DEPARTMENT OF THE TREASURY
EXCHANGE STABILIZATION FUND
BALANCE SHEET

(In Whole Dollars)		As of May 31, 2023
Assets		
Intra-Governmental		
Fund Balance with Treasury	Note 1	$ 2,373,587,391.52
Nonmarketable U.S. Treasury Securities		16,500,020,220.84
Interest Receivable - Loans and Other Funds		654,132.31
Total Intra-Governmental		**18,874,261,744.67**
Other Than Intra-Governmental		
Foreign Currency and Other Monetary Assets		
Foreign Currency and Foreign Currency Denominated Assets	Note 2	7,829,766,245.99
Special Drawing Right Holdings and Related Interest Receivable		161,945,233,022.21
Loans Receivable, Net	Note 3	956,261,922.33
Investments in Special Purpose Vehicles	Note 4 & 9	14,139,072,187.50
Other Investments, Net	Note 2	10,012,770,993.82
Other Receivable		729.51
Total Other Than Intra-Governmental		**194,883,105,101.36**
Total Assets		**$ 213,757,366,846.03**
Liabilities:		
Intra-Governmental		
Debt	Note 5	$ 17,011,784,855.27
Due to the General Fund		40,949,146.02
Other Liabilities		187,319,742.53
Total Intra-Governmental		**17,240,053,743.82**
Special Drawing Right Certificates Issued to Federal Reserve Banks		5,200,000,000.00
Special Drawing Right Allocations and Related Interest Payable		152,962,030,455.21
Other		665,491.33
Total Other Than Intra-Governmental		**158,162,695,946.54**
Total Liabilities	Note 6	**175,402,749,690.36**
Commitments and Contingencies		
Net Position:		
Unexpended Appropriations		
Funds from Dedicated Collections (Consolidated)		200,000,000.00
Funds from Other than Dedicated Collections (Consolidated)		229,481,052.08
Total Unexpended Appropriations		**429,481,052.08**
Cumulative Results of Operations		
Funds from Dedicated Collections (Consolidated)		37,927,712,179.66
Funds from Other than Dedicated Collections (Consolidated)		(2,576,076.07)
Total Cumulative Results of Operations		**37,925,136,103.59**
Total Net Position		**38,354,617,155.67**
Total Liabilities and Net Position		**$ 213,757,366,846.03**

See accompanying notes to financial statements.

DEPARTMENT OF THE TREASURY
EXCHANGE STABILIZATION FUND
STATEMENTS OF NET COST

(In Whole Dollars)		As of May 31, 2023 Month	Fiscal Year
STRATEGIC GOAL: EXCHANGE STABILIZATION			
Gross Cost			
Interest Expense on Special Drawing Rights and Remuneration		$ 491,057,002.93	3,174,728,654.29
International Monetary Fund Annual Assessment and Other		$ 2,483.84	1,229,122.00
Losses on Currency Valuation and Other			
Special Drawing Rights Holdings-loss		$ 2,381,227,661.30	4,772,419,689.96
Special Drawing Rights Allocations-loss		$ -	10,003,806,372.61
Other Investment-loss	Note 7	$ 240,844,255.51	500,979,573.30
Foreign Currency and Foreign Currency Denominated Assets		$ 362,677,777.91	1,189,136,300.71
Total Losses on Currency Valuation and Other		$ 2,984,749,694.72	$ 16,466,341,936.58
Total Gross Cost		**$ 3,475,809,181.49**	**$ 19,642,299,712.87**
Less Earned Revenue			
Interest Income			
Nonmarketable U.S. Treasury Securities		$ (82,234,655.62)	(483,845,199.64)
Foreign Currency and Foreign Currency Denominated Assets		$ (14,108,964.91)	(65,560,788.44)
Special Drawing Rights Holdings		$ (519,895,953.35)	(3,345,013,206.89)
Other Investments		$ (5,387,362.78)	(33,153,003.50)
Total Interest Income		**$ (621,626,936.66)**	**$ (3,927,572,198.47)**
Gains on Currency Valuation and Other			
Special Drawing Rights Holdings		$ -	(10,513,030,701.25)
Special Drawing Rights Allocations-gain		$ (2,249,139,485.28)	(4,512,520,232.37)
Other Investment-gain	Note 7	$ (31,802,035.84)	(748,649,060.83)
Foreign Currency and Foreign Currency Denominated Assets		$ -	(2,072,829,982.03)
Total Gains on Currency Valuation and Other		$ (2,280,941,521.12)	$ (17,847,029,976.48)
Total Earned Revenue		**$ (2,902,568,457.78)**	**$ (21,774,602,174.95)**
Total Net Cost (Income) of Operations – Exchange Stabilization		**$ 573,240,723.71**	**$ (2,132,302,462.08)**
STRATEGIC GOAL: ECONOMIC RECOVERY			
Gross Cost			
Interest Expense on Debt		$ 12,066,172.04	106,565,302.40
Administrative Expenses	Note 8	$ 763,918.83	4,147,490.88
Costs of Investments and Credit Program Receivables	Note 9	$ (780,411,516.31)	(780,411,516.31)
Total Gross Cost		**$ (767,581,425.44)**	**$ (669,698,723.03)**
Less: Earned Revenue			
Interest Income on Uninvested Funds		$ 458,308.69	(654,132.31)
Interest Income on Credit Program Receivables		$ (10,569,178.69)	(53,932,032.90)
Gains on Investments and Credit Program Receivables		$ (2,310,838.79)	(52,334,550.67)
Total Earned Revenue		**$ (12,421,708.79)**	**$ (106,920,715.88)**
Total Net Cost (Income) of Operations – Economic Recovery Program		**$ (780,003,134.23)**	**$ (776,619,438.91)**
Total Net Cost of Operations		**$ (206,762,410.52)**	**$ (2,908,921,900.99)**

See accompanying notes to financial statements.

EXCHANGE STABILIZATION FUND
NOTES TO THE FINANCIAL STATEMENTS
For the Current Month and Fiscal Year Periods Ending May 31, 2023

Note: Starting October 2022, the ESF changed its Monthly financial statements to better align with the presentation of its annually audited financial statements. In addition to the change in format, assets that were previously presented at cost are now presented at fair value.

1.) Treasury received distributions from the Municipal Liquidity Facility (MLF), the Term Asset-Backed Securities Loan Facility (TALF) and the Main Street Lending Program (MSLP) during May 2023 resulting in a $1.988 billion increase in the ESF's Fund Balance with Treasury (FBWT) (See footnote 4). The ESF also borrowed an additional $37 million from Treasury to fund adjustments to subsidy costs approved in the President's Budget to Congress (See footnote 5). The balance in the FBWT of $2 billion will be used to fund adjustments to subsidy costs and repay borrowing from Treasury for loans and investments 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 loans and investments 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.

2.) Foreign Currency and Foreign Currency Denominated Assets (FCDAs) represent deposits and investments in foreign government securities denominated in both euro and yen, that have original maturities of three months or less. 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. Other Investments are FCDAs that have maturities of greater than three months. 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 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 May 2023 outstanding loans (net) decreased by $4.7 million primarily as a result of subsidy collections approved in the President's Budget to Congress. Loan receivables are reported as the net present value of the estimated future cash flows which is updated annually.

4.) As of May 31, 2023, 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. In May 2023 Treasury received distributions from MLF in the amount of $45 million, TALF in the amount of $176 million and MSLP in the amount of $1.8 billion, for a grand total of $1.988 billion, in accordance with the terms of the amended and restated LLC agreements listed above (See footnote 1). 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 fair value which is updated annually. Treasury has fulfilled its funding commitments with respect to investments made pursuant to the CARES Act.

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 primarily used to repay debt. In May, the ESF borrowed an additional $37 million from Treasury to fund adjustments to subsidy costs approved in the President's Budget to Congress. Prior year collections from loan repayments retained in fund balance from fiscal year 2022 were used to repay debt. The balances at the end of May 2023 are $3.0 billion for the MLF, $1.1 billion for the TALF, $11.9 billion for the MSLP, $215 million for Passenger Air Carriers, $19 million for Cargo Air Carriers, and $650 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 2022 for an additional year. No drawings are outstanding under this agreement.

7.) 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 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 currency.

8.) 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.

9): The reduction in the Costs of Investments and Credit Program Receivables of $780 million reflects the revaluation of the assets approved in the President's Budget.

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

Table 1

(In Whole Dollars)		Current Month
Foreign Currency and Foreign Currency Denominated Assets		
European Euros:		
Deposits with Official Institutions		
Foreign Currency Denominated	$	605,131,238.06
Uninvested Foreign Currency	$	539,527,987.94
Total European euro	$	1,144,659,226.00
Japanese Yen		
Deposits with Official Institutions		
Foreign Currency Denominated	$	-
Uninvested Foreign Currency	$	6,683,578,661.78
Total Japanese yen	$	6,683,578,661.78
Accrued interest receivable on Foreign Currency and Foreign Currency Denominated Assets	$	1,528,358.21
Total Foreign Currency and Foreign Currency Denominated Assets	**$**	**7,829,766,245.99**
Other Investments, Net		
European Euros:		
Securities:		
Held Outright	$	9,987,927,417.22
Held under Repurchase Agreements	$	-
Total European euro	$	9,987,927,417.22
Japanese Yen		
Securities:		
Held Outright	$	2,507,823.94
Held under Repurchase Agreements	$	-
Total Japanese yen	$	2,507,823.94
Accrued Interest Receivable on Other Investments	$	22,335,752.66
Total Other Investments, Net	**$**	**10,012,770,993.82**

Table #2 - Valuation Gains & Losses, Net:

Special Drawing Rights	Current Month	Fiscal Year
Special Drawing Rights Holdings - Gain / (Loss)	(2,381,227,661.30)	5,740,611,011.29
Special Drawing Rights Allocations - Gain / (Loss)	2,249,139,485.28	(5,491,286,140.24)
Net Gain / (Loss)	**(132,088,176.02)**	**249,324,871.05**
Foreign Currency and Foreign Currency Denominated Asset		
Foreign Currency and Foreign Currency Denominated Asset - Gain	-	2,072,829,982.03
Foreign Currency and Foreign Currency Denominated Asset - (Loss)	(362,677,777.91)	(1,189,136,300.71)
Net (Gain) / Loss	**(362,677,777.91)**	**883,693,681.32**
Other Investments Asset		
Other Investments - Gain	31,802,035.84	748,649,060.83
Other Investments - (Loss)	(240,844,255.51)	(500,979,573.30)
Net (Gain) / Loss	**(209,042,219.67)**	**247,669,487.53**
Investments and Credit Program Receivables		
Investments and Credit Program Receivables- Gain	2,310,838.79	52,334,550.67
Investments and Credit Program Receivables - Reduction in Cost / (Loss)	780,411,516.31	780,411,516.31
Net (Gain) / Loss	**782,722,355.10**	**832,746,066.98**