

Appendix 1: Materials used by Mses. Zobel and Logan

Class I FOMC - Restricted Controlled (FR)

Material for Briefing on

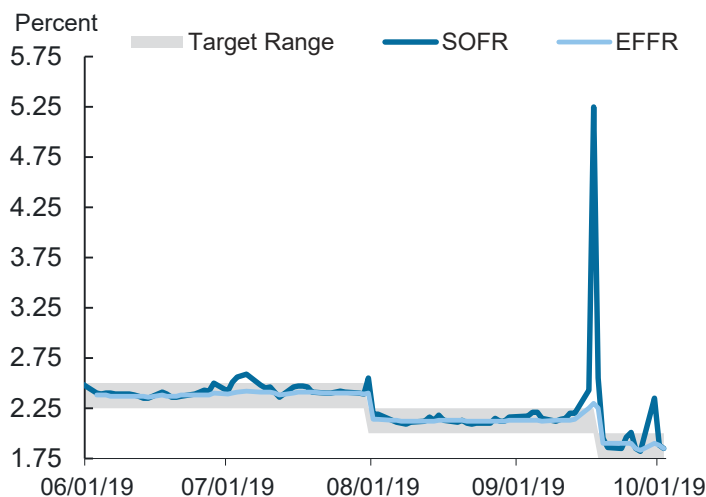
Money Market Conditions

Lorie Logan and Patricia Zobel

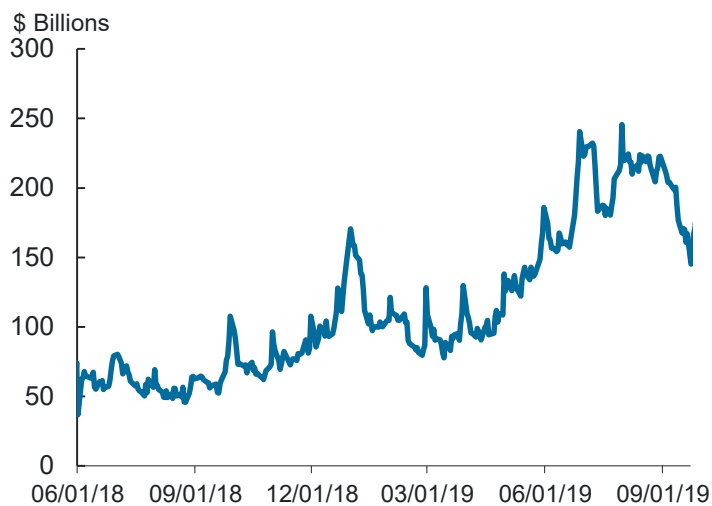
October 04, 2019

Class I FOMC – Restricted Controlled (FR)

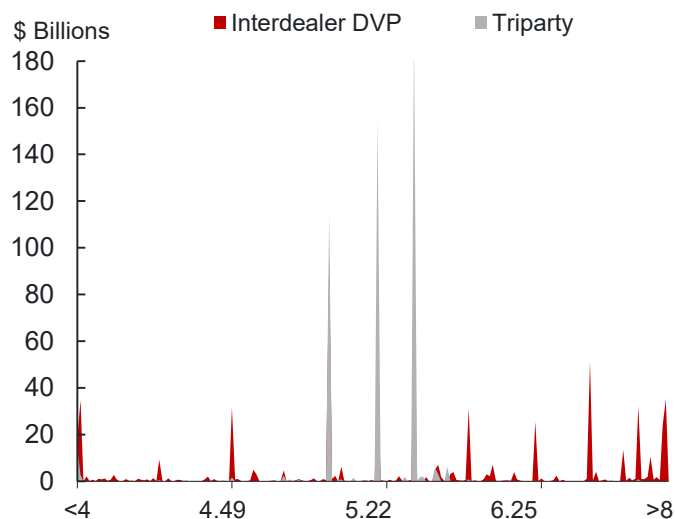
Exhibit 1

(1) SOFR and EFR

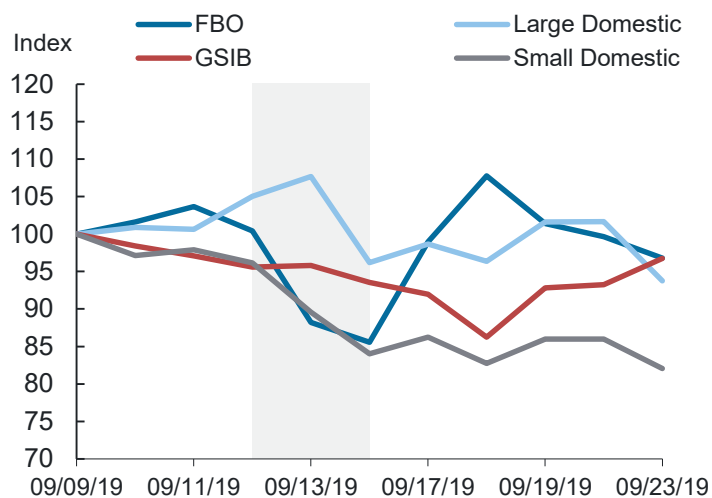
Source: FRBNY

(2) Lending Volumes in Sponsored Repo Market

Source: FRBNY

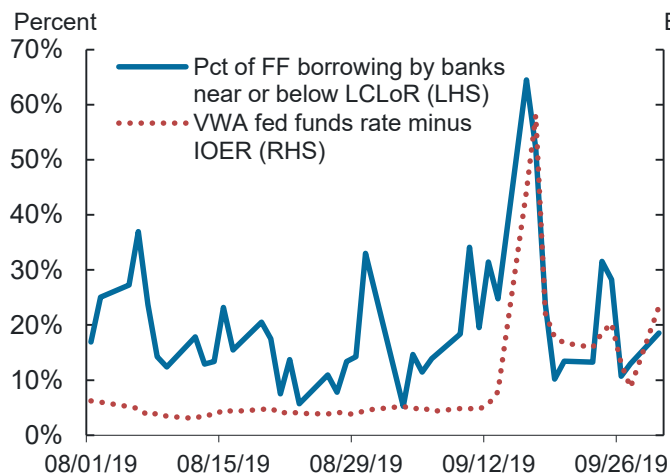
(3) SOFR Distribution, September 17, 2019

Source: FRBNY

(4) Daily Reserve Balances by Bank Type

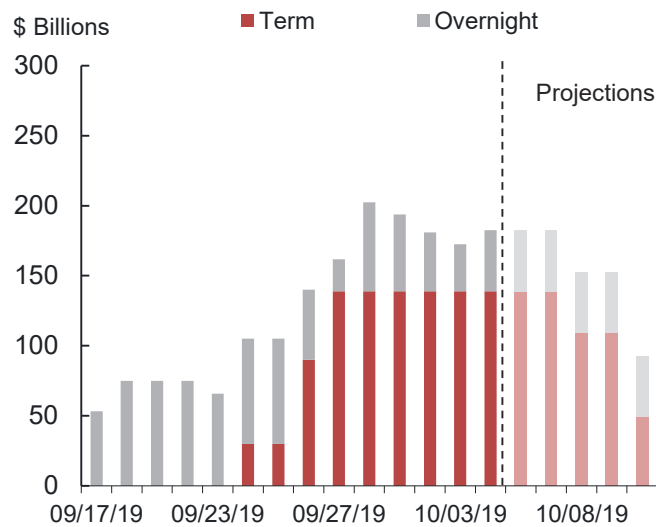
Note: Indexed to 09/09/19.

Source: FRBNY

(5) SFOS Bank Activity in Unsecured Markets

Note: LCLoR data from Aug. 2019 SFOS. "Near or below" means a bank's reserves are below 130% of its LCLoR.

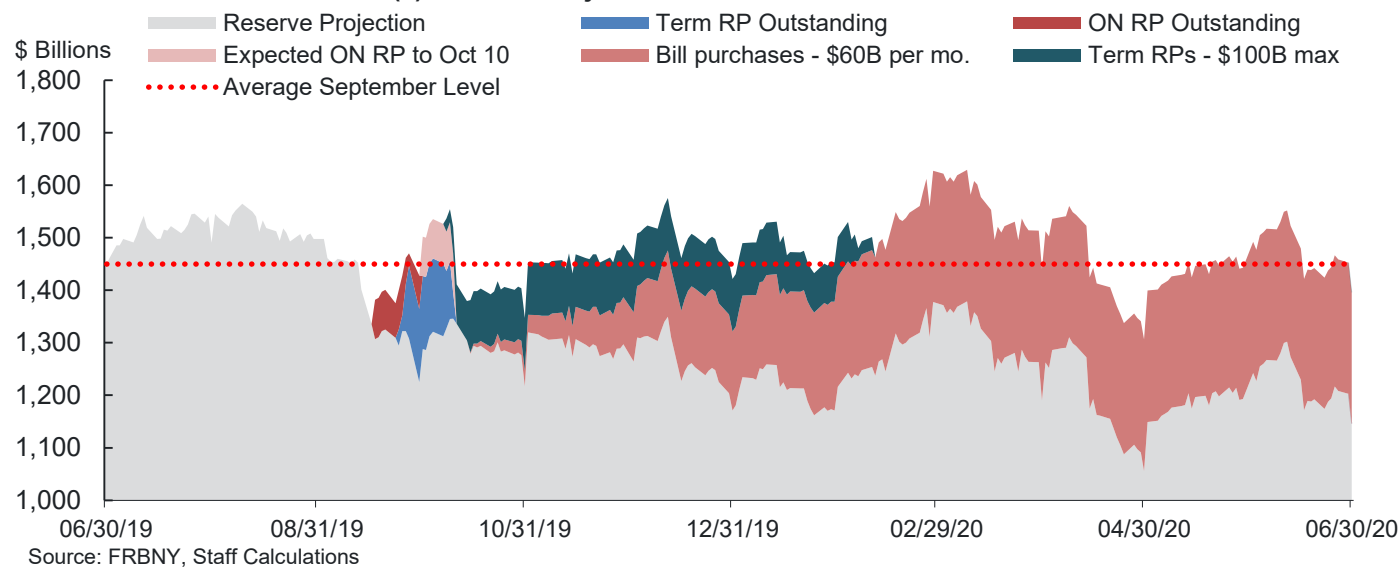
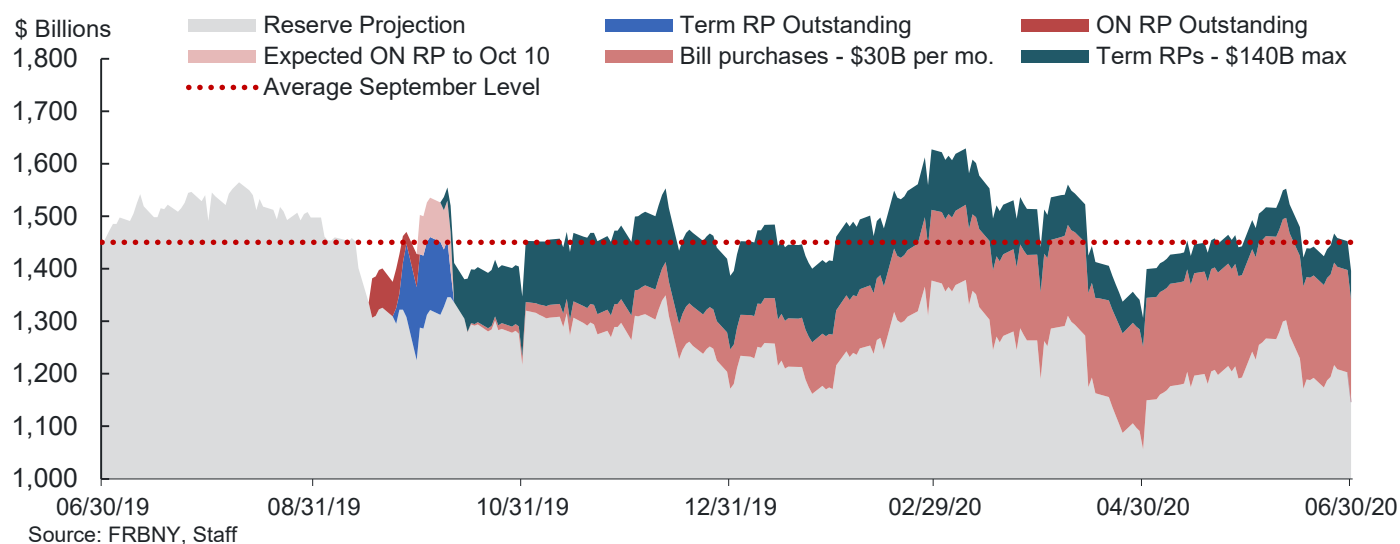
Source: FRBNY

(6) Desk Temporary Open Market Operations

Source: FRBNY

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Exhibit 2

(7) Reserve Projections With Faster Bill Purchases**(8) Reserve Projections With Slower Bill Purchases**

Details on Temporary Open Market Operations

Date	Term	Total Propositions	Awarded			
			Total	Treasury	Agency	Agency MBS
9/17/2019	Overnight	\$53.2	\$53.2	\$40.9	\$0.6	\$11.7
9/18/2019	Overnight	\$80.1	\$75.0	\$51.6	\$0.7	\$22.8
9/19/2019	Overnight	\$83.9	\$75.0	\$55.8	\$0.0	\$19.2
9/20/2019	Overnight	\$75.6	\$75.0	\$59.2	\$0.5	\$15.4
9/23/2019	Overnight	\$65.8	\$65.8	\$49.7	\$0.6	\$15.5
9/24/2019	14-day	\$62.0	\$30.0	\$22.7	\$0.0	\$7.3
9/24/2019	Overnight	\$80.2	\$75.0	\$58.8	\$0.4	\$15.9
9/25/2019	Overnight	\$92.0	\$75.0	\$44.4	\$1.0	\$29.7
9/26/2019	14-day	\$72.8	\$60.0	\$35.8	\$0.0	\$24.3
9/26/2019	Overnight	\$50.1	\$50.1	\$34.6	\$0.0	\$15.6
9/27/2019	14-day	\$49.0	\$49.0	\$34.6	\$0.0	\$14.5
9/27/2019	Overnight	\$22.7	\$22.7	\$14.5	\$0.0	\$8.3
9/30/2019	Overnight	\$63.5	\$63.5	\$49.8	\$0.0	\$13.8
10/1/2019	Overnight	\$54.9	\$54.9	\$50.0	\$0.1	\$4.8
10/2/2019	Overnight	\$42.1	\$42.1	\$35.0	\$0.0	\$7.1
10/3/2019	Overnight	\$33.6	\$33.6	\$28.0	\$0.0	\$5.6

Source: FRBNY.

Note: All figures in billions.

Appendix 2: Materials used by Mr. Laubach

Class I FOMC – Restricted Controlled (FR)

Material for the Briefing on

**Communications Considerations Regarding Plans
for Open Market Operations**

Thomas Laubach
October 4, 2019

Options for Communications

- The FOMC could issue a statement following the regularly scheduled October meeting or well before.
 - Separate from your regular post-meeting statement to emphasize decisions are distinct from the choice of policy stance.
 - Announcing decisions before the October meeting would provide more time for Treasury purchases.
 - Releasing a statement prior to October 30 might convey sense of urgency.
- Highlight continuity with January 2019 decision to maintain an ample supply of reserves so that control over the federal funds rate and other short-term interest rates is exercised primarily through the setting of administered rates.
- Communicating intention to maintain reserves at or moderately above levels prevailing in early September would provide assurance to market participants.
- How specific to be about the mix and size of outright purchases and of term and overnight repo operations?
 - Communicate intention to conduct outright purchases and term repo operations as necessary to achieve and maintain desired level of reserves.
 - In addition, continue to offer overnight repo operations to mitigate the risk of money market pressures.
 - Specific amounts for outright purchases, size and other terms of term and overnight repo operations could be announced by the Desk, adjusted over time if needed.
- In light of the uncertainty surrounding the level of reserves most consistent with efficient and effective implementation, emphasize that you...
 - ...will continue to monitor money market developments as you assess what that level is;
 - ...stand ready to adjust the details of these plans as necessary.