

Macro Roundup Article

Headline: **Slow Money**

Article Link: <https://fedguy.com/slow-money/>

Author(s)	Joseph Wang
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Tweet: .@FedGuy12 projects, “Real money managers will continue to increase the level of their Treasury holdings from asset inflows, but at a pace far slower than Treasury issuance.”

Summary: Each month life insurers receive insurance premium payments and pension funds receive employee contributions that they invest. These inflows are then filtered through investment policies and then allocated into a range of assets, including Treasuries. Over the past few years, this has translated into Treasury purchases at an annual rate of around \$100b. This does not come close to meeting the trillions in coupons that will be issued each year for the foreseeable future. Real money managers will not be the marginal buyer of Treasuries that the market is looking for.

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Primary Topic: Fiscal Deficits

Topics: Financial Markets, Fiscal Deficits, Fiscal Policy, GDP, Op-Ed/Blog Post, Weekly

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