



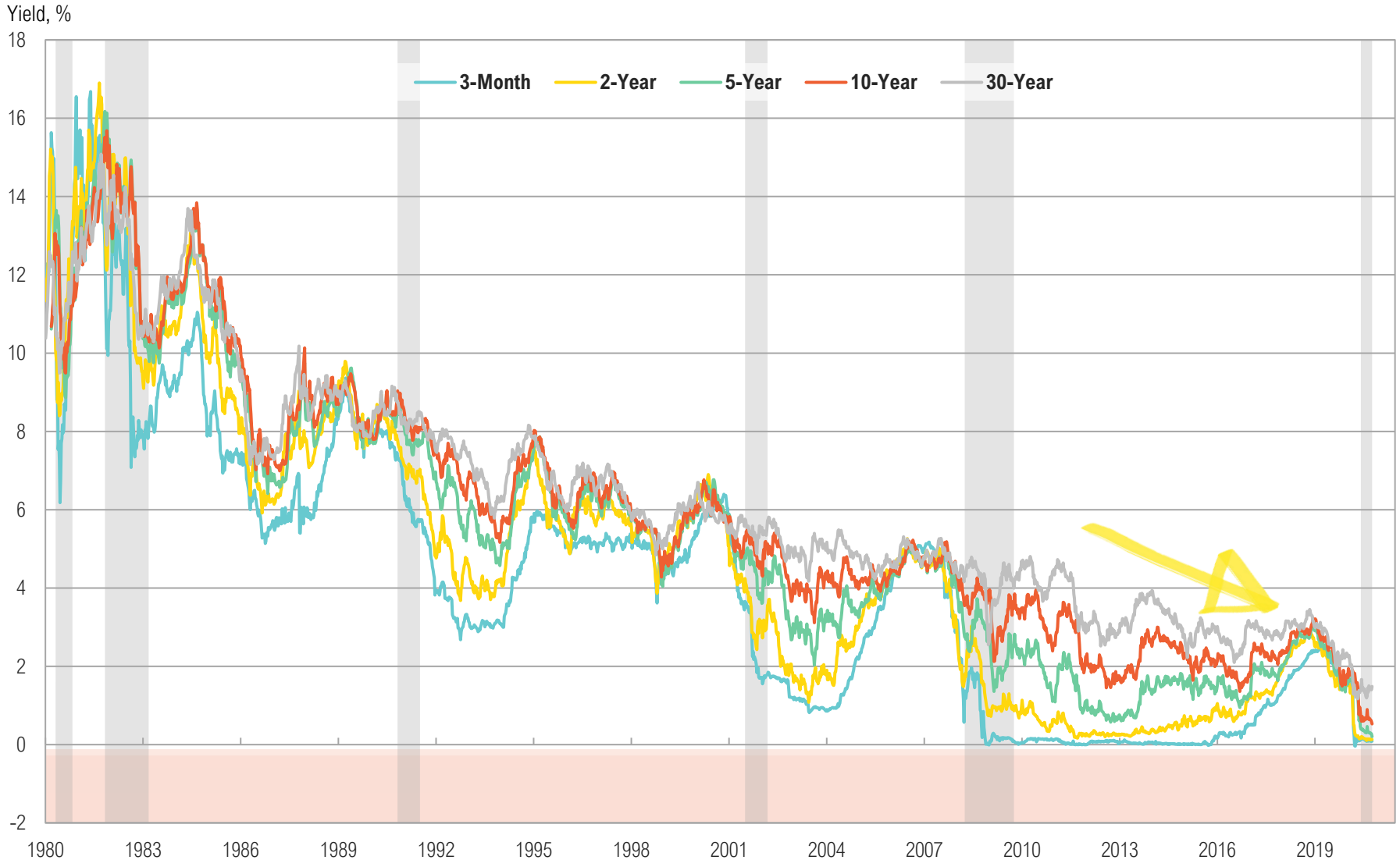
Topical Research

Cash Trends

September 30th, 2020

Treasury Yields of All Maturities Have Been Declining Since the Early 1980s & Have Recently Converged with Zero

TREASURY YIELDS BY TENOR, 1/1/1980 – 9/30/2020

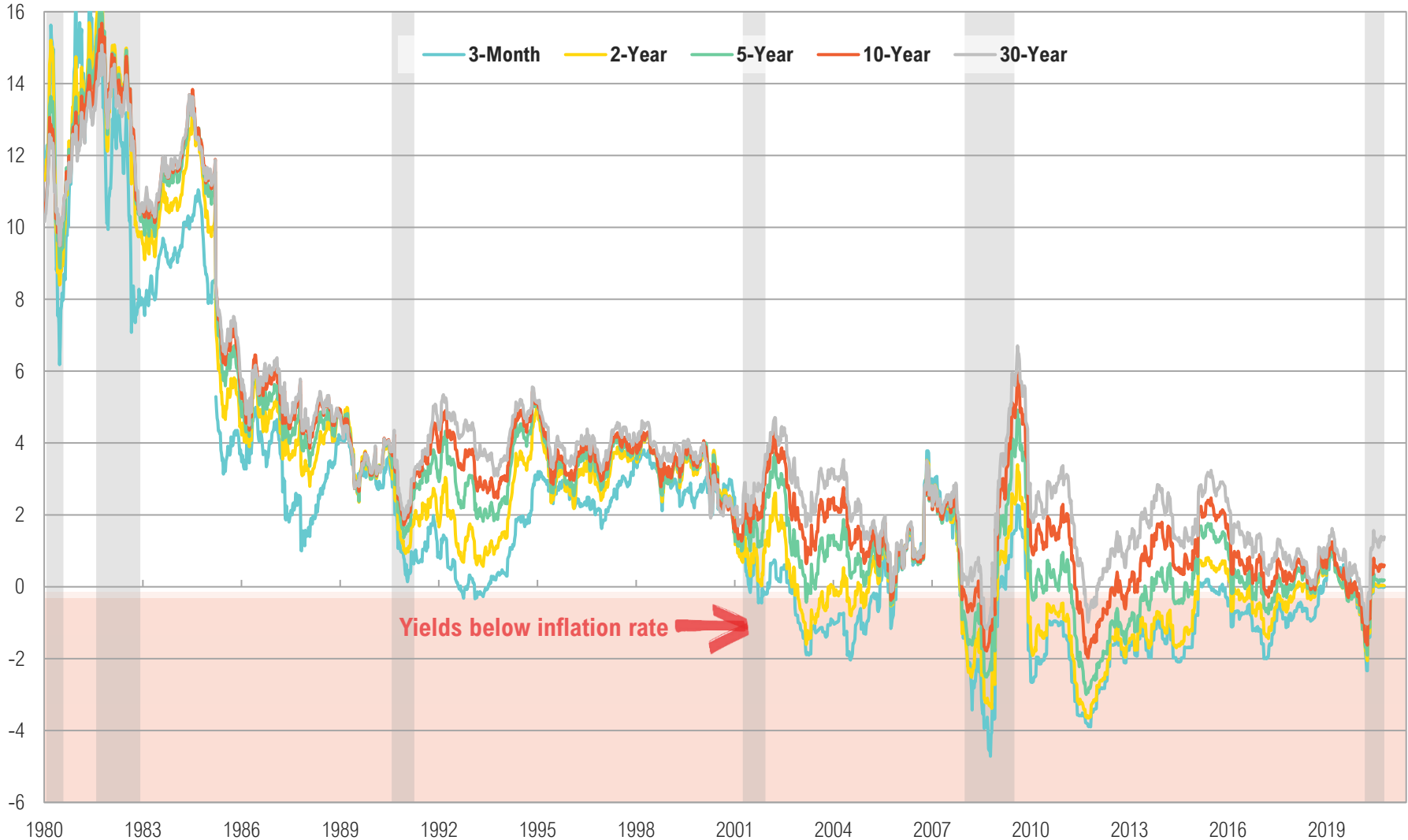


Source: Bloomberg

Treasury Yields May Not Protect Investors for the Loss of Purchasing Power From Even Modest Inflation

CPI INFLATION-ADJUSTED TREASURY YIELDS BY TENOR, 1/1/1980 – 9/30/2020

Real Yield, %



Source: Bloomberg

Cash Trends

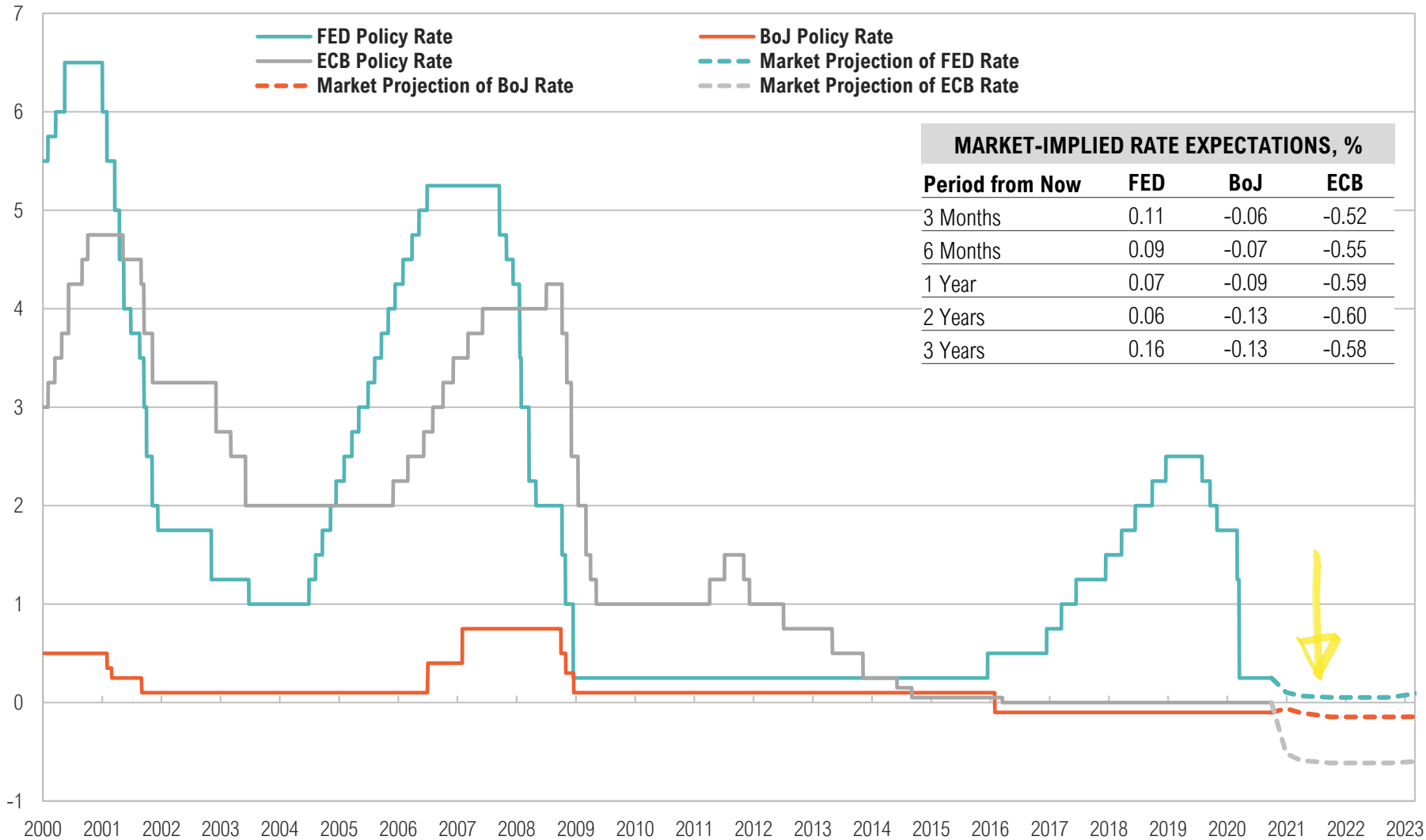
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SEE IMPORTANT DISCLOSURES AT THE END OF THIS PRESENTATION

In Efforts to Spur Growth, Developed Market Policymakers Have Pushed Rates to Near or Below Zero & Plan to Keep Them There for Foreseeable Future

FED, BOJ & ECB POLICY RATES & IMPLIED POLICY RATE EXPECTATIONS

Rate, %



Source: Bloomberg

Cash Trends

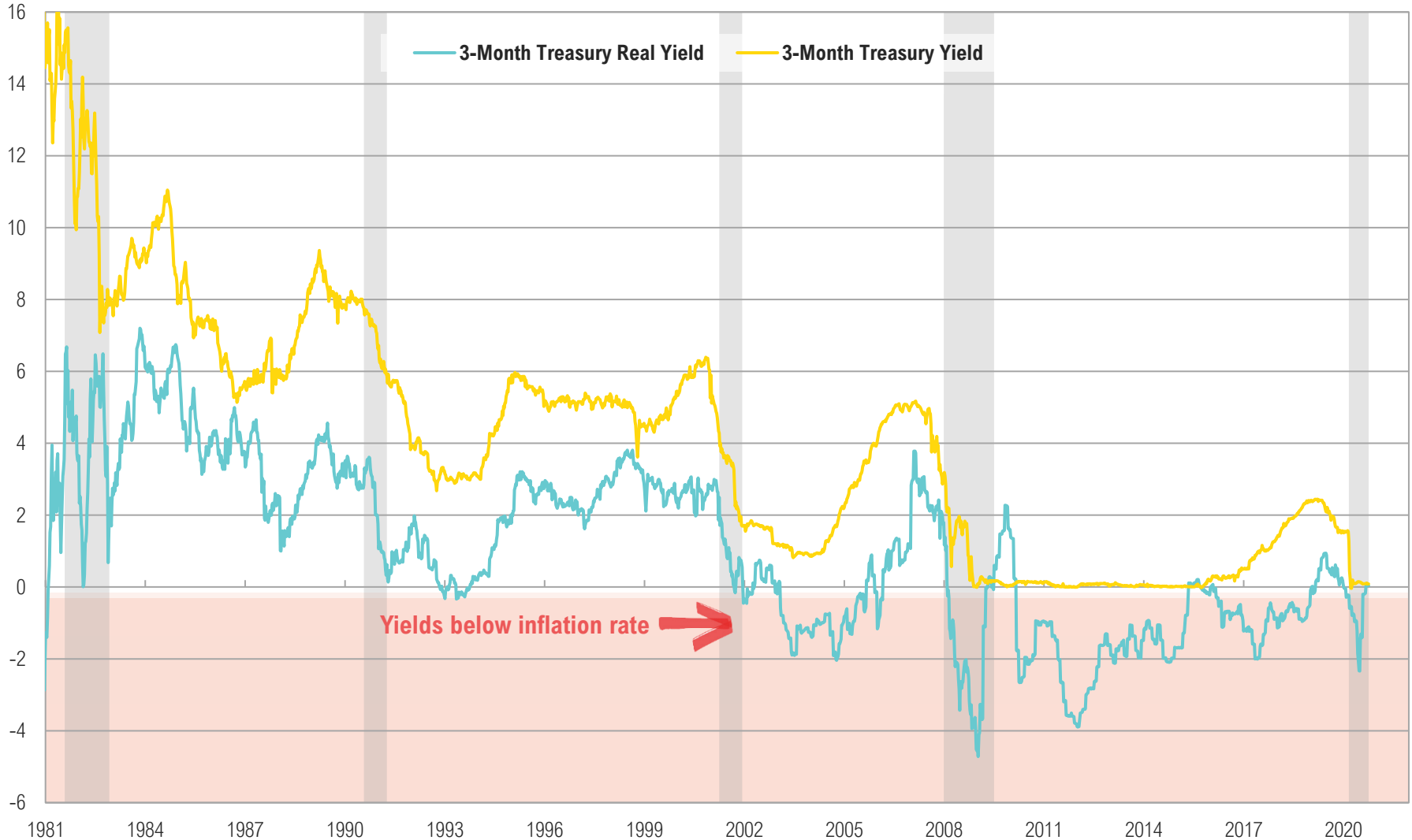
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SEE IMPORTANT DISCLOSURES AT THE END OF THIS PRESENTATION

Nowhere to Hide: Yields on Risk-Free Short-Term Government Bonds Are Back at Zero & Have Trailed Inflation for Most of The Last Two Decades

SHORT-TERM TREASURY YIELDS: NOMINAL & INFLATION-ADJUSTED, 1/1/1981 – 9/30/2020

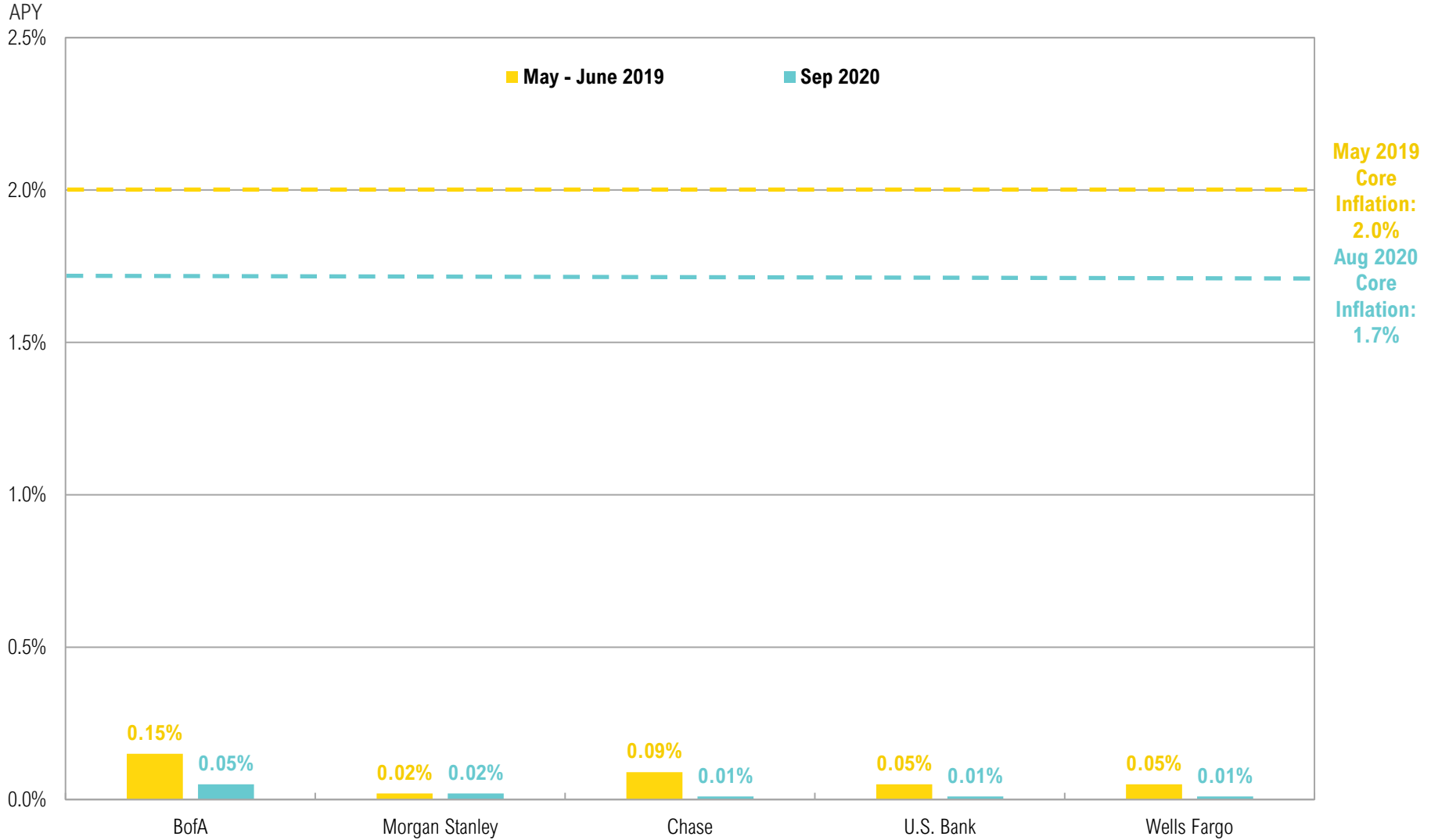
Yield/ Real Yield, %



Source: Bloomberg

Yields on Many Standard Savings Accounts Are Near Zero

SAVINGS ACCOUNT ANNUAL PERCENTAGE YIELD (APY) BY BANK



Source: Bankrate, NerdWallet, CNBC, Morgan Stanley, BMO, Wells Fargo.
 Core Inflation is represented by the year-over-year change of the Consumer Price Index excluding food and energy (not seasonally adjusted).

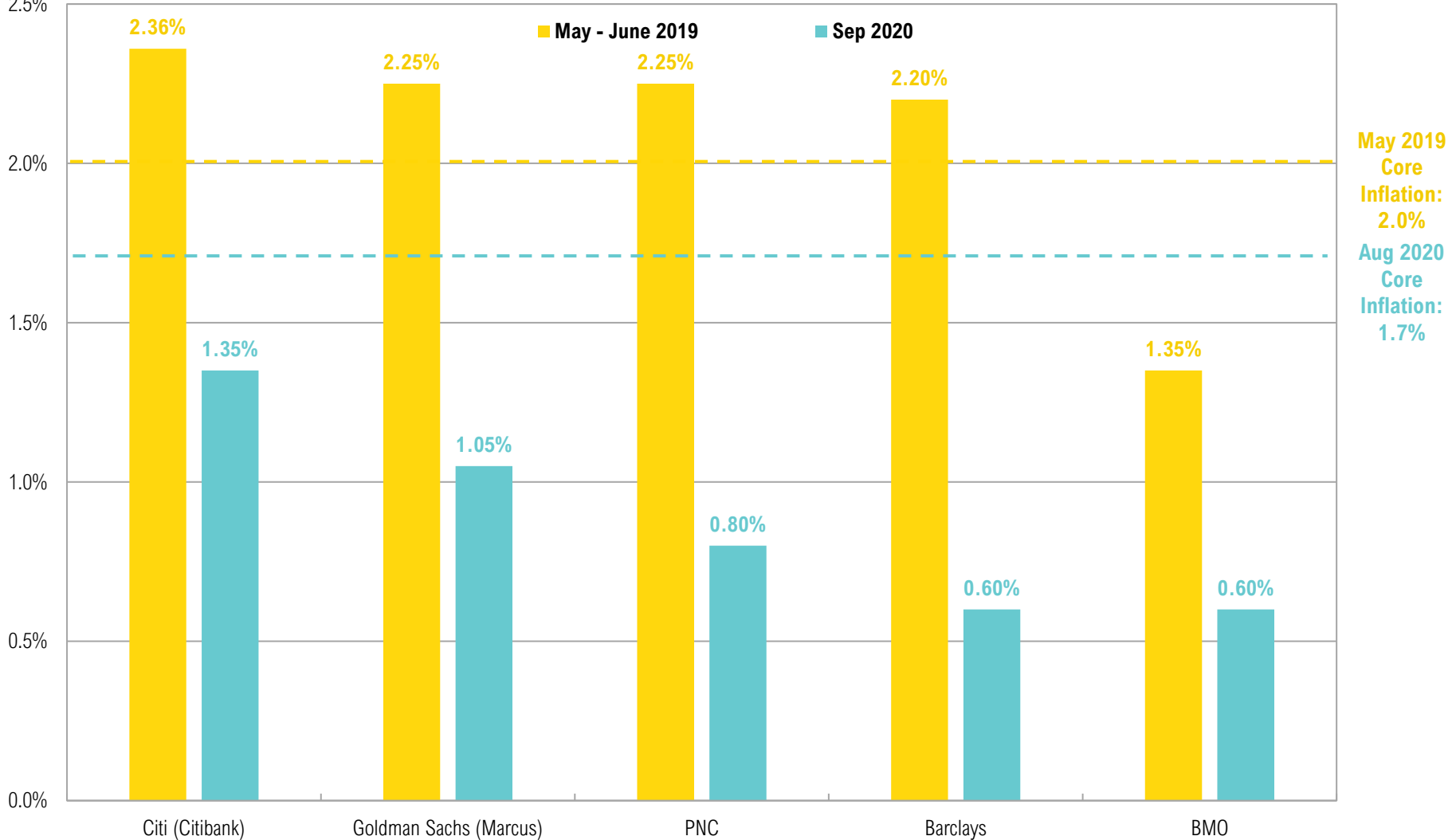
Cash Trends

Yields on High Yield Savings Accounts Have Dipped Below Inflation

HIGH YIELD SAVINGS ACCOUNT ANNUAL PERCENTAGE YIELD (APY) BY BANK

APY

2.5%



Source: Bankrate, NerdWallet, CNBC, Morgan Stanley, BMO, Wells Fargo.

Core Inflation is the year-over-year change in the Consumer Price Index excluding food and energy (not seasonally adjusted).

Cash Trends

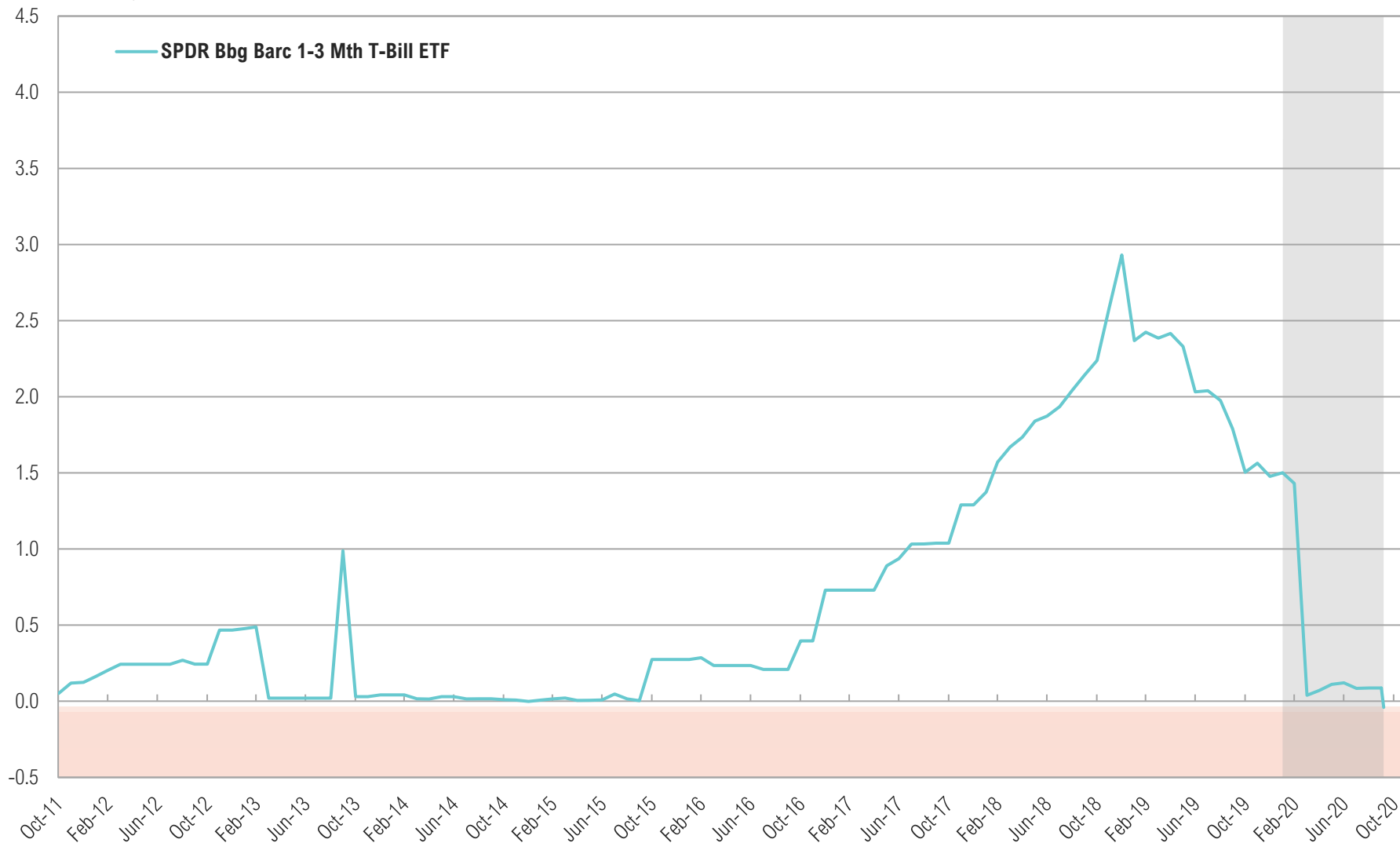
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Net of Fees, Common Treasury ETFs Now Yield Less than Zero

YIELD-TO-MATURITY, 11/31/2011 – 10/6/2020

Yield-to-Maturity, %



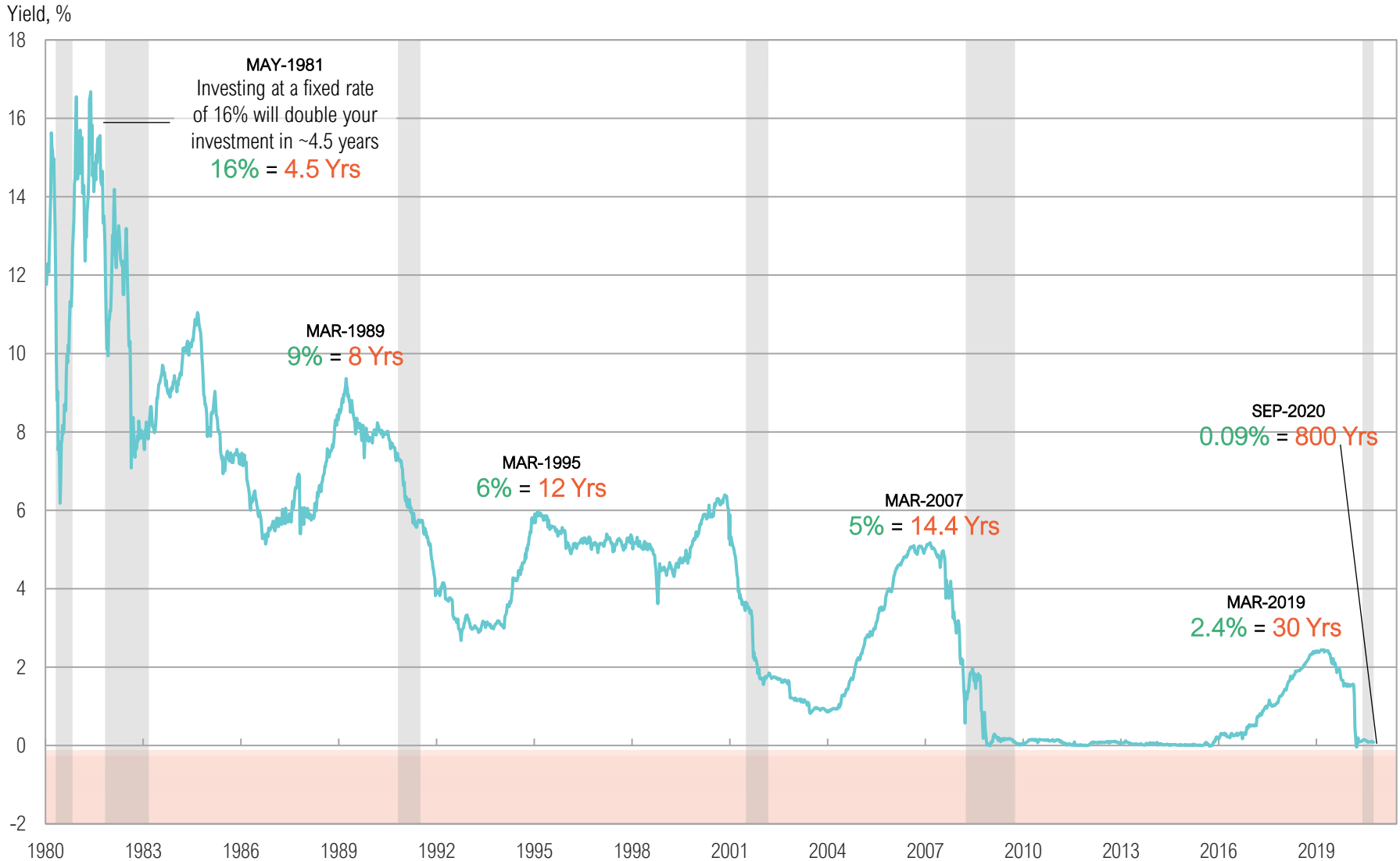
Source: Morningstar, FRED. Most recent datapoint is SEC yield.

Cash Trends

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The Long-Term Implications of Zero Rates: No Compound Interest

3-MONTH TREASURY YIELD + "RULE OF 72" ESTIMATES FOR CASH OVER TIME, 1/1/1980 – 9/30/2020



Source: Bloomberg, SpringTide calculations

Cash Trends

Cash & Liquidity Reserve Implementation Cheat Sheet

AS OF 9/30/2020

Custodian/ Sector	Fund	Ticker	Yield* (%)	Minimum (\$)	ACCOUNT ELIGIBILITY				
					Individual/ Joint	IRA	Trust	Charitable	Corporate
Schwab									
Cash/Ultrashort Bonds	Schwab U.S. Treasury Money Fd - Investor	SNSXX	0.01%	\$1	Yes	Yes	Yes	No	No
Cash/Ultrashort Bonds	Schwab U.S. Treasury Money Fd - Ultra	SUTXX	0.01%	\$1,000,000	Yes	Yes	Yes	No	No
Schwab Government Mny Fd Inv	Schwab Government Mny Fd - Investor	SNVXX	0.01%	\$1	Yes	Yes	Yes	Yes	Yes
Municipal	Schwab Muni Money Fd - Investor	SWTXX	0.02%	\$1	Yes	Yes	Yes	No	No
Municipal	Schwab Muni Money Fd - Ultra	SWOXX	0.07%	\$1,000,000	Yes	Yes	Yes	No	No
TD Ameritrade									
Cash/Ultrashort Bonds	JPMorgan Federal Money Market Fd	VFPXX	0.01%	\$1	Yes	Yes	Yes	Yes	No
Cash/Ultrashort Muni Bonds	Federated Hermes Tax-Free Obligations	TBSXX	0.01%	\$1	Yes	Yes	Yes	Yes	No
Marcus									
Cash/Ultrashort Bonds	Marcus: by Goldman Sachs Mny Mkt	n/a	0.60%	\$2,500	Yes	No	No	No	No
Cash/Ultrashort Bonds	Marcus High Yield CD (12-Month)	n/a	0.85%	\$500	Yes	No	No	No	No
Betterment									
Money Market	Betterment Cash Reserve	n/a	0.40%	\$1	Yes	Yes	No	No	No
Ally Financial									
Cash/Ultrashort Bonds	High Yield CD	n/a	0.65%	\$25,000	Yes	Yes	Yes	No	No

Source: SpringTide

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