NABE Economic Policy Conference:
Managing the Fed's Balance Sheet

• Bill English, Professor in the Practice of Finance, Yale School of Management
• Brian Sack, Director of Global Economics, The D.E. Shaw Group
• Mark Cabana, Managing Director and Head of U.S. Rates Strategy, Bank of America Global Research
• Moderator: Kathy Bostjancic, Chief U.S. Economist, Oxford Economics
Federal Reserve’s secondary policy tool: the balance sheet

US: Balance sheet and bank reserves

- LSAP: Large-scale asset purchases
- MEP: Maturity extension program
- QE: Quantitative easing

Source: Oxford Economics/Haver Analytics
SOMA or asset holdings account for most of the balance sheet

Source: Oxford Economics/Haver Analytics