Panel 1: Assets and Liabilities Today

Assets:
- Other
- Agency Debt
- Agency MBS
- Treasuries

Liabilities and Capital:
- Other Liabilities and Capital
- Reverse Repurchase Agreements
- Federal Reserve Notes
- Reserve Balances and Other Deposits

Panel 2: Projections of Assets and Liabilities in 2025

Assets:
- Other
- Agency Debt
- Agency MBS
- Treasuries

Liabilities and Capital:
- Other Liabilities and Capital
- Reverse Repurchase Agreements
- Federal Reserve Notes
- Reserve Balances and Other Deposits

Source: Survey of Primary Dealers and Survey of Market Participants, June 2017.
Panel 4: Disagreement Between Dealers and Investors

PDF-Implied Year-End 2017 Target Federal Funds Rate

- Survey of Market Participants
- Survey of Primary Dealers

Source: Survey of Primary Dealers and Survey of Market Participants.
Panel 5: Market Impact of Communication

Market Impact of Balance Sheet Normalization Communication, Through June 2017

Source: Survey of Primary Dealers and Survey of Market Participants, June 2017.

Note: The light blue bars represent the middle 50% of responses.
Panel 6: Timing of Reinvestment Change

Date of Announcement of Change in the Reinvestment Policy

Federal Funds Rate at First Change in Reinvestment Policy

Source: Survey of Primary Dealers and Survey of Market Participants; FRBNY calculations.
Panel 7: Expectations for Method of Reduction

No Change in Treasury Reinvestments

Source: Survey of Primary Dealers and Survey of Market Participants.

Treasury Reinvestments Ceasing All at Once

Source: Survey of Primary Dealers and Survey of Market Participants.
Panel 8: Market Impact of Balance Sheet Normalization: Two Years Following Implementation

Market Impact of Balance Sheet Normalization Communication: Two Years Following Implementation


Note: The light blue bars represent the middle 50% of responses.
Panel 9: 2020 Portfolio Size Probability Distribution

Assuming No Return to the Zero Lower Bound

Average Prob.

0%  10%  20%  30%  40%  50%

$ Billions

≤ 3000  3001 - 3500  3501 - 4000  4001 - 4500  ≥ 4501

Assuming a Return to the Zero Lower Bound

Average Prob.

0%  10%  20%  30%  40%  50%

$ Billions

≤ 4000  4001 - 4500  4501 - 5000  5001 - 5500  ≥ 5501

Source: Survey of Primary Dealers and Survey of Market Participants, September 2017. The dotted line represents the median scenario from the July update to the Annual Report.
Panel 10: Prob. of Moving to ZLB (Now - End 2020)

Probability of Return to the Zero Lower Bound

- Median
- Average

Source: Survey of Primary Dealers and Survey of Market Participants, September 2017.
Note: The light blue bars represent the middle 50% of responses.