



HOW IS MARKET VOLATILITY IMPACTING MONEY MARKET SECURITIES?

July 14, 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

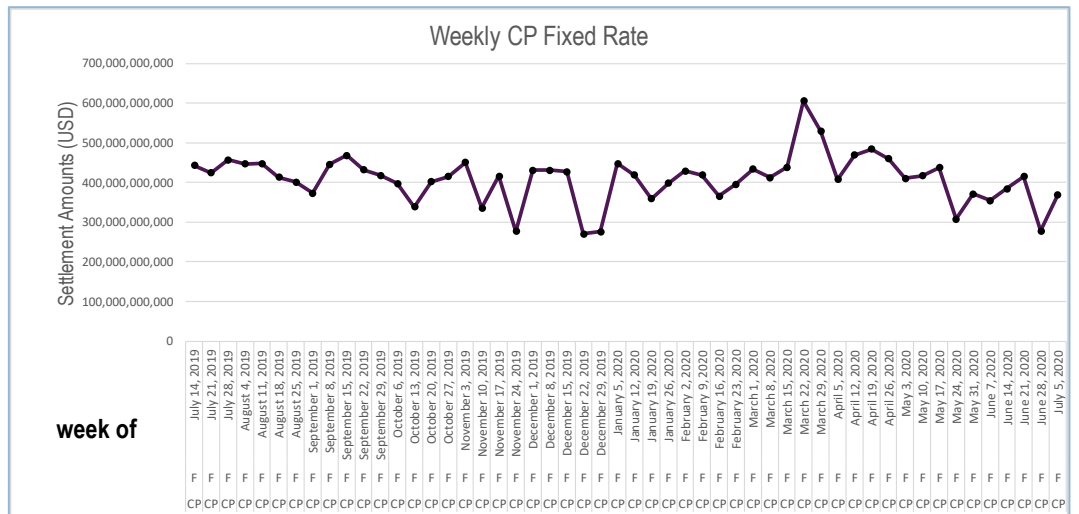
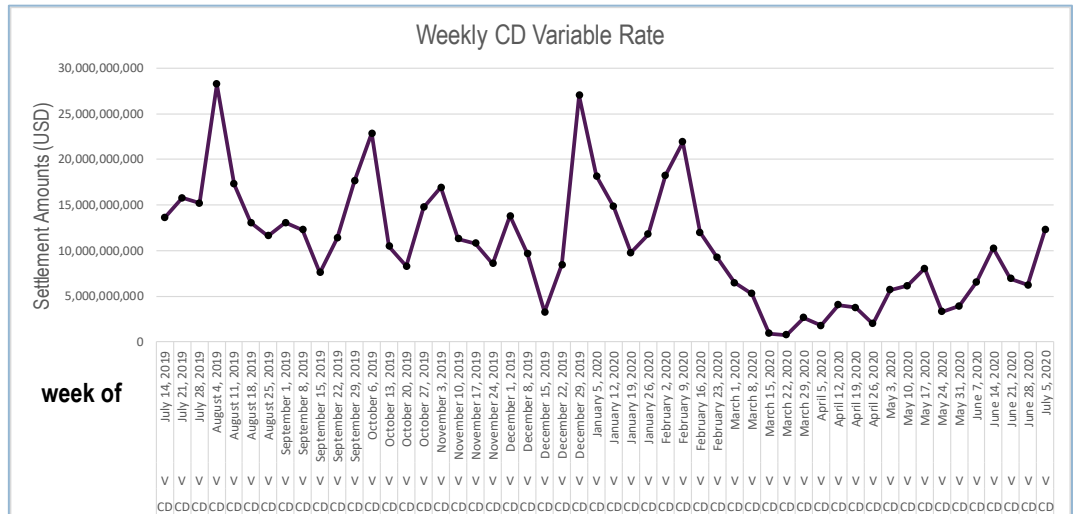
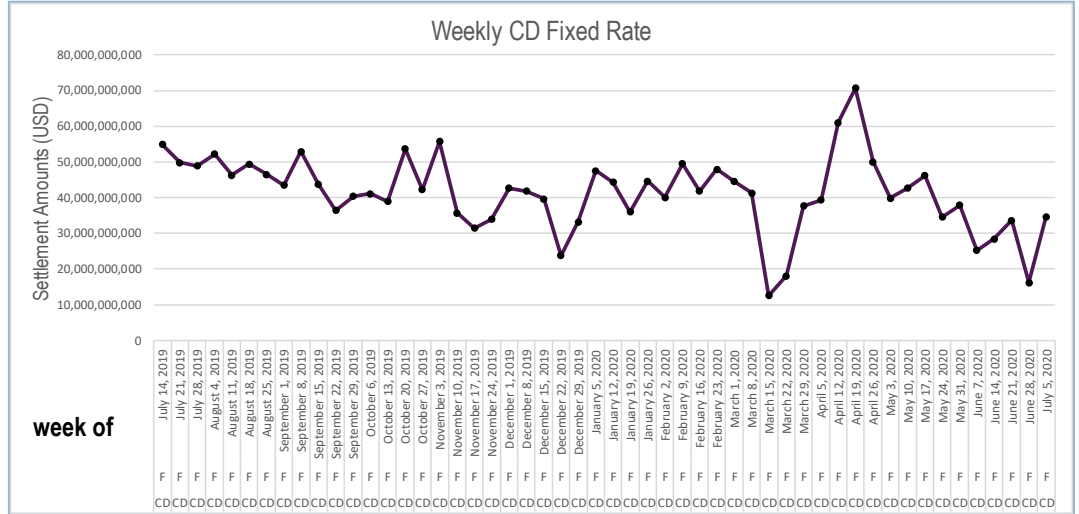
For the first full week of July 2020, all 4 product types had increased settlement amounts, as compared to the prior week. Both variable-rate CDs and CPs recorded new post-February 2020 highs in terms of weekly settlement amounts.

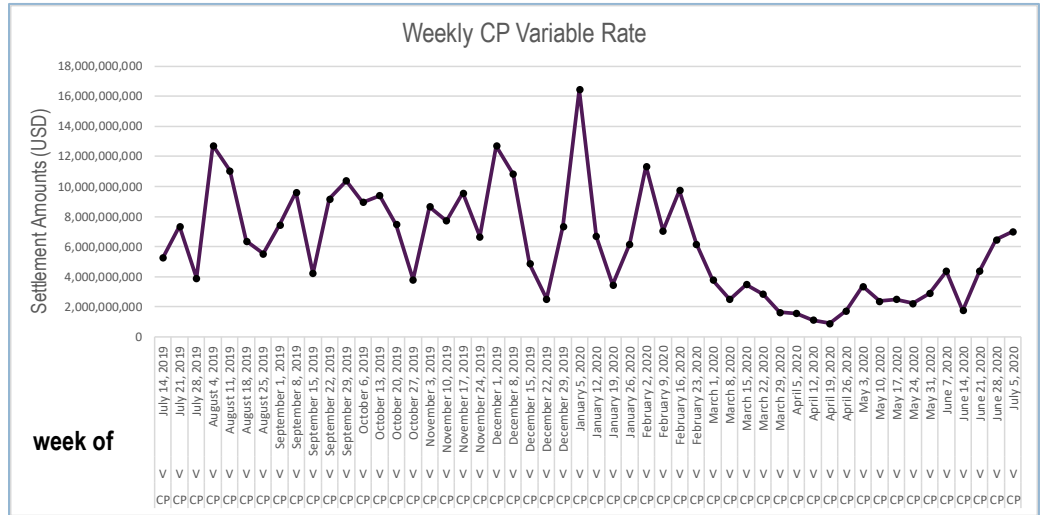
- For the week of July 6-11:
 - Fixed-rate CD settlements increased from \$16 billion the prior week to \$35 billion, which is below the prior 52-week average of \$42 billion.
 - Variable-rate CD settlements increased from \$6 billion the prior week to \$12 billion. The amount was higher than the prior 52 weeks average of \$11 billion per week.
 - Fixed-rate CP settlements increased from \$277 billion to \$368 billion, which was lower than the prior year weekly average of \$409 billion.
 - Variable-rate CP settlements increased from \$6.1 billion the prior week to \$7 billion. By comparison the 52-week average is \$6.9 billion.
- Month to date:
 - July month-to-date vs. prior 12-month averages:
 - Fixed-rate CD: \$46 Billion v. \$183 Billion
 - Variable-rate CD: \$17 Billion v. \$47 Billion
 - Fixed-rate CP: \$522 Billion v. \$1.8 Trillion
 - Variable-rate CP: \$9 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.



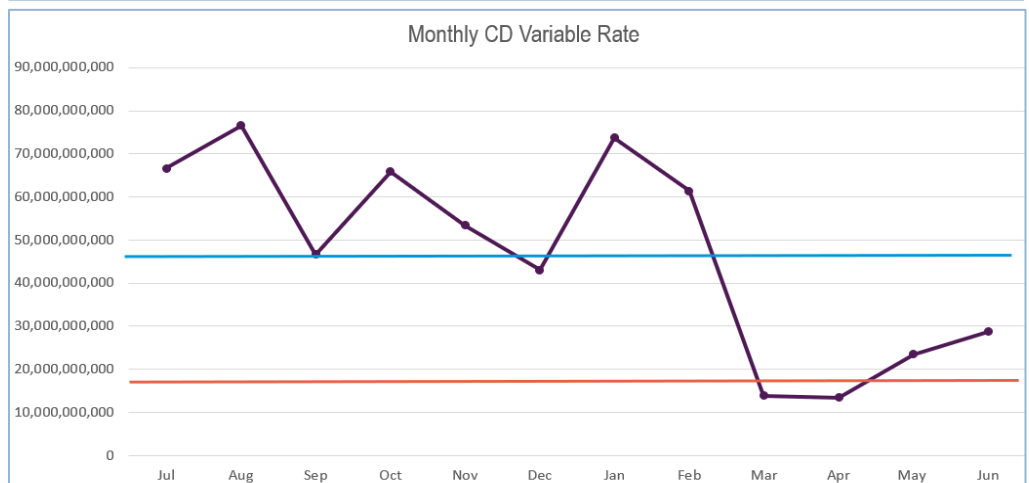
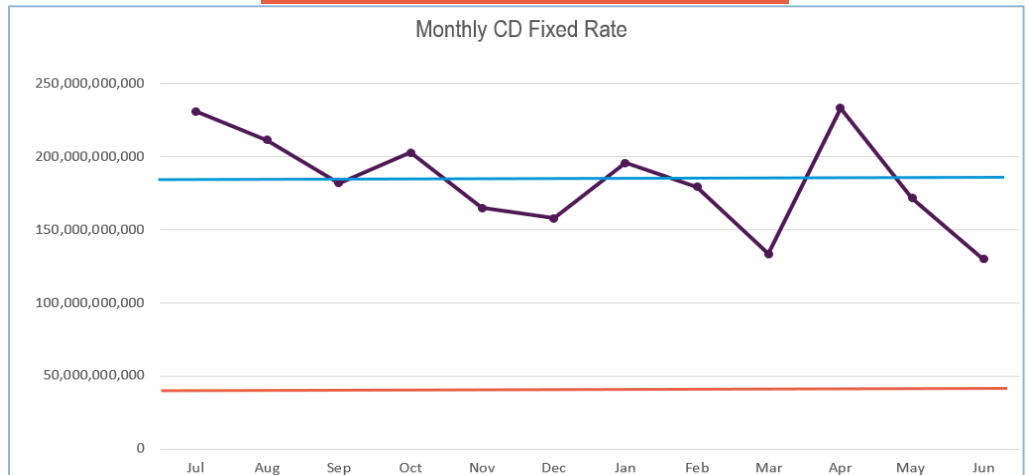


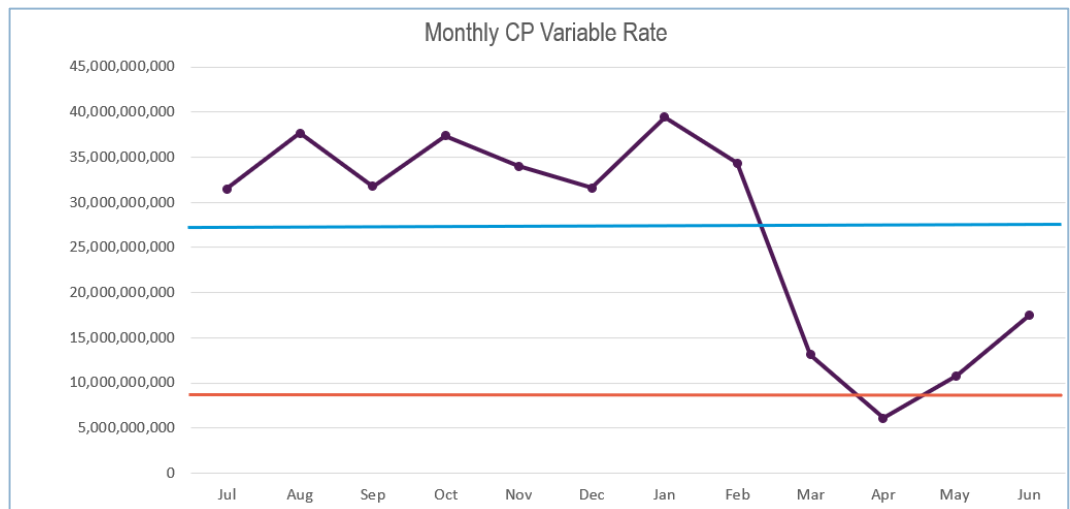
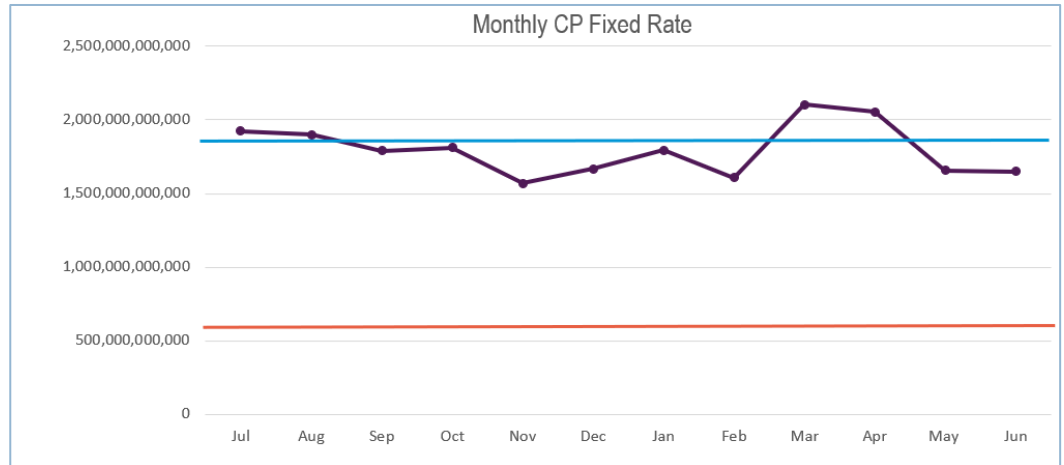
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MONTHLY CHARTS

Legend:

- Monthly Settlement Amounts
- 12 Month Average Settlement Amounts
- Month-to-Date through July 10





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