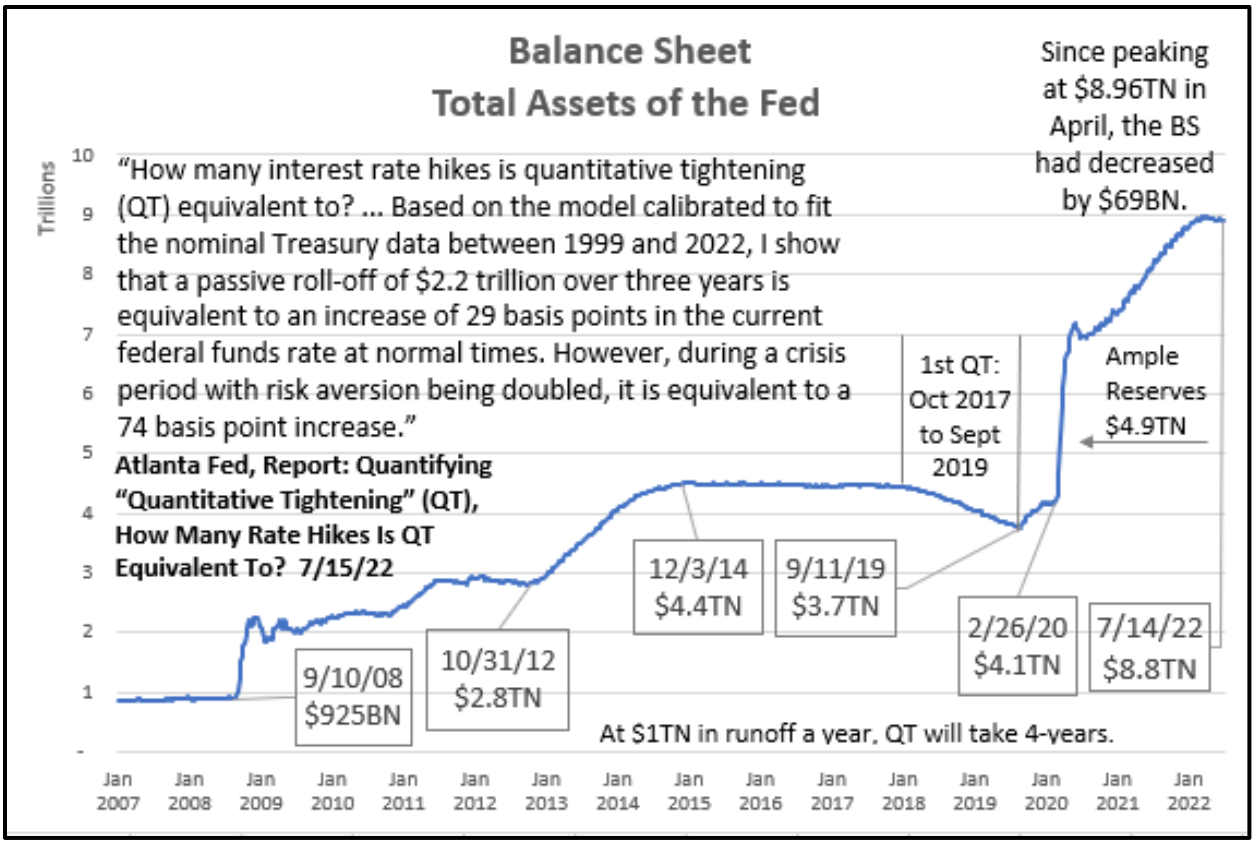
Balance Sheet
Total Assets of the Fed
Since peaking at $8.96TN in April, the BS had decreased by $69BN.
Trillions
10
9
8
7
6
5
4
3
2
1
-
"How many interest rate hikes is quantitative tightening (QT) equivalent to? ... Based on the model calibrated to fit the nominal Treasury data between 1999 and 2022, I show that a passive roll-off of $2.2 trillion over three years is equivalent to an increase of 29 basis points in the current federal funds rate at normal times. However, during a crisis period with risk aversion being doubled, it is equivalent to a 74 basis point increase."
Atlanta Fed, Report: Quantifying "Quantitative Tightening" (QT), How Many Rate Hikes Is QT Equivalent To? 7/15/22
1st QT: Oct 2017 to Sept 2019
Ample Reserves $4.9TN
9/10/08 $925BN
10/31/12 $2.8TN
12/3/14 $4.4TN
9/11/19 $3.7TN
2/26/20 $4.1TN
7/14/22 $8.8TN
At $1TN in runoff a year, QT will take 4-years.
Jan 2007
Jan 2008
Jan 2009
Jan 2010
Jan 2011
Jan 2012
Jan 2013
Jan 2014
Jan 2015
Jan 2016
Jan 2017
Jan 2018
Jan 2019
Jan 2020
Jan 2021
Jan 2022