



HOW IS MARKET VOLATILITY IMPACTING MONEY MARKET SECURITIES?

September 29, 2020

In times of unprecedented market volatility, providing market transparency is critical. Our 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.](#)

[Click here to have these reports delivered to your inbox.](#)

[Learn more about DTCC Money Market Kinetics](#)

[Contact Us](#)

Editor's Note: DTCC Money Market Kinetics has been enhanced to provide faster access to critical data as the industry continues to turn to information to drive business decisions during a time of increased uncertainty and volatility. Please see the delivery section of the [DTCC Money Market Kinetics page](#) to learn more.

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 the start of the Covid-19 pandemic.
- In March of 2020, the Federal Reserve responded by creating a new funding facility to ensure liquidity and free up short-term lending.

DATA INSIGHTS

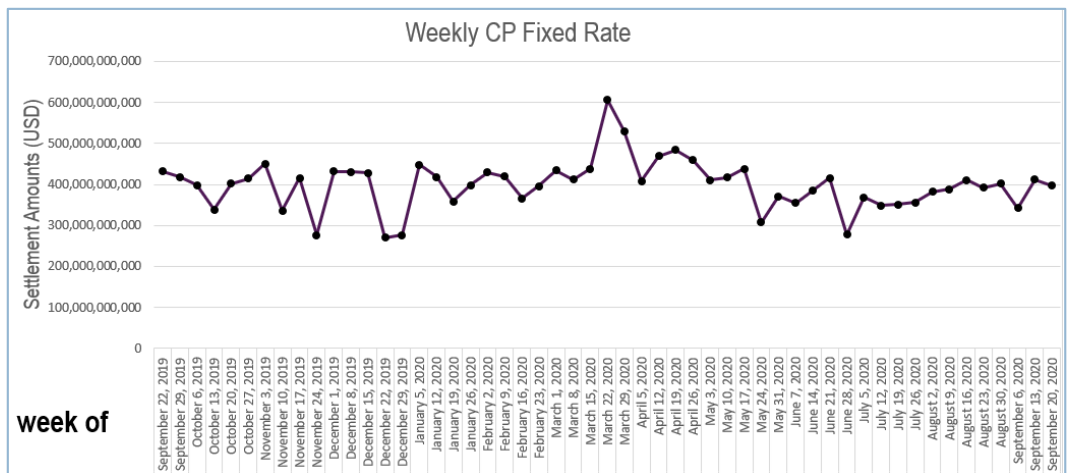
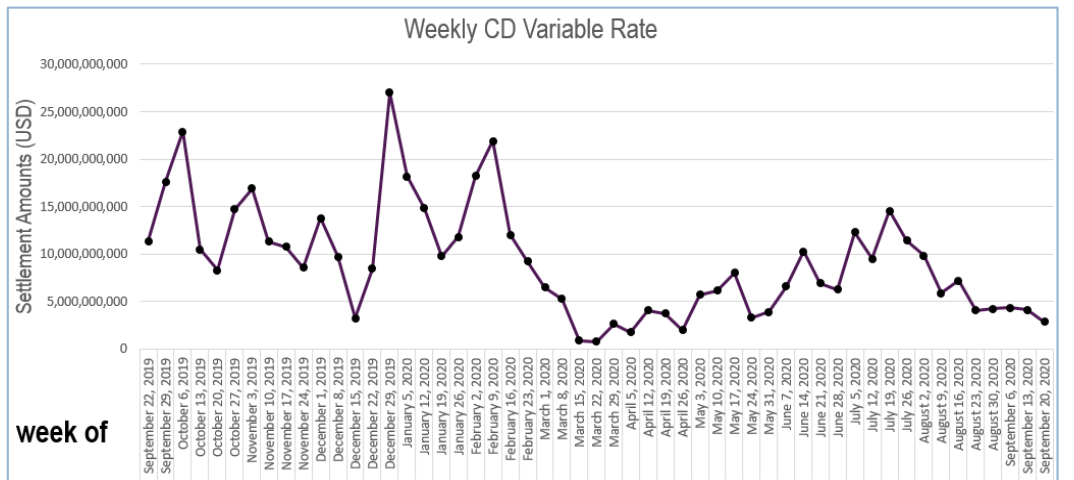
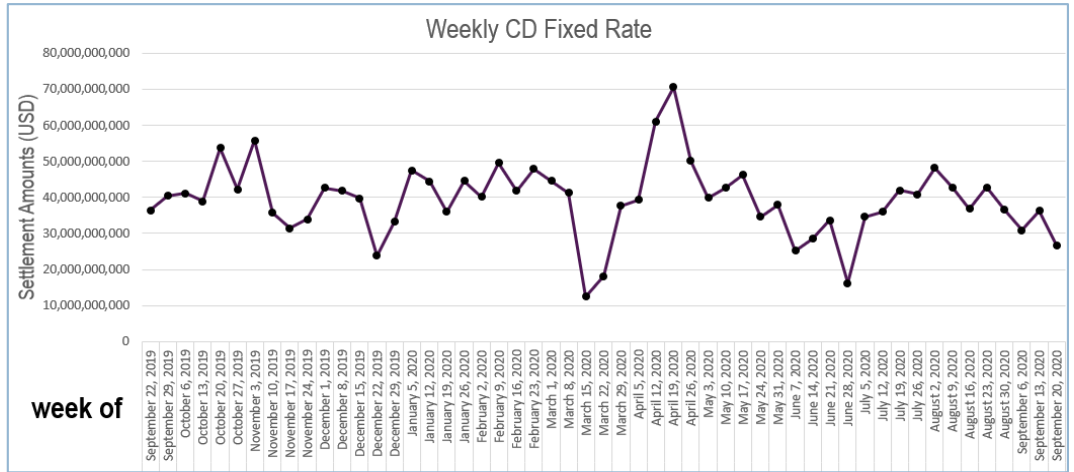
After the last full week of September, the monthly settlement total is \$1.6 trillion for all product types, which is about 82% of the monthly average for the prior 12 months. For the week, all 4 product types decreased.

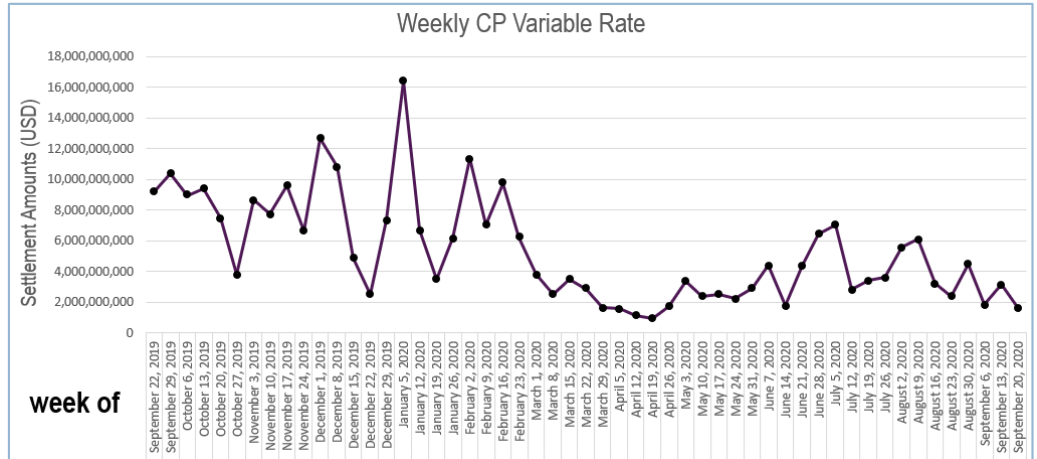
- For the week of September 21 – September 25:
 - Fixed-rate CD settlements decreased from \$36 billion the prior week to \$27 billion, which was below the prior 52-week average of \$39 billion.
 - Variable-rate CD settlements decreased from \$4.1 billion the prior week to \$2.8 billion. The amount was below the prior 52 weeks' average of \$9.3 billion per week.
 - Fixed-rate CP settlements decreased from \$412 billion to \$397 billion, which was lower than the prior year weekly average of \$398 billion.
 - Variable-rate CP settlements decreased from \$3.1 billion the prior week to \$1.6 billion. By comparison, the 52-week average is \$5.4 billion.
- September month-to-date totals:
 - September vs. prior 12-month averages:
 - Fixed-rate CD: \$124 Billion v. \$175 Billion
 - Variable-rate CD: \$15 Billion v. \$42 Billion
 - Fixed-rate CP: \$1.5 Trillion v. \$1.7 Trillion
 - Variable-rate CP: \$10 Billion v. \$24 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.



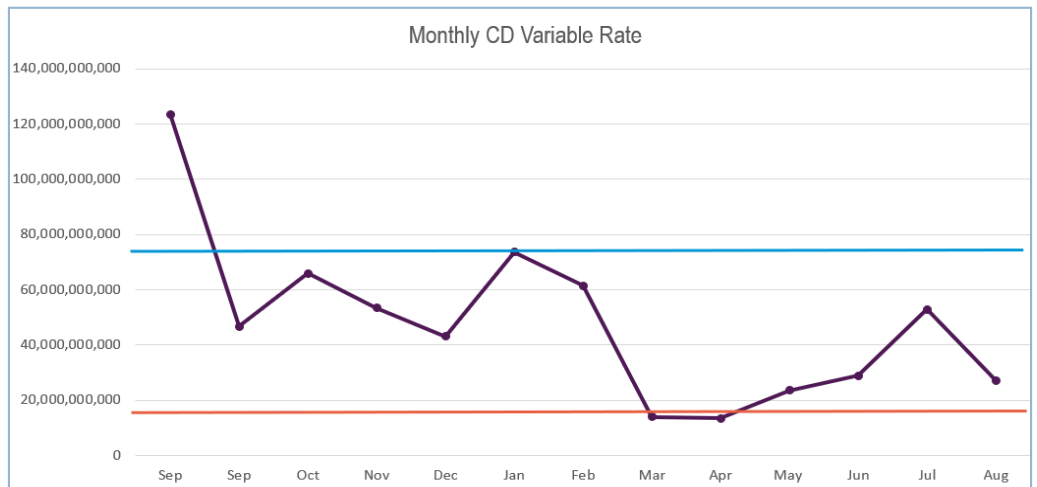
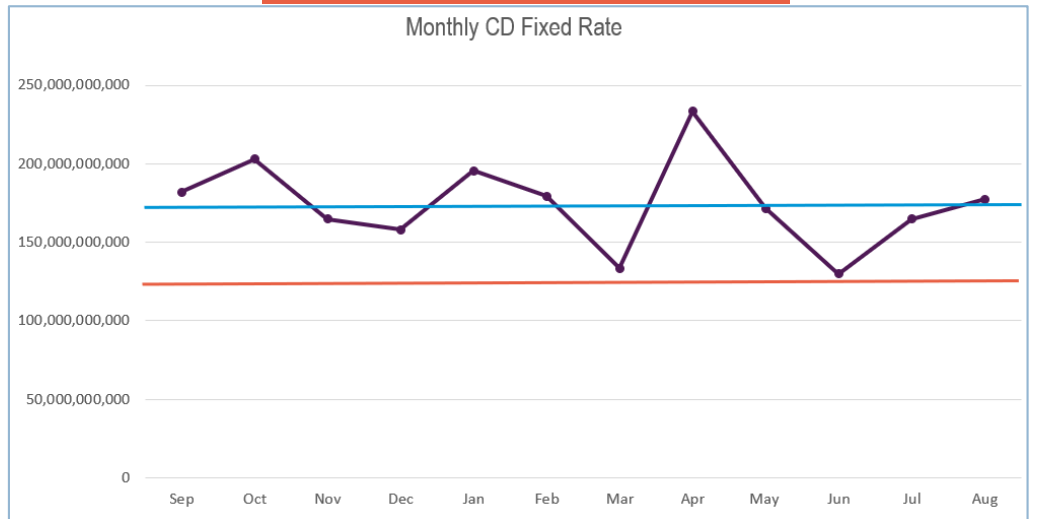


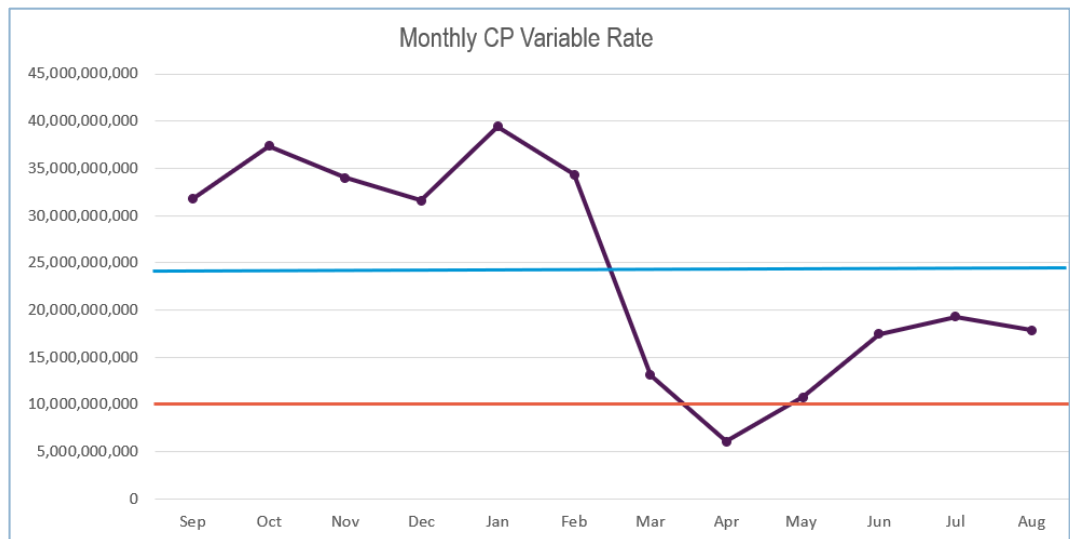
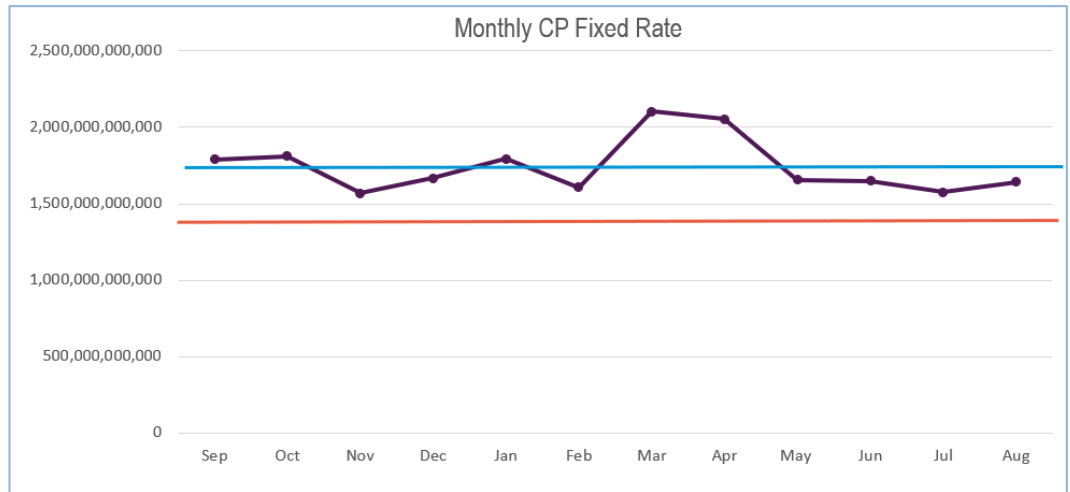
Note: Dates displayed in weekly charts represent the first day of the week summarized; the values displayed are for the entire week of activity.

MONTHLY CHARTS

Legend:

- Monthly Settlement Amounts
- 12 Month Average Settlement Amounts
- Month-to-Date through September 25





Copyright 2020 DTCC. All rights reserved. DTCC, DTCC (Stylized), ADVANCING FINANCIAL MARKETS. TOGETHER, and the Interlocker Graphic are registered and unregistered trademarks of The Depository Trust & Clearing Corporation. This document and the content contained herein are for informational purposes only and do not constitute a recommendation, investment or legal advice. Readers should consult their investment, fiduciary, and/or legal advisors for guidance in making investment or business decisions. DTCC disclaims any and all warranties and representations, express or implied, including any warranties of merchantability or fitness for a particular purpose as to the use of the information contained herein. DTCC shall not have any liability, duty, or obligation with respect to the information contained herein, or for any actions taken in reliance thereon by the reader or any third party. To the extent permitted by law, DTCC disclaims liability to any person or entity for any indirect, special, consequential, or incidental losses or damages arising from or in connection with any reader's access to, use of, or inability to use the information contained herein. DTCC has no obligation to update this material in the event that any of its content changes or subsequently becomes inaccurate.