

US Monetary Policy: Winding & Unwinding QE

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thinking outside the box

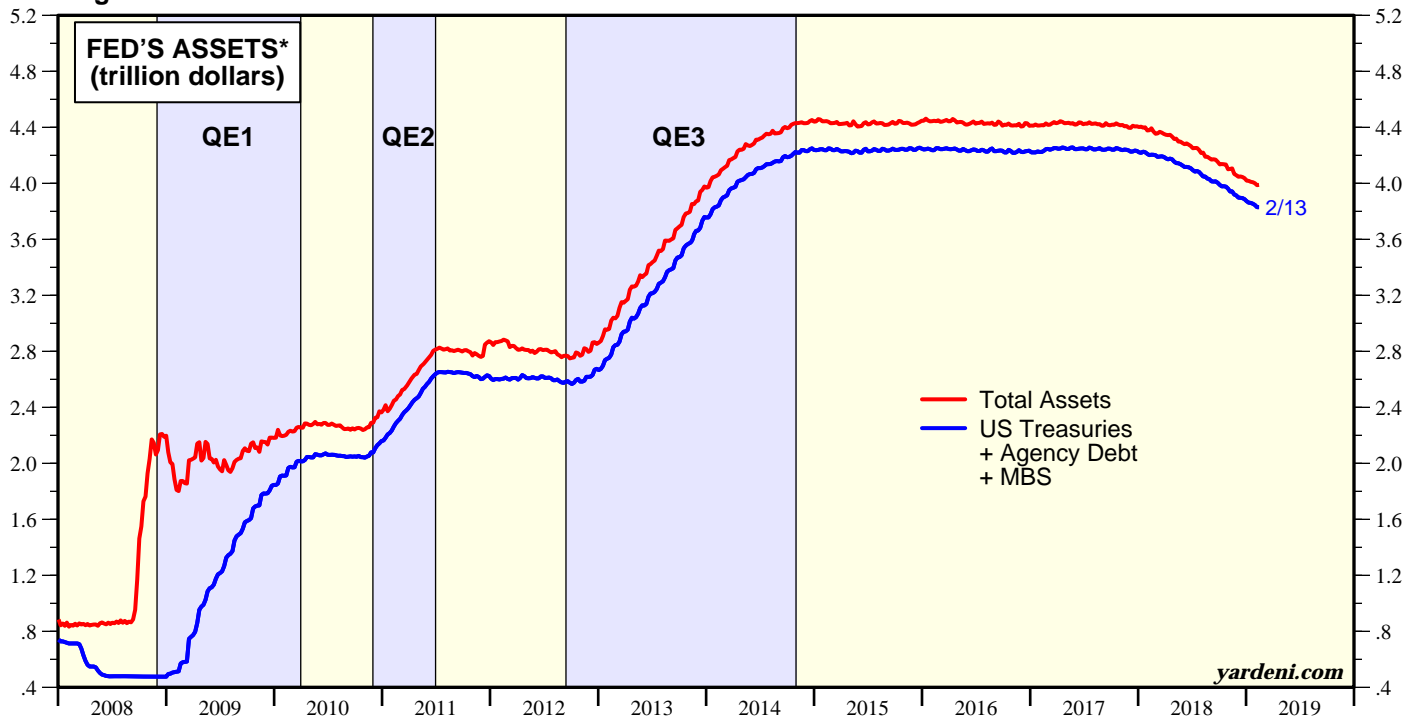
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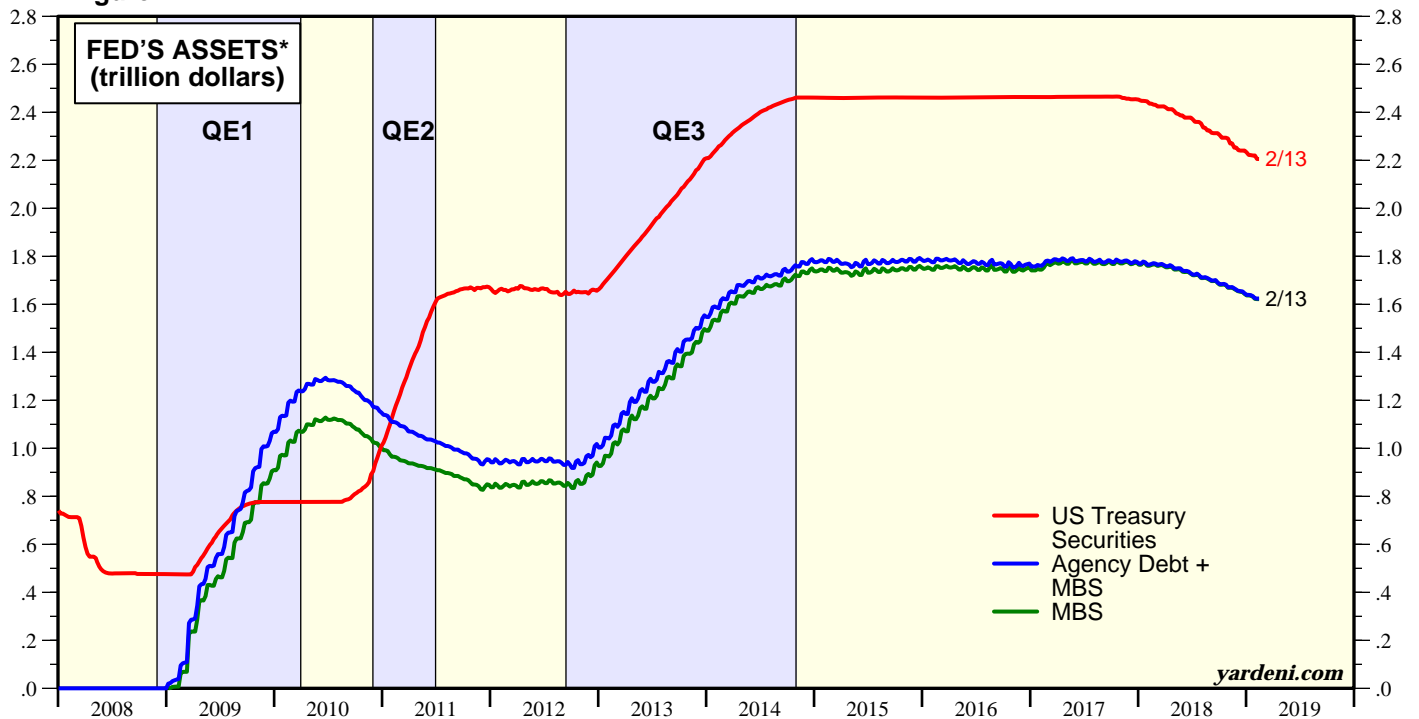
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Figure 1.



* Fed data are averages of daily figures for weeks ending Wednesday.
 Note: QE1 (11/25/08) = Fed starts buying \$1.24tn in mortgage securities. QE1 expanded (3/16/2009) = Fed starts buying \$300bn in Treasuries.
 QE2 (11/3/10) = Fed starts buying \$600bn in Treasuries. QE3 (9/13/12) = Fed starts buying \$40bn/month in mortgage securities (open ended).
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 Source: Federal Reserve Board.

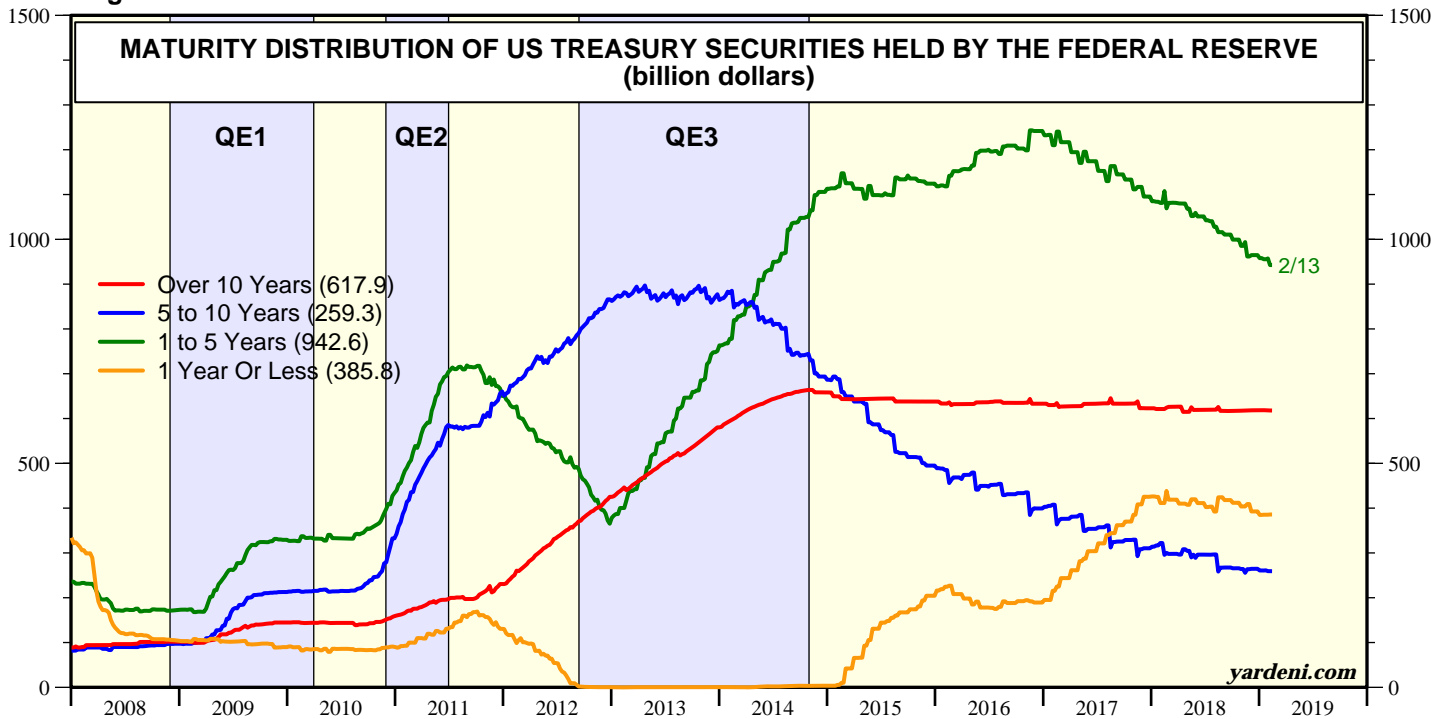
Figure 2.



* Fed data are averages of daily figures for weeks ending Wednesday.
 Note: QE1 (11/25/08) = Fed starts buying \$1.24tn in mortgage securities. QE1 expanded (3/16/2009) = Fed starts buying \$300bn in Treasuries.
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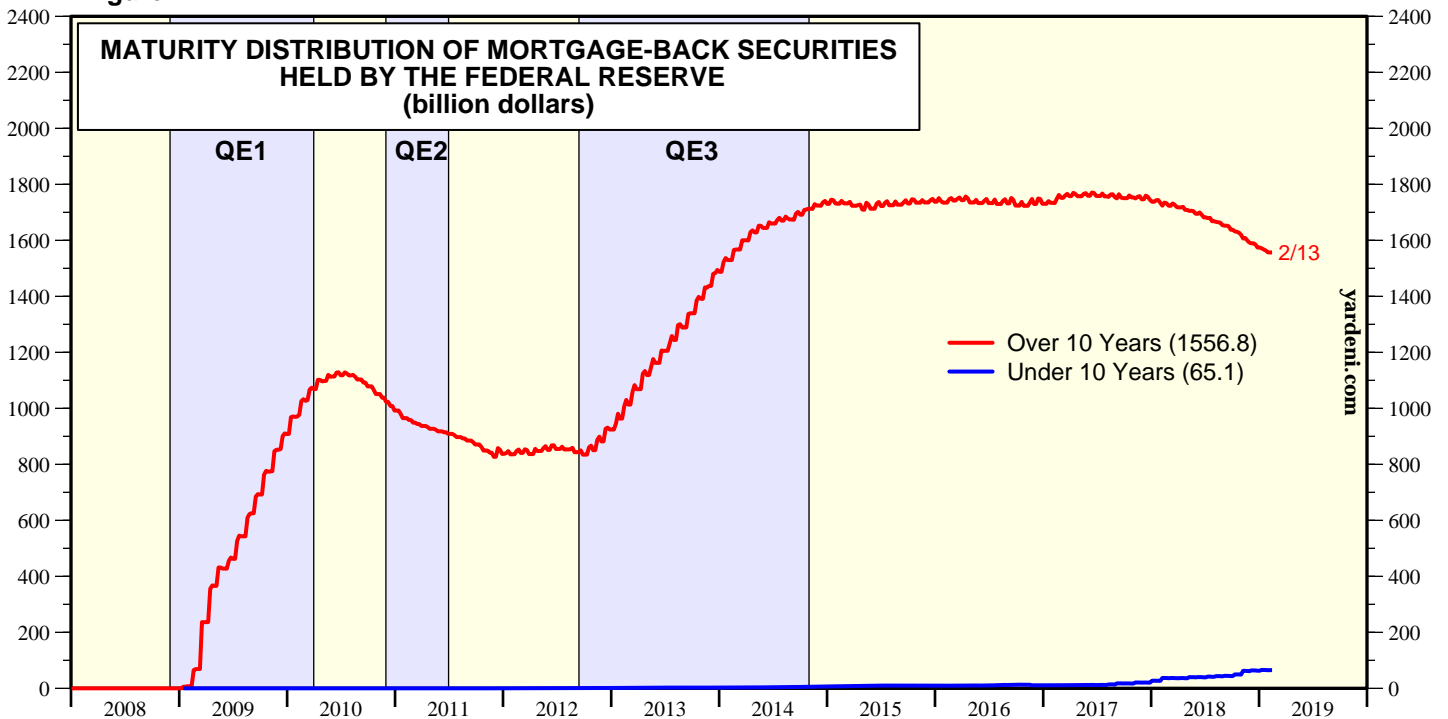
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Figure 3.



Note: QE1 (11/25/08) = Fed starts buying \$1.24tn in mortgage securities. QE1 expanded (3/16/2009) = Fed starts buying \$300bn in Treasuries. QE2 (11/3/10) = Fed starts buying \$600bn in Treasuries. QE3 (9/13/12) = Fed starts buying \$40bn/month in mortgage securities (open ended). QE3 expanded (12/12/12) = Fed starts buying \$45bn/month in Treasuries. Fed terminated QE net purchases (10/1/14). Fed started paring holdings (10/1/17). Source: Federal Reserve Board, H.4.1 (Table 2).

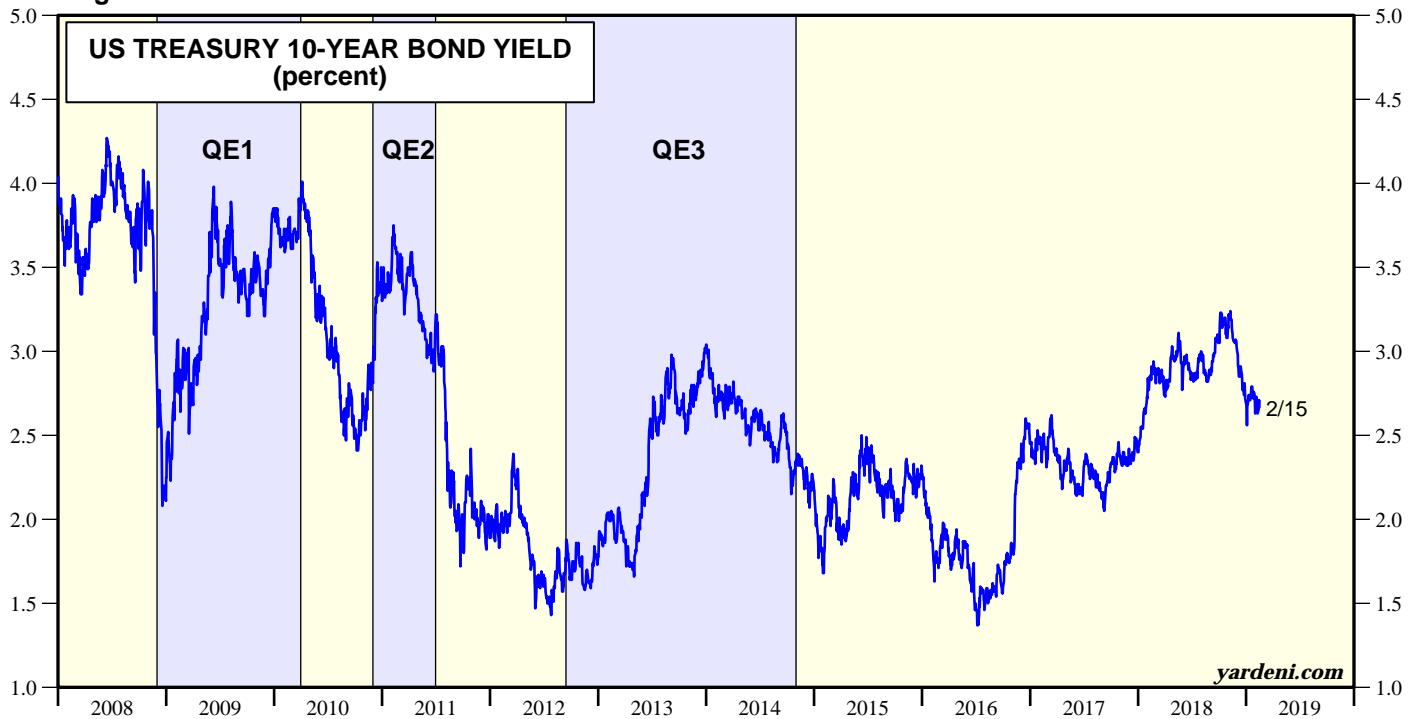
Figure 4.



Note: QE1 (11/25/08) = Fed starts buying \$1.24tn in mortgage securities. QE1 expanded (3/16/2009) = Fed starts buying \$300bn in Treasuries. QE2 (11/3/10) = Fed starts buying \$600bn in Treasuries. QE3 (9/13/12) = Fed starts buying \$40bn/month in mortgage securities (open ended). QE3 expanded (12/12/12) = Fed starts buying \$45bn/month in Treasuries. Fed terminated QE net purchases (10/1/14). Fed started paring holdings (10/1/17). Source: Federal Reserve Board, H.4.1 (Table 2).

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Figure 5.



Note: QE1 (11/25/08) = Fed starts buying \$1.24tn in mortgage securities. QE1 expanded (3/16/2009) = Fed starts buying \$300bn in Treasuries. QE2 (11/3/10) = Fed starts buying \$600bn in Treasuries. QE3 (9/13/12) = Fed starts buying \$40bn/month in mortgage securities (open ended). QE3 expanded (12/12/12) = Fed starts buying \$45bn/month in Treasuries. Fed terminated QE net purchases (10/1/14). Fed started paring holdings (10/1/17).
Source: Federal Reserve Board.

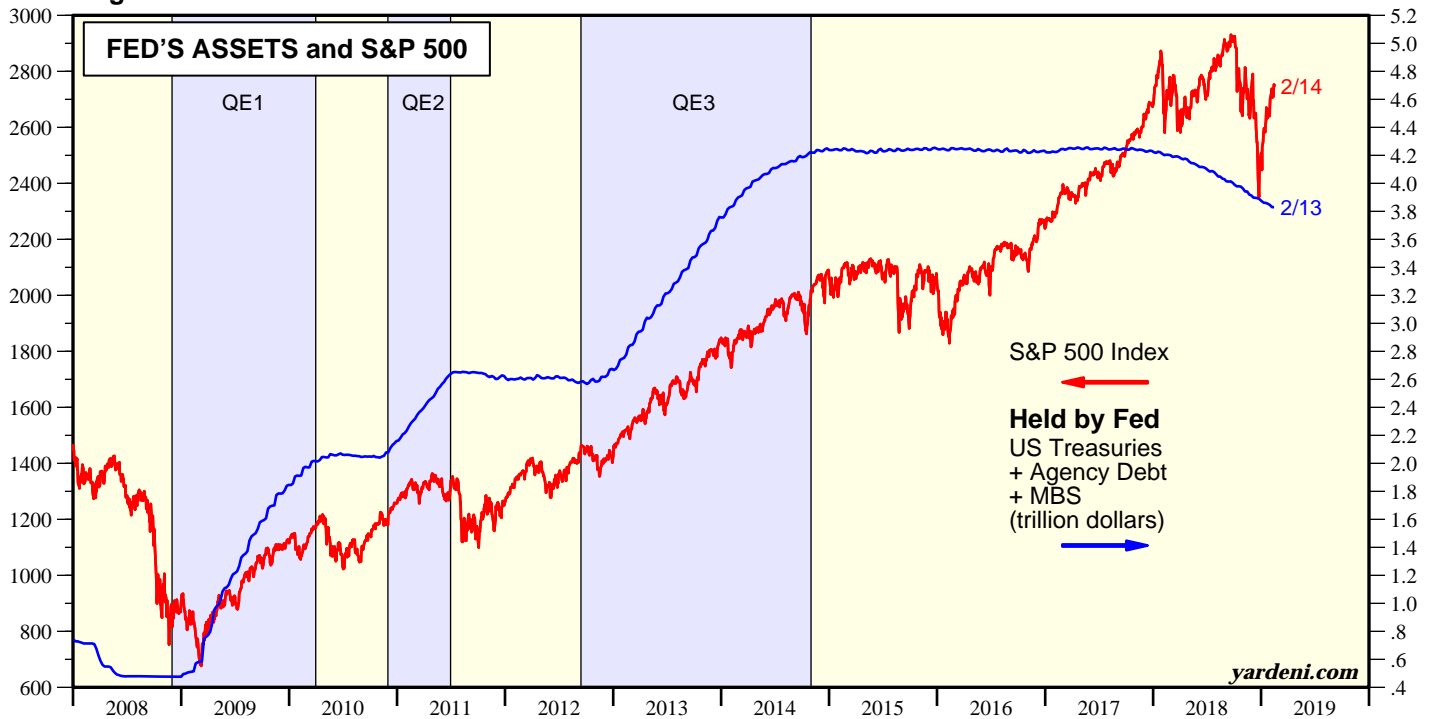
Figure 6.



* Ten-year Treasury yield less federal funds rate.
Note: QE1 (announced 11/25/08) = Fed buys \$1.24tn in mortgage securities. QE2 (announced 11/3/10) = Fed buys \$600bn in Treasuries. QE3 (announced 9/13/12) = Fed buys \$40bn/month in mortgage securities (to infinity and beyond). QE3 extended (announced 12/12/12) = Fed buys \$45bn/month in Treasuries. Fed terminated QE net purchases (10/1/14). Fed started paring holdings (10/1/17).
Source: Board of Governors of the Federal Reserve System and the Conference Board.

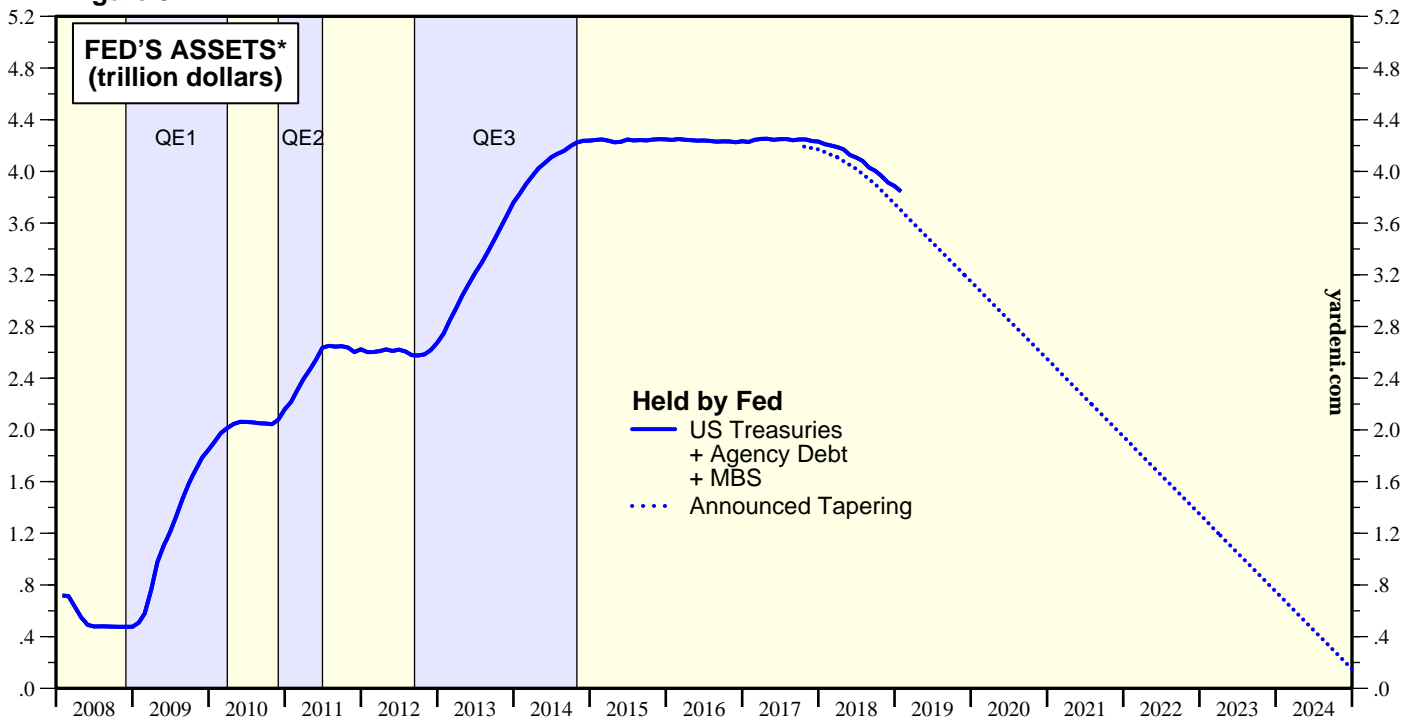
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Figure 7.



Note: QE1 (11/25/08) = Fed starts buying \$1.24tn in mortgage securities. QE1 expanded (3/16/2009) = Fed starts buying \$300bn in Treasuries. QE2 (11/3/10) = Fed starts buying \$600bn in Treasuries. QE3 (9/13/12) = Fed starts buying \$40bn/month in mortgage securities (open ended). QE3 expanded (12/12/12) = Fed starts buying \$45bn/month in Treasuries. Fed terminated QE net purchases (10/1/14). Fed started paring holdings (10/1/17). Source: Federal Reserve Board and Standard & Poor's.

Figure 8.



* Fed data are averages of daily figures for weeks ending Wednesday.
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Figure 9.

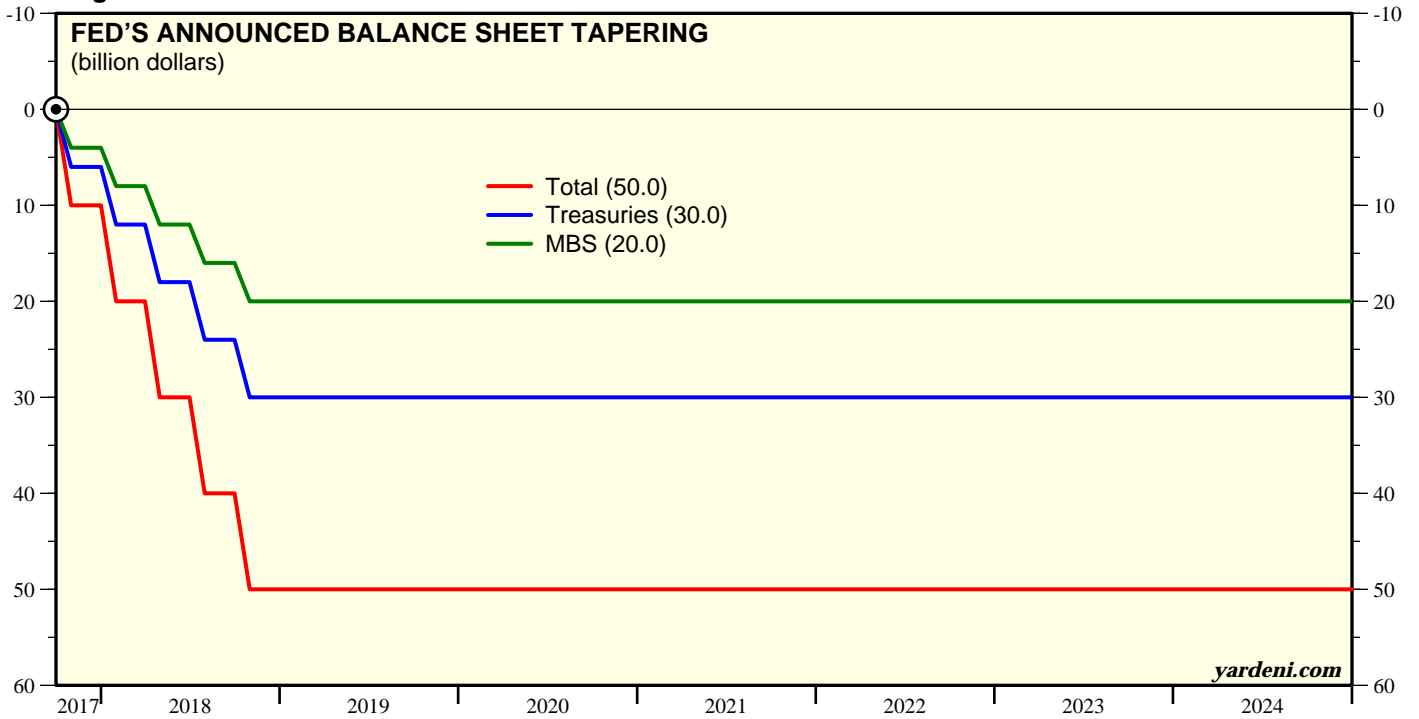
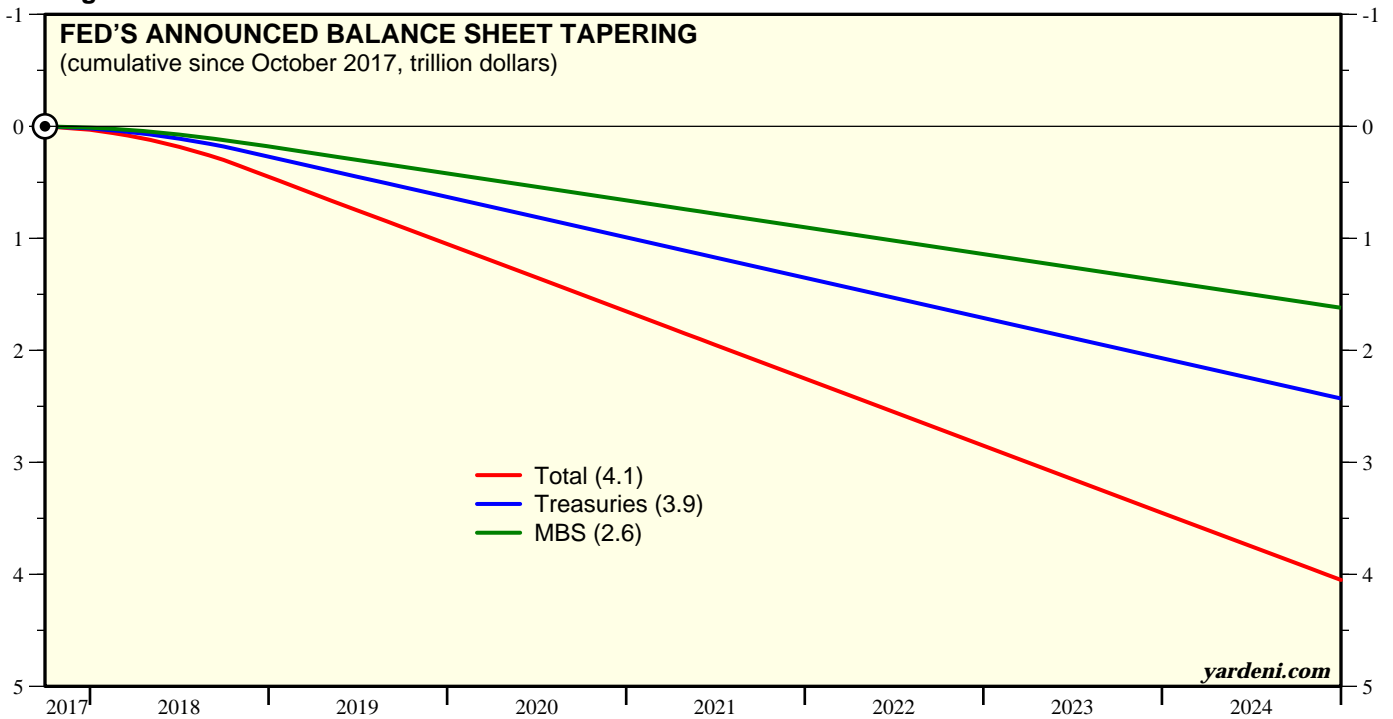
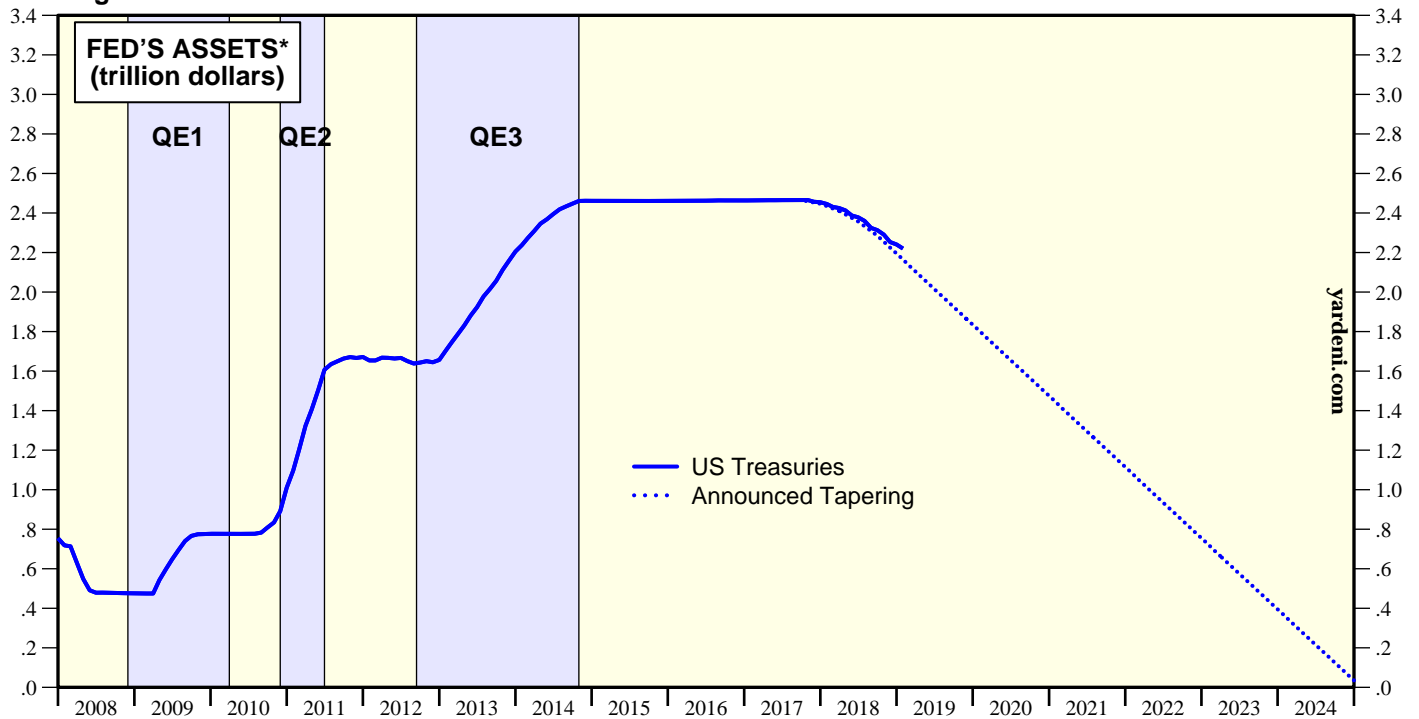


Figure 10.



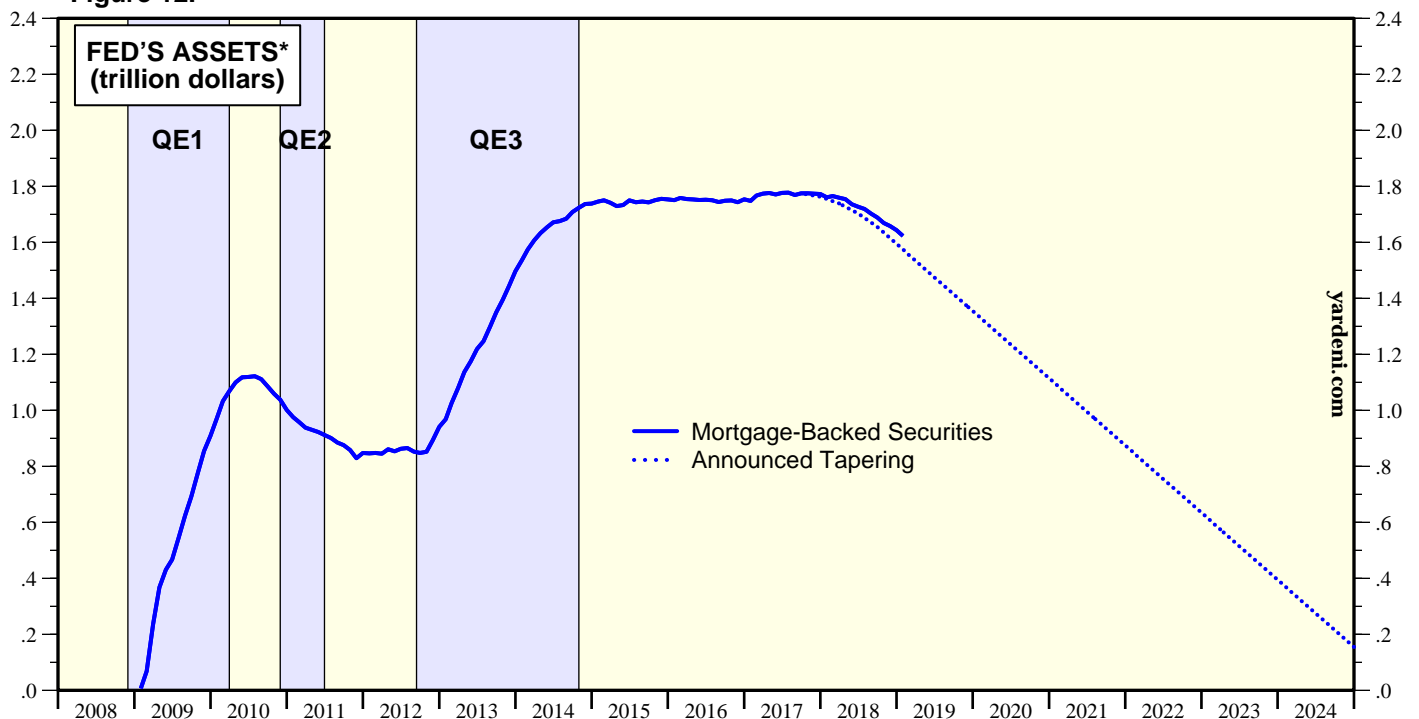
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Figure 11.



* Fed data are averages of daily figures for weeks ending Wednesday.
 Note: QE1 (11/25/08) = Fed starts buying \$1.24tn in mortgage securities. QE1 expanded (3/16/2009) = Fed starts buying \$300bn in Treasuries.
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 Source: Federal Reserve Board.

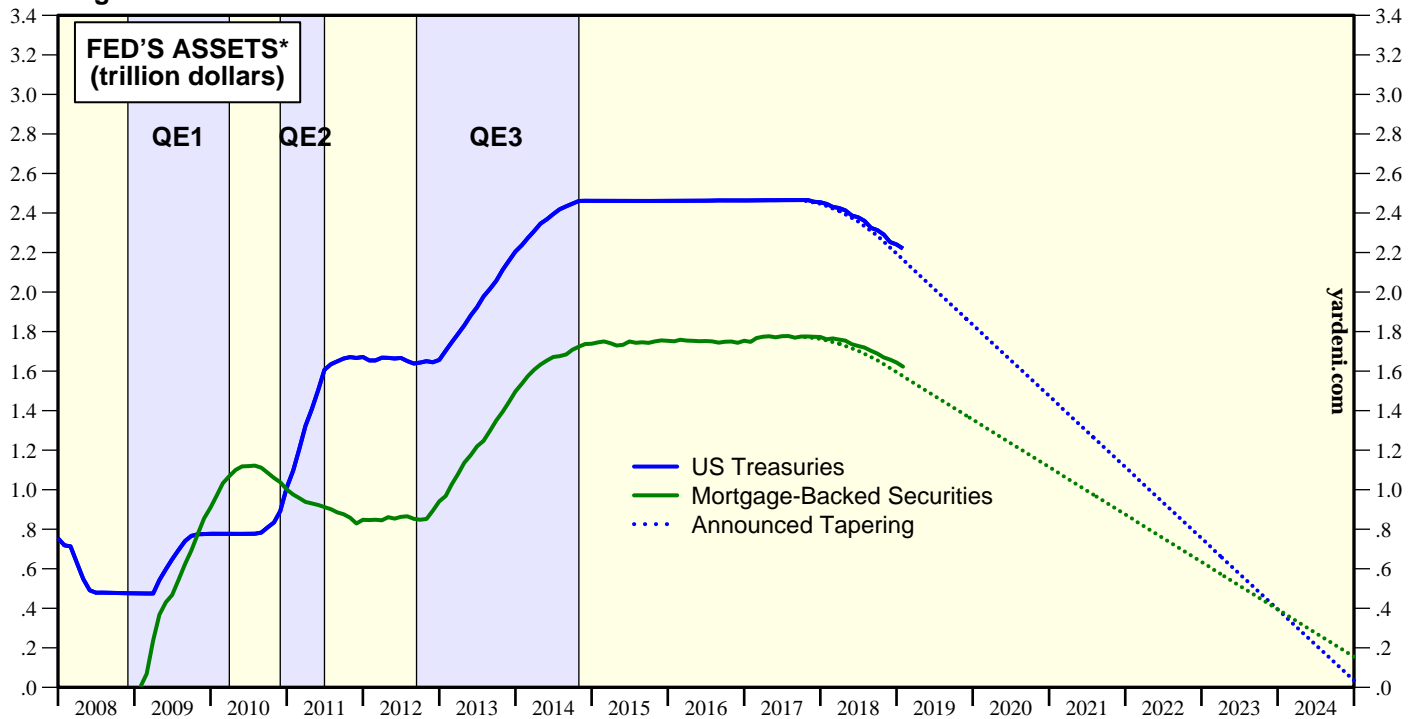
Figure 12.



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 Source: Federal Reserve Board.

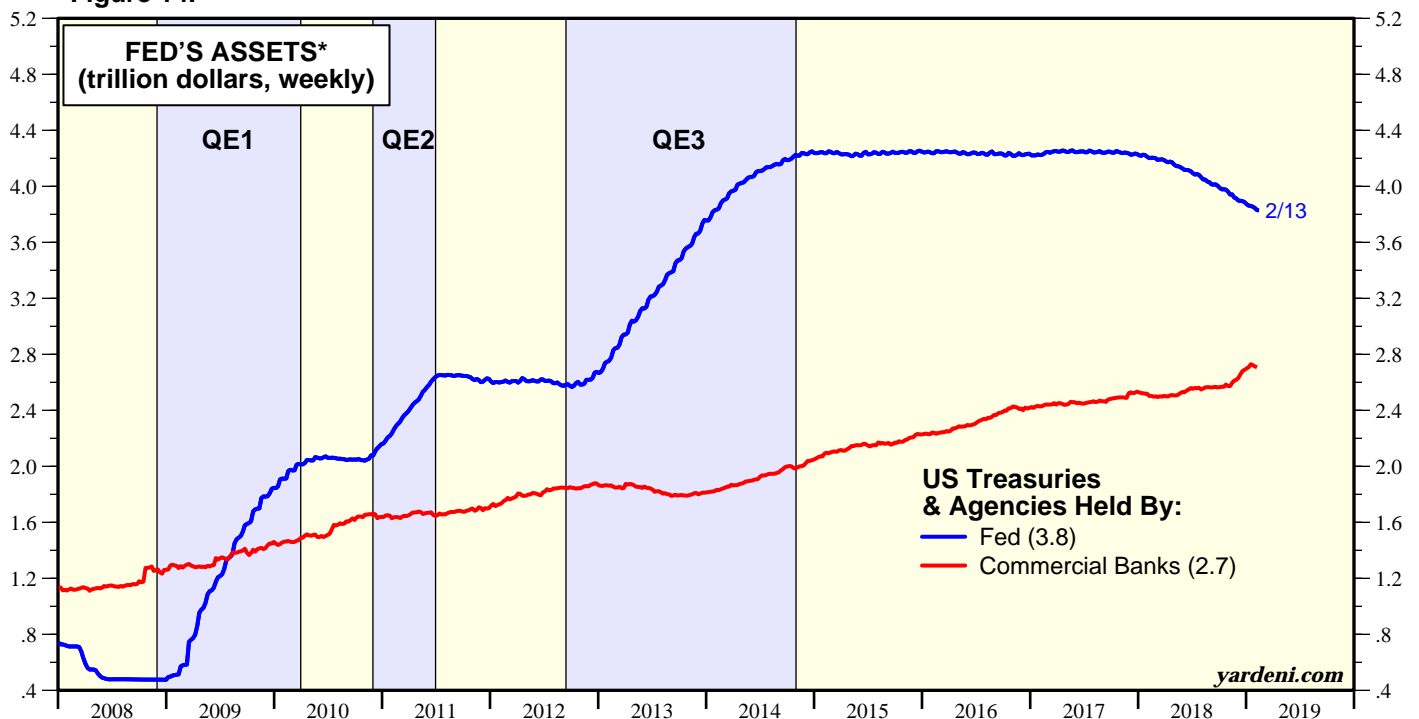
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Figure 13.



* Fed data are averages of daily figures for weeks ending Wednesday.
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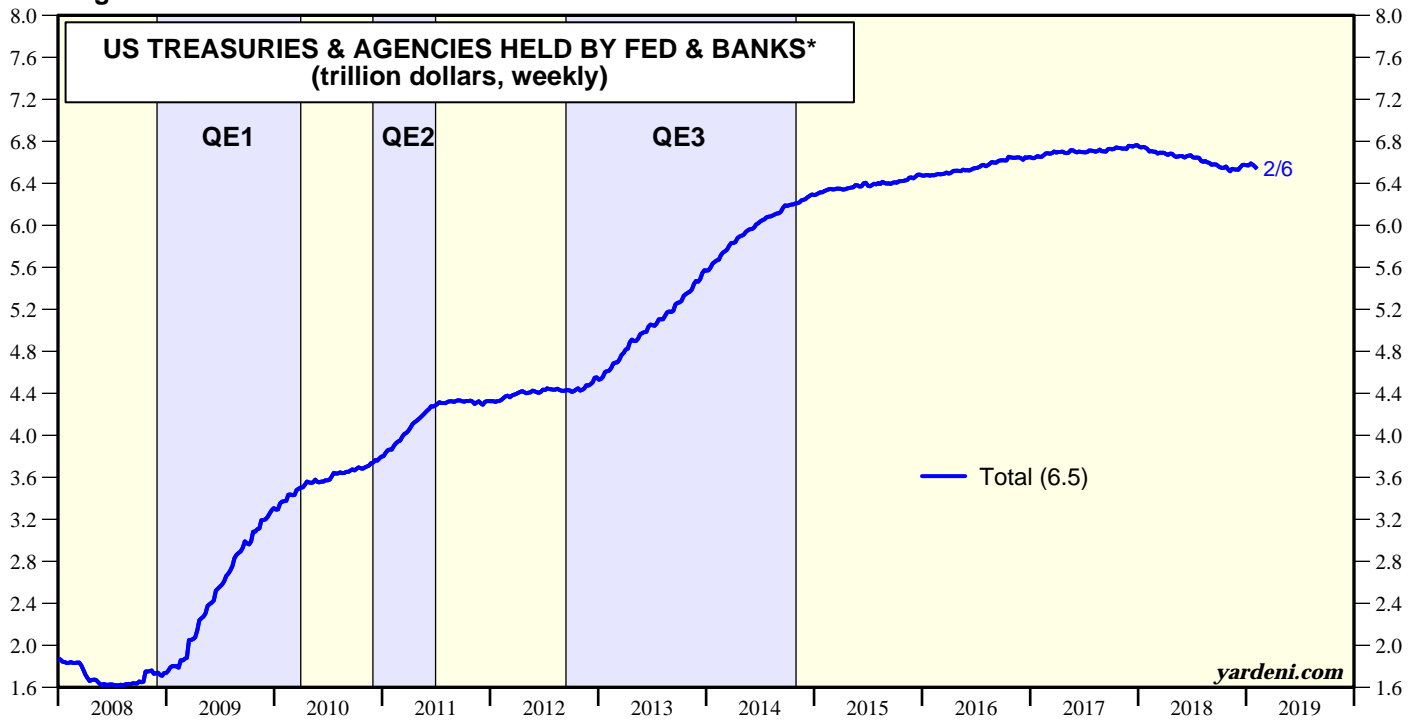
Figure 14.



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Figure 15.



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