

Front End Monitor

	Bills		Agcy Discos		Discount CP		UST GCF		MBS GCF		Libor		OIS		Libor/OIS	
	Yield	Δ on Day	Yield	Δ on Day	Yield	Δ on Day	Yield	Δ on Day	Yield	Δ on Day	Yield	Δ on Day	Yield	Δ on Day	Spread	Δ on Day
1 Mo	4.018	0.195	4.500	0.000	4.900	0.000	4.880	0.020	4.940	0.020	4.845	0.048	4.811	-0.002	0.034	0.050
3 Mo	4.618	0.021	4.780	0.000	5.000	-0.030	4.870	-0.080	4.940	-0.060	5.134	0.054	4.853	-0.021	0.281	0.075
6 Mo	4.711	-0.015	4.720	0.020	4.860	-0.140	4.700	-0.180	4.770	-0.160	5.143	0.028	4.749	-0.022	0.394	0.050
1 Yr	4.263	-0.058	4.550	0.050			4.360	-0.280	4.420	-0.270	5.107	-0.072	4.428	-0.042	0.679	-0.030

Euro\$		
	Price	Δ on Day
Jun-23	94.925	-0.025
Sep-23	95.520	0.020
Dec-23	95.860	0.015
Mar-24	96.255	0.015
Jun-24	96.570	0.005
Sep-24	96.790	0.015

Term GCF		
	UST	MBS
1wk	4.90/4.85	4.95/4.90
2wk	4.90/4.85	4.95/4.90
3wk	4.90/4.85	4.95/4.90
4wk	4.90/4.85	4.95/4.90

FF Target Rate Implied Prob.		
	%Hike/Cut	Implied Rate
05/03	24.4%	4.963
06/14	-53.4%	4.730
07/26	-99.0%	4.483
09/20	-83.5%	4.274
11/01	-75.0%	4.086

US General Collateral and Specials - Forbes Hopper
These incredibly volatile trading sessions are becoming more of the norm now a days which makes it difficult at times to get anything done. The front end of the market moves so quickly that making tight term markets is almost a waste of time. Traders prefer to put on risk in a more stable environment as pricing up markets is easier and more precise. All the term GC prints were short term with balance sheets being managed heading into quarter end and other firms looking to get funded over the turn with so much headline news in marketplace. The large GNMA holder dumped his position to 4/28 with a skip start at 4.94 which seems fair as the o/n funding story is very liquid but firmer. The turn (3/31 - 4/3) finally traded for mortgages initially at 4.99 and then at 5.02 for good size and now offered at 5.03. No trade on treasuries over the turn to report but figure they'll clear @ 4.97. The Specials market saw the 2yr note take center stage with yesterday's large take at SOMA. The issue averaged 4.15 o/n and was over sub-scribed (by 600mm) at SOMA with many borrowers failing back which made the available pool smaller. Come Monday the opening trade will be @380 o/n and the only hot run trading with any decent value. Another exhausting week in the books. Have a great and relaxing weekend.

Overnight 10AM GCF Avgs.		
	UST	MBS
23-Mar	4.855	4.921
FEB 2023	4.568	4.601
JAN 2023	4.341	4.377
DEC 2022	4.089	4.130
Nov 2022	3.755	3.786
2023 YTD	4.508	4.542

BNY Tri-party Repo Index avgs.		
	UST	MBS
23-Mar	4.800	4.800
FEB 2023	4.537	4.537
JAN 2023	4.300	4.300
DEC 2022	4.062	4.062
Nov 2022	3.050	3.050
2023 YTD	4.467	4.467

SOFR Averages & Volumes		
	Rate	Vol (blns)
23-Mar	4.800	1355
FEB 2023	4.538	1194
JAN 2023	4.305	1166
DEC 2022	4.066	1065
Nov 2022	3.037	978
2023 YTD	4.470	1184

Overnight GCF Volumes (BN)			
	UST	MBS	Tot.
23-Mar	31	114	144
FEB 2023	28	40	68
JAN 2023	54	51	105
DEC 2022	36	38	73

BNY Tri-party Repo Index Vol		
	UST	MBS
23-Mar	2782	401
FEB 2023	2585	355
JAN 2023	2602	320
DEC 2022	2673	268

RRP		\$2.218 T
Type/rate	Rate	Vol (blns)
% Bidders	100	
SOMA Borrow	\$49.117 Bn	
Largest Borrow	\$6.195 B	
Issue	T 4.625 2/28/25	

Fed Funds Averages & Volumes		
	Rate	Vol (BN)
23-Mar	4.83	92
FEB 2023	4.57	106
JAN 2023	4.33	106
2023 YTD	4.50	103

OBFY Averages & Volumes		
	Rate	Vol (BN)
23-Mar	4.82	276
FEB 2023	4.56	289
JAN 2023	4.32	284
2023 YTD	4.49	285

TGCR Averages & Volumes		
	Rate	Vol (BM)
23-Mar	4.77	510
FEB 2023	4.51	456
JAN 2023	4.27	423
2023 YTD	4.44	450

Discos - Mark Steinacker
Good afternoon, a quiet day to close out the week. We came in risk off as news swirling around Deutsche Bank spooked investors who remained on the sidelines. All 3 GSE new issue window levels were offered at RRP minus 10 to 30bps depending on tenor. Clearly, they were looking for opportunities for cheap. From the FHLL perspective, they raised a lot of cash upon which they're sitting on in case its needed. FNMA/FREDDIE have had success at some of these egregious levels as investors looking for a safe haven and diversification. FHLL SOFR FRNs as follows:

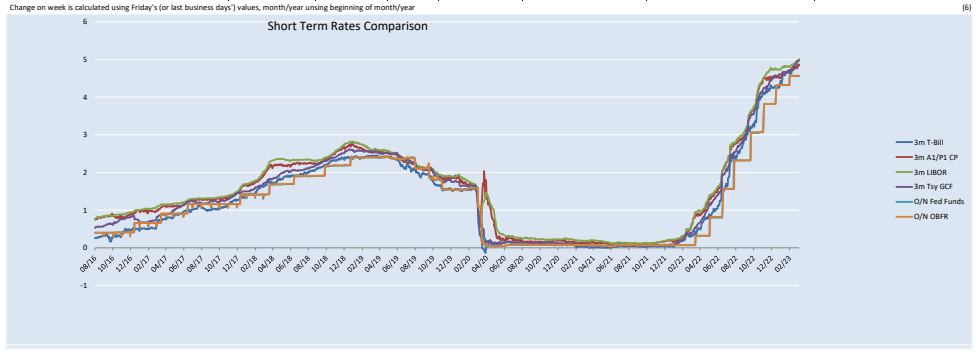
STRUCTURE DESCRIPTION	SPRD	ST	SETTL	MATURITY	MIN	TARGET	ALLOC
3 Mo ON SOFR (D/B)	3.500	CL	03/27	06/27/23	500	700.000	700.000
4 Mo ON SOFR (D/Q)	5.000	CL	03/27	07/27/23	500	1000.000	1000.000
5 Mo ON SOFR (D/Q)	5.500	CL	03/27	08/28/23	500	2000.000	2000.000
6 Mo ON SOFR (D/Q)	6.000	CL	03/27	09/27/23	500	500.000	500.000
7 Mo ON SOFR (D/Q)	6.500	OP	03/27	10/27/23	250	500.000	500.000
8 Mo ON SOFR (D/Q)	7.000	CL	03/27	11/30/23	1000	1750.000	1750.000
1 Yr ON SOFR (D/Q)	9.000	OP	03/28	03/28/24	100	250.000	

Treasury Bills - Eric Diamond
In bills, we saw another flight to quality bid in treasuries as global bank concerns continue to drive markets. Bills rallied 10-15bps at the open with concerns about Deutsche Bank overnight. Throughout the NY session we gave back most of the gains as Fed speakers calmed the markets and re-iterated their hawkish rate views. For the week, 3mths rallied 15bps, 6mths 9bps, and year bills 30bps from their auction stops. Next week we have two short-dated cash management bill auctions totaling \$75bn on Tuesday along with unchanged weekly auctions all settling ahead of, or on quarter-end

- Funding: Weekly (week ending 3/17/23)**
• Frequent "money market trend" indicators:
- CP issuance decreased ~\$17.7B WoW and is at ~\$1.178T (3/15)
 - FICC Sponsor Repo - Range of ~\$460B to ~\$570B for week ending 3/16
 - UST supply ~\$30B in proj additional collateral for the next 6-weeks (3/20)
 - T-Bill supply ~\$55B in paydowns for the next 6-weeks (3/20)
 - Fed RRP participation last week ranged from \$2.042T to \$2.126T (3/17)
 - Fed Foreign Reverse Repo Facility increased \$0.190B and is at ~\$367.303B (3/17)
 - Other Deposits at the Fed increased ~\$27.529B WTD and is @ \$198.642B (3/17)
 - TGA decreased ~\$34.088B and is @ \$277.643B (3/15)
 - Total Reserve balances increased \$440.532B WTD and is at \$3.444T (3/15)
 - MMF WTD inflows of ~\$142.4B vs inflows YTD of ~\$268B (3/16)

Supply	Ann.	Auction	Issue	\$BN	Mat. Amt	New Cash
1Mo	3/21	3/22	3/28	\$60		
2Mo	3/21	3/22	3/28	\$50		
17 Week	3/28	3/29	4/A	\$36	273.0	(22.0)
3Mo	3/23	3/27	3/30	\$57		
6Mo	3/23	3/27	3/30	\$48		
1 Yr						
CMBS	3/23	3/28	3/30	\$30		
2Yr	3/23	3/27	3/31	\$42		
5Yr	3/23	3/28	3/31	\$43	98.0	22.0
7Yr	3/23	3/29	3/31	\$35		
3Yr	4/6	4/11	4/17	\$40		
10Yr	4/6	4/12	4/17	\$32	76.0	14.0
30Yr	4/6	4/13	4/17	\$18		
20yr	4/13	4/19	5/1	\$12	-	12.0
2-Yr FRN	3/23	3/29	3/31	\$22	10.0	27.0
10-Yr TIPs	3/16	3/23	3/31	\$15		

Money Fund Monitor - Current Year Comparison (MM)							
Mar 23	Assets	WAM (days)	Yld%	Δ on Day	Δ on Week	Δ on Month	Δ on Year
Gov't & Agencies Instit.	1,825,744	14 (0)	4.45	12,838	61,309	135,653	107,588
Prime Instit.	252,259	20 (+1)	4.64	(2,935)	(3,532)	(9,188)	4,532
Treasury Instit.	539,932	34 (+1)	4.28	3,904	29,612	89,170	78,203
Treasury & Repo Instit.	642,183	3 (0)	4.50	1,414	8,984	22,041	22,994
Tax Free Instit.	8,121	12 (0)	3.89	(94)	(595)	(767)	7
Gov't & Agencies Retail	901,468	16 (+1)	4.22	3,267	7,566	34,933	18,374
Prime Retail	505,893	21 (+1)	4.40	23	(6,511)	(3,673)	86,720
Treasury Retail	96,107	38 (+1)	4.26	880	8,168	26,951	30,246
Treasury & Repo Retail	205,088	5 (-1)	4.21	131	4,003	14,916	28,730
Tax Free Retail	98,416	16 (-1)	3.68	(83)	(1,238)	(5,063)	(5,350)
Net Totals	5,075,210	-	-	19,344	107,765	304,974	372,044



(1) Bloomberg SanCapBil traders as of 3PM on the date of this commentary
(2) Bloomberg
(3) Federal Reserve
(4) SanCapBil Traders as of 3PM
(5) DTG GCF Repo Index
(6) Money Net

(7) BNY <https://openindex.bnymellon.com/openindex/>