



Canadian Fixed Income Forum – Bank of Canada

# FI Electronic Trading Overview

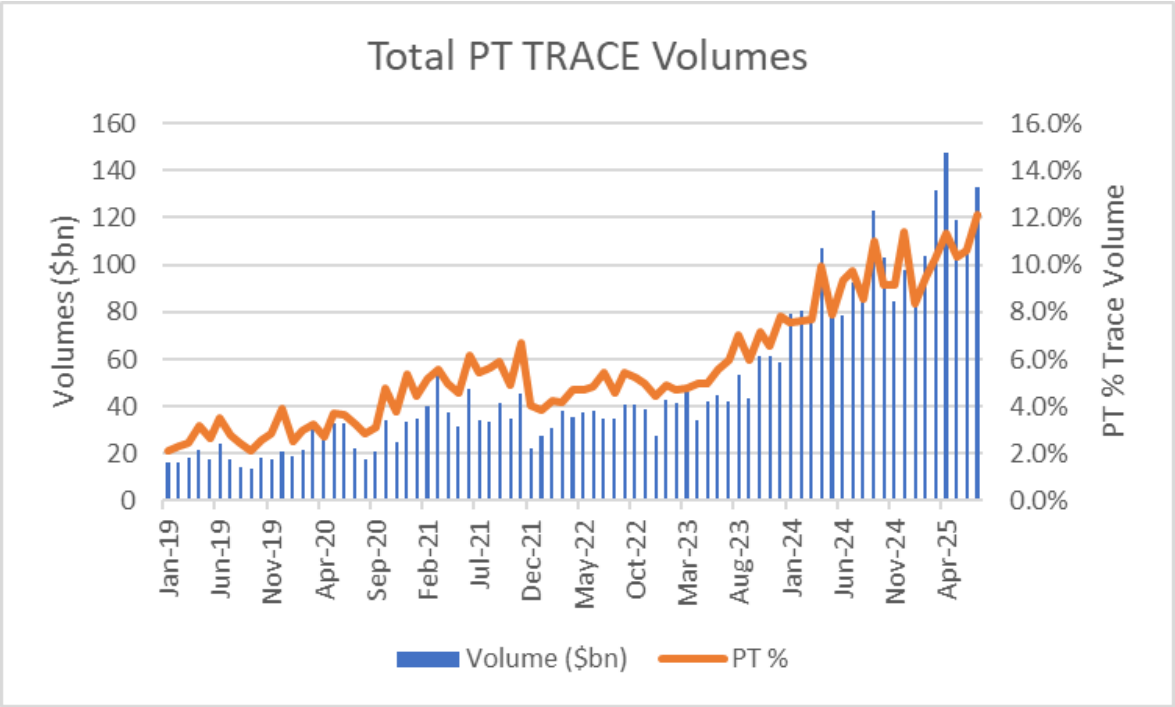
Dennis Jang  
Managing Director, Co-Head of Agency MBS Trading and Head of FI ETF Trading  
Citigroup Global Markets Inc

September 2025

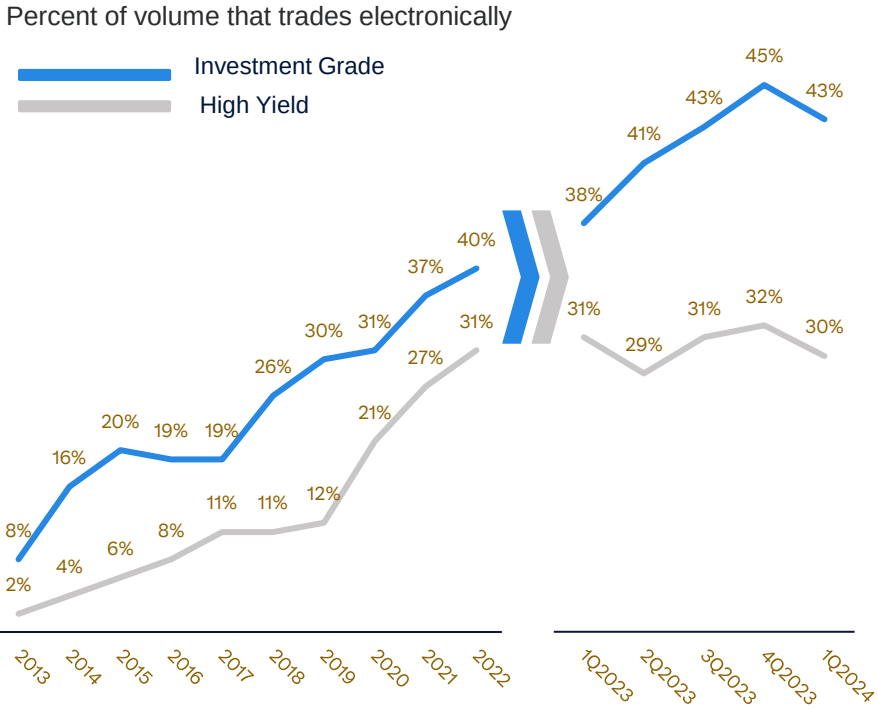
For the use of Institutional Investor at the Bank of Canada Fixed Income Forum – Not for forward distribution

# Growth of Electronic Trading

Credit Portfolio Trading has become larger part of the market

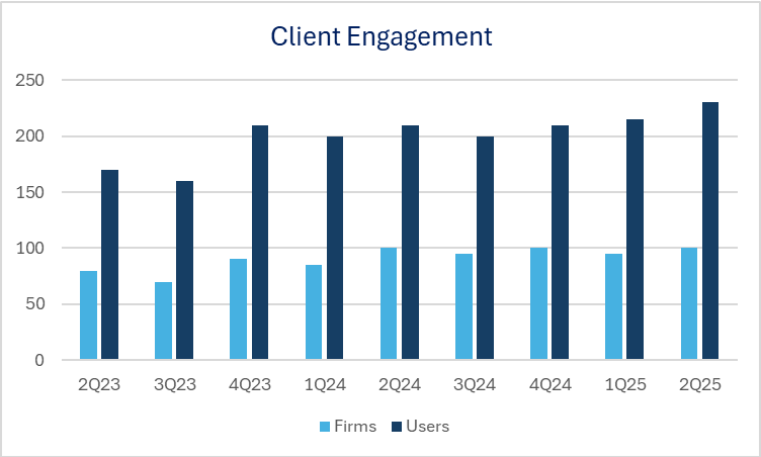


Cash bond trading moving from voice to electronic

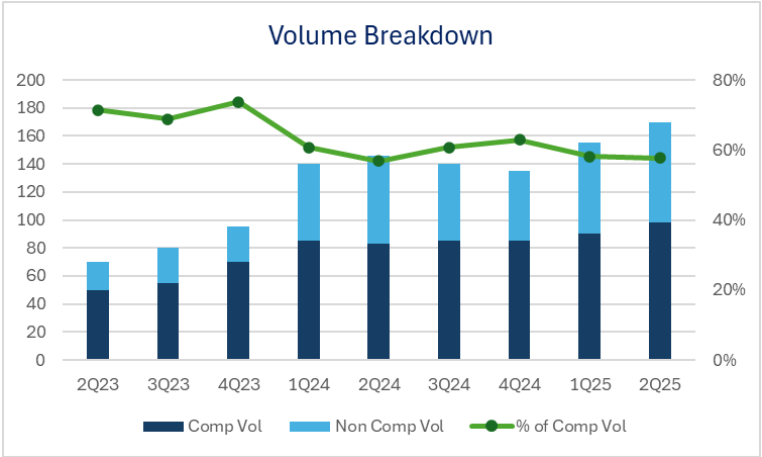


# Portfolio Trading Trends

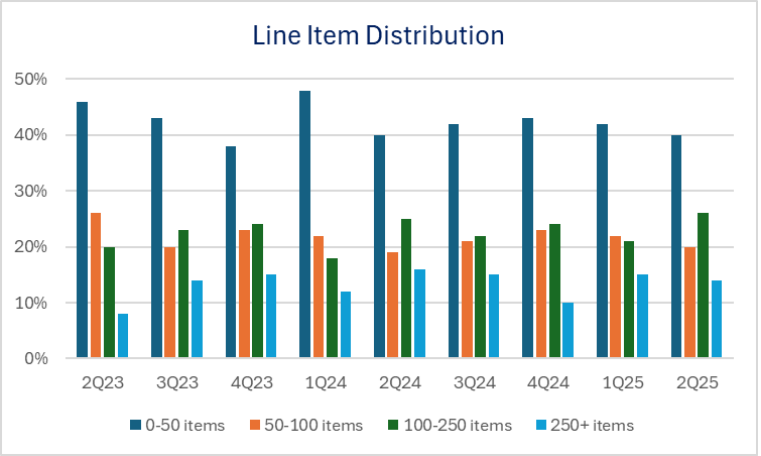
## Client engagement continues to grow



## Volumes in both comp and non-comp trades grow



## Trend of increasing number of line items

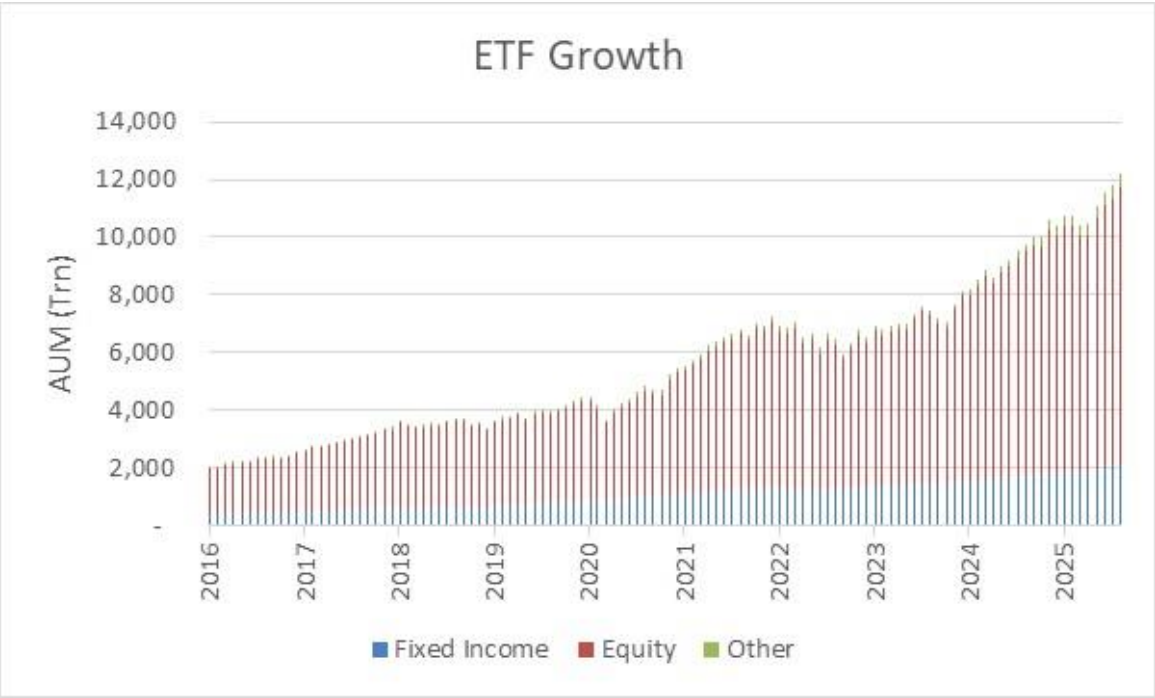


## Portfolio trade sizes trading larger

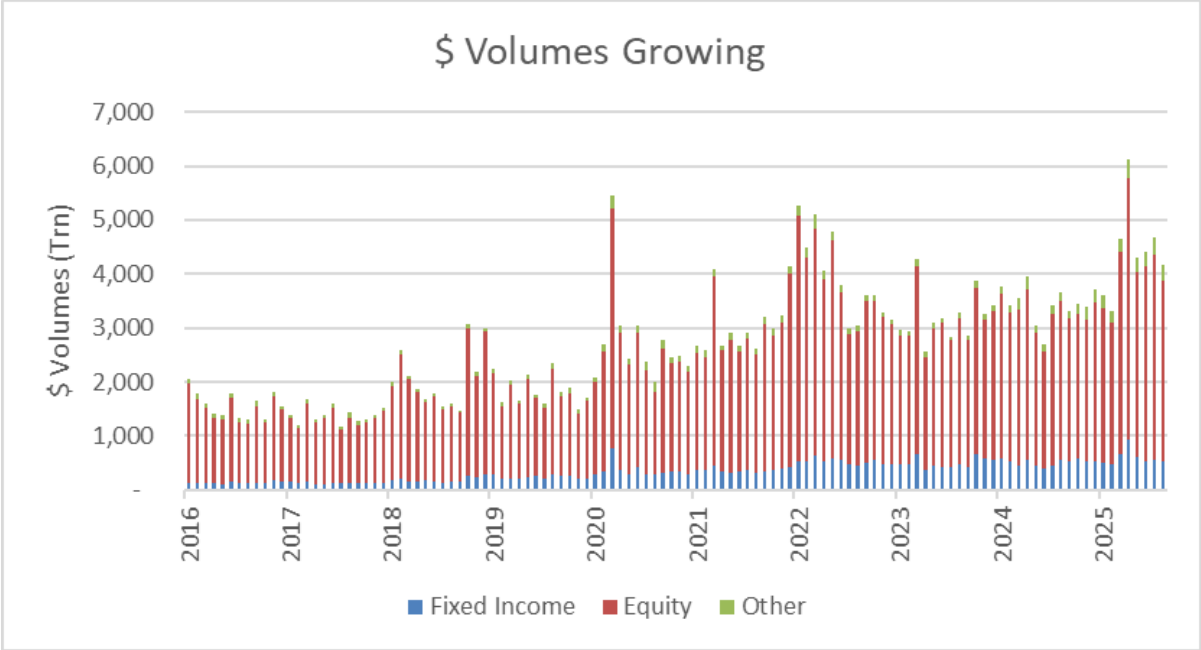


# Growth of AUM for ETFs

FI ETF AUM has become 17% of all ETF AUM

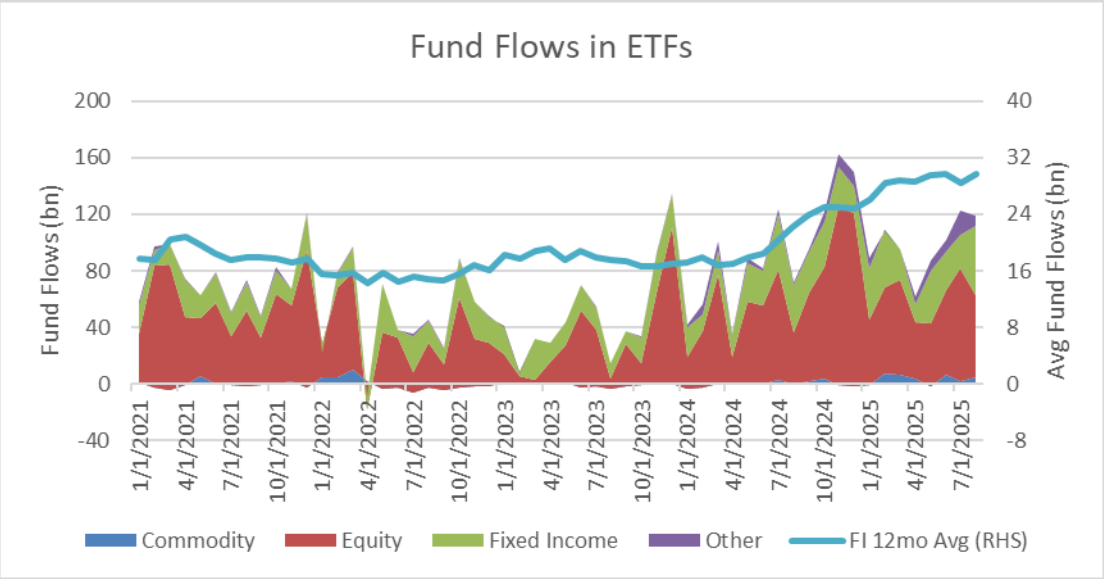


Daily Trading Volumes in FI ETFs growing

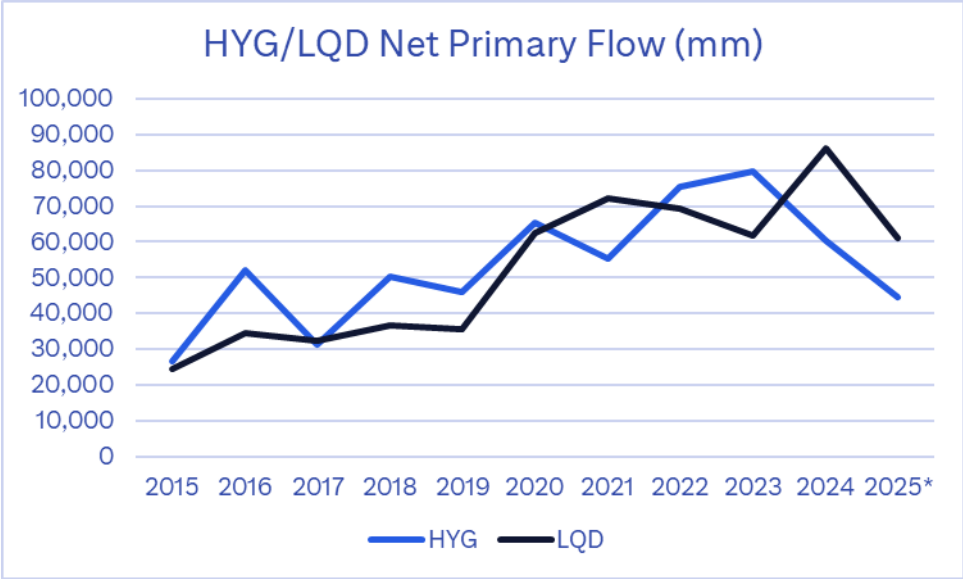


# ETF Fund Flows/Create+Redeem Increasing

FI ETF AUM has become 17% of all ETF AUM

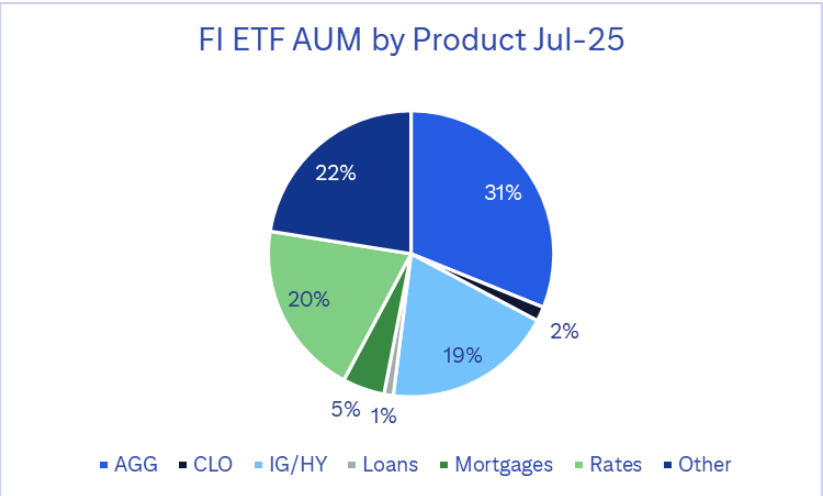
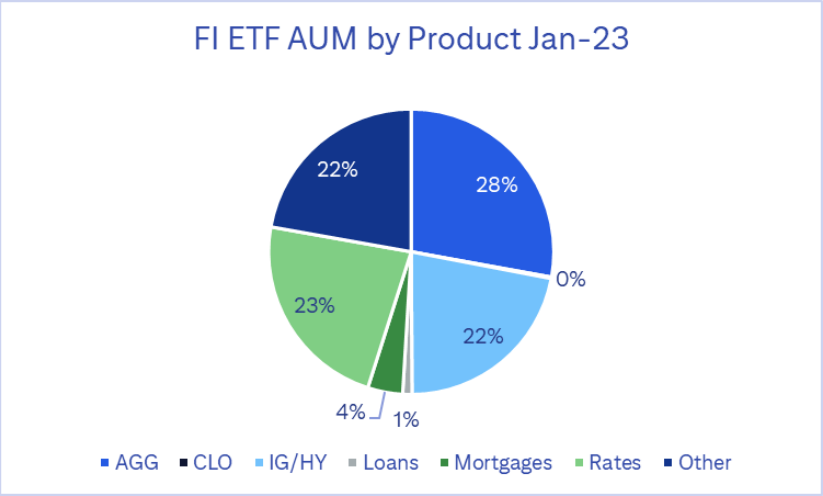


Net Create/Redeem Activity Remains High



# Growth of AUM for FI ETFs

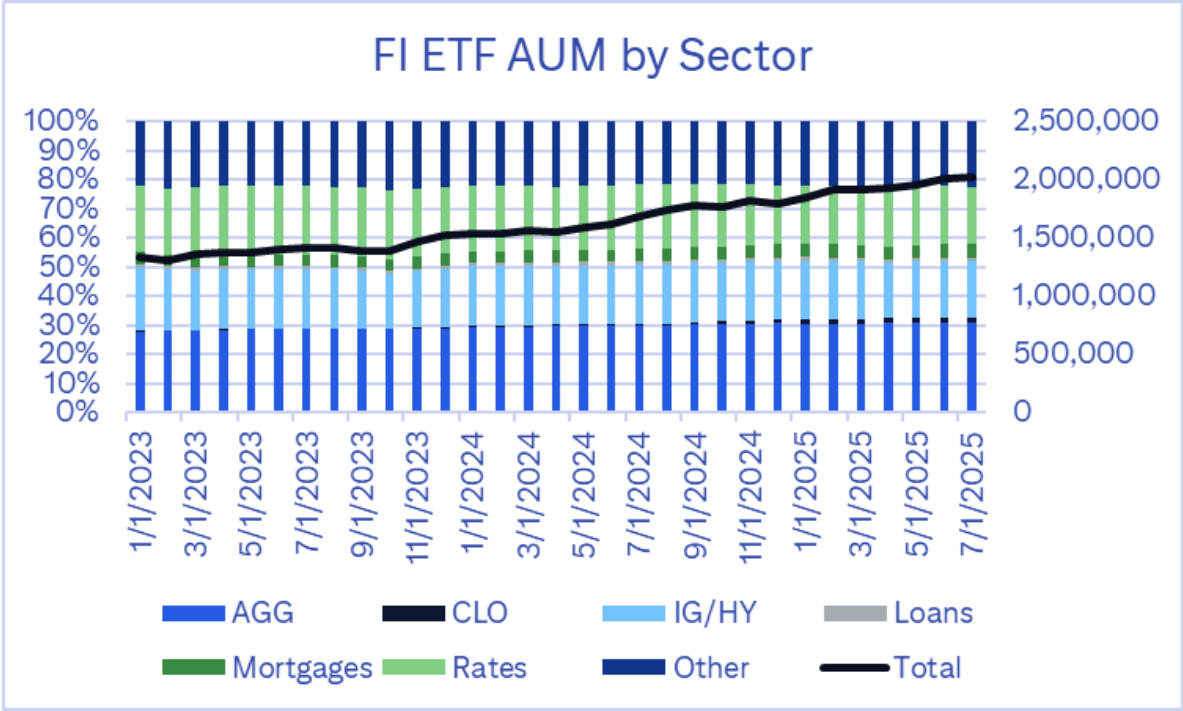
## FI ETF AUM Product Mix Shifting Away from Credit



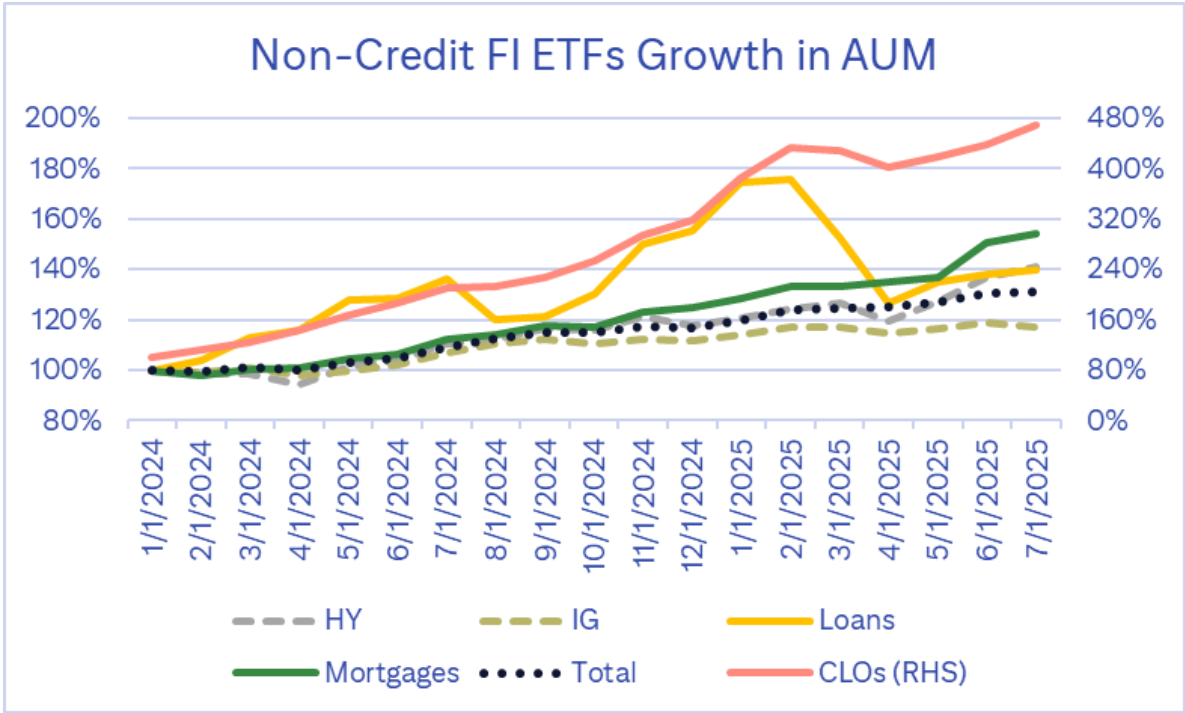
| Product   | Jan-23 | Jul-25 | Chg % |
|-----------|--------|--------|-------|
| Agg       | 28%    | 31%    | +3%   |
| CLO       | 0%     | 2%     | +2%   |
| Mortgages | 4%     | 5%     | +1%   |
| Loans     | 1%     | 1%     | +0%   |
| Other     | 22%    | 22%    | +0%   |
| Rates     | 23%    | 20%    | -3%   |
| IG/HY     | 22%    | 19%    | -3%   |

# Non-Credit ETF Ecosystem Growing Rapidly

Increase in non-benchmark Credit ETFs growing



Growth in securitized ETFs outpacing that of traditional credit



# Increase in FI ETF Trading Reflected in Citi Volumes

## Tape Reported Trades Grow in Count and Size

| Tape Reported Trades     |                  |                  |               |
|--------------------------|------------------|------------------|---------------|
| Market Value Bucket (mm) | 2024 Avg MV (mm) | 2025 Avg MV (mm) | YoY% Increase |
| 0-10                     | 19,811           | 24,060           | 121%          |
| 10-20                    | 992              | 1,180            | 119%          |
| 20-50                    | 1,553            | 1,867            | 120%          |
| 50+                      | 3,839            | 4,101            | 107%          |

| Tape Reported Trades     |                |                |               |
|--------------------------|----------------|----------------|---------------|
| Market Value Bucket (mm) | 2024 Avg Count | 2025 Avg Count | YoY% Increase |
| 0-10                     | 1,186,166      | 1,447,839      | 122%          |
| 10-20                    | 72             | 84             | 117%          |
| 20-50                    | 51             | 62             | 120%          |
| 50+                      | 29             | 33             | 115%          |

## Citi's Volumes and Share Continues to Grow

| YoY % Increase           |                |                 |
|--------------------------|----------------|-----------------|
| Market Value Bucket (mm) | RFQ Citi Rec'd | RFQ Citi Traded |
| 0-10                     | +74%           | +154%           |
| 10-20                    | +19%           | +14%            |
| 20-50                    | +72%           | +60%            |



# New Innovations and Growth Opportunities

## Recent innovations to meet client demand

- **Mutual fund conversion to ETFs**
  - **“The Great Mutual-Fund-to-ETF Migration”**: <https://www.etftrends.com/great-mutual-fund-etf-migration/>
- **Leveraged CLO ETFs (RAAA)**
  - **“Reckoner Launches First Leveraged AAA CLO ETF”**: <https://www.etf.com/sections/etf-watch/reckoner-launches-first-leveraged-aaa-clo-etf>
- **Tax-advantaged fixed income ETFs (f/m)**
  - **“F/m Compoundr ETF Series”**: <http://fminvest.com/compoundr-etf-series>
- **Tokenized ETF offerings**
  - **“Blockchain and tokenization: Transforming asset management on behalf of clients”**: <https://www.janushenderson.com/en-us/advisor/article/blockchain-and-tokenization-transforming-asset-management-on-behalf-of-clients/>

# Disclaimer

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