

# US Economic History: Great Recession

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*thinking outside the box*

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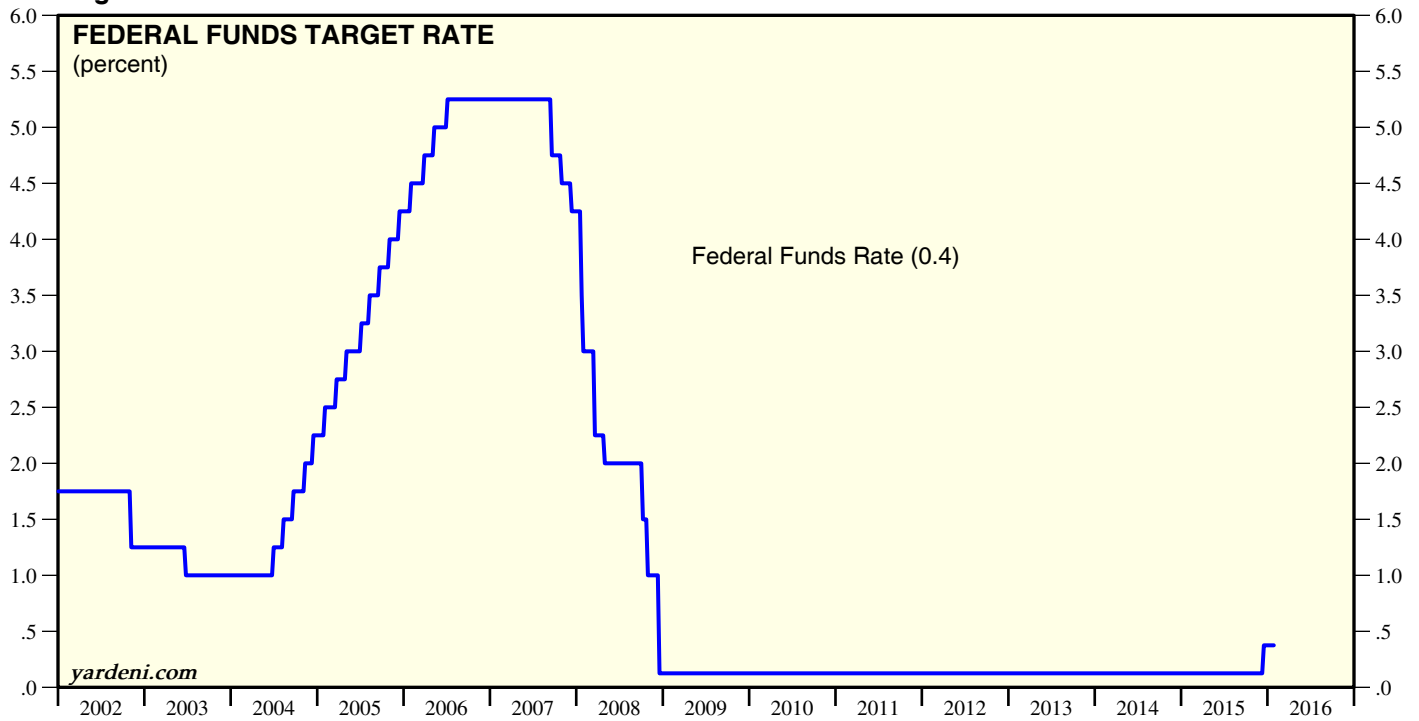
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# Federal Funds Target Rate

Figure 1.



Source: Board of Governors of the Federal Reserve System.

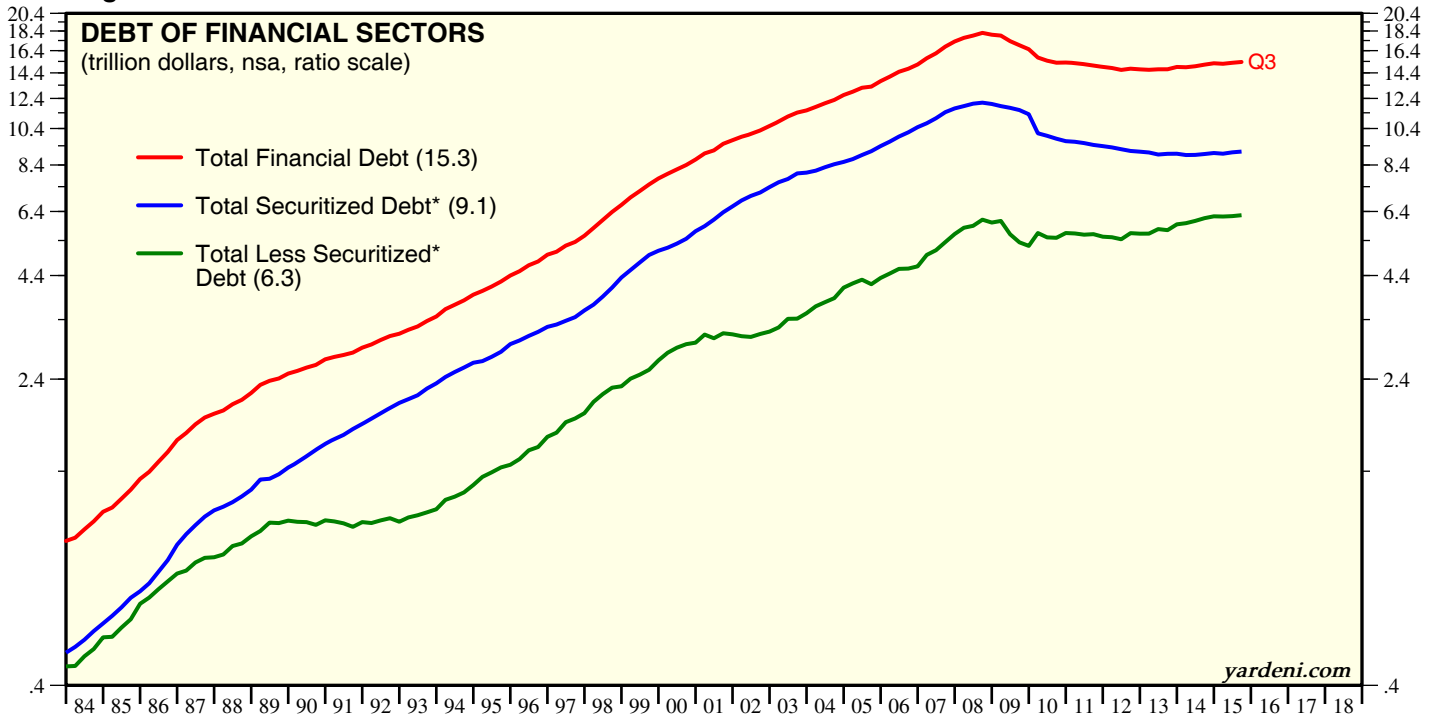
Figure 2.



Source: Board of Governors of the Federal Reserve System.

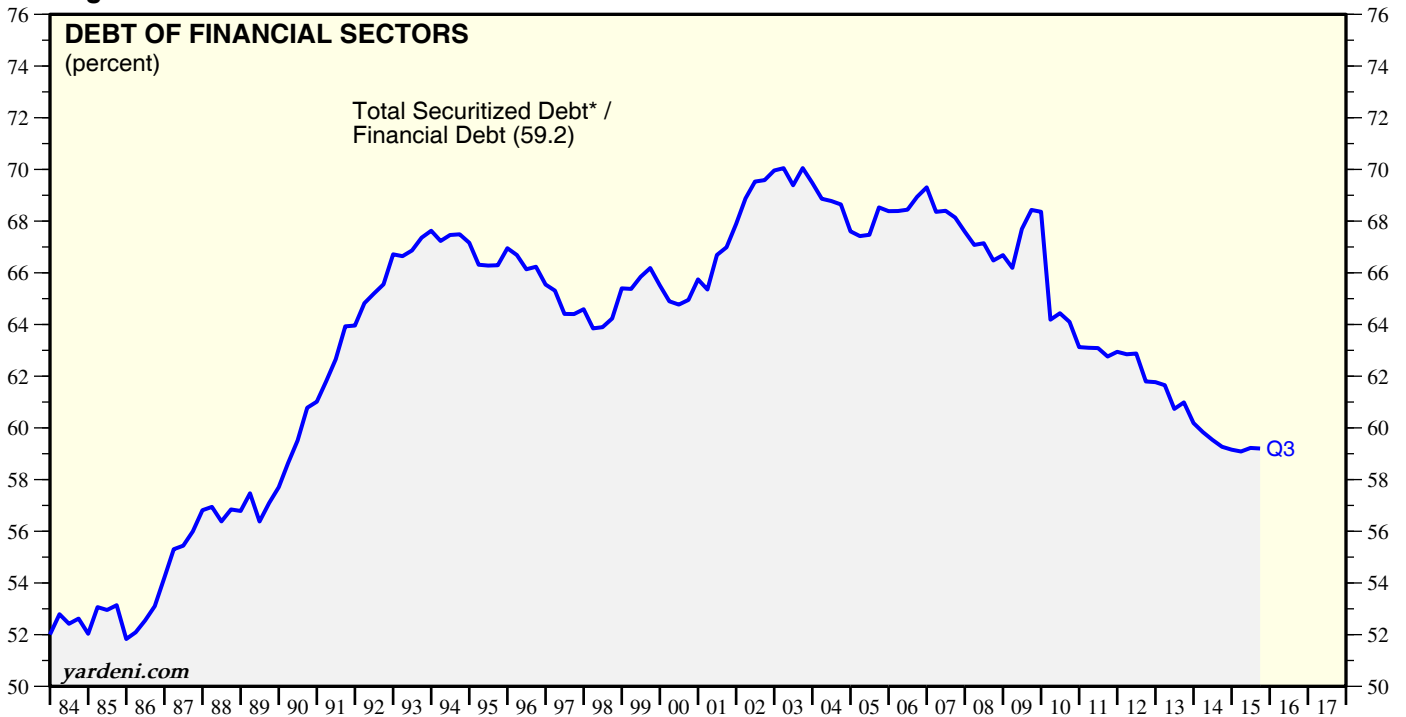
# Debt

Figure 3.



\* Sum of government sponsored enterprises, agency & GSE-backed mortgage pools, and ABS issuers.  
Source: Flow of Funds.

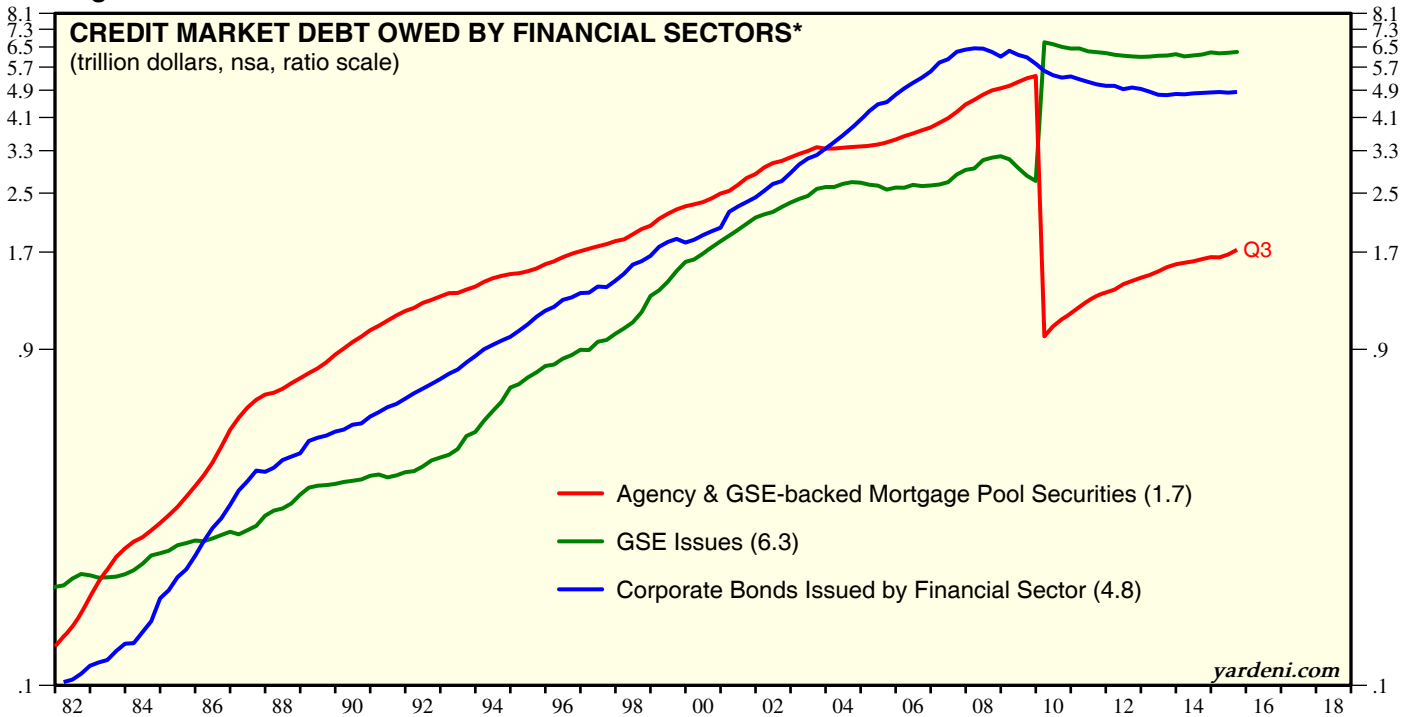
Figure 4.



\* Sum of GSE, agency & GSE-backed mortgage pools, and ABS issuers.  
Source: Flow of Funds.

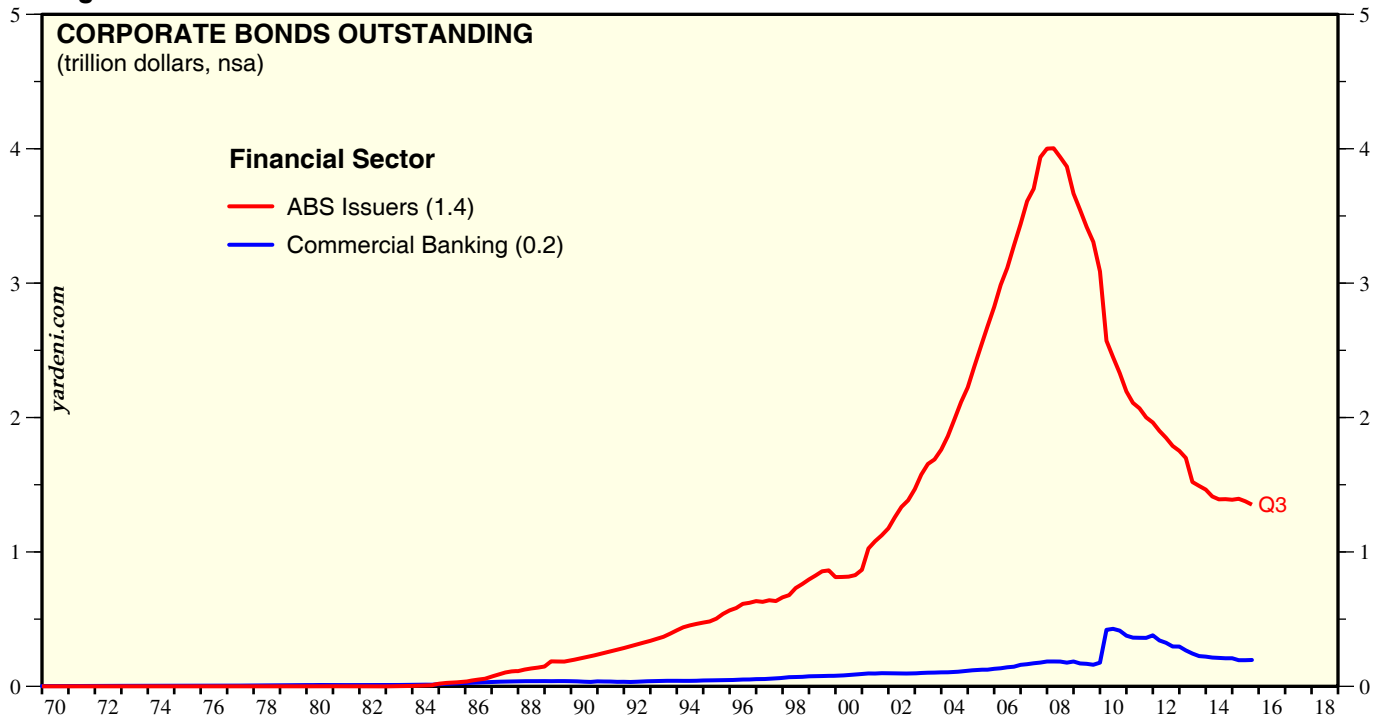
# Debt

Figure 5.



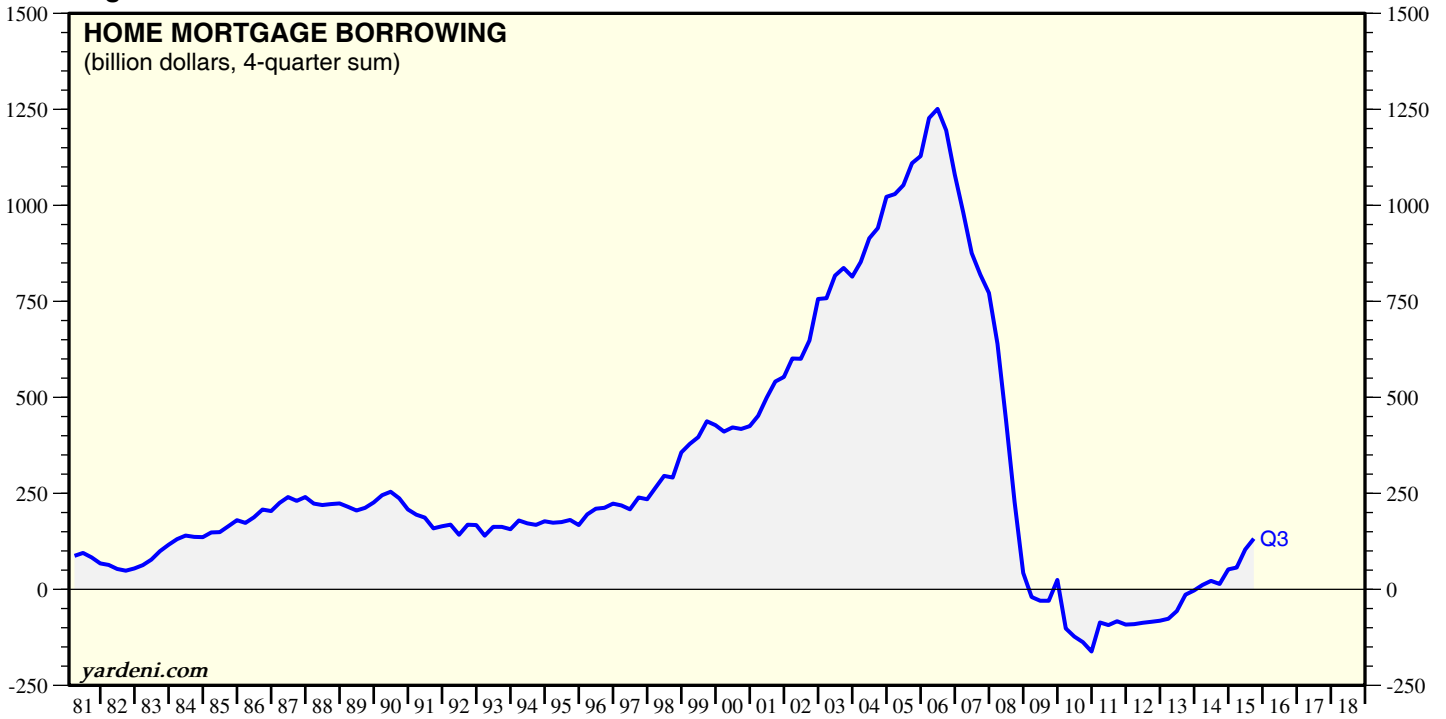
\* As a result of two accounting rules, FAS 166 and 167, the assets and liabilities of some special purpose entities (SPEs) have been moved onto the balance sheets of the US chartered commercial bank, government-sponsored enterprise finance company sectors. The consolidated assets and liabilities were removed from the agency and GSE-backed mortgage pool sector and the issuers of asset-backed securities (ABS) sector.  
 Source: Federal Reserve Board, Flow of Funds Accounts.

Figure 6.



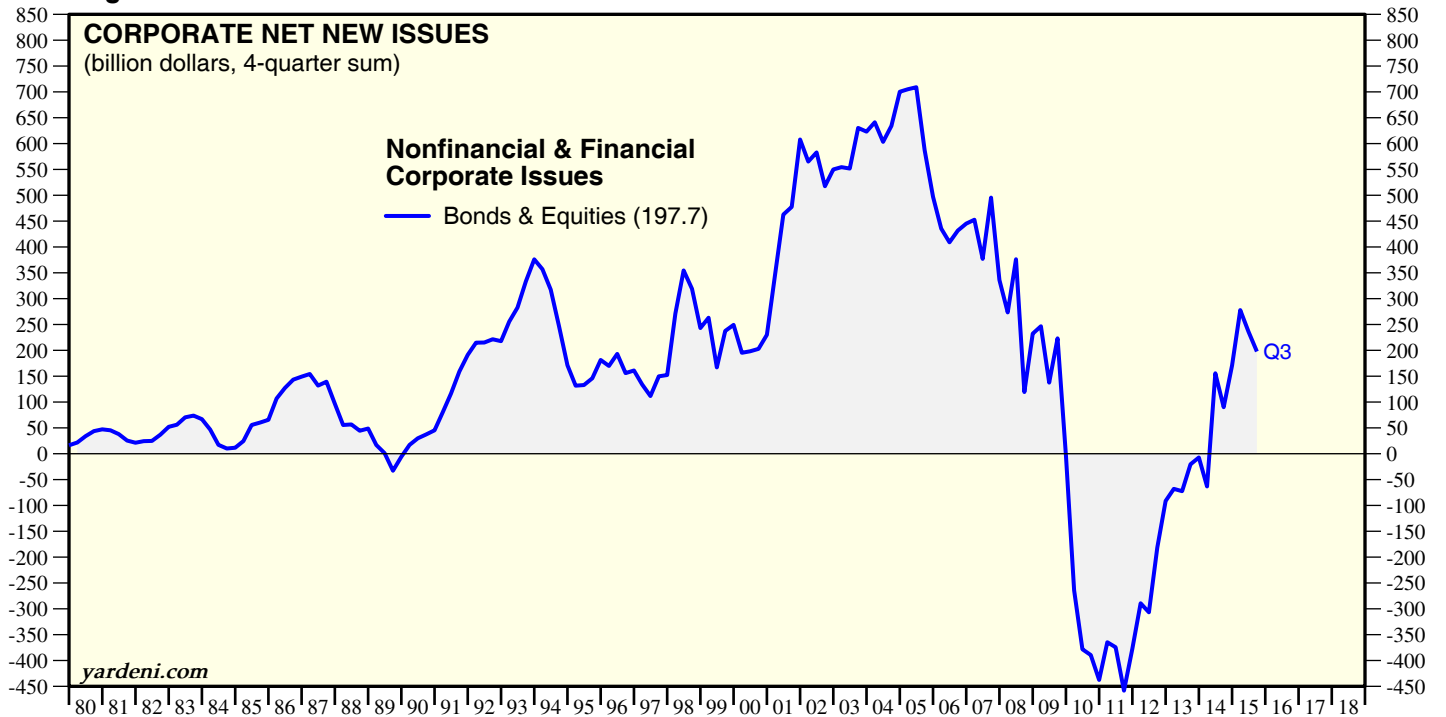
# Debt

Figure 7.



Source: Federal Reserve Board, Flow of Funds Accounts.

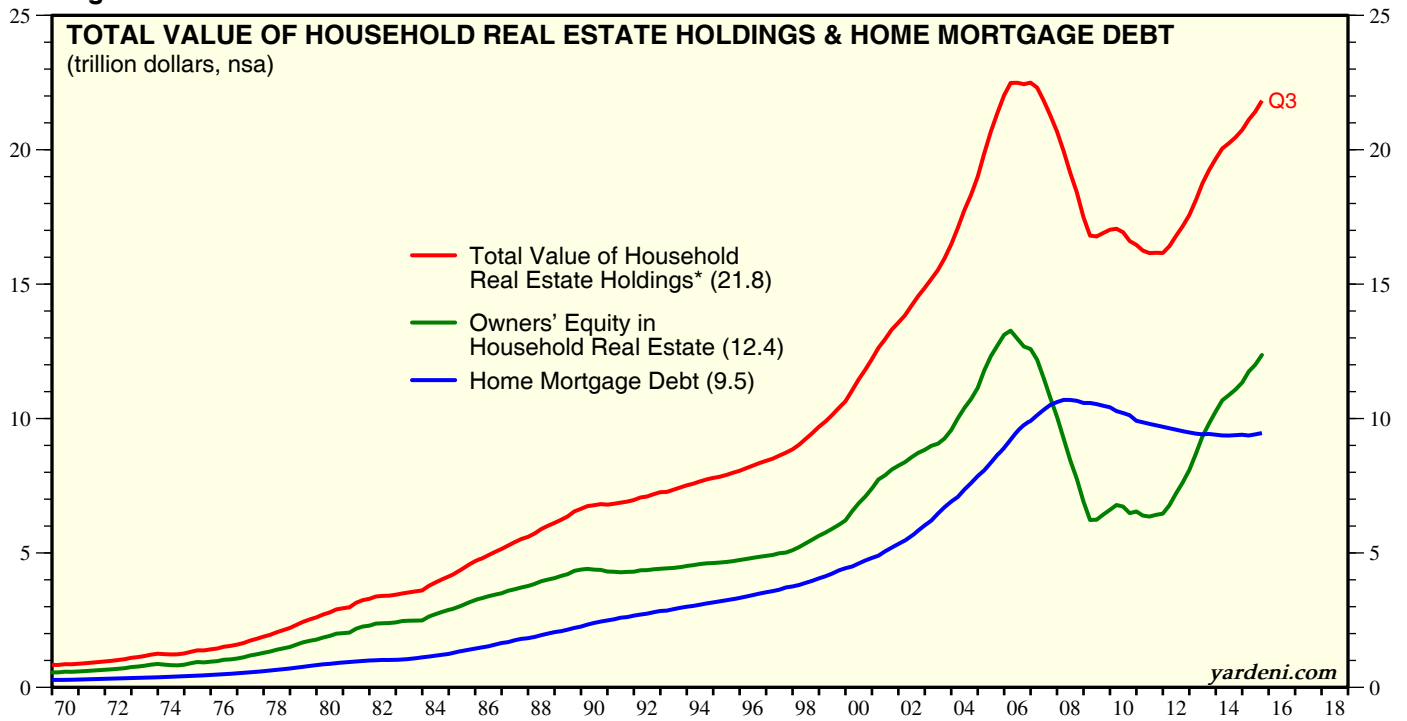
Figure 8.



Source: Federal Reserve Board, Flow of Funds Accounts.

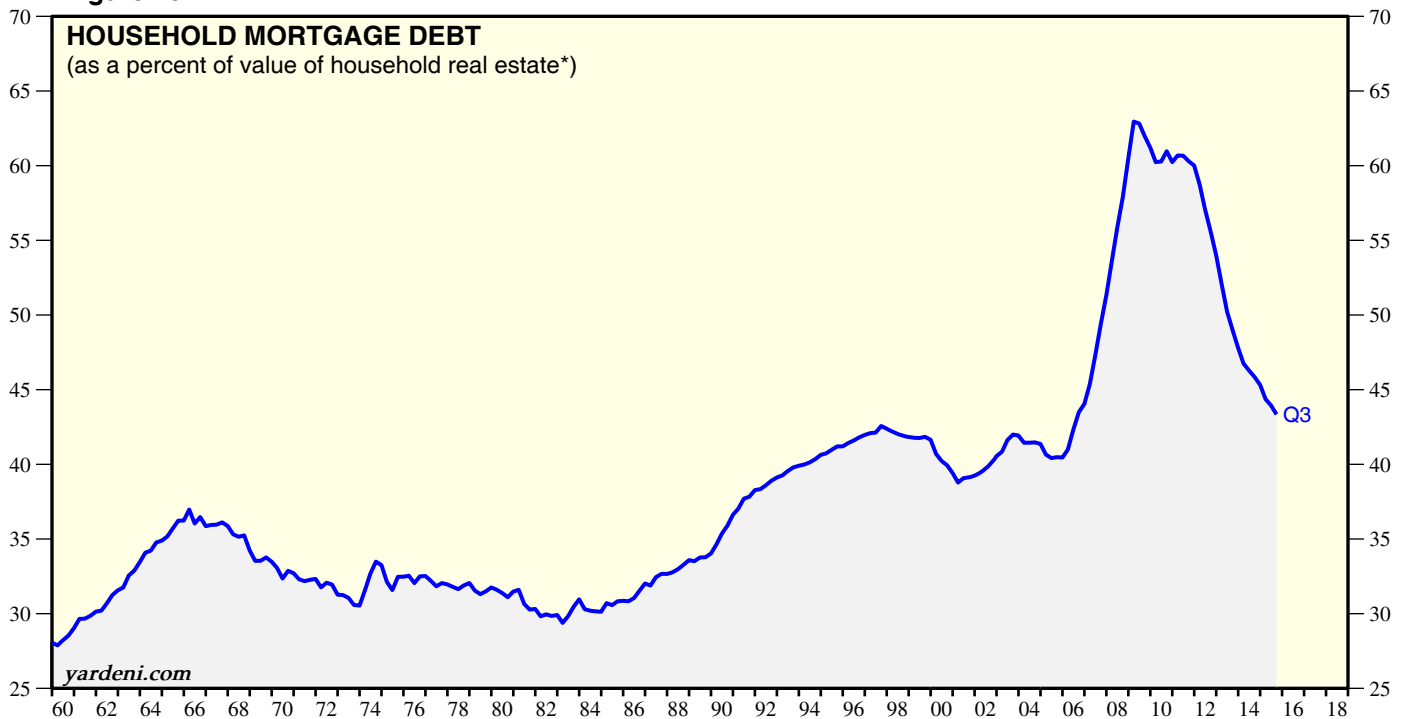
# Mortgage Debt

Figure 9.



\* Home mortgages plus owners equity in household real estate.  
Source: Federal Reserve Board Flow of Funds Accounts.

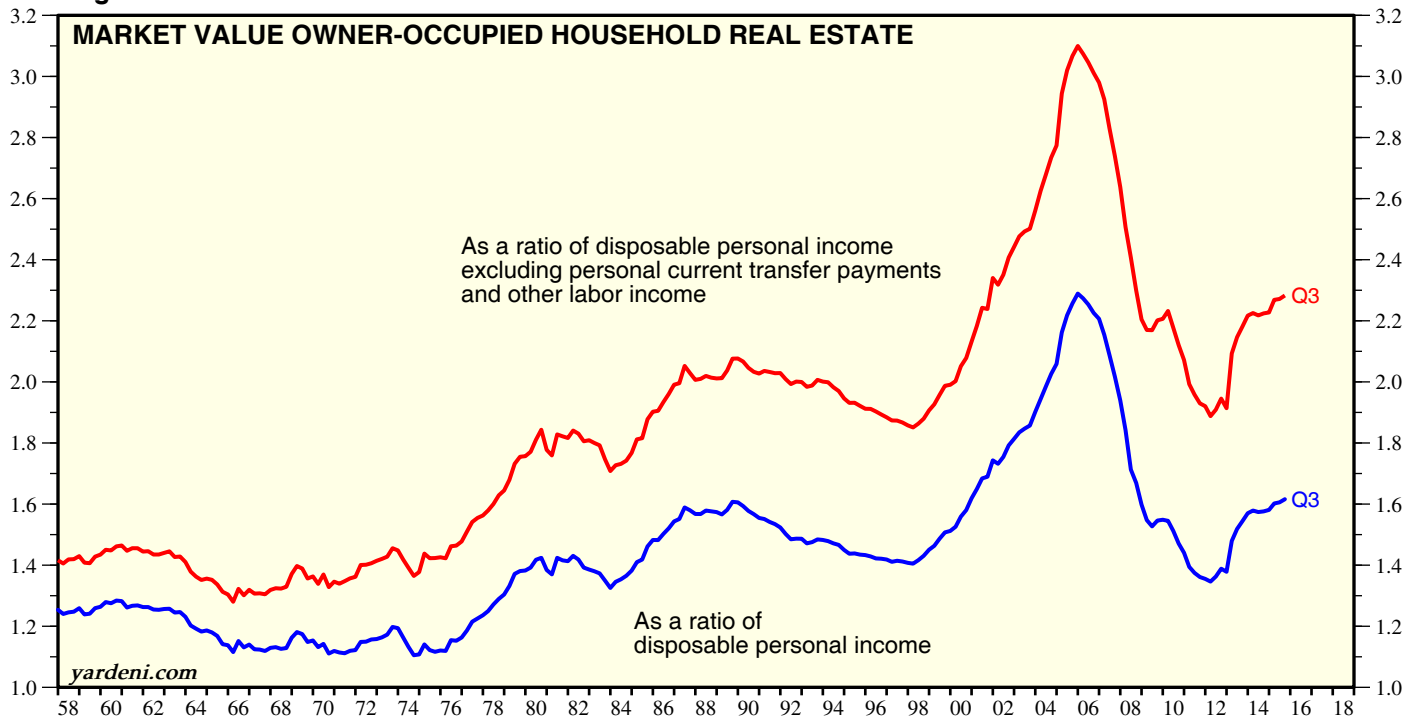
Figure 10.



\* Home mortgages plus owners' equity in household real estate.  
Source: Federal Reserve Board Flow of Funds Accounts.

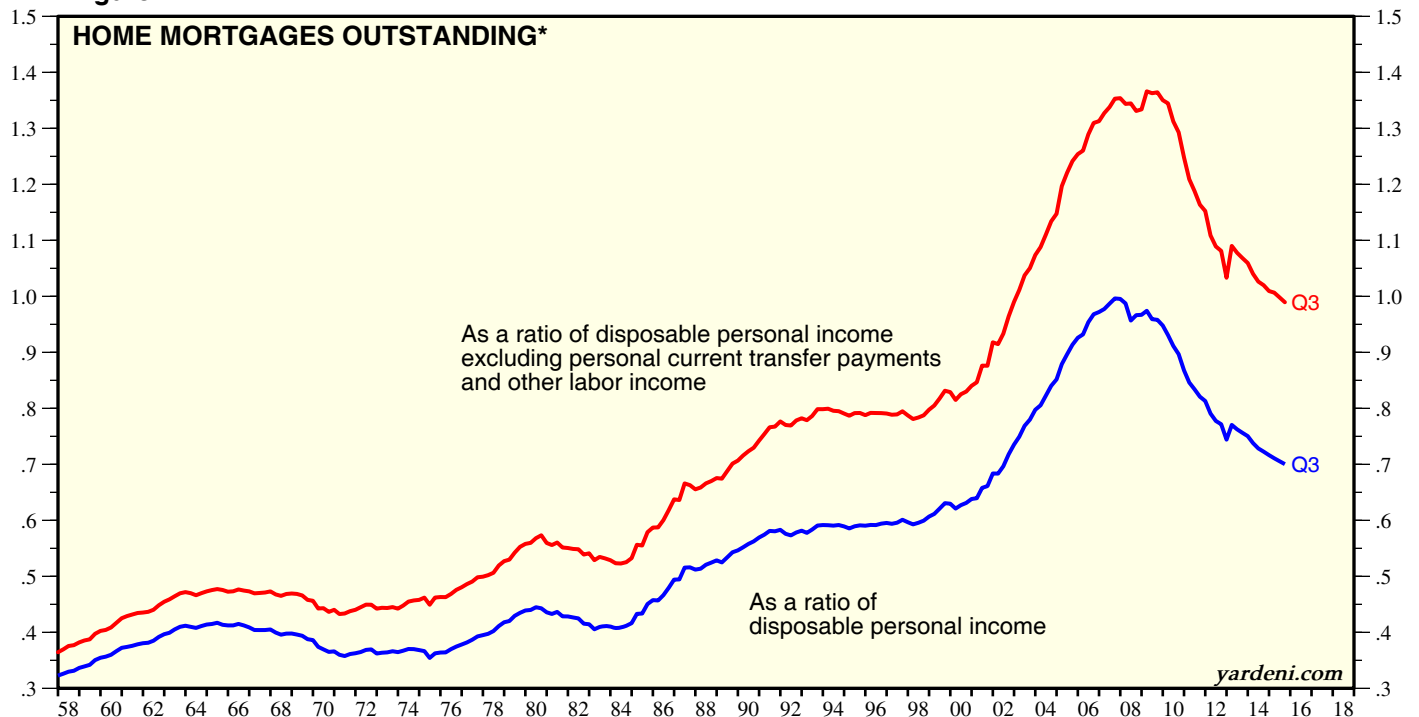
# Mortgage Debt

Figure 11.



Source: Federal Reserve Board Flow of Funds Accounts and US Department of Commerce, Bureau of Economic Analysis.

Figure 12.



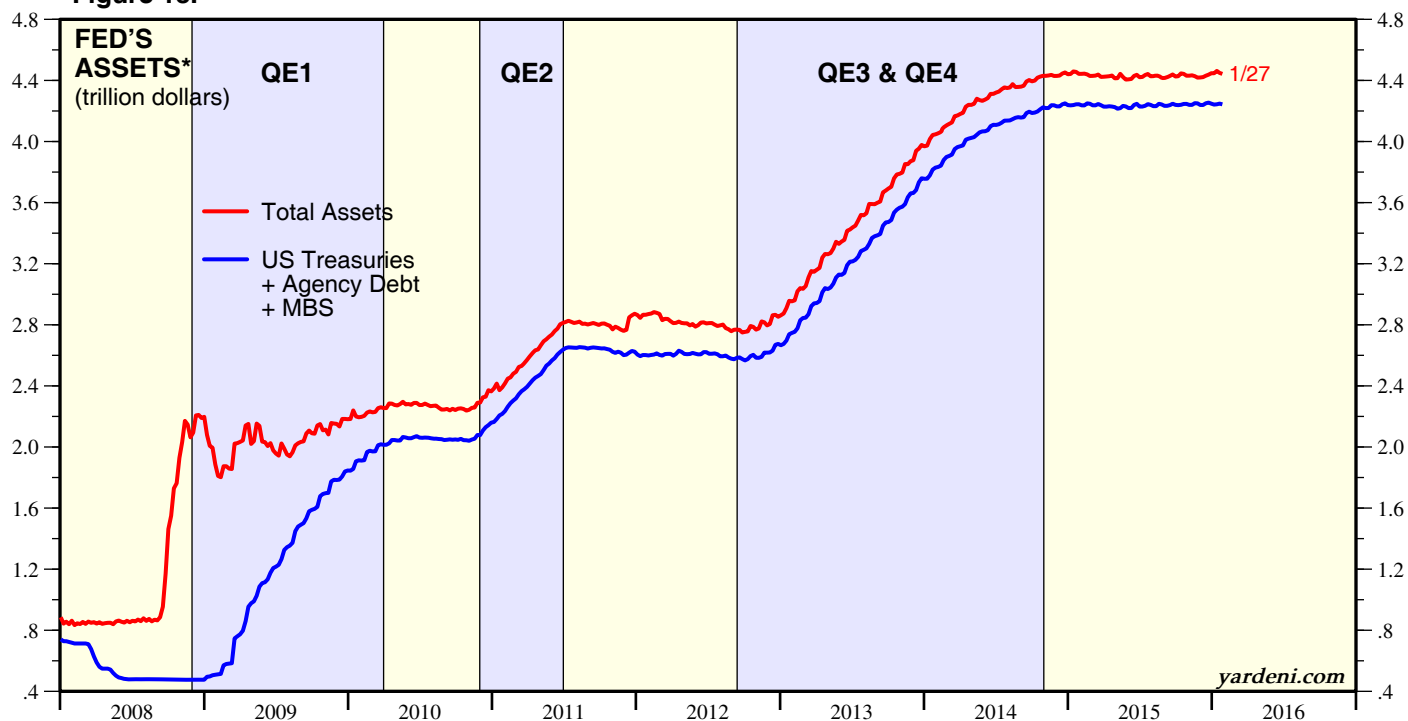
\* Includes home equity loans and second mortgages.

Source: Federal Reserve Board Flow of Funds Accounts and US Department of Commerce, Bureau of Economic Analysis.



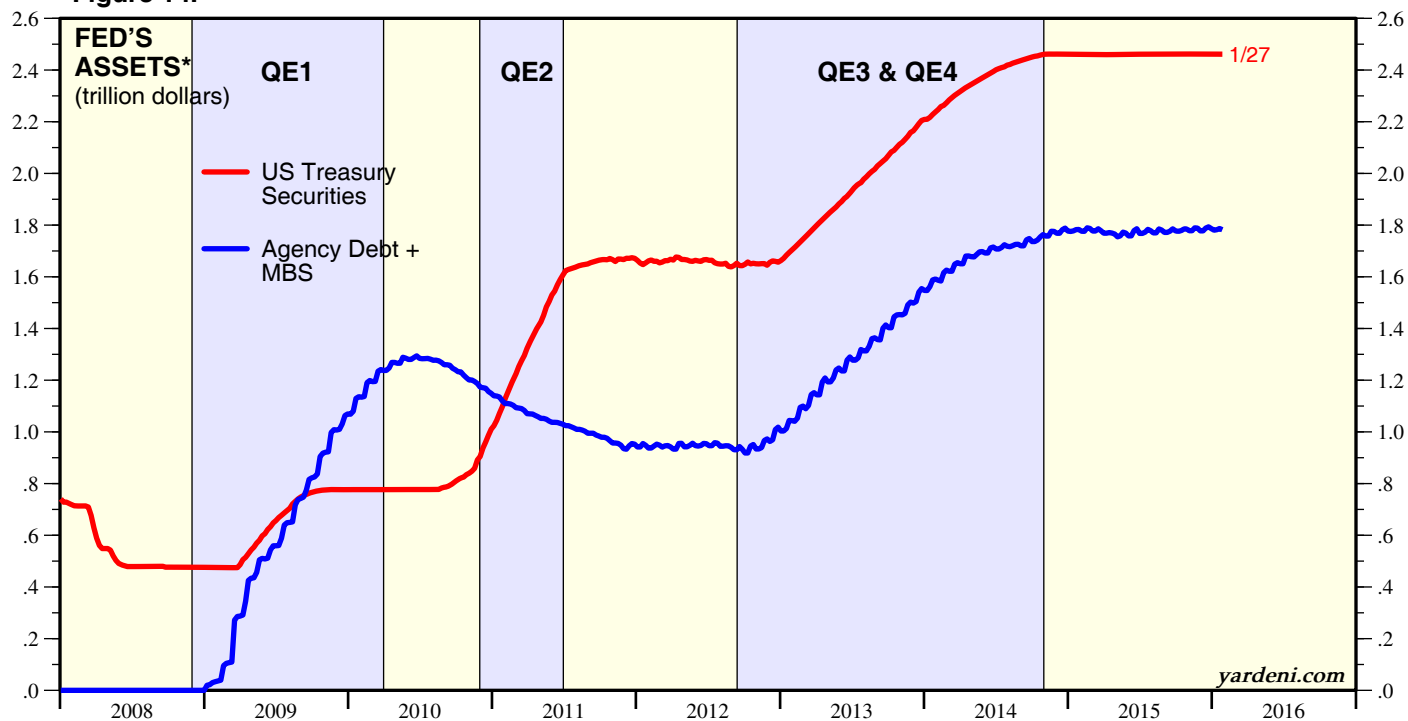
# Fed Assets

Figure 13.



\* Average of daily figures for weeks ending Wednesday.  
 Note: QE1 (announced 11/25/08) = Fed buys \$1.24tn in mortgage securities. QE2 (announced 11/3/10) = Fed buys \$600bn in Treasuries. QE3 (announced 9/13/12) = Fed buys \$40bn/month in mortgage securities (to infinity and beyond). QE4 (announced 12/12/12) = Fed buys \$45bn/month in Treasuries.  
 Source: Federal Reserve Board.

Figure 14.



\* Average of daily figures for weeks ending Wednesday.  
 Note: QE1 (announced 11/25/08) = Fed buys \$1.24tn in mortgage securities. QE2 (announced 11/3/10) = Fed buys \$600bn in Treasuries. QE3 (announced 9/13/12) = Fed buys \$40bn/month in mortgage securities (to infinity and beyond). QE4 (announced 12/12/12) = Fed buys \$45bn/month in Treasuries.  
 Source: Federal Reserve Board.

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# Fed Assets