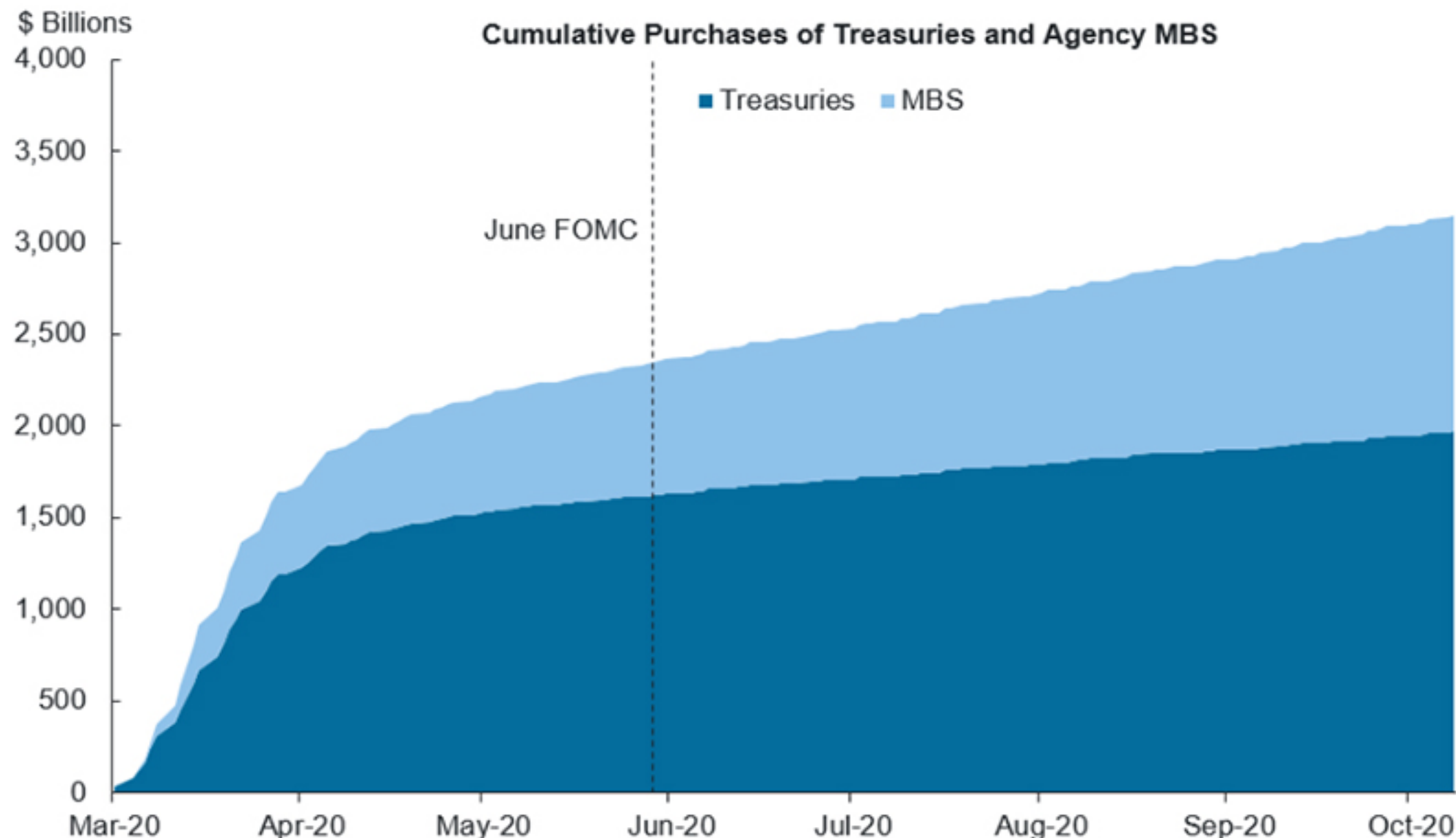


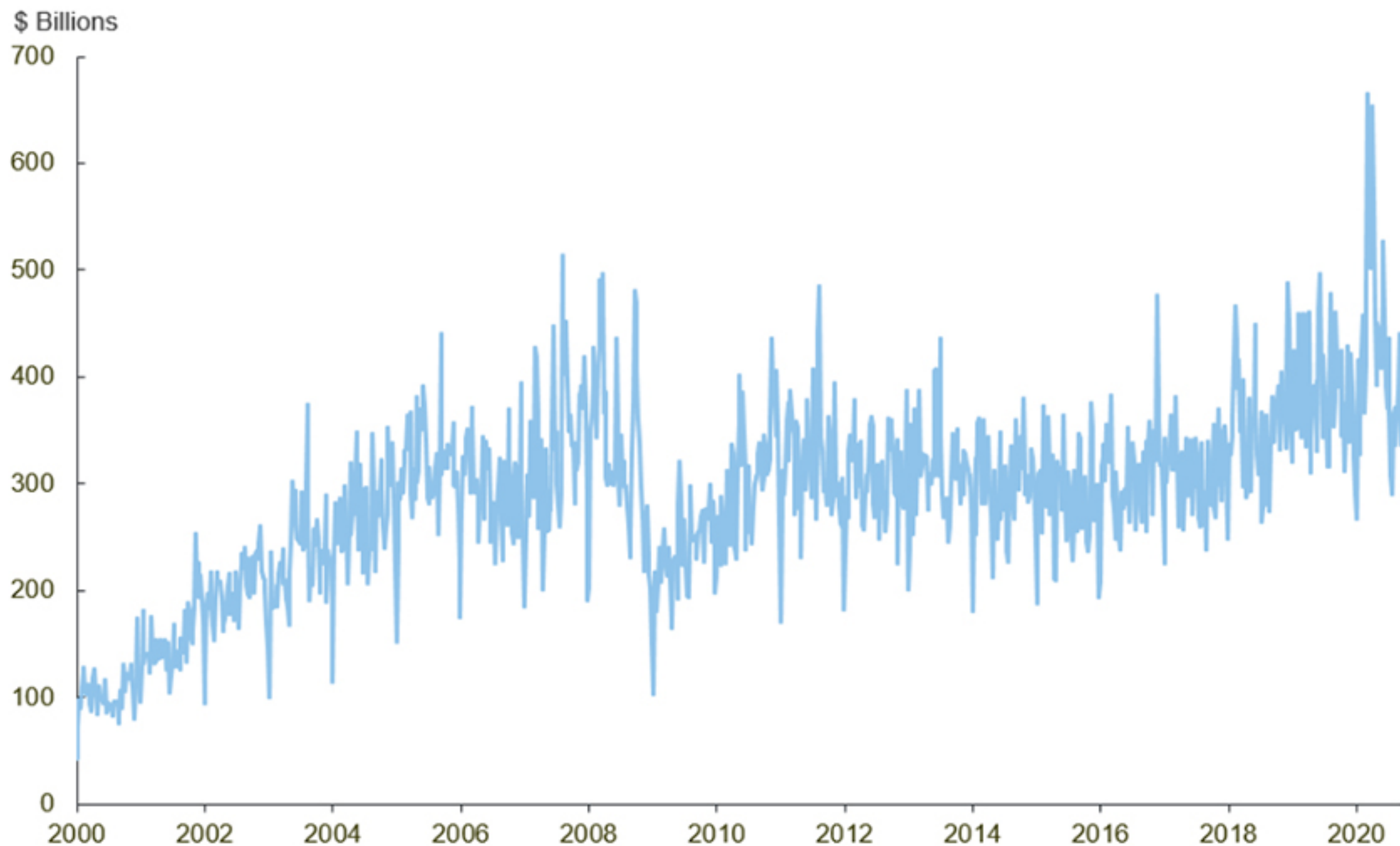
Figure 1: Federal Reserve Purchases for Market Functioning



Notes: Chart shows cumulative purchases including reinvestment of agency mortgage-backed security (MBS) principal payments; holdings of agency MBS increased by less than the amount shown. At its June meeting, the FOMC transitioned the objective of its purchases from supporting to sustaining smooth market functioning. In September, the FOMC expanded the objective to include helping to foster accommodative financial conditions.

Source: Federal Reserve Bank of New York

Figure 2: Average Daily Customer Treasury Transactions Reported by Primary Dealers

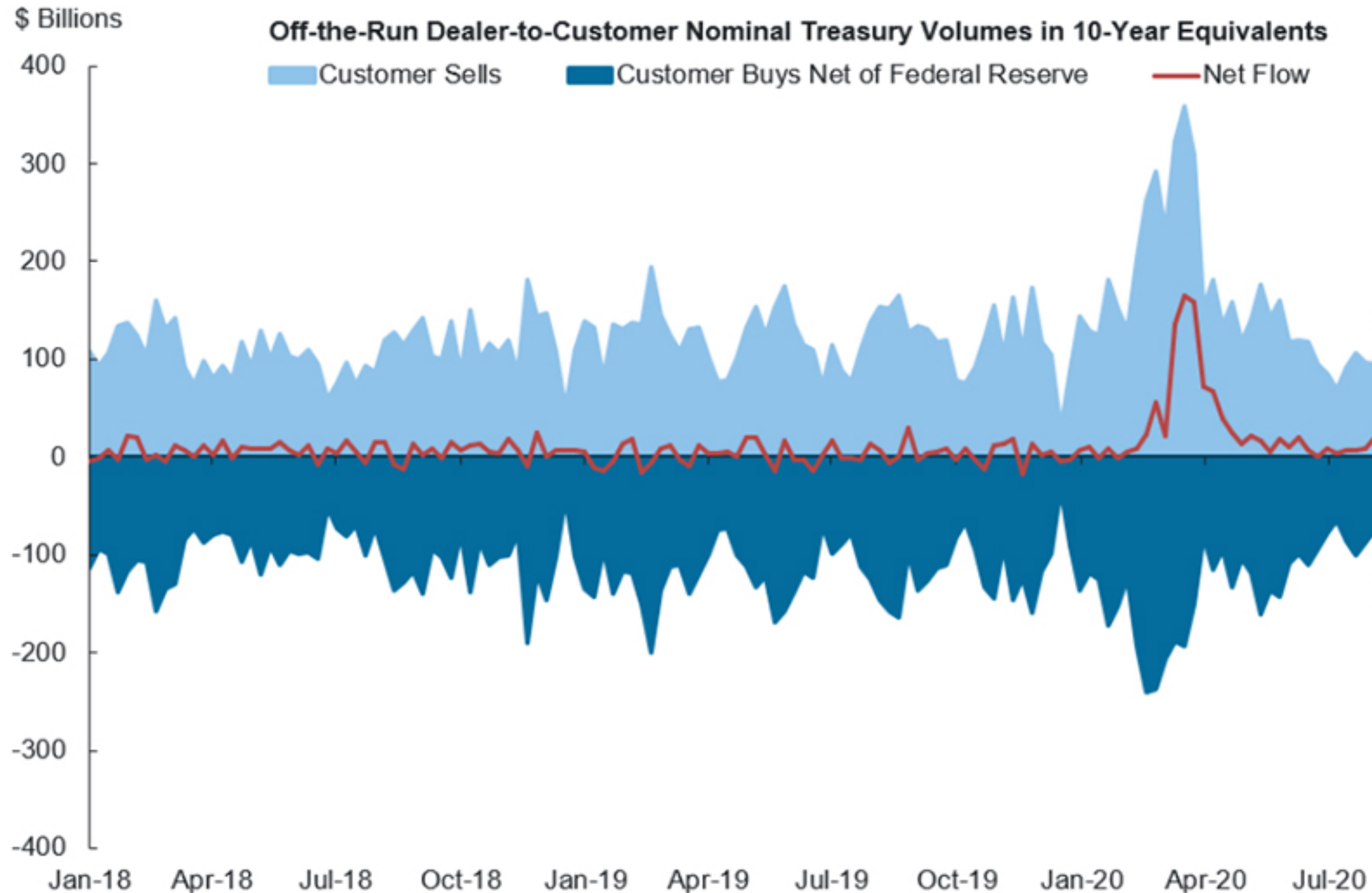


Notes: Data through September 23, 2020.

Source: Federal Reserve FR2004



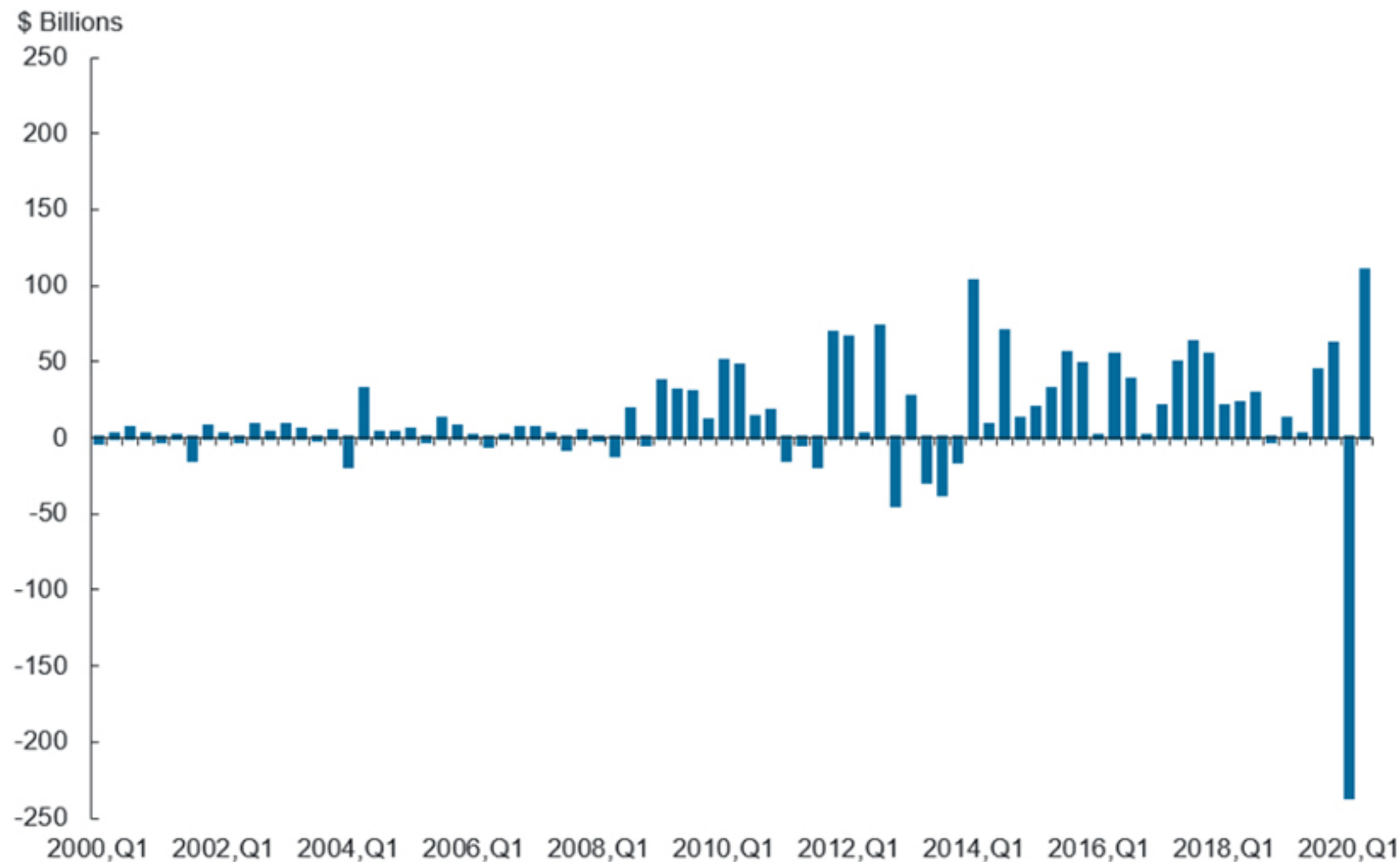
Figure 3: Weekly Treasury Volumes Net of Federal Reserve Purchases, 10-Year Equivalents



Source: Federal Reserve Bank of New York, TRACE

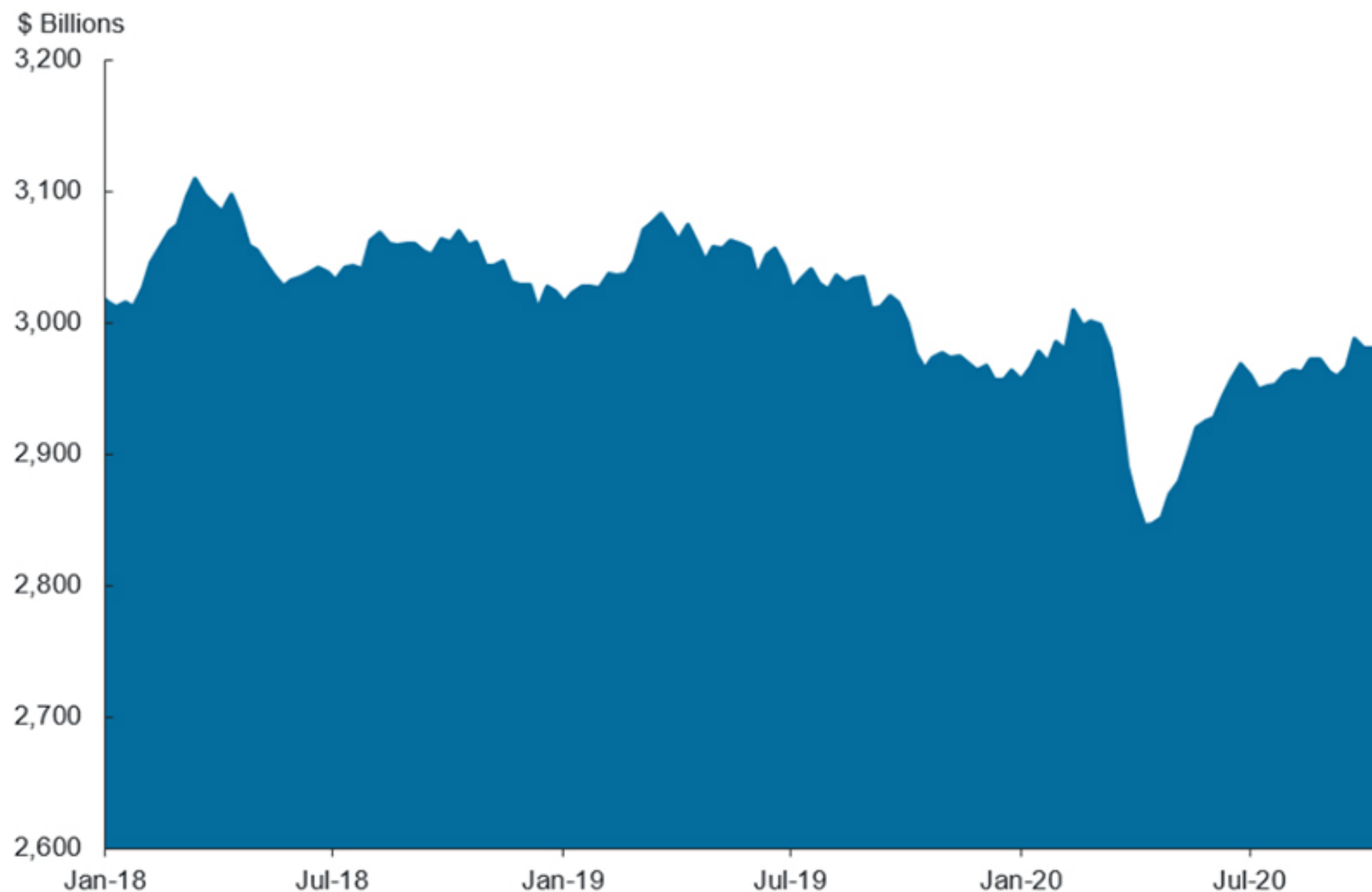


Figure 4: Quarterly Net Transactions in Treasuries, Mutual Funds



Source: Federal Reserve's Financial Accounts of the United States, Mutual Funds, seasonally adjusted.

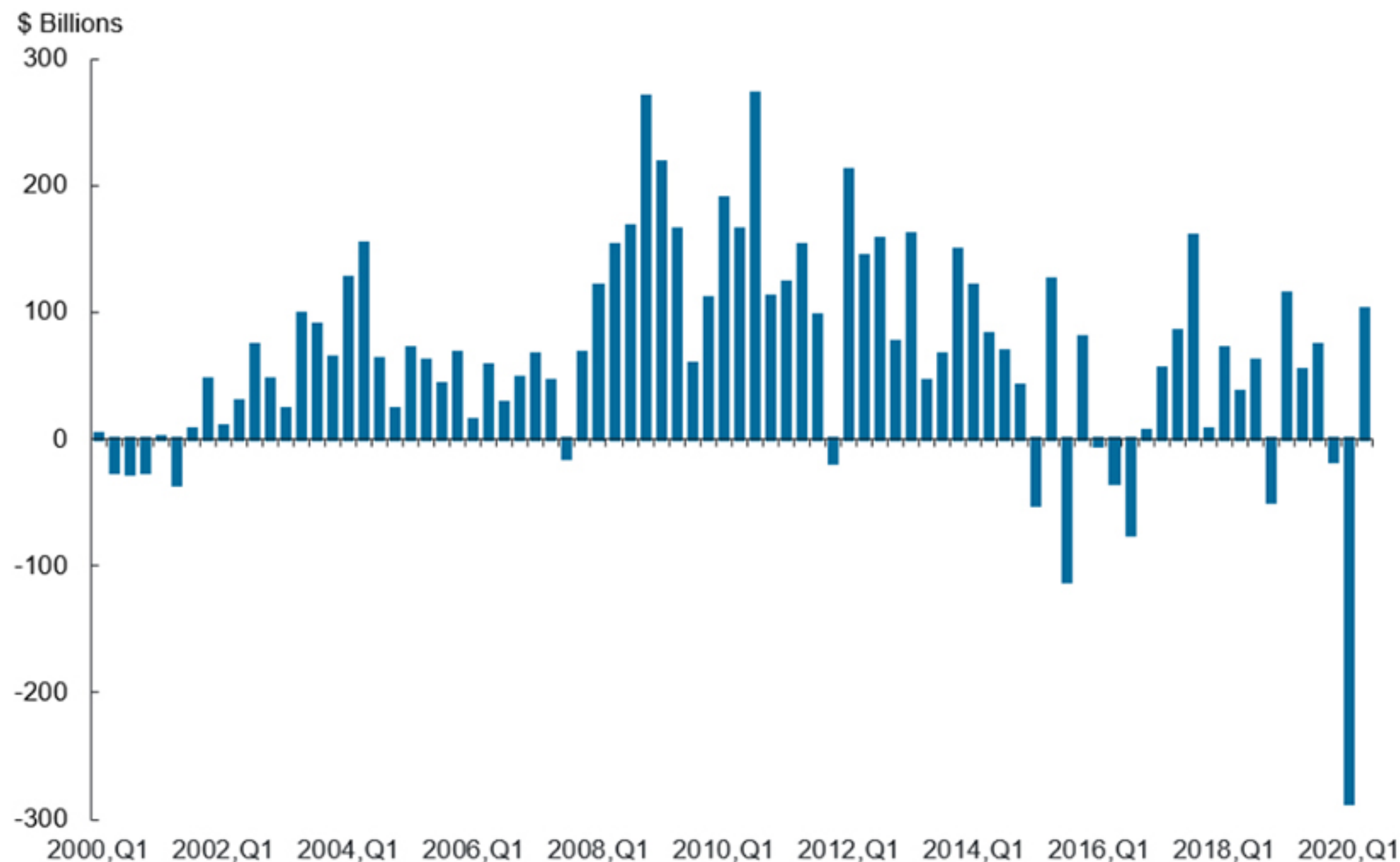
Figure 5: Treasuries Held by Foreign & International Monetary Authorities at the New York Fed



Source: Federal Reserve H.4.1 Release



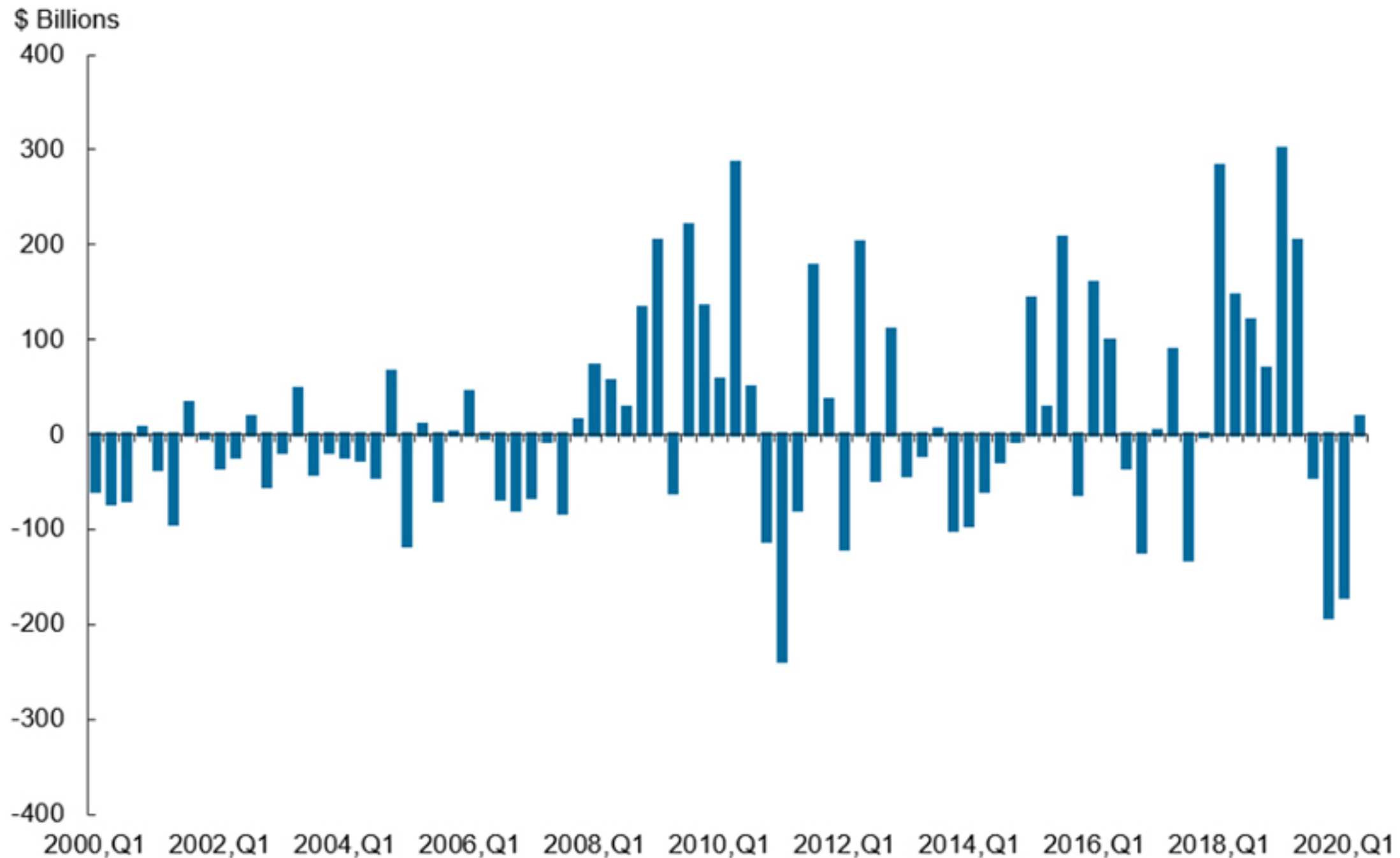
Figure 6: Quarterly Net Transactions in Treasuries, Non-U.S. Holders



Source: Federal Reserve's Financial Accounts of the United States, Rest of World, seasonally adjusted.



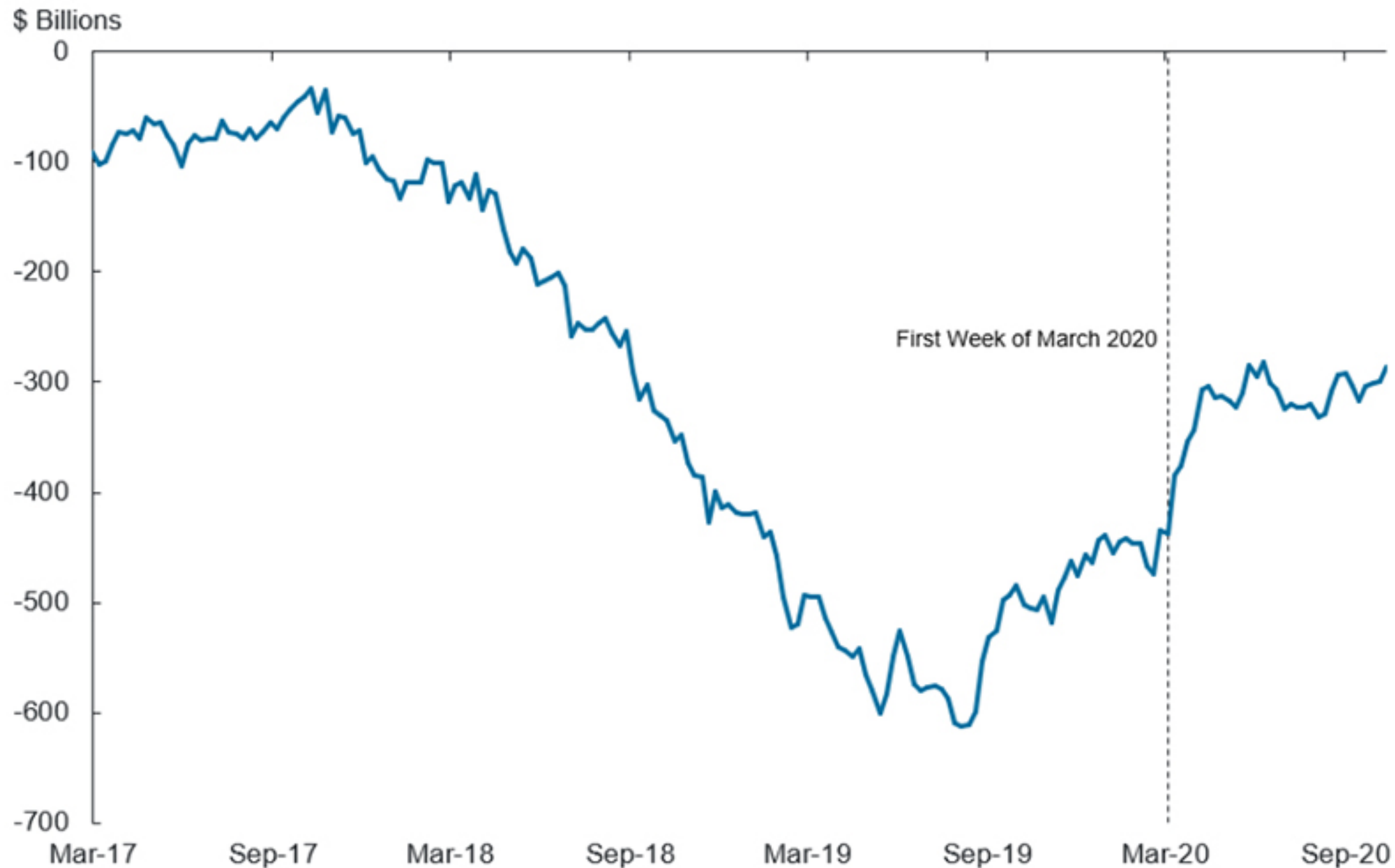
Figure 7: Quarterly Net Transactions in Treasuries, Households (including Hedge Funds)



Source: Federal Reserve's Financial Accounts of the United States, Households and Non-Profits, seasonally adjusted.



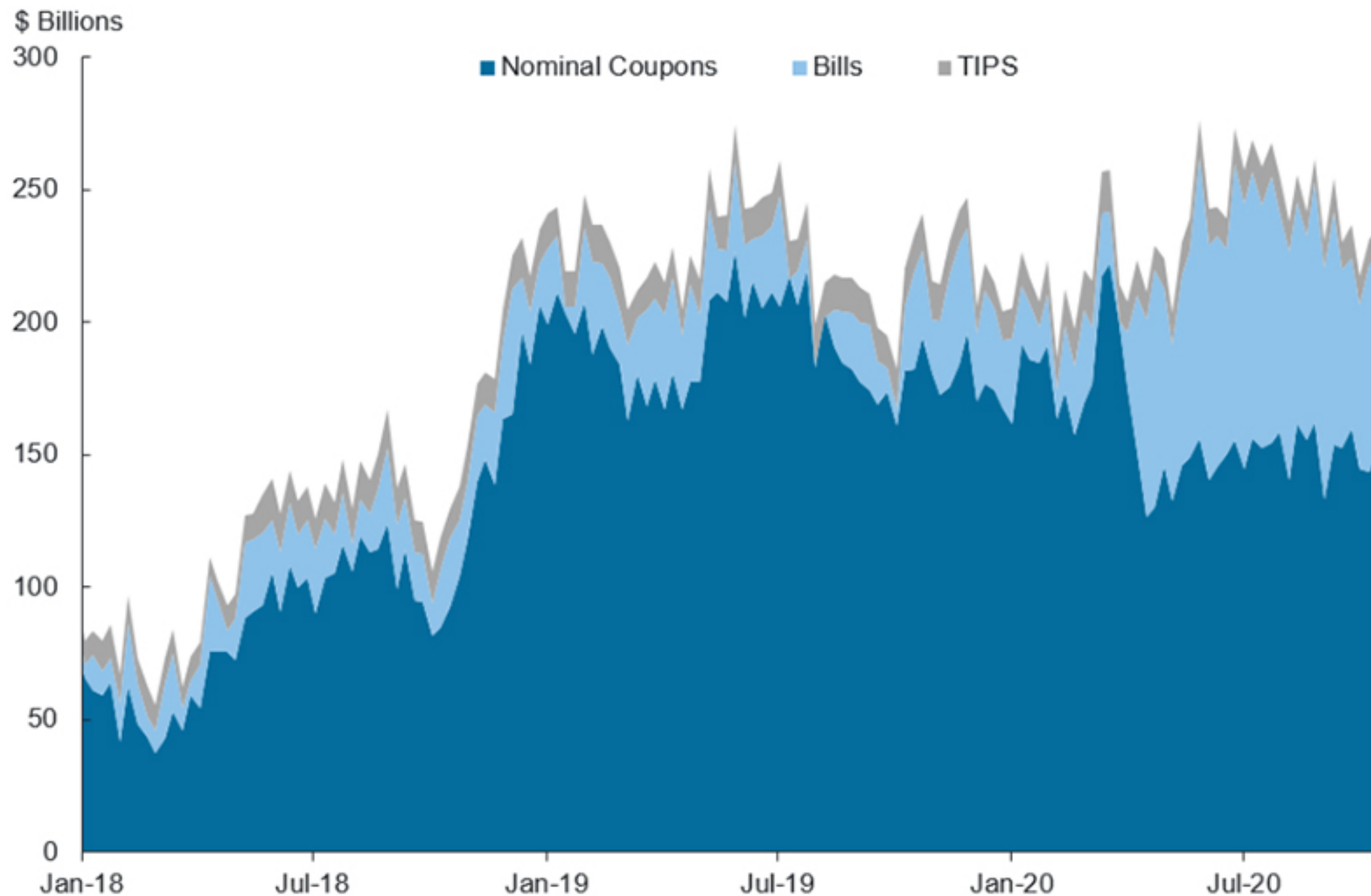
Figure 8: Net Positioning in Treasury Futures Contracts for Levered Funds



Notes: Levered funds include hedge funds, commodity trading advisors and commodity pool operators.

Source: CFTC TFF Report, Bloomberg

Figure 9: Primary Dealer Treasury Positions



Source: Federal Reserve FR2004

Figure 10: Treasury Market Implied Volatility— MOVE Index



Notes: The MOVE Index is a yield curve weighted index of the normalized implied volatility on 1-month Treasury options. It is the weighted average of 1-month Treasury implied volatilities.

Source: Bloomberg, Bank of America

Figure 11: Bid-Ask Spreads for Off-the-Run Treasuries by Remaining Maturity

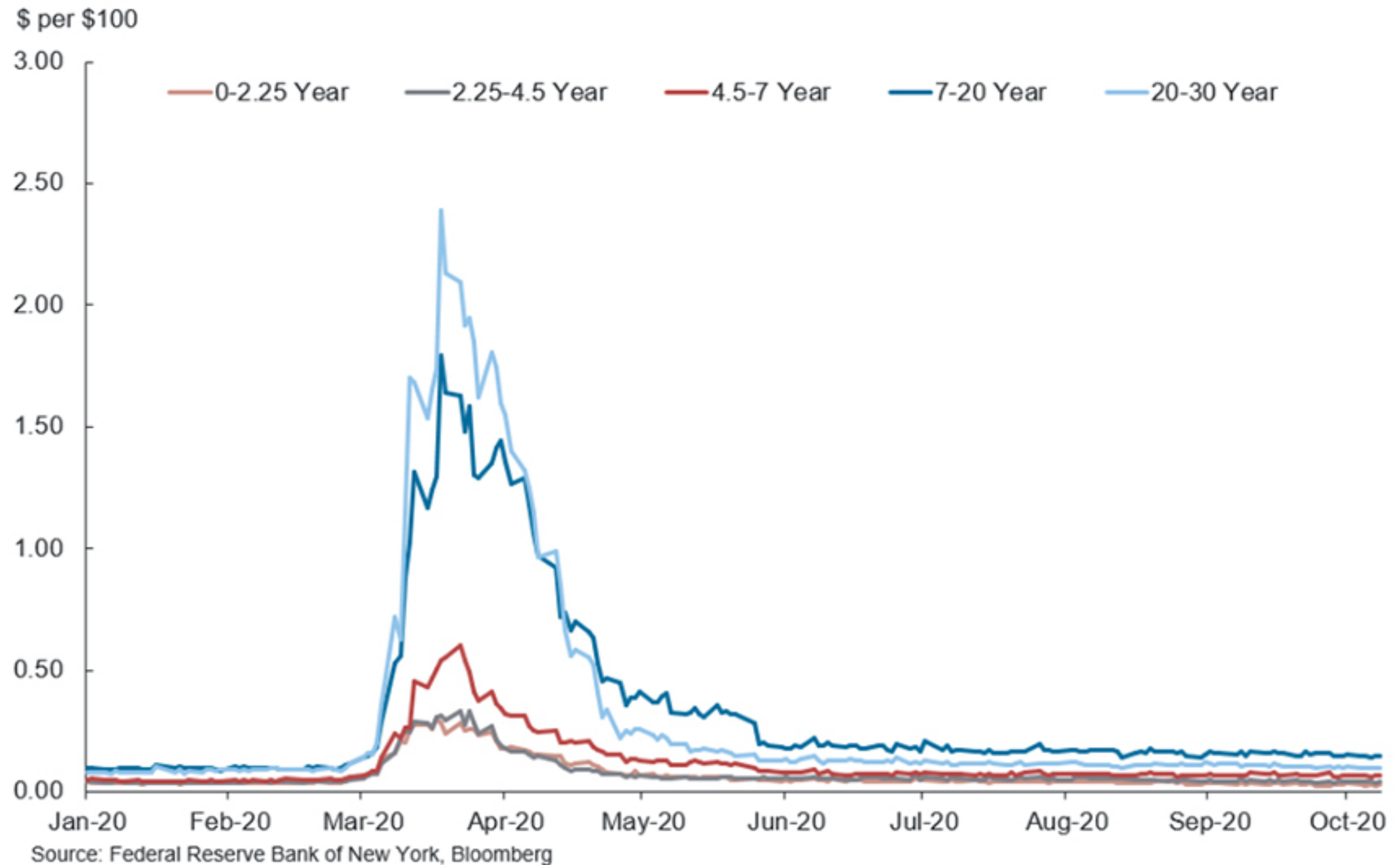
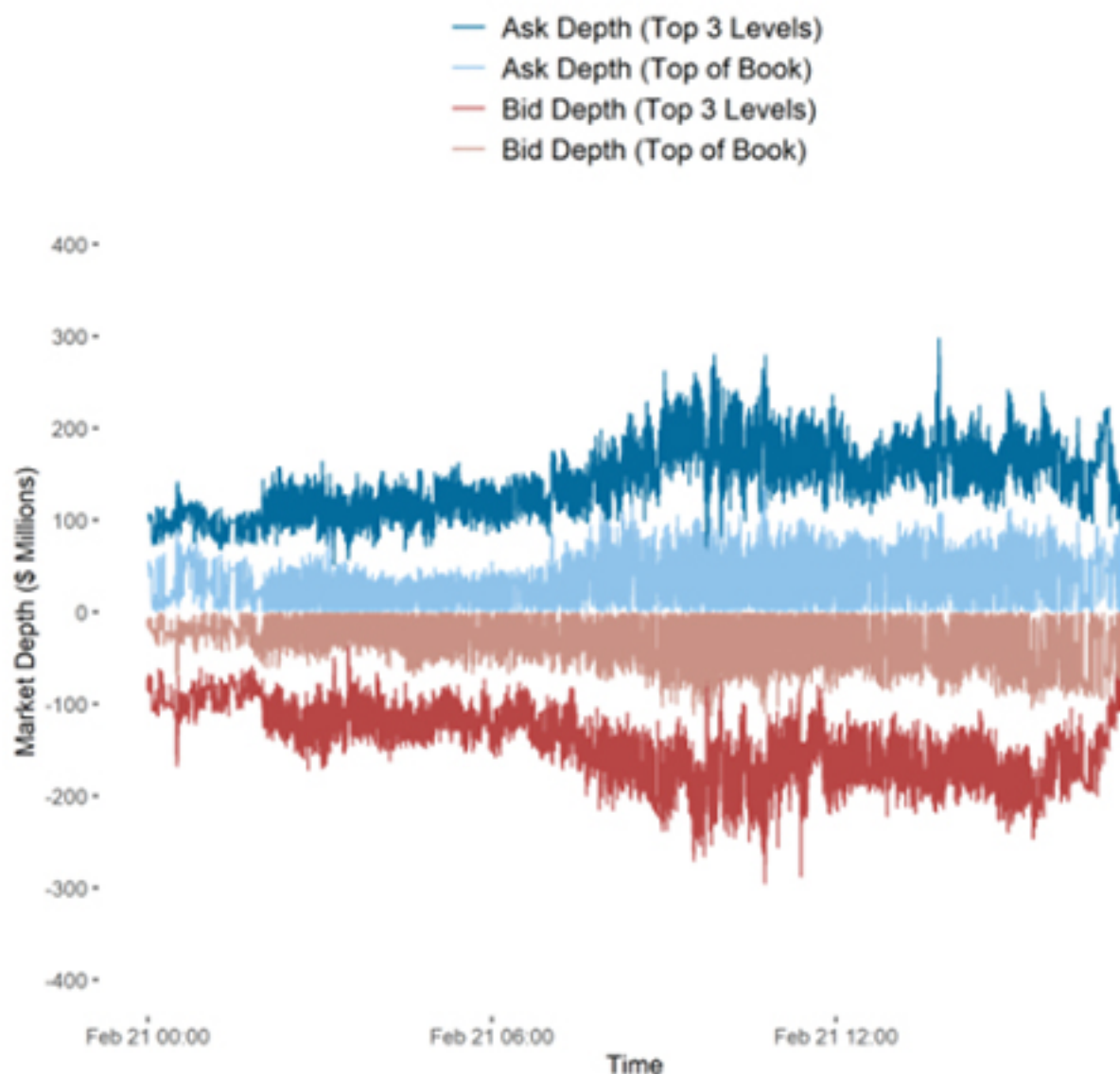
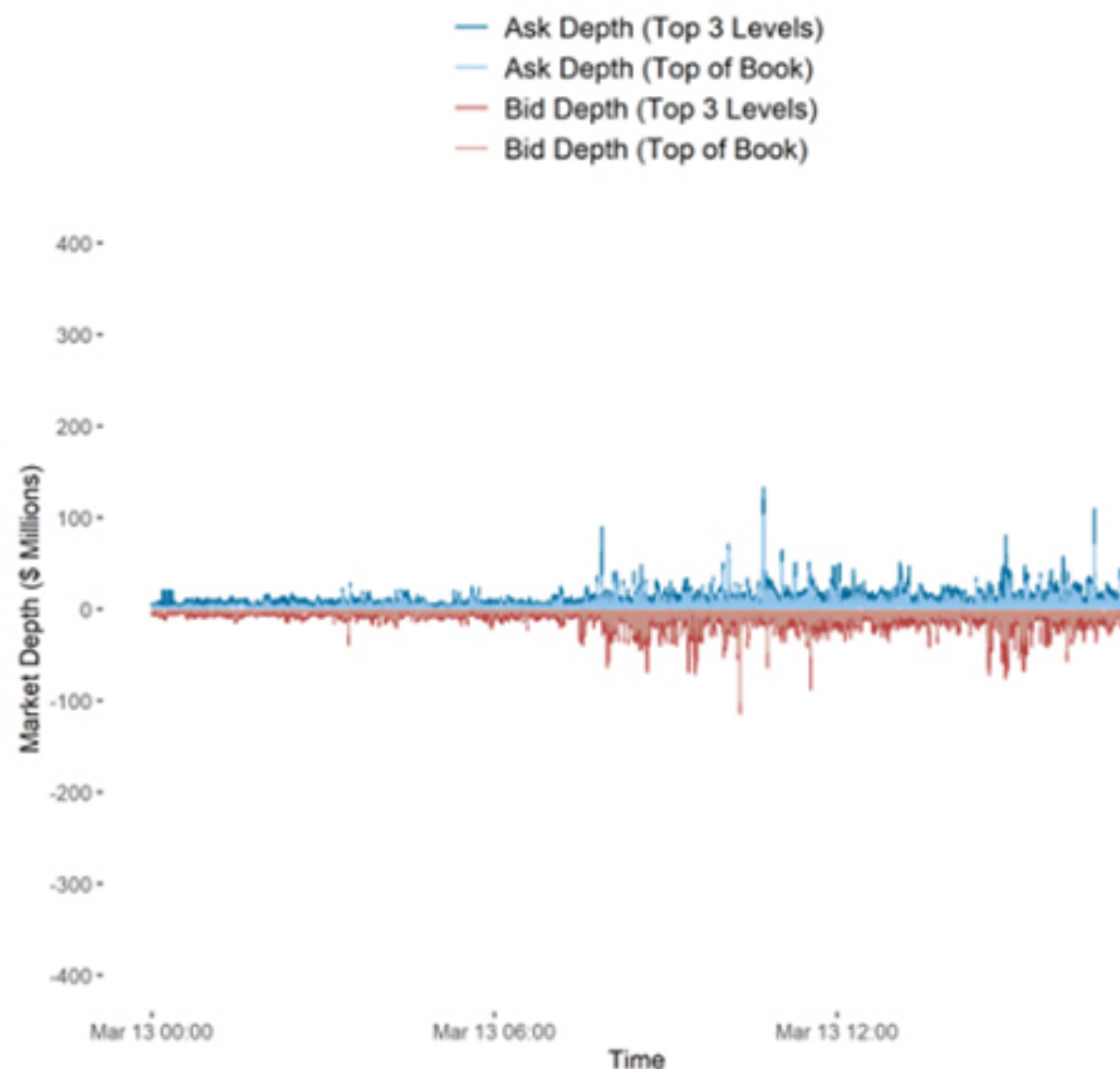


Figure 12: Order Book Depth on BrokerTec in February and March

February 21, 2020



March 13, 2020



Notes: On-the-Run Treasury Securities and Treasury Futures Contracts.

Source: Reproduced from Dobrev, D. and A. Meldrum (2020) "What Do Quoted Spreads Tell Us About Machine Trading at Times of Market Stress? Evidence from Treasury and FX Markets during the COVID-19-Related Market Turmoil in March 2020," FEDS Notes. Board of Governors of the Federal Reserve System, September 25, 2020, <https://doi.org/10.17016/2380-7172.2748>.

Figure 13: PTF Shares of Volumes on Electronic Interdealer Platforms



Notes: Weekly moving average; volumes for nominal coupons

Source: Treasury, TRACE