

Macro Roundup Article

Headline: [Liquidity Deteriorating in Treasury Markets](#)

Article Link: <https://www.apolloacademy.com/liquidity-deteriorating-in-treasury-markets/>

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Tweet: [Torsten Sløk @apolloglobal](#) argues that rising average yield-to-maturity error relative to yield curve expectations suggests deteriorating liquidity in Treasury markets.

Summary: The index displays the average yield error [the difference between quoted yield-to-maturity and the expected value based on aggregate yield curves] across the universe of government notes and bonds with remaining maturity of one year or greater, based on the intra-day Bloomberg relative value curve fitter. When liquidity conditions are favorable, the average yield errors are small as any dislocations from fair values are normalized within a short time frame.

Related Articles: CBO Releases June 2024 Baseline Update and Resilience Redux in the US Treasury Market and How Has Treasury Market Liquidity Evolved in 2023?

Primary Topic: Financial Markets

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

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