

TMPG Meeting Minutes

Date: December 16, 2025

Location: Annaly Capital Management, 1211 Avenue of the Americas

TMPG attendees

Alberto Antonini (Tudor Investment Corp)	Matthew Franklin-Lyons (JP Morgan)	John Madziyire (Vanguard)
Richard Chambers (Goldman Sachs)	Doug Friedman (Tradeweb)	Adam Nunes (Hudson River Trading)
Qing Chen (Morgan Stanley)	Lara Hernandez (Mirae Asset Sec)	Jerry Pucci (BlackRock)
Debbie Cunningham (Federated Hermes)	Makoto Kasai (Bank of Japan)	Marc Seidner (PIMCO)
David Finkelstein (Annaly Capital Mgt)	Laura Klimpel (DTCC)	Casey Spezzano (NatWest Markets)
David Flowerdew (Millennium Mgt)	Serena Lin (Mizuho Securities)	Nathaniel Wuerffel (BNY)

Federal Reserve Bank of New York (New York Fed) attendees

Ellen Correia Golay	Eric Lewin	Julie Remache
Olivia Kennedy	Anna Nordstrom	Agata Zhang
Vinuthna Kovvuri		

U.S. Department of Treasury attendees

Gavin Ross	Brian Smith
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- The meeting commenced on an administrative note, with a New York Fed representative thanking departing ex-officio member, Brett Rose, for his commitment, dedication, and many years of service to the TMPG. The representative then thanked Vinuthna Kovvuri for her contributions to the TMPG Secretariat staff and welcomed Olivia Kennedy to the role.
- Following administrative announcements, members discussed recent developments in central clearing in the U.S. Treasury market. The Depository Trust & Clearing Corporation (DTCC) representative announced that all filings related to the proposed expansion of the existing CME Group- Fixed Income Clearing Corporation (FICC) cross-margining arrangement have been submitted to the Securities and Exchange Commission (SEC) and the Commodity Futures Trading Commission for regulatory approval. Members then discussed overall market readiness for the implementation of the SEC's central clearing mandate for the U.S. Treasury market, noting that market participants will need to remain flexible and innovative as they adapt to an evolving landscape. Dealer capacity to intermediate central clearing and done-away central clearing were also raised as considerations as the market moves toward central clearing. A New York Fed representative concluded by noting that on December 1, the SEC approved CME Group's application to register a new securities clearing agency, CME Securities Clearing Inc. to provide central clearing counterparty (CCP) services for transactions involving U.S. Treasury securities. Members highlighted the importance of staying attuned to these developments, including how market participants navigate choices among multiple CCPs and their offerings, as well as the implications of multiple CCPs for the market.
- Next, two presenting members outlined potential approaches for the Group to consider in exploring the digital landscape for the TMPG-covered markets: one focused on stablecoins in light of the passage of the GENIUS Act and the other one involving a broader exploration of the digital landscape for financial markets and its implications on the TMPG-covered markets, including comparisons across different digital assets and digital technologies. The Group subsequently

discussed the respective pros and cons of two proposed approaches and largely agreed that any such effort would need to be exploratory in nature, given the rapidly evolving market, and should also take into account the potential impact on the Treasury market's liquidity and functioning. The Group will continue to discuss this topic during its priorities-setting session in early 2026 and may consider commissioning a dedicated working group.

- A Co-Chair of the Agency Mortgage-Backed Securities (AMBS) Working Group provided an update on the working group's progress. The Co-Chair noted the working group discussed and continued to shape a high-level note that explores potential downstream implications of any changes in the Government Sponsored Enterprises' ownership structure on the functioning and liquidity of the AMBS market. Some examples of considerations included potential changes to perceived credit risk of Fannie Mae and/or Freddie Mac or to the existing uniform mortgage-backed security (UMBS) market approach.
- The TMPG then turned to a discussion of market developments since [the November TMPG meeting](#). Members discussed the CME outage that occurred on November 28, their expectations for the path of the policy rate, their outlook for funding markets, and the December 10 FOMC announcements regarding the start of [Reserve Management Purchases \(RMPs\)](#) and changes to [Standing Overnight Repo \(SRP\) operations](#).

CME Outage

- Members noted the CME outage had limited impact, due to its timing on the day after Thanksgiving when trading and hedging activity are typically lower. Members remarked that if the outage had occurred at a different time or day, the broader market ramifications could have been materially different. The Chair reminded members that the TMPG's Operational Resiliency Working Group had previously considered these types of operational disruptions, which led to [updated](#) best practice recommendations. Members then underscored the importance of evaluating internal business processes that rely on service providers to align with the recommended [TMPG's Best Practices for Treasury, Agency Debt, and Agency MBS Markets](#).

U.S. Economic Outlook and Member Expectations for the Path of Policy Rate

- Members noted that the lingering effects of the government shutdown (i.e. lack of U.S. economic data) make it slightly challenging to provide an accurate read on growth, inflation, and labor market conditions. Some members expressed the view that U.S. growth has likely remained reasonably robust but noted that there was some nervousness around labor market conditions given the start of government layoffs in September and recent layoff announcements by large companies.
- Additionally, members were attentive to December FOMC meeting developments, noting a somewhat dovish shift in tone of FOMC communications relative to the October FOMC meeting. Going forward, some members expressed that the expectations bias is towards a softening economy, with above neutral rates to be cut given the pessimism around the labor market outlook, partially due to possible upcoming AI related job losses. Others suggested the possibility that the FOMC might keep interest rates on hold until the arrival of the next Federal Reserve Chair amid a myriad of factors, including some dissipation of tariff related uncertainty given the administration's softening stance, optimism around upcoming fiscal stimulus, better-than-expected economic data, and a notably above target inflation rate.

Outlook for Funding Markets

- Members noted that both the timing and the size of the RMPs were a surprise, though market participants viewed the changes positively. Members anticipate upcoming Treasury bill purchases to be effective in absorbing Treasury bill supply, with asset swaps in the bill sector currently trading with a positive tone. In addition, members expected RMPs to help stabilize year-end conditions in funding markets, despite slightly elevated current Secured Overnight Financing and repo rates. Overall, members expected to see low volatility in money markets through year-end.
- Members then commented positively on the announced changes to the SRP operations, noting they were also well received by market participants. Some members suggested the changes could lead to reduced reserve demand in anticipation of upcoming Treasury issuance and will lead to the SRP operations being used more frequently, as well as function as an anchor point for repo in times of stress. Others noted that the removal of the SRP aggregate cap was viewed positively, though it was not considered likely to be breached. Members also revisited the topic of centrally clearing SRP operations in the future to enhance SRP operations' effectiveness, consistent with prior discussions.

- The next TMPG meeting is scheduled for February 24, 2026, from 3:00-5:00PM.