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ECB Money Market Contact Group

Money Market Fund view on year-end

Olivia Maguire, CFA
Global Liquidity Portfolio Manager

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MMFs saw inflows into year-end while ESTR volumes fell

Figure 1: EUR LVNAV Money Market Fund AUM (billion)

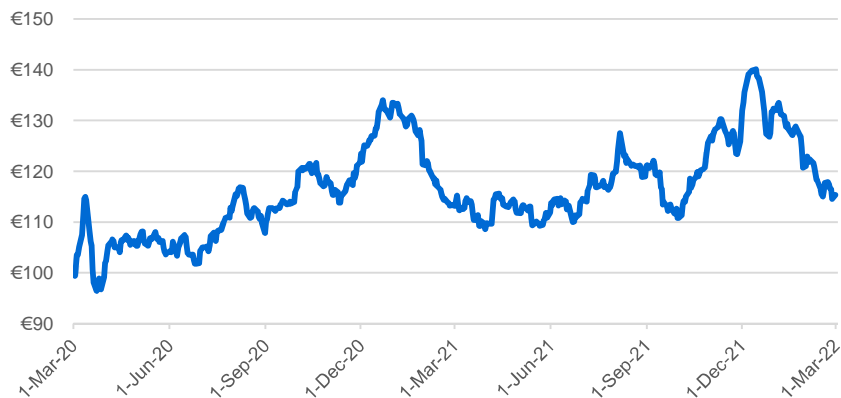


Figure 2: ESTRON level stable while core bills richened

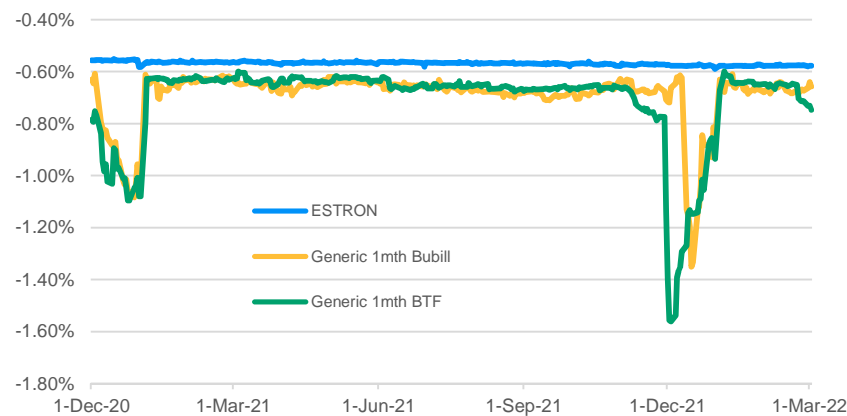


Figure 3: ESTR Volumes (billion) dipped at year end

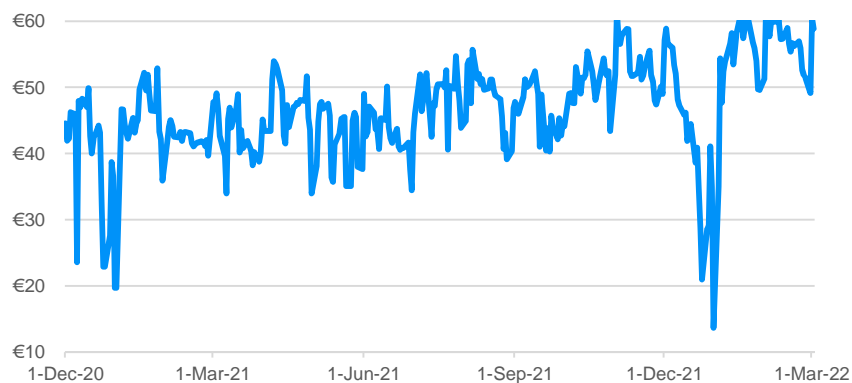
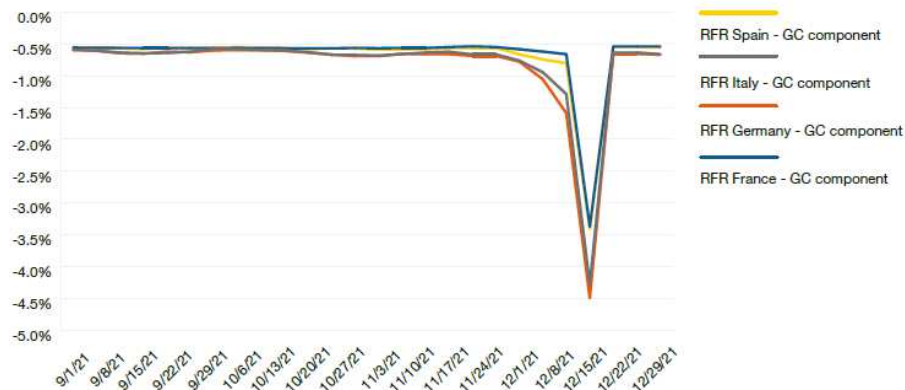


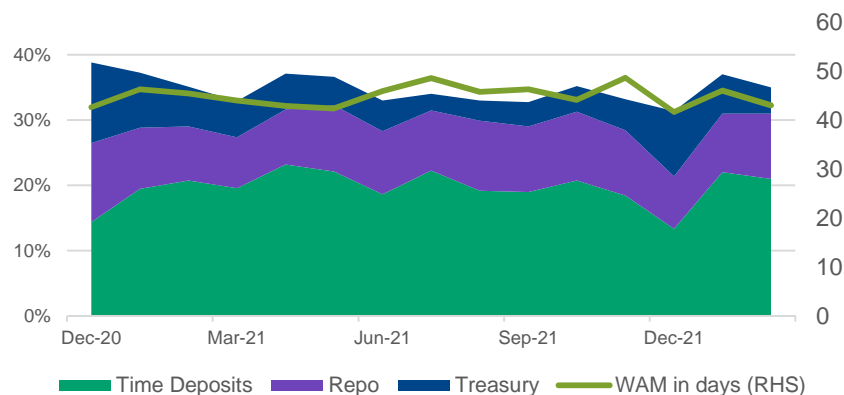
Figure 4: Euro Repo Rates – General Collateral



Sources: Figure 1 - AUM of fourteen LVNAV funds using data from JPMAM and Bloomberg as at March 2nd 2022 ; Figure 2 - JPMAM and Bloomberg as at March 2nd 2022; Figure 3 - JPMAM and Bloomberg as at March 2nd 2022 Figure 4 – ICMA analysis using CME data “The European Repo Market 2021 year end”

MMF allocation to deposits and repo fell over year-end

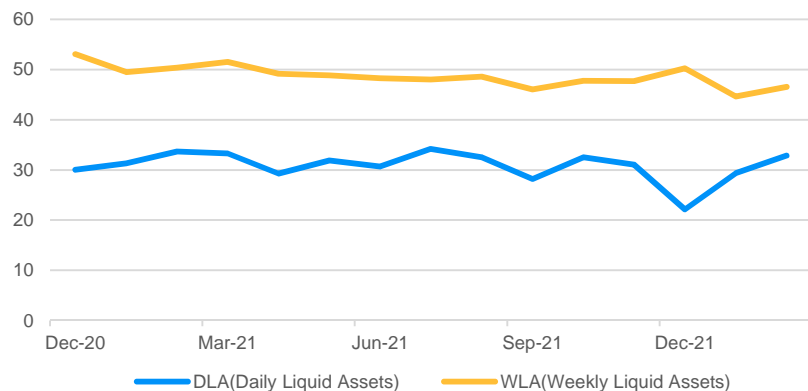
Figure 5: EUR LVNAVs reduced deposits & repo



Summary – Slide 1

- MMFs saw inflows into year-end as clients sought a home for cash over the turn
- ESTR overnight rates remained stable
- Yields on short dated government bills and repo (general collateral and specific collateral) fell
- ESTR volumes dropped to lower levels at year-end 2021 than for year-end 2020

Figure 6: DLA fell into year-end but WLA increased



Summary – Slide 2

- Despite inflows and stable ESTR overnight rates, MMF allocation to time deposits and repo reduced at year-end
- WAMs (duration) dipped with inflows
- Daily liquid assets (DLA) was reduced at year-end but weekly liquid assets (WLA) increased
- MMFs quickly revert back to average time deposit and repo allocations post year-end

Sources: Figure 5 / Figure 6 – iMoneyNet and JPMAM as at 28th February 2022 including data from 11 LVNAV funds

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