



**BONDCLIQ PRESENTATION:  
HOW CORPORATE BOND DATA CAN INFORM  
EQUITY STRATEGIES**

# The most valuable financial market data set...that no one is using



- Since 2005, the outstanding size of the US corporate bond market has doubled (\$11T)
- Credit is now foundational to the capital structure of all major companies
- Recent research indicates that credit pricing data has material forecasting and signal value

Credit pricing data has been notoriously elusive and unreliable for professional analysis

For the first time, **BondCliQ has made corporate bond pricing data available to the broad market**

# WHAT IS BONDCLIQ DATA?

## What do we do?

- We gather, organize and distribute dealer prices (like the SIP)
- Over 40 dealers contributing institutional markets

## Data Coverage

- Over 65,000 quotes a day across 14k unique bonds
- Quote data covers 93% of traded market by volume

## Product Details

- Tick data set has been equity “tickerized” for analysis
- Historical data goes back to September of 2017



# BondCliQ Tick Data Example

**ORCL 2.875% 03-25-2031 68389XCE3** 🔄 - ✕

<b>Security Trade Info</b>				<b>IHS Markit CDX Indices</b>				ETFGlobal #: <a href="#">5/25</a>	
Last Trade Price	\$103.126			Mid		Change	COD %	MSCI ESG Rating: <a href="#">BBB</a>	
Last Trade Spd	110.481			NAIG	57.608	(0.935bps)	(1.597%)		
IHS Markit Eval Spd/Px	109.83			NAHY	107.709	\$0.184	0.171%		
Change on Day	(1.8bps)								
% Chg on Day	(1.6%)								
<a href="#">Full Trade History via BondTiQ</a>				Powered by BondCliQ					

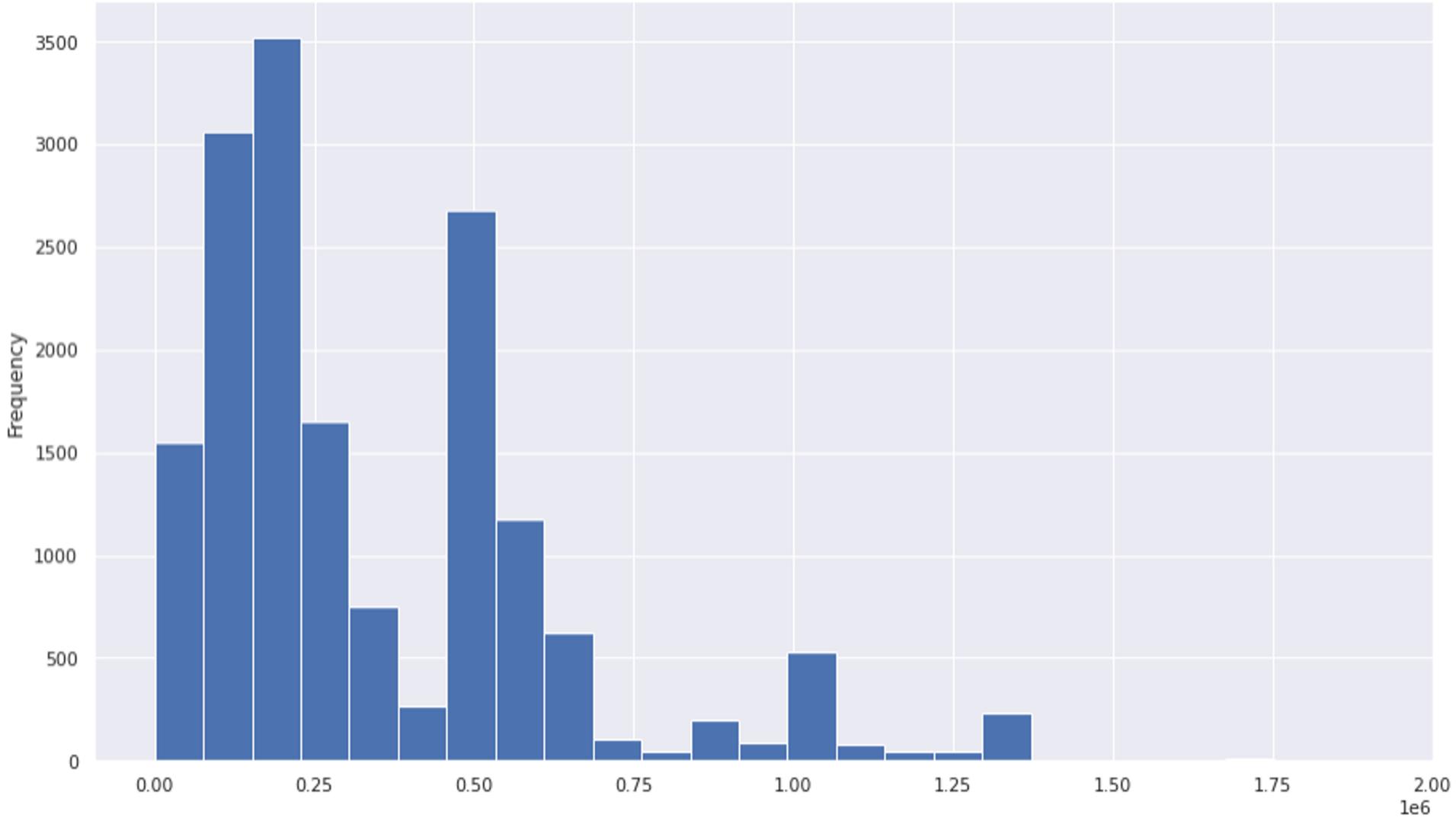
Rank	Dealer	Time	Size	Spd/Px	Spd/Px	Size	Time	Dealer	Rank
	MTS	11:30	1,000	111.2	109	2,000	07:47	AmhP	
	BNP	08:36	0	113	109	0	08:36	BNP	
	Jefferies	10:06	5,000	113	109	0	11:47	Stifel	
	Stifel	11:47	0	113	108	1,500	09:09	FHN	4
	AmhP	07:47	0	114	108	5,000	10:06	Jefferies	

What can organized corporate bond pricing data do for you?

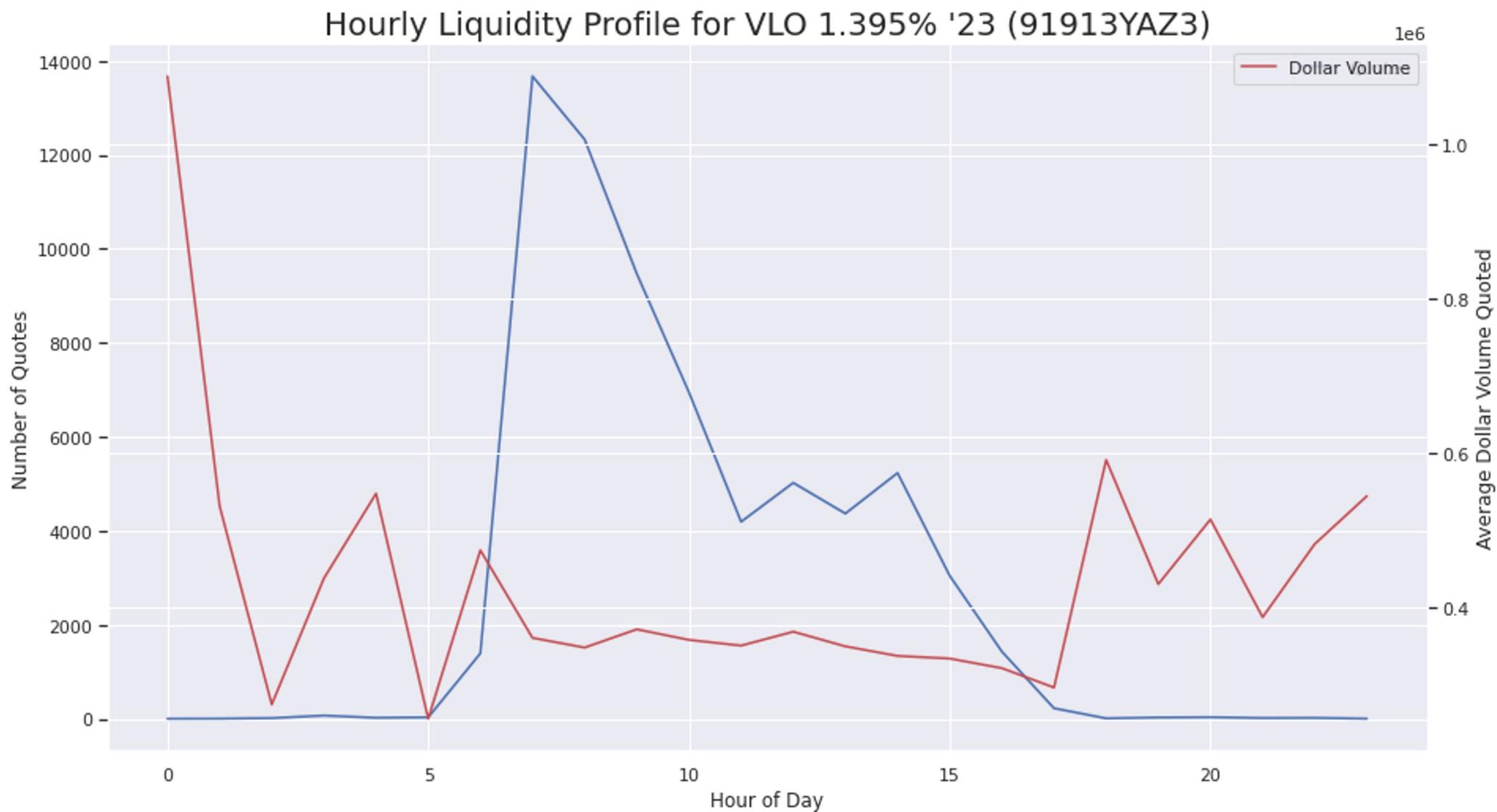
# Pre-Quote Data Structure

	cusip	qDate	qTime	CreditQuality	qSide	price	spread	size	dealerID	ticker	coupon	matuDate	sector
<b>datetime</b>													
<b>2018-10-09 14:25:05</b>	91913YAR1	2018-10-09	1900-01-01 14:25:05	NaN	bid	103.06	82.0	0.25	ur12um	VLO	6.125	2020-02-01	Energy
<b>2018-10-10 08:11:39</b>	91913YAR1	2018-10-10	1900-01-01 08:11:39	NaN	bid	103.03	82.0	0.25	ur12um	VLO	6.125	2020-02-01	Energy
<b>2018-10-12 08:47:09</b>	91913YAR1	2018-10-12	1900-01-01 08:47:09	NaN	bid	103.06	82.0	0.25	ur12um	VLO	6.125	2020-02-01	Energy
<b>2018-10-15 08:27:17</b>	91913YAR1	2018-10-15	1900-01-01 08:27:17	NaN	bid	103.06	82.0	0.25	ur12um	VLO	6.125	2020-02-01	Energy
<b>2018-10-15 14:17:35</b>	91913YAR1	2018-10-15	1900-01-01 14:17:35	NaN	bid	103.06	82.0	0.25	ur12um	VLO	6.125	2020-02-01	Energy

# Distribution of VLO Bond Quotes by \$ Volume Per Quote

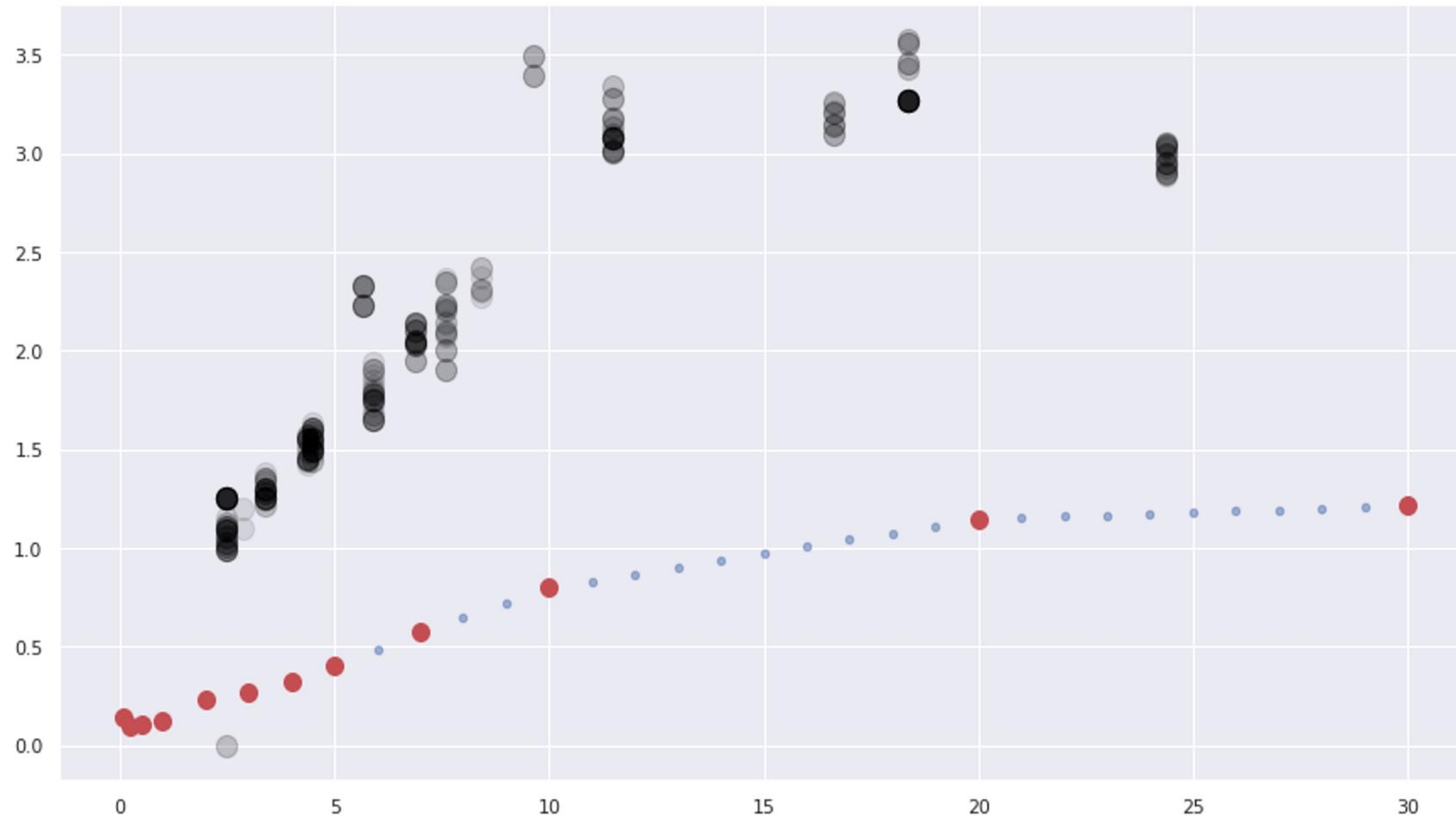


# Intraday Bond Liquidity Profile



# VLO Spread Term Structure:

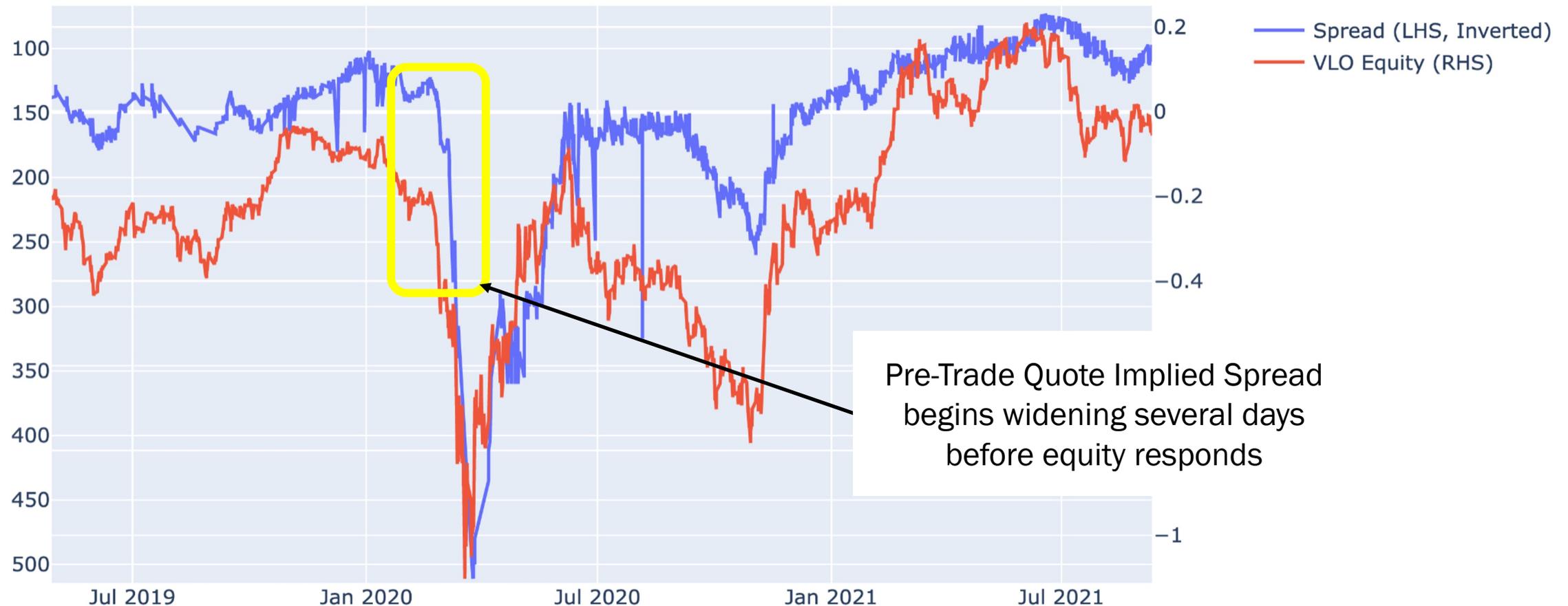
BondCliQ Implied Pre-trade VLO Spread Term Structure vs. US Swaps Curve, October 27<sup>th</sup>, 2020



# Capital Structures are often coupled

BondCliQ Implied Pre-trade VLO Spreads (VLO 4% 2029) vs. Equity Return

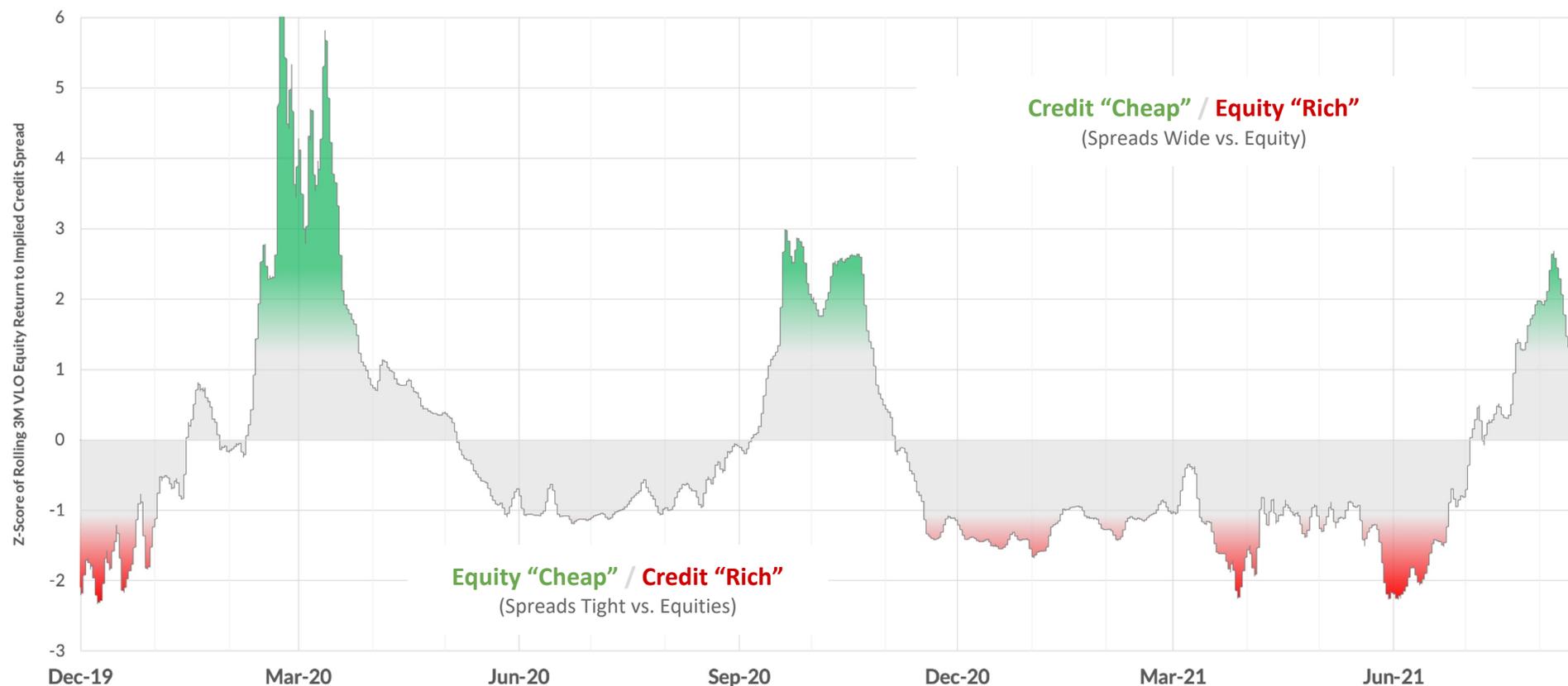
At times, credit prices/spreads can be a leading indicator for equity performance



# VLO Debt/Equity Relative Value: Quantifying Credit & Equity Rich/Cheap

BondCliQ pre-trade implied VLO credit spreads began widening out in Late-Dec/Early-Jan, well before the precipitous market crash in March. This simple framework has signaled other compelling relative value opportunities in Q4-20 and more recently.

VLO 4% '29 Pre-Trade Implied Credit Spread - Richness / Cheapness to Equity (Z-Score)



# Opportunity Awaits

What happens in one asset class segment tends to spill over and effect others, you can't ignore it

**You don't have to be a traditional credit investor for this to matter**

Discretionary – get insight into an essential part of the capital structure

Macro – be aware of what is happening across sectors

Systematic – new source of potential alpha

**Quant friendly data set covering an 11 trillion dollar market**

Turn key data - no time spent trying to ingest and format

Many bonds in a sea of stocks equals opportunity

Atomic level of resolution allows extrapolation from bond up to issuer, sector, whole asset class

**BondCliQ Quote Data**

Available via real time API, SFTP files, vendor partners, proprietary GUI

Daily macro credit/equity liquidity report coming Q1

Europe launch Q1 2022