

# Deposit Funding Compass

Finance 500, Inc. is a registered Broker Dealer and member of FINRA &amp; SIPC

Week of January 11, 2024

## CD Funding Opportunities for this Week

BULLET	
Term	Rate
<b>\$1MM - \$5MM</b>	
18mo	4.64%
21mo	4.49%
30mo	4.24%
42mo	4.14%
54mo	4.04%
60mo	3.94%
84mo	3.94%
120mo	3.94%

CALLABLE	
Term	Rate
<b>\$1MM - \$10MM</b>	
18/3mo	4.89%
24/6mo	4.89%
36/12mo	4.94%
48/12mo	4.94%
48/24mo	4.64%
60/24mo	4.64%
60/30mo	4.49%
120/60mo	4.24%

Our levels are indicative of a 1/26 - 1/30 settlement (flexible on settle date) and we will firm the first \$1MM up to \$5MM firm (depending on availability at time of order), can work up to \$10MM total.

## Our Thoughts (What We're Seeing)

Americans paid more for housing and driving in December as inflation increased and the CPI registered 3.4%. On an annual basis, the so-called core measure increased 3.9%. Early reactions show the rates market interpreting this as a challenge the Federal Reserve will cut interest rates as imminently as previously thought. The odds for a cut at the Jan 31st meeting have dropped to 0% while futures still have a 50% probability for March.

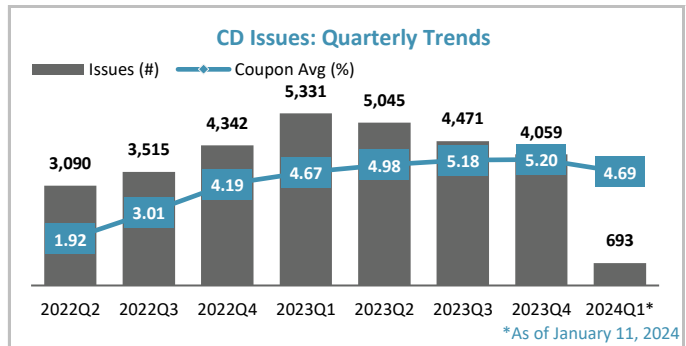
Banks across the country are active in the brokered funding market to start 2024. This time last week the count on active new Issue CDs was around 100, this morning there are firmly over 300 open new issue CD offerings. Supply, coupled with a softer rates market, is ultimately going to manifest in marginally higher funding levels for the near term. While we feel issuers can still remain aggressive, buyers are indicating they're going to be looking for a positive spread to US treasuries across most parts of the curve.

We have a variety of callable structures that are proving to be very beneficial to a bank's liability portfolio in that longer term funding can be captured while not having to sacrifice the benefits of short term funding (retained call option). These structures can be customized in order to fit balance sheet needs. We are displaying just a few of today's opportunities. Feel free to inquire with the desk if there are any desired final durations and lockout periods that you would like to see rate quotes on.

## CD Issue Highlights This Past Week (January 5 - January 11)

ISSUES	CALLABLE	COUPON RATE				FREQUENCY			
		Number	Percent	Average	Median	High	Low	Monthly	Quarterly
347	12%	4.69	4.75	5.50	3.80	40%	0%	14%	45%

Term	Issues (#)	Average	High	Low
1 Month	15	5.06	5.20	4.90
2 Month	10	5.07	5.20	4.90
3 Month	42	5.04	5.15	4.90
6 Month	44	4.93	5.50	4.70
9 Month	27	4.78	5.00	4.65
12 Month	46	4.68	4.90	4.50
18 Month	14	4.51	4.85	4.40
24 Month	30	4.37	5.00	4.00
36 Month	30	4.33	5.00	3.95
48 Month	11	4.26	4.80	3.95
60 Month	15	4.56	4.90	3.80



## Average Efficiency Ratio (%)

