



RESEARCH & ANALYSIS

Senior Financial Officer Survey Results

March 2026



BOARD OF GOVERNORS OF THE
FEDERAL RESERVE SYSTEM



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Background

In March 2026, the Federal Reserve conducted a Senior Financial Officer Survey (SFOS) to systematically gather views from a representative sample of banks on their reserve balance management strategies and the Federal Reserve's standing repurchase agreement (SRP) operations.¹

The March SFOS was distributed to senior financial officers at 100 banks, representing a wide range of asset sizes and business models, on March 20, 2026, with replies due by March 30, 2026. This summary includes responses from 92 banks, comprising 57 domestic banks and 35 foreign banking organizations (FBOs). In aggregate, respondents held around three-fourths of the total reserve balances in the banking system at the time of the survey.

Part 1: Questions about Balance Sheet Management

(Questions 1–3)

The questions in Part 1 asked respondents about their bank's expectations for its balance sheet over the next year and any recent or anticipated adjustments to its reserves or liquidity management strategy.

- Respondents were asked to estimate the percentage likelihood of potential changes in both their bank's total balance sheet size and total deposit levels over the next 12 months. Respondents, on average, assigned the greatest probability that both their balance sheets and total deposit levels would remain flat or grow moderately, though there was considerable dispersion in the collected responses.
- When asked if the Federal Reserve's initiation of reserve management purchases has influenced their bank's reserves or liquidity management strategy, most respondents reported no adjustment of their strategy or the frequency of liquidity management discussions with senior officers at their institution.
- Respondents were asked a series of questions regarding their reserves or liquidity management strategy in anticipation of the April 2026 tax payment date.
 - When asked to report any actions their bank pursued or expected to pursue in advance of the April 2026 tax payment date, a slight majority of respondents indicated that their bank was taking at least one action. Of those respondents, most reported that they were heightening

¹ For the purpose of this summary, the term "banks" is used to encompass all types of depository institutions, including credit unions.

monitoring of payments and reserve balances around this period, and about one-fourth reported they were planning to increase reserve holdings.

- When asked about their bank’s level of confidence in its institution’s forecast of its net deposit outflows and reserve balances around the April 2026 tax payment date, three-quarters of respondents indicated a moderately high or high level of confidence in their institution’s forecast.

Part 2: Questions about Preferred Reserve Levels

(Questions 4–11)

The questions in Part 2 asked respondents about their bank’s lowest comfortable level of reserves (LCLOR), which is defined in the survey as the lowest dollar level of reserves that their bank would feel comfortable holding before taking actions to maintain or increase its reserve balances.²

- One-half of respondents to both this survey and the previous survey in September 2025 reported no change to their LCLOR estimate.³ Of those reporting a change, respondents were roughly equally split between those with an increase and those with a decrease in their bank’s LCLOR compared with the last survey.
- Nearly all respondents reported that their bank prefers to hold additional reserves above LCLOR (hereafter, additional reserves). Among these banks, a majority reported no change to their additional reserves estimate since the previous survey in September 2025.
- When asked about their bank’s reserve management strategy over the past few months, just over one-half of respondents reported that their bank has taken actions intended to maintain the current amount of its reserves.
- Respondents whose bank’s average daily reserve balances over the past few months were above their preferred reserve levels (the sum of its reported LCLOR and additional reserves) rated the relative or risk-adjusted rate of return between interest on reserves and other high-quality liquid assets (HQLA) as a moderately important factor resulting in their bank holding reserves above their preferred reserve level. Respondents from FBOs rated the spread between interest on reserves and overnight borrowings as a moderately important factor, while respondents from domestic banks rated it as a less important factor.
- Respondents were again asked to provide an approximate forecast for their bank’s reserve balances under hypothetical changes in the level of overnight interest rates relative to the interest on reserve balances (IORB) rate. Similar to the previous survey, just under one-half of respondents reported their reserves would decline from current levels when the constellation of

² “Taking actions” is defined in the survey as taking active steps to intervene and raise funds to replenish reserves.

³ The surveys include a combined total of 89 respondents.

overnight interest rates increased 2 basis points relative to the IORB rate. If overnight rates increased 8 basis points relative to the IORB rate, nearly two-thirds of respondents forecasted a decline in their reserves from current levels.

- Respondents were also asked about a hypothetical rate scenario where the constellation of overnight interest rates *decreased* 2 basis points relative to the IORB rate. More than one-half of respondents reported that their bank’s reserves would not change from current levels and about one-fifth of respondents reported that their bank’s reserves would *increase* from current levels in this scenario.
- When asked to report the probability of potential changes to their bank’s estimated preferred reserve level over the next 12 months, on average respondents attached only a 20 percent likelihood to major changes in either direction to their bank’s preferred reserve level.
- When asked about the factors that could affect their bank’s reserves or liquidity management strategy over the next two years, respondents rated developments related to bank liquidity regulation policies as an important factor affecting its anticipated future strategy.
- A majority of respondents from US globally systemically important banks indicated that the modifications to the enhanced supplementary leverage ratio (eSLR) standards announced by the federal bank regulatory agencies in November 2025 have had or are expected to have no effect on their institution’s holdings of reserves, non-reserve Level 1 securities, or Level 2A securities.
 - When asked about any potential effect of the eSLR modifications on their institution’s (or their institution’s affiliated dealer’s) repurchase agreement (repo) market activity this year, a majority reported no change.

Part 3: Questions about Money Markets

(Questions 12–15)

The questions in Part 3 asked respondents about their bank’s activity in funding markets.⁴

- Just over one-third of respondents reported that their bank is an active lender in repo markets. Those respondents were then asked about the maximum volume in overnight repo lending against Treasury securities that their bank engaged in on a single day in the last quarter of 2025. A majority of these respondents reported a volume at or below \$5 billion and one-fourth of respondents reported a volume exceeding \$15 billion.
- Respondents who reported that their bank is an active lender in repo markets were asked about their lending activity to their affiliated dealers. One-fourth of respondents reported that their

⁴ References to “lending in repo markets” or “cash lenders in repo markets” refers to reverse repo activity.

bank is a regular repo lender to their affiliated dealer and just under one-third of respondents reported that their bank is an intermittent repo lender to their affiliated dealer.

- The subset of respondents whose banks are regular or intermittent repo lenders to their affiliated dealers rated liquidity and collateral optimization across their holding company as a moderately important factor driving their decisionmaking around lending excess liquidity to their affiliated dealer in reverse repo.
- The same subset of respondents was equally split between those reporting that their banks have increased this activity and those reporting theirs had not over the last three years.

Part 4: Questions about Standing Repo Operations

(Questions 16–21)

The questions in Part 4 asked respondents about their banks' usage of and views regarding standing repo operations (SRPs).^{5, 6}

- Respondents whose banks are SRP counterparties were asked to provide the uncleared triparty, centrally cleared, and interdealer repo spreads above the SRP rate at which their bank would actively consider placing a bid at the SRP rather than borrow in the three private repo market segments under two hypothetical scenarios. In the scenario under which rates were expected to exceed the SRP rate for one day, the median reported spreads were the same across all three private repo market segments at 25 basis points. In the scenario under which rates remain higher for at least several days, the median spread for the centrally cleared segment was equal to the spread for the interdealer repo segment at 20 basis points, marginally higher than the median spread for the uncleared triparty segment in this scenario—15 basis points.
- Respondents whose banks are SRP counterparties or respondents who indicated that their bank intends to become a counterparty were asked to rate how a set of non-price factors may affect their institution's participation in SRP operations. These respondents rated the proposition limit and Federal Reserve public communications about SRP operations as slightly encouraging factors and lagged public disclosures of counterparty-level transaction details as a mildly discouraging factor in their institution's decisionmaking.
- Respondents whose banks are SRP counterparties were asked about the ideal start time for both the morning and afternoon SRP operations, which currently occur at 8:30 a.m. ET and 1:30 p.m. ET, respectively. The majority preferred the current start time for the morning operation and a later start time for the afternoon operation. For the subset of those preferring a later

⁵ This section contained some questions that were only shown to respondents who are on the SRP counterparty list. The current list of SRP counterparties is available on the Federal Reserve Bank of New York's website at <https://www.newyorkfed.org/markets/standing-repo-counterparties>. Both SRP counterparties and primary dealers may participate in SRP operations.

⁶ Following the SFOS, the Federal Reserve Bank of New York conducted a short survey asking many of the same questions on SRP operations to the remaining primary dealer counterparties.

start time for the afternoon operation, a majority reported that it would make their bank's willingness to participate in SRP operations somewhat higher.

- Respondents whose banks are SRP counterparties were asked about the levels of management approval required at their institution before participating in an SRP operation around days with anticipated outflows and around days with unanticipated outflows. Under both scenarios, just under one-half of respondents reported that executive management approval was required before participating in an SRP operation, and more than one-third of respondents reported that funding desk management was the highest approval level reported.
- Nearly all respondents whose banks are SRP counterparties reported that the removal of the aggregate operation limit to SRP operations in December 2025 has not had an effect on their banks' preferred reserve levels.

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Results

The following results include the instructions provided to the survey respondents. Please note that percentages are based on the number of financial institutions that gave responses other than “Not applicable (N/A).” Components may not sum to totals because of rounding.

Part 1: Balance Sheet Management

Question 1: This question asks about your expectations for the potential changes in your institution’s total balance sheet size and its deposit levels over the next 12 months. Please estimate the percentage likelihood (on a scale of 0 to 100 percent) that each of the scenarios occurs in the next 12 months. (The total percentage points must add up to 100.)

1. Over the next 12 months, the size of my institution’s balance sheet will...

	Average response		
	All respondents (<i>n</i> = 92)	Domestic (<i>n</i> = 57)	Foreign (<i>n</i> = 35)
i. Increase more than 5 percent from its current level	33.8	33.4	34.4
ii. Remain flat or increase less than or equal to 5 percent	56.1	56.2	56.1
iii. Decrease from its current level	10.1	10.5	9.5
Note: <i>n</i> represents the total number of respondents who provided numeric responses.			

2. Over the next 12 months, the level of my institution’s total deposit levels will...

	Average response		
	All respondents (<i>n</i> = 92)	Domestic (<i>n</i> = 57)	Foreign (<i>n</i> = 35)
i. Increase more than 5 percent from its current level	31.8	34.6	27.4
ii. Remain flat or increase less than or equal to 5 percent	57.6	55.4	61.3
iii. Decrease from its current level	10.5	10.1	11.3
Note: <i>n</i> represents the total number of respondents who provided numeric responses.			

Question 2A: In December 2025, the Federal Open Market Committee directed the Federal Reserve Bank of New York to conduct reserve management purchases (RMPs) to maintain an ample level of reserves. Since the initiation of RMPs, has your institution:

1. Adjusted its reserves and/or liquidity management strategy? (Select one):

	All respondents		Domestic		Foreign	
	Banks	Percent	Banks	Percent	Banks	Percent
Yes	5	5.4	4	7.0	1	2.9
No	87	94.6	53	93.0	34	97.1
Total	92	100.0	57	100.0	35	100.0

2. Adjusted the frequency of liquidity management discussions with senior officers? (Select one):

	All respondents		Domestic		Foreign	
	Banks	Percent	Banks	Percent	Banks	Percent
Yes, it increased the frequency.	7	7.6	3	5.3	4	11.4
Yes, it decreased the frequency.	2	2.2	0	.0	2	5.7
No, no change.	83	90.2	54	94.7	29	82.9
Total	92	100.0	57	100.0	35	100.0

Note: Question 2B was shown only to respondents that answered "Yes" in response to question 2A(1).

Question 2B: Please elaborate in the comment box below on your response to part A(1).

Nine respondents provided comments. Most comments were in line with or elaborated on the survey responses.

Question 3A: This question asks about your institution's reserves or liquidity management strategy on or around tax payment dates. Which, if any, of the following actions has your institution pursued, or do you anticipate it will pursue, as part of its reserves or liquidity management strategy ahead of the *April 2026* tax payment date? Please only specify changes related to anticipated *April 2026* tax payment day flows and select all that apply.

	All respondents		Domestic		Foreign	
	Banks	Percent	Banks	Percent	Banks	Percent
Not make any changes	45	48.9	23	40.4	22	62.9
Heighten monitoring of payments and reserve balances around this period	45	48.9	32	56.1	13	37.1
Increase its reserve holdings	12	13.0	11	19.3	1	2.9
Increase its holdings of non-reserve high-quality liquid asset (HQLA) securities	3	3.3	1	1.8	2	5.7
Increase its readiness to use contingent funding sources or consider adding new sources	9	9.8	8	14.0	1	2.9
Increase the amount of collateral it has positioned at either Federal Home Loan Banks or the discount window	1	1.1	1	1.8	0	.0

Question 3B: On a scale of 1 (low confidence) to 5 (high confidence), what level of confidence do you have in your institution's forecast of your net deposit outflows and reserve levels on or around tax payment dates in April 2026? (Select one):

	All respondents		Domestic		Foreign	
	Banks	Percent	Banks	Percent	Banks	Percent
1	1	1.1	1	1.8	0	.0
2	1	1.1	1	1.8	0	.0
3	22	23.9	11	19.3	11	31.4
4	51	55.4	37	64.9	14	40.0
5	17	18.5	7	12.3	10	28.6
Total	92	100.0	57	100.0	35	100.0

Question 3C: Please elaborate in the comment box below on the April 2026 tax date.

Eighty-six respondents provided substantive comments. Most comments elaborated on the survey responses, including the general assumptions made for their forecast. Some respondents noted that tax payment date-related flows did not affect, or had very limited effects, on their institution.

Part 2: Preferred Reserve Levels

Questions in Part 2 ask about your institution's lowest comfortable level of reserves (LCLOR)—the lowest dollar level of reserve balances your institution would feel comfortable holding before it began taking active steps to maintain or increase its reserve balances. “Active steps” could include, but are not limited to, borrowing in the federal funds or other wholesale funding markets or bidding more aggressively in those markets, reducing holdings of other liquid assets, or raising deposit rates.

Question 4: Given the constellation of short-term interest rates relative to the interest on reserve balances (IORB) rate over the past month, what is the estimated LCLOR (in millions of dollars) your institution would feel comfortable holding before it “takes active steps” to maintain or increase its reserve balance position?

	All respondents		Domestic		Foreign	
	Banks	Percent	Banks	Percent	Banks	Percent
LCLOR \$20 billion or more	18	19.6	12	21.1	6	17.1
LCLOR \$10 billion to less than \$20 billion	18	19.6	6	10.5	12	34.3
LCLOR \$5 billion to less than \$10 billion	15	16.3	11	19.3	4	11.4
LCLOR \$1 billion to less than \$5 billion	24	26.1	14	24.6	10	28.6
LCLOR less than \$1 billion	17	18.5	14	24.6	3	8.6
Total	92	100.0	57	100.0	35	100.0

Question 5: Given the constellation of short-term interest rates relative to the IORB rate over the past month, if your institution prefers to hold additional reserves above its LCLOR, please provide an estimated amount of preferred additional reserves (in millions of dollars). If your institution does not prefer to hold additional reserves above its LCLOR, please enter "0."

	All respondents		Domestic		Foreign	
	Banks	Percent	Banks	Percent	Banks	Percent
Additional reserves greater than 100 percent of LCLOR	9	9.8	2	3.5	7	20.0
Additional reserves 76 to 100 percent of LCLOR	7	7.6	2	3.5	5	14.3
Additional reserves 51 to 75 percent of LCLOR	5	5.4	3	5.3	2	5.7
Additional reserves 26 to 50 percent of LCLOR	22	23.9	11	19.3	11	31.4
Additional reserves 11 to 25 percent of LCLOR	18	19.6	15	26.3	3	8.6
Additional reserves 0 to 10 percent of LCLOR	8	8.7	6	10.5	2	5.7
No additional reserves	23	25.0	18	31.6	5	14.3
Total	92	100.0	57	100.0	35	100.0

Question 6: Which statement best characterizes your institution's reserve management strategy over the past few months? (Select one):

	All respondents		Domestic		Foreign	
	Banks	Percent	Banks	Percent	Banks	Percent
My institution has taken actions intended to decrease, or limit the growth in, the amount of its reserves.	9	9.8	8	14.0	1	2.9
My institution has taken actions intended to maintain the current amount of its reserves.	50	54.3	29	50.9	21	60.0
My institution has taken actions intended to increase, or limit the decline in, the amount of its reserves.	14	15.2	7	12.3	7	20.0
My institution has taken limited or no actions intended to affect the amount of its reserves.	19	20.7	13	22.8	6	17.1
Total	92	100.0	57	100.0	35	100.0

Note: Question 7 was shown only to respondents with surplus reserves (defined as holding, on average, at least 10 percent more reserves than their reported LCLOR plus preferred additional reserves).

Question 7: Your institution's average daily reserve balances over the past few months have been higher than the sum of the LCLOR plus preferred additional reserves as reported in questions 4 and 5. Please rate on a scale of 1 (not important or not applicable) to 5 (very important) the factors that have resulted in your institution holding reserves above its LCLOR plus preferred additional reserves.

	Average rating		
	All respondents (n = 56)	Domestic (n = 35)	Foreign (n = 21)
I. Relative or risk-adjusted rate of return between interest on reserves and other HQLA	3	3.1	2.7
II. Spread between interest on reserves and overnight borrowings	2.5	2.1	3.2
III. Low duration of reserves	1.7	1.2	2.6
IV. Differential in foreign exchange and/or cross-currency basis resulting in a preference for holding dollar reserves	2.3	2.5	2
V. Higher-than-expected uncertainty in your institution's deposit base	2.7	2.6	2.8
VI. Elevated economic uncertainty or market volatility	2.2	2.4	1.7
VII. Anticipation of an acceleration in future loan growth or capital markets activity	2.5	2.9	1.9
VIII. In anticipation of the upcoming April 2026 tax payment date	1.8	2	1.4

Note: n represents the total number of respondents who provided numeric responses.

Question 8: For each hypothetical change in the level of overnight interest rates relative to the IORB rate shown in the first column of the following table in basis points, please provide an approximate forecast of your institution's reserve balance in millions of dollars. For reference, as the constellation of overnight rates moves higher in the scenarios below, the opportunity cost of holding reserves relative to alternative money market instruments *increases*.

Scenario 1: Relative to the IORB rate, the constellation of overnight interest rates is 2 basis points lower than it was over the past month. (In this scenario, the opportunity cost of holding reserves *decreases*.)

	All respondents		Domestic		Foreign	
	Banks	Percent	Banks	Percent	Banks	Percent
Decrease current reserve level	17	18.5	8	14.0	9	25.7
Increase current reserve level by greater than 0 percent, up to 25 percent	13	14.1	5	8.8	8	22.9
Increase current reserve level by greater than 25 percent, up to 50 percent	5	5.4	1	1.8	4	11.4
Increase current reserve level by greater than 50 percent	1	1.1	0	.0	1	2.9
No change from current reserve level	56	60.9	43	75.4	13	37.1
Total	92	100.0	57	100.0	35	100.0

Scenario 2: Relative to the IORB rate, the constellation of overnight interest rates is 2 basis points higher than it was over the past month.

	All respondents		Domestic		Foreign	
	Banks	Percent	Banks	Percent	Banks	Percent
Increase current reserve level	2	2.2	2	3.5	0	.0
Decrease current reserve level by greater than 0 percent, up to 25 percent	34	37.0	12	21.1	22	62.9
Decrease current reserve level by greater than 25 percent, up to 50 percent	8	8.7	3	5.3	5	14.3
Decrease current reserve level by greater than 50 percent	2	2.2	0	.0	2	5.7
No change from current reserve level	46	50.0	40	70.2	6	17.1
Total	92	100.0	57	100.0	35	100.0

Scenario 3: Relative to the IORB rate, the constellation of overnight interest rates is 4 basis points higher than it was over the past month.

	All respondents		Domestic		Foreign	
	Banks	Percent	Banks	Percent	Banks	Percent
Increase current reserve level	2	2.2	2	3.5	0	.0
Decrease current reserve level by greater than 0 percent, up to 25 percent	36	39.1	19	33.3	17	48.6
Decrease current reserve level by greater than 25 percent, up to 50 percent	9	9.8	3	5.3	6	17.1
Decrease current reserve level by greater than 50 percent	8	8.7	1	1.8	7	20.0
No change from current reserve level	37	40.2	32	56.1	5	14.3
Total	92	100.0	57	100.0	35	100.0

Scenario 4: Relative to the IORB rate, the constellation of overnight interest rates is 8 basis points higher than it was over the past month.

	All respondents		Domestic		Foreign	
	Banks	Percent	Banks	Percent	Banks	Percent
Increase current reserve level	2	2.2	2	3.5	0	.0
Decrease current reserve level by greater than 0 percent, up to 25 percent	34	37.0	21	36.8	13	37.1
Decrease current reserve level by greater than 25 percent, up to 50 percent	14	15.2	5	8.8	9	25.7
Decrease current reserve level by greater than 50 percent	10	10.9	1	1.8	9	25.7
No change from current reserve level	32	34.8	28	49.1	4	11.4
Total	92	100.0	57	100.0	35	100.0

Question 9: This question asks about your expectations for potential changes to your estimated LCLOR plus preferred additional reserve holdings over the next 12 months. Please estimate the percentage likelihood (on a scale of 0 to 100 percent) that each of the scenarios occurs in the next 12 months. (The total percentage points must add up to 100.)

Over the next 12 months, the level of my institution's estimated LCLOR plus preferred additional reserve level will...

	Average response		
	All respondents (n = 92)	Domestic (n = 57)	Foreign (n = 35)
i. Increase more than 20 percent from its current level	11.1	12	9.7
ii. Remain within plus or minus 20 percent of its current level	80.2	78.5	83.1
iii. Decrease more than 20 percent from its current level	8.6	9.6	7.2

Note: *n* represents the total number of respondents who provided numeric responses.

Question 10A: This question aims to better understand which factors your institution anticipates could affect your reserves and/or liquidity management strategy over the next two years. Please rate each factor on a scale of 1 (not important or not applicable) to 5 (very important).

	Average rating		
	All respondents (n = 92)	Domestic (n = 57)	Foreign (n = 35)
i. Developments related to bank liquidity regulation policies	3.9	4.1	3.5
ii. Developments related to bank capital regulation policies	2.6	2.7	2.4
iii. Developments related to Federal Reserve balance sheet policies	3.1	2.9	3.3
iv. Movement toward 24/7 payments	3	3.4	2.3
v. Market and/or my institution's adoption of payment stablecoins and tokenized deposits	2.4	2.7	1.8
vi. Movement toward faster wholesale and retail payments	2.7	3	2.2
vii. Faster settlement speeds of money market transactions	2.5	2.6	2.3
viii. Market and/or my institution's adoption of artificial intelligence technology	2.2	2.4	1.9

Note: *n* represents the total number of respondents who provided numeric responses.

Question 10B: For any factor that you rated 3 or higher, please indicate what specifically your institution anticipates could change and how this change could affect your reserves and/or liquidity strategy.

Eighty-one respondents provided substantive comments. Most comments were in line with or elaborated on the survey responses. Many respondents reported that potential changes to liquidity regulations may affect their reserve management strategy. Some respondents indicated that an increase in payment or settlement speeds could increase their bank's preferred reserve levels.

Note: Question 11 was shown only to U.S. G-SIBs.

Question 11A: In November 2025, the federal bank regulatory agencies jointly issued a final rule that modified the enhanced supplementary leverage ratio (eSLR) standards applicable to the U.S. G-SIBs and their subsidiary depository institutions. The agencies noted that the final rule will take effect on April 1, 2026. Banking organizations may elect to adopt the modified standards beginning January 1, 2026. Have the modifications to the eSLR affected (or are expected to affect) the level of your institution's reserve holdings, non-reserve Level 1 securities, and Level 2A securities? In the table below, please select the statement that best characterizes this potential effect: (Select one):

1. Reserves:

	Domestic	
	Banks	Percent
The effect on my institution's holdings of this asset is uncertain at this point.	2	25.0
The eSLR modifications have had or are expected to have no effect on my institution's holdings of this asset.	6	75.0
The eSLR modifications have contributed to or are expected to contribute to a decrease in my institution's holdings of this asset.	0	.0
The eSLR modifications have contributed to or are expected to contribute to an increase in my institution's holdings of this asset.	0	.0
Total	8	100.0

2. Non-reserve Level 1 securities:

	Domestic	
	Banks	Percent
The effect on my institution's holdings of this asset is uncertain at this point.	2	25.0
The eSLR modifications have had or are expected to have no effect on my institution's holdings of this asset.	5	62.5
The eSLR modifications have contributed to or are expected to contribute to a decrease in my institution's holdings of this asset.	0	.0
The eSLR modifications have contributed to or are expected to contribute to an increase in my institution's holdings of this asset.	1	12.5
Total	8	100.0

3. Level 2A securities:

	Domestic	
	Banks	Percent
The effect on my institution's holdings of this asset is uncertain at this point.	2	25.0
The eSLR modifications have had or are expected to have no effect on my institution's holdings of this asset.	5	62.5
The eSLR modifications have contributed to or are expected to contribute to a decrease in my institution's holdings of this asset.	0	.0
The eSLR modifications have contributed to or are expected to contribute to an increase in my institution's holdings of this asset.	1	12.5
Total	8	100.0

Question 11B: Have the modifications to the eSLR announced by the federal bank regulatory agencies in November 2025 affected (or are expected to affect) your depository institution's or your depository institution's affiliated dealer's repurchase agreement (repo) market activity this year? (Select one):

	Domestic	
	Banks	Percent
Yes, increased repo market activity	2	25.0
Yes, decreased repo market activity	0	.0
No change to repo market activity	6	75.0
Total	8	100.0

Part 3: Money Market Questions

Questions in Part 3 of the survey ask about your institution's activity in funding markets. In this section, the term "bank" is used interchangeably with "depository institution." References to "lending in repo markets" or "cash lenders in repo markets" refer to reverse repo activity.

Question 12A: This question asks about your institution's activity in secured funding markets (repo markets). Is your bank an active cash lender in repo markets? For the purposes of this question, consider an active lender as a bank that lends for non-test purposes at least once a month. (Select one):

	All respondents		Domestic		Foreign	
	Banks	Percent	Banks	Percent	Banks	Percent
Yes. My bank has been an active lender in repo markets.	32	34.8	16	28.1	16	45.7
No. While my bank currently has the operational capacity to lend in repo markets, it is not active.	42	45.7	30	52.6	12	34.3
No. My bank currently does not have the operational capacity to lend in repo markets and has not been an active lender.	18	19.6	11	19.3	7	20.0
Total	92	100.0	57	100.0	35	100.0

Note: Question 12B was shown only to respondents that answered "Yes" in response to question 12A.

Question 12B: What is the maximum volume in overnight repo lending against Treasury securities that your bank engaged in on a single day in 2025:Q4? Please exclude matched-book activity, and round to the nearest million.

	All respondents		Domestic		Foreign	
	Banks	Percent	Banks	Percent	Banks	Percent
Maximum single-day repo lending of up to \$5 billion	17	53.1	9	56.3	8	50.0
Maximum single-day repo lending greater than \$5 billion, up to \$10 billion	5	15.6	2	12.5	3	18.8
Maximum single-day repo lending greater than \$10 billion, up to \$15 billion	2	6.3	1	6.3	1	6.3
Maximum single-day repo lending greater than \$15 billion	8	25.0	4	25.0	4	25.0
Total	32	100.0	16	100.0	16	100.0

Note: Question 12C was shown only to respondents that answered "Yes" in response to question 12A.

Question 12C: Please select the date on which this activity occurred.

	All respondents		Domestic		Foreign	
	Banks	Percent	Banks	Percent	Banks	Percent
October 1 through October 31	10	31.3	5	31.3	5	31.3
November 1 through November 30	6	18.8	3	18.8	3	18.8
December 1 through December 31	16	50.0	8	50.0	8	50.0
Total	32	100.0	16	100.0	16	100.0

Note: Question 13A was shown only to respondents that answered "Yes" in response to question 12A.

Question 13A: This question is about bank repo lending activity to affiliated dealers. Please exclude repo activity conducted on behalf of a customer. Please select the statement that best characterizes your bank's activity: (Select one):

	All respondents		Domestic		Foreign	
	Banks	Percent	Banks	Percent	Banks	Percent
My bank is a regular repo lender to my affiliated dealer.	8	25.0	4	25.0	4	25.0
My bank is an intermittent repo lender to my affiliated dealer.	10	31.3	5	31.3	5	31.3
My bank does not have an affiliated dealer and/or does not engage in repo activity with my affiliated dealer.	14	43.8	7	43.8	7	43.8
Total	32	100.0	16	100.0	16	100.0

Note: Question 13B was shown only to respondents that answered “My bank is a regular repo lender to my affiliated dealer” or “My bank is an intermittent repo lender to my affiliated dealer” in response to question 13A.

Question 13B: Please rate on a scale of 1 (not important or not applicable) to 5 (very important) the factors that drive your bank’s decisionmaking around lending excess liquidity to your affiliated dealer via reverse repo.

	Average rating		
	All respondents (n = 18)	Domestic (n = 9)	Foreign (n = 9)
i. Return earned on lending to affiliated dealer relative to other counterparties	2	2.4	1.6
ii. Magnitude of excess liquidity at my bank entity	2.7	3.3	2.1
iii. Liquidity and/or collateral optimization across my holding company	3.2	3.3	3
iv. Capital and leverage optimization across my holding company	2.4	2.6	2.2
v. Operational convenience	1.9	1.7	2.1
vi. Other	1.6	1.7	1.4

Note: n represents the total number of respondents who provided numeric responses.

Three respondents provided substantive comments, but these responses did not have a common theme.

Note: Question 13C was shown only to respondents that answered “My bank is a regular repo lender to my affiliated dealer” or “My bank is an intermittent repo lender to my affiliated dealer” in response to question 13A.

Question 13C: Has your bank increased inter-affiliate activity over the last three years? If so, please elaborate on the factors driving this increase in activity.

	All respondents		Domestic		Foreign	
	Banks	Percent	Banks	Percent	Banks	Percent
Yes (please elaborate)	9	50.0	5	55.6	4	44.4
No	9	50.0	4	44.4	5	55.6
Total	18	100.0	9	100.0	9	100.0

Nine respondents provided comments. Common themes that led to an increase in their banks’ inter-affiliate activity included bank or affiliated dealer growth and an increase in excess cash.

Question 14: In the event that your bank had a one-day liquidity need, please rate the following nonprice factors or frictions in terms of how they affect your ability to *borrow* in each wholesale funding market, on a scale of 1 (not important or not a source of friction) to 5 (very important or a key source of friction).

1. Fed funds

	Average rating		
	All respondents (n = 92)	Domestic (n = 57)	Foreign (n = 35)
i. Limited or no counterparties	2.8	3	2.4
ii. Regulatory treatment	1.9	2	1.7
iii. Timing mismatch between availability of funds and funding need	2.2	2.5	1.8
iv. Internal risk-management guidelines	2	2	1.9
v. Approval process	1.6	1.6	1.5
vi. Limited-to-no recent experience operating or high cost of entry in this market	1.6	1.6	1.6
Note: <i>n</i> represents the total number of respondents who provided numeric responses.			

2. Repo

	Average rating		
	All respondents (n = 92)	Domestic (n = 57)	Foreign (n = 35)
i. Limited or no counterparties	2.3	2.3	2.4
ii. Regulatory treatment	1.8	1.8	1.9
iii. Timing mismatch between availability of funds and funding need	2.1	2.3	1.9
iv. Internal risk-management guidelines	1.9	1.8	2.2
v. Approval process	1.6	1.5	1.6
vi. Limited-to-no recent experience operating or high cost of entry in this market	1.6	1.5	1.7
Note: <i>n</i> represents the total number of respondents who provided numeric responses.			

Question 15: In the event that rates were attractive enough for you to consider lending excess reserves, please rate the following nonprice factors in terms of how they affect your ability to *lend* in each wholesale funding market, on a scale of 1 (not important or not a source of friction) to 5 (very important or a key source of friction).

1. Fed funds

	Average rating		
	All respondents (<i>n</i> = 92)	Domestic (<i>n</i> = 57)	Foreign (<i>n</i> = 35)
i. Limited or no counterparties	2.9	3	2.7
ii. Regulatory treatment	2.2	2.1	2.3
iii. Timing mismatch between availability of funds and funding need	1.9	2.2	1.5
iv. Internal risk-management guidelines	2.8	2.8	2.9
v. Approval process	2.4	2.4	2.4
vi. Limited-to-no recent experience operating or high cost of entry in this market	2	2	2
Note: <i>n</i> represents the total number of respondents who provided numeric responses.			

2. Repo

	Average rating		
	All respondents (<i>n</i> = 92)	Domestic (<i>n</i> = 57)	Foreign (<i>n</i> = 35)
i. Limited or no counterparties	2.1	2.1	2.2
ii. Regulatory treatment	1.9	2	1.8
iii. Timing mismatch between availability of funds and funding need	2	2.1	1.9
iv. Internal risk-management guidelines	2.5	2.4	2.7
v. Approval process	2	2.1	1.9
vi. Limited-to-no recent experience operating or high cost of entry in this market	1.8	1.8	1.8
Note: <i>n</i> represents the total number of respondents who provided numeric responses.			

Part 4: Standing Repo Operations

Questions in Part 4 seek to gather information about the Federal Reserve's standing repo (SRP) operations to help assess the factors that could affect its monetary policy effectiveness. These questions apply only to the depository institution SRP counterparty and not an affiliated dealer counterparty.

Question 16: How would you characterize your institution's status relative to the eligibility criteria for, and interest in, becoming an SRP counterparty? (Select one):

	All respondents		Domestic		Foreign	
	Banks	Percent	Banks	Percent	Banks	Percent
i. My depository institution has access to SRP operations.	45	48.9	30	52.6	15	42.9
ii. My depository institution meets either the securities holdings or total assets eligibility criteria, and it intends to become a counterparty or has expressed interest in doing so.	9	9.8	3	5.3	6	17.1
iii. My depository institution meets the eligibility criteria, and it does not intend to express interest in becoming a counterparty at this time.	21	22.8	17	29.8	4	11.4
iv. My depository institution does not meet the eligibility criteria, but it would express interest in becoming a counterparty if criteria are adjusted.	10	10.9	4	7.0	6	17.1
v. My depository institution does not meet the eligibility criteria, and it would not express interest in becoming a counterparty even if the criteria are adjusted.	7	7.6	3	5.3	4	11.4
Total	92	100.0	57	100.0	35	100.0

Note: Question 17 was shown only to SRP counterparties.

Question 17: Under each of the conditions outlined in the table below, at what spread above the SRP rate would your institution actively consider submitting a proposition at an SRP operation rather than borrowing in the repo market?

If you are inactive in a repo segment listed below, please enter "NA." Please round to the nearest basis point. Please exclude centrally cleared interdealer repo from the "Centrally cleared repo spread" option.

1. Your institution expects repo rates to be higher for one day.

	All respondents		
	1st Quartile	Median	3rd Quartile
Uncleared triparty repo spread ($n = 29$)	10.0	25.0	50.0
Centrally cleared repo spread ($n = 34$)	15.0	25.0	50.0
Interdealer repo spread ($n = 30$)	10.0	25.0	50.0
Note: n represents the total number of respondents who provided numeric responses.			

2. Your institution expects repo rates to remain higher for at least several days.

	All respondents		
	1st Quartile	Median	3rd Quartile
Uncleared triparty repo spread ($n = 30$)	5.0	15.0	50.0
Centrally cleared repo spread ($n = 35$)	7.5	20.0	42.5
Interdealer repo spread ($n = 31$)	7.5	20.0	42.5
Note: n represents the total number of respondents who provided numeric responses.			

Note: Question 18 was shown only to SRP counterparties and respondents that answered “My depository institution meets either the securities holdings or total assets eligibility criteria, and it intends to become a counterparty or has expressed interest in doing so” in response to question 16.

Question 18: On a scale from negative 4 (strongly discourages) to plus 4 (strongly encourages), please rate how each nonprice factor may affect your institution’s decisionmaking about submitting a proposition in SRP operations.

	Average rating		
	All respondents ($n = 52$)	Domestic ($n = 32$)	Foreign ($n = 20$)
i. No opportunity to obtain balance sheet netting with reverse repo activity	-1.2	-.9	-1.7
ii. Proposition limit	.4	1.0	-.4
iii. Supervisory or regulatory treatment	-.2	.0	-.4
iv. Federal Reserve public communications about SRP operations	.5	.6	.3
v. Lagged public disclosures of counterparty-level transaction details subject to Dodd-Frank	-1.9	-1.9	-1.9
vi. Take-up in recent SRP operations, as published on the Federal Reserve Bank of New York’s website	.2	.2	.2
Note: n represents the total number of respondents who provided numeric responses.			

Note: Question 19A was shown only to SRP counterparties.

Question 19A: Question 19 asks about the SRP operation timing. In the table below, please select the statement that best characterizes your institution's views on the timing of both the morning (8:15 to 8:30 a.m. ET) and afternoon (1:30 to 1:45 p.m. ET) SRP operations. My institution would be most willing to participate in the morning and afternoon SRP operation, when economically sensible, if it occurred: (Select one):

1. Morning operation

	All respondents		Domestic		Foreign	
	Banks	Percent	Banks	Percent	Banks	Percent
Earlier in the day	3	7.0	2	6.9	1	7.1
Later in the day	11	25.6	8	27.6	3	21.4
Current time	29	67.4	19	65.5	10	71.4
Total	43	100.0	29	100.0	14	100.0

2. Afternoon operation

	All respondents		Domestic		Foreign	
	Banks	Percent	Banks	Percent	Banks	Percent
Earlier in the day	4	9.3	0	.0	4	28.6
Later in the day	21	48.8	17	58.6	4	28.6
Current time	18	41.9	12	41.4	6	42.9
Total	43	100.0	29	100.0	14	100.0

Note: Question 19B was shown only to SRP counterparties.

Question 19B: The ideal start time of the SRP operation for my institution would be:

1. Morning operation

	All respondents		Domestic		Foreign	
	Banks	Percent	Banks	Percent	Banks	Percent
Over an hour earlier	0	.0	0	.0	0	.0
Up to an hour earlier	3	7.0	2	6.9	1	7.1
Current time	29	67.4	19	65.5	10	71.4
Up to an hour later	2	4.7	1	3.4	1	7.1
Over an hour later	9	20.9	7	24.1	2	14.3
Total	43	100.0	29	100.0	14	100.0

2. Afternoon operation

	All respondents		Domestic		Foreign	
	Banks	Percent	Banks	Percent	Banks	Percent
Over an hour earlier	3	7.0	0	.0	3	21.4
Up to an hour earlier	1	2.3	0	.0	1	7.1
Current time	18	41.9	12	41.4	6	42.9
Up to an hour later	2	4.7	1	3.4	1	7.1
Over an hour later	19	44.2	16	55.2	3	21.4
Total	43	100.0	29	100.0	14	100.0

Note: Question 19C was shown only to respondents that answered “Earlier in the day” or “Later in the day” in response to question 19A.

Question 19C: If the operation start time moved to the time indicated in part B, my institution’s willingness to use SRPs would be:

1. Morning operation

	All respondents		Domestic		Foreign	
	Banks	Percent	Banks	Percent	Banks	Percent
Significantly higher	1	7.1	1	10.0	0	.0
Somewhat higher	7	50.0	6	60.0	1	25.0
Unchanged	6	42.9	3	30.0	3	75.0
Total	14	100.0	10	100.0	4	100.0

2. Afternoon operation

	All respondents		Domestic		Foreign	
	Banks	Percent	Banks	Percent	Banks	Percent
Significantly higher	2	8.0	1	5.9	1	12.5
Somewhat higher	15	60.0	11	64.7	4	50.0
Unchanged	8	32.0	5	29.4	3	37.5
Total	25	100.0	17	100.0	8	100.0

Note: Question 20 was shown only to SRP counterparties.

Question 20A: Under each of the conditions listed in the table below, select the level of management approval, if any, that would be required at your institution before submitting a proposition at an SRP operation. (Select all that apply):

1. Around days with anticipated outflows and elevated repo rates (for example, high payment flow days, reporting dates, Treasury settlements, or tax dates)

	All respondents		Domestic		Foreign	
	Banks	Percent	Banks	Percent	Banks	Percent
No approval needed	7	16.3	4	13.8	3	21.4
Funding desk management	27	62.8	21	72.4	6	42.9
Risk management	7	16.3	4	13.8	3	21.4
Executive management	18	41.9	13	44.8	5	35.7

2. Around days with unanticipated outflows and elevated repo rates

	All respondents		Domestic		Foreign	
	Banks	Percent	Banks	Percent	Banks	Percent
No approval needed	7	16.3	4	13.8	3	21.4
Funding desk management	27	62.8	21	72.4	6	42.9
Risk management	7	16.3	4	13.8	3	21.4
Executive management	18	41.9	13	44.8	5	35.7

Question 20B: Please use the comment box to describe any adjustments to this process that your institution has made over the last year.

Eighteen respondents provided substantive comments, but these responses did not have a common theme.

Note: Question 21 was shown only to SRP counterparties.

Question 21A: In December 2025, the Federal Reserve removed the aggregate operation limit to standing overnight repo operations, making the operations full allotment. Has the recent removal of the aggregate operation limit affected your preferred reserve levels (LCLOR plus preferred additional reserves)?

	All respondents		Domestic		Foreign	
	Banks	Percent	Banks	Percent	Banks	Percent
Yes, our preferred reserve levels have decreased.	0	.0	0	.0	0	.0
No, but we are actively considering this topic and may adjust our preferred reserve levels in coming months.	2	4.7	2	6.9	0	.0
No.	41	95.3	27	93.1	14	100.0
Total	43	100.0	29	100.0	14	100.0

Question 21B: Please provide any comments on the recent adjustments to Federal Reserve SRP operations.

Twenty-two respondents provided substantive comments. Many highlighted that their bank viewed recent SRP changes positively, particularly the move to full allotment and the addition of a morning operation.



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