

LIQUIDITY AND TRANSPARENCY IN BONDS



Get the Q2.2018 issue

Please find below the editorial synopsis for the Q3.2018 issue of **The DESK**, the magazine that provides buy-side traders and their counterparts with precise detail on the macro-drivers, events and plans that are shaping liquidity and price discovery in fixed income markets. If you are interested in any of the planned coverage please contact the editor, **Dan Barnes**.

In addition to our regular readership, we also distribute **The DESK** at key industry events throughout the year. Last year this included the Fixed Income Leaders Summits (Boston and Amsterdam); FIA's IDX (London); FIA Expo (Chicago); FIX EMEA Trading 2018 (London), City & Financial's Bond Liquidity Conference, and AFME's Market Liquidity, European Government Bond and European High Yield Conferences. **The DESK** is the official media partner at WBR's 2018 Fixed Income Leaders' Summits.



THE DESK IS THE OFFICIAL MEDIA PARTNER AT
THE FIXED INCOME LEADERS SUMMITS
SINGAPORE, 18-20 SEPTEMBER, 2018

FEATURES:

The DESK Efficiency BENCHMARK Survey

Our annual primary research into buy-side trading desks, identifying the ratio of traders to AUM and volume, levels of electronic vs voice trading and the proportion of trading handled by major brokers.

Rates / Government & municipal bonds

Banks could be net sellers of muni debt in 2018

The municipal bond market has seen banks become net sellers in Q1 2018, according to Securities and Exchange Commission quarterly filings, potentially creating challenging liquidity conditions for asset managers during a sell-off. We look at the impact of the Dodd-Frank rollback which reclassifies munis as HQLA, the need for liquidity in muni portfolios and traders' role in building flexibility.

Credit / Corporate bonds

Back for good

Dealers will see a greater capacity to make markets under the softened Dodd-Frank rules, but market making has suffered as a result of multiple rules – including the international Basel III – which may limit the positive effect of any reform. We assess the sentiment and the potential impact on buy-side desks – if the best outcome is found.

Derivatives

Brexit and the derivatives market

The CFTC has outlined its new 'Swaps Regulation Version 2.0' to make US market rules more representative of risk. At the same time Europe and Britain are fighting over the European derivatives markets, trying to protect their interests without appearing protectionist. With UK assets on the open market to US buyers, regulatory arbitrage a real risk and a transatlantic dispute over third country rules brewing, Brexit could allow the US to dominate derivatives trading.

Securities financing

Treasury hunger turns to indigestion and hurts repo

The Treasury tri-party repo rate rising above the Fed band for borrowing dollars is causing concern, as the glut of Treasury bills makes their use as collateral to borrow dollars more expensive. Treasury-heavy portfolios might find it harder to mobilise their portfolios effectively in the repo markets when they need cash to use as collateral against derivatives positions, pushing trading desks to become more imaginative.

Technology

How smart is dealer AI?

Investment banks are turning to artificial intelligence in their efforts to better support client bond trading. Greater automation could increase trading opportunities and turnover, however machine learning has its limits. The significant volume of voice trading will mean broker-dealers need to be careful they still support clients whilst shoring up profitability.

On The DESK

Our exclusive buy-side interview - Subject TBC

News analysis • Platform news • Coalition data • Brokers shutting down FI research departments • IA consultation on disclosure and transaction costs

Deadlines:

- **Editorial - 10th August**
- **News & Advertising - 20th August**
- **Publishing - September 2018**

The DESK's coverage is driven by current events and market news and therefore we reserve the right to change any element of our coverage or publishing schedule without prior warning.

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