

EXCHANGE STABILIZATION FUND
STATEMENT OF FINANCIAL POSITION
As of August 31, 2022

ASSETS

| | | | |
|--|----------|-----------------------|------------------------------|
| <i>Fund Balance with Treasury</i> | (Note 1) | | \$ 8,311,331,985.80 |
| <i>Special Drawing Rights</i> | | | |
| Special Drawing Rights Holdings | | \$ 155,562,748,045.81 | |
| Accrued interest receivable on Special Drawing Rights holdings | | 196,669,668.67 | |
| <i>Total Special Drawing Rights</i> | | | 155,759,417,714.48 |
| <i>US Government Securities</i> | | | |
| Investments in US Government Securities | | 18,541,647,532.57 | |
| Accrued interest receivable on U.S. Gov't Securities | | - | |
| <i>Total US Government Securities</i> | | | 18,541,647,532.57 |
| <i>Economic Recovery Program- Investments and Other</i> | (Note 2) | | |
| Municipal Liquidity Facility (MLF) | | 2,894,691,995.07 | |
| Main Street Loan Program (MSLP) | | 13,890,931,561.80 | |
| Term Asset-Backed Securities Loan Facility (TALF) | | 1,154,109,409.61 | |
| <i>Total Economic Recovery Programs- Investments and Other</i> | | | 17,939,732,966.48 |
| <i>Economic Recovery Program- Loans Receivable</i> | (Note 3) | | |
| Passenger Air Carriers | | 233,318,845.14 | |
| Cargo Air Carriers | | 21,992,811.76 | |
| National Security and Defense Businesses (NSD) | | 749,158,167.72 | |
| <i>Total Economic Recovery Program- Loans Receivable</i> | | | 1,004,469,824.62 |
| <i>European Euros</i> | (Note 4) | | |
| Deposits with Official Institutions | | 2,080,684,624.65 | |
| Securities: | | | |
| Held outright | | 8,695,712,707.31 | |
| Accrued interest receivable on Euro investments | | 25,477,479.54 | |
| <i>Total European Euros</i> | | | 10,801,874,811.50 |
| <i>Japanese Yen</i> | (Note 4) | | |
| Deposits with Official Institutions | | 6,276,603,195.98 | |
| Securities | | 462,140,419.88 | |
| Accrued interest on Yen investments | | 474,375.55 | |
| <i>Total Japanese Yen</i> | | | 6,739,217,991.41 |
| TOTAL ASSETS | | | \$ 219,097,692,826.86 |

LIABILITIES AND CAPITAL

Liabilities

| | | | |
|--|-------------|---------------------|------------------------------|
| Special Drawing Rights Certificates | | \$ 5,200,000,000.00 | |
| Special Drawing Rights Allocations | | 149,474,370,472.50 | |
| Accrued charges payable on SDR Allocations | | 188,972,461.43 | |
| Debt - Net, including accrued interest payable | (Note 5) | 22,818,315,676.11 | |
| Other Liabilities | | 604,683.70 | |
| TOTAL LIABILITIES | (Note 6, 7) | | \$ 177,682,263,293.74 |
| Capital | | | |
| Initial Appropriated Capital Account | | 200,000,000.20 | |
| Additional Appropriated Capital Account | | 4,579,836,390.66 | |
| Retained Earnings | | 36,635,593,142.26 | |
| TOTAL CAPITAL | | | \$ 41,415,429,533.12 |
| TOTAL LIABILITIES AND CAPITAL | | | \$ 219,097,692,826.86 |

EXCHANGE STABILIZATION FUND
STATEMENT OF INCOME
For the Current Month and Fiscal Year Periods Ending August 31, 2022

| INCOME and EXPENSE | Current Month | Fiscal Year |
|---|----------------------------|------------------------------|
| <i>Special Drawing Rights</i> | | |
| Net interest (charges) on Special Drawing Rights | 7,763,042.18 | 20,895,857.69 |
| Net gain (loss) on SDR valuation | (104,210,240.79) | (371,207,216.09) |
| | | |
| <i>U.S. Government securities</i> | | |
| Interest earned on U.S. Government Securities | 35,311,876.51 | 102,621,283.57 |
| | | |
| <i>Foreign Exchange</i> | | |
| Interest earned (incurred) on Foreign Currency Denominated Assets | (1,751,680.36) | (35,793,313.05) |
| Net gain (loss) on Sales of Investment Securities and Foreign Currency Denominated Assets | (40,275.75) | (222,203.25) |
| Net gain (loss) on Foreign Exchange valuation (Note 8) | (422,187,494.07) | (3,268,237,872.60) |
| Other | (2,303.33) | (27,096.52) |
| | | |
| <i>Economic Recovery Programs</i> | | |
| Appropriation Revenue | 347,406.27 | 7,499,787.30 |
| Administrative Expense (Note 9) | (347,406.27) | (4,265,525.84) |
| Net Financing cost | (11,199,343.31) | (146,107,640.79) |
| | <hr/> | <hr/> |
| Net Income (Net Cost) | \$ (496,316,418.92) | \$ (3,694,843,939.58) |

EXCHANGE STABILIZATION FUND
NOTES TO THE FINANCIAL STATEMENTS
For the Current Month and Fiscal Year Periods Ending August 31, 2022

1. Fund Balance with Treasury (FBWT) of \$8.3 billion will be used to fund adjustments to subsidy costs and repay borrowings from Treasury for loans and investments provided under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act).
2. As of August 31, 2022, three of Treasury's initial six economic recovery programs with the Federal Reserve Banks of New York and Boston remain. On November 17, 2021, Treasury and the applicable Federal Reserve Banks amended and restated the limited liability company (LLC) agreements governing Treasury's investments in each of the Municipal Liquidity Facility (MLF), the Main Street Lending Program (MSLP), and the Term Asset-Backed Securities Loan Facility (TALF) to, among other things, provide for regular distributions to Treasury of the amounts by which Treasury's investment in each of TALF and MLF exceeds the facility's portfolio value, or the amount by which Treasury's investment in MSLP exceeds the original price paid for the loan participations held in the facility. There were no distributions from Treasury's investment in MLF, MSLP or TALF during the month of August 2022 in accordance with the terms of the amended and restated LLC agreements listed above. The Money Market Mutual Fund Liquidity Facility (MMLF), the Commercial Paper Funding Facility (CPFF) and the Corporate Credit Facilities (CCF) programs have been terminated and unwound in accordance with their terms. The remaining investments are reported at cost.
3. The ESF has made economic recovery program loans using CARES Act appropriated funds and borrowings. Treasury's authority to disburse loans for these programs has expired. There were no principal collections during the month of August 2022. Loan receivables are reported at cost.
4. The ESF carries several long-term instruments in its portfolio. Some of these instruments may have been purchased at a premium and others may have been purchased at a discount. These instruments are reported at cost. Cost is reflected as a face amount paid for the instrument plus any unamortized premium paid and less any unaccreted discount received. Premiums (that are amortized) and discounts (that accrete) are allocated to expense (amortization expense) and revenue, respectively, over the life of the instrument.
5. Debt represents borrowings from Treasury through the Bureau of Fiscal Service (BFS) that were used, along with the appropriated fund balance, to fund the economic recovery program investments and loans authorized under the CARES Act. Collections from investments and cash collected from loan repayments are used to repay debt. There were no debt repayments during the month of August 2022. The balances at the end of August 2022 are \$4.4 billion for the MLF, \$1.4 billion for the TALF, \$16.0 billion for the MSLP, \$221 million for Passenger Air Carriers, \$21 million for Cargo Air Carriers, and \$681 million for National Security and Defense Business (NSD).
6. The ESF has an exchange stabilization agreement with Mexico for \$9 billion; this agreement was renewed in November 2021 for an additional year. No drawings are outstanding under this agreement.
7. Treasury has fulfilled its commitments with respect to loans and investments made pursuant to the CARES Act (see footnotes 3&4).
8. Foreign currency denominated assets and liabilities are revalued daily -- and reported monthly -- to reflect fluctuations in market exchange rates. These fluctuations in market exchange rates are reported in the Statement of Income as "Net gain (loss) on valuation." This gain or loss is unrealized to the Exchange Stabilization Fund until such time as the Fund sells the currency.
9. Up to \$100 million of the funds appropriated by the CARES Act to the ESF is authorized to make payments for administrative expenses incurred in connection with loans, loan guarantees, and other investments authorized under the CARES Act.