



5-year note

Combined customer participation dipped below-average to a six-month low of 60.4% from 67.6% in February. Indirect bidder participation declined to 55.7% from 60.1% in February, though still above its prior-year average 53.7%. The trend of low direct bidder takedown continued in March as the participation fell to 4.7%, the lowest in the auctions since June 2013. The auction generated a soft bid-to-cover ratio of 2.35 in comparison to its prior-year average 2.68, and ended with a tail of 1.2bp.

5-year note auction statistics

	Size (\$bn)	Primary Dealers	Direct Bidders	Indirect Bidders	Cover Ratio	Stop-out Yield	IPM Wt Bid	BP Tail
<i>Tyr Avg</i>	\$35.0	33.6%	12.6%	53.7%	2.68			0.1
Mar-15	\$35.0	39.6%	4.7%	55.7%	2.35	1.387	1.375	1.2
Feb-15	\$35.0	32.4%	7.5%	60.1%	2.54	1.480	1.477	0.3
Jan-15	\$35.0	27.4%	9.5%	63.1%	2.49	1.288	1.294	-0.6
Dec-14	\$35.0	33.9%	7.3%	58.7%	2.39	1.739	1.735	0.4
Nov-14	\$35.0	25.1%	9.9%	65.0%	2.91	1.595	1.611	-1.6
Oct-14	\$35.0	41.7%	10.5%	47.8%	2.36	1.567	1.550	1.7
Sep-14	\$35.0	41.0%	8.8%	50.3%	2.56	1.800	1.792	0.8
Aug-14	\$35.0	36.4%	10.8%	52.7%	2.81	1.646	1.644	0.2
Jul-14	\$35.0	25.9%	25.9%	48.2%	2.81	1.720	1.729	-0.9
Jun-14	\$35.0	38.2%	9.3%	52.5%	2.74	1.670	1.668	0.2
May-14	\$35.0	39.1%	10.5%	50.4%	2.73	1.513	1.505	0.8
Apr-14	\$35.0	36.5%	18.6%	44.9%	2.79	1.732	1.723	0.9

Source: US Treasury and Deutsche Bank

7-year note

The auction recorded a soft customer participation of 62.8% (vs. 64.7% average) for the second straight month. Indirect bidder takedown declined for the third consecutive month to 50.5% from 52.3% in February though was still above its prior-year average of 48.2%. Direct bidder participation increased to 12.3% from 10.5%, but remained below its average 16.5% for the seventh month in a row. The bid-to-cover ratio of the auction was also weak at 2.32, and compares with its 2.51 trailing-year average; consequently, the auction ended with a tail of 1.1bp.

7-year note auction statistics

	Size (\$bn)	Primary Dealers	Direct Bidders	Indirect Bidders	Cover Ratio	Stop-out Yield	IPM Wt Bid	BP Tail
<i>Tyr Avg</i>	\$ 29.0	35.3%	16.5%	48.2%	2.51			0.4
Mar-15	\$29.0	37.2%	12.3%	50.5%	2.32	1.792	1.781	1.1
Feb-15	\$29.0	37.1%	10.5%	52.3%	2.37	1.834	1.828	0.6
Jan-15	\$29.0	29.0%	14.9%	56.1%	2.50	1.590	1.584	0.6
Dec-14	\$29.0	37.6%	5.9%	56.5%	2.39	2.125	2.118	0.7
Nov-14	\$29.0	37.1%	12.8%	50.0%	2.63	1.960	1.957	0.3
Oct-14	\$29.0	38.0%	15.4%	46.6%	2.42	2.018	2.009	0.9
Sep-14	\$29.0	41.7%	10.0%	48.3%	2.48	2.235	2.225	1.0
Aug-14	\$29.0	30.7%	20.4%	48.8%	2.57	2.045	2.047	-0.2
Jul-14	\$29.0	37.4%	15.2%	47.4%	2.58	2.250	2.238	1.2
Jun-14	\$29.0	42.7%	16.7%	40.6%	2.44	2.152	2.139	1.3
May-14	\$29.0	35.6%	24.1%	40.4%	2.60	2.010	2.008	0.2
Apr-14	\$29.0	31.0%	19.1%	49.9%	2.60	2.317	2.321	-0.4

Source: US Treasury and Deutsche Bank