

TMPG Meeting Minutes

Date: March 24, 2026

Location: Tradeweb, 245 Park Avenue

TMPG attendees

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

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

Lisa Chung	Olivia Kennedy	Roberto Perli
Ellen Correia Golay	Eric Lewin	Agata Zhang
Julie Hennighausen	Anna Nordstrom	

U.S. Department of Treasury attendees

Fred Pietrangeli	Joshua Stachura
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Outside attendee

Michael Lee*¹

- The meeting commenced on an administrative note, with the TMPG Chair welcoming Michael Lee, guest presenter and co-author of a New York Fed [Staff Report](#) on stablecoins. The TMPG Secretariat staff then provided a brief update on the preparations for the new Digital Innovations and the U.S. Treasury Market Working Group, commissioned by the TMPG at the [last TMPG meeting](#).
- A New York Fed representative noted that, in light of the TMPG's new Digital Innovations and the U.S. Treasury Market Working Group, aimed at exploring digital innovations, including stablecoins, and their potential impact on the Treasury market, Michael Lee was invited to [present on stablecoins](#) in order to provide useful context for the work ahead. It was further noted that the presenter would be speaking in a personal capacity, and not on behalf of the New York Fed or the Federal Reserve System. The presenter began by outlining the functional and operational characteristics of stablecoins, noting how they differ from other tokenized U.S. dollar assets. He then provided an overview of stablecoin issuance and redemption processes, highlighting potential effects on the banking system, including on bank deposits, bank liquidity, and lending. Questions from members centered around payment activity and liquidity management associated with stablecoins and their implications for money markets.
- Members then received updates on recent central clearing developments in the U.S. Treasury market. The Depository Trust & Clearing Corporation (DTCC) representative noted that the Fixed Income Clearing Corporation (FICC) has largely completed the rollout of the client access models it planned to offer, with all models now supporting both done-with (bundled) and done-away (unbundled) clearing capabilities. It was noted that the focus has shifted to onboarding

¹ The starred attendee left the meeting following his presentation on stablecoins.

intermediaries and clients to these models, with onboarding intermediaries being more challenging as it requires establishing connectivity and testing. Next, the representative discussed workflow enhancements, such as pre-credit checks for repo transactions, that market participants are interested in or have been advocating for. The representative concluded with an update on the regulatory filings related to the proposed expansion of the existing CME Group-FICC end-user customer cross-margining arrangement, noting that four out of five requests for approval are still pending.

The TMPG Chair highlighted that the Securities and Exchange Commission (SEC) recently [published](#) for comment a request for exemptive relief for certain non-U.S. transactions from the Treasury clearing rule requirement. The Chair invited members to share their preliminary observations on the proposal and/or provide individual firm feedback to the SEC. Some members, noting that the industry has asked for capped relief permitting some amount of non-cleared activity under the clearing rule's interaffiliate exemption, suggested that the SEC consider similarly establishing a cap on foreign banks' share of activity on a non-cleared basis and argued that broader extraterritorial relief would provide preferential treatment for foreign banks.

- A Co-Chair of the Agency Mortgage-Backed Securities (MBS) Working Group reminded TMPG members that, as agreed to at the previous meeting, the TMPG's [consultative note](#) exploring theoretical implications for agency MBS market liquidity and functioning in light of any potential changes to the ownership structure of the Government-Sponsored Enterprises (GSEs) had been [published](#) for public comment shortly thereafter. The Co-Chair noted that the market response to the consultative note has been positive and that the comment period would close on April 30. The TMPG Secretariat staff highlighted ongoing efforts to raise awareness about the consultative note and indicated additional feedback is expected.
- The TMPG then turned to a discussion of market developments since [the February TMPG meeting](#), including members' views on the U.S. macroeconomic outlook, expectations for the path of the Fed's policy rate, and perspectives on money market conditions.

U.S. Macroeconomic Outlook

- Members viewed U.S. growth as resilient but downshifting, with the economy on a downward trajectory despite continued support from the stimulative effects of the One Big Beautiful Bill Act and increased AI-related capital expenditure. However, this represents a shift in tone from the prior meeting, where members emphasized the potential for a cyclical upswing driven by fiscal stimulus and AI-related investment.
- The Iran conflict and its impact on oil prices emerged as a central concern, with members citing it as the driver of revisions to their already-uncertain economic outlooks, including forecasts for decreasing gross domestic product and slight upward revisions to inflation and unemployment.
- Regarding labor market conditions, members noted that neither supply nor demand are growing quickly enough to result in significant job growth. Members generally expected monthly job creation to remain positive but subdued. Some expressed skepticism about February market themes suggesting large AI-related job losses, characterizing concerns about imminent AI-driven employment terminations as mildly premature.

Member Expectations for the Path of Policy Rate

- Members noted that market pricing has shifted dramatically from expectations of more than two interest rate cuts this year to pricing near zero cuts, with some probability of rate hikes now in the distribution of potential outcomes. Members acknowledged the large amount of uncertainty facing policymakers around both inflation and growth, leading to a need for the Federal Open Market Committee (FOMC) to exercise greater caution when considering rate changes.
- Members discussed the FOMC's recent communications, noting that the market interpreted the March meeting communications as hawkish given there was just one dissent in favor of a rate cut and the FOMC Chair's discussion of higher oil prices and rising inflation expectations during his press conference.
- Globally, regarding the divergence in central bank responses, members noted that other central banks face similar dynamics to the U.S. with core inflation likely to have some upward bias. Some members noted that energy prices might be elevated for a long time, creating some need for near-term rate changes in other jurisdictions, though there are expectations that there will be less pressure on the Fed to change course in rates as energy prices in the U.S. have been less affected than in other areas.

Money Market Dynamics

- Members assessed money market conditions as relatively benign despite recent geopolitical developments and noted no funding strains in any markets.
 - Regarding the April tax period, some members noted that the bill paydown for tax season has been smooth, and the market expects the Fed to maintain the pace of its reserve management purchases, launched in December 2025, through the April tax season. Members noted that cash flows into money market funds have been strong with money market yields becoming more attractive amidst market volatility.
 - On the Fed's standing repo (SRP) operations, members observed low usage of the SRP, noting that recent activity may have been attributable to test trades, which are typically smaller in size. However, members noted that while broader market acceptance of the SRP has been gradual, recent changes to the SRP have helped the money market community view the SRP as a tool that can be used more actively.
- The next TMPG meeting is scheduled for May 19, 2026, from 3:00-5:00PM.