



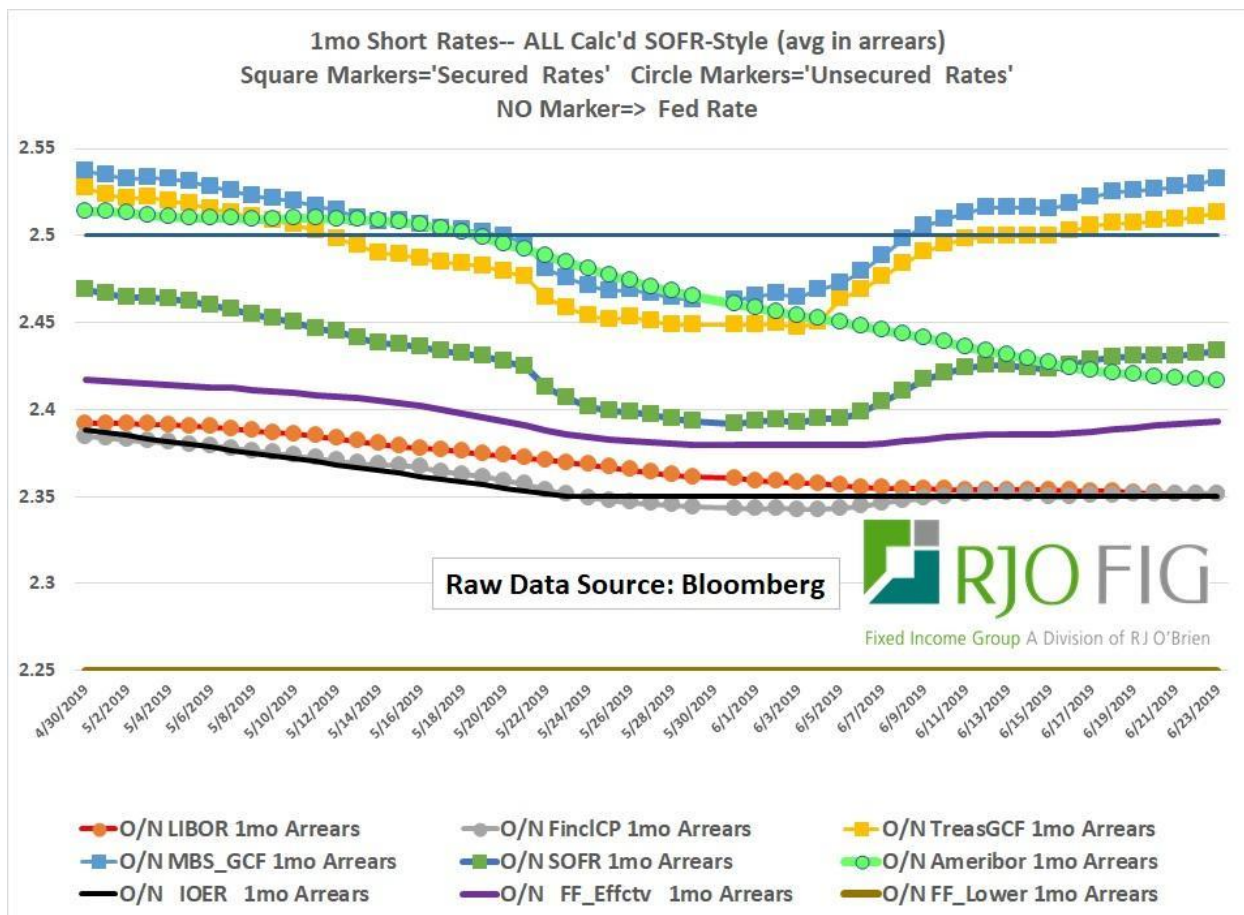
QUICK LOOK AT NINE MAJOR U.S. SHORT RATES – USING 1-MO IN-ARREARS AVERAGING

July 2019

John Coleman

SVP MD Fixed Income Group at RJO

ATTN STIR TRADERS, TRANSITION TEAMS: Here's a look at nine major U.S. short rates, all re-cast into a uniform basis. Using 1-month-in-arrears averaging, the problems in the financing market become crystal clear. Secured rates like SOFR, Treas/MBS Repo (and even Fed Funds Effective rate) are being hauled higher since the start of June. On the other end of the spectrum, UNSECURED rates like LIBOR and Financial CP have converged to IOER. Ameribor is the only rate that looks logical from the 'in-arrears' perspective. As one buddy suggested, "Pitch a tent, set Stigum's Money Market ablaze, and get ready to hunt and forage." What a mess.



Call or email our desk for trade opportunities with these discrepancies: 800-367-3349 | fig@rjobrien.com

https://www.linkedin.com/posts/johntcoleman_sofr-traders-rate-activity-6561537240093253632-i2x-

The risk of loss in trading futures and/or options is substantial, and each investor and/or trader must consider whether this is a suitable investment. See our full disclaimer at www.rjobrien.com

DISCLAIMER:

This material has been prepared by a sales or trading employee or agent of R.J. O'Brien and is, or is in the nature of, a solicitation. This material is not a research report prepared by R.J. O'Brien's Research Department. By accepting this communication, you agree that you are an experienced user of the futures markets, capable of making independent trading decisions, and agree that you are not, and will not, rely solely on this communication in making trading decisions.

DISTRIBUTION IN SOME JURISDICTIONS MAY BE PROHIBITED OR RESTRICTED BY LAW. PERSONS IN POSSESSION OF THIS COMMUNICATION INDIRECTLY SHOULD INFORM THEMSELVES ABOUT AND OBSERVE ANY SUCH PROHIBITION OR RESTRICTIONS. TO THE EXTENT THAT YOU HAVE RECEIVED THIS COMMUNICATION INDIRECTLY AND SOLICITATIONS ARE PROHIBITED IN YOUR JURISDICTION WITHOUT REGISTRATION, THE MARKET COMMENTARY IN THIS COMMUNICATION SHOULD NOT BE CONSIDERED A SOLICITATION.

The risk of loss in trading futures and/or options is substantial and each investor and/or trader must consider whether this is a suitable investment. Past performance, whether actual or indicated by simulated historical tests of strategies, is not indicative of future results. Trading advice is based on information taken from trades and statistical services and other sources that R.J. O'Brien believes are reliable. We do not guarantee that such information is accurate or complete and it should not be relied upon as such. Trading advice reflects our good faith judgment at a specific time and is subject to change without notice. There is no guarantee that the advice we give will result in profitable trades.

The risk of loss in trading futures and/or options is substantial, and each investor and/or trader must consider whether this is a suitable investment. See our full disclaimer at www.rjobrien.com