

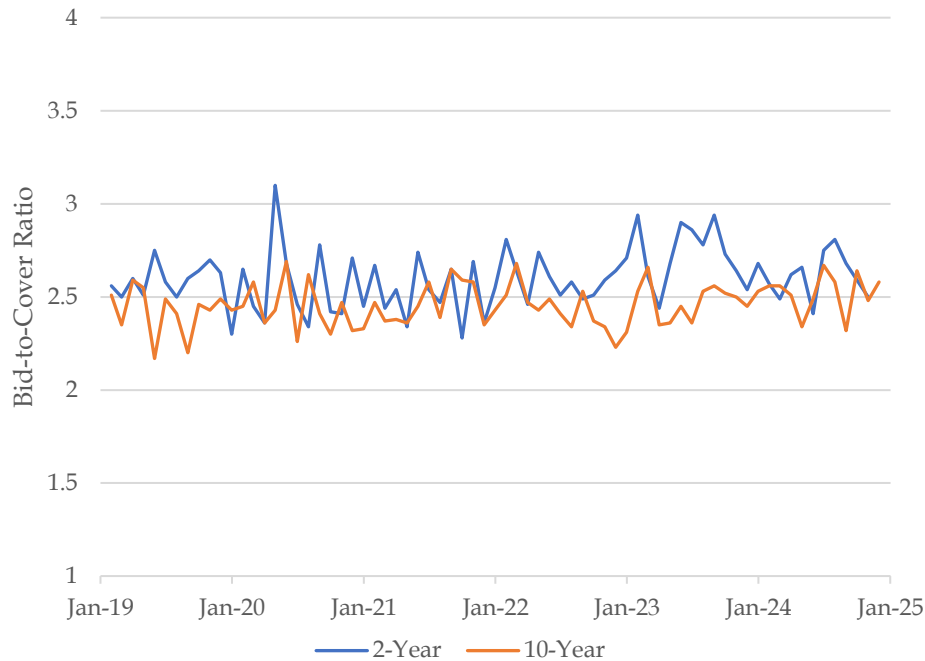


Remarks by Nellie Liang
Under Secretary for Domestic Finance
U.S. Department of the Treasury

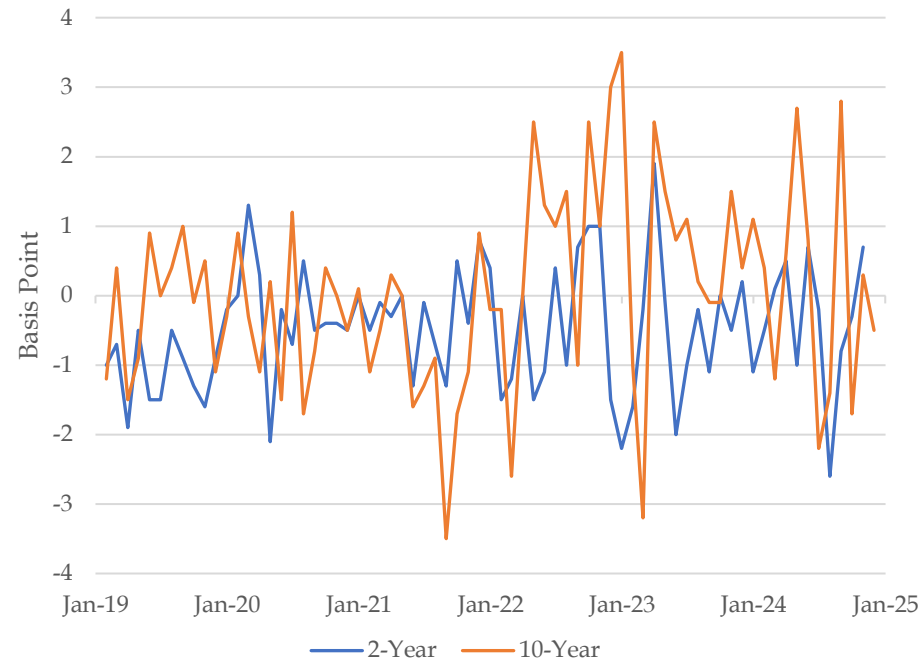
Federal Reserve Bank of Chicago
Financial Markets Group Fall Conference
November 18, 2024

Treasury Auction Metrics

Bid-to-Cover Ratio



Auction Tail

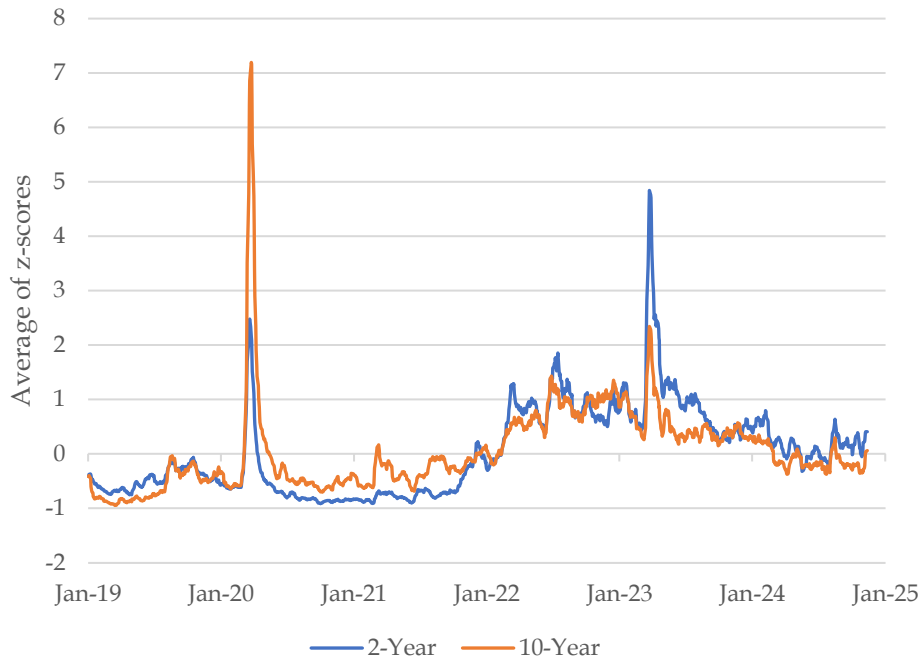


Notes: Bid-to-cover ratio represents the total amount of bids divided by the total amount of Treasury debt offered for sale. Auction tail represents the yield set at the auction minus the yield in when-issued trading. Data as of November 12, 2024.

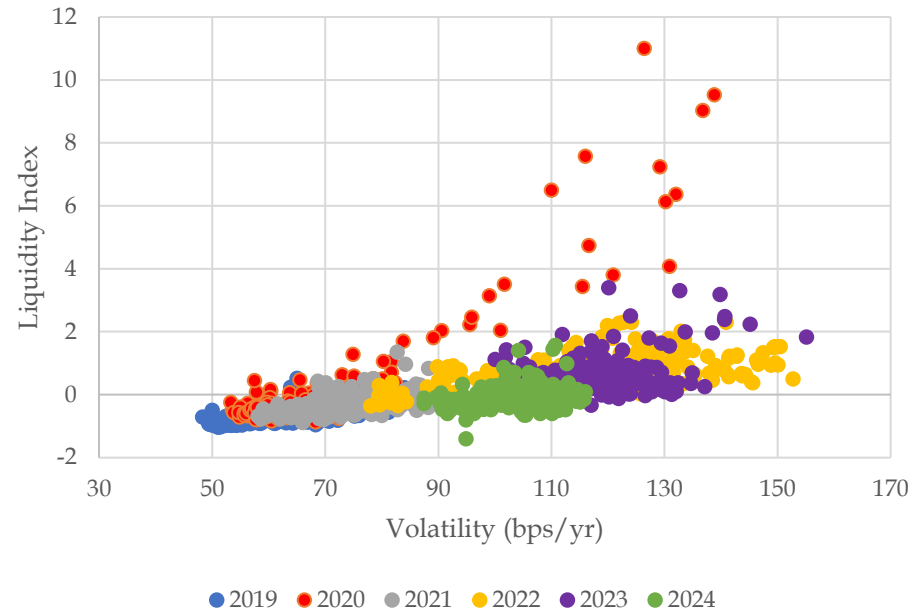
Source: U.S. Department of the Treasury

Treasury Market Liquidity and Yield Volatility

Liquidity Indices: 10 Day Moving Average



U.S. Treasury (UST) Liquidity Index vs Implied Volatility - 10-Year Tenor



Notes: Index inputs are bid-ask, inverted market depth, and price impact. For each security, calculated as a simple average of z-scores for each input. Data as of November 12, 2024.

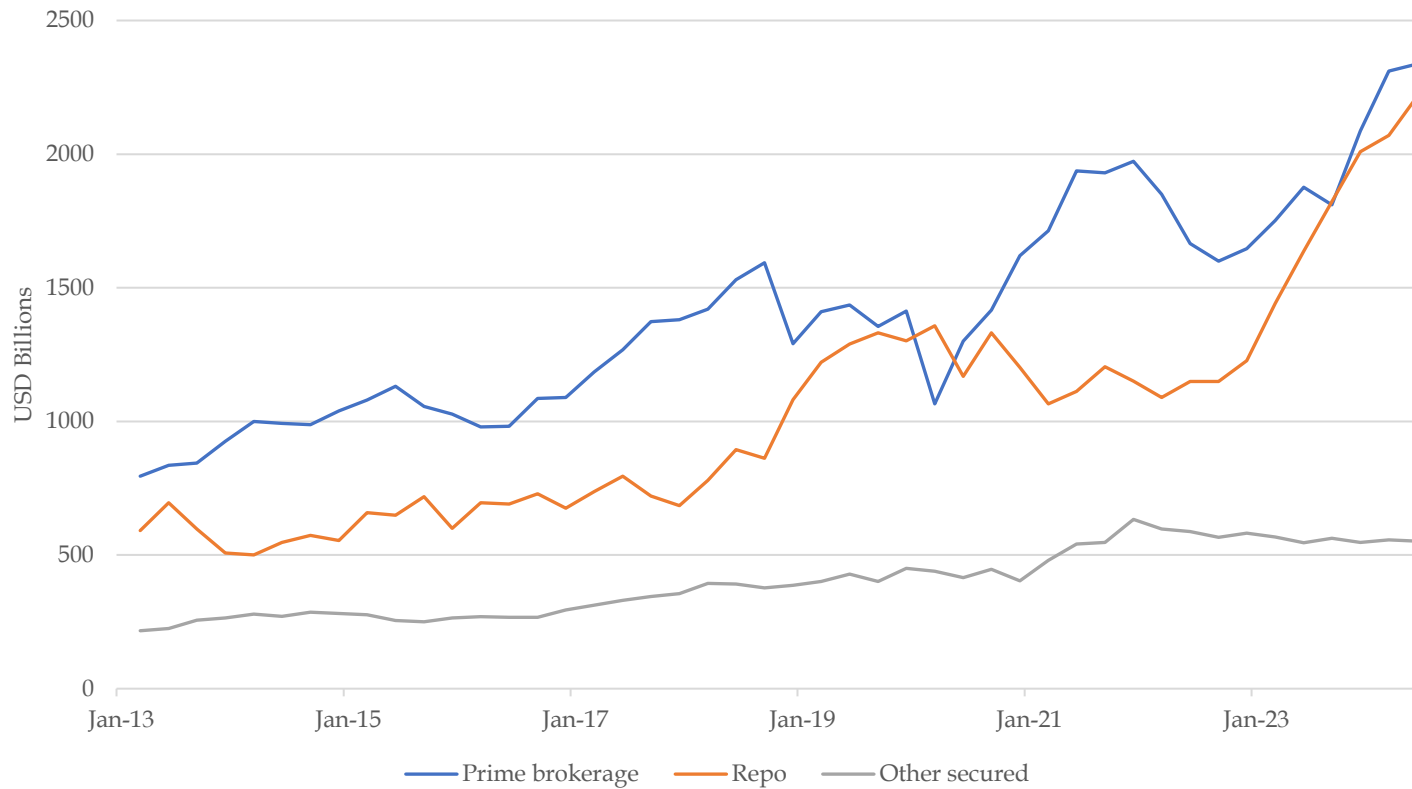
Source: U.S. Department of the Treasury

Strengthening Treasury Market Resilience

IAWG workstreams

1. Improving data quality and availability
2. Improving the resilience of market intermediation
3. Enhancing trading venue transparency and oversight
4. Evaluating expanded central clearing
5. Examining effects of leverage and fund liquidity risk management

Hedge Fund Borrowing



Source: Office of Financial Research, "Hedge Fund Monitor," based on aggregated data from SEC Form PF. Data as of June 30, 2024.