

EXCHANGE STABILIZATION FUND
STATEMENT OF FINANCIAL POSITION
As of January 31, 2021

ASSETS

<i>Fund Balance with Treasury</i>	(Note 1)		\$ 1,707,732,318.52
<i>Special Drawing Rights</i>			
Special Drawing Rights Holdings		\$ 52,961,527,176.14	
Accrued interest receivable on Special Drawing Rights holdings		12,147,295.52	
<i>Total Special Drawing Rights</i>			52,973,674,471.66
<i>US Government Securities</i>			
Investments in US Government Securities		11,166,330,444.51	
Accrued interest receivable on U.S. Gov't Securities		31,017.58	
<i>Total US Government Securities</i>			11,166,361,462.09
<i>Economic Recovery Program- Investments and Other</i>	(Note 2)		
Corporate Credit Facilities (CCF)		13,881,015,624.59	
Municipal Liquidity Facility (MLF)		6,276,224,226.13	
Main Street Loan Program (MSLP)		16,572,054,710.63	
Term Asset-Backed Securities Loan Facility (TALF)		3,549,072,972.65	
Commercial Paper Funding Facility (CPFF)		10,000,000,000.00	
Money Market Mutual Fund Liquidity Facility (MMLF), including accrued facility fee		1,618,699,038.33	
<i>Total Economic Recovery Programs- Investments and Other</i>			51,897,066,572.33
<i>Economic Recovery Program- Loans Receivable</i>	(Note 3)		
Passenger Air Carriers		1,900,965,474.16	
Cargo Air Carriers		21,705,755.34	
National Security and Defense Businesses (NSD)		589,596,399.95	
<i>Total Economic Recovery Program- Loans Receivable</i>			2,512,267,629.45
<i>European Euros</i>	(Note 4)		
Deposits with Official Institutions		1,834,857,554.94	
Securities:			
Held outright		11,202,949,815.37	
Accrued interest receivable on Euro investments		55,371,774.24	
<i>Total European Euros</i>			13,093,179,144.55
<i>Japanese Yen</i>	(Note 4)		
Deposits with Official Institutions		8,319,411,389.75	
Securities		612,977,492.82	
Accrued interest on Yen investments		827,007.55	
<i>Total Japanese Yen</i>			8,933,215,890.12
TOTAL ASSETS			\$ 142,283,497,488.72

LIABILITIES AND CAPITAL

Liabilities

Special Drawing Rights Certificates		\$ 5,200,000,000.00	
Special Drawing Rights Allocations		50,882,832,915.37	
Accrued charges payable on SDR Allocations		11,937,717.12	
Due to Treasury		-	
Debt		25,433,970,794.17	
Accrued Interest Payable to Treasury		1,362,349,544.78	
Interest Receivables - Federal		(18,047,384.58)	
Debt, including accrued interest payable	(Note 5)	26,778,272,954.37	
Other Liabilities		843,179.04	
TOTAL LIABILITIES	(Note 6, 7)		\$ 82,873,886,765.90
Capital			
Initial Appropriated Capital Account		200,000,000.00	
Additional Appropriated Capital Account		19,473,733,946.01	
Retained Earnings		39,735,876,776.81	
TOTAL CAPITAL			\$ 59,409,610,722.82
TOTAL LIABILITIES AND CAPITAL			\$ 142,283,497,488.72

EXCHANGE STABILIZATION FUND
STATEMENT OF INCOME
For the Current Month and Fiscal Year Periods Ending January 31, 2021

INCOME and EXPENSE	Current Month	Fiscal Year
<i>Special Drawing Rights</i>		
Net interest (charges) on Special Drawing Rights	116,498.95	625,195.23
Net gain (loss) on SDR valuation	764,804.11	47,925,970.47
<i>U.S. Government securities</i>		
Interest earned on U.S. Government Securities	725,788.16	3,104,954.99
<i>Foreign Exchange</i>		
Interest earned (incurred) on Foreign Currency Denominated Assets	(3,791,819.16)	(14,310,925.09)
Net gain (loss) on Sales of Investment Securities and Foreign Currency Denominated Assets	-	(16,282.95)
Net gain (loss) on Foreign Exchange valuation (Note 8)	(228,058,551.47)	524,387,277.86
Other	(3,049.24)	(11,818.44)
<i>Economic Recovery Programs</i>		
Appropriation Revenue	964,591.92	5,675,211.12
Administrative Expense (Note 9)	(964,591.92)	(6,079,545.58)
MMLF Facility Fee	-	-
Interest Subsidy Amortization	-	-
Subsidy expense	-	-
Net Financing cost	(607,947,154.15)	(1,342,104,555.19)
Net Income (Net Cost)	\$ (838,193,482.80)	\$ (780,804,517.58)

EXCHANGE STABILIZATION FUND
NOTES TO THE FINANCIAL STATEMENTS
For the Current Month and Fiscal Year Periods Ending January 31, 2021

1. Fund Balance with Treasury (FBWT) consists of the \$500.0 billion appropriation from the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) enacted on March 27, 2020 as Pub. Law 116-136, minus \$19.3 billion used to finance the credit subsidy cost of the CARES Act investments and loans (refer to Note 5) and minus \$479.0 billion of funds rescinded as directed by the December 27, 2020, Consolidated Appropriations Act, 2021. The remaining \$1.7 billion in FBWT primarily represents the projected subsidy that will be needed to support loans committed as of January 31, 2021.
2. As of January 31, 2021, Treasury had made investments in six economic recovery programs for \$114.2 billion. Consistent with the Consolidated Appropriations Act, 2021 and pursuant to amended LLC Agreements entered into as of December 29, 2020 (refer to Note 7), the Federal Reserve Banks returned \$62.2 billion for the four program financed utilizing CARES Act resources (refer to Note 7) in January 2021. After the reduction, Treasury investments are \$13.9 billion in the Corporate Credit Facilities (CCF), \$16.6 billion in the Main Street Loan Program (MSLP), \$3.5 billion in the Term Assets Lending Facility (TALF), and \$6.3 billion in the Municipal Liquidity Facility (MLF). No changes were made to investments financed using the ESF's core (non-CARES Act) funds: \$10.0 billion in the Commercial Paper Funding Facility (CPFF) and \$1.5 billion in the money Market Mutual Fund Liquidity Facility (MMLF). Investments are reported at cost. Under the MMLF Credit Support Agreement, the Treasury accrues facility fees from the Federal Reserve Bank of Boston.
3. As of January 31, 2021, from loans extended using CARES Act appropriated funds and borrowings, the ESF has \$2.5 billion of economic recovery program loan receivables. During January 2021, one of the carrier loans in the amount of \$20 million was fully repaid to the ESF. 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 are used, along with the appropriated fund balance, to fund the economic recovery program investments authorized under the CARES Act. The \$62.2 billion collected from the Federal Reserve Banks (refer to Note 2, 7), was used to repay outstanding debt to the Fiscal Service for the four investments funded under the CARES Act. The balances at the end of January 2021 are \$13.3 billion for the CCF, \$6.5 billion for the MLF, and \$3.5 billion for the TALF. The balances of the loan programs are \$1.8 billion for Passenger Air Carriers, \$36 million for Cargo Air Carriers and \$335 million for the NSD.
6. The ESF has an exchange stabilization agreement with Mexico for \$9 billion; this agreement was modified and renewed in November 2020 for an additional year. No drawings were outstanding under this agreement. On January 6, 2021, the U.S. Department of the Treasury and the Ministry of Finance and Economic Planning of the Government of the Republic of Sudan entered into a Memorandum of Understanding setting forth mutual understandings as to the provision of a same-day bridge financing facility to enable the Government of Sudan to clear its arrears to the International Development Association. No drawings were made under the facility.
7. In fiscal year 2020, Treasury had signed LLC Agreements with the Federal Reserve Bank of New York and the Federal Reserve Bank of Boston to provide investments in the special purpose vehicles (SPVs) for the MSLP, CCF, TALF and MLF. Consistent with the Consolidated Appropriations Act, 2021, on December 29, 2020 Treasury and the Federal Reserve Banks amended the LLC Agreements for the MSLP, CCF, TALF, and MLF SPVs. The amended agreements primarily provide for the cancellation of Treasury's undisbursed investment commitments, and an interim distribution between December 31, 2020 and January 8, 2021 to return funds of each facility. The excess funds were returned to Treasury (through the ESF) on January 5, 2021 for the CCF, TALF, and MLF, and on January 8, 2021 for the MSLP, for an aggregate total amount returned of \$62.2 billion (refer to Notes 2 and 5). There are no remaining outstanding commitments to these SPVs.

In fiscal year 2020, Treasury had also signed LLC Agreements with the Federal Reserve Banks to provide investments financed using the ESF's core (non-CARES Act) funds in the MMLF (\$10 billion) and the CCF (\$10 billion). Treasury had agreed to provide up to \$19.2 billion in loans to Large Passenger Air Carriers and \$0.7 billion under the NSD.

Please refer to Note 2 and 3 for the current investment and loan receivable balances.
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.