

Figure 1

Current Framework for Monetary Policy Implementation

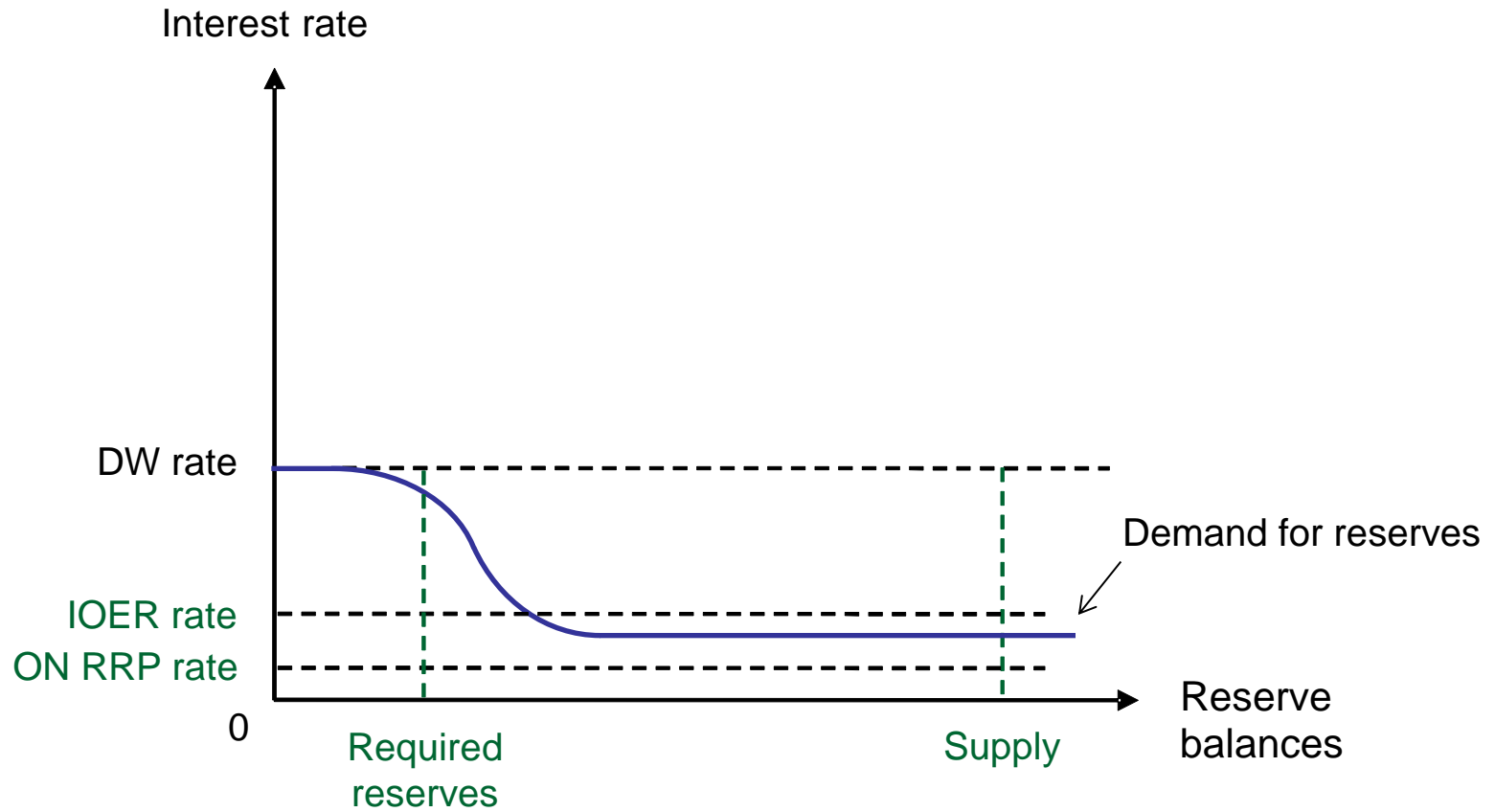


Figure 2

Monetary Policy Implementation before 2008

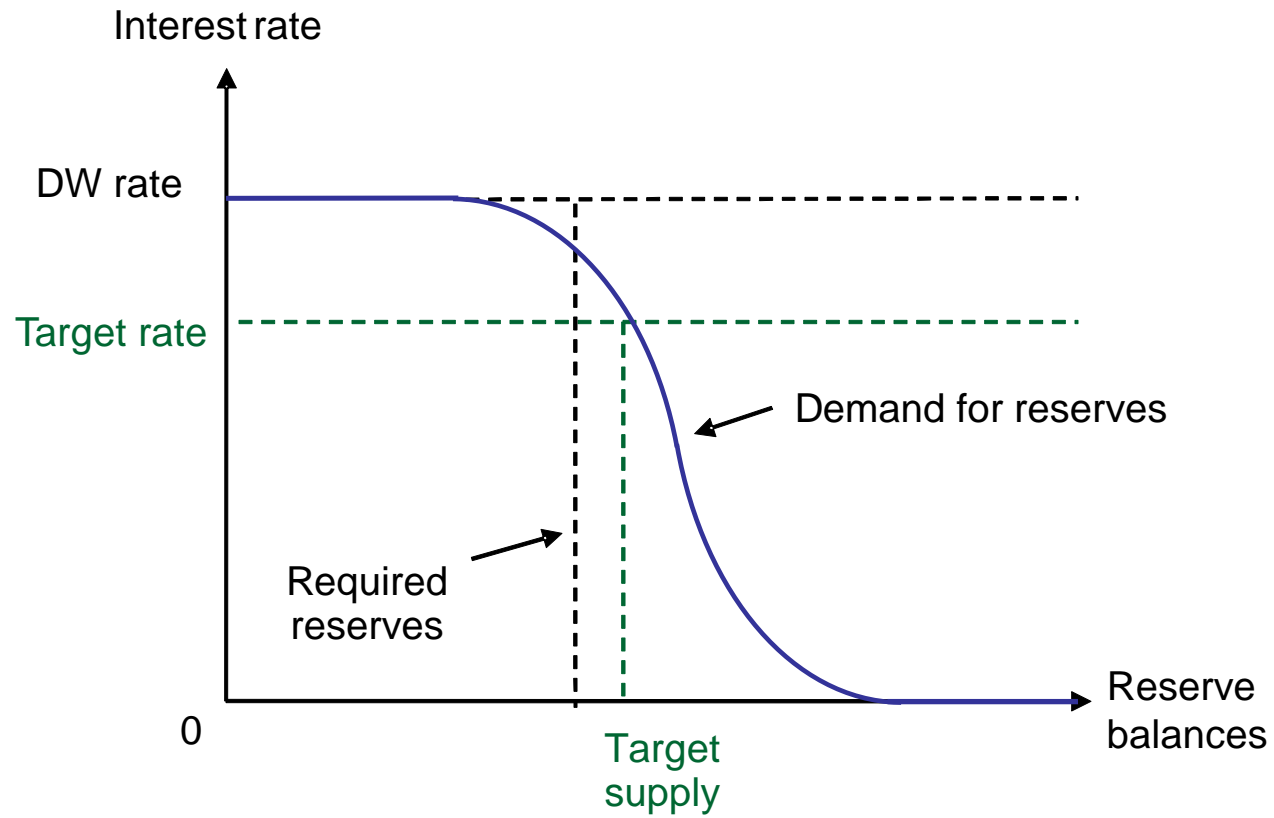


Figure 3

Federal Reserve Balance Sheet

April 26, 2017

USD, billions

Assets		Liabilities	
Securities held outright	4,246	Federal Reserve notes	1,496
<i>U.S. Treasury securities</i>	2,465	Deposits	2,564
<i>Agency debt</i>	12	<i>Reserve balances (deposits held by DIs)</i>	2,201
<i>Agency MBS</i>	1,769	<i>Treasury General Account</i>	271
Repurchase agreements	0	<i>Other</i>	87
Loans	*	<i>Foreign official</i>	5
Other assets	224	Reverse repurchase agreements	363
Total assets	4,470	<i>Foreign official and international accounts</i>	241
		<i>Others</i>	122
		Other liabilities	6
		Total liabilities	4,429
		Capital	41
		Total liabilities and capital	4,470

* Less than \$1 billion

Source: Board of Governors of the Federal Reserve System H.4.1 Statistical Release.

Figure 4

Variability of Key Federal Reserve Liabilities

Absolute Value of Changes in Weekly Averages Billions of U.S. Dollars

	<u>Standard Deviation</u>		<u>99th Percentile</u>
	2005	Jan 2016 - Apr 2017	Jan 2016 - Apr 2017
Currency in Circulation	1.9	2.1	8.2
Treasury General Account	0.3	23.8	90.5
Other Deposits	0.1	7.8	28.9
Foreign Repo Pool	0.9	4.1	14.9
ON RRP	N/A	47.6	212.3

Sources: Board of Governors of the Federal Reserve System H.4.1 Statistical Release; staff calculations.