**[Quantitative Easing - Wikipedia](https://en.wikipedia.org/wiki/Quantitative_easing%22%20%5Cl%20%22%3A~%3Atext%3DThe%20Federal%20Reserve%20began%20conducting%2Cto%20the%20COVID-19%20pandemic.)**

**United States**[[edit](https://en.wikipedia.org/w/index.php?title=Quantitative_easing&action=edit&section=6)]


Federal Reserve holdings of treasury notes (blue) and mortgage-backed securities (red)

  [30 year mortgage average](https://en.wikipedia.org/wiki/Mortgage_loan)

  [30 Year Treasury Bond](https://en.wikipedia.org/wiki/Treasury_bond)

   10 Year Treasury Bond

   2 Year Treasury Bond

   3 month Treasury Bond

   Effective Federal Funds Rate

   [CPI inflation](https://en.wikipedia.org/wiki/United_States_Consumer_Price_Index) year/year

  [Recessions](https://en.wikipedia.org/wiki/List_of_recessions_in_the_United_States)(Percent change from a year earlier)

  [M2 money supply](https://en.wikipedia.org/wiki/Money_supply)

  [CPI](https://en.wikipedia.org/wiki/Consumer_price_index)

  Core CPI

The U.S. Federal Reserve System held between $700 billion and $800 billion of Treasury notes on its balance sheet before the recession.

**November 2008: QE1.** In late November 2008, the Federal Reserve started buying $600 billion in [mortgage-backed securities](https://en.wikipedia.org/wiki/Mortgage-backed_security).[[37]](https://en.wikipedia.org/wiki/Quantitative_easing#cite_note-37) By March 2009, it held $1.75 trillion of bank debt, mortgage-backed securities, and Treasury notes; this amount reached a peak of $2.1 trillion in June 2010. Further purchases were halted as the economy started to improve, but resumed in August 2010 when the Fed decided the economy was not growing robustly. After the halt in June, holdings started falling naturally as debt matured and were projected to fall to $1.7 trillion by 2012. The Fed's revised goal became to keep holdings at $2.054 trillion. To maintain that level, the Fed bought $30 billion in two- to ten-year Treasury notes every month.[[38]](https://en.wikipedia.org/wiki/Quantitative_easing#cite_note-38)

**November 2010: QE2.** In November 2010, the Fed announced a second round of quantitative easing, buying $600 billion of [**Treasury securities**](https://en.wikipedia.org/wiki/United_States_Treasury_security) by the end of the second quarter of 2011.[[39]](https://en.wikipedia.org/wiki/Quantitative_easing#cite_note-39)[[40]](https://en.wikipedia.org/wiki/Quantitative_easing#cite_note-40) The expression "QE2" became a ubiquitous nickname in 2010, used to refer to this second round of quantitative easing by US central banks.[[41]](https://en.wikipedia.org/wiki/Quantitative_easing#cite_note-41) Retrospectively, the round of quantitative easing preceding QE2 was called "QE1".[[42]](https://en.wikipedia.org/wiki/Quantitative_easing#cite_note-42)[[43]](https://en.wikipedia.org/wiki/Quantitative_easing#cite_note-43)

**September 2012: QE3.** A third round of quantitative easing, "QE3", was announced on 13 September 2012. In an 11–1 vote, the Federal Reserve decided to launch a new $40 billion per month, open-ended bond purchasing program of agency mortgage-backed securities. Additionally, the [Federal Open Market Committee](https://en.wikipedia.org/wiki/Federal_Open_Market_Committee) (FOMC) announced that it would likely maintain the [federal funds rate](https://en.wikipedia.org/wiki/Federal_funds_rate) near zero "at least through 2015".[[44]](https://en.wikipedia.org/wiki/Quantitative_easing#cite_note-qe3-44)[[45]](https://en.wikipedia.org/wiki/Quantitative_easing#cite_note-45) According to NASDAQ.com, this is effectively a stimulus program that allows the Federal Reserve to relieve $40 billion per month of commercial housing market debt risk.[[46]](https://en.wikipedia.org/wiki/Quantitative_easing#cite_note-46) Because of its open-ended nature, QE3 has earned the popular nickname of "QE-Infinity".[[47]](https://en.wikipedia.org/wiki/Quantitative_easing#cite_note-47)[[*better source needed*](https://en.wikipedia.org/wiki/Wikipedia%3ANOTRS)] On 12 December 2012, the FOMC announced an increase in the amount of open-ended purchases from $40 billion to $85 billion per month.[[48]](https://en.wikipedia.org/wiki/Quantitative_easing#cite_note-48)

On 19 June 2013, [Ben Bernanke](https://en.wikipedia.org/wiki/Ben_Bernanke) announced a "tapering" of some of the Fed's QE policies contingent upon continued positive economic data. Specifically, he said that the Fed could scale back its bond purchases from $85 billion to $65 billion a month during the upcoming September 2013 policy meeting.[[49]](https://en.wikipedia.org/wiki/Quantitative_easing#cite_note-49)[[50]](https://en.wikipedia.org/wiki/Quantitative_easing#cite_note-50) He also suggested that the bond-buying program could wrap up by mid-2014.[[51]](https://en.wikipedia.org/wiki/Quantitative_easing#cite_note-51) While Bernanke did not announce an interest rate hike, he suggested that if inflation followed a 2% target rate and unemployment decreased to 6.5%, the Fed would likely start raising rates. The stock markets dropped by approximately 4.3% over the three trading days following Bernanke's announcement, with the Dow Jones dropping 659 points between 19 and 24 June, closing at 14,660 at the end of the day on 24 June.[[52]](https://en.wikipedia.org/wiki/Quantitative_easing#cite_note-52) On 18 September 2013, the Fed decided to hold off on scaling back its bond-buying program,[[53]](https://en.wikipedia.org/wiki/Quantitative_easing%22%20%5Cl%20%22cite_note-53) and announced in December 2013 that it would begin to taper its purchases in January 2014.[[54]](https://en.wikipedia.org/wiki/Quantitative_easing#cite_note-54) Purchases were halted on 29 October 2014[[55]](https://en.wikipedia.org/wiki/Quantitative_easing#cite_note-55) after accumulating $4.5 trillion in assets.[[56]](https://en.wikipedia.org/wiki/Quantitative_easing#cite_note-56)

**March 2020: QE4.**

*Further information:*[*Economic impact of the COVID-19 pandemic*](https://en.wikipedia.org/wiki/Economic_impact_of_the_COVID-19_pandemic)


Increase in US Federal Reserve assets in response to COVID-19 pandemic[[57]](https://en.wikipedia.org/wiki/Quantitative_easing#cite_note-57)

The Federal Reserve began conducting its fourth quantitative easing operation since the 2008 financial crisis; on 15 March 2020, it announced approximately $700 billion in new quantitative easing via asset purchases to support US liquidity in response to the [COVID-19 pandemic](https://en.wikipedia.org/wiki/COVID-19_pandemic).[[58]](https://en.wikipedia.org/wiki/Quantitative_easing#cite_note-58) As of mid-summer 2020 this resulted in an additional $2 trillion in assets on the books of the Federal Reserve.[[59]](https://en.wikipedia.org/wiki/Quantitative_easing#cite_note-59)

|  |  |  |  |
| --- | --- | --- | --- |
| QE1` | $2,054,000,000,000 | **November 2008: QE1** |  |
| QE2 |  $600,000,000,000 | **November 2010: QE2** |  |
| QE3 | $4,500,000,000,000 | **September 2012: QE3** |  |
| QE4 | $2,000,000,000,000 | **March 2020: QE4** |  |
| Total | **$9,154,000,000,000** |  |  |