



FEDERAL RESERVE BANK *of* NEW YORK

# The Supply of Money-Like Assets

Remarks for American Economic Association Panel Session:

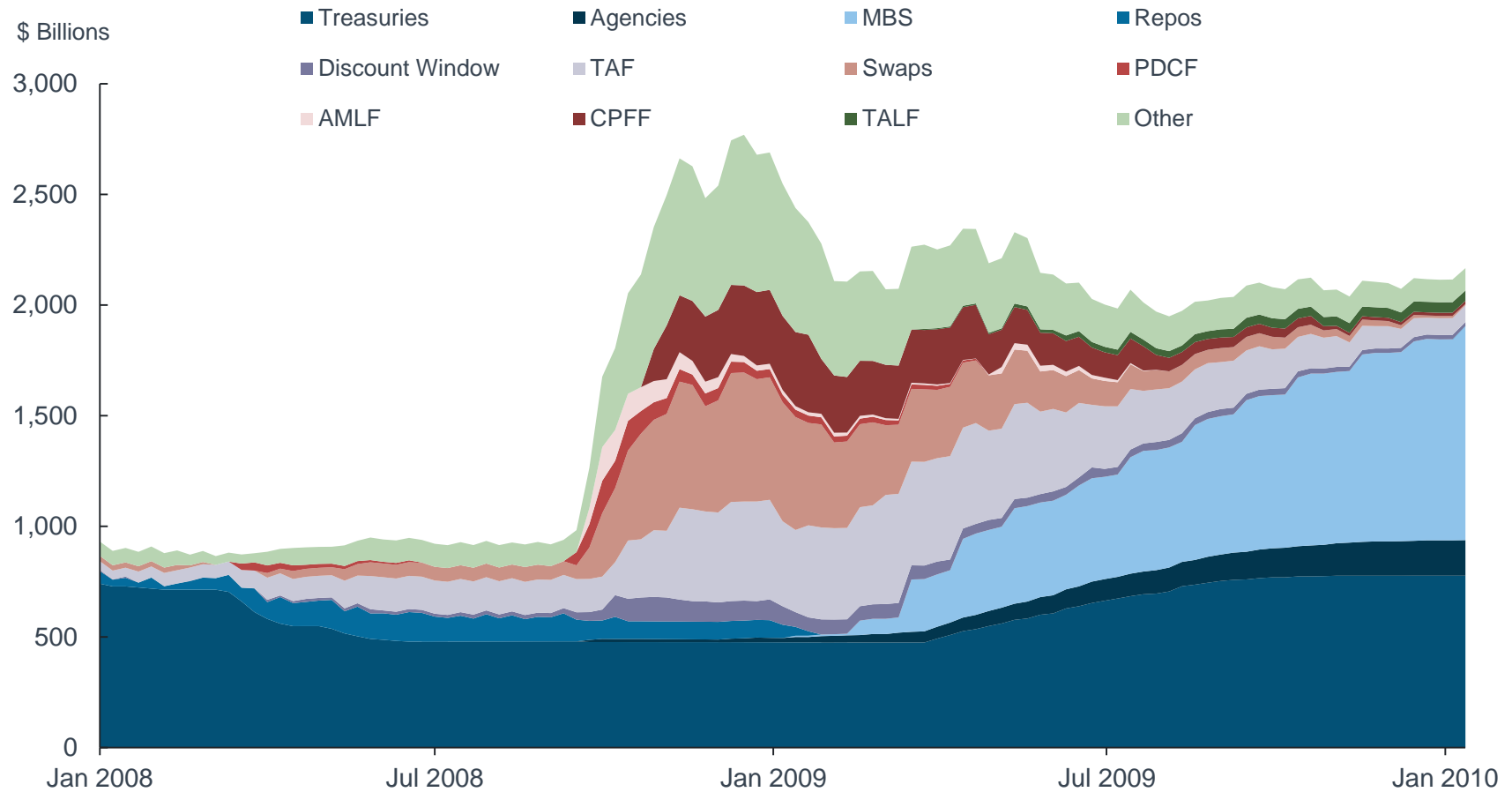
“The Balance Sheets of Central Banks and the Shortage of Safe Assets”

Philadelphia, PA

Simon Potter  
January 6, 2018

The views presented here are those of the author and do not necessarily reflect those of the Federal Reserve Bank of New York or the Federal Reserve System

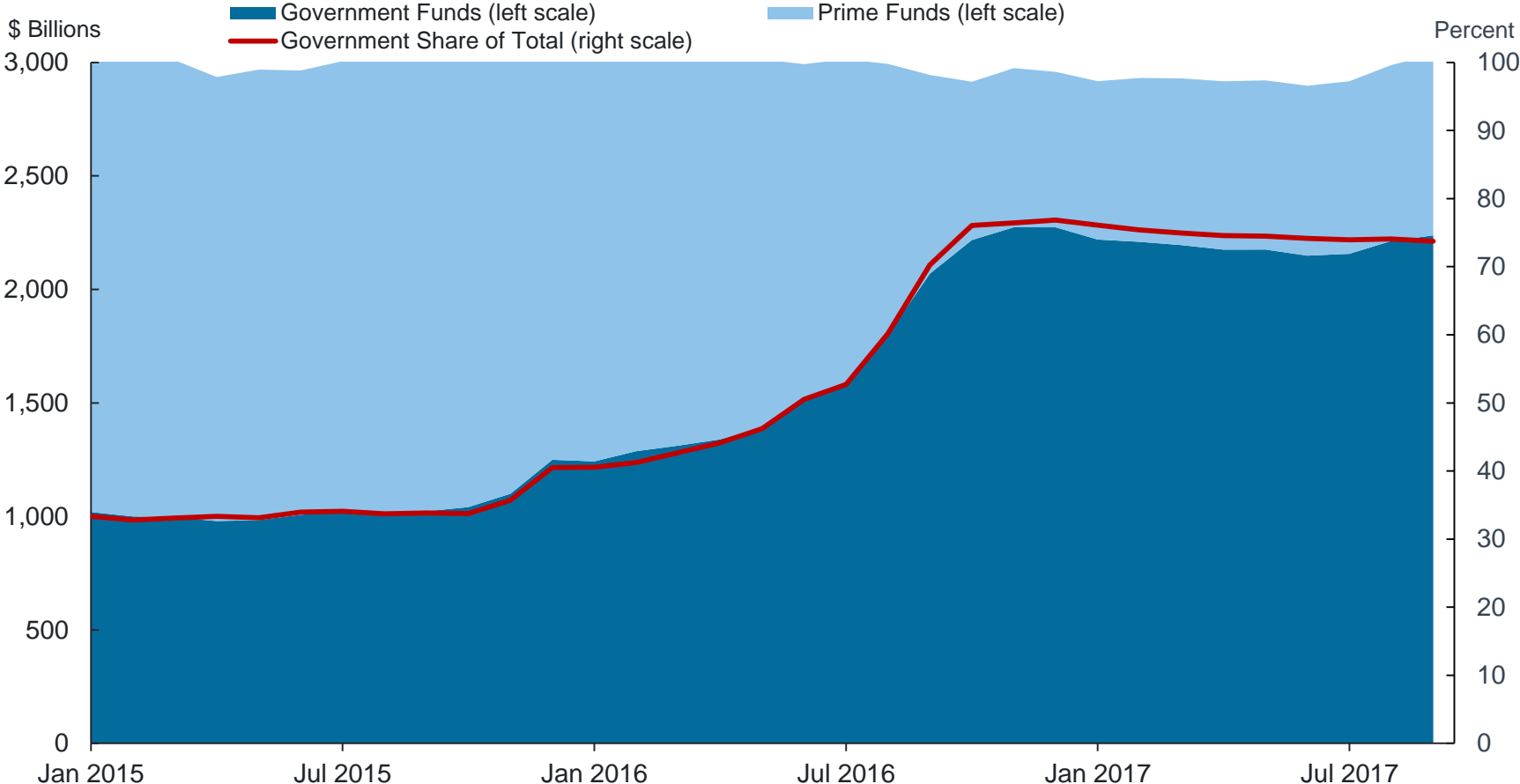
# Figure 1: Federal Reserve Assets



Source: Federal Reserve Board data, accessed from the data file accompanying the Financial Stability Oversight Council's 2011 Annual Report.



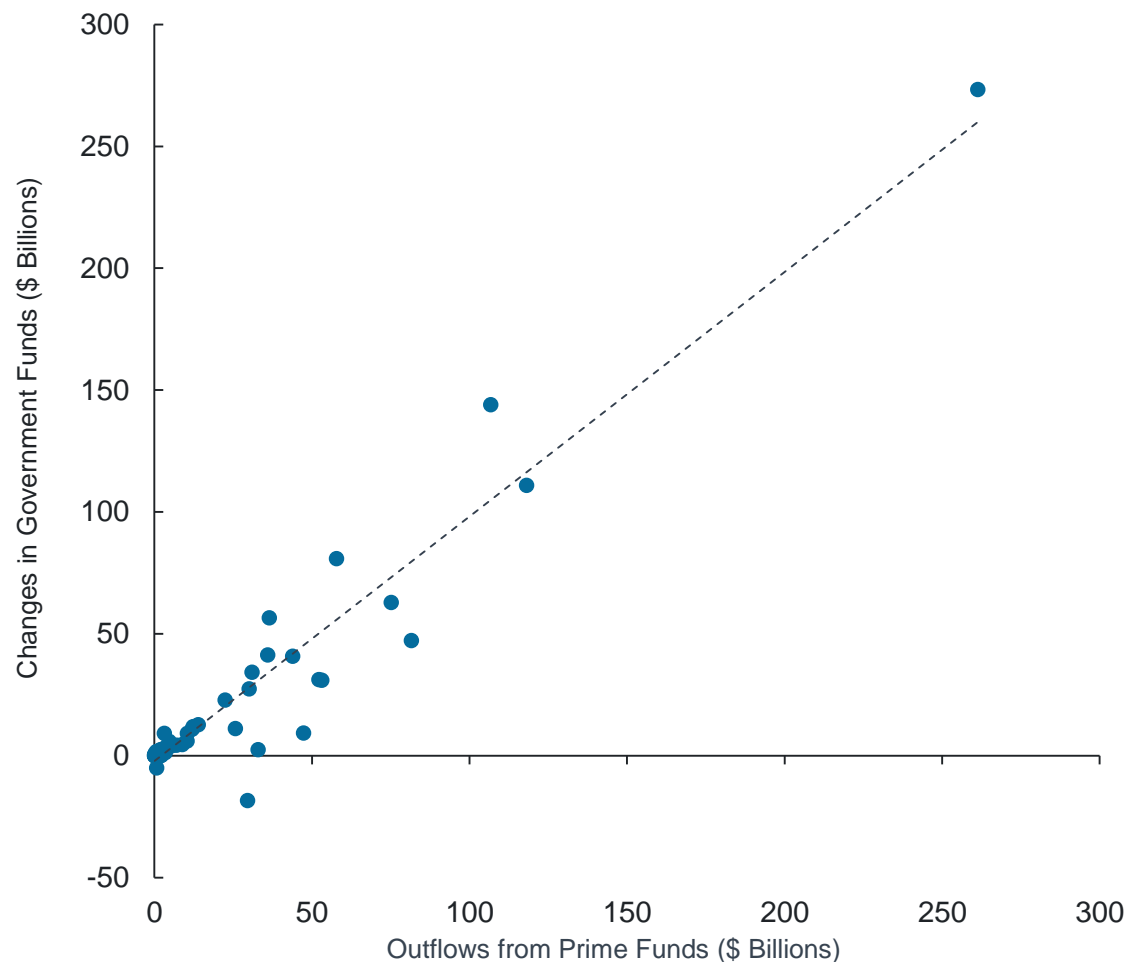
# Figure 2: Money Market Fund Assets by Fund Type



Source: Securities and Exchange Commission.



# Figure 3: Flows between Fund Types within Fund Families around MMF Reform Implementation

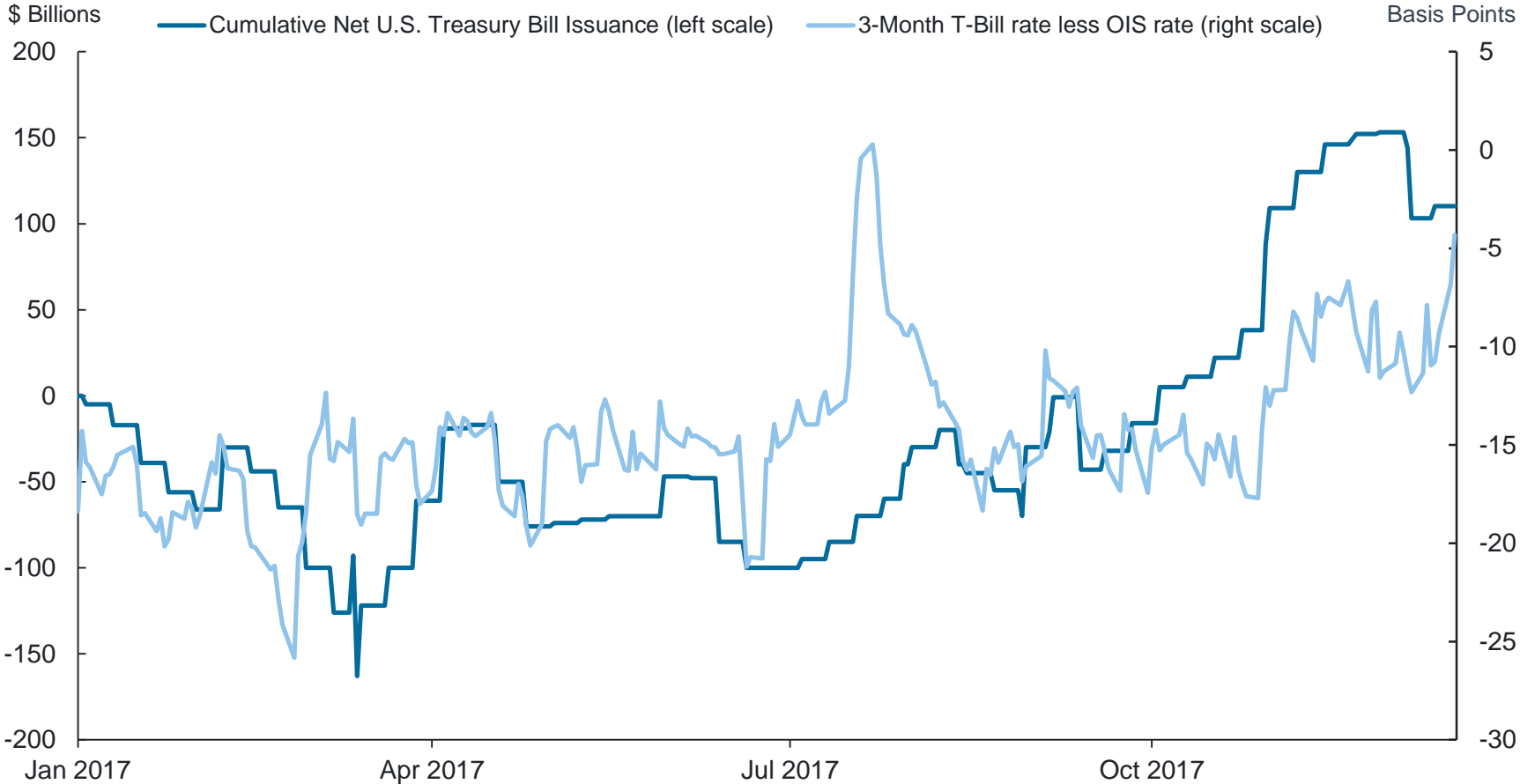


Note: Each dot represents outflows from prime funds versus changes (positive or negative) in government funds sponsored by the same fund family from November 2015 to October 2016.

Source: Securities and Exchange Commission.



# Figure 4: Cumulative Bill Issuance and Bill/OIS Spread



Sources: U.S. Treasury; Bloomberg L.P.



# Figure 5: Federal Reserve Liabilities

Date	\$ Billions				
	Reserve Balances	Federal Reserve Notes	RRPs (foreign official sector)	RRPs (private sector)	Treasury General Account
<b>August 01, 2007</b>	17	777	32	0	5
<b>December 27, 2017</b>	2,176	1,569	239	148	186
<b>Expected Average in 2025*</b>	600	2,200	200	100	300

\*Based on median responses to the December 2017 Survey of Primary Dealers and Survey of Market Participants, conditional on not moving to the zero lower bound before the end of 2025.

Sources: Federal Reserve Board; Federal Reserve Bank of New York.