

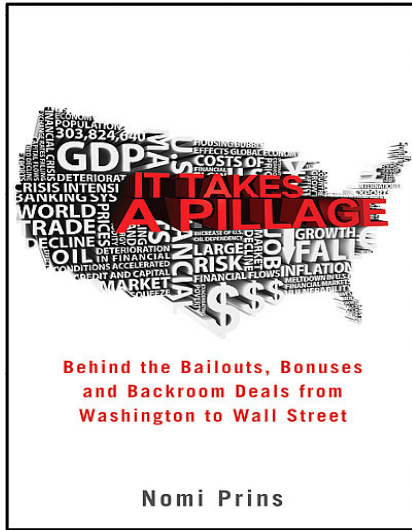
# Bailout Anniversary Report

by Nomi Prins and Krisztina Ugrin

October 1, 2010

Supplemental Analysis for

*It Takes A Pillage: Behind the Bailouts, Bonuses and Backroom Deals from Washington to Wall Street*

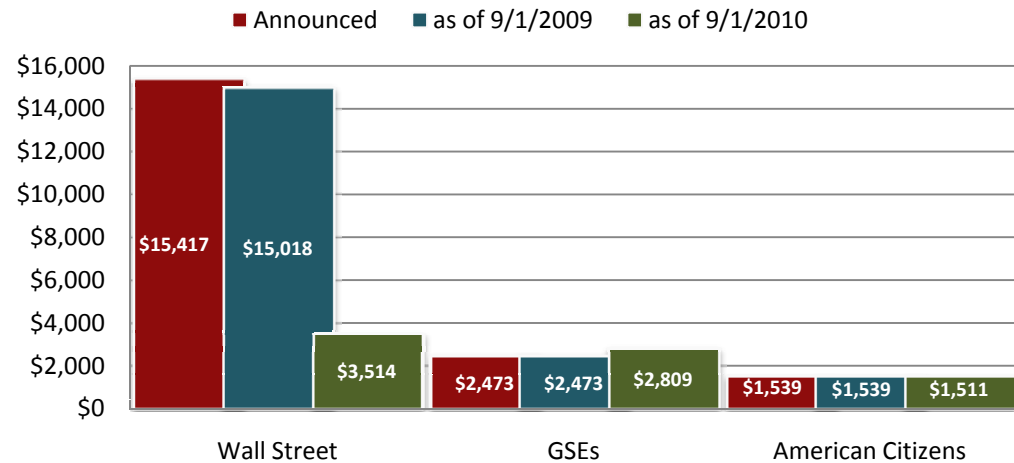


## Total Bailout



\$ in billions, rounded

## Who Got It<sup>1</sup>



Note: Wall Street does not include Fed interest payments on over \$1 trillion excess reserves. GSEs do not include the implicit \$6.8 trillion government guarantee.

## FEDERAL PROGRAMS AND INITIATIVES ANNOUNCED AND/OR DISTRIBUTED

FEDERAL RESERVE	ANNOUNCED	AS OF 9/01/2009	AS OF 10/01/2010
Temporary Reserves <sup>2</sup>	\$ 24,000,000,000	\$ 24,000,000,000	\$ 24,000,000,000
Temporary Reserves <sup>3</sup>	\$ 38,000,000,000	\$ 38,000,000,000	\$ 38,000,000,000
Temporary Reserves <sup>4</sup>	\$ 31,250,000,000	\$ 31,250,000,000	\$ 31,250,000,000
Single Tranche Repurchase Agreements	\$ 80,000,000,000	\$ 80,000,000,000	\$ 80,000,000,000
Term Securities Lending Facility (TSLF) CLOSED	\$ 200,000,000,000	\$ 75,000,000,000	\$ -
JPMorgan, Bear Stearns bridge loan REPAID	\$ 12,900,000,000	\$ -	\$ -
Net Portfolio Maiden Lane LLC (Bear Stearns)	\$ 29,816,000,000	\$ 29,816,000,000	\$ 29,816,000,000
Primary Dealer Credit Facility (PDCF) (as of 10/01/2008) CLOSED	\$ 147,692,000,000	\$ 147,692,000,000	\$ -
Tri-Party Repurchase Agreements	\$ 124,643,000,000	\$ 124,643,000,000	\$ 124,643,000,000
Term Securities Lending Facility Options Program (TOP) TERMINATED	\$ 50,000,000,000	\$ -	\$ -
ABCP Money Market Mutual Fund Liquidity Facility (AMLF) (as of 10/08/2008) CLOSED	\$ 145,890,000,000	\$ 145,890,000,000	\$ -
JPM Chase/Lehman Brothers transaction REPAID	\$ 138,000,000,000	\$ -	\$ -
Open Market Operations	\$ 125,000,000,000	\$ 125,000,000,000	\$ 125,000,000,000
Foreign Central Bank Currency Liquidity Swaps EXPIRED	\$ 755,000,000,000	\$ 755,000,000,000	unlimited
Term Auction Facility (TAF) PAUSED	\$ 900,000,000,000	\$ 900,000,000,000	\$ 75,000,000,000
Commercial Paper Funding Facility LLC (CPFF) CLOSED	\$ 1,800,000,000,000	\$ 1,800,000,000,000	\$ -
Money Market Investor Funding Facility (MMIFF) CLOSED	\$ 540,000,000,000	\$ 540,000,000,000	\$ -
Primary Credit	\$ 111,946,000,000	\$ 111,946,000,000	\$ 111,946,000,000
Term Asset Backed Securities Loan Facility (TALF) CLOSED	\$ 1,000,000,000,000	\$ 1,000,000,000,000	\$ -
AIG Securities Lending Facility CLOSED	\$ 37,800,000,000	\$ -	\$ -
AIG Credit REDUCED	\$ 60,000,000,000	\$ 25,000,000,000	\$ 25,000,000,000
Maiden Lane II LLC (AIG)	\$ 22,500,000,000	\$ 22,500,000,000	\$ 22,500,000,000
Maiden Lane III LLC (AIG)	\$ 30,000,000,000	\$ 30,000,000,000	\$ 30,000,000,000
MBS Program	\$ 500,000,000,000	\$ 500,000,000,000	\$ 500,000,000,000
GSE Program	\$ 100,000,000,000	\$ 100,000,000,000	\$ 100,000,000,000

Loan to AIG's Life Insurance Subsidiaries	\$ 8,500,000,000	\$ 8,500,000,000	\$ 8,500,000,000
AIG Preferred Stock Interests	\$ 26,000,000,000	\$ 26,000,000,000	\$ 26,000,000,000
Additional MBS	\$ 750,000,000,000	\$ 750,000,000,000	\$ 750,000,000,000
Agency debt purchase (GSE)	\$ 100,000,000,000	\$ 100,000,000,000	\$ 75,000,000,000
Treasury Purchase Program (TPP)	\$ 300,000,000,000	\$ 300,000,000,000	\$ 300,000,000,000
Expansion of System Open Market Account (SOMA) Securities Lending	\$ 36,000,000,000	\$ 36,000,000,000	\$ 36,000,000,000
<b>Subtotal:</b>	<b>\$ 8,224,937,000,000</b>	<b>\$ 7,826,237,000,000</b>	<b>\$ 2,512,655,000,000</b>

DEPARTMENT OF THE TREASURY	ANNOUNCED	AS OF 9/01/2009	AS OF 10/01/2010
Stimulus Package	\$ 168,000,000,000	\$ 168,000,000,000	\$ 168,000,000,000
Fannie Mae and Freddie Mac backup, GSE Preferred Stock Purchase Agreements (PSPA)	\$ 200,000,000,000	\$ 200,000,000,000	\$ 200,000,000,000
Supplementary Financing Program to provide cash to the Federal Reserve (SFP)	\$ 260,000,000,000	\$ 260,000,000,000	\$ 260,000,000,000
Treasury Exchange Stabilization Fund (ESF)	\$ 50,000,000,000	\$ 50,000,000,000	\$ 50,000,000,000
Troubled Asset Relief Program (TARP) (expires on Oct. 3, 2010 - outstanding amount as of Sept. 27, 2010)	\$ 700,000,000,000	\$ 700,000,000,000	\$ 259,800,187,479
Special Deposit to FRBNY for Commercial Paper Funding Facility LLC (CPFF)	\$ 50,000,000,000	\$ 50,000,000,000	\$ 50,000,000,000
Recovery Act	\$ 787,000,000,000	\$ 787,000,000,000	\$ 787,000,000,000
Fannie Mae and Freddie Mac backup, GSE Preferred Stock Purchase Agreements (PSPA)	\$ 200,000,000,000	\$ 200,000,000,000	\$ 200,000,000,000
Potential International Fund Liabilities	\$ 100,000,000,000	\$ 100,000,000,000	\$ 100,000,000,000
Money Market Mutual Fund (MMMF) Program (as of Q1 2009)	\$ 3,738,700,000,000	\$ 3,738,700,000,000	\$ -
GSE MBS Purchase Program	\$ 314,000,000,000	\$ 314,000,000,000	\$ 220,000,000,000
GSE Credit Facility Program	\$ 25,000,000,000	\$ 25,000,000,000	\$ -
Tax Benefits and Community Development Block Grant (CDBG)	\$ 19,000,000,000	\$ 19,000,000,000	\$ 30,800,000,000
Student Loan Purchases, and Asset-Backed Commercial Paper Conduits (adjusted estimate)	\$ 195,000,000,000	\$ 195,000,000,000	\$ 112,000,000,000
<b>Subtotal:</b>	<b>\$ 6,806,700,000,000</b>	<b>\$ 6,806,700,000,000</b>	<b>\$ 2,437,600,187,479</b>

<b>FEDERAL DEPOSIT INSURANCE CORPORATION</b>	<b>ANNOUNCED</b>	<b>AS OF 9/01/2009</b>	<b>AS OF 10/01/2010</b>
Enhanced Deposit Insurance (to \$250K/account)	\$ 700,000,000,000	\$ 700,000,000,000	\$ 700,000,000,000
Temporary Liquidity Guarantee Program-Debt Guarantees (TLGP - DGP)	\$ 940,000,000,000	\$ 940,000,000,000	
TLGP -Transaction Account Guarantee Program (TLGP - TAG)	\$ 684,000,000,000	\$ 684,000,000,000	\$ 684,000,000,000
Temporary Liquidity Guarantee Program-Debt Guarantees (TLGP - DGP)-Outstanding debt	\$ -	\$ -	\$ 292,568,000,000
<b>Subtotal:</b>	<b>\$ 2,324,000,000,000</b>	<b>\$ 2,324,000,000,000</b>	<b>\$ 1,676,568,000,000</b>

<b>JOINT PROGRAMS (FEDERAL RESERVE, TREASURY AND FDIC)</b>	<b>ANNOUNCED</b>	<b>AS OF 9/01/2009</b>	<b>AS OF 10/01/2010</b>
Citigroup asset guarantee	\$ 301,000,000,000	\$ 301,000,000,000	\$ -
Bank of America asset guarantee	\$ 118,000,000,000	\$ 118,000,000,000	\$ -
Public-Private Investment Fund (\$500 billion with a maximum potential of \$1 trillion)	\$ 1,000,000,000,000	\$ 1,000,000,000,000	\$ 30,000,000,000
<b>Subtotal:</b>	<b>\$ 1,419,000,000,000</b>	<b>\$ 1,419,000,000,000</b>	<b>\$ 30,000,000,000</b>

<b>FEDERAL HOUSING ADMINISTRATION</b>	<b>ANNOUNCED</b>	<b>AS OF 9/01/2009</b>	<b>AS OF 10/01/2010</b>
Hope for Homeowners FHA	\$ 300,000,000,000	\$ 300,000,000,000	\$ 300,000,000,000

<b>OTHER FEDERAL HOUSING AND FINANCIAL SYSTEM SUPPORT</b>	<b>ANNOUNCED</b>	<b>AS OF 9/01/2009</b>	<b>AS OF 10/01/2010</b>
Increase in Guarantees by Government National Mortgage Assoc. (GNMA)	\$ 149,200,000,000	\$ 149,200,000,000	\$ 398,400,000,000
Increase in Guarantees by Federal Housing Authority (FHA)	\$ 134,500,000,000	\$ 134,500,000,000	\$ 365,900,000,000
NCUA Homeowners Affordability Relief Program (HARP) and Credit Union System Investment Program (CU SIP) (\$8.4 bln as of 6/30/10) potential	\$ 41,000,000,000	\$ 41,000,000,000	\$ 43,800,000,000

National Credit Union Administration (NCUA) Temporary Corporate Credit Union Liquidity Guarantee Program (TCCULGP)	\$ 15,200,000,000	\$ 15,200,000,000	\$ 22,400,000,000
Increase in Guarantees by Dept. of Veterans Affairs (VA)	\$ 10,600,000,000	\$ 10,600,000,000	\$ 43,600,000,000
National Highway Traffic Safety Administration (NHTSA) Car Allowance Rebate System (CARS)	\$ 3,000,000,000	\$ 3,000,000,000	\$ 3,000,000,000
<b>Subtotal:</b>	<b>\$ 353,500,000,000</b>	<b>\$ 353,500,000,000</b>	<b>\$ 877,100,000,000</b>

**Total:** **\$ 19,428,137,000,000**   **\$ 19,029,437,000,000**   **\$ 7,833,923,187,479**

## OBLIGATIONS THAT HAVE BEEN VIEWED AS ENJOYING AN "IMPLIED" GUARANTEE:

IMPLIED GUARANTEES	ANNOUNCED	AS OF 9/01/2009	AS OF 10/01/2010
FHFA—Fannie Mae/Freddie Mac Conservatorship	\$ 5,500,000,000,000	\$ 5,500,000,000,000	\$ 5,500,000,000,000
FHFA—Implied Guarantee of FHLB liabilities	\$ 1,300,000,000,000	\$ 1,300,000,000,000	\$ 1,300,000,000,000
<b>Subtotal:</b>	<b>\$ 6,800,000,000,000</b>	<b>\$ 6,800,000,000,000</b>	<b>\$ 6,800,000,000,000</b>

**Total:** **\$ 26,228,137,000,000**   **\$ 25,829,437,000,000**   **\$ 14,633,923,187,479**

For questions or comments contact: Krisztina Ugrin at [krisztina.ugrin@gmail.com](mailto:krisztina.ugrin@gmail.com) or Nomi Prins at [nomi@nomiprins.com](mailto:nomi@nomiprins.com).

**Sources: Bailout Tally, September 2009 and October 2010, available at <http://www.nomiprins.com/reports/>**

<sup>1</sup> American Citizens: Stimulus, Recovery Act, Tax Benefits, Student Loan Purchases, Hope for Homeowners, NCUA HARP, VA Guarantees, CARS

GSE's: Federal Reserve & Treasury Department MBS and GSE Programs, PSPAs, Increases of Guarantees by FHA and GNMA; Wall Street: Everything else.

<sup>2</sup> Temporary reserves are symbolic, a total of \$4.4 trillion in reserves were injected in 2008, compared to \$2.6 trillion in 2007, and \$2.1 trillion in 2006 and 2005, respectively. Due to the creation of various liquidity facilities in 2009, temporary reserves dropped to \$1 billion in 2009, and are currently at \$1.5 billion. Source: Federal Reserve Bank of New York data.