EUROPEAN CENTRAL BANK
EUROSYSTEM

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Asset purchases, financial regulation and repo market activity

Brussels,

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Turnover in various money market segments
(index: total segment volume in 2003 = 100)

Legend: Secured — FX Swaps — OIS — Unsecured
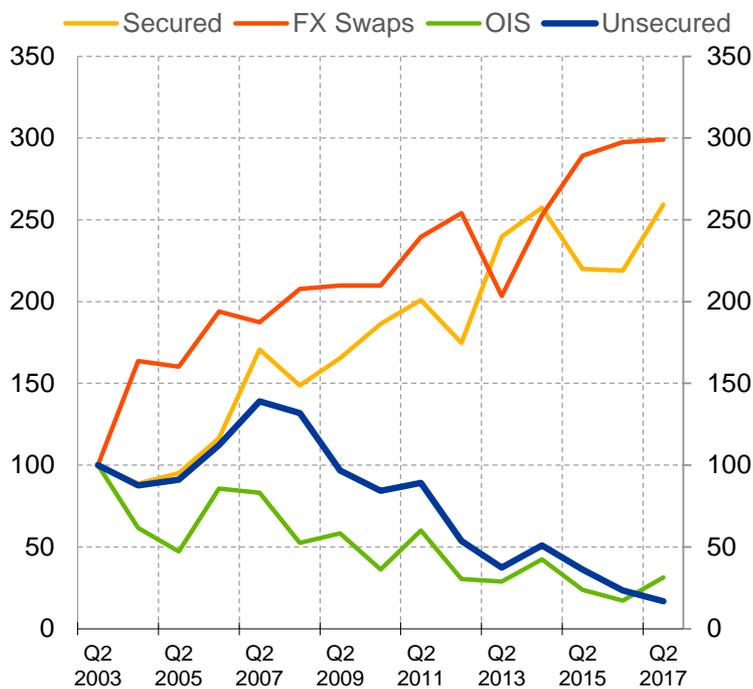
Source: ECB.
Notes: The indexes are derived using the common sample of 38 banks reporting to both the Euro Money Market Survey until Q2 2015 and to the MMSR from Q3 2016 onwards.

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Type of repo market transaction has changed as asset purchases proceeded

Excess liquidity and GC repo trading

Eur Bn (left axis), *Eur Bn* (right axis)

Legend:
- Excess Liquidity
- Trading Volume for GC Pooling (rhs)

X-axis: Jan-12, Jan-13, Jan-14, Jan-15, Jan-16, Jan-17
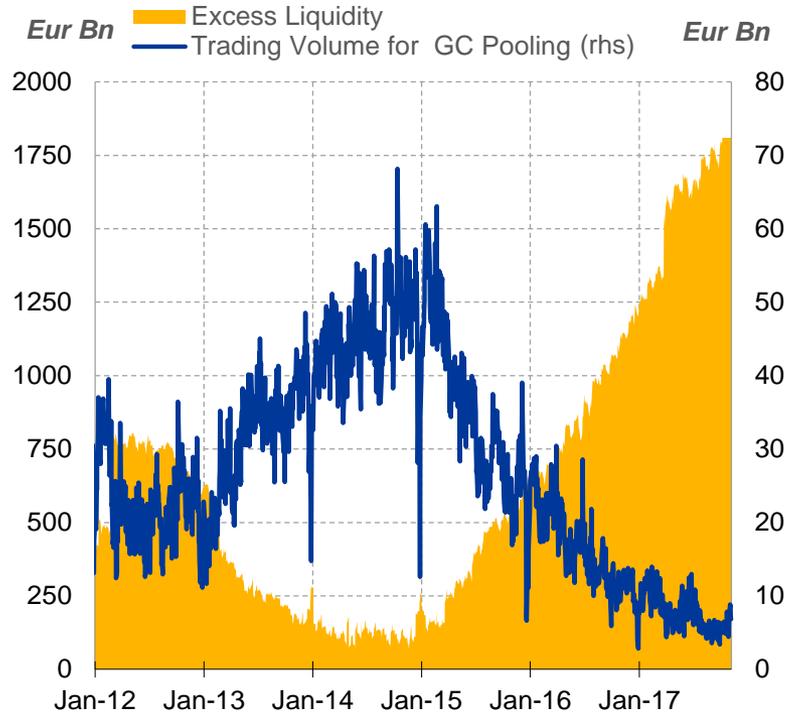
Source: ECB, BrokerTec, MTS.

Evolution of specific repos

Eur Bn

Legend:
- Specific Repo

X-axis: Jan-12, Jan-13, Jan-14, Jan-15, Jan-16, Jan-17
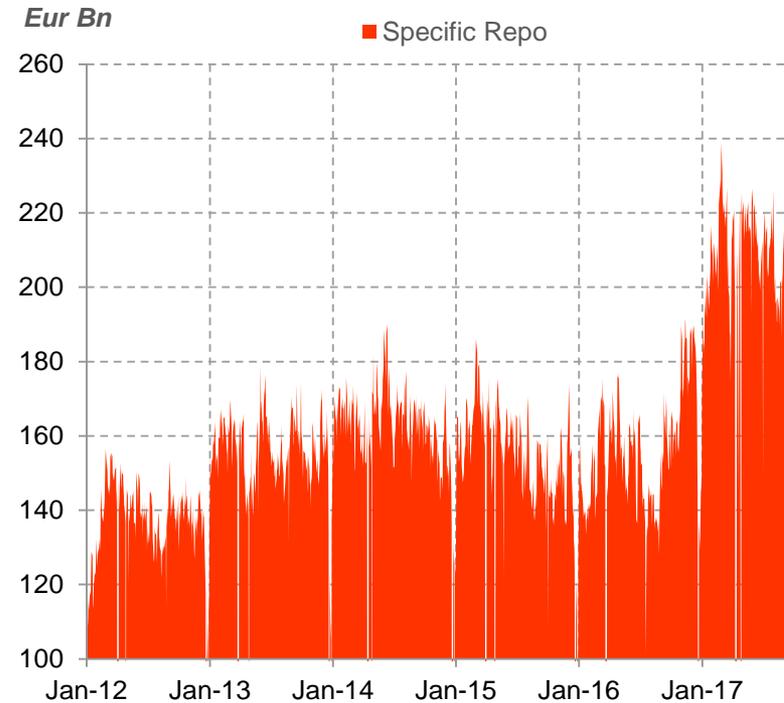
*Source: BrokerTec, MTS.*

Share of German collateral trading special
(percentage points)
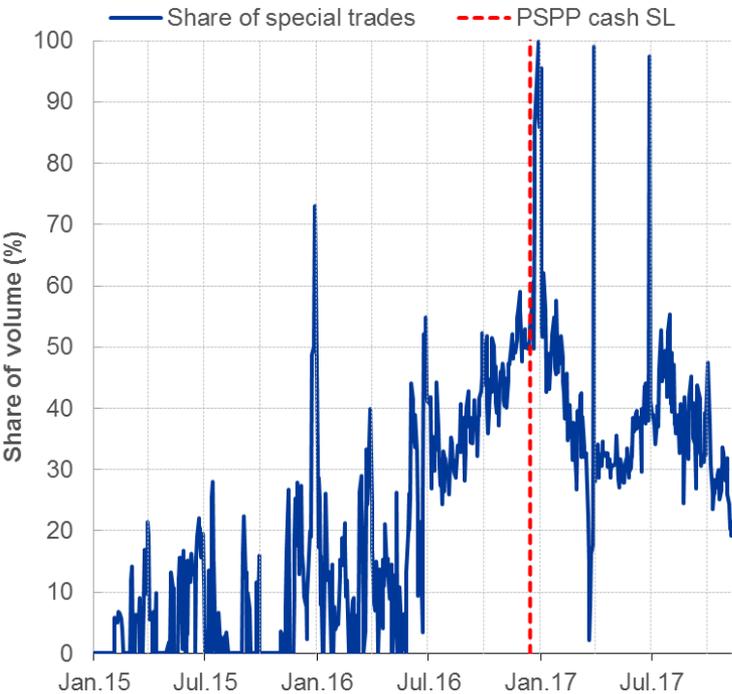
Source: ECB staff calculations, BrokerTec, MTS.
Notes: Volume trading 25bps below GC rate as a share of total volume on any given day. As of 15 December 2016, the Eurosystem introduced the possibility to also accept cash as collateral in its PSPP securities lending facilities.

Correlation between repo rates and excess liquidity broke down in 2017

Pre-PSPP Cash SecLen phase
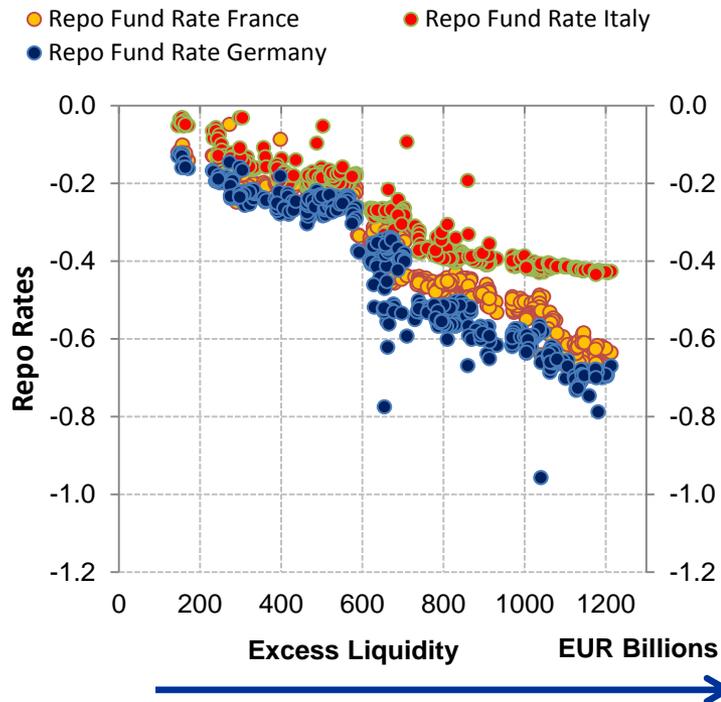
Source: Bloomberg and ECB .
Notes: The evolution of excess liquidity covers the period starting from the introduction of the APP in March 2015 until December 2016.

Post-PSPP Cash SecLen phase
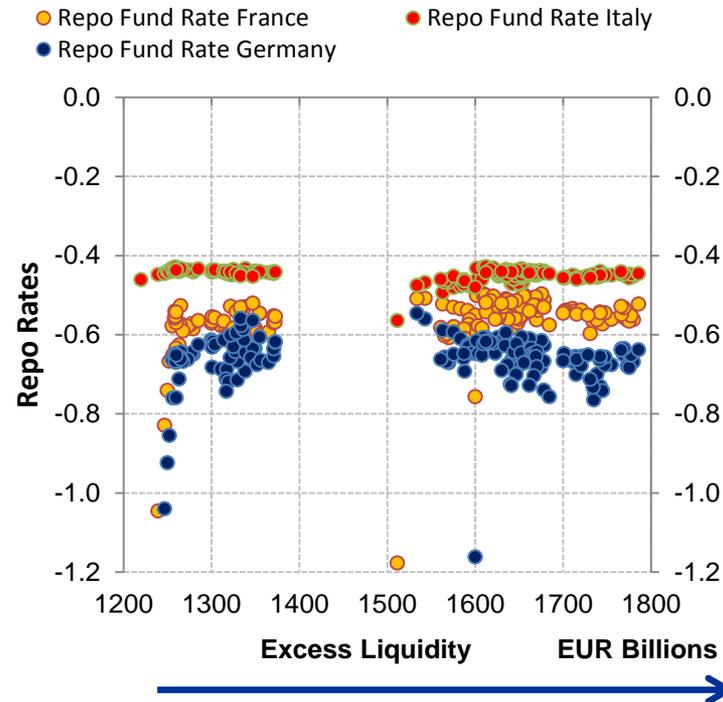
Source: Bloomberg and ECB.
Notes: The evolution of excess liquidity covers the period starting in January 2017 until September 2017. The gap in excess liquidity evolution corresponds to the settlement of the TLTRO II.4 on 29 March 2017.

**Specialness premia by bond maturity bucket
for German bonds**

(percentage points)
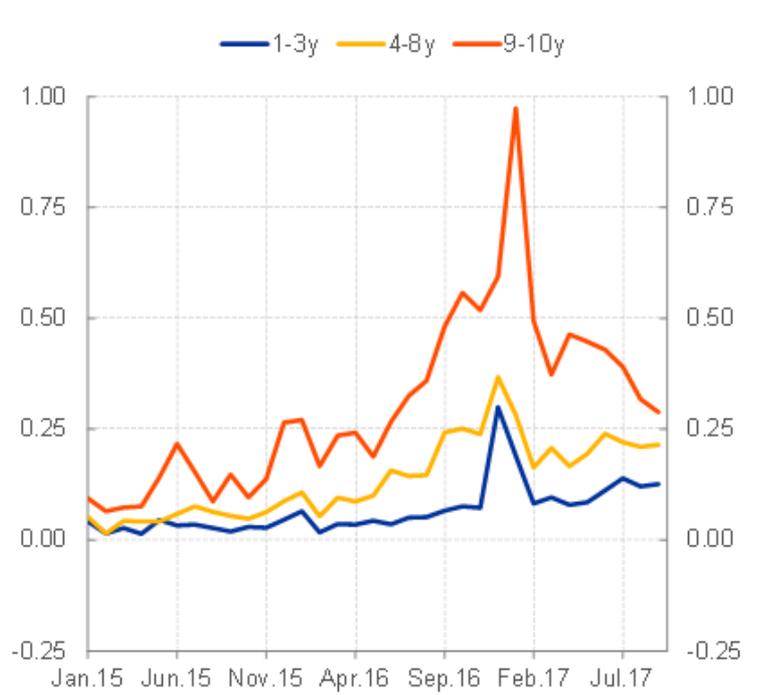
Source: ECB, BrokerTec, MTS.
Notes: Specialness premia are computed as difference between GC rates and
special rates. They correspond to monthly volume-weighted averages within each
maturity bucket. The maturity buckets refer to the remaining maturity. Last
observation: October 2017.

Distribution of trading volumes over short-term German repo rates: centrally cleared vs. bilateral trades in June 2017
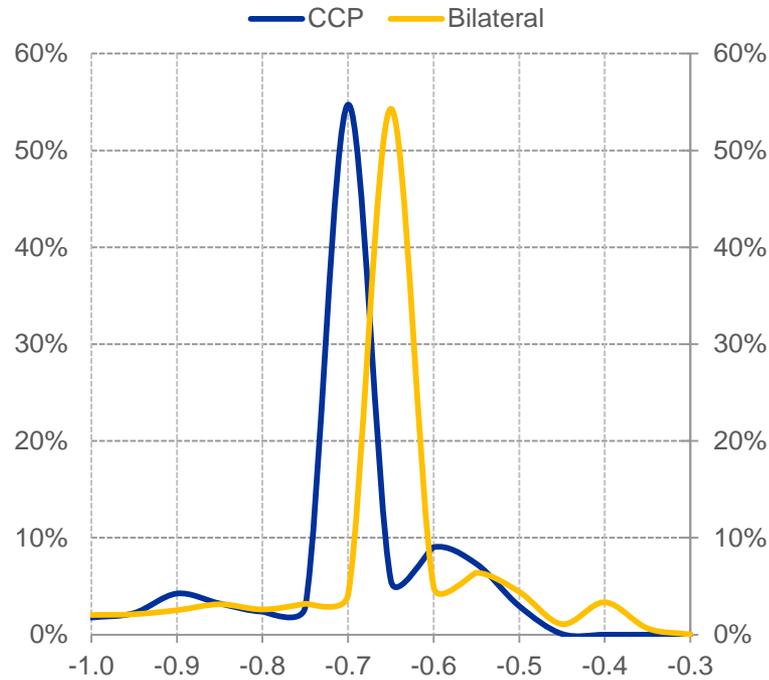
Source: ECB.
Notes: Centrally cleared and bilateral trades are identified on the basis of the counterparty reported by MMSR reporting agents.