



HOW IS MARKET VOLATILITY IMPACTING MONEY MARKET SECURITIES?

July 21, 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.](#)

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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 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

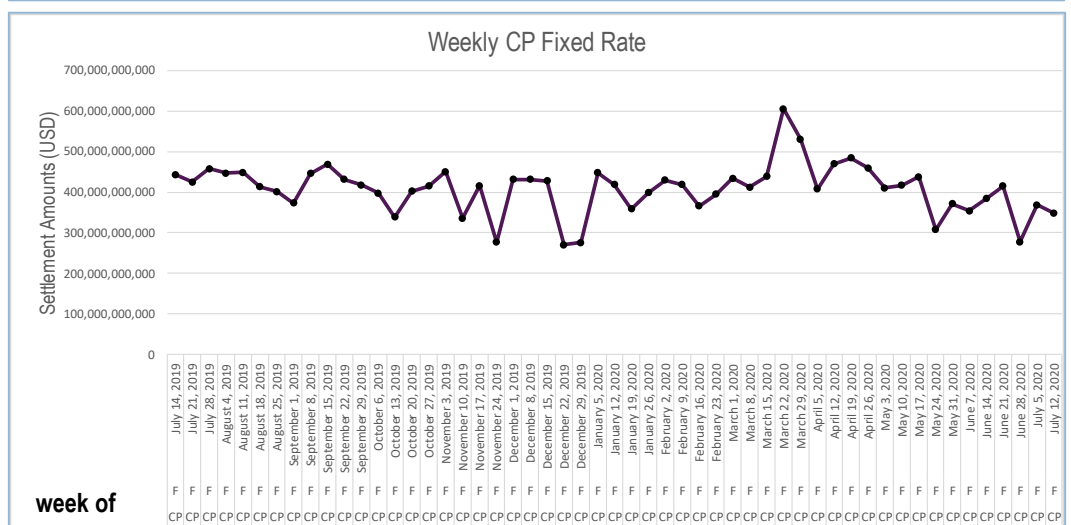
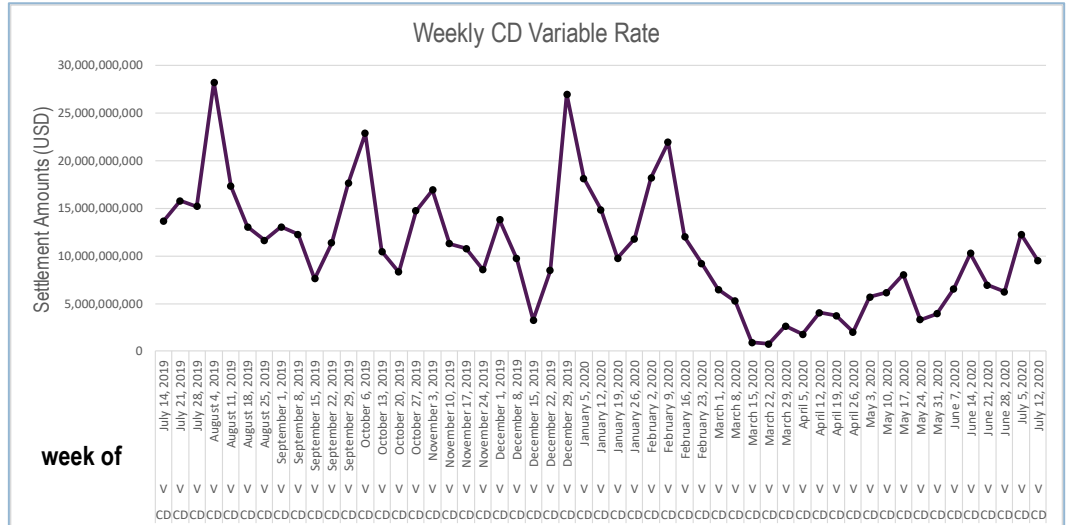
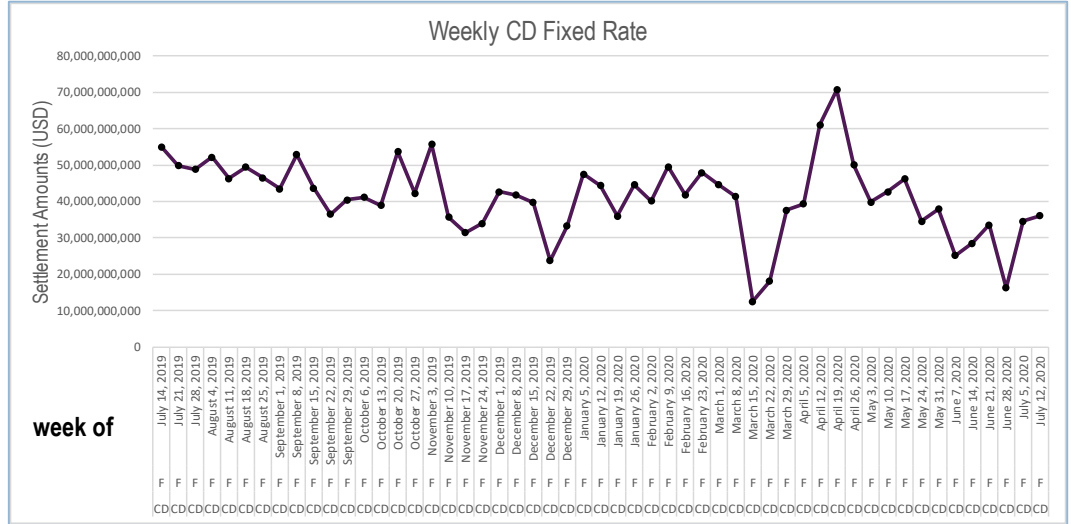
CD fixed-rate settlements increased as compared to the prior week, while all 3 other product types decreased. Variable CDs have nearly matched June's total with 2 full weeks remaining in the month of July.

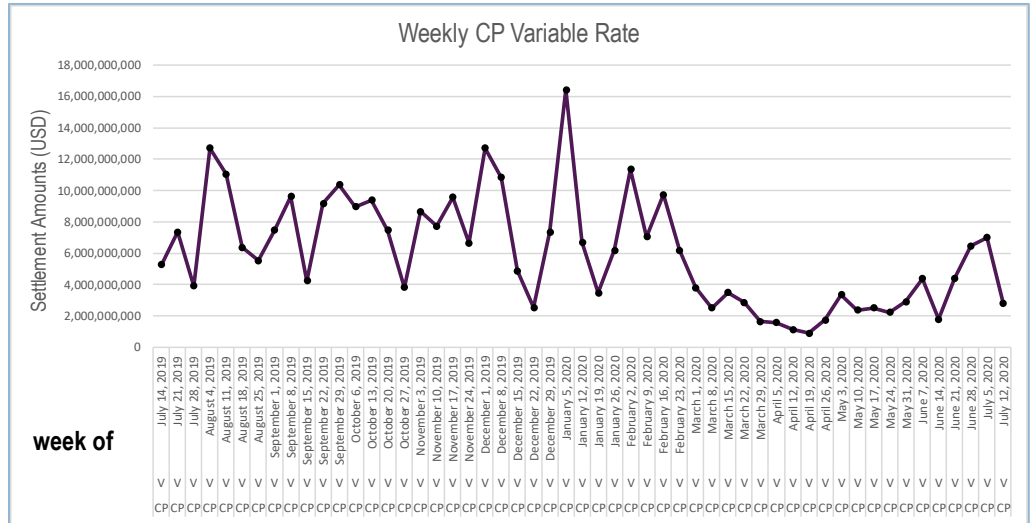
- For the week of July 13- 17:
 - Fixed-rate CD settlements increased from \$35 billion the prior week to \$36 billion, which is below the prior 52-week average of \$41 billion.
 - Variable-rate CD settlements decreased from \$12 billion the prior week to \$10 billion. The amount was lower than the prior 52 week's average of \$11 billion per week.
 - Fixed-rate CP settlements decreased from \$368 billion to \$349 billion, which was lower than the prior year weekly average of \$409 billion.
 - Variable-rate CP settlements decreased from \$7 billion the prior week to \$3 billion. By comparison the 52-week average is \$6.1 billion.
- Month to date:
 - July month-to-date vs. prior 12-month averages:
 - Fixed-rate CD: \$82 Billion v. \$183 Billion
 - Variable-rate CD: \$27 Billion v. \$47 Billion
 - Fixed-rate CP: \$871 Billion v. \$1.8 Trillion
 - Variable-rate CP: \$12 Billion v. \$27 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.



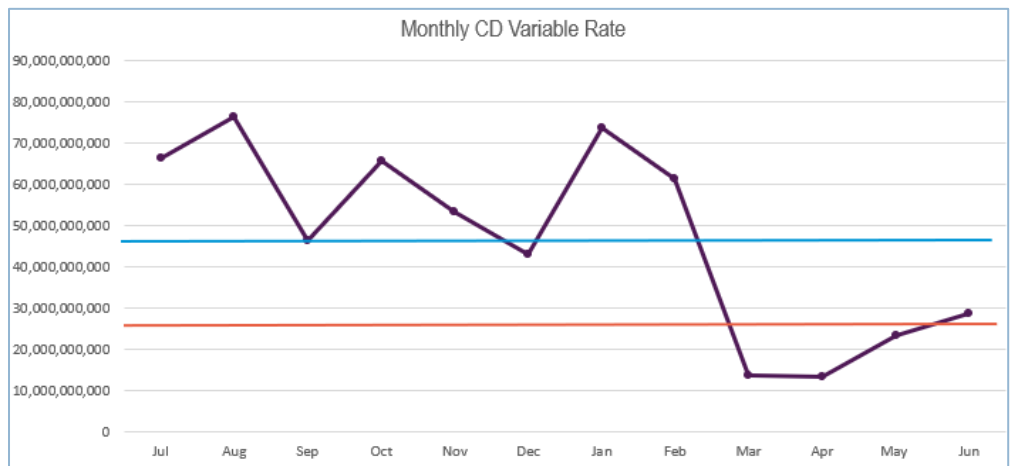
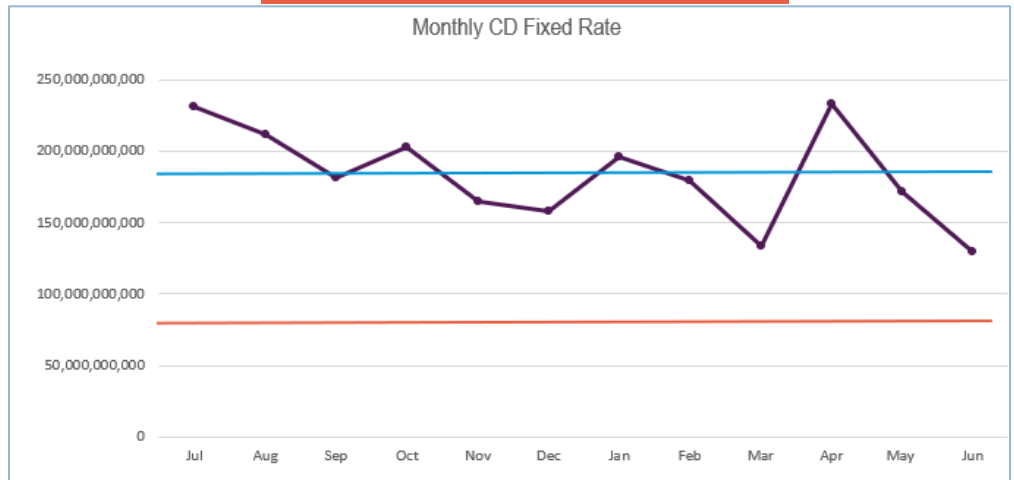


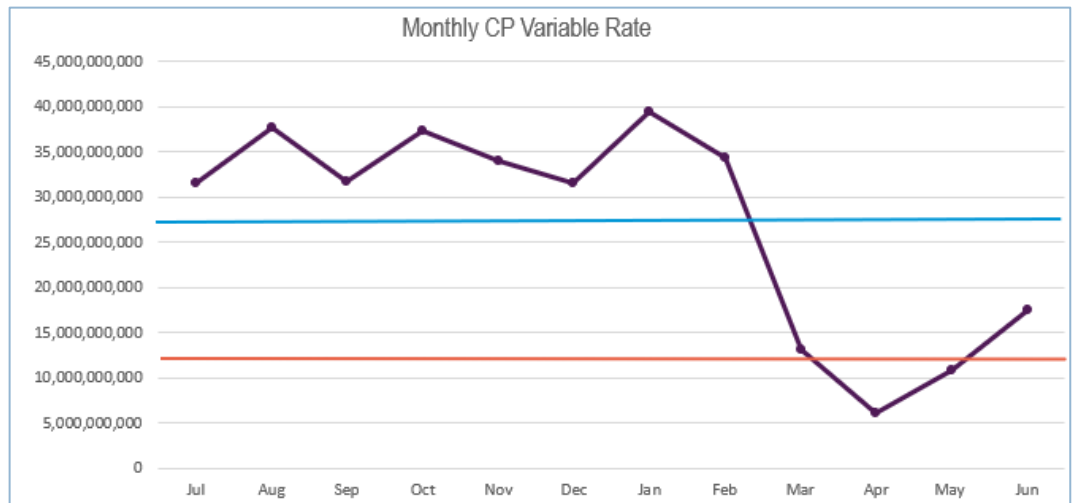
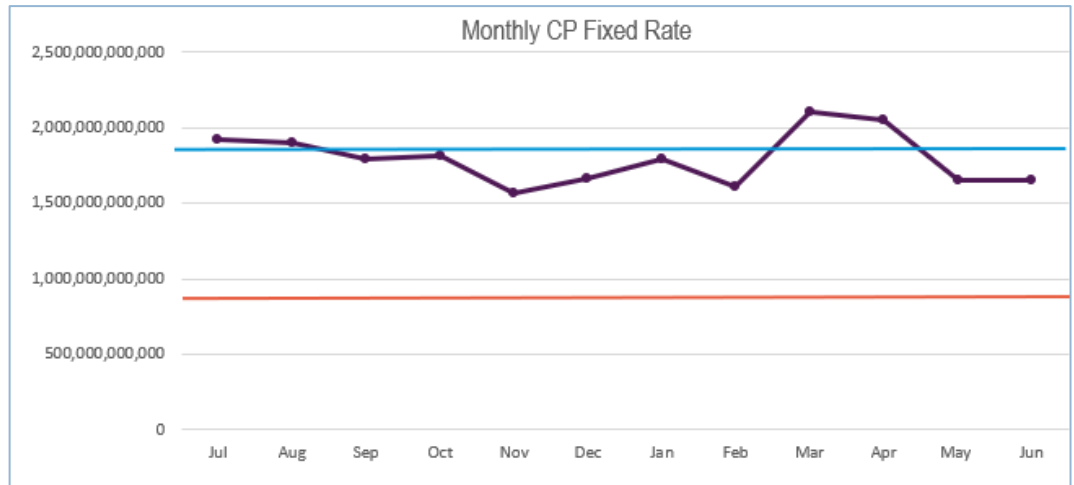
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MONTHLY CHARTS

Legend:

- Monthly Settlement Amounts
- 12 Month Average Settlement Amounts
- Month-to-Date through July 17





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