

AxeTrading Receives Strategic Investment from Capital Markets Specialists Illuminate Financial

Funds will help meet demand for fixed income liquidity aggregation

London, 7 June, 2017: AxeTrading, a provider of fixed income trading technology, has announced a strategic investment of €2 million from Illuminate Financial Management LLP, a venture capital firm backed by Deutsche Börse Group and IHS Markit amongst others with a specific focus on capital markets financial technology.

Through its flagship solution AxeTrader, the firm provides banks, broker-dealers and buy-side firms with a complete picture of fixed income liquidity including axes, runs and quotes - sourced across electronic venues, messaging platforms and voice channels. The firm also provides clients with tools to support best execution and regulatory reporting, including MiFID II.

The strategic investment will enable AxeTrading to continue to expand its global client base for fixed income liquidity aggregation – as concern over market fragmentation continues to rise. According to a 2016 Greenwich Associates Survey of more than 400 credit investors in the U.S. and Europe in 2016, over 80% felt that reduced market liquidity is impacting their ability to implement their investment strategy.

The capital injection will also bolster AxeTrading's buy-side offering at a time when buy-side requirements in fixed income markets are growing significantly. A recent State Street poll of asset managers found that 49% agreed that the role of non-bank institutions as providers of liquidity will continue to grow – highlighting the need among these institutions for more advanced trading technology solutions.

As part of the investment, Mark Whitcroft, Partner at Illuminate Financial has joined the Board of Directors.

AxeTrading was co-Founded by Ralf Henke, CEO, who has over 15 of years of experience building fixed income electronic trading solutions for companies such as at JP Morgan whilst he was managing director of iCubic; Dinos Daborn, who has over 25 years in financial markets including roles at Citi and Bloomberg; and Mark Watters, who worked at Bloomberg for 17 years, including two years running the buy-side fixed income trading sales group for Europe and Asia-Pacific.

Mark Whitcroft, Partner at Illuminate Financial Management LLP comments: "With a strong and highly experienced leadership team, AxeTrading are well placed to solve key challenges for fixed income market participants today; Liquidity fragmentation, regulatory compliance around MiFID II and the growing need to drive greater efficiencies across trading workflows. The investment aligns well with our vision of investing in firms with a developed product offering and a clear, validated use case"

Dinos Daborn, Co-Founder and COO of AxeTrading comments: "The partnership with Illuminate Financial positions us well to capitalise on the ongoing fixed income market structure disruption, as a result of which we are seeing significant demand for trading solutions that effectively aggregate market information and support best execution,"

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About Illuminate Financial Management

Illuminate Financial Management LLP is a venture capital firm that crosses the chasm between capital markets fintech and the financial institutions it should serve. The firm was founded in 2014 recognising the growing importance of Fintech but questioning how much it was contributing to building more sustainable financial institutions. IFM have created partnerships with core strategic investors and a growing number of Capital Markets firms to gain real insight into what the market needs. We leverage this to find, validate and fund early stage companies and harness our extensive experience across banking, entrepreneurship and consultancy to help these companies achieve their full potential.

About AxeTrading

AxeTrading specialises in providing effective technology solutions and expertise for the challenges facing fixed income investors and traders in today's markets. AxeTrading's unique, innovative solutions enable both buy-side and sell-side fixed income traders to take advantage of fixed income electronic trading by streamlining workflow, reducing operational risk and facilitating regulatory compliance.

AxeTrading started in 2009, and won its first customer in 2010. Since then, it has grown its client base across 13 countries in four continents. By building solid partnerships with its clients, AxeTrading has won a significant proportion of its business from referrals by existing customers.