

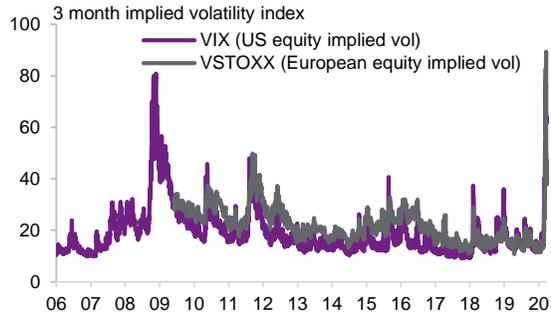
# Market Liquidity

30 March 2020

# Market liquidity monitor: 26 March 2020

**Exhibit 1: Uncertainty and volatility in capital markets is acute**

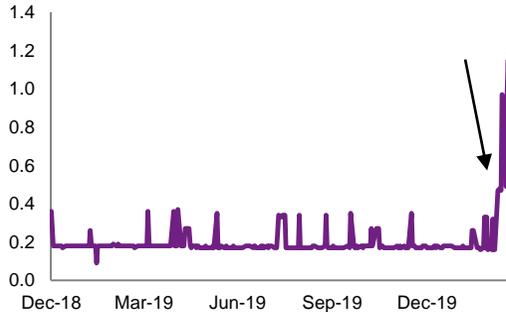
3m implied equity volatility indices, %



Source: FactSet

**Exhibit 2: Trading costs – bid-offer spreads in major markets rose with volatility but have fallen**

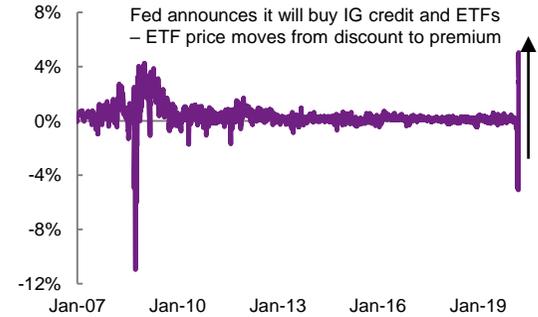
US Treasury bonds bid-offer spread, bps



Source: FactSet

**Exhibit 3: Price dislocations that require cash funding or balance sheet availability have eased**

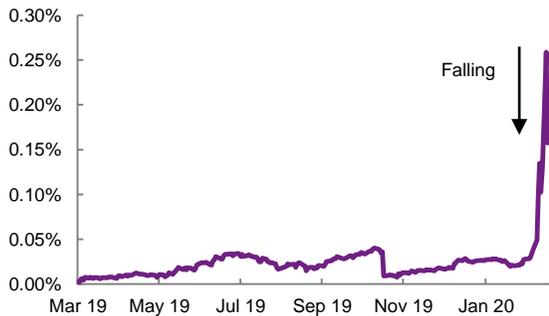
iShares IG corporate ETF discount/premium to NAV, %



Source: FactSet

**Exhibit 4: Stress is declining in those markets that depend on capital for intermediation**

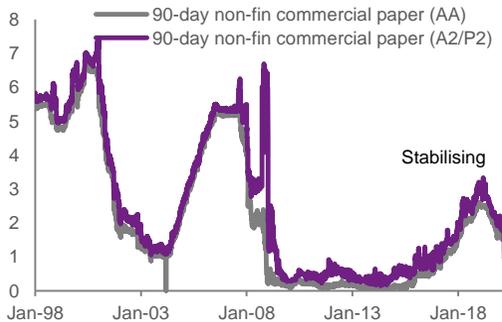
Liquid US treasury yield vs. illiquid US treasury yield, %



Source: FactSet

**Exhibit 5: Markets most dependent on bank balance sheets for intermediation are stabilising**

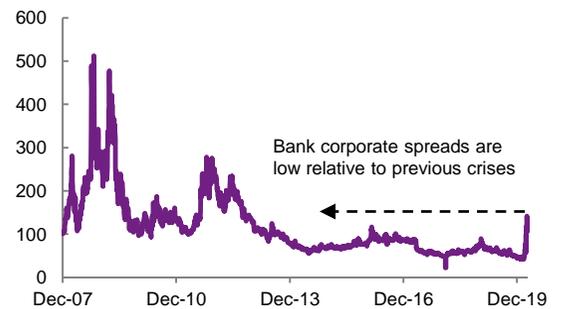
Commercial paper yields, %



Source: FactSet

**Exhibit 6: The cost of borrowing for banks from capital markets has only risen moderately**

US banks 5-year credit default swap spread, bps



Source: FactSet

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