

In connection with their facilitation of transactions, IDBs provide pre-trade price discovery in their markets. Prior to execution, an IDB distributes its dealer quotes, in the form of bona fide bids and offers for securities through a variety of methods ranging from custom-designed trading platforms to voice and e-mail communications. The IDB has received this information from dealers who have the same or similar market interests.

² SEC Rule 15c3-1(a)(8)(ii) states: The term municipal securities "broker's broker" shall mean a municipal securities broker or dealer who acts exclusively as an undisclosed agent in the purchase or sale of municipal securities for a registered broker or dealer or municipal securities dealer, who has no customers...and who does not have or maintain any municipal securities in its proprietary or other accounts.

Trading Flows



The IDB usually aggregates quote information in order to show its dealer clients the “best” quotes available in the market place. In the municipal bond markets, for example, an MSBB will select the highest bid and lowest offer available — otherwise known as “reflecting a market” — to show to dealers who are interested in trading. Dealers use this information to trade for their own account and to facilitate customer transactions. In this way, IDBs provide analogous services for the fixed income markets as the consolidated quotation system provides for the equities markets.

IDBs also provide information to dealers about the depth of the market, for example providing different quotes based on the par value of a particular security being bid or offered. Regardless of the market, however, IDBs who use electronic screens will distribute best prices to all participants, not only to those who might be interested in trading. In contrast, for efficiency’s sake off-screen brokers may only call

traders who they believe may have an interest in trading these particular bonds. Overall, IDBs publish the best bid and offer available to the markets in an effort to improve price discovery and with the ultimate goal of bringing buyers and sellers together at one price.

Providing anonymity and confidentiality

Pursuant to industry practice and regulation³, the relationship between a dealer and an IDB is a confidential relationship. An IDB maintains participant anonymity with regards to broker/dealers and dealer banks during the price discovery process in the sale and purchase of bonds.⁴ This is in order to prevent competing dealers from discerning each other’s strategies by monitoring the market activities of their competitors.

During price discovery, dealer interactions with IDBs mask their identity from the marketplace. This anonymity reduces the market impact costs associated with the value

³ Under MSRB Rule G-24, the MSBB must not disclose the identity of buying and selling dealers or dealer banks to contra-parties or anyone else, and must not disclose trading strategy information that is given in confidence by dealers or dealer banks.

⁴ IDBs do not disclose dealers’ identities pre-trade. For matched principal business, the IDB is the counterparty and the names are never given up. For trades where the IDB introduces the counterparties to each other (referred to as “name give-up” trades), the IDB will give up the name at the time of execution.

Current IDB Business Models

IDBs currently use one of three business models to perform their services including (i) voice model, (ii) hybrid model, and (iii) electronic model.

Voice Brokerage

Voice brokerage, the conventional method of communicating prices between broker dealers, has been the traditional way to disseminate executable prices and indications of interest. Clients communicate with IDBs via telephone to place orders, assess market liquidity or execute trades for bonds. The IDB is able to obtain additional information from the client as to the price and true size of the bond it is seeking to buy or sell. The IDB assists the broker dealer in obtaining liquidity through solicitation, even in illiquid securities, on an anonymous basis.

Hybrid Brokerage Model

As the markets and technology have evolved, IDBs have combined the voice process with electronic systems. It is important to note that this visual confirmation of the marketplace has served to improve both market transparency and liquidity. Clients may anonymously post quotations on an electronic screen directly or submit the quotation to the IDB via phone for posting on the electronic screen. This model allows brokers to proactively assist clients in finding liquidity through solicitation and nego-

tiation. Hybrid brokerage models may anonymously execute orders through either (i) telephonic negotiation and electronic execution, (ii) an electronic negotiation and execution, or (iii) an electronic auction.

Orders executed through electronic negotiation mimic the role of the interdealer broker in the negotiation process. Clients may access an executable quotation directly by “hitting” a bid or “taking” an offer and engage in a negotiation with the contra-party for further size. Identities of the parties are not revealed until a trade is completed.

Certain other hybrid brokerage models, specifically those used for municipal bonds, allow users to enter requests for bids with a stated duration time that the auction is open. The request for bids lists the security description and associated size but does not include a price. The IDB will contact dealers to solicit interest in the bid. Dealers may respond to the request for bid by submitting firm offers either electronically or via telephone. Following a telephonic negotiation, an execution occurs if the bidder receives the price at which it is willing to buy the securities. Such hybrid systems also allow dealers to post offerings at specific prices. These offerings serve as indications of interest rather than firm quotes and brokers may access these offerings telephonically. On some sys-

tems, request for bids and offerings may be placed on electronic system directly by clients.

Electronic Brokerage

As markets become more commoditized, they lend themselves to fully electronic trading. IDBs have developed their own proprietary systems, notably in the U.S. Government securities market. Certain IDB trading platforms, again, particularly in the U.S. Government securities market, are interdealer platforms, where dealers trade anonymously with each other on these proprietary systems. Through electronic trading, IDBs provide real-time executable trading systems to clients. Clients may post anonymous quotations on the electronic system or access real-time executable quotations that are automatically executed when posted bid prices are “hit” or posted offers are “lifted.” The size of all orders is aggregated at each price point for display purposes and orders are executed according to price/time priority. Users may post hidden liquidity at a stated price. IDBs providing electronic brokerage distribute pricing information through market data vendors and directly to clients. (Clients normally utilize fully electronic marketplaces for highly liquid securities that are actively traded such as U.S. Government securities and some corporate and municipal bonds.)

to the market of the knowledge that a particular dealer is seeking to buy or sell a specific quantity of bonds. For example, a large bank or dealer may be looking to acquire or sell a large amount of inventory. If done directly, such massive trades may well affect market levels, with consequent negative impact on the dealer’s trading strategy. By transacting their business through an IDB, the initiator of trading activity remains anonymous. And the large quantity of bonds can be sold in smaller lots, thus maintaining a stable market and uniform price throughout the transactions.

For students of human nature, it will be apparent that another important reason anonymity is highly valued by traders is what former Fed chairman Alan Greenspan recently described as the “gregarious nature” of this business. While traders have a natural impulse to publicize their accomplishments, it does not benefit them to have the marketplace as a whole know their identity as a participant in any given trade. This, plus the fact that disclosing a participant’s identity does not enhance liquidity, is the reason why IDBs do not typically disclose the identity of their dealer clients. The marketplace receives the information that is

The Five Handed Trade

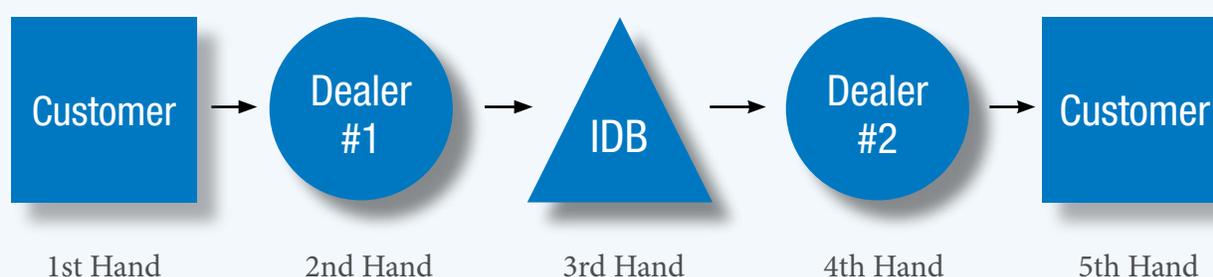
As IDBs broker securities and derivatives for broker dealers and dealer banks, it is often the case that these dealers are operating as an intermediary for a retail or institutional customer. As a result, in these transactions five participants are involved as follows:

- The dealer (“2nd Hand”) is contacted by the retail or institutional customer (“1st Hand”) who is interested in buying or selling cer-

tain securities. If the securities do not meet the dealer’s trading inventory parameters, the desk will place a buy or sell order with an IDB (“3rd Hand”).

- The IDB will, through its network of dealer contacts, find a dealer (“4th Hand”) willing to sell or buy the securities.

- That dealer who is willing to sell or buy the securities from the IDB will probably have a retail customer or institution (“5th Hand”) who is interested in selling or buying the securities.
- There are five parties involved in the completion of this trade, thus the term “Five Handed Trade.”



needed — that is, the price and the amount of bonds traded — in order to come to a deeper understanding of the market and of where liquidity is available, without needing to know the identity of the participants in the deal.

Facilitating information flow

IDBs’ significant role in facilitating the flow of information between dealers is a critical service which both enhances liquidity and results in improved prices for market participants.

Pre-trade, IDBs facilitate market information (prices on securities, interest in buying and selling securities and transactions in securities) flow in several ways. First, in many markets, IDBs post and disseminate market information through an electronic system to their dealer clients.⁵ This information typically includes the bond issue description, the bids and offers in the bond, and the associated size of the bids and offers. Second, in providing anonymity to their dealer clients, IDBs thereby encourage dealers to supply the IDB with mar-

ket information, typically in the form of calls received seeking bonds or from those looking for a buyer of their bonds. Finally, by aggregating quotations, IDBs provide participants with valuable information that reflects the buying and selling interest in the bonds among dealers.

This information, of course, has its limits. Depending on the market, participants must post a security’s availability in order to obtain a market price. Too, some systems may only disseminate requests for bids. In all cases, the disseminated information does not attribute the willingness to buy or sell to any given broker-dealer.

IDBs also facilitate post-execution price transparency. For example, after a municipal bid-wanted trade is executed, an MSBB may provide a dealer with information about the “cover” bid, i.e., the next best bid after the level at which the bond traded or whether the bonds are re-offered and at what price. This is important information for dealers to have in assessing the depth of the market and the risk in-

⁵ Electronic trading platforms facilitate price discovery and trade execution in bonds and other fixed income instruments, providing post-trade pricing services, pre-trade analytics and research. Real-time post-trade data is available free of charge to participants; some sell this data to non-participants as well. Dealer-to-dealer platforms tend to service the government bond markets; dealer-to-customer platforms (usually provided by investment banks) service both the government and corporate bond markets. These platforms allow trading in a large number of bonds across a broad array of sectors, including corporate, Government and emerging market debt. Dealer-to-dealer platforms provide systematic, executable two-way pre-trade prices to platform participants that use a cross-matching or firm quote trading method. Most dealer-to-customer platforms, however, operate solely through a request for quote method.

involved in bidding or offering bonds at particular levels. This information permits dealers to quote markets with better certainty, and presumably at lower spreads, increasing secondary market liquidity and the ability for investors to sell their bonds.

It's important to note here that the benefits of market data distribution that the IDBs have long championed have been institutionalized by regulators in some markets. In corporate bonds, all transactions are reported on the NASD TRACE system (National Association of Securities Dealers' Trade Reporting and Compliance Engine) system.⁶ In the municipal bond world, all MSBB trades in municipal securities are reported to the Municipal Securities Rulemaking Board's Real-Time Transaction Reporting System.⁷

Whether pre- or post-trade, IDBs' dissemination of information reduces market participants' costs associated with searching for buyers and sellers and levels (ie prices) in a decentralized marketplace and provides them with access to the current market price for a specific bond.

Enhancing liquidity

Regardless of the particular financial market, several factors affect market liquidity: issuer's name, issuer's credit rating, outstanding size of the particular issue and the total size of other issues outstanding from the same issuer.

Traders are more willing to buy and sell bonds that are from a recognized issuer and part of large issues. Such bonds are also likely to be more liquid or easier for an investor to sell back into the market at a competitive price. Other things being equal, traders or dealers, then, face less price risk with bonds from large recognizable issuers than with bonds from smaller issuers. In addition, bonds with a variable or floating interest rates are more liquid than those with a fixed coupon, since their prices are less volatile.

In their roles as agents, IDBs provide dealers with quotes from other dealers, thereby enhancing the information available to the market and the market's overall efficiency. In addition, an IDB may participate in certain marketplaces by posting quotations for its own account and by acting as principal on unmatched trades to facilitate transactions, add liquidity, increase revenue opportunities and attract additional order flow. Thus, IDBs facilitate trades and ensure a more liquid market. Too, the fact of mar-

ket competition among IDBs means that overall liquidity is further enhanced because there are competing, decentralized pools of liquidity which traders can access.

Finally, traders' multiple responsibilities often include managing their firm's risk, dealing with customers in addition to investigating new market opportunities. As a result, they often look to IDBs to support them on the market side with their specialist knowledge.

As one example of this, an MSBB can be said to provide liquidity because they have specific knowledge of a state or region or specialty bond. As such they act as an information clearinghouse for municipal bonds of a certain type. Their expertise, in effect, eliminates the need for a desk-to-desk search on the part of potential buyers and sellers of that security. The fact that there are competing MSBBs with specialist knowledge also means that there is more liquidity for traders to access.

Improving market efficiency

IDBs save their dealer clients time. For traders, time is of the essence, because trading activity does not typically occur with regularity. As a result, traders enhance their profitability by making the greatest possible number of bond trades per day.

Regardless of the market, when a trader is looking to participate in a given market, time is critical. As it is the IDBs' special concern to have up-to-the-minute knowledge of market participants' activity, this must be available to dealer/ traders at a moment's notice. For traders, the time-saving element of working with IDBs may easily make the difference between executing or missing a trade.

Lowering Costs

By collecting information from dealers on an independent basis, inter-dealer brokers "gather" the liquidity available for a particular bond series. This function serves to make available a market value for often illiquid securities and also serves to lower search costs for broker-dealers. Without IDBs, brokers and/or dealers would be in the position of having to expose their identity to the marketplace as they search for liquidity. This would only serve to impair their bargaining position and raise their costs, as inevitably the information would be used against them in the marketplace.

⁶ IDBs report all corporate bond trades to TRACE. In 2005, approximately 5.96 million corporate trades were reported through this system by all participants. See NASD Rule 6200 series.

⁷ MSBBs report all municipal bond trades to RTRS. In 2006, approximately 6.41 million municipal trades (maturities of 9 months or more) were reported through this system by all participants. See MSRB Rules G-12 and G-14.

IDBs also bring together and execute transactions for buyers and sellers of bonds. The transactions may be effected on an agency basis. IDBs use their knowledge of market “color” to assist in the price negotiation process and to bring together buyers and sellers. This service brings the market together and provides broker-dealers with efficient matching.

HOW IDBS EXECUTE TRADES

Other than in those circumstances when an IDB acts for its own account, all IDBs transact in one of three ways:

(1) In markets where the IDB maintains the dealers’ anonymity, the IDB — like all market participants — trades as agent for one side and executes the trade as a riskless principal, and shares in the risk of clearing and settlement through a central Registered Clearing Agency, such as the Depository Trust Clearing Corporation (DTCC).

(2) In a “name give-up” transaction, the IDB “steps out” of the transaction at the point of sale, leaving the buyer and seller to clear and settle through the appropriate market mechanism.

(3) In exchange-traded products such as futures contracts, the IDB also steps out of the transaction at the point of sale, thereby allowing the counterparties to notify, clear and settle through the exchange.

(Please note that in the second and third cases, where the IDB is acting only to facilitate the trade, it is important to note that it is the buyer and seller who assume the risk and therefore utilize the appropriate mechanism for their respective markets to clear and settle the trade.)

THE FUTURE FOR IDBS

Many observers cite the tremendous growth in the secondary fixed income markets as the major factor driving several other trading trends. These include a plethora of new products, volatility in interest rates, increased allocation of capital for trading by banks and hedge funds, demand for significant deficit financing in many of the G7 countries, increased new issuance in the corporate bond

and MBS markets of securities, shifts in the foreign exchange markets as well as significant changes in the supply and demand for commodities such as oil, coal and gas. As the need for specialized knowledge proliferates with these growing markets, so does the demand for IDBs’ services. In addition, as volume has grown, so has the need for transparency and the sophisticated trading systems IDBs employ to provide more and better information to market participants.

Generally speaking, as rapidly evolving trading technologies make more information available to market participants, products tend to become commoditized. As this occurs, trading opportunities tend to decrease. Participants such as IDBs who earn fees by facilitating trades therefore tend to move away from trading in these products, often toward more esoteric products and the voice-facilitated brokerage that support them.

In markets where trading opportunities are fleeting, IDBs have historically demonstrated their capability to facilitate liquidity and maximize their participation. For example, as most regulated institutions (especially banks, broker-dealers and pension and insurance companies) now use the bond markets to hedge their exposure to interest rate and credit risk, IDBs increasingly play an integral role in this growing market. In markets such as fixed income derivatives and emerging markets debt, IDBs have over the last fifteen years continued to innovate to respond to market needs for effective price dissemination and market knowledge.

As marketplaces evolve, IDBs will continue to closely track market needs, providing information, liquidity, anonymity and a centralized place to execute trades. This ability continues to reflect the respect and reliance placed in them by the fixed income markets globally.



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