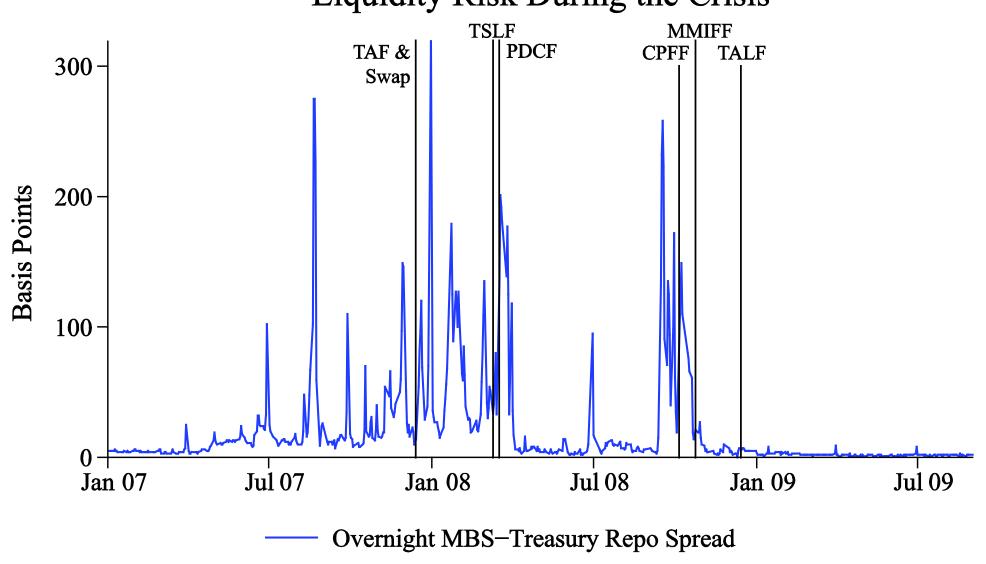
Figure 1: Federal Reserve Programs (December 2007 - December 2008) 25-Nov 12-Dec 16-Mar 7-0ct Fed to Term Auction Primary Dealer Commercial Fed Policy Announcements purchase Facility and Swap lines Credit Facility Paper Funding (PDCF) Facility (CPFF) long-term 8-Oct 17-Aug 30-Apr GSE MBS Target rate Primary credit 16-Mar Target rate Primary credit to 1.5% penaltý rate to 296 11-Dec penaltý rate reducéd and 19-Sep Target rate 30-Jan reducéd again 16-Dec Fed to purchase loan term to 4,25% Target rate 21-Oct Target rate extended short-term to 3% Money Market to-0-25bp agency debt Investor Funding 18-Sep 18-Mar Facility (MMIFF) Target Rate 19-Sep Asset-Backed Target rate to 4.75% to 2.25% 15-Nov Commerical 31-0ct 22-Jan Paper Money Market Mutual Term Asset-Target rate Target rate 11-Mar Backed: to 4.5% 29-0ct to 3.5% Securities | Term Securities Fund Liquidity Loan Facility Lending Facility (TSLF) Target rate Facility (AMLF) to 196 (TALF) Feb08 Julos: 2007 - Dec07 Janos Jun08 Oct08 Dec08 Mar08 Apr08 May08 Aug08 Sep08 Nov08 14-Oct 25-Sep 15-Sep BoA pur-9 banks WaMui agree to closed Market Events chases 14-Mar Treasury 23-Nov by OTS Merrill Bear Stearns gets capital Citiaroup re-Lynch: emergency loan from Fed infection. 11-Jul ceives govern-15-Sep Run on ment assistance 16-Sep Lehman IndvMac RMC files for 29-Sep Systemic risk exception 16-Mar money bankruptcy. JPMorgan moves markét 15-Sep AIG debt to purchase Bear fund granted to Stearns. "breaks the buck" Wachovia downgraded

Figure 2
Liquidity Risk During the Crisis



Source: FRBNY, Haver Analytics

Figure 4
Risk Evolution During the Crisis

