

# Money Fund Report<sup>®</sup>

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## ◆ MATRIX PORTAL FIRST TO OFFER MONEY FUND MONITOR

The Matrix Money-Market Portal is the first money fund portal to offer customers access to iMoneyNet's Money Fund Monitor™, an online browser-based comprehensive source for daily money fund information.

Money Fund Monitor's recent debut on the Matrix platform enables customers to perform greater due diligence on funds and makes it easier to execute trades.

The Matrix Money Market Portal, a service of Matrix Settlement & Clearance Services LLC, features 23 fund families, said Matrix program manager Michael Rice.

Banks with combined money fund assets of \$2.6 billion made up the Matrix Money Market Portal customer base at the end of its first full year in production. According to Rice, "as recently as one year ago banks were generally complacent about the fund families they were using. Now after all the turmoil that occurred in the fall of 2008, all of a sudden those banks are taking a harder look at what they're using and performing a greater level of due diligence. This is where the Money Fund Monitor idea came along to fulfill that need."

Money Fund Monitor was tailored to meet the needs of the Matrix customer. Its roster is made up of the funds that Matrix offers, except for one tab which provides the daily, weekly and monthly averages for the entire money-market fund universe. Jay McLaughlin, iMoneyNet account manager, speaks to the need Money Fund Monitor answers: "Many cash and liquidity managers use a variety of other index tools to benchmark a money-market portfolio, but we believe it is important to have full analysis of the marketplace."

Matrix customers now have the ability, at no extra cost, to evaluate funds by comparing yields, maturities and expense ratios. The program also displays percentages held in Treasuries, repos, time deposits and other instruments. Its commercial paper holdings include what percentages, if any, are held in asset-backed commercial paper. With money funds increasingly posting their portfolio holdings online, Money Fund Monitor serves as jumping off point for additional research.

There are a number of options on the site which allow the client to tailor the research to his or her particular need, including ratings, expense ratios, share class and portfolio size. Customers have the ability to track daily, one-, seven- and 30-day yields, as well as assets and average maturities. Information about whether a fund is covered by the Temporary Guarantee Program is also available on the site.

Rice told *MFR* that the bank marketplace Matrix supports has in the past sacrificed "choice and selection" in favor of "automation and efficiency." "Our portal not only provides customers automation and efficiency, but a greater selection of money fund options. Now they have the ability to choose among 23 different fund families, all under one trading platform. Money Fund Monitor brings you the information that helps you do a better job of choosing your funds."

Rice says that during the first quarter, iMoneyNet will participate in a series of Webinars to walk prospective customers through the functionality of Money Fund Monitor and the operational features of the Matrix Money-Market Portal. ◆

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### MFR COMMENTARY

Following the pattern that is typical for the first month of a new year, strong inflows are being recorded in the money fund arena. During the first two weeks of this year, assets of taxable and tax-free funds have gained nearly \$90 billion.

Net assets of 1,235 Taxable MMFs increased by \$40.19 billion to a record high \$3.346 trillion. Taxable Institutional MMFs saw a \$40.22 billion inflow; \$7.60 billion into the Government funds and \$32.64 billion into the Prime group. Taxable Retail MMFs had an outflow of \$33.4 million; \$2.31 flowing from the Government subcategories and offsetting an inflow of \$2.28 billion in the Prime category.

The Money Fund Report Average™/All Taxable 7-Day Yield decreased to 0.60 percent from 0.70 percent. This is the lowest average since June 24, 2004. The 30-Day Average Yield slipped to 0.73 percent from 0.80 percent. The WAM lengthened to 48 days from 46 days the previous week.

Assets of the 514 Tax-Free and Municipal MMFs increased by \$3.19 billion to \$503.24 billion from last week's total of \$500.05 billion. The 7-Day Average Yield for All Tax-Free funds plunged to 0.41 percent from 0.71 percent, the lowest it has been since March 15, 2004. The 30-Day Average Yield slipped to 0.67 percent from 0.71 percent. The WAM was unchanged at 28 days for a second consecutive week.

Total net assets of 1,749 Taxable and Tax-Free money funds increased by \$43.39 billion during the week ended Jan. 13, raising the grand total to a record high \$3.849 trillion.