

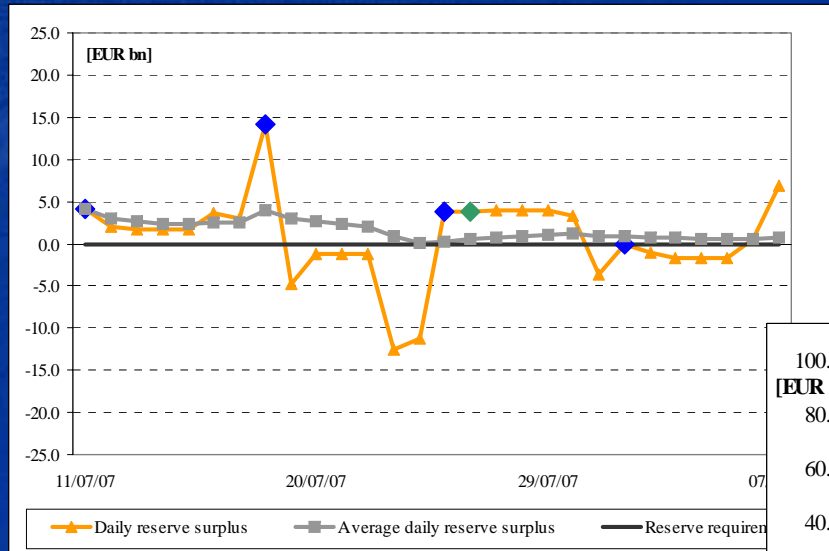
# Recent Money Market Developments

**Money Market Contact Group**

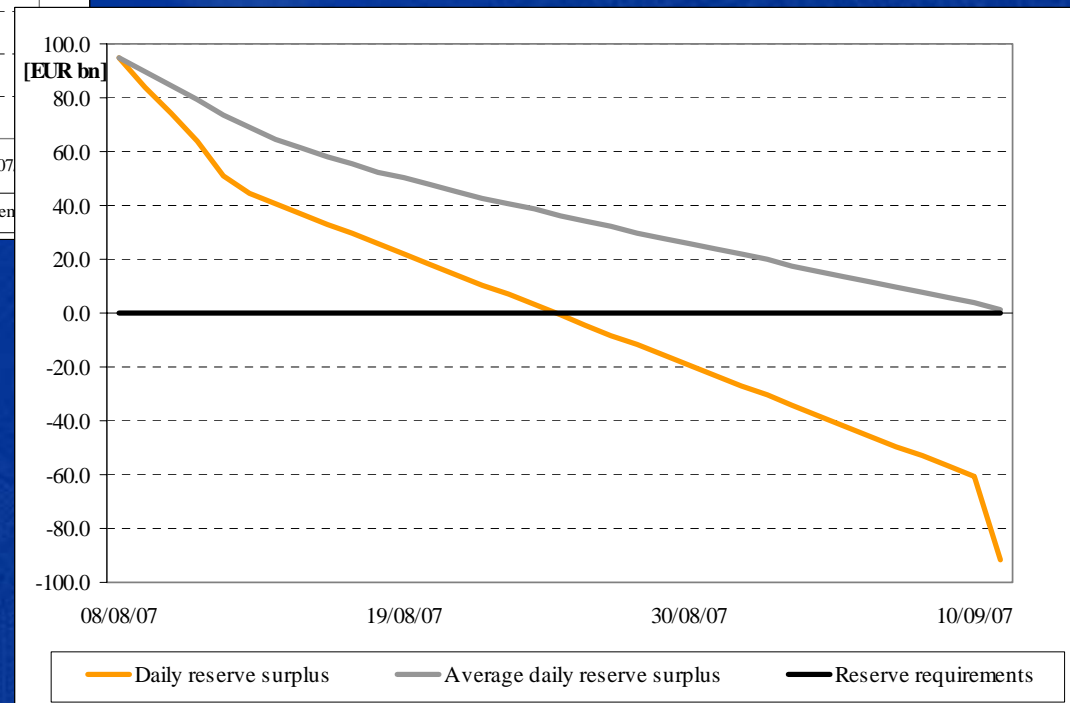
Frankfurt am Main, 4 December 2007

# The modified time pattern

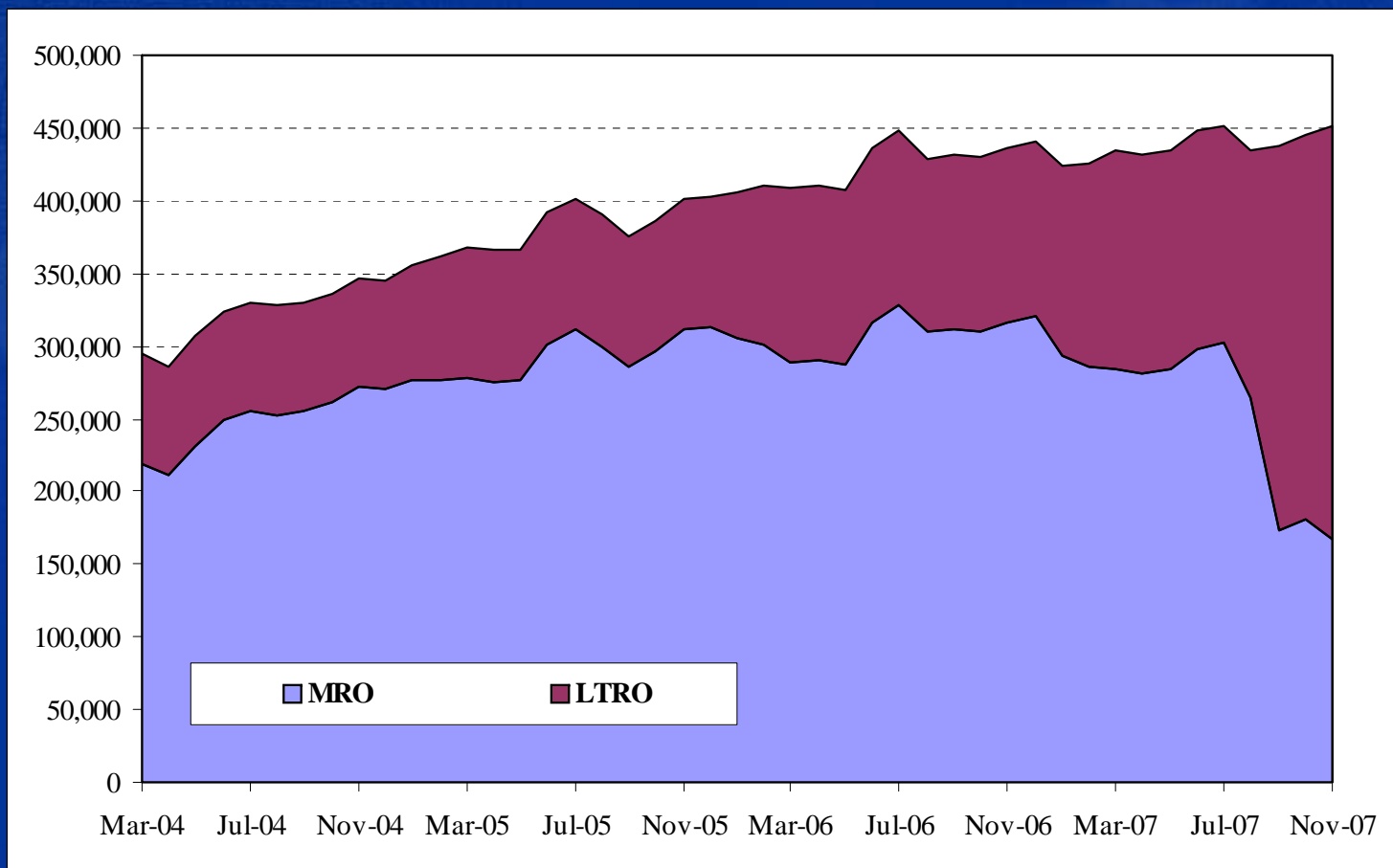
## "Usual" reserves fulfilment path



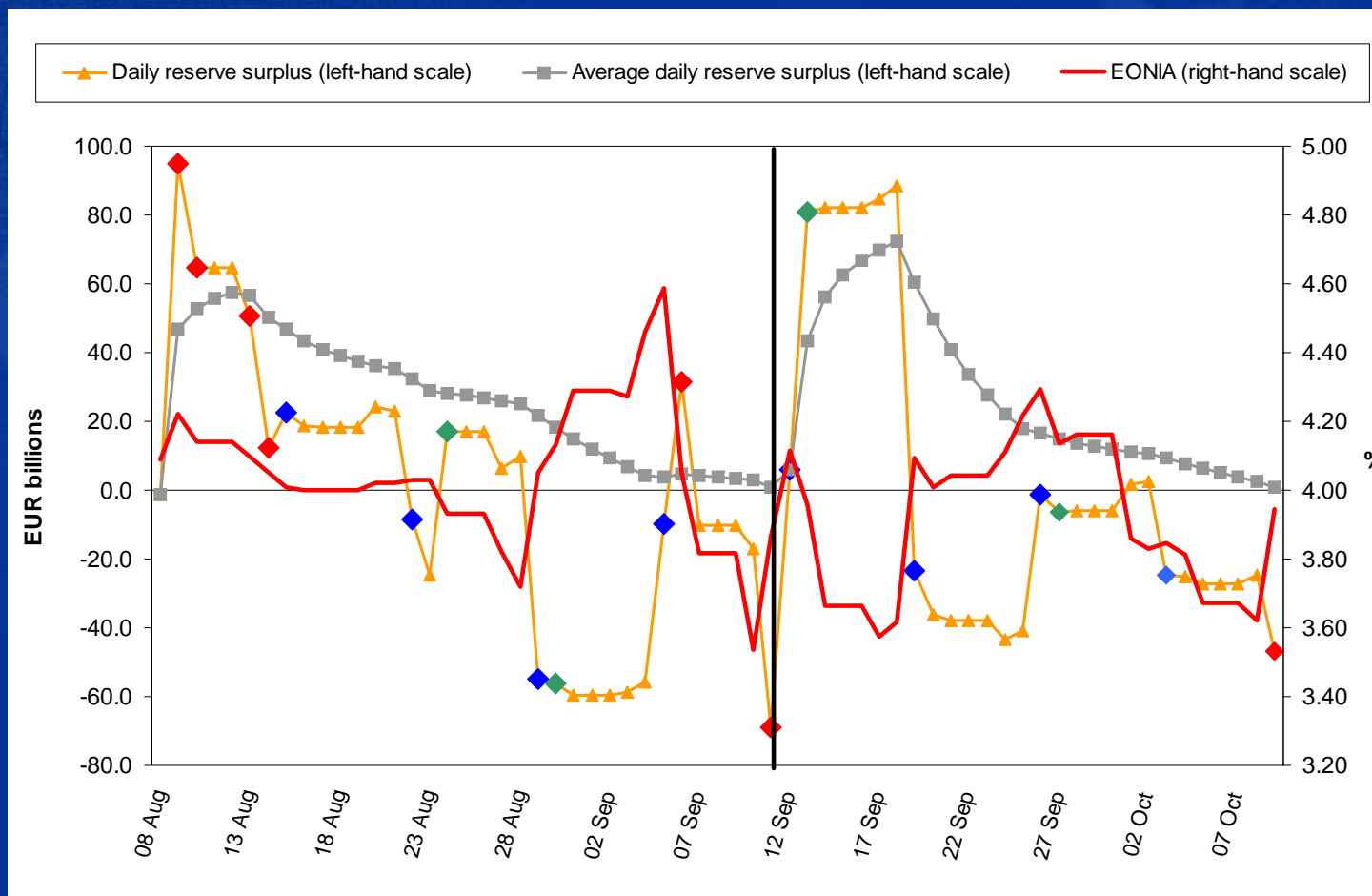
## Current (stylized) reserves fulfilment path



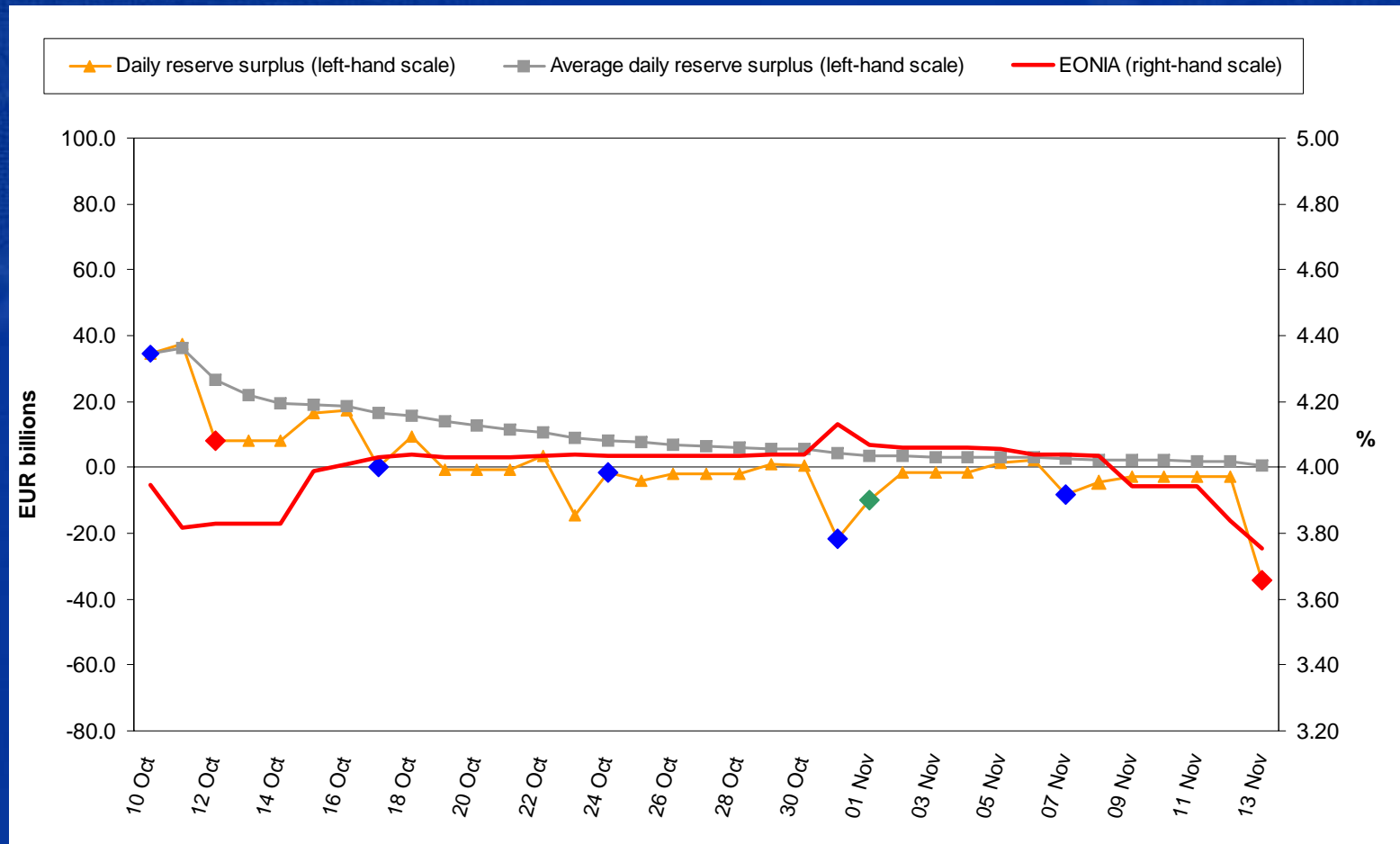
# The modified maturity pattern



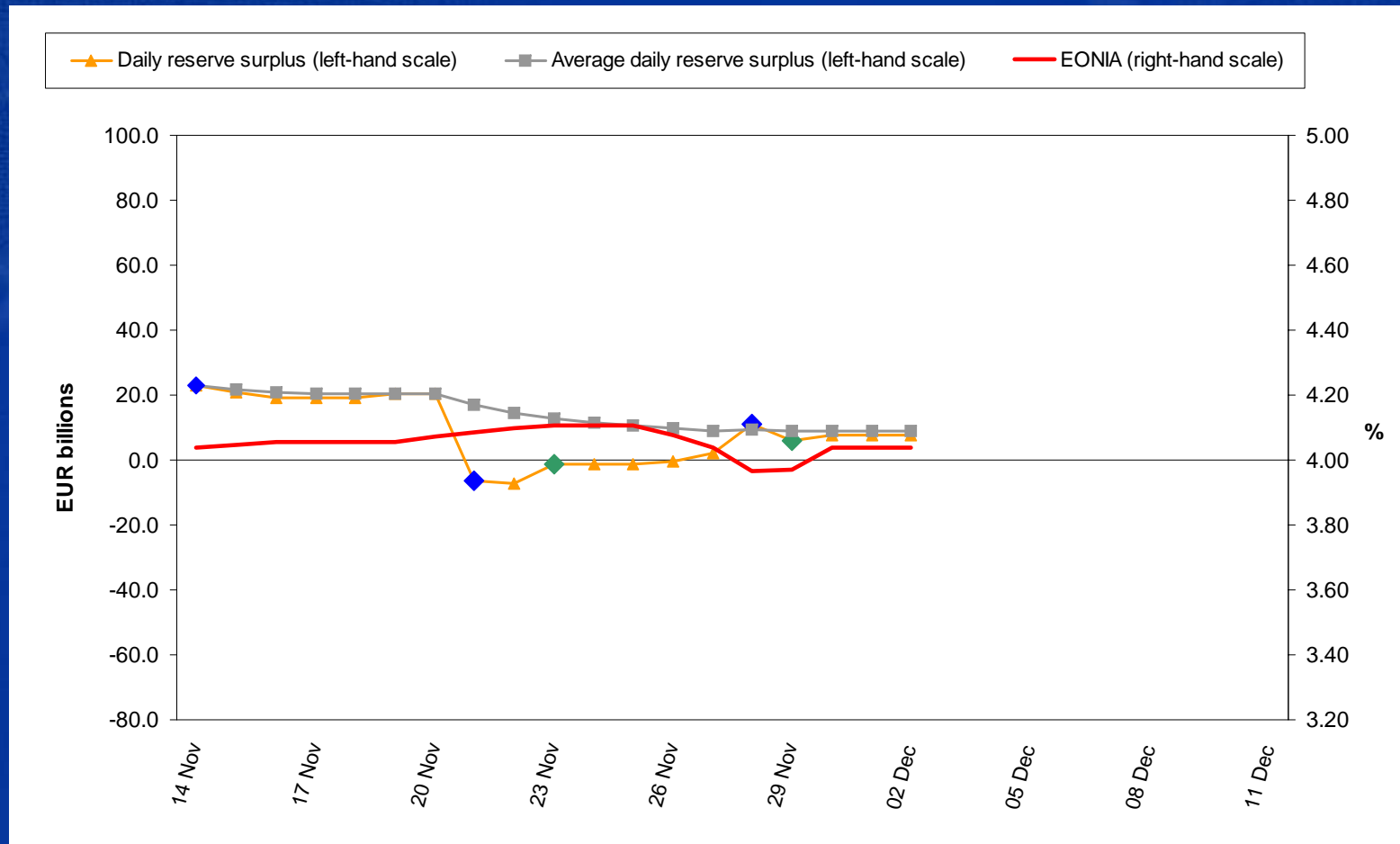
# Daily and average reserve surplus and the Eonia rate in the first two turmoil maintenance periods



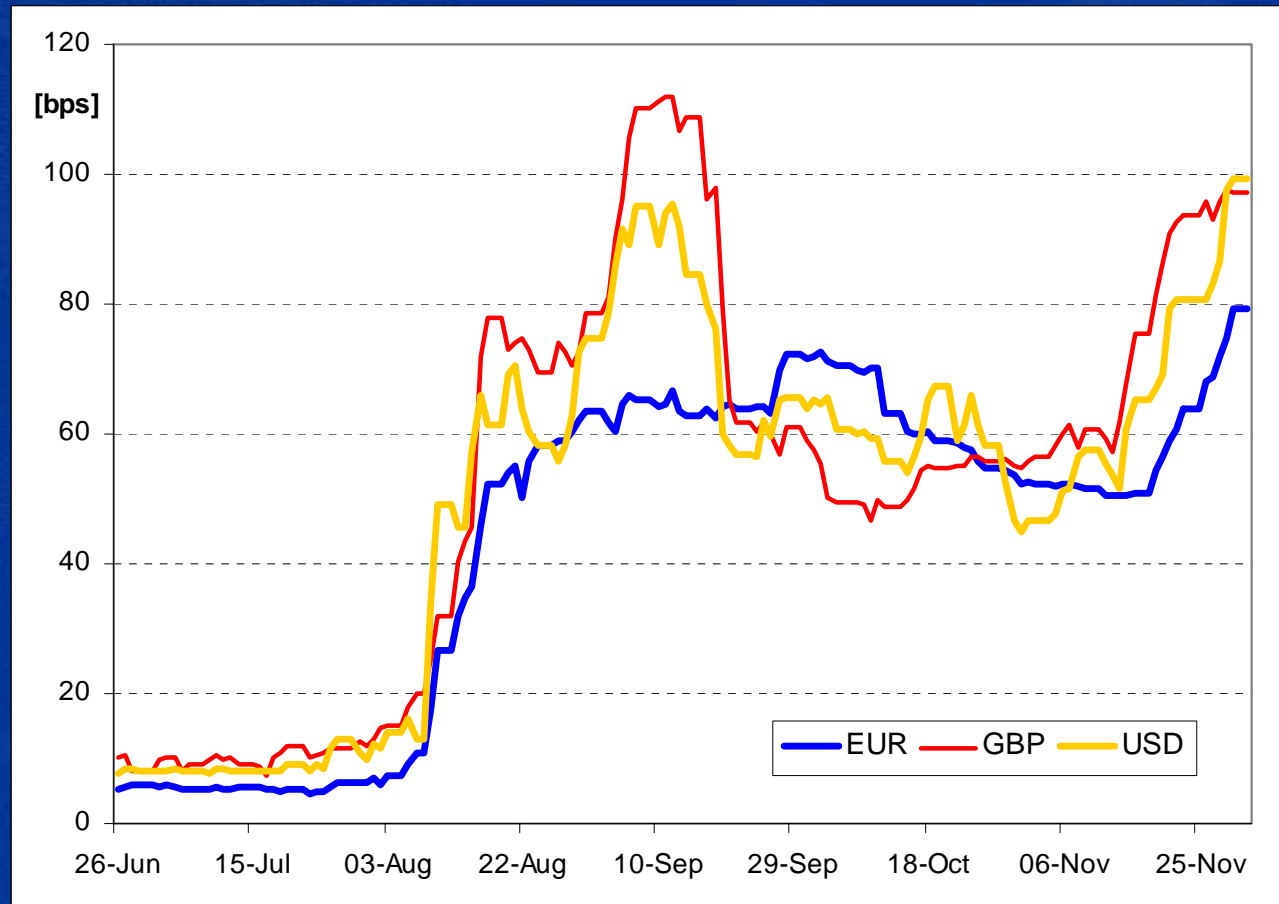
# The daily and average reserve surplus and the Eonia rate in the October/November reserve period



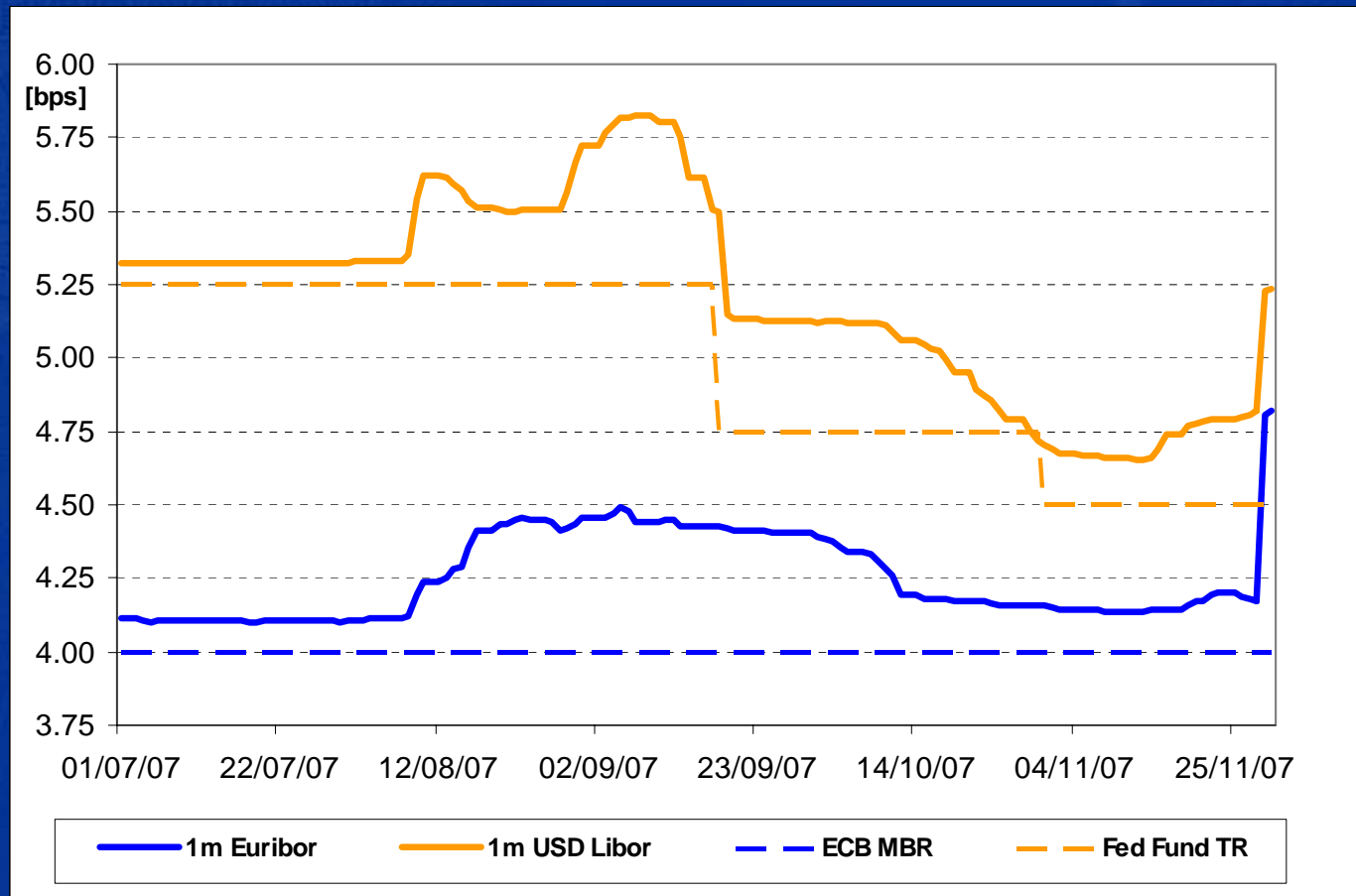
# The daily and average reserve surplus and the Eonia rate in the November/December reserve period



# Development of 3-month deposit-OIS spreads

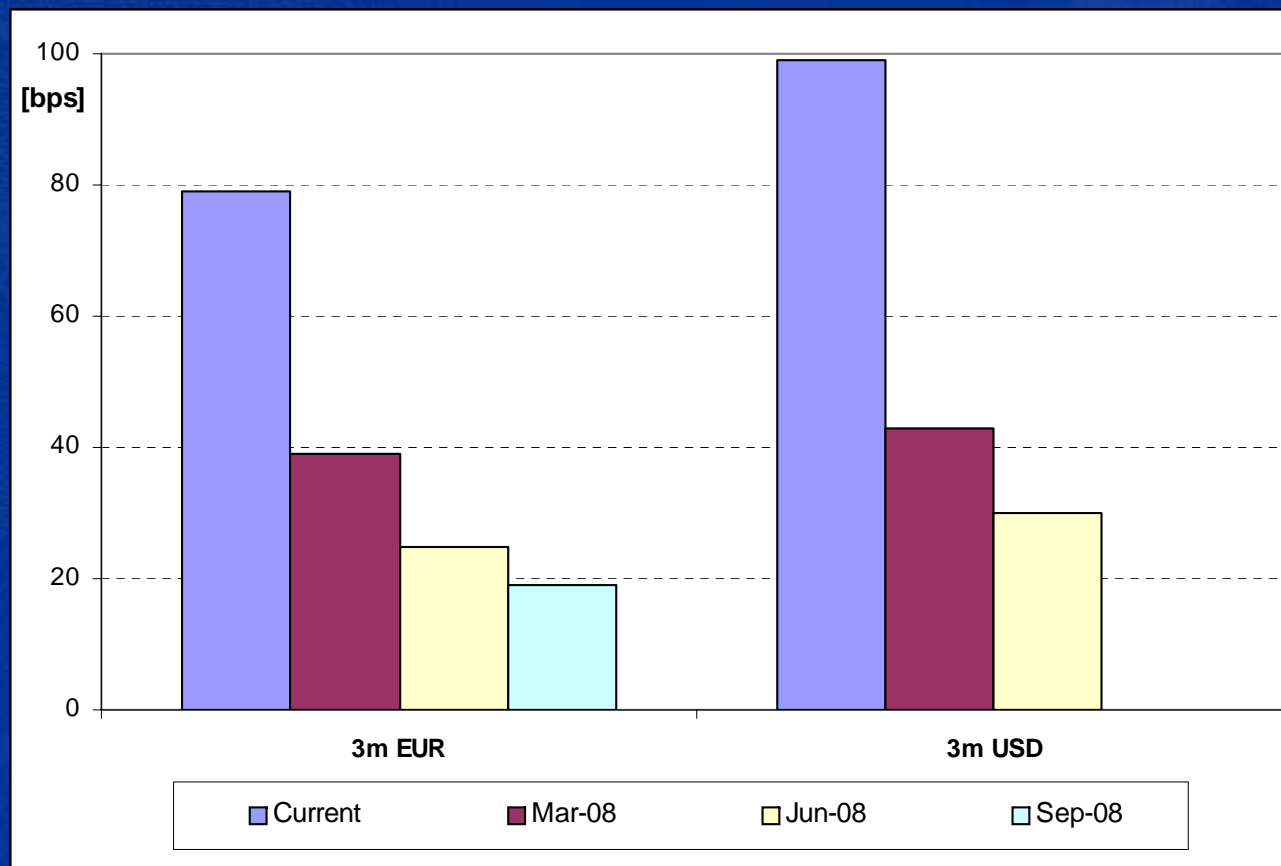


# 1m Euribor and 1m USD Libor vs. policy rates

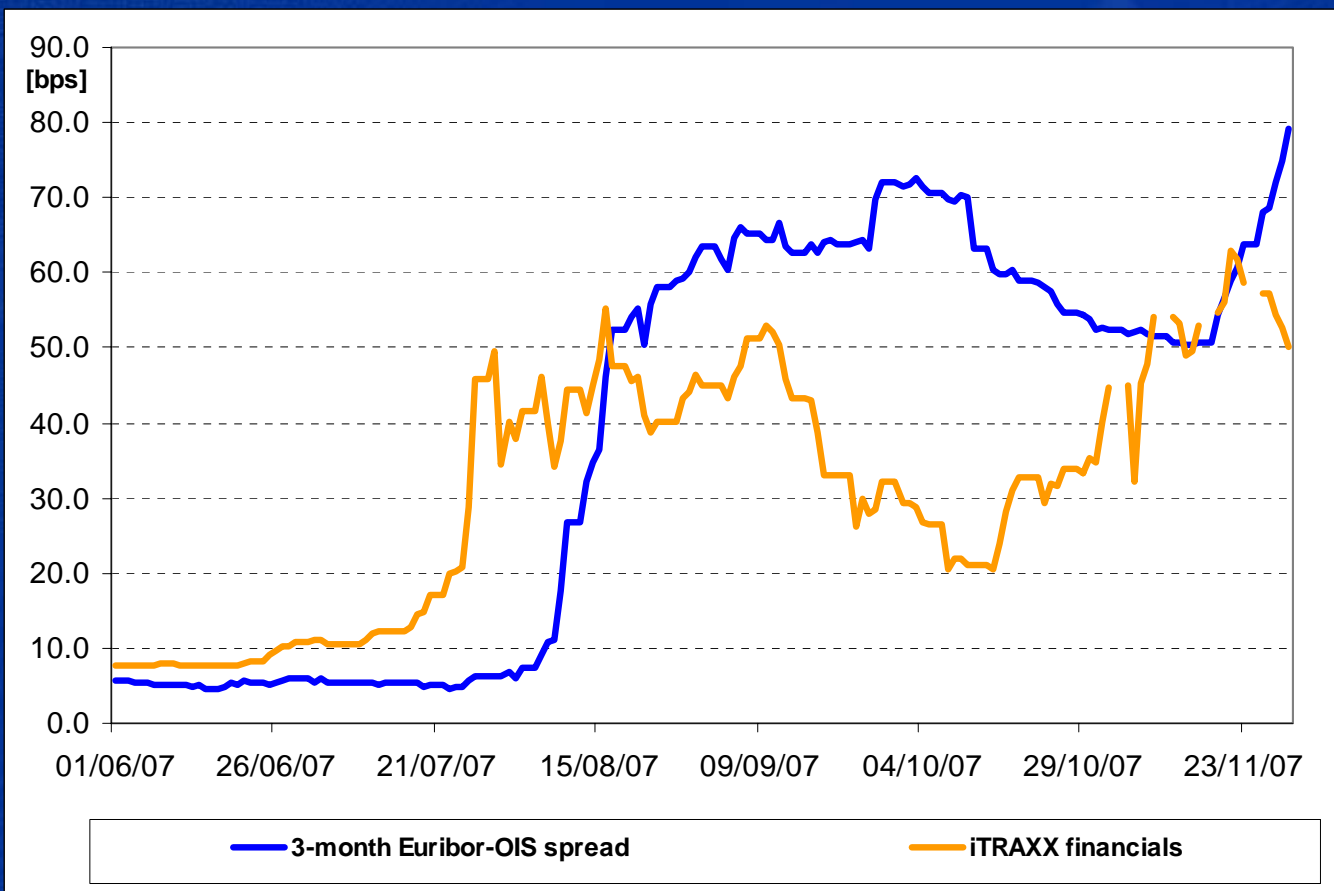




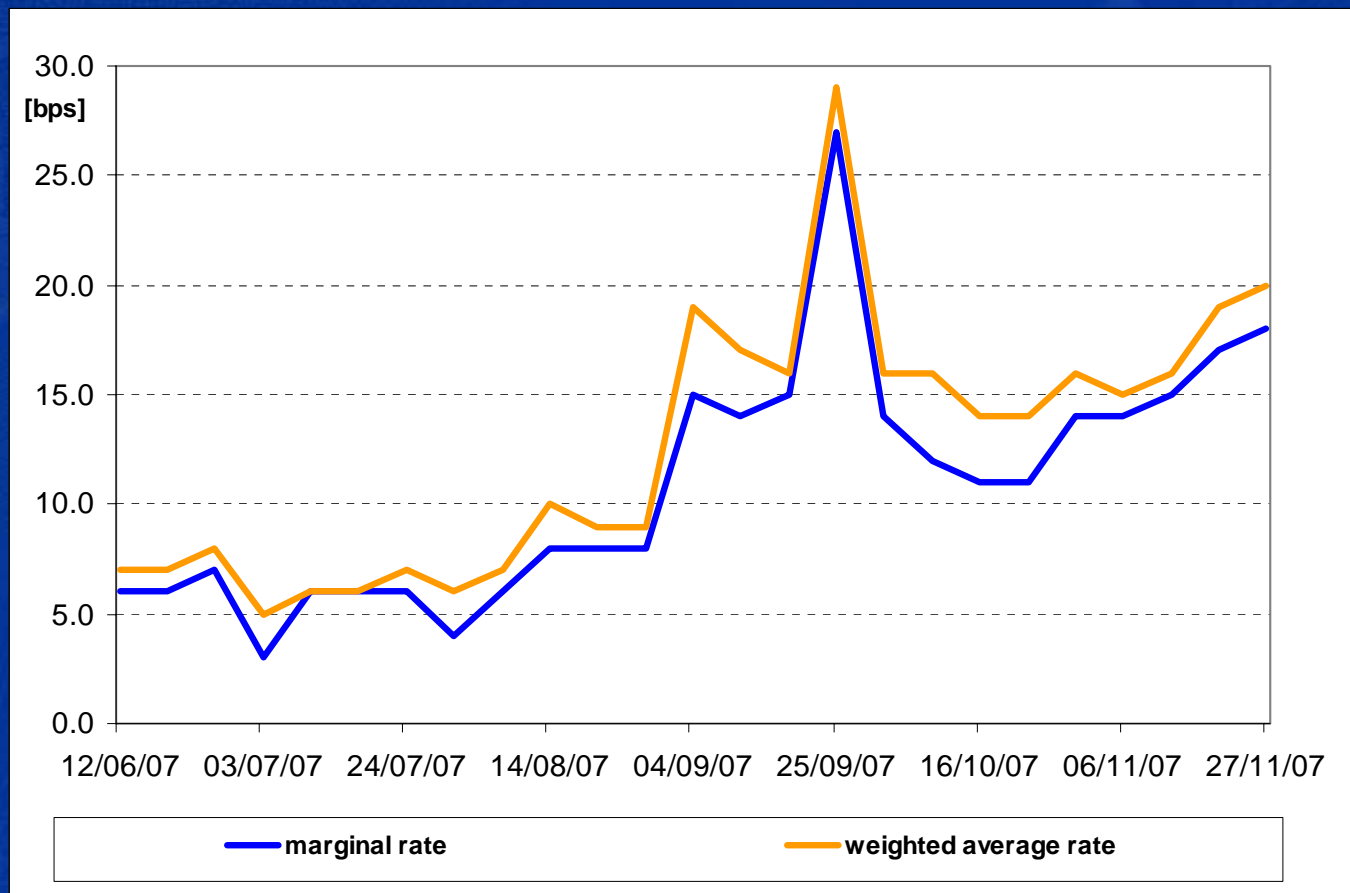
# Forward 3-month deposit-OIS spreads



# 3-month Euribor-OIS spread vs. iTRAXX financials



# Development of spread between MRO rates and the minimum bid rate



# ECB operations (overview)

Date	Operation	Maturity	Total bid amount	Allotment	Marginal	Weighed	Benchmark	Deviation from BM
09-Aug	Fine tuning	O/N	95	95	4.00%	4.00%	x	
10-Aug	Fine tuning	O/N	110	61	4.05%	4.08%	x	
13-Aug	Fine tuning	O/N	84.4	47.6	4.06%	4.07%	x	
14-Aug	Fine tuning	O/N	45.9	7.7	4.07%	4.07%	x	
14-Aug	Main Refinancing	1-week	427	310	4.08%	4.10%	236.5	73.5
21-Aug	Main Refinancing	1-week	439.7	275	4.08%	4.09%	229	46
23-Aug	Longer-term Refinancing	3-month	125.8	40	4.49%	4.61%	x	(40)
28-Aug	Main Refinancing	1-week	352.7	210	4.08%	4.09%	195.5	14.5
29-Aug	Longer-term Refinancing	3-month	119.8	50	4.56%	4.62%	x	
04-Sep	Main Refinancing	1-week	426.3	256	4.15%	4.19%	251	5
06-Sep	Fine tuning	O/N	90.9	42.2	4.06%	4.13%	x	
11-Sep	Fine tuning	O/N	-66.4	-60	4.00%	4.00%	x	
11-Sep	Main Refinancing	1-week	406.1	269	4.14%	4.17%	259	10
12-Sep	Longer-term Refinancing	3-month	139.0	75	4.35%	4.52%	x	(75)
18-Sep	Main Refinancing	1-week	356.3	155	4.15%	4.16%	119	36
25-Sep	Main Refinancing	1-week	369.0	190	4.27%	4.29%	157	33
26-Sep	Longer-term Refinancing	3-month	85.4	50	4.50%	4.63%	x	
02-Oct	Main Refinancing	1-week	298.7	163	4.14%	4.16%	155.5	7.5
09-Oct	Fine tuning	O/N	-40.2	-24.5	4.00%	4.00%	x	
09-Oct	Main Refinancing	1-week	322.7	218	4.12%	4.16%	178	40
12-Oct	Fine tuning	O/N	-40.1	-30	4.00%	4.00%	x	
16-Oct	Main Refinancing	1-week	283.4	171	4.11%	4.14%	153	18
23-Oct	Main Refinancing	1-week	304.1	182	4.11%	4.14%	167.5	14.5
30-Oct	Main Refinancing	1-week	287.2	170	4.14%	4.16%	160.5	9.5
31-Oct	Longer-term Refinancing	3-month	87.6	50	4.45%	4.53%	x	
06-Nov	Main Refinancing	1-week	275.6	160	4.14%	4.15%	156.5	3.5
13-Nov	Fine tuning	O/N	-27.8	-27.8	4.00%	4.00%	x	
13-Nov	Main Refinancing	1-week	280.5	182	4.15%	4.16%	162	20
20-Nov	Main Refinancing	1-week	277.1	169	4.17%	4.19%	150.5	18.5
22-Nov	Longer-term Refinancing	3-month	148.0	60	4.55%	4.61%	x	(60)
27-Nov	Main Refinancing	1-week	258	178	4.18%	4.20%	148	30
28-Nov	Longer-term Refinancing	3-month	132.4	50	4.65%	4.70%	x	

# Issues for discussion

- Why did the spreads between term deposits and OISs rise again? Is it still about the fallout from the US sub-prime market or is there something else?
- Why do the MRO rates continue to increase? What is the relationship between the tender rates and the Eonia?
- What is the outlook for 2008? Will the situation improve once the turn of the year is behind us?