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May You Live in Interesting Times - Exhibits 1-14

William Dudley

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“May You Live in Interesting Times”
Exhibits 1-14

William C. Dudley
Executive Vice President
Federal Reserve Bank of New York

Presented at the Federal Reserve Bank of Philadelphia
Philadelphia, Pennsylvania
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(1) Subprime 60+ Delinquency Rate by Vintage

Source: Merrill Lynch, Intex

(2) ABX BBB- Prices by Vintage

January 1, 2007 – October 12, 2007

Source: JP Morgan
(3) ABX Prices for ABX 07-01 by Rating
January 1, 2007 – October 12, 2007

Source: JP Morgan

(4) Spread between Jumbo and Conforming Mortgage Rates Remains Wide
January 1, 2007 – October 12, 2007

Source: Bloomberg
(5) ABCP Spreads Narrow but Remain Elevated
January 1, 2007 – October 12, 2007

Source: Federal Reserve Board

(6) Outstanding ABCP Volume and Average Rate Stabilize
January 1, 2007 – October 10, 2007

Source: Federal Reserve Board
(7) While Prime Funds Declined, Treasury Only Funds Increased Sharply
January 1, 2007 – October 9, 2007
Source: iMoneyNet

(8) Treasury Bill Yields Decline as Investor Demand for Safer Assets Increases
January 1, 2007 – October 12, 2007
Source: Bloomberg
(9) Asset-Backed Commercial Paper by Type
September 2007

- Single-Seller, 56, 6%
- SIV, 48, 5%
- Multi-Seller, 483, 52%
- CDO, 32, 3%
- Hybrid, 72, 8%
- Securities Arbitrage, 133, 15%
- Extendible, 13, 1%
- Other, 92, 10%

Source: Federal Reserve Board

(10) Asset-Backed Commercial Paper By Underlying Collateral
As of March 2007

- Mortgage
- Financial
- Other
- Credit Cards
- Trade Receivables
- Auto
- ABS Other
- Equipment
- Student Loans

Source: Moody’s
(11) CLO and CDO Issuance Declines
January 2006 – September 2007

Source: Merrill Lynch

(12) High Yield Issuance Declines
January 2006 – September 2007

Source: Bloomberg
(13) Spreads between U.S. Term Funding Rates and OIS Rates Narrow But Remain Elevated
August 1, 2007 – October 12, 2007
Source: Bloomberg

(14) Euro Term Funding Pressures Still Evident
August 1, 2007 – October 12, 2007
Source: Bloomberg