OTC Markets Group Reports 2014 Trading Statistics and Highlights


2014 Highlights:

- Total dollar volume of OTCQX®, OTCQB® and OTC Pink® securities increased 19% to $238.4 billion.
- Total dollar volume of OTCQX securities increased 22% to $36.1 billion and represented 15% of total dollar volume of trading in all marketplaces in 2014.
- 34 U.S. community banks joined the OTCQX marketplace in 2014.
- 311 companies were approved and traded on the OTCQB Venture Marketplace as of December 31, 2014.
- Launched four new indexes for tracking U.S. and international OTCQX securities: the OTCQX30 Index, powered by BNY Mellon DR IndicesSM, the OTCQX Composite Index, the OTCQX U.S. Index and the OTCQX International Index.
- Introduced the OTC Compliance Data File, a first-of-its-kind product for helping broker-dealers and financial institutions mitigate risk in trading OTCQX, OTCQB and OTC Pink securities.

“2014 has been a year of accomplishment with the successful rollouts of OTCQX for Banks, our new OTCQB Venture Marketplace standards and the launch of four new OTCQX indexes,” said R. Cromwell Coulson, President and CEO of OTC Markets Group. “OTCQX for Banks is seeing strong adoption from community banks nationwide as they recognize the value of trading on a transparent, shareholder-friendly marketplace.

“Likewise, our OTCQB Venture Marketplace gained strong momentum as more than 700 companies submitted OTCQB applications during 2014. We are excited to offer a world-
leading, U.S. venture market with a critical mass of strongly engaged entrepreneurial and development stage companies on OTCQB,” said Coulson.

**Total Dollar Volume Increased 19% in 2014**

The total dollar volume of trading in OTCQX, OTCQB and OTC Pink securities in 2014 was $238.4 billion, a 19% increase from the prior year. As of December 31, 2014, there were 9,911 securities trading on the three marketplaces, the composition of which is presented in the table below.

**Summary of 2014 Trading Statistics by Marketplace**

<table>
<thead>
<tr>
<th>Marketplace</th>
<th># of Securities as of December 31,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2014</td>
</tr>
<tr>
<td>OTCQX®</td>
<td>383</td>
</tr>
<tr>
<td>OTCQB®</td>
<td>2,252</td>
</tr>
<tr>
<td>OTC Pink®</td>
<td>7,276</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>9,911</strong></td>
</tr>
</tbody>
</table>

The table below presents dollar volume traded in each marketplace during 2014 and 2013.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$ Volume *</td>
<td>% of Total $Volume</td>
</tr>
<tr>
<td>OTCQX®</td>
<td>$ 36,119</td>
<td>15.1%</td>
</tr>
<tr>
<td>OTCQB®</td>
<td>62,650</td>
<td>26.3%</td>
</tr>
<tr>
<td>OTC Pink®</td>
<td>139,656</td>
<td>58.6%</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>238,425</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

* Amounts presented in millions

OTCQX securities traded $36.1 billion in dollar volume in 2014, up 22% from 2013, and represented 15% of total trading in 2014. Introduction of more stringent OTCQB Venture Marketplace standards on May 1, 2014, led to a number of OTCQB companies being downgraded to the OTC Pink marketplace, which resulted in a 28% decline in the number of OTCQB securities in 2014 and a 15% decline in OTCQB dollar volume during the year. Within the OTC Pink marketplace, 90% of the dollar volume traded during 2014 took place in OTC Pink companies with current information available, reflecting investors’ preference for companies that provide timely news and financial disclosure to the market.

**Strong Adoption of OTCQX for Banks and OTCQB Venture Marketplace**

In 2014, OTC Markets Group made significant enhancements to its OTCQX and OTCQB marketplaces to better meet the needs of companies and their investors.

In the spring, the Company launched OTCQX for Banks, an expansion of the OTCQX marketplace designed to increase the visibility of well-managed, strongly-capitalized community banks in the public markets. Thirty-four U.S. community and regional banks from 14 states joined OTCQX in 2014 under the new bank requirements, including one bank that voluntarily de-listed from the NASDAQ Stock Market to trade on OTCQX.

On May 1, 2014, OTC Markets Group introduced new standards and eligibility requirements for the OTCQB marketplace with the goal of increasing the quality and quantity of information on OTCQB companies and building an American venture market for entrepreneurial and development stage businesses. The rollout of the OTCQB improvements will continue through July 30, 2015, with a majority of existing OTCQB companies facing compliance deadlines in the first half of 2015. Existing OTCQB companies have a choice of meeting the new OTCQB standards, choosing to qualify for OTCQX or being downgraded to the OTC Pink open marketplace. As of December 31, 2014, 311 companies had completed the verification process and were approved and traded on the OTCQB Venture Marketplace.

**Launch of New OTCQX Indexes**

In 2014, OTC Markets Group expanded the number of indexes tracking U.S. and international OTCQX securities with the launch of four new benchmarks: the OTCQX30 Index, powered by BNY Mellon DR IndicesSM, the OTCQX Composite Index, the OTCQX U.S. Index and the OTCQX International Index.

The OTCQX indexes make it easier for investors, portfolio managers and analysts to benchmark U.S. and international companies on the OTCQX marketplace and highlight OTCQX securities as an asset class for a wider group of investors.

In 2015, the Company intends to introduce additional indexes for tracking OTCQX and OTCQB securities, such as the OTCQX Banks Index that was announced on January 26, 2015.
Enhanced Corporate Services Offerings and Transparency for Investors

In 2014, OTC Markets Group announced distribution agreements with Seeking Alpha, Zacks Investment Research and Edison Research, leveraging the insight of professional investment research providers and crowdsourced analysis platforms to deliver news, financial filings and third-party research on OTCQX, OTCQB and OTC Pink securities to more investors.

The Company continued to expand its market data distribution network in 2014, signing agreements with REDI Global Technologies, Trading Block and Euroland AB to bring real-time market data on OTCQX, OTCQB and OTC Pink securities to a wider group of investors.

In March 2014, the Company introduced its OTC Compliance Data File, a twice daily comprehensive file of key compliance data points that helps broker-dealers and compliance/risk mitigation teams more efficiently analyze and monitor OTCQX, OTCQB and OTC Pink securities trading in an easily-consumable format. Since its introduction, the OTC Compliance Data File has been adopted by several broker-dealers and financial institutions, better automating their compliance and risk management processes.

OTC Markets Group continued to enhance its service offerings to companies in 2014 with the addition of GlobeNewswire to the list of major news distribution services integrated with the OTC Disclosure & News Service. Today, SEC and non-SEC reporting OTCQX, OTCQB and OTC Pink Current Information companies can use Business Wire, GlobeNewswire, Marketwired and PR Newswire to concurrently distribute their news and financial information widely to investors and meet regulatory and marketplace disclosure requirements.

About OTC Markets Group Inc.

OTC Markets Group Inc. (OTCQX: OTCM) operates Open, Transparent and Connected financial marketplaces for 10,000 U.S. and global securities. Through our OTC Link® ATS, we directly link a diverse network of broker-dealers that provide liquidity and execution services for a wide spectrum of securities. We organize these securities into marketplaces to better inform investors of opportunities and risks – OTCQX®, The Best Marketplace; OTCQB®, The Venture Marketplace; and OTC Pink®, The Open Marketplace. Our data-driven platform enables investors to easily trade through the broker of their choice at the best possible price and empowers a broad range of companies to improve the quality and availability of information for their investors. To learn more about how we create better informed and more efficient financial marketplaces, visit www.otcmarkets.com.

OTC Link ATS is operated by OTC Link LLC, member FINRA/SIPC and SEC regulated ATS.
Subscribe to the OTC Markets RSS Feed

Media Contact:
Saskia Sidenfaden, OTC Markets Group Inc., +1 (212) 896-4428, saskia@otcmarkets.com