

Research Quarterly



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February 2001

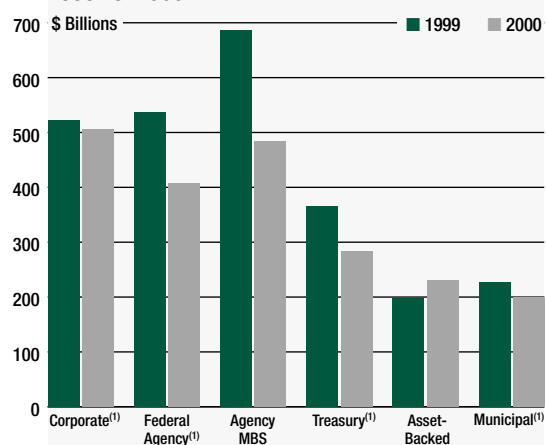
Issuance in the U.S. Bond Market Totals \$2.1 Trillion in 2000

New issue activity in the U.S. bond markets in 2000 totaled \$2.1 trillion, 16.8 percent lower than the \$2.5 trillion issued in 1999. Rising interest rates during the first half of the year slowed issuance, but during the second half, interest rates began to fall and borrowing accelerated in most markets. Credit quality concerns hindered issuance in the high-yield market. Treasury and federal agency new issues decreased over 20 percent. The asset-backed market was the only sector to record an increase in new issues in 2000, as volume climbed to a record level. Secondary market trading volume increased across all reported markets: primary dealers increased their trading activity in the U.S. Treasury, federal agency and mortgage-related securities markets. Average daily trading volume in the municipal market also increased, with trading volume averaging 3.5 percent higher in 2000 than in 1999.

Highlights

- The supply of Treasury securities diminished in 2000 as the Treasury Department continued to reduce its borrowing and pay-down outstanding debt. Gross issuance of coupon securities declined 22.4 percent in 2000 to \$282.8 billion. Treasury bills outstanding totaled \$646.9 billion as of December 31, down \$90.2 billion from year-end 1999.
- Long-term debt issuance by federal agencies decreased 23.9 percent in 2000 to \$407.9 billion. However, short-term federal agency debt outstanding increased to \$583.5 billion, an increase of 4.6 percent over the 1999 level of \$557.8 billion.
- Issuance in the municipal bond market totaled \$240.4 billion in 2000, 8.9 percent lower than the \$264.0 billion issued in 1999. Issuance was slow in the first quarter but rebounded during the last three quarters when interest rates declined.
- Corporate bond new issue volume slowed in 2000 to \$506.6 billion, as a slump in the high-yield sector more than offset an increase in investment grade issuance.
- Issuance in the public asset-backed market increased to a record \$230.3 billion in 2000 from \$198.7 billion in 1999.
- Agency MBS issuance totaled \$483.4 billion in 2000, down from the \$686.5 billion issued in 1999. MBS issuance accelerated in the second half of the year, but not enough to bring annual issuance near 1999's level.
- Agency CMO issuance fell by almost 50 percent to \$100.4 billion in 2000, as issuance declined across all three housing-related federal agencies.

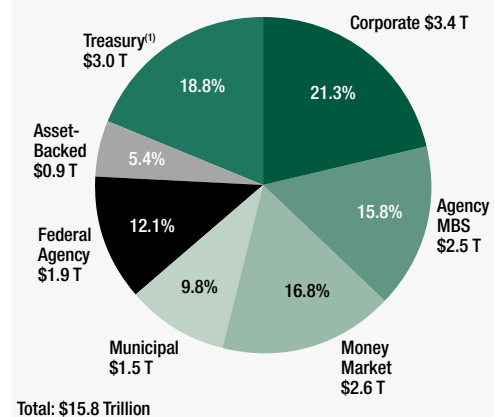
Issuance in the U.S. Bond Markets 1999 vs. 2000



⁽¹⁾ Includes only long-term issuance

Sources: Thomson Financial Securities Data, U.S. Treasury, U.S. Federal Agencies

Outstanding Bond Market Debt As of December 31, 2000*



⁽¹⁾ Includes marketable public debt
* The Bond Market Association estimates

Sources: Federal Reserve System, U.S. Treasury, GNMA, FNMA, FHLMC

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Treasury Supply Falls in 2000

The supply of marketable Treasury securities continued to diminish in 2000 as the Treasury Department reduced its borrowing and paid down outstanding debt through retirements and buybacks. The budget surplus for Fiscal Year 2000, which ended on September 30, totaled \$237 billion, reducing the need for the Treasury Department to borrow. Total marketable debt outstanding fell to \$2.97 trillion on December 31, 2000, \$314 billion lower than on December 31, 1999. It is the lowest level since 1992 when total debt outstanding was \$2.75 trillion. The shrinking trend will continue. The Congressional Budget Office has projected that, assuming no major changes in fiscal policy, the cumulative federal budget surplus will total over \$5.6 trillion over the next 10 years.

Coupon Issuance, Bill Supply Down in 2000

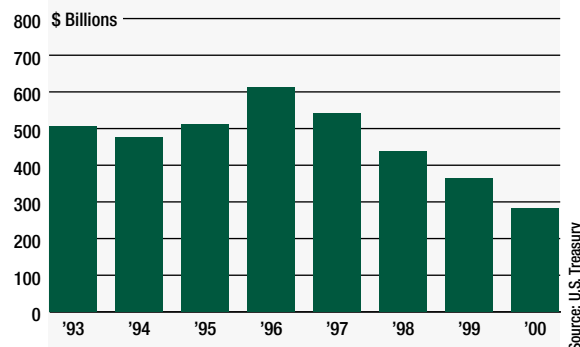
The federal budget surplus led to a large reduction in the issuance of Treasury notes and bonds for the year 2000. Gross issuance of coupon securities declined to \$282.8 billion during 2000, down 22.4 percent from the \$364.6 billion total for 1999. The 2000 coupon issuance level is the lowest since 1984. Gross coupon issuance picked up in the fourth quarter of 2000 to \$76.0 billion compared to a low of \$57.4 billion in the second quarter of 2000. Gross retirements of coupon securities totaled \$448.5 billion during 2000, bringing the net amount retired by the Treasury Department to \$165.7 billion, not including buybacks. During 1999, on a net basis, the Treasury Department retired \$123.0 billion of coupon securities. Gross retirements peaked in the fourth quarter of 2000 at \$124.0 billion, a 34.6 percent increase over the third quarter. The Treasury also continued its debt buyback program, buying back \$8.75 billion during the fourth quarter, bringing the total for 2000 to \$30.0 billion. The supply of Treasury bills also decreased. As of December 31, 2000, the amount of Treasury bills outstanding was \$646.9 billion, \$90.2 billion lower than December 31, 1999.

Daily Trading Volume Soared in 2000

Average daily trading volume by primary dealers was \$206.5 billion during 2000, up 10.7 percent from \$186.5 billion in 1999. Despite the shrinking ranks of primary dealers, average daily volume of trading between dealers and their customers skyrocketed in 2000 to \$108.0 billion, 26.6 percent higher than the daily average of \$85.3 billion in 1999. In contrast, average daily trading volume between primary dealers and inter-dealer brokers was \$98.6 billion for 2000, down 2.7 percent from \$101.3 billion in 1999.

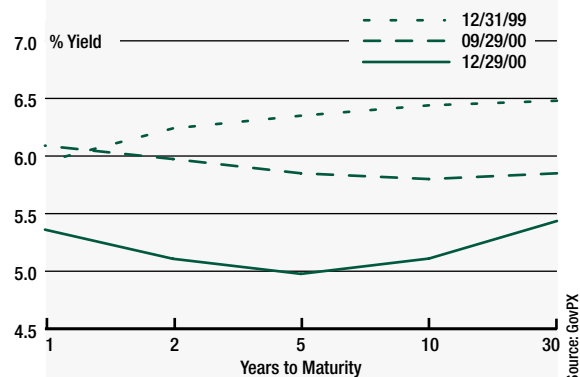
Average daily trading volume soared in the fourth quarter of 2000, rising to a near record of \$232.9 billion, 27.4 percent higher than in the third quarter 2000 and 33.8 percent higher than in the fourth quarter of 1999. Much of the fourth quarter surge can be attributed to heavy trading volume in coupons of five years or less. Turmoil in the high-yield market and the political uncertainty of the presidential election caused investors to seek shelter in Treasuries, contributing to the rise in trading volume in the fourth quarter. Additionally, slowing economic activity and the belief that the Federal Reserve would lower interest rates spurred trading activity.

Issuance of U.S. Treasury Securities⁽¹⁾ 1993-2000

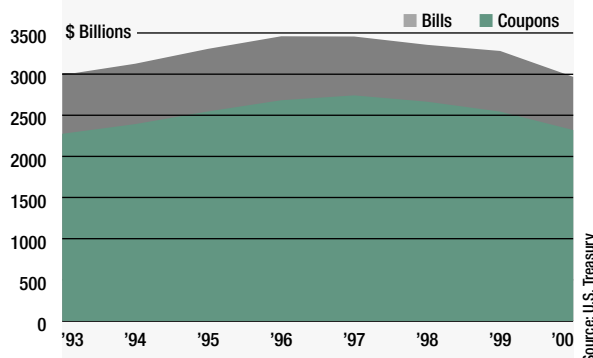


⁽¹⁾ Includes only marketable coupon securities

U.S. Treasuries – Yield Curves

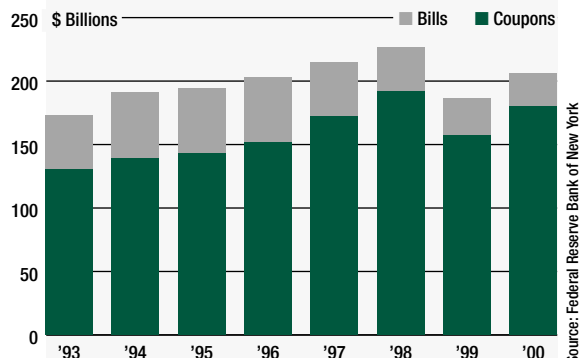


U.S. Treasury Securities Outstanding⁽¹⁾ 1993-2000



⁽¹⁾ Includes marketable public debt

Average Daily Trading Volume of U.S. Treasury Marketable Securities⁽¹⁾ 1993-2000



⁽¹⁾ Primary dealer activity

Agency Issuance Down

Long-term debt issuance by federal agencies totaled \$407.9 billion in 2000, down 23.9 percent from \$536.2 billion in 1999. Long-term issuance by the housing-related agencies decreased for the second consecutive year. Long-term agency issuance slowed in the fourth quarter, totaling \$101.9 billion, compared to third quarter issuance of \$111.6 billion.

Short-term federal agency debt outstanding increased to \$583.5 billion, up 4.6 percent from \$557.8 billion in 1999. The increase in short-term debt outstanding is largely attributable to increases by Fannie Mae and the Federal Home Loan Bank System (FHLB), which together account for 66 percent of outstanding short-term agency debt.

Average daily trading volume of agency securities by primary dealers increased one-third to \$72.8 billion in 2000, up from a daily average of \$54.6 billion in 1999.

Long-Term Federal Agency Debt Issuance

\$ Billions	1998	1999	2000	% Change 2000 vs 1999
FHLB¹	277.3	239.9	190.8	-20.5%
Freddie Mac	125.8	121.0	75.0*	-38.0%
Fannie Mae	147.4	139.0	110.2	-20.7%
Sallie Mae	6.2	11.8	16.5	39.8%
FCS²	26.9	23.0	13.1	-43.0%
TVA³	6.6	1.5	2.3	53.3%
Totals	590.2	536.2	407.9	-23.9%

Short-Term Federal Agency Debt Outstanding

\$ Billions	1998	1999	2000	% Change 2000 vs 1999
FHLB¹	116.3	142.5	161.2	13.1%
Freddie Mac	175.6	159.0	134.4	-15.5%
Fannie Mae	176.4	187.1	223.3	19.3%
Sallie Mae	26.6	37.5	30.5	-18.7%
FCS²	32.7	27.8	31.6	13.7%
TVA³	2.1	3.9	2.5	-35.9%
Totals	529.7	557.8	583.5	4.6%

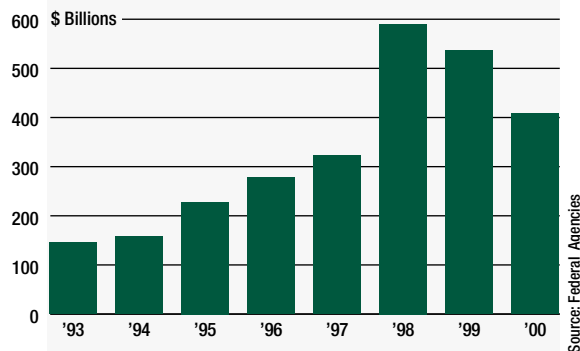
*The Bond Market Association estimate

¹ Federal Home Loan Bank System

² Farm Credit System

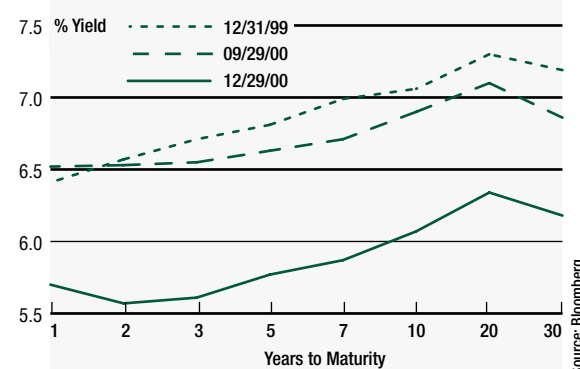
³ Tennessee Valley Authority

Long-Term Federal Agency Debt Issuance⁽¹⁾ 1993–2000

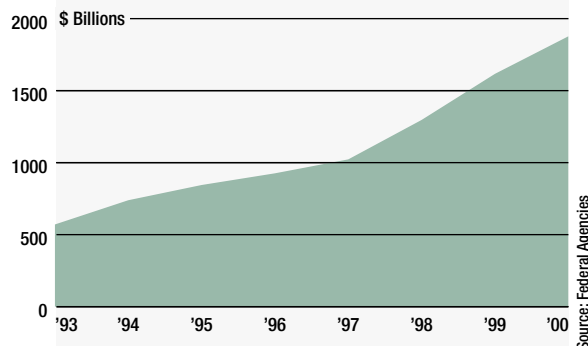


⁽¹⁾ Excludes maturities of 1 year or less.

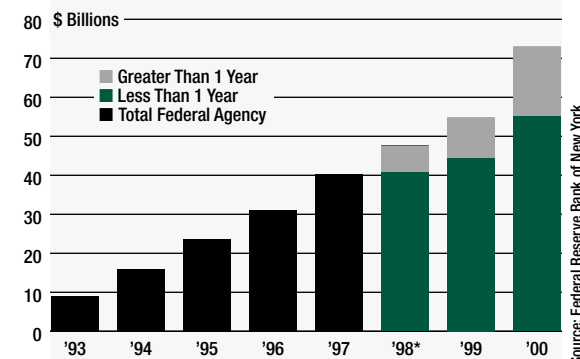
U.S. Government Agency – Yield Curves



Total Federal Agency Debt Outstanding 1993–2000



Average Daily Trading Volume of Federal Agency Securities⁽¹⁾ 1993-2000



⁽¹⁾ Primary dealer activity

*First year in which specified maturity levels were reported

Muni Issuance Slows

New issues of municipal securities totaled \$240.4 billion in 2000, 8.9 percent lower than the \$264.0 billion issued in 1999. Issuance was slow during the first quarter, down nearly 30 percent compared to 1999, as rising interest rates restrained issuance. During the second quarter new issuance began to pick-up pace, totaling \$115.0 billion through June 2000, although still 15 percent lower than the first half of 1999. The trend continued in the third quarter: New issuance through the third quarter was down only 13.5 percent compared to the same period in 1999. Long-term new issue volume for the year 2000 totaled \$200.2 billion, 11.9 percent lower than the \$227.3 billion issued in 1999. However, short-term issuance was up in 2000 totaling \$40.2 billion, 9.6 percent higher than in 1999.

Total issuance for the fourth quarter was \$63.9 billion, up 3.7 percent from the third quarter. Fourth quarter long-term issuance increased 14.8 percent over the third quarter to \$55.6 billion.

Refunding Issuance Plummet

Refunding issuance totaled \$34.9 billion in 2000, half of the \$70.1 billion issued in 1999. The large drop in refunding volume can largely be attributed to rising interest rates during the first half of 2000. However, issuance accelerated in the fourth quarter of 2000 totaling \$9.1 billion, up 27.9 percent from the third quarter, reflecting more favorable interest rates. Yields on Aa-rated 20-year municipals averaged 5.91 percent during the first quarter of 2000 and fell throughout the year to a low of 5.4 percent for the fourth quarter. Refunding volume was generally down across all sectors except in the airports and solid waste sectors. Airport refunding issuance increased to \$3.2 billion, up nearly three-fourths from 1999. One of the most dramatic declines in refunding volume occurred in the education sector, with refunding issuance of only \$4.4 billion in 2000, down 68.9 percent from \$14.1 billion in 1999.

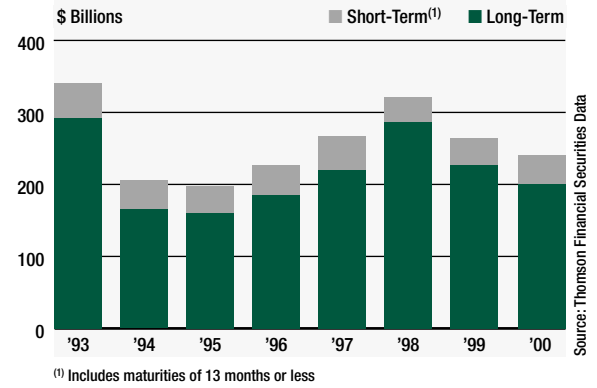
New Capital Volume Up Slightly

An increase in new-money volume helped mitigate the refunding crunch in 2000. New capital issuance totaled \$165.4 billion, up 5.2 percent from the \$157.3 billion issued in 1999. After seeing a low of \$33 billion issued in the first quarter, issuance stepped up during the last three quarters of 2000. The education and general government sectors accounted for half of the volume in 2000, with a combined new money issuance of \$84.7 billion for these sectors, 7.1 percent higher than 1999.

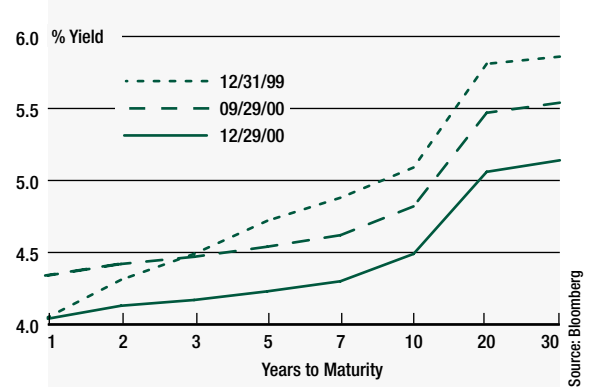
Average Daily Trading Volume Higher in 2000

Secondary trading volume in the municipal market increased 3.5 percent to \$8.77 billion in 2000. Average daily trading volume for the fourth quarter of 2000 was \$8.2 billion, down from the third quarter average of \$8.6 billion. The fourth quarter 2000 saw the lowest average daily trading volume of the year after peaking during the second quarter at \$10.1 billion. The data include trading of municipal securities between dealers and also between dealers and their customers as reported to the Municipal Securities Rulemaking Board.

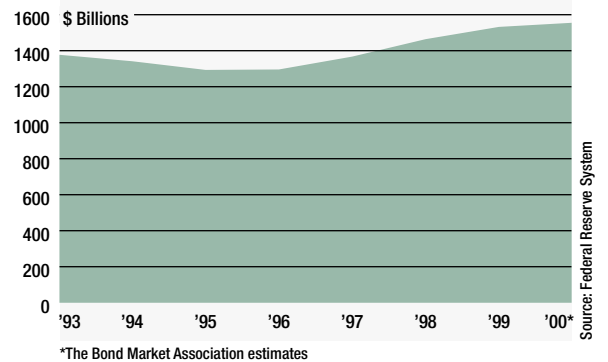
Short- and Long-Term Municipal Issuance 1993-2000



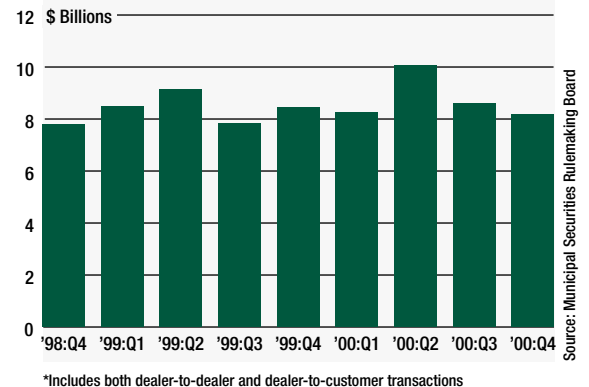
Municipal AAA G.O.'s - Yield Curves



Municipal Securities Outstanding 1993-2000*



Average Daily Trading Volume of Municipal Securities* 1998:Q4-2000:Q4



Corporate Issuance Slows on High-Yield Issuance Slump

New issue volume in the corporate sector totaled \$506.6 billion in 2000, a 3.2 percent drop from the \$523.4 billion issued in 1999. The decrease reflects a sharp slowdown in high-yield issuance, which fell 52.9 percent to \$47.5 billion in 2000, down from 1999's level of \$101.0 billion. Concerns over credit quality, widening spreads, and sluggish demand for high-yield bonds hindered issuance in this sector. In contrast, investment-grade issuance increased 8.7 percent to \$459.1 billion. Corporate issuers have benefited from strong foreign demand for U.S. credit in recent years. In the fourth quarter, total corporate bond issuance totaled \$95.2 billion, down from \$133.7 billion in the third quarter. Corporate debt volume totals include all nonconvertible investment-grade debt, high-yield debt, and medium-term notes with a maturity of greater than one year, but exclude certificates of deposit and federal agency debt.

Investment-Grade Issuance Accelerates

Issuance in the investment-grade sector increased to \$459.1 billion in 2000, up from \$422.4 billion in 1999. Issuance was up more than four-fold in the telecommunications sector, totaling \$26.5 billion in 2000. Investment and commercial banks also increased issuance to \$61.7 billion and \$88.1 billion, respectively. Companies in the telephone communications industry more than doubled their new issue volume to \$26.2 billion. However, issuers in the manufacturing industry cut issuance 24 percent to \$56.5 billion. Concerns over deteriorating corporate credit quality and widening spreads inhibited issuance by industrial companies in the year 2000. On a quarter-to-quarter basis, investment-grade issues totaled \$90.7 billion in the fourth quarter of 2000, down from \$119.1 billion in the third quarter.

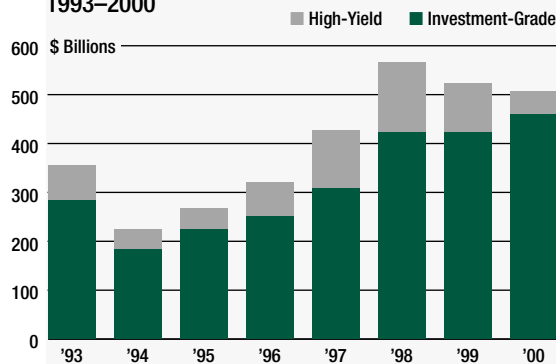
High-Yield Volume Drops Over 50 Percent

Issuance in the high-yield sector dropped 52.9 percent in 2000 to \$47.5 billion—its lowest level since 1995. High-yield issuance has declined for the past two years as credit quality concerns pervaded the market. Issuance was particularly low in the fourth quarter at \$4.5 billion, down from \$14.6 billion in the third quarter. Issuance declines in 2000 were sharpest in the manufacturing sector, where new issues fell 80.5 percent to \$5.5 billion. Strong decreases also occurred in the telecommunications sector, with new issues falling to \$9.9 billion from \$15.9 billion and in the telephone sector, where issuance fell to \$8.6 billion from \$16.8 billion.

Medium-Term Note Issues Up Sharply

New issues of medium-term notes accelerated in 2000, as issuance increased 30.4 percent to \$155.0 billion, up from \$118.9 billion in 1999. Most of the increase is attributable to the investment banking sector, where issuance more than doubled to \$50.9 billion. MTN issuance was up across most sectors. However, several sectors slowed issuance from 1999 levels. The strongest decreases occurred in the manufacturing and transportation sectors.

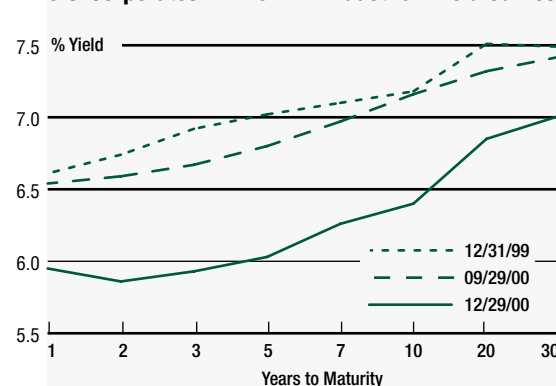
**Corporate Bond Issuance⁽¹⁾
1993–2000**



Source: Thomson Financial Securities Data

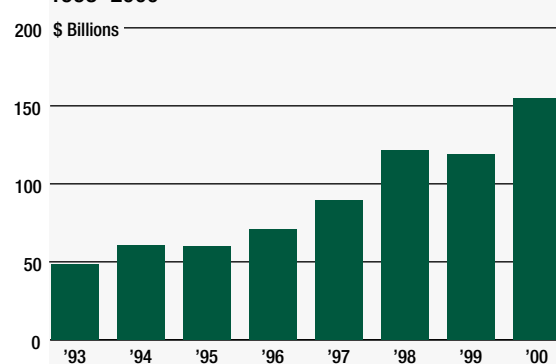
⁽¹⁾ Includes all nonconvertible debt, MTNs and Yankee bonds, but excludes all issues with maturities of one year or less, CDs and federal agency debt

U.S. Corporates: AA1 & AA2 Industrial–Yield Curves



Source: Bloomberg

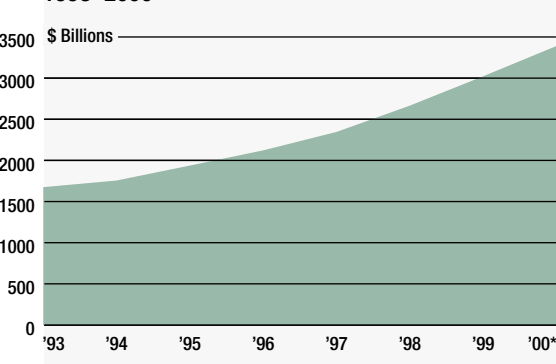
**MTN Issuance Volume⁽¹⁾
1993–2000**



Source: Thomson Financial Securities Data

⁽¹⁾ Excludes all issues with maturities of one year or less and federal agency debt

**Corporate Debt Outstanding
1993–2000***



Sources: The Bond Market Association, Federal Reserve System

*The Bond Market Association estimates

ABS Issuance Sets Record

Issuance in the public asset-backed securities (ABS) market set a record for the year 2000, totaling \$230.3 billion, a 15.9% increase over the \$198.7 billion issued in 1999. On a quarter-to-quarter basis, public issuance declined 4.4% to \$57.4 billion in the fourth quarter, from \$60.0 billion in the third quarter. Despite escalating interest rates during the first half of the year, issuance in the ABS market kept pace with issuance in the first three quarters of 1999. Fourth quarter issuance in 2000 was nearly double that of fourth quarter 1999, which was particularly light due to Y2K concerns. Increases were strongest in the auto loan, credit card, and student loan sectors, while issuance in the auto lease, manufactured housing, stranded cost, and equipment lease sectors declined in 2000.

Auto Loan and Auto Lease Sectors Head Opposite Ways

Auto loan issuance jumped more than 50% to \$59.5 billion in 2000, up from the \$39.3 billion issued in 1999. Despite lower sales in October as well as during the holiday season, higher auto prices pushed retail sales higher in the fourth quarter. Issuance in the auto lease sector fell 68.9%, to \$1.3 billion in the year 2000, as compared to \$4.2 billion in 1999. Auto-makers, banks and other big vehicle lenders are cutting back on the lease money that helped drive the U.S. auto market in previous years.

Home-Equity and Manufactured Housing

Issuance in the home equity sector was flat, with \$69.8 billion issued in 2000, a slight gain of 0.6% over the same period in 1999. As for the fourth quarter, issuance decreased 13.7% to \$16.1 billion, from \$18.7 billion in the third quarter. Manufactured housing issuance decreased to \$9.3 billion in 2000, a 22.2% decline from the \$12.0 billion in 1999. Issuance in this sector slowed as deteriorating credit quality led to 90 downgrades over the course of the year.

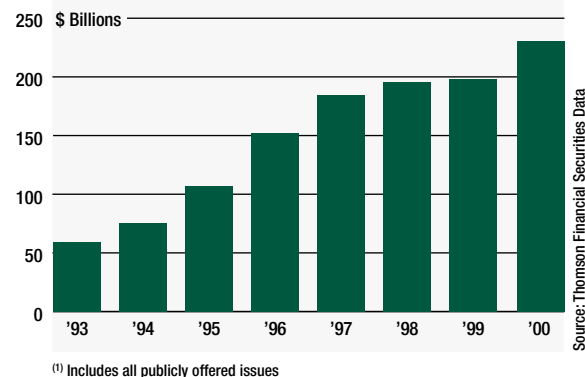
Credit Card and Student Loan Sectors Report Surge

Issuance in the credit card sector recorded a strong increase totaling \$51.4 billion in 2000, a 35.4% increase over the \$38 billion issued in 1999. In the fourth quarter issuance increased 16.9%, to \$15.8 billion, from \$13.5 billion in the third quarter. A strong job market and low unemployment were some of the factors that helped raise the expectations for a deeper, more liquid credit card ABS market. Student loan issuance increased 66.8%, to \$16.2 billion, from last year's level of \$9.7 billion.

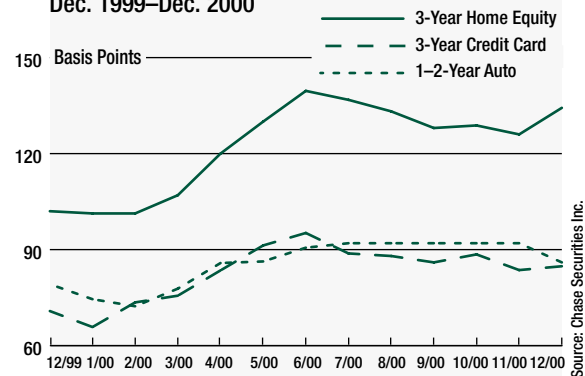
Stranded Cost and Equipment Lease Issuance Decline

Issuance in the stranded cost sector decreased 87.1%, to \$998.1 million in 2000, as compared to the \$7.7 billion issued in 1999. Since stranded cost issuance is contingent on the deregulation of the electricity industry on a state-by-state basis, few states made progress on electric utility deregulation efforts in 2000, thus restraining stranded cost issuance. The equipment lease sector issuance declined to \$8.2 billion, or 8.71% in 2000, as compared to \$9.0 billion in 1999. After several years of double-digit growth, the equipment lease sector has slowed as credit concerns, economic slowdown, and high-profile leasing company bankruptcies have raised investor and lender concerns.

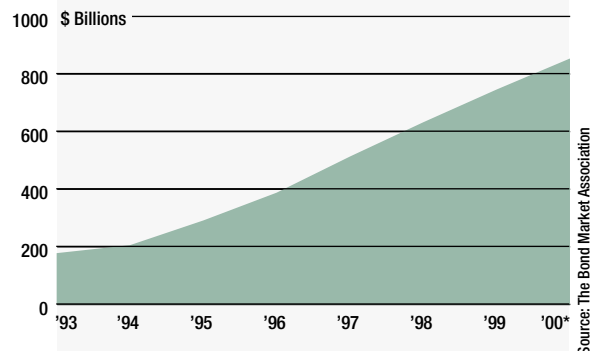
Issuance of Asset-Backed Securities⁽¹⁾
1993–2000



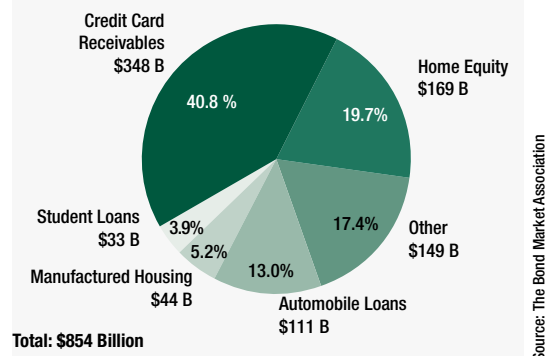
Asset-Backed Spreads to U.S. Treasuries
Dec. 1999–Dec. 2000



Asset-Backed Securities Outstanding
1993–2000



ABS Outstanding by Major Types of Credit
As of December 31, 2000



MBS Issuance Down for the Year

Following record high issuance levels in 1998 and 1999, issuance of agency mortgage-backed securities (MBS) fell in 2000 to \$483.4 billion, down 29.6 percent from the \$686.5 billion issued in 1999. Issuance levels rebounded in the second half of the year after a weak first half, as mortgage originations accelerated once mortgage rates began to fall. Through June 2000, agency MBS issuance was down 54.3 percent compared to the same period in 1999. A slight turnaround began in the third quarter, with issuance totaling \$325.3 billion through the first three quarters, 43.2 percent lower than the same period last year. The pace accelerated in the fourth quarter causing MBS issuance to end 2000 down 29.6 percent from 1999. The average rate on the Mortgage Bankers Association 30-year fixed-rate mortgage index steadily increased until it peaked in May at 8.57 and began to fall, reaching a low of 7.24 in December, spurring a step-up in issuance during the fourth quarter. Fourth quarter issuance was \$154.6 billion, up 14.5 percent over the third quarter.

Agency MBS Issuance Steadily Increases Throughout Year

Issuance volume increased during the year as mortgage rates fell. However, the acceleration in issuance was not enough to push 2000 above 1999 issuance levels. Total MBS new issues for 2000 totaled \$483.4 billion, down from \$686.5 billion issued in 1999. Fannie Mae accounted for 43.8 percent of the total issuance in 2000, with volume reaching \$211.7 billion, down nearly 30 percent from \$300.7 billion issued in 1999. Freddie Mac reduced MBS issuance to \$166.9 billion, accounting for 34.5 percent of total volume in 2000, down from \$233 billion issued in 1999. Ginnie Mae also reduced MBS issuance to \$104.8 billion, down from \$152.8 billion in 1999.

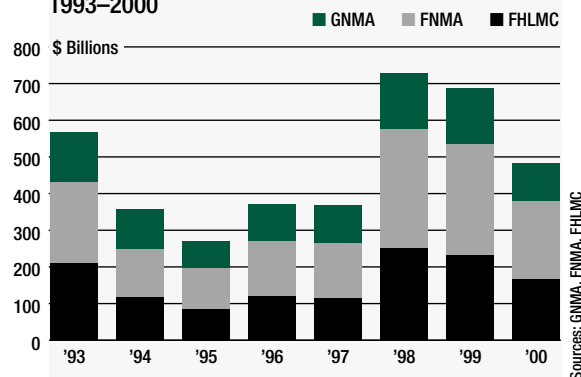
CMO Volume Plunges

Issuance of agency collateralized mortgage obligations (CMO) dropped to \$100.4 billion in 2000, down nearly half from the previous year's total of \$199.7 billion. The reduction in issuance was across all agencies. Freddie Mac reduced CMO issuance to \$48.2 billion, down 59.7 percent from \$119.6 billion in 1999. Fannie Mae CMO issuance was down one-third, to \$ 33.6 billion for the year, compared to \$50.6 billion in 1999. Ginnie Mae also reduced CMO issuance by over one-third in 2000, to \$18.6 billion from last year's high of \$29.6 billion.

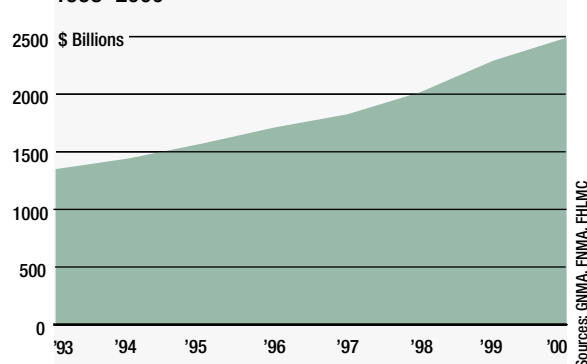
Trading Volume Up in 2000

Average daily trading volume in mortgage-related securities, which includes the trading of mortgage-related securities among primary dealers, brokers, and their customers, rose to \$69.5 billion, up 3.5 percent from \$67.1 billion in 1999. Fourth quarter's brisk activity posted an average daily trading volume of \$79.4 billion, up 15.2 percent from third quarter's pace of \$69.0 billion. The data include trading of mortgage-related securities among primary dealers, brokers, and their customers as reported to the Federal Reserve Bank of New York.

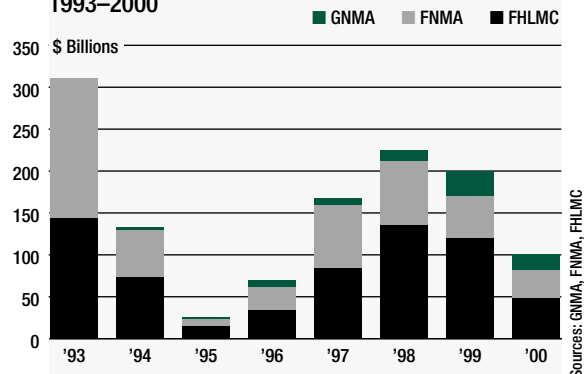
Issuance of Agency Mortgage-Backed Securities 1993-2000



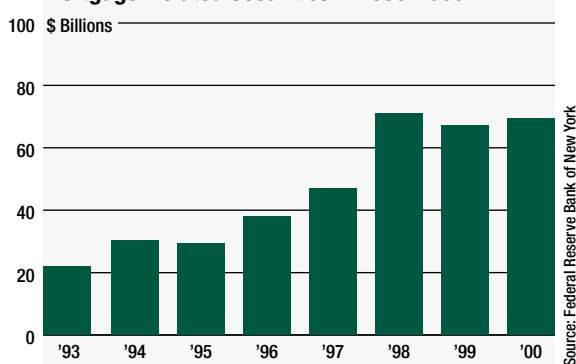
Agency Mortgage-Backed Securities Outstanding 1993-2000



Issuance of Agency CMOs 1993-2000



Average Daily Trading Volume of Agency Mortgage-Related Securities⁽¹⁾ 1993-2000



(1) Primary dealer activity

Level of Outstanding Repo Agreements Totals \$2.53 Trillion

The average daily volume of total outstanding repurchase (repo) agreement contracts increased 4.2%, to \$2.53 trillion in 2000, as compared to the average daily volume of \$2.43 trillion seen in 1999. Outstanding repurchase agreements averaged \$1.44 trillion for the year, an increase of 5.8% over the \$1.36 trillion from the previous year. Outstanding reverse repo increased 2.2% in 2000, to \$1.09 trillion, from the previous year's level of \$1.07 trillion. In particular, there were significant increases in activity in the second and fourth quarters. The average daily amount outstanding peaked at an estimated \$2.74 trillion in December. Total outstanding repo levels increased 5.2%, to \$2.67 trillion in the fourth quarter, as compared to \$2.54 trillion in the third quarter. The data represent financing activities of the primary dealers reporting to the Federal Reserve Bank of New York and include repo and reverse repo agreements involving U.S. government, federal agency and mortgage-related agency securities.

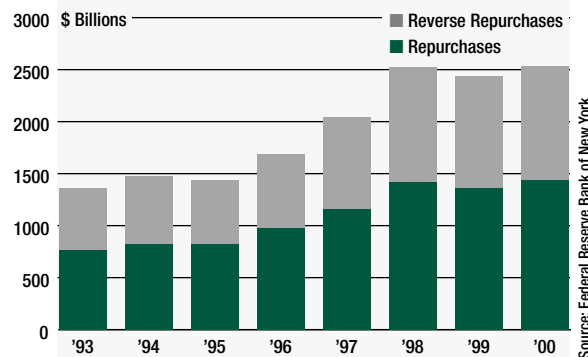
The Government Securities Clearing Corporation (GSCC), a registered clearing corporation that facilitates orderly settlement in the U.S. government securities market, tracks repo trades settled through its system by product type. In excess of \$168.8 trillion in repo trades were submitted by GSCC participants during 2000, with an average daily volume of approximately \$672.6 billion. Repo transactions involving Treasury notes accounted for the largest share of GSCC repo activity, representing \$112.6 trillion, or 67 percent of the total volume of transactions for 2000. Repos involving Treasury bonds accounted for an estimated \$19.4 trillion, or 11.4 percent of the total, and Treasury bills accounted for \$12.2 trillion, or 7.2 percent of the activity for 2000. Transactions involving federal agency securities continued to increase, accounting for 8.6 percent of activity in 2000, up from 2.8 percent in 1999.

Money Market Supply Totals \$2.66 Trillion

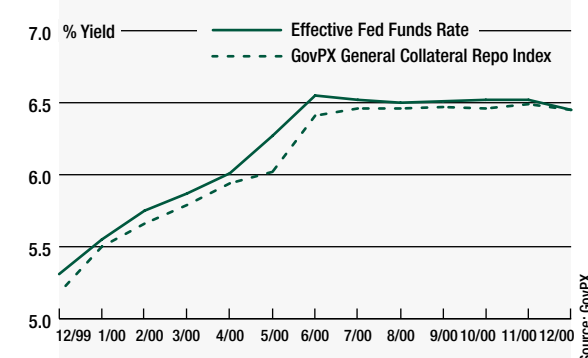
The outstanding volume of money market instruments, including commercial paper (CP), large time deposits and bankers' acceptances (BAs), totaled an estimated \$2.66 trillion outstanding at the end of 2000, a 13.6 percent increase over the \$2.34 trillion outstanding in 1999. CP outstanding increased to \$1.60 trillion at the end of December, up from \$1.56 trillion in September. Financial issuers increased their CP issuance 13.2 percent, to \$1.29 trillion as of year-end 2000, from \$1.14 trillion in 1999. Nonfinancial issuers increased their issuance to \$316 billion from \$257.0 billion in 1999. Despite credit quality concerns and several downgrades in some sectors, CP issuance increased because defaults in the CP market are still rare. The low default rate is a result of struggling issuers being unable to roll outstanding paper and consequently being forced from the market before they default.

The outstanding level of large time deposits rose approximately 11.6 percent, to an estimated \$1.04 trillion at the end of 2000, compared to the \$936.1 billion outstanding at year-end 1999. Large time deposits exhibited the same double-digit increase for the past six years. Bankers' acceptances totaled an estimated \$8.7 billion during the same period, up slightly from \$8.6 billion in 1999 after several years of continuous decline.

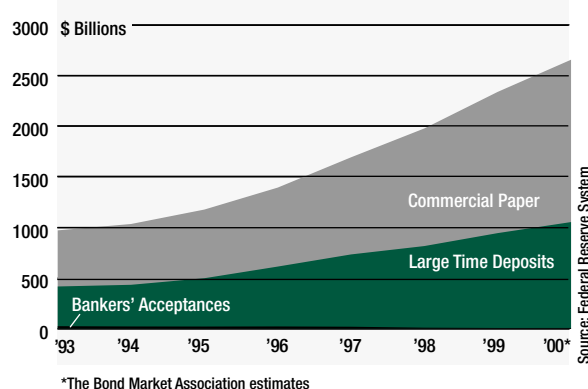
Financing by U.S. Government Securities Dealers
Average Daily Amount Outstanding 1993–2000



General Collateral Repo Index vs. Effective Fed Funds Rate
Dec. 1999–Dec. 2000



Outstanding Money Market Instruments
1993–2000



Domestic Money Markets Average Monthly Interest Rates
Dec. 1999–Dec. 2000

