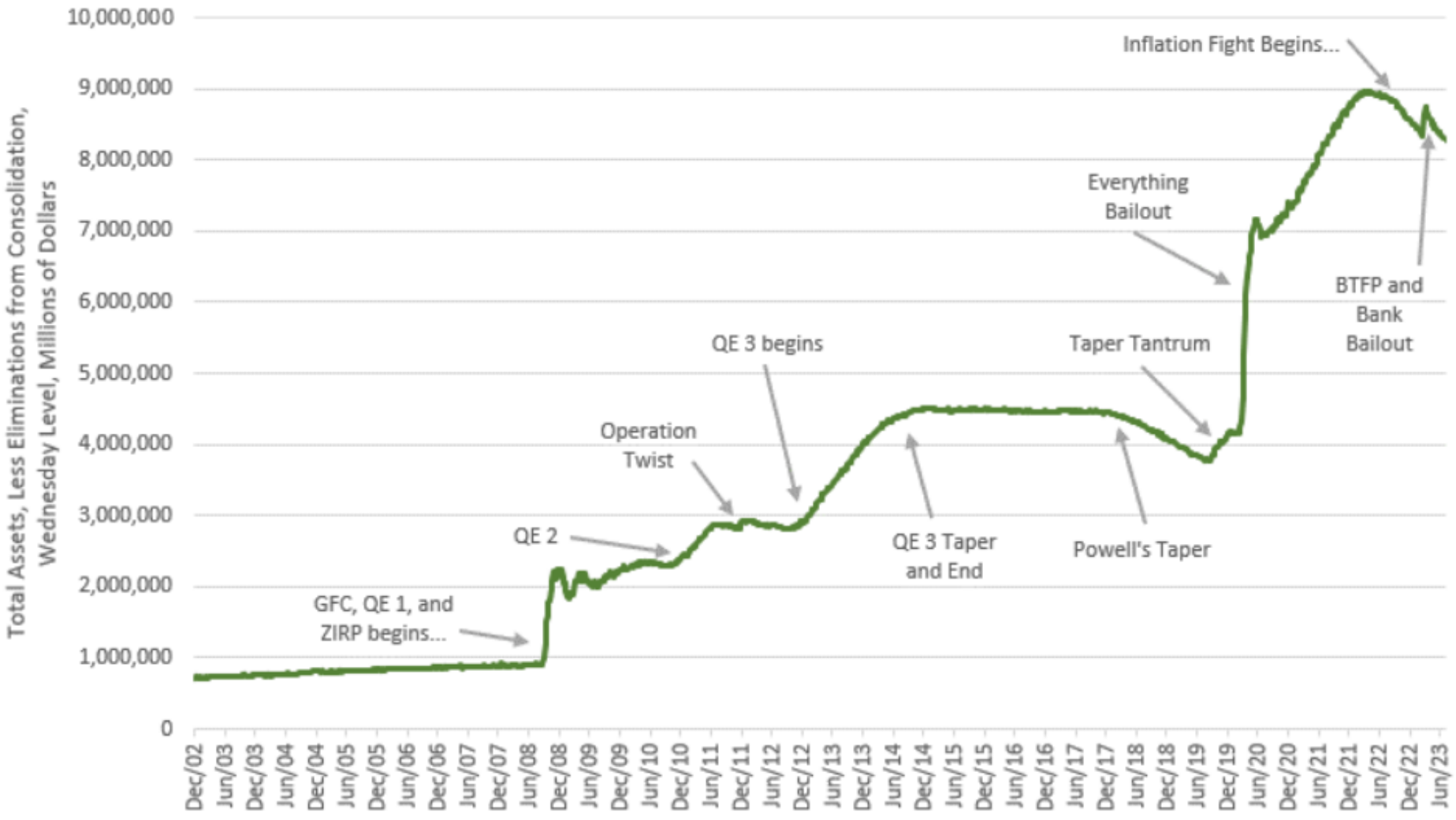
Consumer Products and the Economy

Dr. EJ Antoni
September 22, 2023


Total Assets, Less Eliminations from Consolidation, Wednesday Level, Millions of Dollars
10,000,000
9,000,000
8,000,000
7,000,000
6,000,000
5,000,000
4,000,000
3,000,000
2,000,000
1,000,000
0
Dec/02
Jun/03
Dec/03
Jun/04
Dec/04
Jun/05
Dec/05
Jun/06
Dec/06
Jun/07
Dec/07
Jun/08
Dec/08
Jun/09
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Jun/13
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Jun/14
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Dec/16
Jun/17
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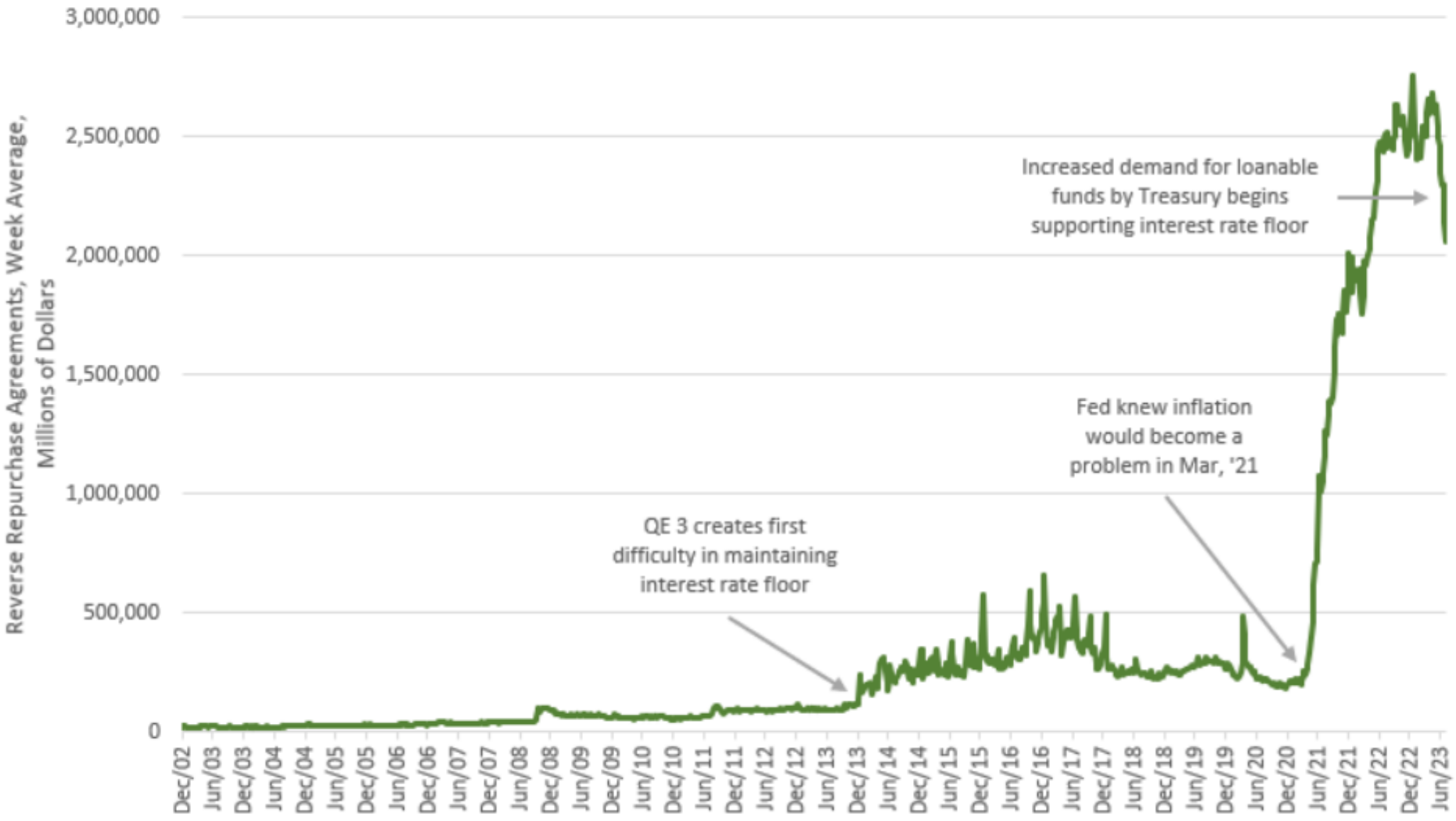
Jun/18
Dec/18
Jun/19
Dec/19
Jun/20
Dec/20
Jun/21
Dec/21
Jun/22
Dec/22
Jun/23
GFC, QE 1, and ZIRP begins...
QE 2
Operation Twist
QE 3 begins
QE 3 Taper and End
Powell's Taper
Taper Tantrum
Everything Bailout
Inflation Fight Begins...
BTFP and Bank Bailout


Reverse Repurchase Agreements, Week Average, Millions of Dollars
3,000,000
2,500,000
2,000,000
1,500,000
1,000,000
500,000
0
Increased demand for loanable funds by Treasury begins supporting interest rate floor
Fed knew inflation would become a problem in Mar, '21
QE 3 creates first difficulty in maintaining interest rate floor
Dec/02
Jun/03
Dec/03
Jun/04
Dec/04
Jun/05
Dec/05
Jun/06
Dec/06
Jun/07
Dec/07
Jun/08
Dec/08
Jun/09
Dec/09
Jun/10
Dec/10
Jun/11
Dec/11
Jun/12
Dec/12
Jun/13
Dec/13
Jun/14
Dec/14
Jun/15
Dec/15
Jun/16
Dec/16
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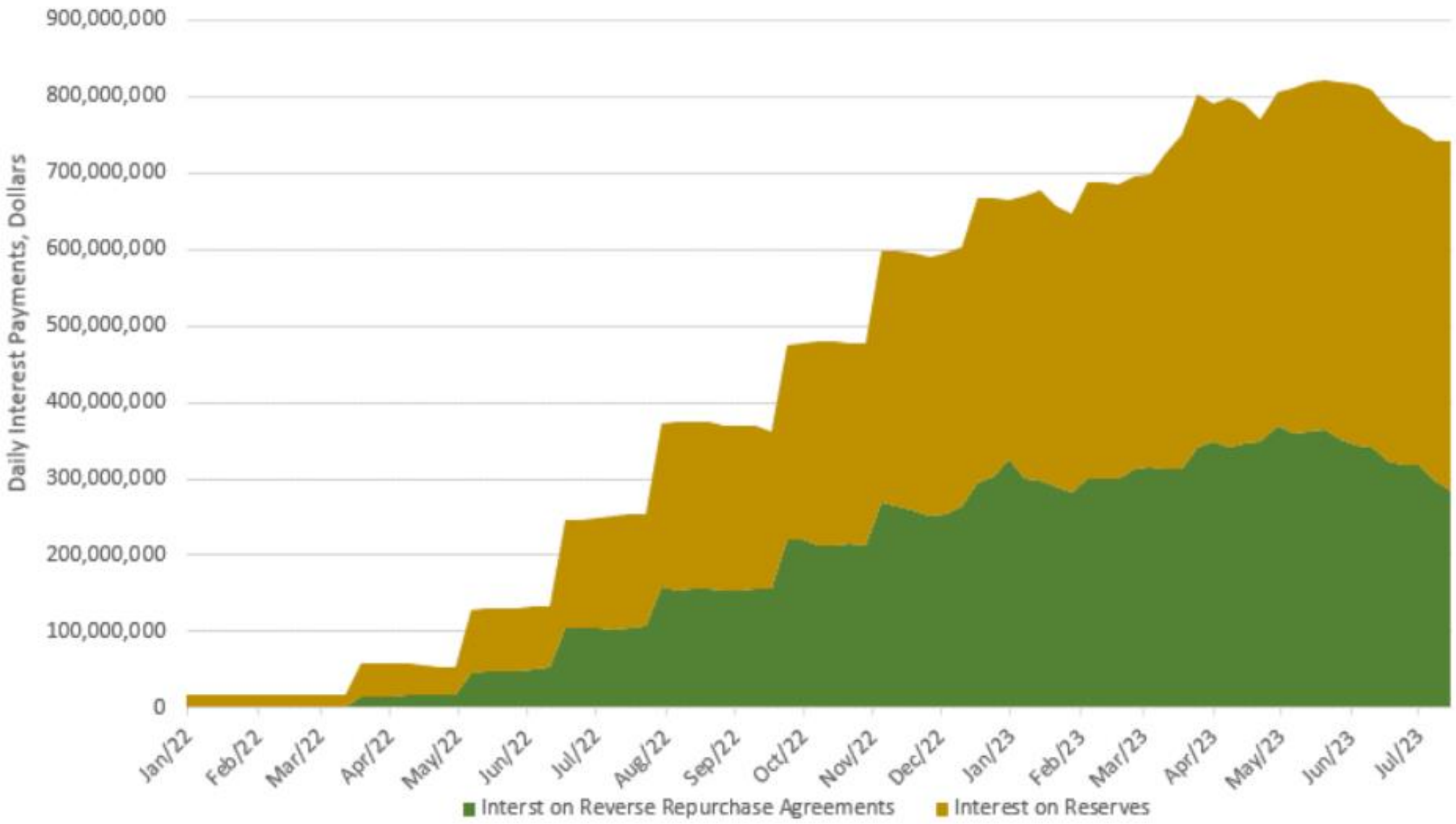
Dec/20
Jun/21
Dec/21
Jun/22
Dec/22
Jun/23


900,000,000
800,000,000
700,000,000
600,000,000
500,000,000
400,000,000
300,000,000
200,000,000
100,000,000
0
Daily Interest Payments, Dollars
Jan/22
Feb/22
Mar/22
Apr/22
May/22
Jun/22
Jul/22
Aug/22
Sep/22
Oct/22
Nov/22
Dec/22
Jan/23
Feb/23
Mar/23
Apr/23
May/23
Jun/23
Jul/23
Interst on Reverse Repurchase Agreements
Interest on Reserves

Earnings Remittances Due to the US Treasury, Wednesday Level, Millions of Dollars
10,000
0
-10,000
-20,000
-30,000
-40,000
-50,000
-60,000
-70,000
-80,000
-90,000
Jan/11
Jul/11
Jan/12
Jul/12
Jan/13
Jul/13
Jan/14
Jul/14
Jan/15
Jul/15
Jan/16
Jul/16
Jan/17
Jul/17
Jan/18
Jul/18
Jan/19
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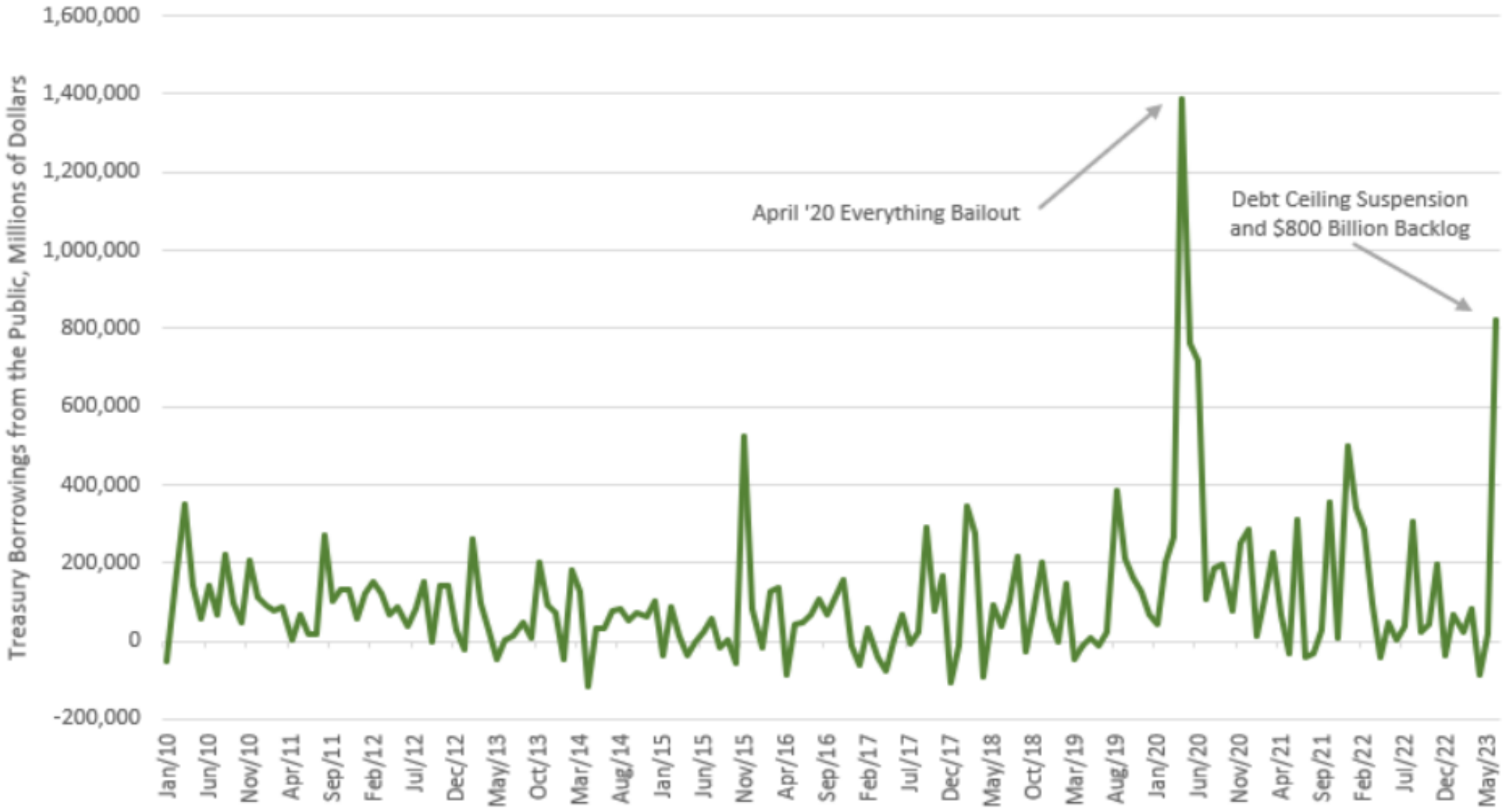
Jan/20
Jul/20
Jan/21
Jul/21
Jan/22
Jul/22
Jan/23
Jul/23


Treasury Borrowings from the Public, Millions of Dollars
1,600,000
1,400,000
1,200,000
1,000,000
800,000
600,000
400,000
200,000
0
-200,000
April '20 Everything Bailout
Debt Ceiling Suspension and $800 Billion Backlog
Jan/10
Jun/10
Nov/10
Apr/11
Sep/11
Feb/12
Jul/12
Dec/12
May/13
Oct/13
Mar/14
Aug/14
Jan/15
Jun/15
Nov/15
Apr/16
Sep/16
Feb/17
Jul/17
Dec/17
May/18
Oct/18
Mar/19
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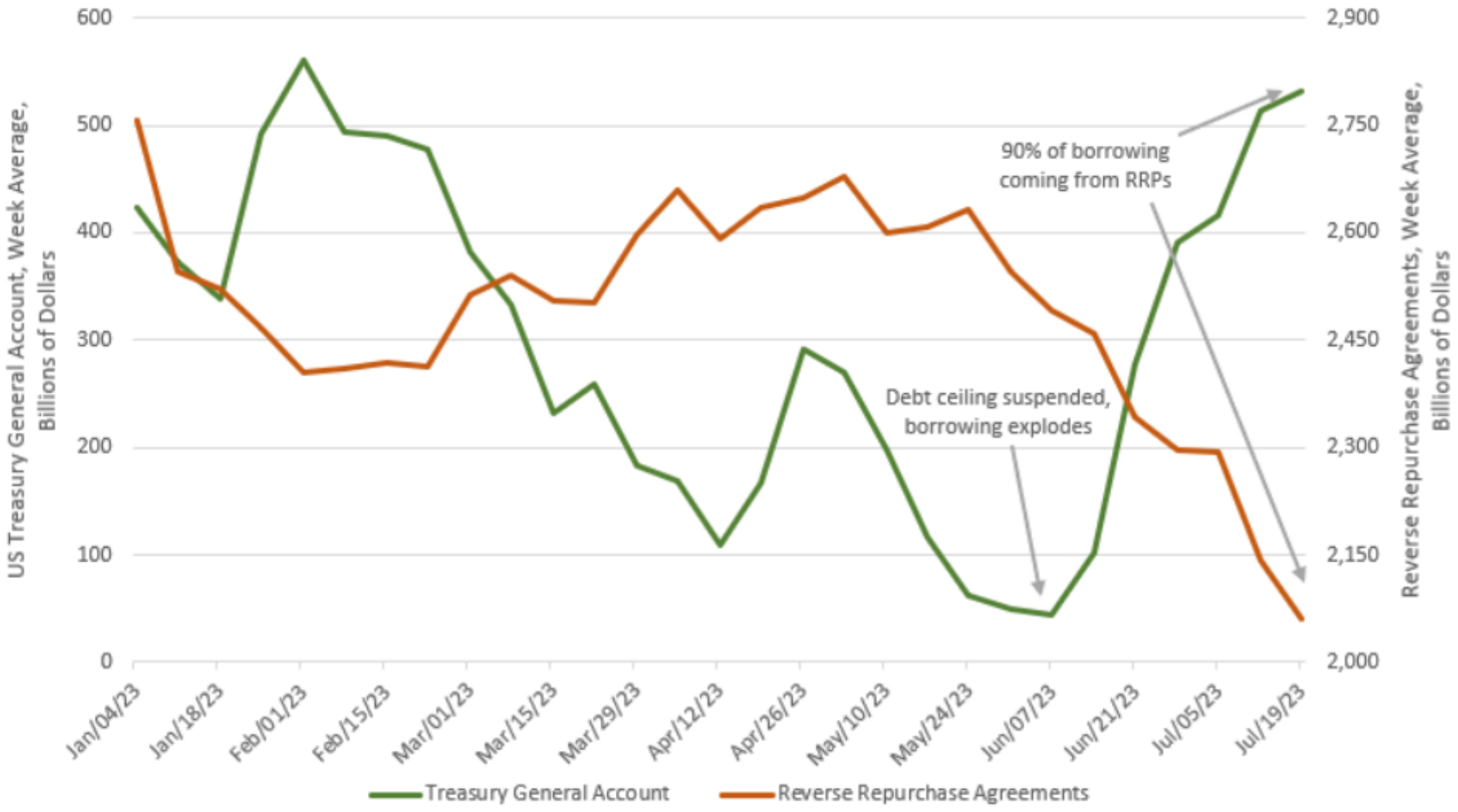
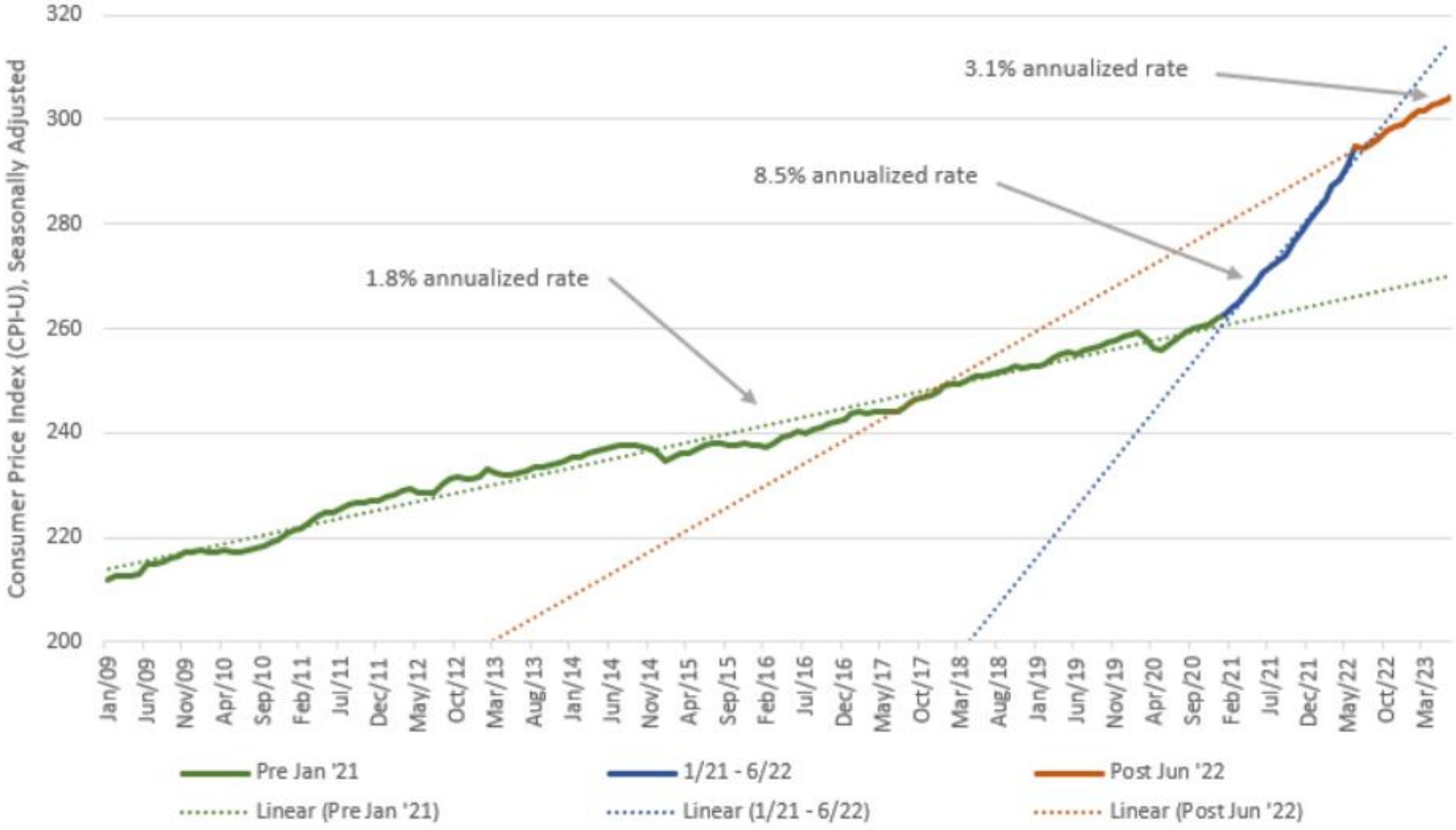
Jun/20
Nov/20
Apr/21
Sep/21
Feb/22
Jul/22
Dec/22
May/23


US Treasury General Account, Week Average, Billions of Dollars
Reverse Repurchase Agreements, Week Average, Billions of Dollars
600
500
400
300
200
100
0
2,900
2,750
2,600
2,450
2,300
2,150
2,000
90% of borrowing coming from RRPs
Debt ceiling suspended, borrowing explodes
Jan/04/23
Jan/18/23
Feb/01/23
Feb/15/23
Mar/01/23
Mar/15/23
Mar/29/23
Apr/12/23
Apr/26/23
May/10/23
May/24/23
Jun/07/23
Jun/21/23
Jul/05/23
Jul/19/23
Treasury General Account
Reverse Repurchase Agreements


Consumer Price Index (CPI-U), Seasonally Adjusted
320
300
280
260
240
220
200
3.1% annualized rate
8.5% annualized rate
1.8% annualized rate
Jan/09
Jun/09
Nov/09
Apr/10
Sep/10
Feb/11
Jul/11
Dec/11
May/12
Oct/12
Mar/13
Aug/13
Jan/14
Jun/14
Nov/14
Apr/15
Sep/15
Feb/16
Jul/16
Dec/16
May/17
Oct/17
Mar/18
Aug/18
Jan/19
Jun/19
Nov/19
Apr/20
Sep/20
Feb/21
Jul/21
Dec/21
May/22
Oct/22
Mar/23
Pre Jan '21
1/21 - 6/22
Post Jun '22
Linear (Pre Jan '21)
Linear (1/21 - 6/22)
Linear (Post Jun '22)