

DEPARTMENT OF THE TREASURY
EXCHANGE STABILIZATION FUND
BALANCE SHEET

(In Whole Dollars)

Assets

Intra-Governmental

| | | | |
|--|--------|----|-------------------|
| Fund Balance with Treasury | Note 1 | \$ | 200,554,551.99 |
| Nonmarketable U.S. Treasury Securities | | | 22,763,117,998.98 |
| Other Intragovernmental Assets | | | 7,930,019.95 |
| Credit Program Receivables, Net | | | 6,262,354.57 |
| Total Intra-Governmental | | | 22,977,864,925.49 |

Other Than Intra-Governmental

| | | | |
|--|--------|----|--------------------|
| Foreign Currency and Other Monetary Assets | | | |
| Foreign Currency and Foreign Currency Denominated Assets | Note 2 | | 4,255,532,164.10 |
| Special Drawing Right Holdings and Related Interest Receivable | Note 3 | | 174,784,905,673.07 |
| Loans Receivable, Net | Note 4 | | 25,113,332.23 |
| Other Investments | | | |
| Investments in Special Purpose Vehicles | Note 5 | | 1,439,365,631.84 |
| Other Investments, Net | Note 2 | | 14,998,734,737.49 |
| Other Receivable | | | - |
| Total Other Than Intra-Governmental | | | 195,503,651,538.73 |
| Total Assets | | \$ | 218,481,516,464.22 |

Liabilities:

Intra-Governmental

| | | | |
|--------------------------|--------|----|------------------|
| Debt | Note 6 | \$ | 1,515,217,848.66 |
| Due to the General Fund | | | 391,890.80 |
| Other Liabilities | Note 7 | | 171,663,204.77 |
| Total Intra-Governmental | | | 1,687,272,944.23 |

Other than Intra-Governmental

| | | | |
|--|--------|----|--------------------|
| Special Drawing Right Allocations and Related Interest Payable | Note 3 | | 158,020,497,583.89 |
| Special Drawing Right Certificates Issued to Federal Reserve Banks | Note 8 | | 15,200,000,000.00 |
| Total Other Than Intra-Governmental | | | 173,220,497,583.89 |
| Total Liabilities | | \$ | 174,907,770,528.12 |
| Commitments and Contingencies | Note 9 | | |

Net Position:

Unexpended Appropriations

| | | | |
|--|--|--|----------------|
| Funds from Dedicated Collections | | | 200,000,000.00 |
| Funds from Other than Dedicated Collections | | | 10,943,719.55 |
| Total Unexpended Appropriations (Consolidated) | | | 210,943,719.55 |

Cumulative Results of Operations

| | | | |
|---|--|----|--------------------|
| Funds from Dedicated Collections | | | 43,382,184,880.53 |
| Funds from Other than Dedicated Collections | | | (19,382,663.98) |
| Total Cumulative Results of Operations (Consolidated) | | | 43,362,802,216.55 |
| Total Net Position | | | 43,573,745,936.10 |
| Total Liabilities and Net Position | | \$ | 218,481,516,464.22 |

See accompanying notes to financial statements.

DEPARTMENT OF THE TREASURY
EXCHANGE STABILIZATION FUND
STATEMENTS OF NET COST

(In Whole Dollars)

STRATEGIC GOAL 1: EXCHANGE STABILIZATION

Gross Cost

| | |
|--|---------|
| Interest Expense on Special Drawing Rights Allocations | |
| International Monetary Fund Annual Assessment and Other | |
| Losses on Currency Valuation and Other | |
| Special Drawing Rights Holdings | |
| Special Drawing Rights Allocations | |
| Foreign Currency and Foreign Currency Denominated Assets | Note 10 |
| Other Investments | Note 10 |
| Total Losses on Currency Valuation and Other | |

Total Gross Cost – Exchange Stabilization

Less Earned Revenue

| | |
|--|---------|
| Interest Income | |
| Nonmarketable U.S. Treasury Securities | |
| Foreign Currency and Foreign Currency Denominated Assets | |
| Special Drawing Rights Holdings | |
| Other Investments | |
| Total Interest Income | |
| Gains on Currency Valuation and Other | |
| Special Drawing Rights Holdings | |
| Special Drawing Rights Allocations | |
| Foreign Currency and Foreign Currency Denominated Assets | Note 10 |
| Other Investments | Note 10 |
| Total Gains on Currency Valuation and Other | |

Total Earned Revenue – Exchange Stabilization

Total Net Cost (Income) of Operations – Exchange Stabilization

STRATEGIC GOAL 2: ECONOMIC RECOVERY PROGRAM

Gross Cost

| | |
|---|---------|
| Interest Expense on Debt | |
| Administrative Expenses | Note 11 |
| Costs of Investments in Special Purpose Vehicles and Loans Receivable | |

Total Gross Cost – Economic Recovery Program

Less: Earned Revenue

| | |
|---|--|
| Interest Income on Uninvested Funds | |
| Interest Income on Credit Program Receivables | |
| Gains on Investments in Special Purpose Vehicles and Loans Receivable | |

Total Earned Revenue – Economic Recovery Program

Total Net Cost (Income) of Operations – Economic Recovery Program

Total Net Cost (Income) of Operations

Change in Cumulative Results of Operations (Consolidated)

| As of December 31, 2025 | | |
|-------------------------|--------------------|-----------------------|
| Month | | Fiscal Year |
| | | |
| \$ | 359,087,680.80 | 1,084,411,088.03 |
| \$ | 4,568.77 | 13,652.73 |
| | | |
| \$ | - | 1,611,714,673.30 |
| \$ | 1,259,722,855.98 | 1,280,421,411.85 |
| \$ | 12,278,236.75 | 401,400,256.80 |
| \$ | 42,514,290.55 | 328,254,413.31 |
| \$ | 1,314,515,383.28 | \$ 3,621,790,755.26 |
| \$ | 1,673,607,632.85 | \$ 4,706,215,496.02 |
| | | |
| \$ | (66,489,888.85) | (208,043,873.14) |
| \$ | (10,907,699.03) | (148,797,908.69) |
| \$ | (397,184,087.12) | (1,199,633,276.76) |
| \$ | (22,036,693.84) | (61,154,259.81) |
| \$ | (496,618,368.84) | \$ (1,617,629,318.40) |
| | | |
| \$ | (1,393,369,632.32) | (1,416,264,143.64) |
| \$ | - | (1,453,623,034.27) |
| \$ | (14,029,697.68) | (24,020,903.38) |
| \$ | (140,711,681.11) | (236,759,076.24) |
| \$ | (1,548,111,011.11) | \$ (3,130,667,157.53) |
| \$ | (2,044,729,379.95) | \$ (4,748,296,475.93) |
| \$ | (371,121,747.10) | \$ (42,080,979.91) |
| | | |
| | | |
| \$ | 1,091,987.45 | 8,596,617.86 |
| \$ | 3,363,349.70 | 3,363,349.70 |
| \$ | - | - |
| \$ | 4,455,337.15 | \$ 11,959,967.56 |
| | | |
| \$ | (2,087,451.53) | (6,262,354.57) |
| \$ | (942,018.45) | (1,380,115.79) |
| \$ | 1,937,482.53 | (954,147.50) |
| \$ | (1,091,987.45) | \$ (8,596,617.86) |
| \$ | 3,363,349.70 | \$ 3,363,349.70 |
| \$ | (367,758,397.40) | \$ (38,717,630.21) |

See accompanying notes to financial statements.

EXCHANGE STABILIZATION FUND
NOTES TO THE FINANCIAL STATEMENTS
For the Current Month and Fiscal Year Periods Ending December 31, 2025

1.) Fund Balance with Treasury (FBWT) of \$200 million will be used to fund adjustments to subsidy costs and to repay borrowings from Treasury needed to finance investments and loans made under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). In accordance with the CARES Act, any excess amounts from the final distributions from our investments and loans after repayment of appropriations and borrowings will be deposited into the Federal Old-Age and Survivors Insurance Trust Fund (OASI) established under the Social Security Act. During December 2025, Treasury received less than \$1 million of principal and interest collections from various program loans (See footnote 4) resulting in an increase in FBWT.

2.) Foreign Currency and Foreign Currency Denominated Assets (FCDAs) represent deposits and investments in foreign government securities, denominated in euro and yen, that have original maturities of three months or less. Other Investments are FCDAs that have maturities of greater than three months. Some of these instruments may have been purchased at a premium and others may have been purchased at a discount. Premiums (that are amortized) and discounts (that accrete) are allocated to expense (amortization expense) and revenue, respectively, over the life of the instrument. Treasury rebalances the portfolio between Foreign Currency and FCDAs and Investments from time-to-time based on its evaluation of its projected liquidity needs and interest revenues. During December 2025, Foreign Currency and FCDAs decreased by roughly \$2.5 billion primarily due to the completion of the swap transaction with the Central Bank of Argentina (BCRA), net of valuation adjustments resulting from changes in foreign exchange rates. All proceeds from the swap transaction were invested in U.S nonmarketable securities. Other long-term Investments increased by roughly \$120 million primarily due to valuation adjustments resulting from changes in foreign exchange rates and fair value. Overall, the net gain on the portfolio for December 2025 was roughly \$100 million (see Table 2). Foreign Currency and FCDAs and Other Investments are reported at fair value. Valuation adjustment(s) are recorded as gains or losses on the statement of net cost on a monthly basis (See Table #1 for a breakdown by currency).

3.) The Special Drawing Rights Act of 1968 authorizes the United States to purchase, sell, and hold Special Drawing Rights (SDRs) through the Exchange Stabilization Fund "ESF". There were no SDR purchases or sales by Treasury during December 2025. As of December 31, 2025, U.S. SDR Holdings were SDR 127 billion. Changes in both SDR Holdings and SDR Allocations reflect changes in the foreign exchange rate.

4.) 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. During December 2025 outstanding loans decreased by less than \$1 million as a result of principal and interest collections on loans (See footnote 1). Loan receivables are reported at the net present value of the estimated future cash flows which is updated annually.

5.) As of December 31, 2025, only one of Treasury's initial six economic recovery programs established under the CARES Act with the Federal Reserve Banks of New York and Boston remains. The Main Street Lending Program (MSLP) provides for regular distributions of the amount by which Treasury's investment in MSLP exceeds the amount needed to support the participation in the remaining loans. There were no collections from Treasury's investment in MSLP during the month of December 2025. The investment in MSLP is reported at fair value which is updated annually. Treasury has fulfilled its funding commitments with respect to investments made pursuant to the CARES Act.

6.) Debt represents borrowings, plus interest, 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 the investments and loan repayments are primarily used to repay debt. There were no debt repayments during the month of December 2025. The remaining balances at the end of December 2025 are \$1.5 billion for the MSLP, \$26 million for Passenger Air Carriers, \$7 million for Cargo Air Carriers, and \$22 million for National Security Loan Programs.

7.) Other Liabilities: As stated in footnote 1, in accordance with the CARES Act, any excess amounts from the final distributions from our investments and loans after repayment of appropriations and borrowings will be deposited into the Federal Old-Age and Survivors Insurance Trust Fund (OASI) established under the Social Security Act.

8.) The Special Drawing Rights Act of 1968, as amended (the SDR Act, codified at 22 U.S.C. §§ 286n-286r), authorizes the Secretary of the Treasury to issue SDR Certificates (SDRCs) against SDRs held in the ESF to the FRBs in exchange for dollars. Under the SDR Act, SDRCs may remain issued and outstanding only for the purpose of financing SDR acquisitions or for financing exchange stabilization operations.

9.) Treasury has an Exchange Stabilization Agreement (ESA) with Mexico through the ESF for \$9 billion. No drawings are outstanding under this agreement. On October 18, 2025, Treasury, through the ESF, entered into an ESA with the Banco Central de la República Argentina (BCRA) for \$20.0 billion. Pursuant to that ESA, in October 2025, the Treasury and the BCRA executed a swap transaction whereby the BCRA exchanged pesos for \$2.5 billion. In December 2025, BCRA fully repaid the \$2.5 billion and the swap transaction was closed. No drawings are outstanding under this agreement.

10.) Foreign currency denominated assets and Other Investments 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 Net Cost as either Losses or Gains on "Currency Valuation and Other." This gain or loss is unrealized to the Exchange Stabilization Fund until such time as the Fund sells the asset.

11.) 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.

Table #1 – Foreign Currency and Foreign Currency Denominated Assets and Other Investments by Currency:

Table 1

(In Whole Dollars)

Foreign Currency and Foreign Currency Denominated Assets

| | Current Month | |
|---|---------------|-------------------------|
| European Euros: | | |
| Deposits with Official Institutions | | |
| Foreign Currency Denominated | \$ | 1,195,019,293.22 |
| Uninvested Foreign Currency | \$ | 16,850,788.80 |
| Total European euro | \$ | 1,211,870,082.02 |
| Japanese Yen: | | |
| Deposits with Official Institutions | | |
| Foreign Currency Denominated | \$ | - |
| Uninvested Foreign Currency | \$ | 3,043,563,705.33 |
| Total Japanese yen | \$ | 3,043,563,705.33 |
| Accrued interest receivable on Foreign Currency and Foreign Currency Denominated Assets | \$ | 98,376.75 |
| Total Foreign Currency and Foreign Currency Denominated Assets | \$ | 4,255,532,164.10 |

Other Investments, Net

| | | |
|--|-----------|--------------------------|
| European Euros: | | |
| Securities: | | |
| Held Outright | \$ | 11,939,582,094.81 |
| Held under Repurchase Agreements | \$ | - |
| Total European euro | \$ | 11,939,582,094.81 |
| Japanese Yen | | |
| Securities: | | |
| Held Outright | \$ | 2,939,557,544.98 |
| Held under Repurchase Agreements | \$ | - |
| Total Japanese yen | \$ | 2,939,557,544.98 |
| Accrued Interest Receivable on Other Investments | \$ | 119,595,097.70 |
| Total Other Investments, Net | \$ | 14,998,734,737.49 |

Table #2 - Valuation Losses & Gains, Net:

| | Current Month | Fiscal Year |
|---|-------------------------|-----------------------|
| Special Drawing Rights | | |
| Special Drawing Rights Holdings - Loss / (Gain) | (1,393,369,632.32) | 195,450,529.66 |
| Special Drawing Rights Allocations - Loss / (Gain) | 1,259,722,855.98 | (173,201,622.42) |
| Net Loss / (Gain) | (133,646,776.34) | 22,248,907.24 |
| Foreign Currency and Foreign Currency Denominated Asset | | |
| Foreign Currency and Foreign Currency Denominated Assets - Loss | 12,278,236.75 | 401,400,256.80 |
| Foreign Currency and Foreign Currency Denominated Assets - (Gain) | (14,029,697.68) | (24,020,903.38) |
| Net Loss / (Gain) | (1,751,460.93) | 377,379,353.42 |
| Other Investments Asset | | |
| Other Investments - Loss | 42,514,290.55 | 328,254,413.31 |
| Other Investments - (Gain) | (140,711,681.11) | (236,759,076.24) |
| Net Loss / (Gain) | (98,197,390.56) | 91,495,337.07 |
| Investments and Credit Program Receivables | | |
| Costs of Investments in Special Purpose Vehicles and Loans Receivable | - | - |
| Gains on Investments in Special Purpose Vehicles and Loans Receivable | 1,937,482.53 | (954,147.50) |
| Net Cost / (Gain) | 1,937,482.53 | (954,147.50) |