



HOW IS MARKET VOLATILITY IMPACTING MONEY MARKET SECURITIES?

June 16, 2020

In times of unprecedented market volatility, providing market transparency is critical. Our new DTCC Money Market Kinetics *Weekly Snapshot*, derived from the DTCC Money Market Kinetics product, offers insights into the 3.1 trillion dollar money markets.

DTCC is publishing weekly reports to provide insights into the volatility of the money markets. [The data comes from our DTCC Money Market Kinetics service.](#)

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MARKET HIGHLIGHTS

Current market volatility is impacting the short-term lending market.

- Liquidity in Corporate Commercial Paper (CP) and Institutional Certificates of Deposit (CD) has decreased precipitously since mid-March
- In March 2020, the Federal Reserve responded by creating a new funding facility to ensure liquidity and free up short-term lending.

DATA INSIGHTS

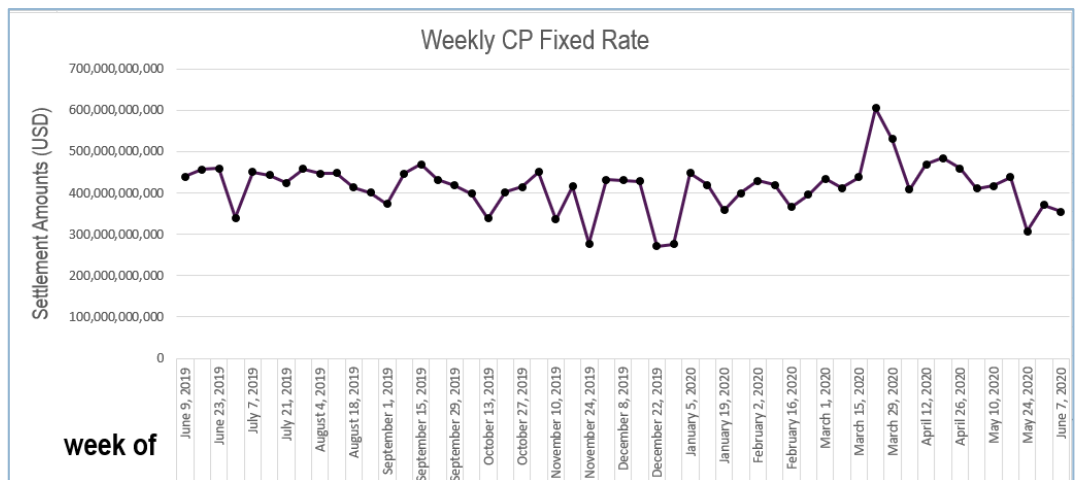
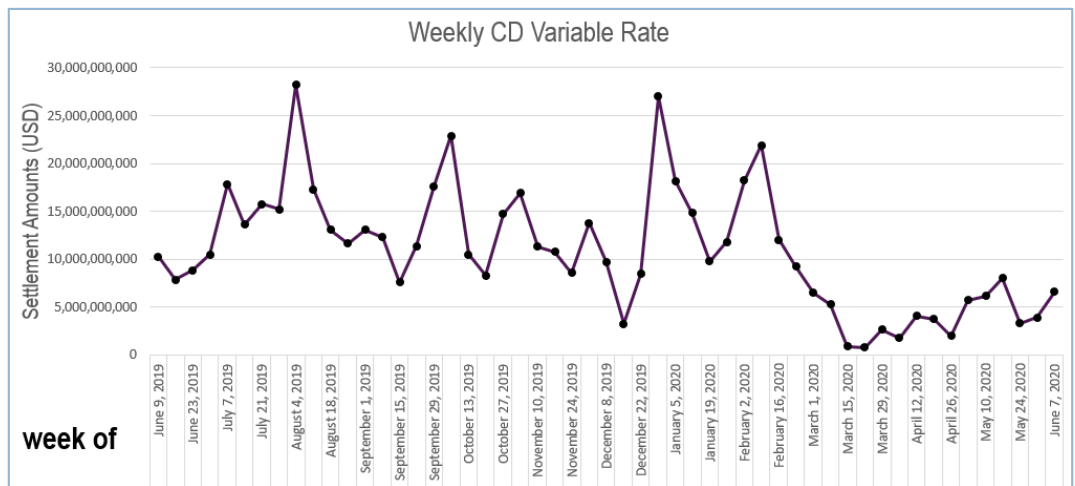
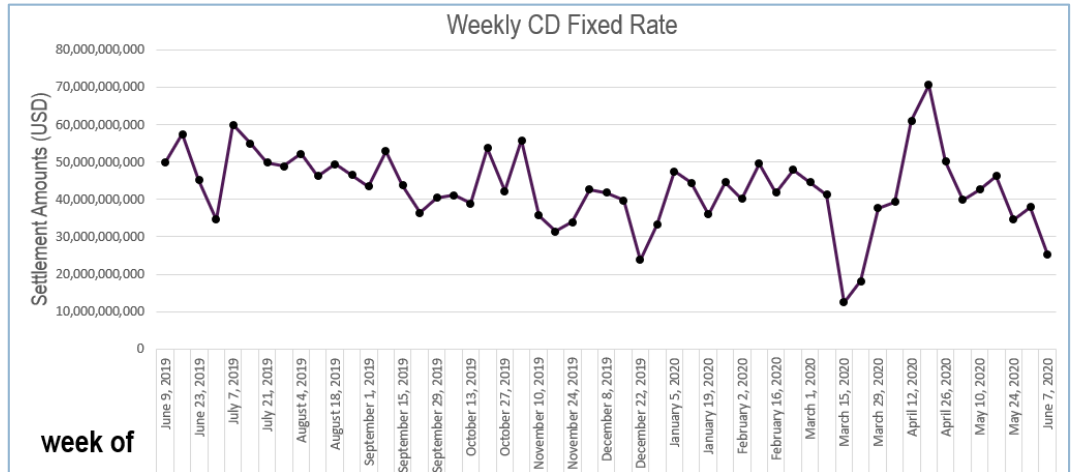
For the second week of June 2020, total settlement amounts for fixed-rate securities declined, but rose for variable-rate securities. All 4 product types remain below their 52-week averages. Variable-rate CP settlements had the largest weekly settlement amounts since February 2020 at \$4.8 billion.

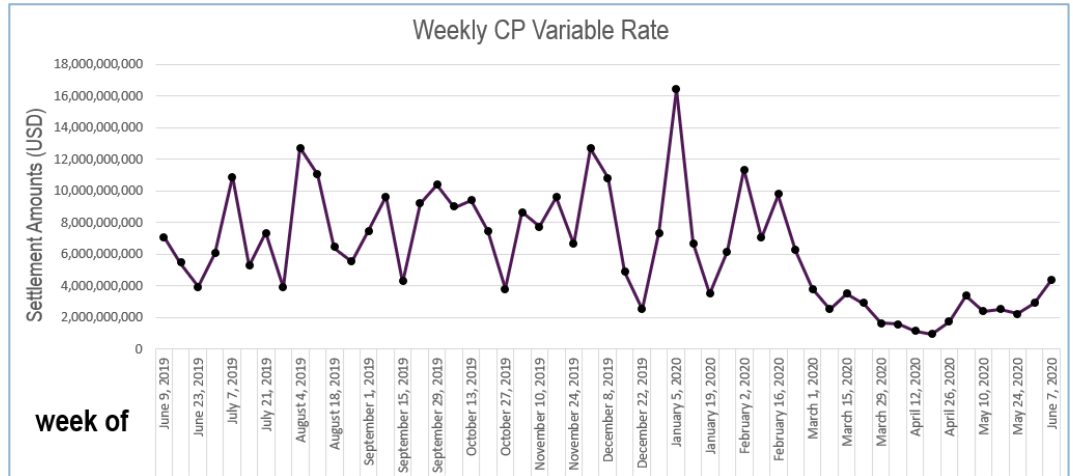
- For the week of June 8- 12:
 - Fixed-rate CD settlements decreased from \$38 billion the prior week to \$25 billion, which is below the prior 52-week average of \$43 billion.
 - Variable-rate CD settlements increased from \$4 billion the prior week to \$6 billion. The amount remains significantly lower than the prior 52 weeks, which averaged \$11 billion per week.
 - Fixed-rate CP settlements decreased from \$371 billion to \$354 billion, which was lower than the prior year weekly average of \$415 billion.
 - Variable-rate CP settlements increased from \$2.9 billion the prior week to \$4.8 billion. By comparison, the 52-week average is \$6.3 billion.
- For the Month of June 2020
 - Month-end amounts vs. prior 12-month averages:
 - Fixed-rate CD: \$63 billion v. \$188 billion
 - Variable-rate CD: \$10 billion v. \$48 trillion
 - Fixed-rate CP: \$726 billion v. \$1.8 trillion
 - Variable-rate CP: \$7.3 billion v. \$28 billion



WEEKLY CHARTS

Note: Dates displayed in weekly charts represent the first day of the week summarized; the values displayed are for the entire week of activity.



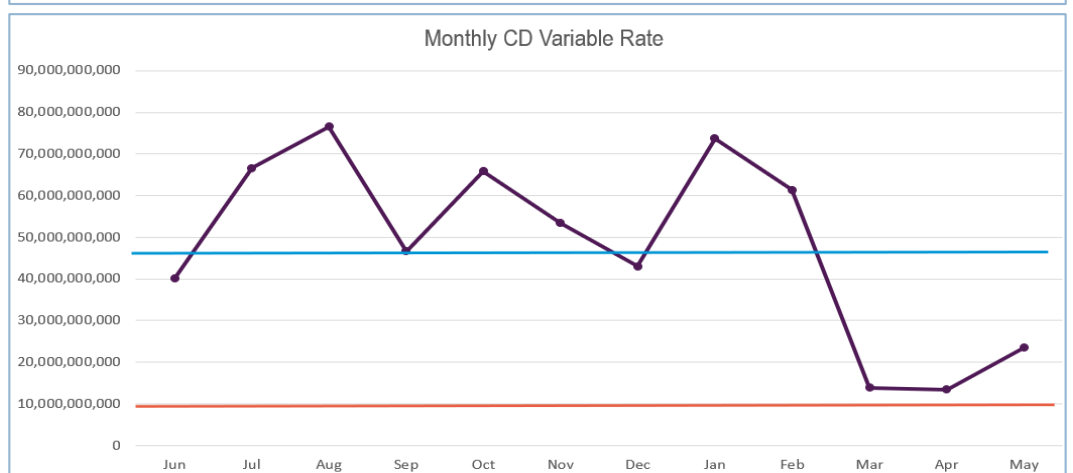
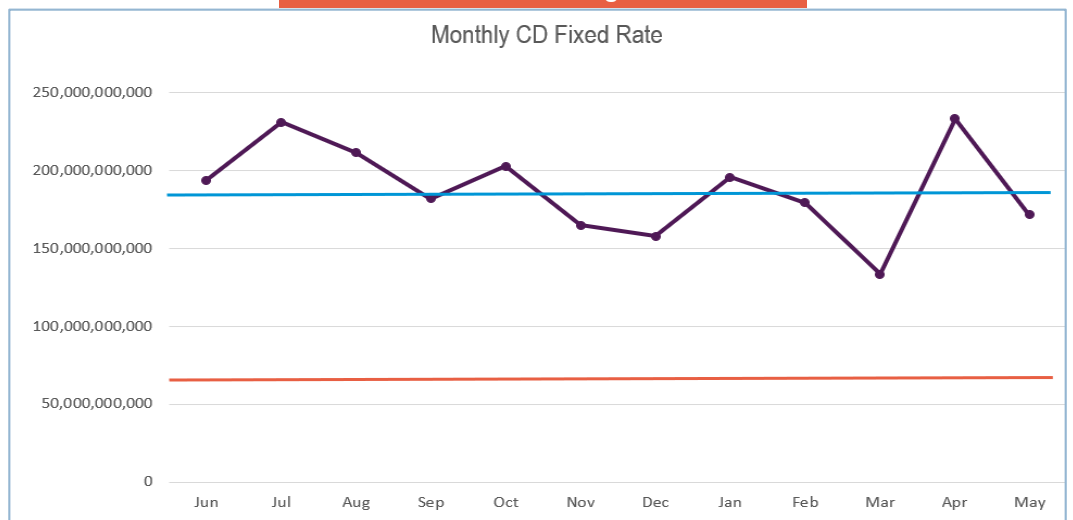


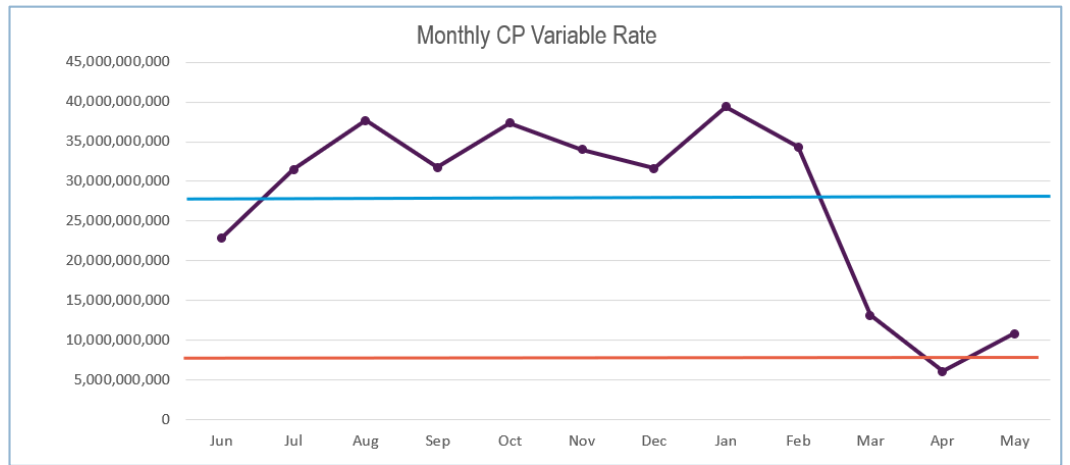
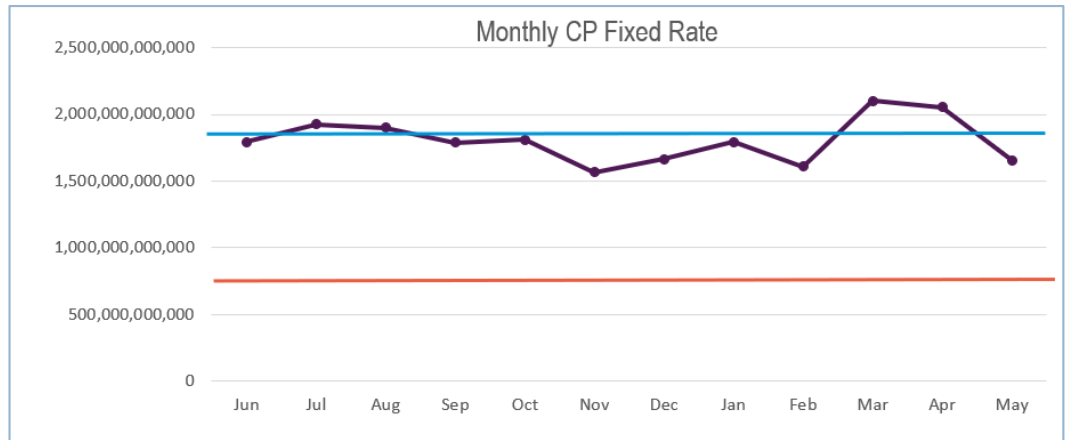
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MONTHLY CHARTS

Legend:

- Monthly Settlement Amounts
- 12 Month Average Settlement Amounts
- Month-to-Date through June 12





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