

Secondary Market Practices Committee European Secondary Bond Market Data

H1 2023



In collaboration with



Executive Summary

This report provides an overview of European trading activity for both the sovereign bond and corporate bond markets, comparing our latest findings with past performances since January 2022. Specific changes and trends relative to past reports can be summarised as follows:

- Traded volume for sovereign bonds in H1 2023 has increased by 2.7% compared to H1 2022, representing 53.8% of total traded volume in the full year of 2022;
- In both sovereign and corporate bonds, a decrease in average and median trade sizes is observed;
- The average trade size decrease varied between 10% and 37%, depending on the issuing country for sovereign bonds;
- For corporate bonds, the average trade size decrease from H1 2022 to H1 2023 ranges between 3% and 19%, depending on currency;
- The only subclass where the average trade size seems to have increased were US issued sovereign debt, as well as USD denominated non sovereign debt;
- In terms of number of trades, it is worth noting that trade counts have increased 21% for sovereign bonds and 8% on the credit side;
- In both segments, bonds are mainly traded via systematic internalisers (SI) (59% in sovereign bonds and 56% in corporate bonds, respectively). We also analysed traded notional and trade count across different trade size bins, observing an increase in the proportion of SI trades as trade size increases;
- Contrary to what has been observed on the sovereign bonds side, we could identify an increase in D2C transactions on the credit side, compared to H1, 2022.

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Some figures presented in this report may not align with previously published data due to ongoing updates in our data collection and analysis processes.

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This report

The purpose of this report is to capture and represent aggregated bond market data as reported under the MiFID II / MiFIR obligation. ICMA has leveraged the capabilities of [Propellant.digital](#) in undertaking this analysis. Propellant is a software solution that provides market participants functionality to enable them to aggregate transparency data of up to 55 Trading Venues (TVs) and Approved Publication Arrangements (APAs). The list of TVs and APAs whose data is used in this report can be found in Annex 1.

The report covers transactions in both corporate bonds and sovereign bonds (as defined by the regulatory class of financial instrument – or ‘CFI’ code and the corresponding sub-asset class), as reported under both the EU and UK MiFID II/ MiFIR requirements. It provides traded volumes and trade counts disaggregated by underlying currency, and, in the case of sovereign bonds, by underlying issuer. It further disaggregates by trade sizes, distribution channels, as well as transaction jurisdiction (EU or UK).

This report, is the third in the series, following reports published for H1 2022 and H2 2022. Accordingly, it provides 18 months of bond market data, covering the period of **January 2022 through June 2023**. This has facilitated the observation of trends and patterns in secondary market trading activity and structure over this time.

Working with Propellant, ICMA believes that this latest data set is also a more accurate reflection than the previous reports, and the expectation is that future reports will see continued improvements in both the depth and quality of the underlying data.

Data coverage and quality

Propellant estimates that based on the underlying sources of transaction data the report captures more than 80% of all secondary bond market transactions reported in the EU and UK and is therefore relatively representative of overall bond trading in these jurisdictions.

It is important to recognise, however, that there are data quality limitations with the current transaction reporting regime. A common issue is the reporting of incorrect notional amounts by APAs, which can be inflated (usually by a factor of x1,000). Sometimes these reported transactions are corrected at a later date, but often they are not. A more systemic problem lies with the sub-asset class information in the ESMA Financial Instruments Transparency System (FITRS), which are often incorrect, giving underlying bonds the wrong bond type classification. For example, many French and Dutch sovereign bonds, among others, are classified as corporate bonds in FITRS.

A further challenge is the nature in which sovereign bond data is reported, with much of the trading activity subject to indefinite aggregation. In some cases the trade count is not published, making it difficult to estimate average and median trade sizes.

While both Propellant and ICMA have tried to identify such mis-reporting or underlying errors in the publicly reported data used in this report, and to correct the data where possible, neither takes responsibility for any misrepresentation, whether in the APA and TV reported data or in FITRS or FIRDS (Financial Instruments Reference Data System).

Sovereign Bond Market

Volumes

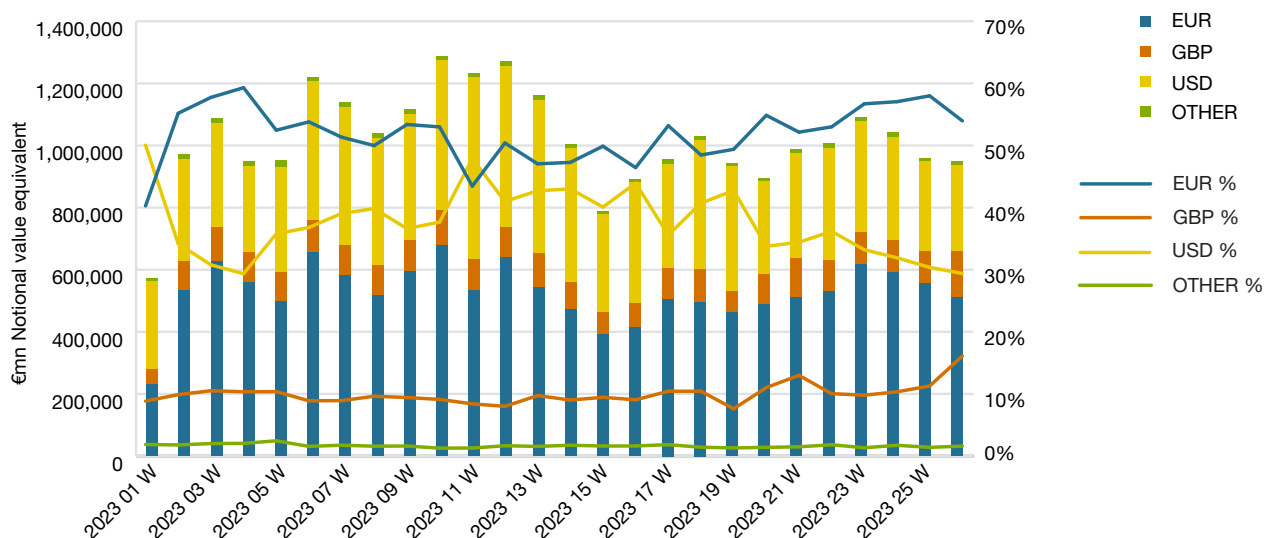
In the first half of 2023, the traded volume of sovereign bonds totalled €26,508bn. This represents 53.8% of the total traded notional for 2022, estimated by ICMA using Propellant aggregated data at €49,251bn. When looking at this figure period-over-period instead, we observe a 2.7% increase compared to H1 2022, where traded notional accounted for €25,818bn.

The number of unique traded ISINs is 2,667 for a total of 5.1mn trades. On a period-over-period basis, this equates to a 3.4% increase in the number of unique ISINs (2,580 in H1 2022) and a 21.4% increase in number of trades (4.2mn).

On average this is €1,020bn traded weekly. More than half is represented by EUR denominated trades, which account for 51.7% (€13,712bn), 37.27% (€9,878bn) by USD denominated trades, and 9.64% (€2,555bn) in GBP. Other currencies (including but not limited to CAD, CHF, SEK, NOK) account for 1.37% (€363bn).

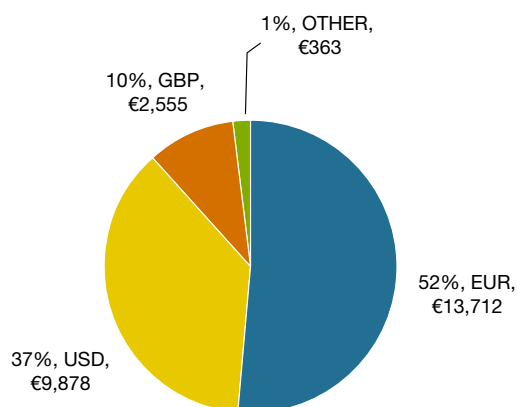
We observe that the first week of the year exhibits low volumes. The same trend was observed in the last two weeks of 2022. Low volumes in these three weeks do not seem to cause any drift in the trend, with volumes rapidly rising to €970bn (in week 2) from €573bn (from week 1). It is worth considering that the ECB and BOE combined balance sheet shrank by \$309bn in December 2022¹. This is, however, not reportable under MiFIR and therefore does not constitute part of the analysed dataset.

Weekly Sovereign Bond Volume



¹ ICMA calculated using Bloomberg index B111B56A Index and EBBSTOTA Index

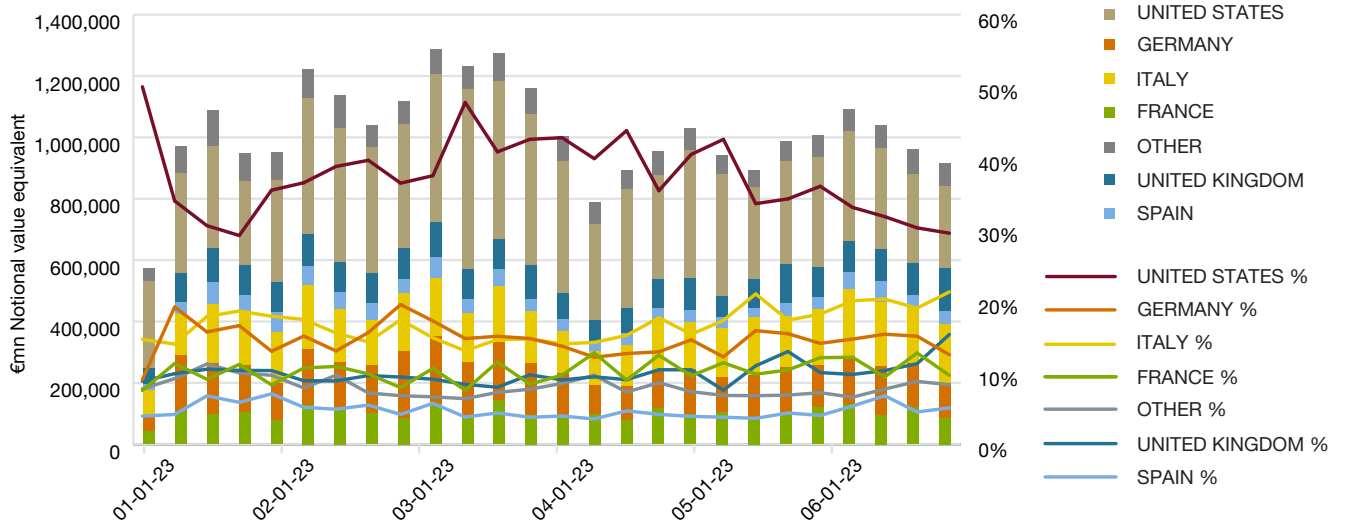
Total Sovereign Bond Volume by Currency (€bn equivalent)



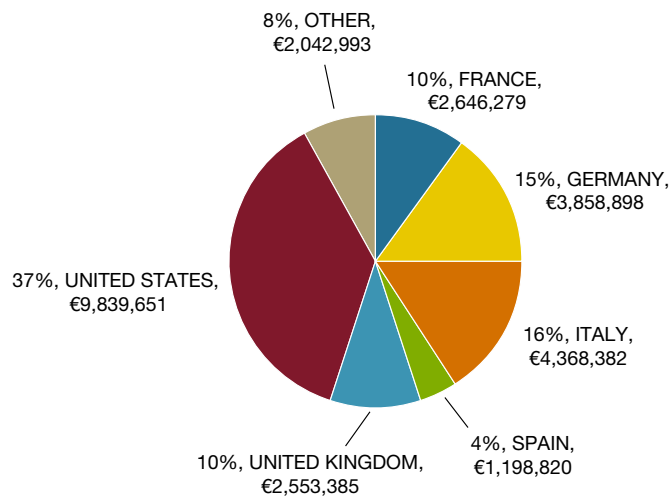
Currency	Notional Value (€bn)	%
EUR	13,712.00	51.73%
USD	9,878.42	37.27%
GBP	2,555.25	9.64%
Other	280.39	1.06%
SEK	34.37	0.13%
DKK	27.66	0.10%
NOK	20.30	0.08%
CAD	0.0005	0.00%
CHF	0.0002	0.00%

When observing sovereign issuers, over a third of the total share of traded notional value belongs to the US, with a value of 37.12% (€9,840bn). This is followed by Italy with 16.48% (€4,368bn), Germany with 14.56% (€3,858bn), France with 9.98% (€2,646bn), the UK with 9.63% (€2,553bn), and Spain with 4.52% (€1,199bn). The percentage share of the market is in line with observed figures in the full year outlook for 2022.

Weekly Sovereign Bond Volumes by Sovereign Issuer



Total Sovereign Bond Volume by Sovereign Issuer (€mn equivalent)

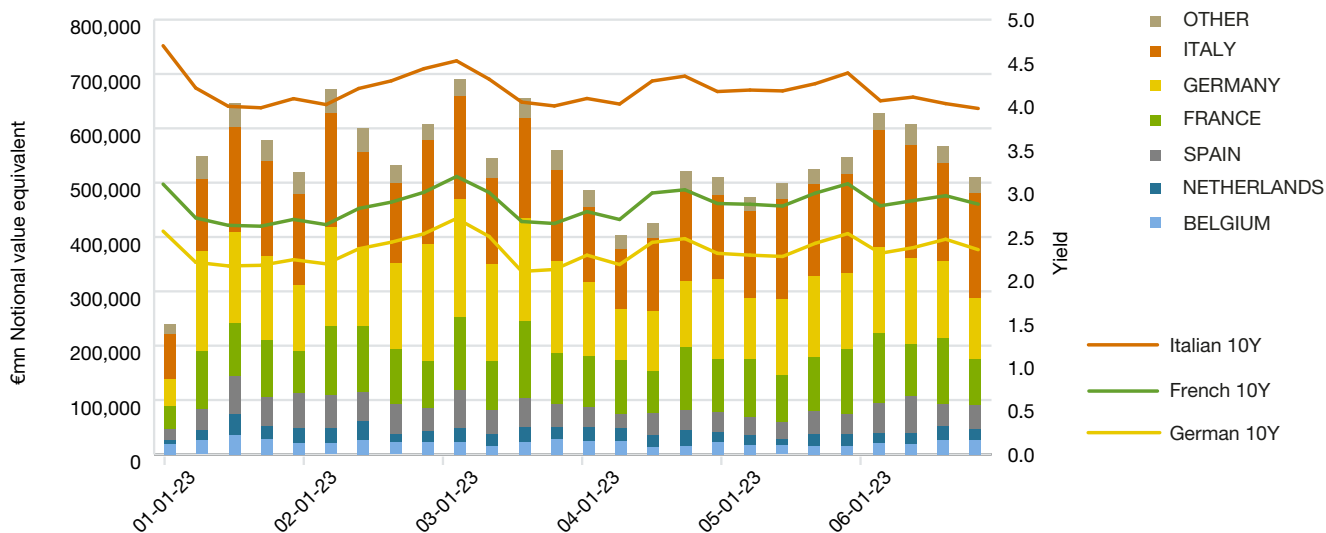


Issuer Country	Notional Value (€bn)	%
UNITED STATES	9,839.65	37.12%
ITALY	4,368.38	16.48%
GERMANY	3,858.90	14.56%
FRANCE	2,646.28	9.98%
UNITED KINGDOM	2,553.38	9.63%
SPAIN	1,198.82	4.52%
NETHERLANDS	577.22	2.18%
BELGIUM	569.71	2.15%
AUSTRIA	166.14	0.63%
POLAND	149.02	0.56%
FINLAND	97.08	0.37%
PORTUGAL	82.03	0.31%
ROMANIA	72.28	0.27%
HUNGARY	67.74	0.26%
CZECH REPUBLIC	52.99	0.20%
IRELAND	47.48	0.18%
SWEDEN	36.62	0.14%
DENMARK	28.18	0.11%
GREECE	27.08	0.10%
NORWAY	20.30	0.08%
SLOVENIA	14.84	0.06%
SLOVAKIA	11.55	0.04%
CROATIA	6.86	0.03%
BULGARIA	4.76	0.02%
LATVIA	2.93	0.01%
LUXEMBOURG	2.68	0.01%
CYPRUS	2.63	0.01%
LITHUANIA	1.97	0.01%
ESTONIA	0.84	0.00%
ICELAND	0.07	0.00%

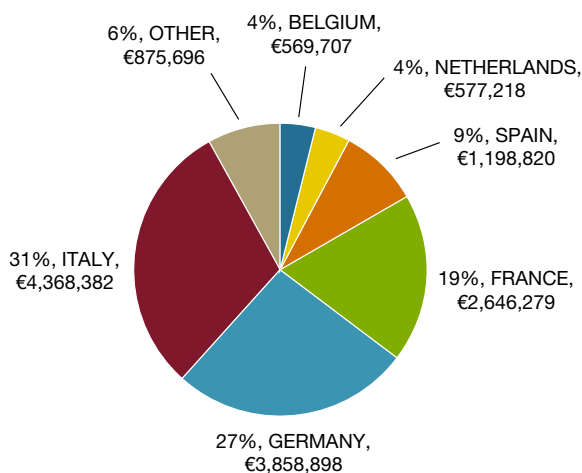
EU Sovereign bonds

EU sovereign issued bonds² account for 53.2% (€14,095bn) of total traded notional. This ratio was 54.3% for the 2022 full year outlook. On average this implies a traded notional value of €542bn weekly, 7.7% higher compared to the weekly average of 2022 (503bn). Whilst 2022 saw yields clearly in an up trend, in H1 2023 we see a flattening of the trend with yields relatively more stable³.

Weekly Sovereign Bond Volumes by EU Sovereign Issuer



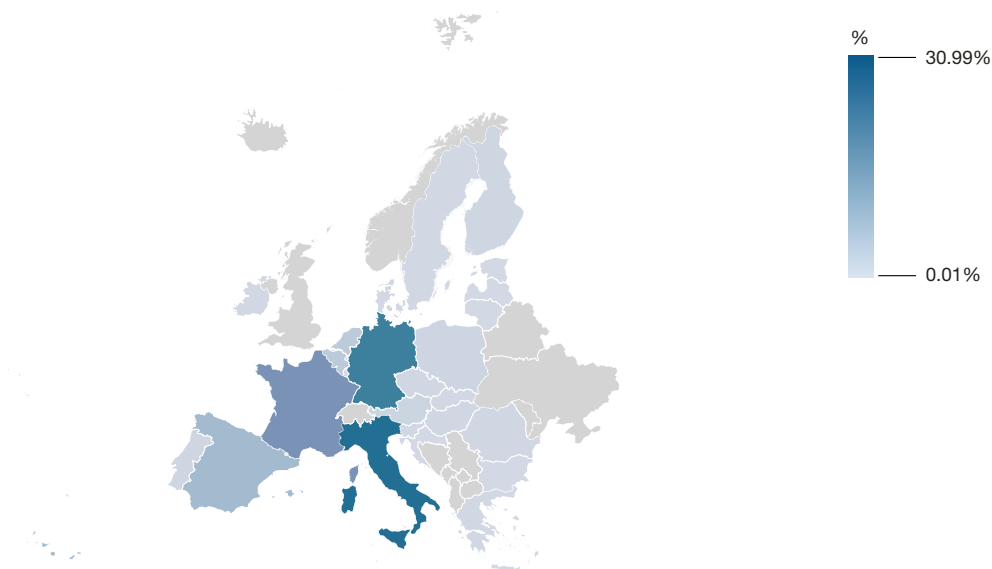
Total EU Sovereign Issuer Volume (€mn equivalent)



² Notice: These figures exclude Malta due to a lack of data.

³ Yield data extracted from Bloomberg

Total Traded Notional Value by EU Sovereign Issuer (%)



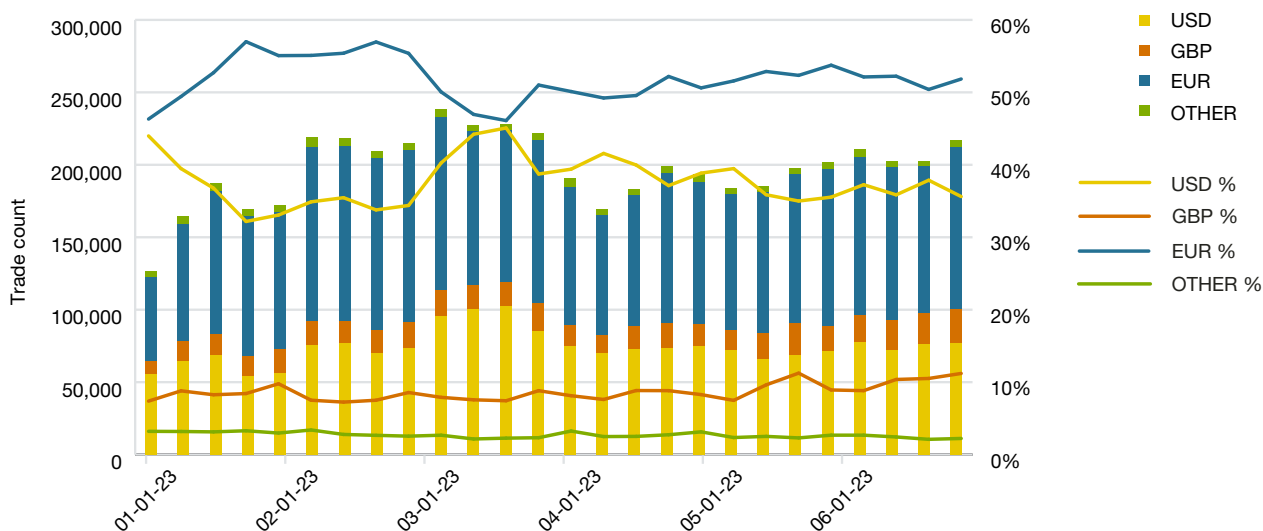
Trade count and trade sizes

The total trade count for the first half of 2023 is up to 5,133,179. This represents 59.7% of total trades in 2022 (8,602,464), averaging 197K trades weekly against the 165K of 2022.

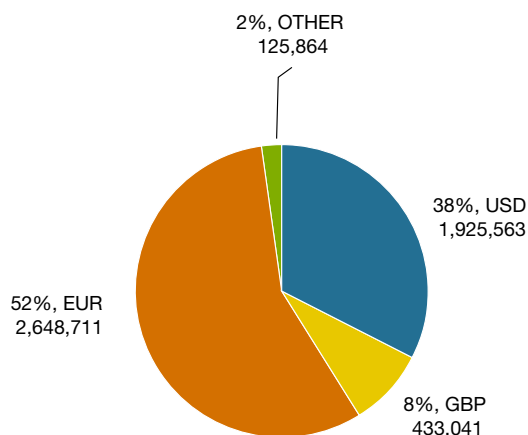
On a period-over-period basis, H1 2022 saw a total trade count of only 4,240,394 (17.4% less than H1 2023).

In terms of underlying currency, EUR denominated bonds represent more than half of recorded trades, with a share of 52% (2,648,711), followed by USD with a share of 38% (1,925,563), GBP with a share of 8% (433,041) and the remaining 2% (125,864) is made up of other currencies. The full year statistics for 2022 exhibited similar patterns in terms of respective shares of total traded notional with EUR at 47.2%, USD at 41.9% and GBP at 7.9%.

Weekly Sovereign Bond Trade Count by Currency

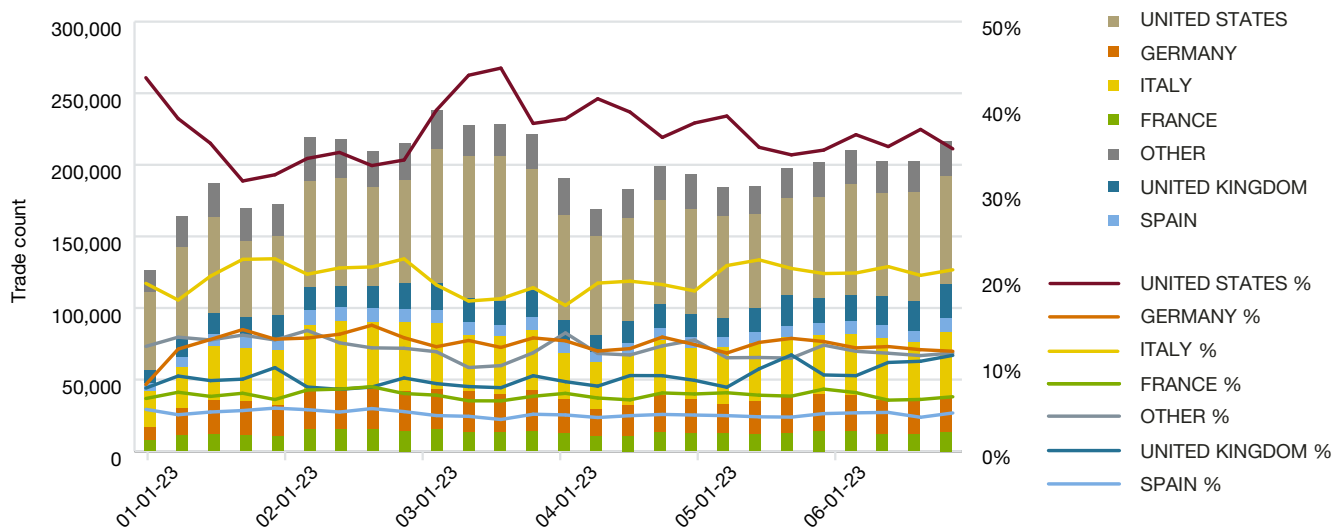


Total Sovereign Bond Trade Count by Currency

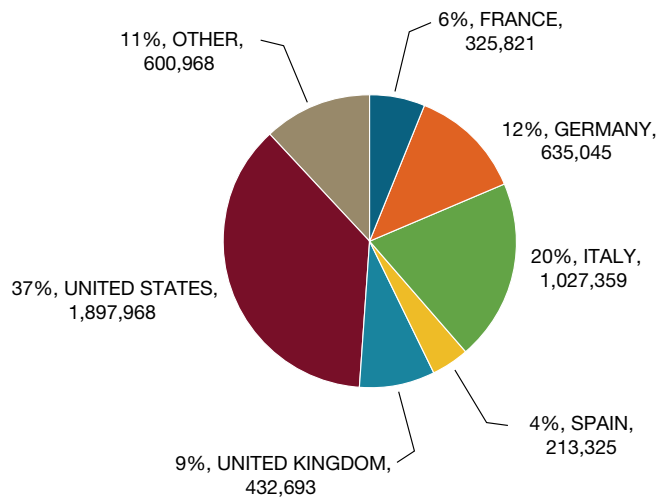


In terms of issuance country, more than a third of trades are represented by US issued bonds with a share of 37% (1,897,968). The European issuing country with the largest number of trades is Italy with a share of 20% (1,027,359), followed by Germany with 12% (635,045), UK with 9% (432,693), France with 6% (325,821) and Spain with 4% (213,325).

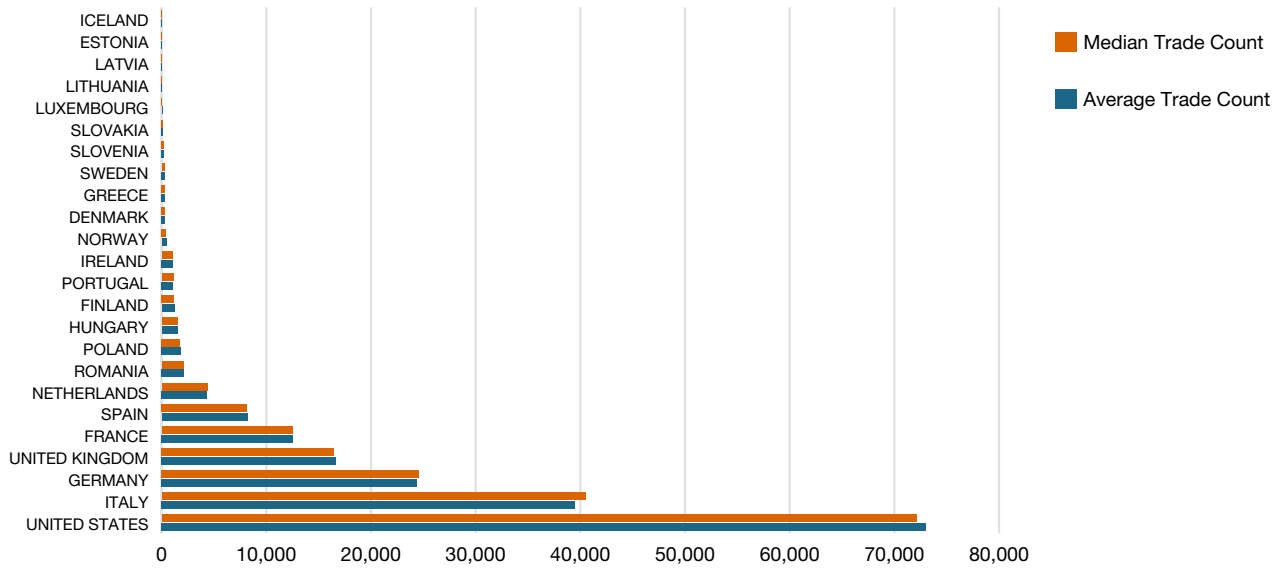
Weekly Sovereign Bond Trade Count by Issuer Country



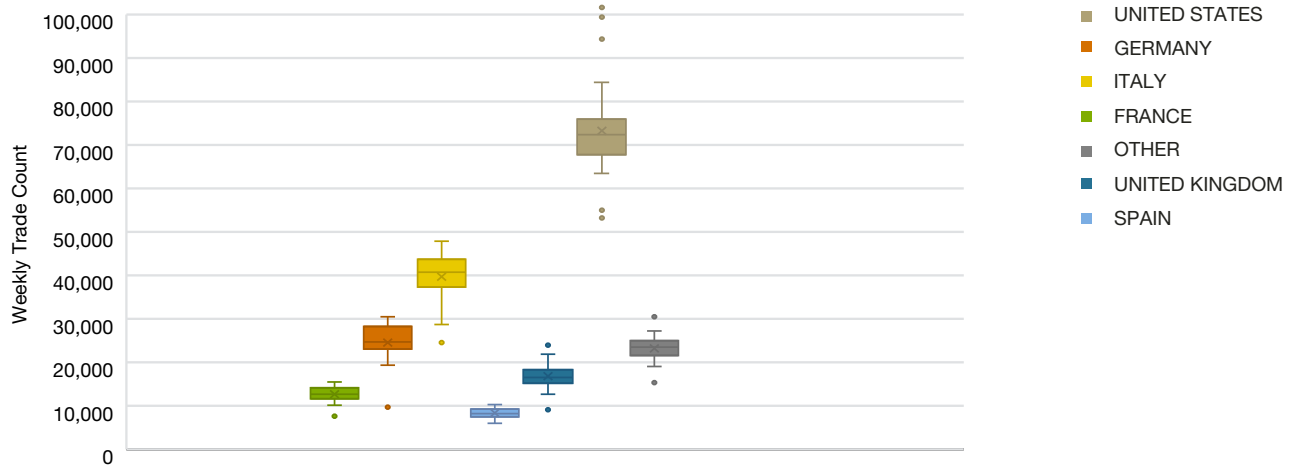
Total Sovereign Bond Trade Count by Issuer Country



Average and Median Trade Count (based on weekly observations)



Weekly Trade Count Distribution

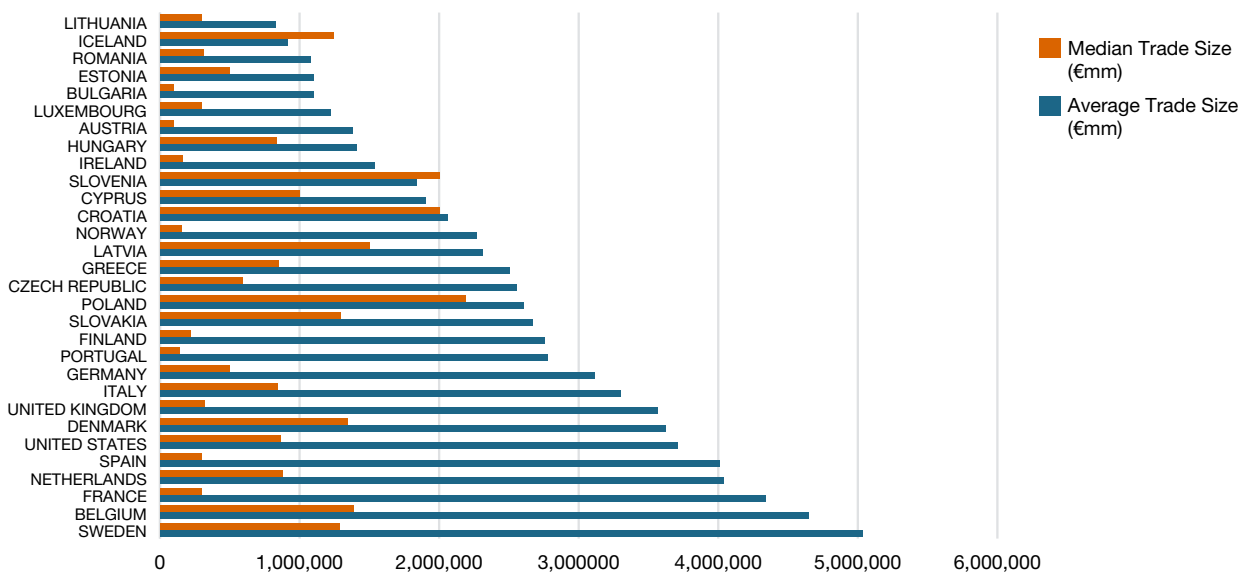


Despite having the largest shares in terms of trade count and notional traded, US, Italian and German bonds, average trade size are relatively smaller. Swedish issued bonds have the biggest average size with a value of €5,034,332. This is 61% bigger than the German average traded size of €3,114,933.

Top 10 issuers by average trade size

Issuer Country Name	Average Trade Size (€)	Median Trade Size (€)
SWEDEN	5,034,332	1,284,864
BELGIUM	4,648,874	1,384,000
FRANCE	4,339,737	300,000
NETHERLANDS	4,038,624	880,000
SPAIN	4,010,012	300,000
UNITED STATES	3,709,584	861,920
DENMARK	3,620,263	1,344,050
UNITED KINGDOM	3,564,112	316,471
ITALY	3,298,661	842,000
GERMANY	3,114,933	500,000

Average and Median Trade Sizes (based on weekly observations)



Trade Size and Count Evolution

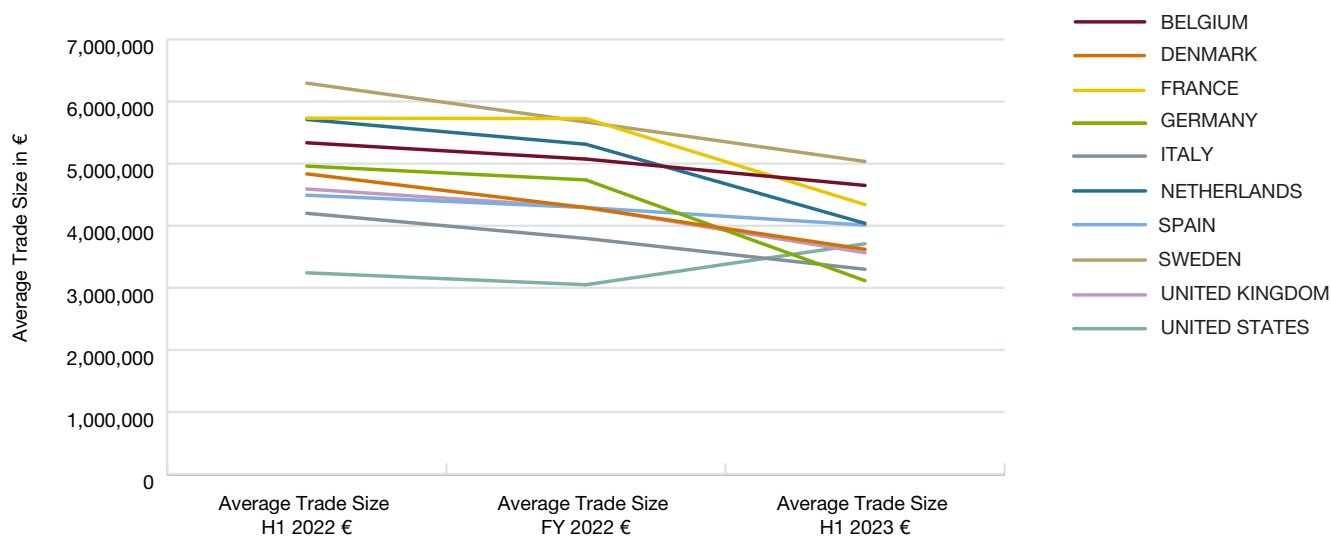
When observing the average and median size historically for the above top 10 countries, a clear downtrend is visible.

With the exception of US issued bonds, all other countries experienced a reduced average size between 10% and 37%, with median size shrinking even more, reaching reductions up to 58%.

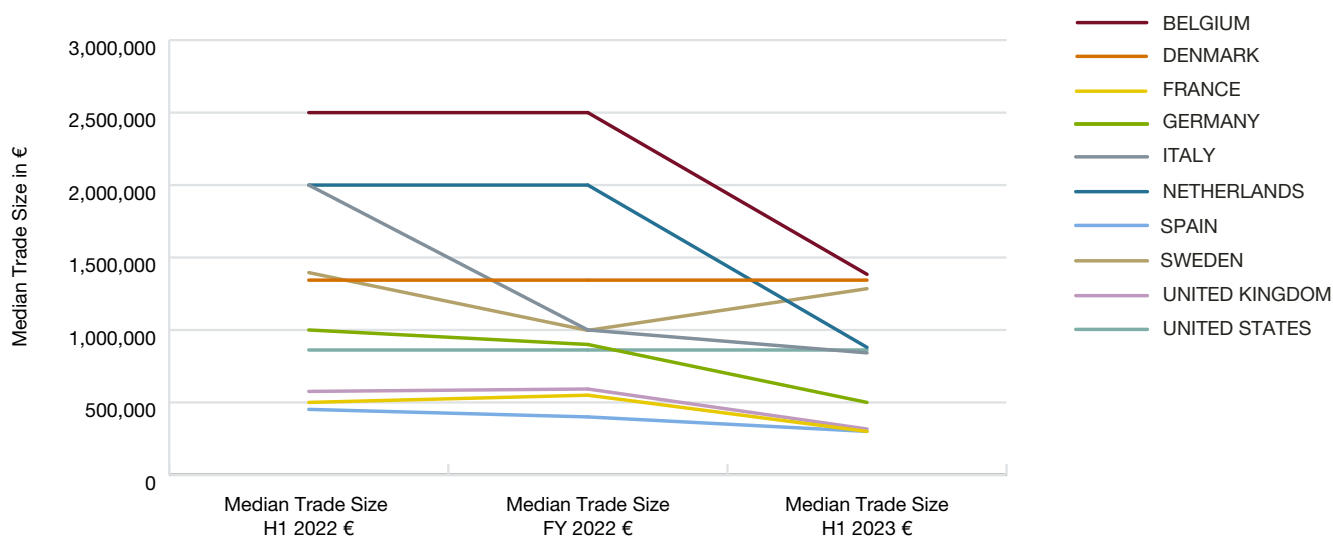
Issuer Country Name	Average Trade Size H1 2022 €	Average Trade Size FY 2022 €	Average Trade Size H1 2023 €	% difference between H1 2023 and H1 2022
BELGIUM	5,335,581	5,073,309	4,648,874	-12.87%
DENMARK	4,835,344	4,291,966	3,620,263	-25.13%
FRANCE	5,731,855	5,725,165	4,339,737	-24.29%
GERMANY	4,960,077	4,737,667	3,114,933	-37.20%
ITALY	4,199,934	3,795,021	3,298,661	-21.46%
NETHERLANDS	5,710,602	5,311,438	4,038,624	-29.28%
SPAIN	4,491,527	4,293,153	4,010,012	-10.72%
SWEDEN	6,295,793	5,670,081	5,034,332	-20.04%
UNITED KINGDOM	4,591,028	4,294,859	3,564,112	-22.37%
UNITED STATES	3,241,877	3,049,815	3,709,584	14.43%

Issuer Country Name	Median Trade Size H1 2022 €	Median Trade Size FY 2022 €	Median Trade Size H1 2023 €	% difference between H1 2023 and H1 2022
BELGIUM	2,500,000	2,500,000	1,384,000	-44.64%
DENMARK	1,344,050	1,344,050	1,344,050	0.00%
FRANCE	500,000	550,000	300,000	-40.00%
GERMANY	1,000,000	900,000	500,000	-50.00%
ITALY	2,000,000	1,000,000	842,000	-57.90%
NETHERLANDS	2,000,000	2,000,000	880,000	-56.00%
SPAIN	452,000	400,000	300,000	-33.63%
SWEDEN	1,395,980	997,128	1,284,864	-7.96%
UNITED KINGDOM	576,048	592,642	316,471	-45.06%
UNITED STATES	861,920	861,920	861,920	0.00%

Average Trade Size



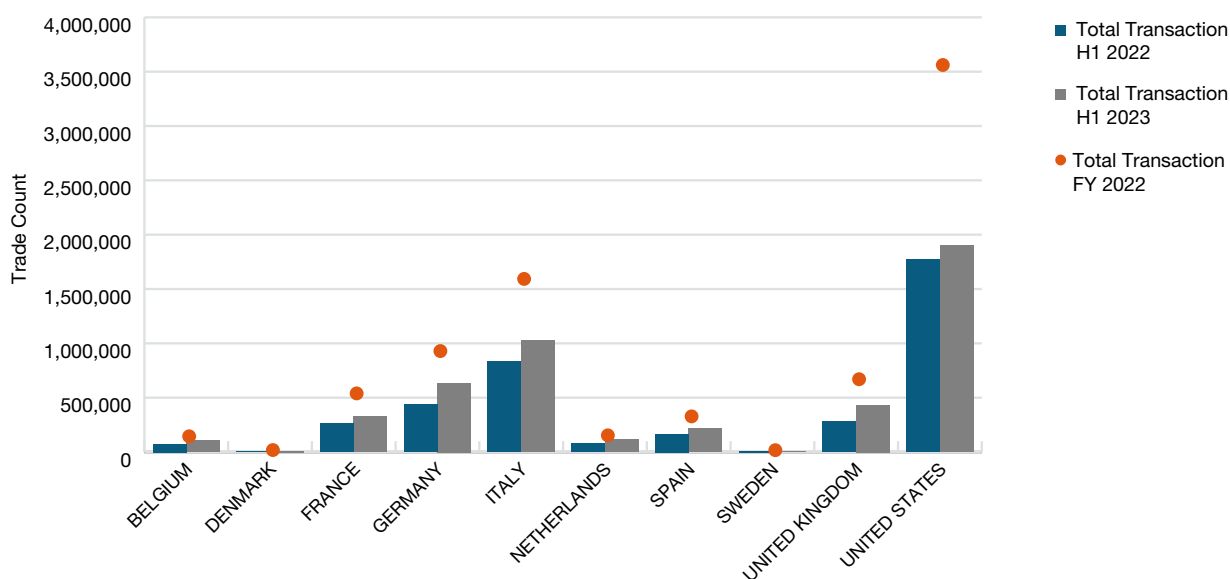
Median Trade Size



Despite the downtrend in trade size, we observe an uptrend with respect to trade count. When comparing the number of trades in H1 2023 against H1 2022, with the exception of Sweden, all other countries exhibit an increase in the number of trades, ranging from 3% to 54%. Additionally, with the exception of Sweden, trade counts recorded in the first half of 2023 account for more than 50% of the total trade count seen in 2022 (full year).

Issuer Country Name	Total Transaction H1 2022	Total Transaction FY 2022	Total Transaction H1 2023	% difference between H1 2023 and H1 2022	H1 2023 as a % of FY 2022
BELGIUM	73,770	144,815	105,745	43.3%	73.0%
DENMARK	8,945	18,309	9,261	3.5%	50.6%
FRANCE	265,990	539,459	325,821	22.5%	60.4%
GERMANY	438,223	929,312	635,019	44.9%	68.3%
ITALY	829,026	1,593,105	1,027,359	23.9%	64.5%
NETHERLANDS	74,615	153,681	112,754	51.1%	73.4%
SPAIN	166,088	328,127	213,325	28.4%	65.0%
SWEDEN	9,310	17,159	8,364	-10.2%	48.7%
UNITED KINGDOM	281,236	670,049	432,693	53.9%	64.6%
UNITED STATES	1,771,423	3,561,539	1,897,968	7.1%	53.3%

Trade Count Evolution



Trade size distribution

From the universe of sovereign trades (trade count), 41% are trades of less than €1mn notional, and representing only 2.4% of total traded notional. In the 2022 full year figures this pattern was the same, with 42% of trades and 2.9% of notional values respectively.

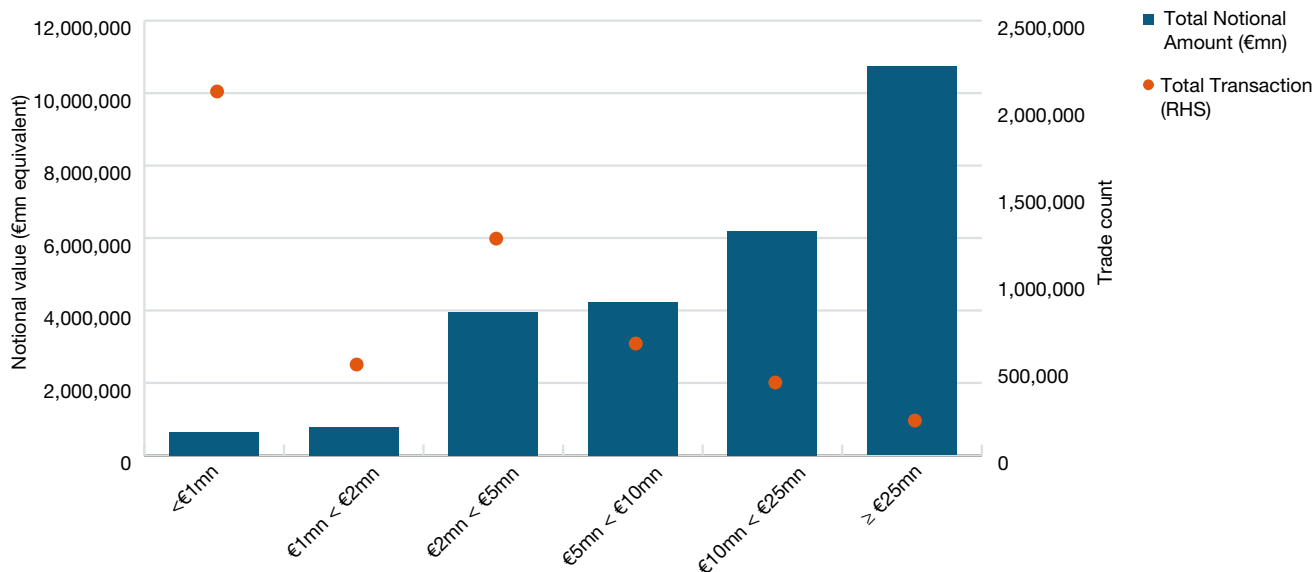
Trades with notional value between €1mn and €2mn account for 10% of total trades and 3% of notional traded. Trades between €2mn to €5mn account for 24% of all trades and 14.9% of traded notional. Trades bigger than €5mn account for 25% of trades and 79.7% of traded notional.

For EU issued bonds⁴ we see similar patterns.

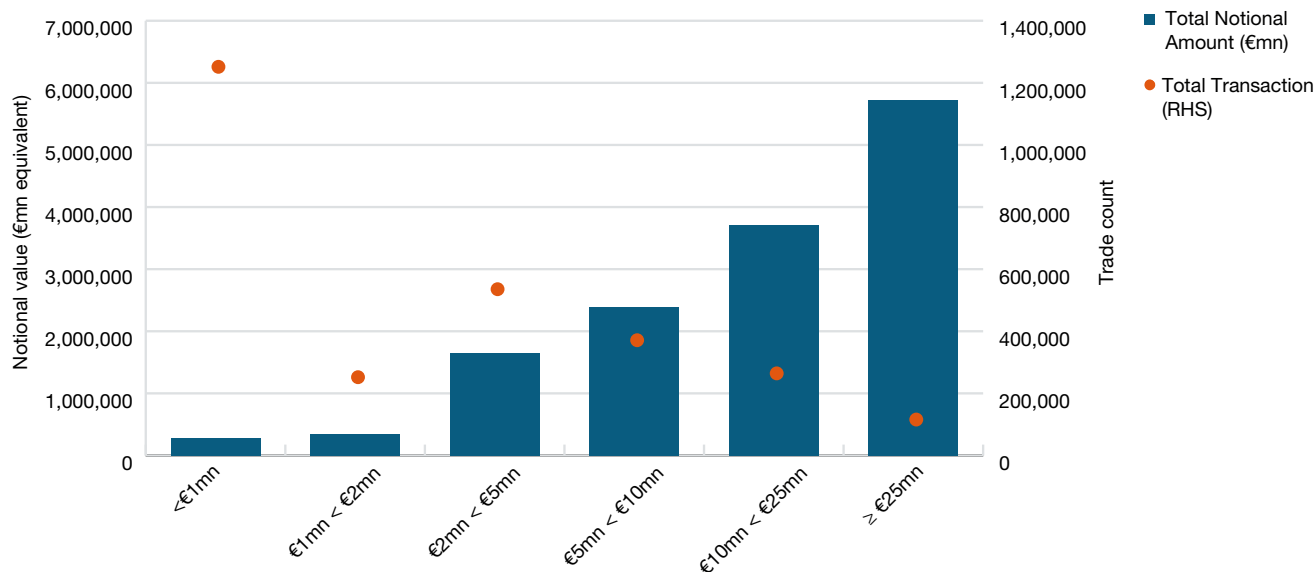
Trades with notional less than €1mn account for 45% of total trades, but only 2% of total traded notional. Trades with notional values between €1mn and €2mn account for 9% of total trades and 2.5% of total traded notional. Trades between €2mn to €5mn account for 19% of all trades and 11.7% of traded notional. Trades bigger than €5mn account for 27% of trades and 83.9% of total traded notional.

⁴ Notice: These figures exclude Malta due to a lack of data.

Total Sovereign Bond Trade Size & Trade Count Distribution



EU Sovereign Bond Trade Size & Trade Count Distribution



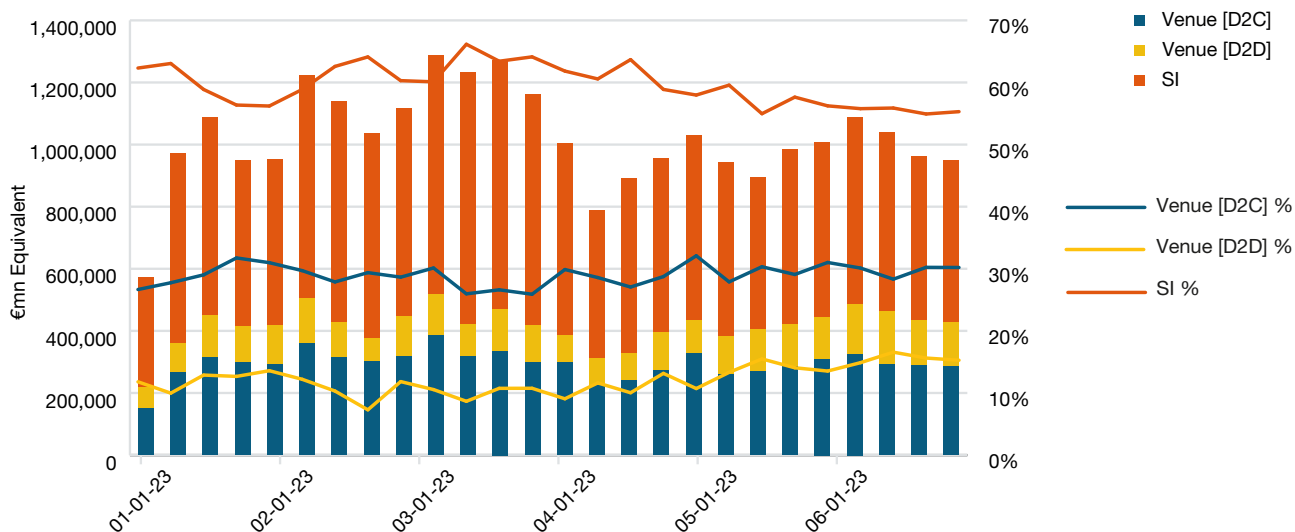
Trade distribution channels

59% of traded notional was traded via SIs. This is a decline compared with H1 2022 where this accounted for 63%. The remaining share is made up of dealer-to-client (D2C) representing 29% and dealer-to-dealer (D2D) 12%. These ratios are stable across the months of January to June with no obvious time-related trends. 2022 full year figures exhibited a similar pattern⁵, with SI at 63.5%, D2C at 26.4% and 10.2% D2D.

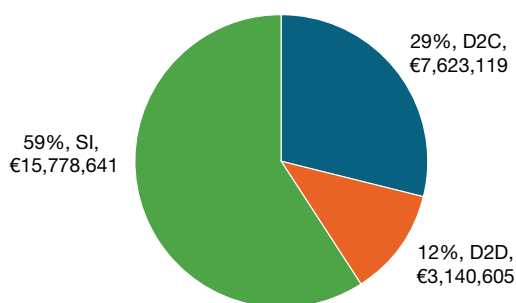
When we filter for EU sovereign bonds only, we observe an increase in D2D to 22% and a decrease in SI to 47%. The remaining share is made up of D2C at 31%.

⁵ Period-over-period figure instead are different, but full information is provided in the "Evolution of trade count distribution by distribution channel" section.

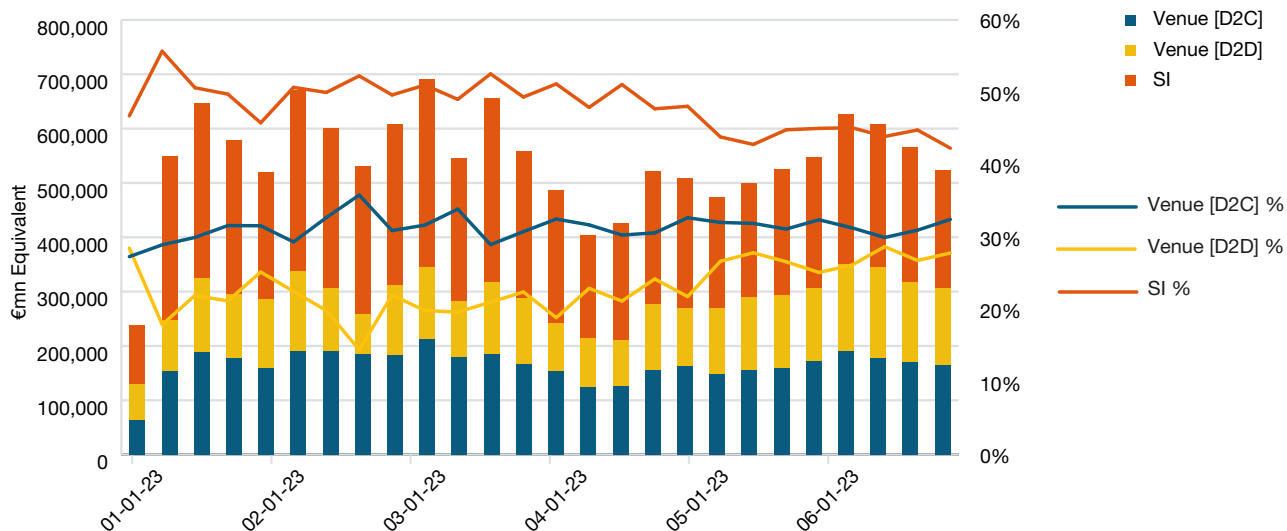
Weekly Sovereign Bonds Volume by Distribution Channel. (€mn equivalent)



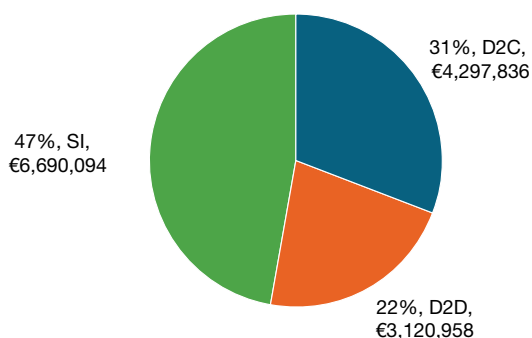
Total Sovereign Bond Volumes by Distribution Channel. (€mn equivalent)



Weekly EU Sovereign Bonds Volume by Distribution Channel. (€mn equivalent)



EU Sovereign Bond Volumes by Distribution Channel. (€mn equivalent)

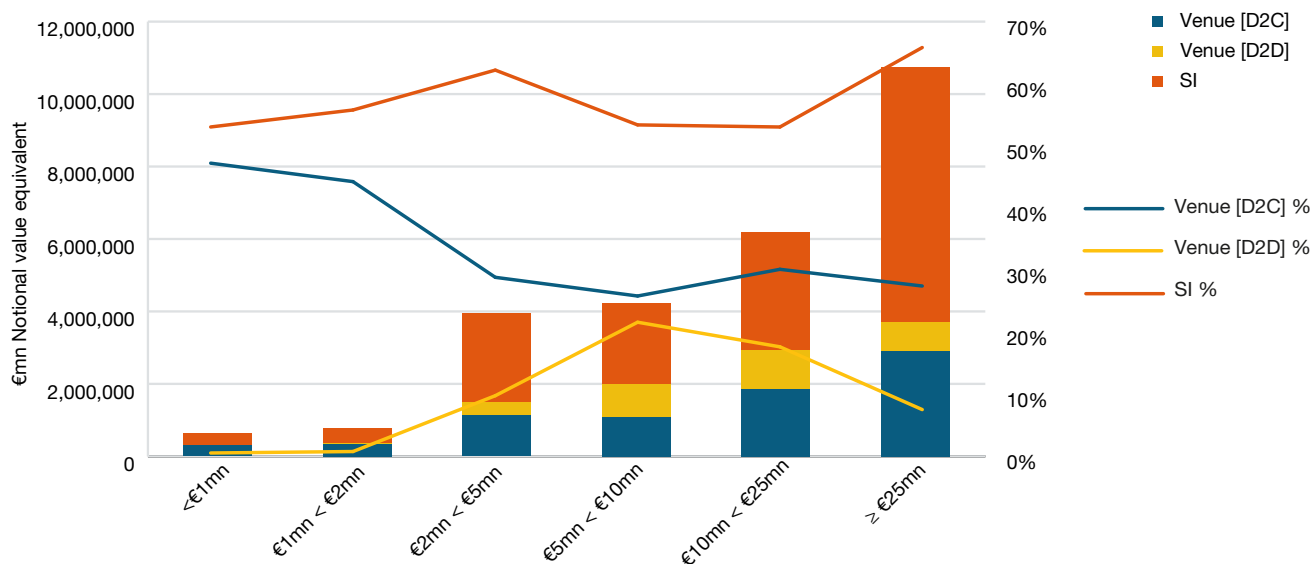


Volume and trade count distribution by distribution channel

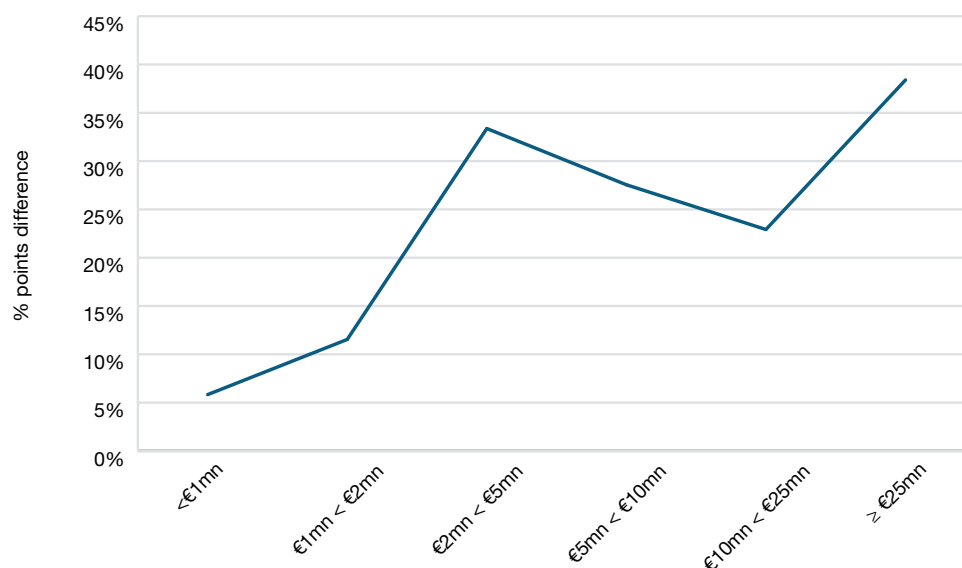
When observing the share of distribution channels by trade size bins, the ranking remains unchanged, with SI always representing the top channel, D2C the second and D2D the lowest.

We also observe that for smaller size bins, the share between SI and D2C converges, whilst the bigger the trade size, the larger the SI share.

Trade Size Distribution by Distribution Channel (All Sovereign Bonds): Traded Notional



SI - D2C Spread

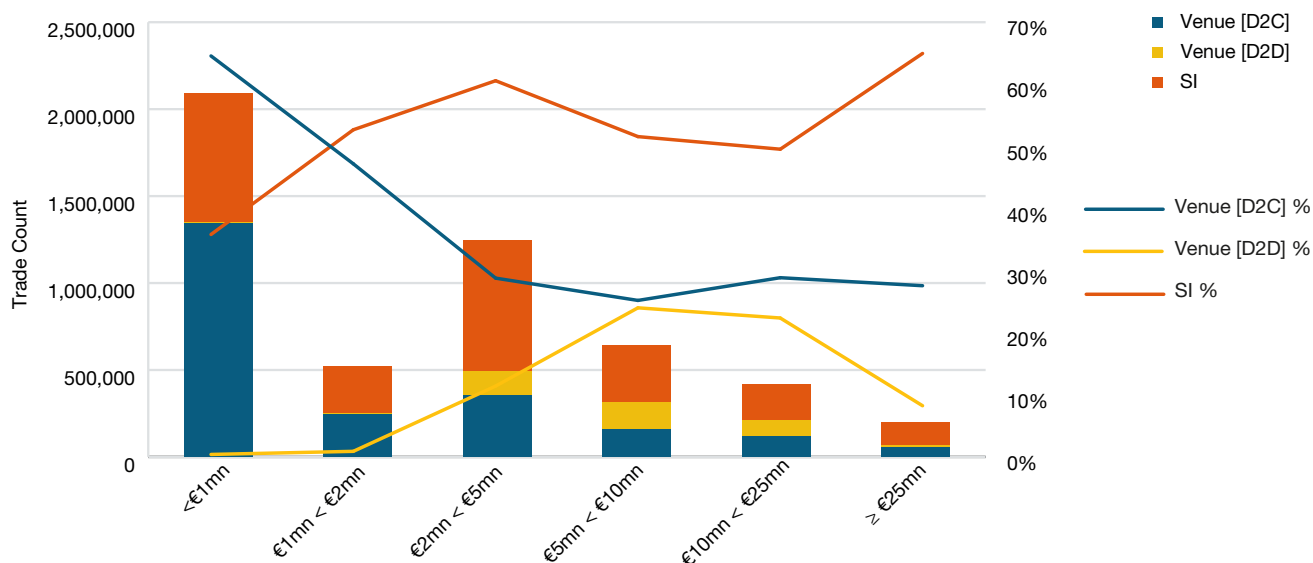


While total notional traded volume increases with the trade size bins, the number of trades is inversely correlated (already seen in previous “Trade Size Distribution” sub-section).

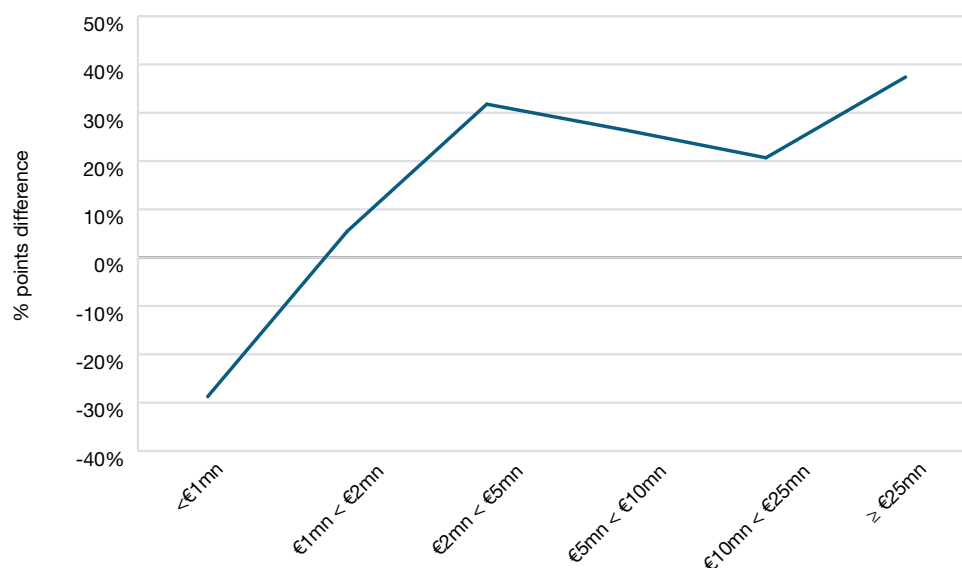
Although the majority of notional volume is traded via SIs, for trades smaller than €1mn, 64.3% of trades are executed D2C, whilst SI represents only 35.6%. Less than 1% is D2D. This trend rapidly changes, and for trades with size between €1mn and €2mn, 52.4% of trades are executed via SIs and 46.9% D2C. D2D remains below 1%.

Trades bigger than €2mn are mainly executed via SI, with a share of 56.4% of the total number of trades. The remaining trades are executed with a share of 27.3% via D2C and 16.25% via D2D.

Trade Size Distribution by Distribution Channel(All Sovereign Bonds): Trade Count



SI - D2C Spread

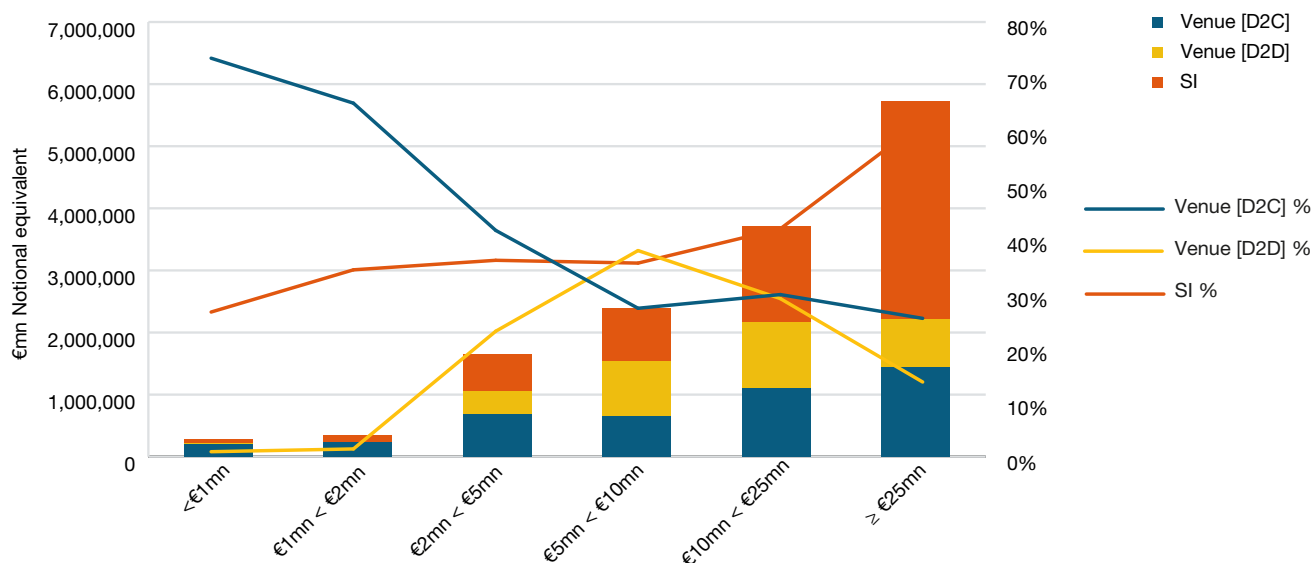


For EU issued bonds, we observe different trends. The ranking of the channels does not remain constant across trade size bins.

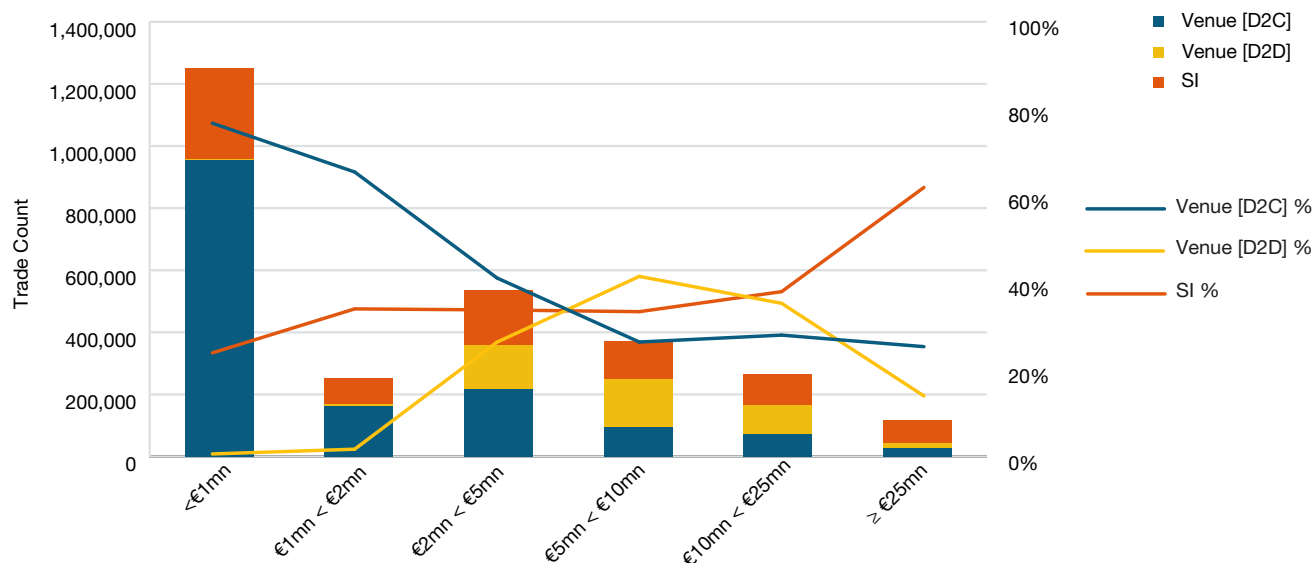
68.9% of notional traded in sizes smaller than €2mn is D2C. 30.2% SI and less than 1% D2D. As expected however, the bigger the trade size, the bigger the SI share. In fact we observe an increase of SI share with the increase of trade sizes. For trades with a size bigger than €2mn, notional traded share of D2C falls to 30.8%, whilst SI and D2D increase respectively to 43.6% and 25.7%.

The number of trades of EU issued bonds exhibit relatively similar results. Trades with sizes smaller than €2mn are mainly transacted D2C with a share of 70.7%. SI has a share of 28.5% and less than 1% is D2D. For trades with sizes above €2mn, D2C falls to a share of 29.8%. D2D's share increases to 28.9% and SI increases to 41.3%.

Trade Size Distribution by Distribution Channel (EU Sovereign Bonds): Traded Notional



Trade Size Distribution by Distribution Channel (EU Sovereign Bonds): Trade Count



Evolution of trade count distribution by distribution channel

When observing the evolution of the distribution of trade count by channel, it is noticeable that for bins between 5mn and 25mn, D2D had a greater share in H1 2022. D2D has a significant reduction when comparing values with full year 2022 and H1 2023. Whilst figures for D2C remain constant, SI shares increase.

Platform Type	D2C H1 2022	D2C FY 2022	D2C H1 2023
€5mn<€10mn	25.0%	24.3%	24.9%
€10mn<€25mn	25.8%	26.5%	28.6%

Remains constant

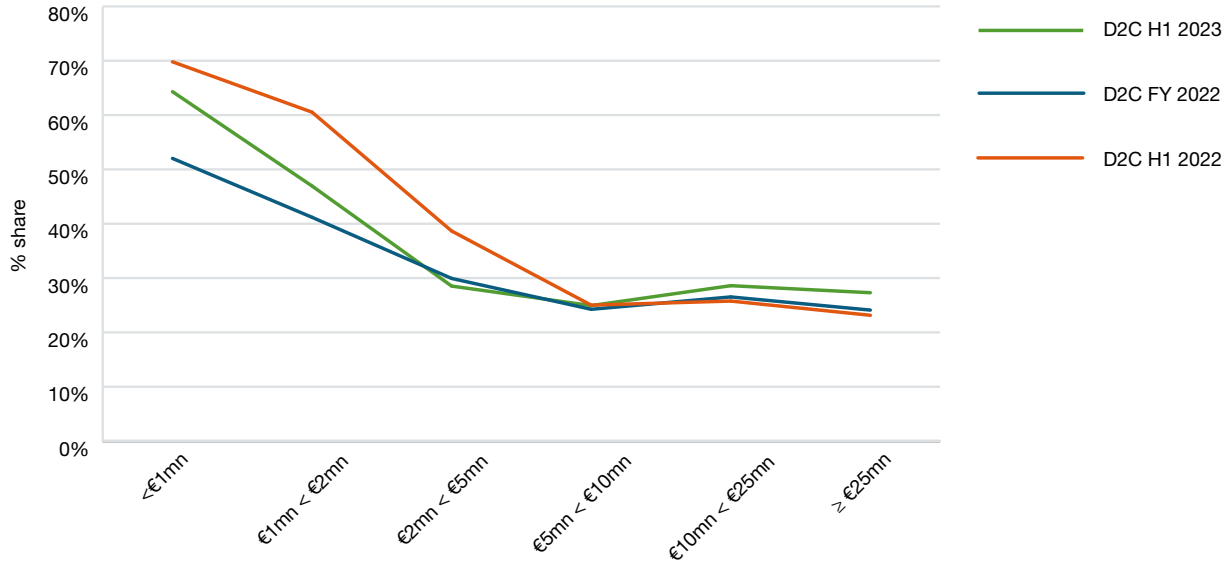
Platform Type	D2D H1 2022	D2D FY 2022	D2D H1 2023
€5mn<€10mn	43.7%	22.8%	23.7%
€10mn<€25mn	39.2%	22.6%	22.1%

Decreases from H1 2022

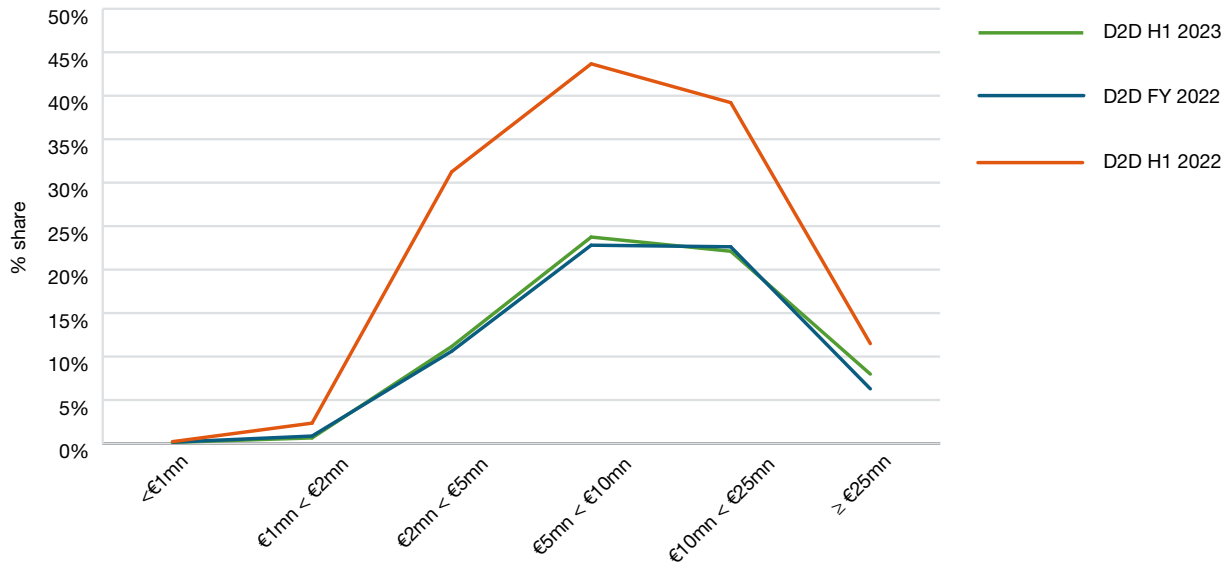
Platform Type	SI H1 2022	SI FY 2022	SI H1 2023
€5mn<€10mn	31.3%	52.9%	51.3%
€10mn<€25mn	35.0%	50.8%	49.3%

Increases from H1 2022

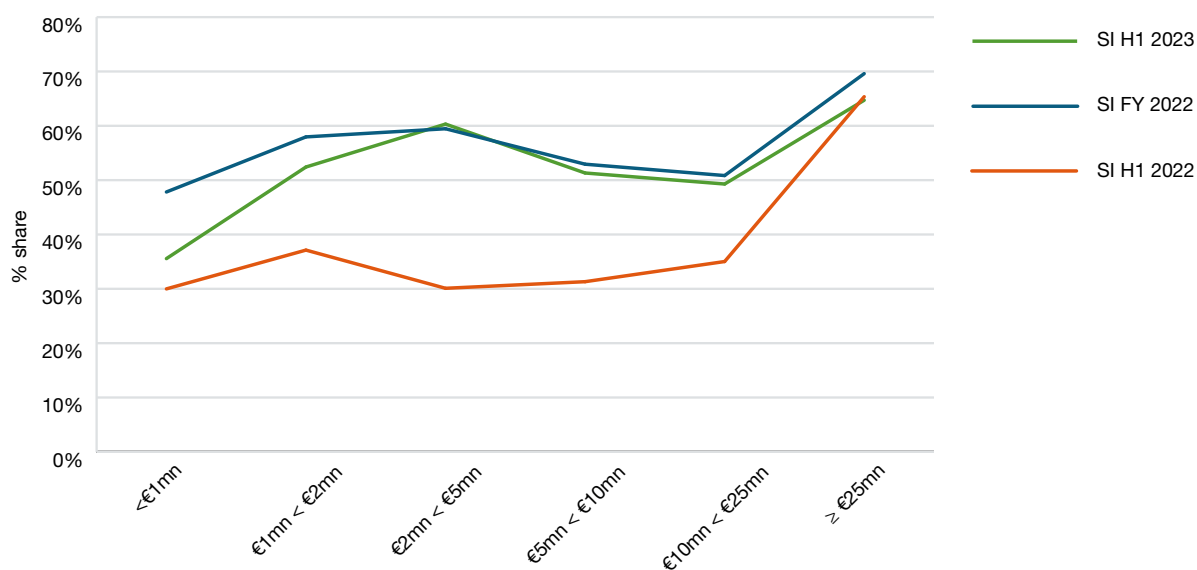
Evolution of D2C



Evolution of D2D



Evolution of SI

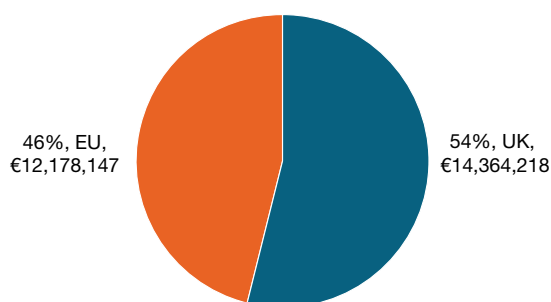


Regulatory jurisdiction

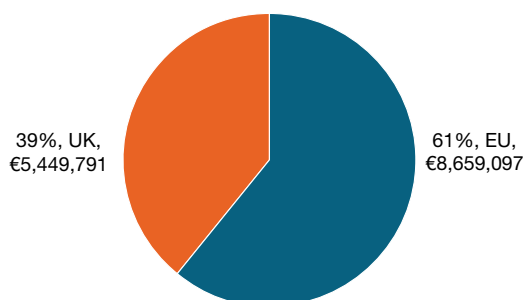
54% of sovereign bonds (notional value) were transacted in the UK whilst 46% in EU. Same patterns are observed in H1 2022 and FY 2022.

For EU issued bonds, only 39% were transacted in the UK whilst 61% were transacted in the EU.

Total Sovereign Bond Traded Volumes by Regulatory Jurisdiction. Notional Value (€mn equivalent)



EU Sovereign Bond Traded Volumes by Regulatory Jurisdiction. Notional Value (€mn equivalent)



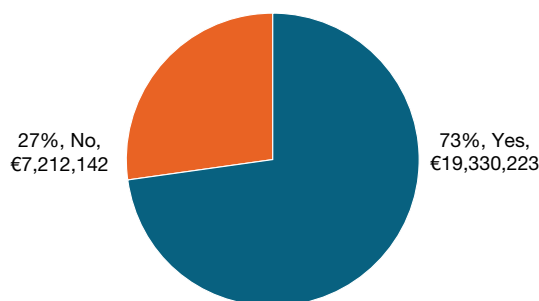
Deferrals

MiFID II/R reporting provides for the weekly aggregation of transactions (intended to mask individual trades). Much of this aggregation is indefinite, meaning that we may never see individual trade prints, even after the standard four-week deferral period for large transactions or those in less liquid bonds. Indefinite aggregation could be problematic as and when a consolidated tape is introduced. Current proposals in the MiFIR/MiFID II Review look to limit aggregation and deferrals for sovereign bonds to 6 months.

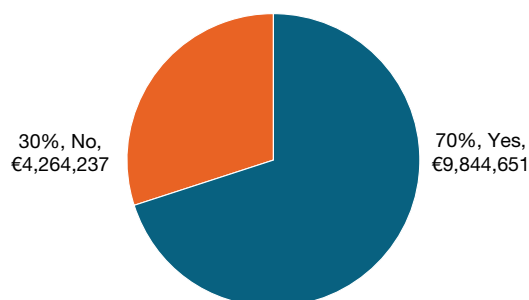
73% of the total notional traded is subject to indefinite aggregation (70% for EU issued bonds).

When observing all bonds this is an increase of 5 points compared to the 68% in H1 2022.

Indefinite Aggregation of All Sovereign Bond Trades. Total Notional Value (€mn)



Indefinite Aggregation of EU Sovereign Bond Trades. Total Notional Value (€mn)



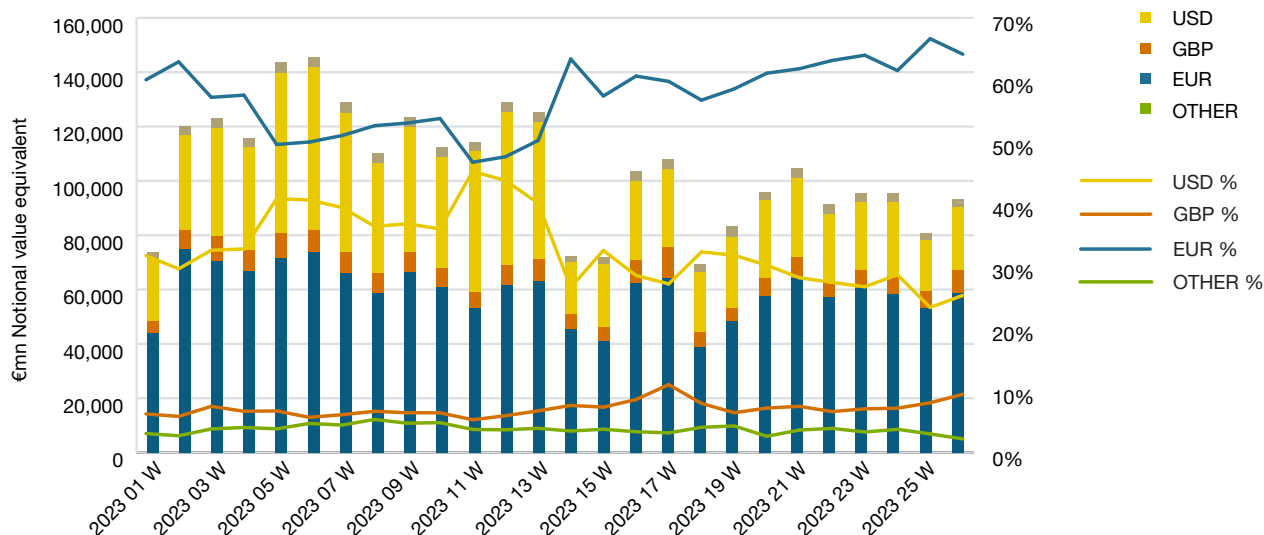
Corporate Bond Market

Volumes

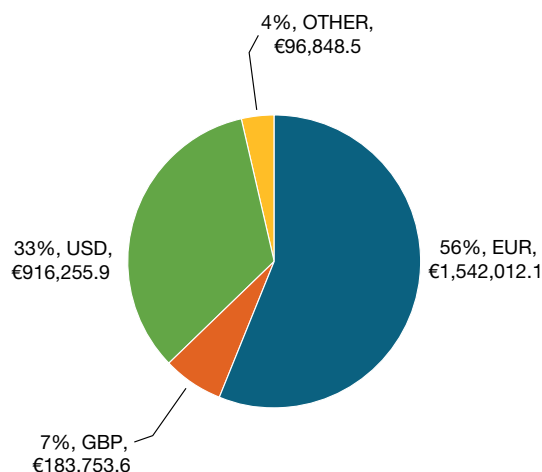
In terms of corporate bonds, we observe 38K unique ISINs, transacting 3.2mn times for a total of €2,738bn in terms of notional. This represents an equivalent weekly average of €105bn and 124K transactions. (Similar figures were observed in H1 2022)

More than half of the notional was traded in EUR, with a share of 56% (€1,542,012mn). This is followed by USD with a share of 33% (€916,255.9mn), GBP with a share of 7% (€183,753.6mn) and the remaining 4% (€96,848.5mn) composed of other currencies (AUD, CAD, CHF, DKK, JPY, NOK, NZD, SEK).

Weekly Corporate Bond Volumes



Total Corporate Bond Volumes By Currency (€mn)

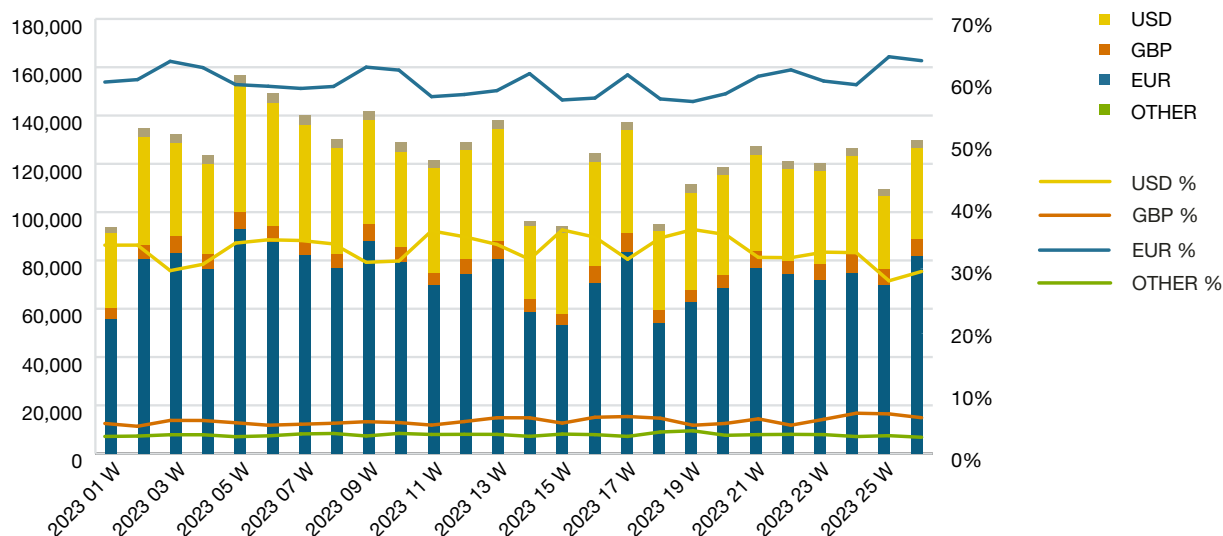


Currency	Notional Value (€mn equivalent)	%
EUR	1,542,012.1	56%
USD	916,255.9	33%
GBP	183,753.6	7%
OTH	22,507.5	1%
SEK	20,312.6	1%
NOK	18,409.2	1%
CHF	13,967.7	1%
AUD	13,224.9	0%
CAD	7,026.8	0%
JPY	1,009.7	0%
DKK	334.3	0%
NZD	55.8	0%

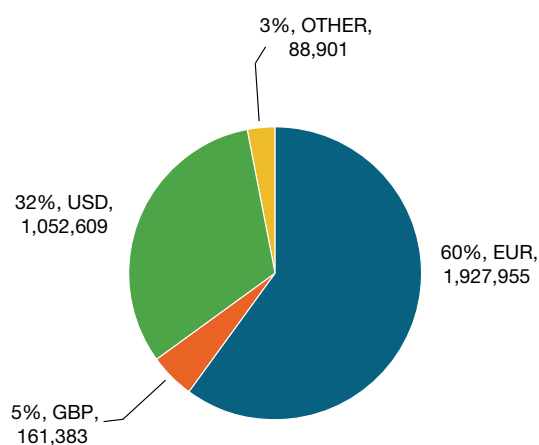
Trade count and trade sizes

Trade counts follow similar patterns as notional. 1,927,955 (or 60%) trades have been executed in EUR. Followed by 1,052,609 (32%) in USD, 161,383 (5%) in GBP and the remaining 88,901 (3%) in other currencies. These figures align closely to the results as per 2022 full year, where it was observed EUR at 60%, USD at 31%, GBP at 6% and other currencies at 3%.

Weekly Corporate Bond Trade Count



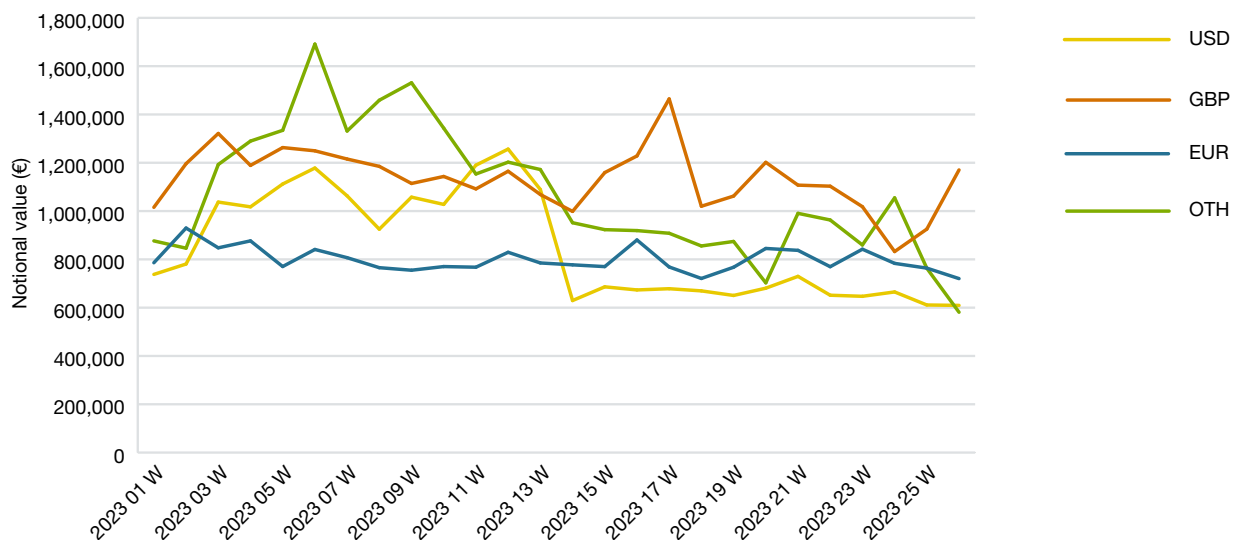
Total Corporate Bond Trade Count



Currency	Trade Count	%
EUR	1,927,955	59.67%
USD	1,052,609	32.58%
GBP	161,383	5.00%
CHF	32,654	1.01%
AUD	19,596	0.61%
SEK	10,880	0.34%
OTH	10,408	0.32%
NOK	7,742	0.24%
CAD	6,641	0.21%
NZD	535	0.02%
DKK	270	0.01%
JPY	175	0.01%

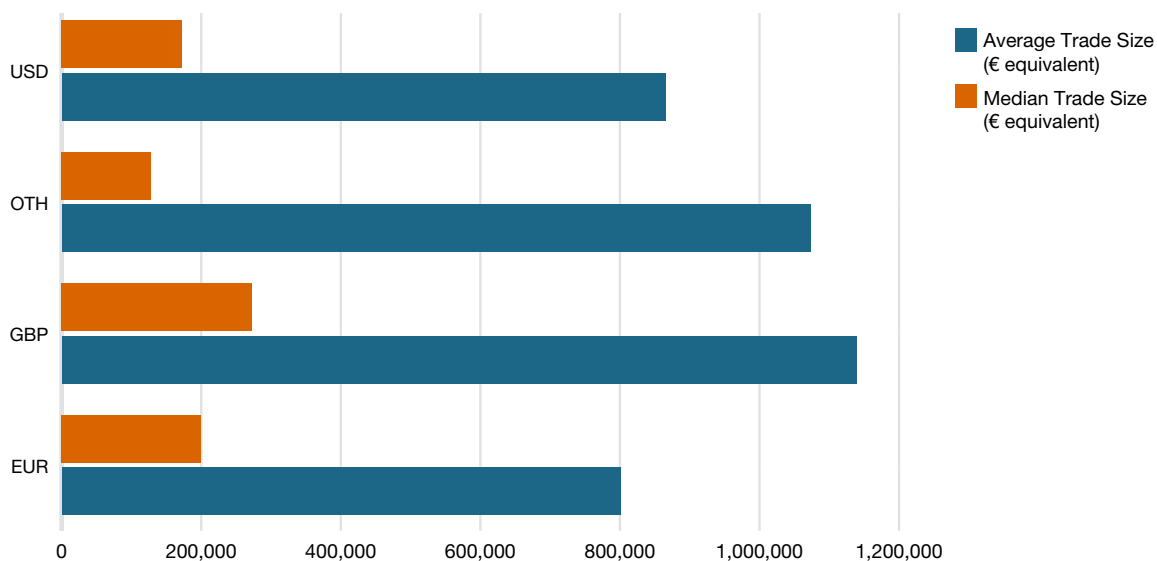
The below chart illustrates the weekly average trade size. Whilst EUR sizes are relatively stable, exhibiting the lowest figures in terms of standard deviation, we observe other currencies trading relatively with bigger sizes in the first quarter. The second quarter sees a reduction for USD and an increase in GBP.

Average Trade Sizes weekly



Currency	Standard Deviation (Population) in €
OTH	266,590.2
USD	215,002.8
GBP	126,104.2
EUR	49,701.1

Corporate Bond Average and Median Trade Sizes by Underlying Currency (€ equivalent)



Currency Bucket	Average Trade Size (€ equivalent)	Median Trade Size (€ equivalent)
EUR	800,846.04	200,000
GBP	1,139,202.61	272,615
OTH	1,073,181.24	127,877
USD	865,535.82	172,384

Trade Size and Count Evolution

When observing credit median and average trade size historically, a reduction in both figures emerges, as also seen in rates size.

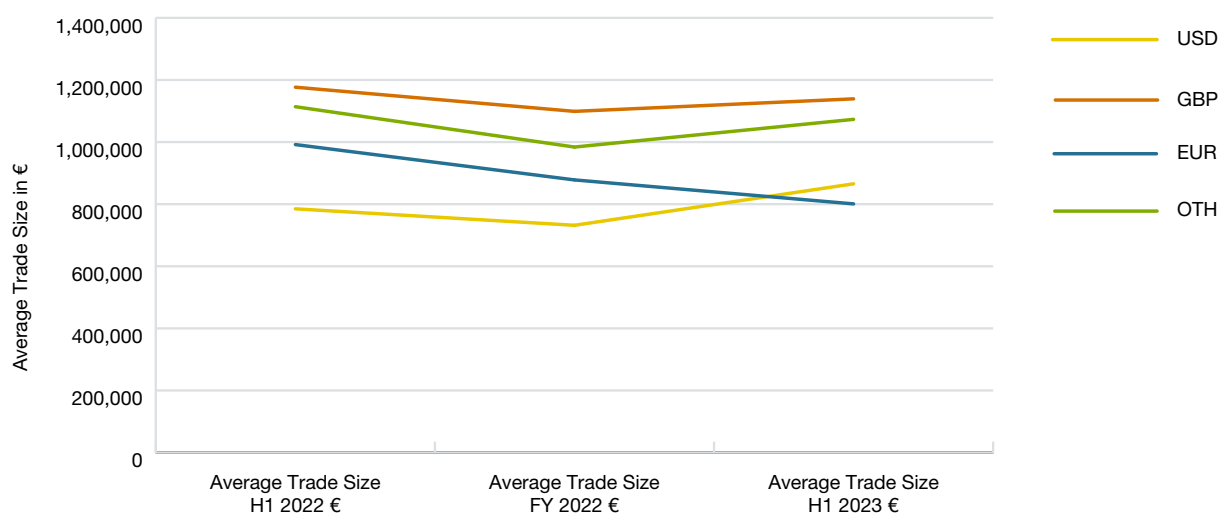
With the exception of USD dominated bonds, whose average trade size increased of 10%, EUR dominated bonds have experienced a reduction of 19.3% in average size and the median value is down 22% compared to H1 2022.

For GBP and other currencies denominated bonds, the change in average size is relatively smaller compared to EUR, with a reduction of only 3.2% and 3.7% respectively. The median sizes, however, are down by 23.3% and 20% respectively.

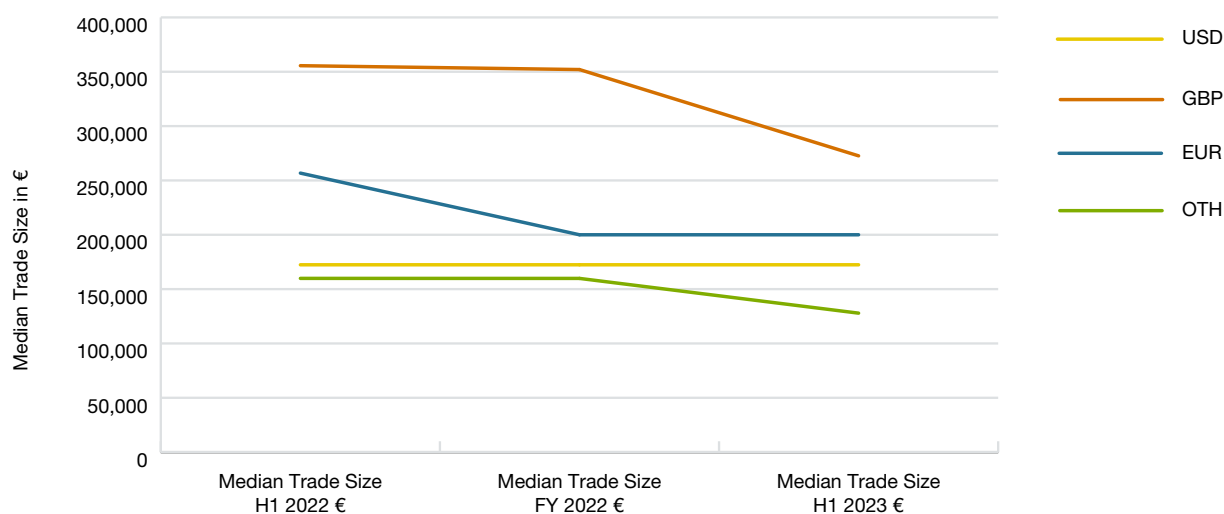
Currency	Average Trade Size H1 2022 €	Average Trade Size FY 2022 €	Average Trade Size H1 2023 €	% difference between H1 2023 and H1 2022
EUR	991,930.03	878,097.01	800,846.04	-19.3%
GBP	1,176,693.63	1,098,855.27	1,139,202.61	-3.2%
OTH	1,113,917.32	983,951.00	1,073,181.24	-3.7%
USD	785,017.95	731,992.80	865,535.82	10.3%

Currency	Median Trade Size H1 2022 €	Median Trade Size FY 2022 €	Median Trade Size H1 2023 €	% difference between H1 2023 and H1 2022
EUR	256,745	200,000	200,000	-22.1%
GBP	355,585	352,029	272,615	-23.3%
OTH	159,877	159,847	127,877	-20.0%
USD	172,384	172,384	172,384	0.0%

Average Trade Size



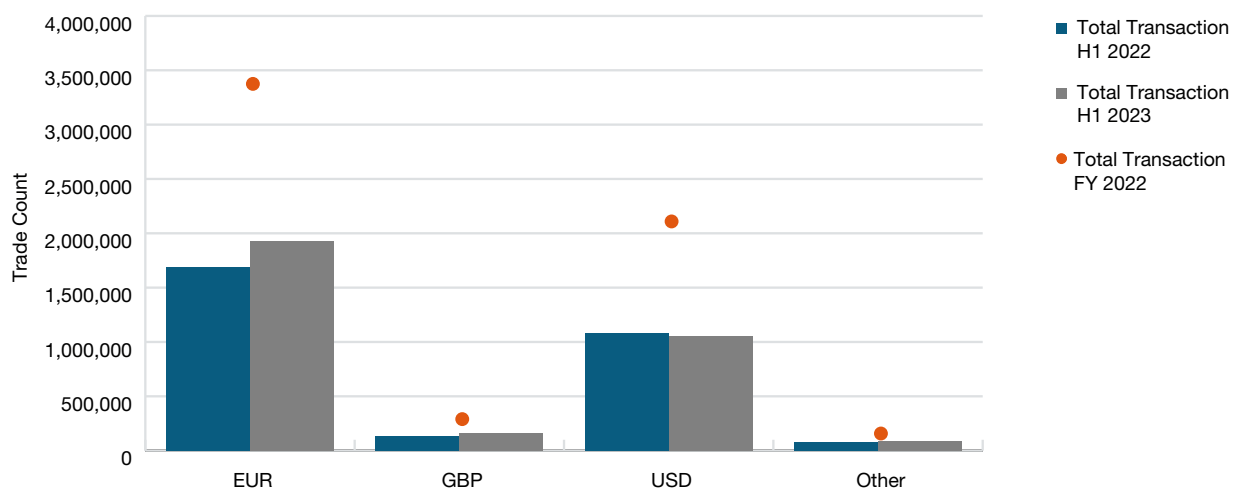
Median Trade Size



Similarly to what was observed in the rates section, the downtrend in sizes is accompanied by an increase in trade count. With exception of USD denominated bonds, that experienced a 2.9% decrease in trades, all other currencies have seen an increase that ranges between 12% and 24%.

Currency	Total Transaction H1 2022	Total Transaction FY 2022	Total Transaction H1 2023	% difference between H1 2023 and H1 2022	H1 2023 as a % of FY 2022
EUR	1,690,134	3,374,771	1,927,955	14.1%	57.1%
GBP	130,102	290,090	161,383	24.0%	55.6%
USD	1,083,535	2,109,055	1,052,609	-2.9%	49.9%
Other	78,785	157,574	88,901	12.8%	56.4%

Trade Count Evolution



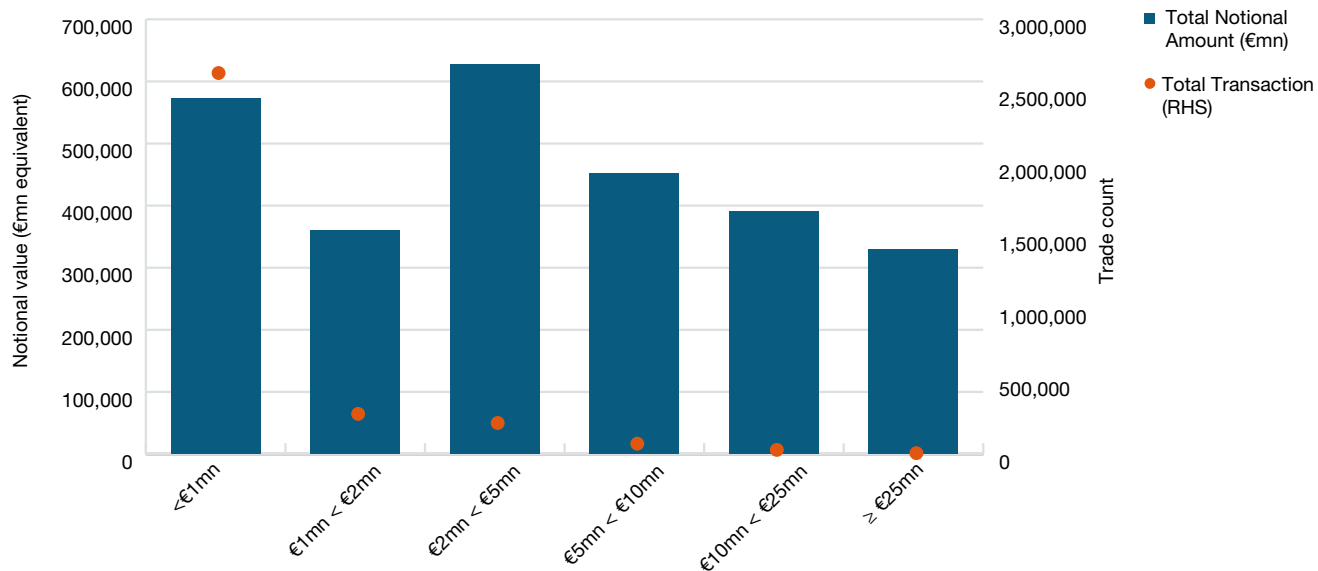
Trade size distribution

Whilst notional traded increases with bigger trade size in the rates market, corporates show a different pattern.

21% of notional is traded with transactions smaller than €1mn. 13% with size between €1mn and €2mn and 23% with size between €2mn and €5mn. Trades with sizes bigger than €5mn represent 43% of traded notional.

In terms of number of trades, 81% of trades have a size smaller than €1mn.

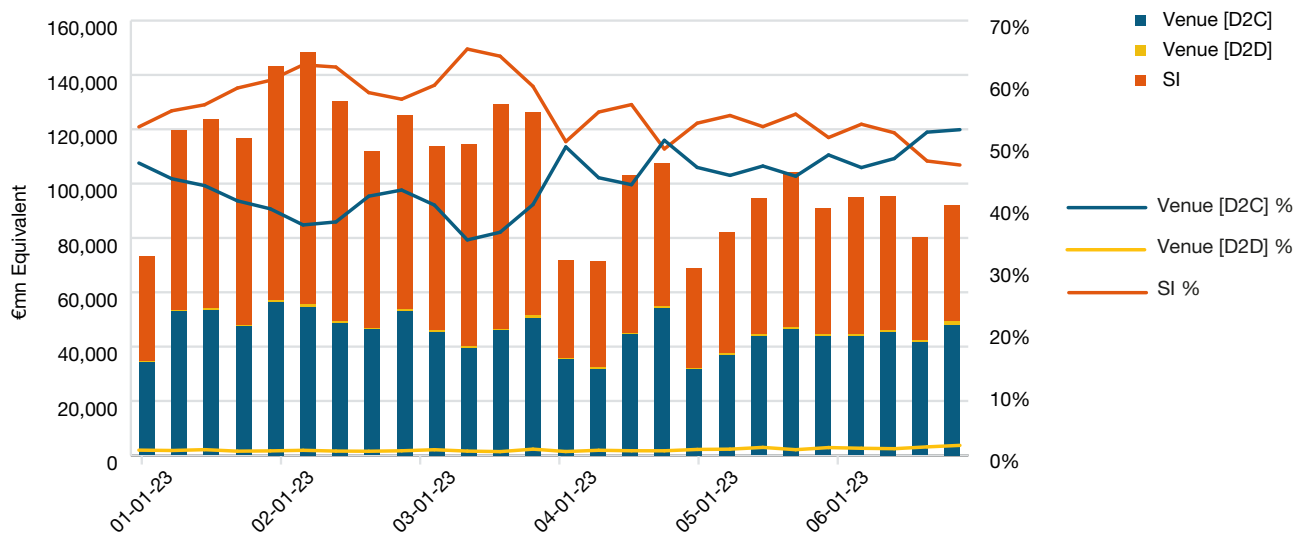
Total Corporate Bond Trade Size Distribution



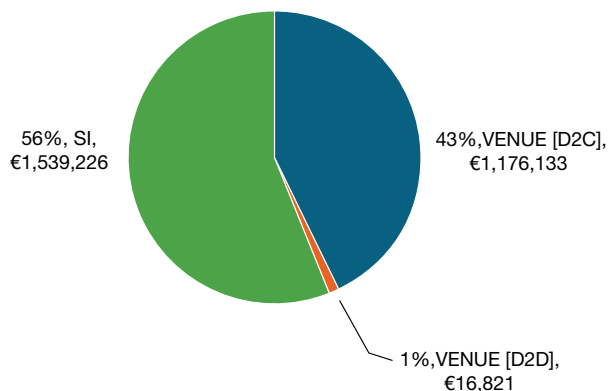
Trade distribution channels

Credit trading is mainly transacted via SI, with a notional share of 56% and D2C with a notional share of 43%. D2D is less than 1%.

Weekly Notional Value of Corporate Bonds by Distribution Channel



Total Traded Corporate Bond Volumes by Distribution Channel. Notional Value (€mn equivalent)

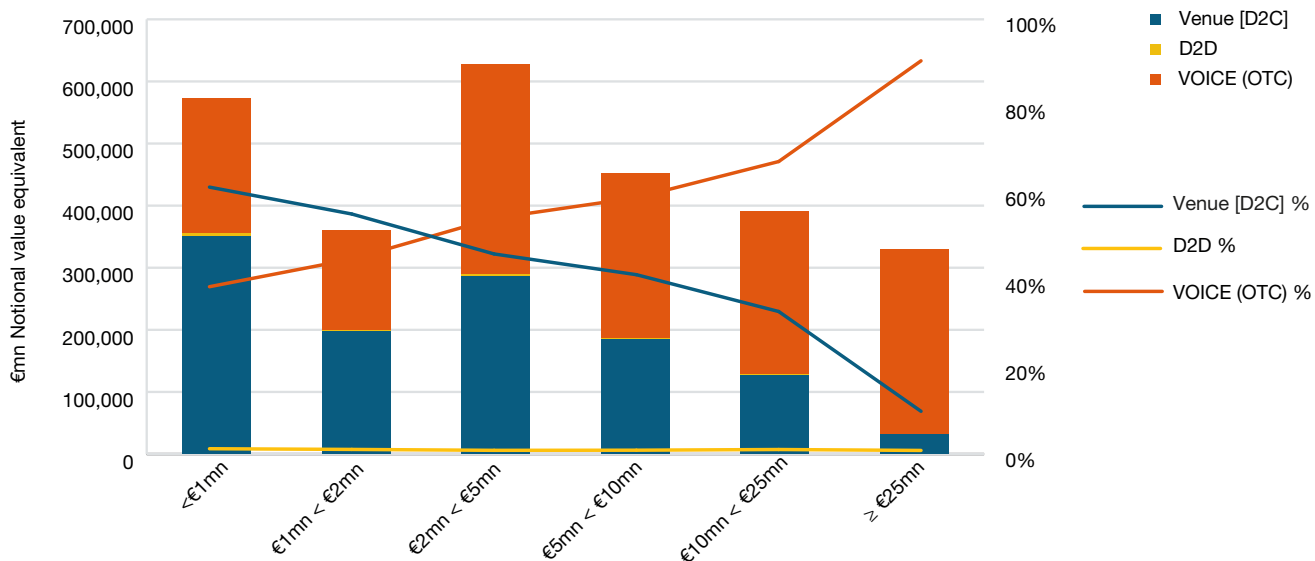


Trade size distribution by channel

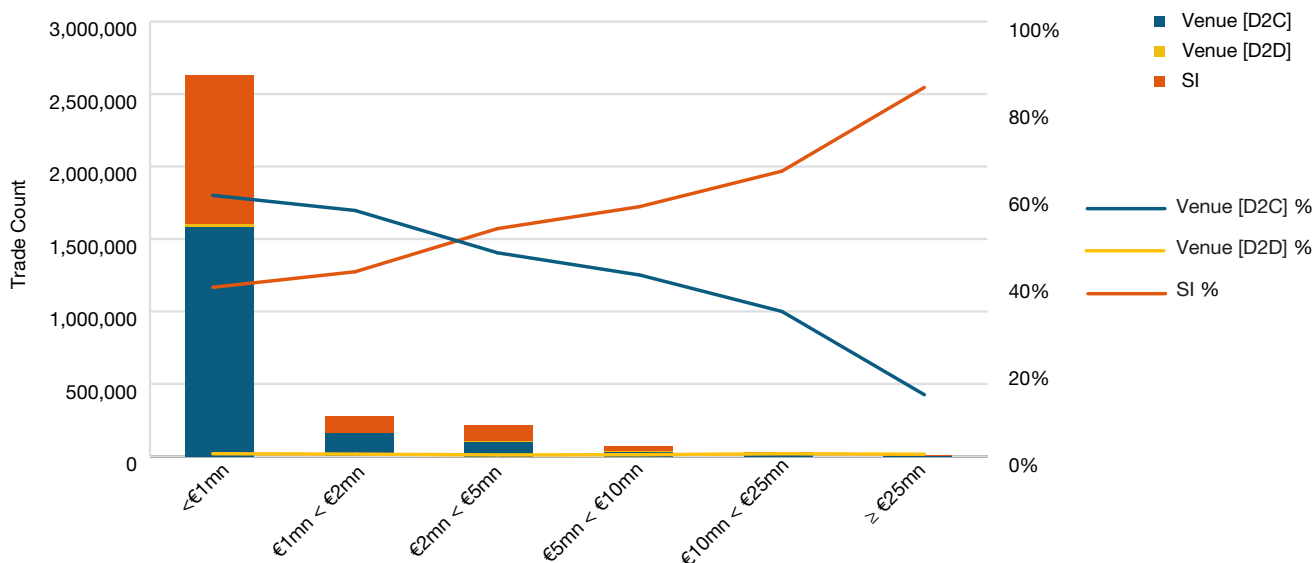
Once again, we are able to observe that the SI share of traded notional increases with trade size.

Notional traded with size under €1mn is transacted via D2C with a share of 61%, whilst SI only represents 38% (D2D less than 1%). By increasing the trade size we observe D2C share decreasing and SI increasing linearly, amid D2D remaining below 1%. Trade sizes between €1mn and €2mn exhibit a D2C notional share of 55% and SI at 44%. Transactions with sizes between €2mn and €10mn exhibit a notional D2C share of 43% and SI at 56%. Trades with sizes bigger than €10mn see a notional share of 78% SI and 42% D2C. The same trend is observable with the number of trades.

Trade Size Distribution by Distribution Channel (Corporate Bonds): Traded Notional



Trade Size Distribution by Distribution Channel (Corporate Bonds): Trade Count



Evolution of trade count distribution by distribution channel

Differently from what was observed in rates trade count, for credit, SI has a slight decrease compared to figures observed in H1 2022 and full year 2022. On the other hand, D2C shows slightly higher figures in H1 2023 compared to previous periods. D2D fluctuations are all below 1%.

Platform Type	D2C H1 2022	D2C FY 2022	D2C H1 2023
<€1mn	51.8%	53.1%	60.2%
€1mn<€2mn	52.1%	51.7%	56.7%
€2mn<€5mn	41.7%	42.0%	47.0%
€5mn<€10mn	35.2%	35.9%	41.9%
€10mn<€25mn	28.1%	28.1%	33.5%
≥€25mn	16.8%	17.5%	14.4%

Increases
from H1 2022

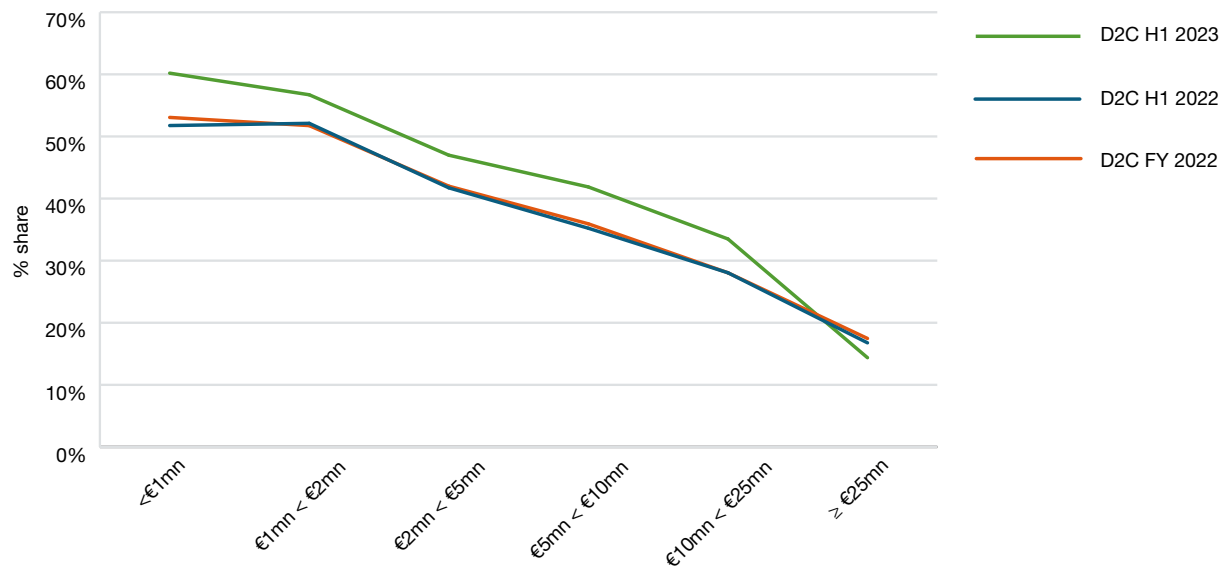
Platform Type	D2D H1 2022	D2D FY 2022	D2D H1 2023
<€1mn	0.6%	0.5%	0.8%
€1mn<€2mn	0.5%	0.5%	0.7%
€2mn<€5mn	0.5%	0.5%	0.5%
€5mn<€10mn	0.5%	0.4%	0.5%
€10mn<€25mn	0.4%	0.3%	0.8%
≥€25mn	0.2%	0.4%	0.6%

Remains constant

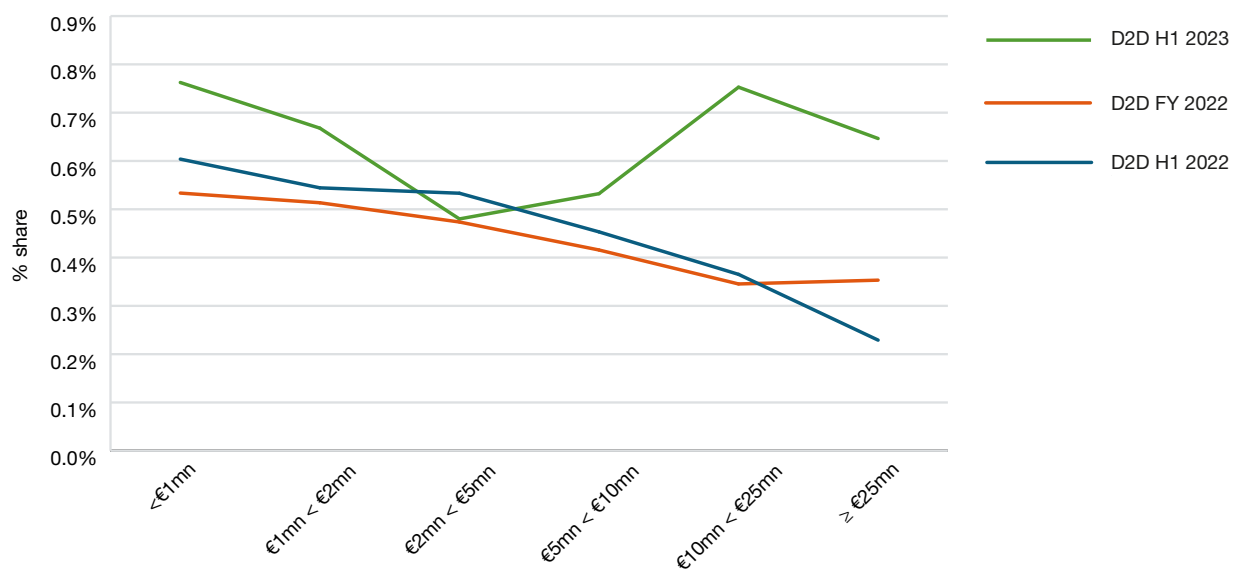
Platform Type	SI H1 2022	SI FY 2022	SI H1 2023
<€1mn	47.6%	46.4%	39.0%
€1mn<€2mn	47.3%	47.7%	42.6%
€2mn<€5mn	57.7%	57.5%	52.5%
€5mn<€10mn	64.3%	63.7%	57.6%
€10mn<€25mn	71.6%	71.6%	65.8%
≥€25mn	83.0%	82.2%	85.0%

Decreases
from H1 2022

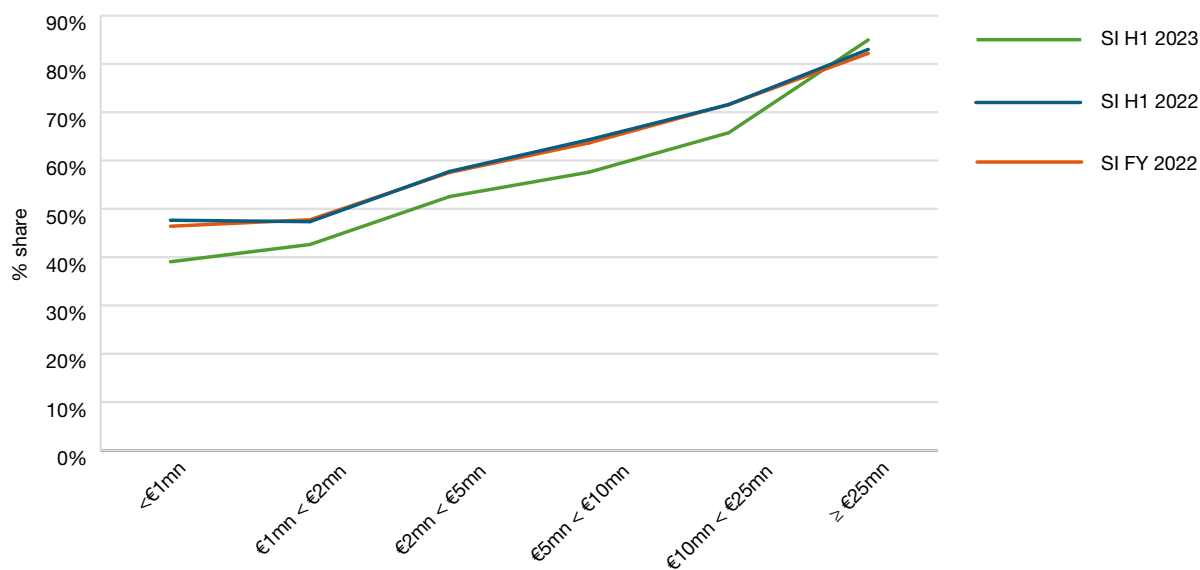
Evolution of D2C



Evolution of D2D



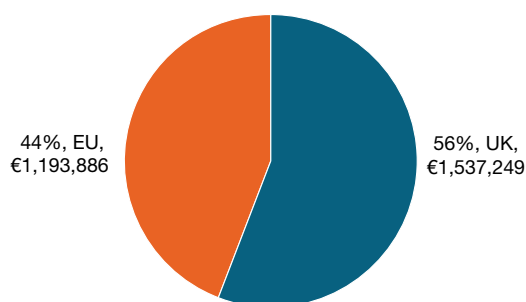
Evolution of SI



Regulatory jurisdiction

When observing regulatory jurisdiction, 44% (€1,193,886mn) of notional traded transacted in EU, whilst 56% (€1,537,249) in UK. Same % figures were observed in 2022.

Total Corporate Bond Traded Volumes by Regulatory Jurisdiction. (€mn equivalent)



Annex 1: Public data sources used in this report

Venue of Publication	Trading Venue Name	Jurisdiction	Member State	Trading Venue Types
ARIA	Arian Trading Facility (AOTF)	UK	UNITED KINGDOM	OTF
BMTF	Bloomberg Multilateral Trading Facility	UK	UNITED KINGDOM	MTF
BTFE	Bloomberg Trading Facility B.V.	EU	NETHERLANDS	MTF
BAPA	Bloomberg Data Reporting Services Ltd	UK	UNITED KINGDOM	APA
BAPE	Bloomberg Data Reporting Services B.V.	EU	NETHERLANDS	APA
TBSP	BondSpot S.A.	EU	POLAND	MTF
BVUK	BONDVISION UK	UK	UNITED KINGDOM	MTF
SSOB	MTS S.P.A. - Bond Vision Europe	EU	ITALY	MTF
EBMX	EBM - MTF	EU	ITALY	MTF
FXFM	Financial & Risk Transaction Services Ireland Limited - Forwards Matching	EU	IRELAND	MTF
FXRQ	Financial & Risk Transaction Services Ireland Limited - FXall RFQ	EU	IRELAND	MTF
KBLM	Kyte Broking Limited	UK	UNITED KINGDOM	OTF
MUFP	Mariana UFP OTF	UK	UNITED KINGDOM	OTF
MKTF	MARKET SECURITIES (FRANCE) SA	EU	FRANCE	OTF
MAEL	MarketAxess Europe MTF	UK	UNITED KINGDOM	MTF
MANL	MarketAxess NL B.V.	EU	NETHERLANDS	MTF
BMTS	MTS Belgium	EU	BELGIUM	MTF
FMTS	MTS France SAS	EU	FRANCE	MTF
MCAD	MTS S.p.A. - MTS Cash Domestic MTF	EU	ITALY	MTF
MTSC	MTS S.P.A. - MTS Italia	EU	ITALY	RM
MTSD	MTS Denmark	EU	BELGIUM	MTF
MTSF	MTS Finland	EU	BELGIUM	MTF
SQUA	Square Global Markets	UK	UNITED KINGDOM	OTF
TRDX	Trad-X	UK	UNITED KINGDOM	MTF
TRXE	TSAF OTC	EU	FRANCE	MTF
TREU	Tradeweb Europe Limited MTF	UK	UNITED KINGDOM	MTF
TWEM	Tradeweb EU B.V.	EU	NETHERLANDS	MTF
TREO	Tradeweb OTF	UK	UNITED KINGDOM	OTF
TWEO	Tradeweb EU B.V.	EU	NETHERLANDS	OTF
TREA	Tradeweb Europe Limited	UK	UNITED KINGDOM	APA
TWEA	Tradeweb EU B.V.	EU	NETHERLANDS	APA
TSAF	TSAF OTC	EU	FRANCE	OTF
TCDS	Tradition OTF	UK	UNITED KINGDOM	OTF
TEUR	Tradition España OTF	EU	SPAIN	OTF
TRAX	Xtrakter Limited	UK	UNITED KINGDOM	APA
TRNL	MarketAxess Post-Trade B.V.	EU	NETHERLANDS	APA
FXOP	Tradition-NEX OTF	UK	UNITED KINGDOM	OTF

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The mission of ICMA is to promote resilient and well-functioning international and globally integrated cross-border debt securities markets, which are essential to fund sustainable economic growth and development.

ICMA is a membership association, headquartered in Switzerland, committed to serving the needs of its wide range of members. These include public and private sector issuers, financial intermediaries, asset managers and other investors, capital market infrastructure providers, central banks, law firms and others worldwide.

ICMA currently has over 600 members in 66 jurisdictions worldwide. ICMA brings together members from all segments of the wholesale and retail debt securities markets, through regional and sectoral member committees, and focuses on a comprehensive range of market practice and regulatory issues which impact all aspects of international market functioning. ICMA prioritises three core areas – primary markets, secondary markets, repo and collateral: with two cross-cutting themes of sustainable finance and FinTech.

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The ICMA Secondary Market Practices Committee is an open forum for sell-side and buy-side ICMA member firms active in the international, cross-border secondary bond markets. Through open dialogue and engagement, as well as through its subsidiary working groups and work-streams, it seeks to be the representative body of the international, cross-border secondary bond markets: addressing practical issues directly relevant to market practitioners; standardising market best practice; disseminating relevant market information; and promoting the best interests of efficient and liquid markets.

More information about the SMPC can be found on the [ICMA website](#).

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Propellant.digital is a data analysis fintech combining public and proprietary data to empower advanced analytics and drive business decisions. It is an open, cloud-native, turnkey solution built on stringent security certified services.

Born in 2021, its mission is to take financial markets information and make it transparent, accessible, affordable and useful to all parties in the ecosystem. Propellant.digital was founded by Vincent Grandjean, and Allan Horgan, both professionals who have a long history in Capital Markets and wanted to leverage their experience to create a cost-effective solution. It has already attracted 18 clients in just over one year, working with global banks, asset managers, universities and regulatory bodies.

Propellant.digital's strategy is unique as the firm wants to include public data as well as proprietary data, to provide a low-cost solution for all sizes of firms.

For more information please email info@propellant.digital or visit propellant.digital.

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