Report on the Bank's official market operations 2022–23

The Bank publishes an annual report covering key developments in its market operations and their usage. This short, factual report covers the period March 2022 to end-February 2023.

£908,532 million

Reserves account balances as at 28 February 2023 (decrease of £54,630 million during reporting period).

£2,945 million

Lending: Sterling Monetary Framework as at 28 February 2023 (increase of £54 million during reporting period).

£180,703 million

Lending: other lending/funding facilities as at 28 February 2023 (decrease of £12,737 million during reporting period).

£832,301 million

Asset Purchase Facility: stock of assets as at 28 February 2023 (decrease of £62,638 million during reporting period).

Published on 06 July 2023

Content

Executive summary

The Bank regularly reports on its market operations conducted in support of monetary and financial stability, including – but not limited to – those delivered through the Sterling Monetary Framework (SMF). The Bank's operations are conducted to implement Monetary Policy Committee (MPC) policy decisions by transmitting Bank Rate and purchasing assets; and to safeguard financial stability by offering various forms of liquidity to eligible participants in the financial system. A list of the operations that are considered by this report can be found in the **Bank's Market Operations Guide**. In the main, the Bank's market operations are undertaken in sterling, but facilities also exist in a range of foreign currencies. Operations are also conducted both across the Bank's own balance sheet and via subsidiaries.

The Bank aims to publish a short, factual report each year covering key developments in facilities and their usage. In addition, every three years the Bank aims to publish a more in-depth evaluation of its market operations, allowing for a stocktake of policy developments over a broader time period. This is a short report covering the period March 2022 to end-February 2023, following a **short report in 2022** and a **broad review in 2021**. Accordingly, a broad review is expected to be produced in 2024.

Managing the stock of assets held within the Asset Purchase Facility (APF) has been a key area of focus over the reporting period. The Bank publishes **quarterly reports on the activity of the APF**.

With regard to assets held in the APF for monetary policy purposes (ie assets purchased as part of quantitative easing (QE)), in February 2022 the Bank – following decisions by the MPC – ceased the reinvestment of maturities in UK government bonds (gilts) and corporate bonds. This was followed by programmes of sales of these assets, beginning in September 2022 for corporate bonds and November 2022 for gilts. Further details on the Bank's approach to unwinding QE can be found in Box A.

Between 28 September and 14 October 2022 and in line with its financial stability mandate, the Bank conducted temporary and targeted purchases of index-linked and long-dated conventional UK government bonds via the APF. The purpose of these purchases was to act as a temporary backstop to restore orderly conditions in the market for index-linked and long-dated gilts, and in doing so, reduce risks from contagion to credit conditions for UK households and businesses. The assets purchased as part of this programme were subsequently sold between 29 November 2022 and 12 January 2023. Further details can be found in Box B.

To ensure short-term market interest rates remain close to Bank Rate as the APF is unwound, the Bank announced a new Open Market Operation – the Short-Term Repo (STR) – on 4 August 2022. Usage of the STR has, as expected, been modest due to the stock of reserves remaining well above estimates of the preferred minimum level. Further details about STR usage can be found in Section 4.2, with the design and purpose of the STR explained further in Box C.

In aggregate over the period, the level of reserves held at the Bank by SMF member firms fell by £54.6 billion.[1] This is primarily driven by the reduction in the size of the APF via sales and maturities of its assets. Reserves were also impacted by additional and offsetting movements due to changes elsewhere on the Bank's balance sheet including in the Term Funding Scheme with additional incentives for small and medium-sized enterprises (TFSME), the level of Bank note issuance by the Bank, and flows of customer deposits with the Bank.

1: Objectives of the Bank's operations

The Bank's mission is to promote the good of the people of the United Kingdom by maintaining monetary and financial stability. Its balance sheet plays a central role in supporting these objectives by enabling the Bank's facilities and operations in sterling markets.

Further detail on the Bank's objectives and facilities are outlined in the **Bank's Market Operations Guide**.

2: Deposit-taking activities

2.1: Reserves accounts

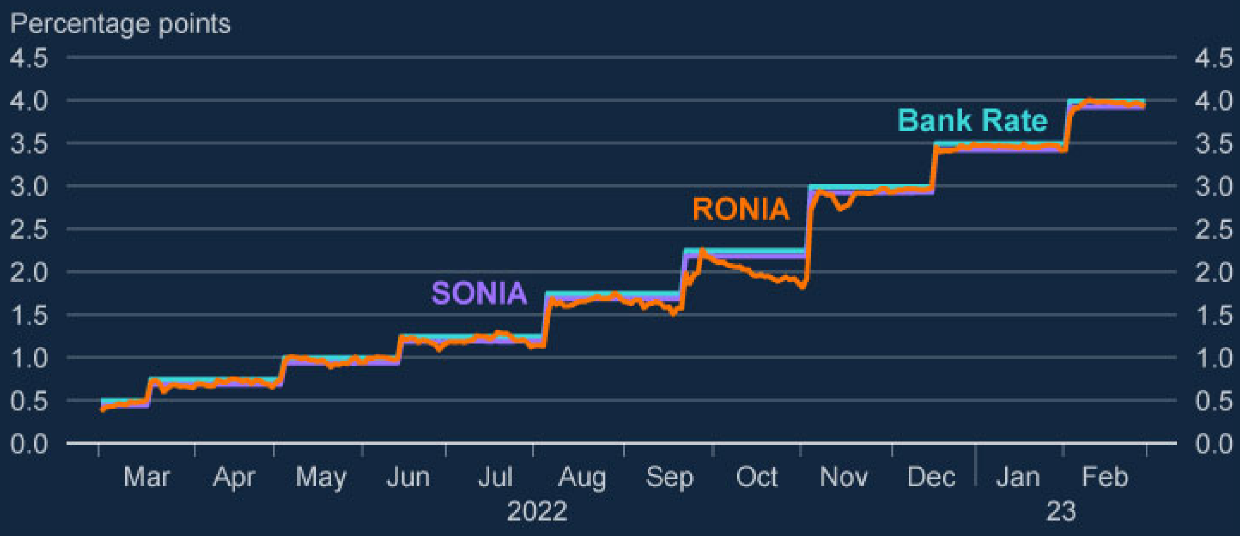
Reserves accounts are sterling-denominated instant access accounts offered to eligible financial firms. There is currently no maximum or minimum balance for most participants. Reserves accounts can be used by SMF members for settlement of obligations arising as a result of direct participation in UK payment systems.

The Bank implements the MPC's interest rate decisions by applying Bank Rate to reserves balances. This keeps short-term market interest rates in line with Bank Rate. The Bank currently remunerates reserves balances in full at Bank Rate for banks, building societies and broker-dealers. Central counterparties (CCPs) and International Central Securities Depositories (ICSDs) are required to maintain a target daily average reserves balance in order to receive remuneration at Bank Rate.

At the beginning of the review period, Bank Rate was 0.5%. Across multiple consecutive meetings over the review period, the MPC voted to raise Bank Rate. Bank Rate at the end of the review period was 4.0%.

The Bank monitors market interest rates to assess the effectiveness of monetary policy implementation. Both secured and unsecured rates responded to the increases to Bank Rate in an orderly fashion as shown by changes in Sterling Overnight Index Average (SONIA), an unsecured overnight benchmark rate, and Repurchase Overnight Index Average (RONIA), a secured overnight benchmark rate (Chart 1).

Chart 1: Sterling overnight interest rates (a) (b)



Sources: Bank of England and WMBA Ltd.

(a) Transactions included within the SONIA calculation are unsecured, of one-day maturity, settled same-day, and greater than or equal to £25 million in value. RONIA is based on brokered sterling overnight transactions where collateral is provided as a security.
(b) The divergence of the RONIA index from Bank Rate and the SONIA index during Autumn 2022 can be attributed to market volatility experienced over this period. This volatility is discussed further in Box B.

The level of reserves decreased by £54.7 billion over the review period, from £963.2 billion to £908.5 billion. The majority of this decrease was driven by the sale and maturity of assets held through the APF for monetary policy purposes. A number of other factors impact the level of reserves at any given time, including the amounts lent in SMF liquidity facilities and the Bank's term funding schemes; as well as other aspects of the Bank's routine activities including the value of sterling banknotes in circulation.

2.2: Operational Standing Facilities – deposits

The Bank's Operational Standing Facilities (OSFs) allow participating firms to deposit reserves on an overnight basis throughout each business day. The Bank generally pays a return of 0.25% below Bank Rate on deposits.

There was increased usage of the OSF Deposit Facility compared to the previous review period, although the amount was not significant compared to the overall level of reserves. This usage was partly driven by CCPs and ICSDs who are required to maintain a pre-determined target balance on their reserves accounts, and who used the OSF Deposit Facility as intended to manage excess reserves. Aggregate quarterly OSF usage data can be found in the annex.

2.3: Alternative Liquidity Facility

The Bank launched the Alternative Liquidity Facility (ALF) in December 2021. It is a weekly fund-based deposit facility available to UK banks which face formal restrictions on engaging in interest-bearing activity, including but not limited to Islamic banks.

The Bank publishes monthly average aggregate data on ALF usage each quarter, with a one-quarter delay. Usage was broadly stable during the review period, with average aggregate monthly usage of £167.7 million.

3: Asset purchases and sales

3.1: Asset Purchase Facility

Monetary policy activities

The Bank holds a stock of assets purchased for monetary policy reasons through the APF as part of QE, which is currently being reduced as QE is unwound. Our stock of purchases includes assets in the form of corporate bonds and UK government bonds (also known as gilts).

At its February 2022 meeting, the MPC **decided** to begin reducing the stock of purchased assets, initially by ceasing to reinvest the proceeds of maturing corporate bonds and gilts. It also confirmed its intention to carry out a programme of sales of its corporate bond stock.

At its meeting on 21 September 2022, the MPC voted to reduce the stock of UK government bonds held in the APF by £80 billion over the following 12 months, comprising both gilt maturities and a programme of gilt sales.

More information about the reduction in the stock of purchased assets in the APF can be found in Box A.

Financial stability gilt portfolio

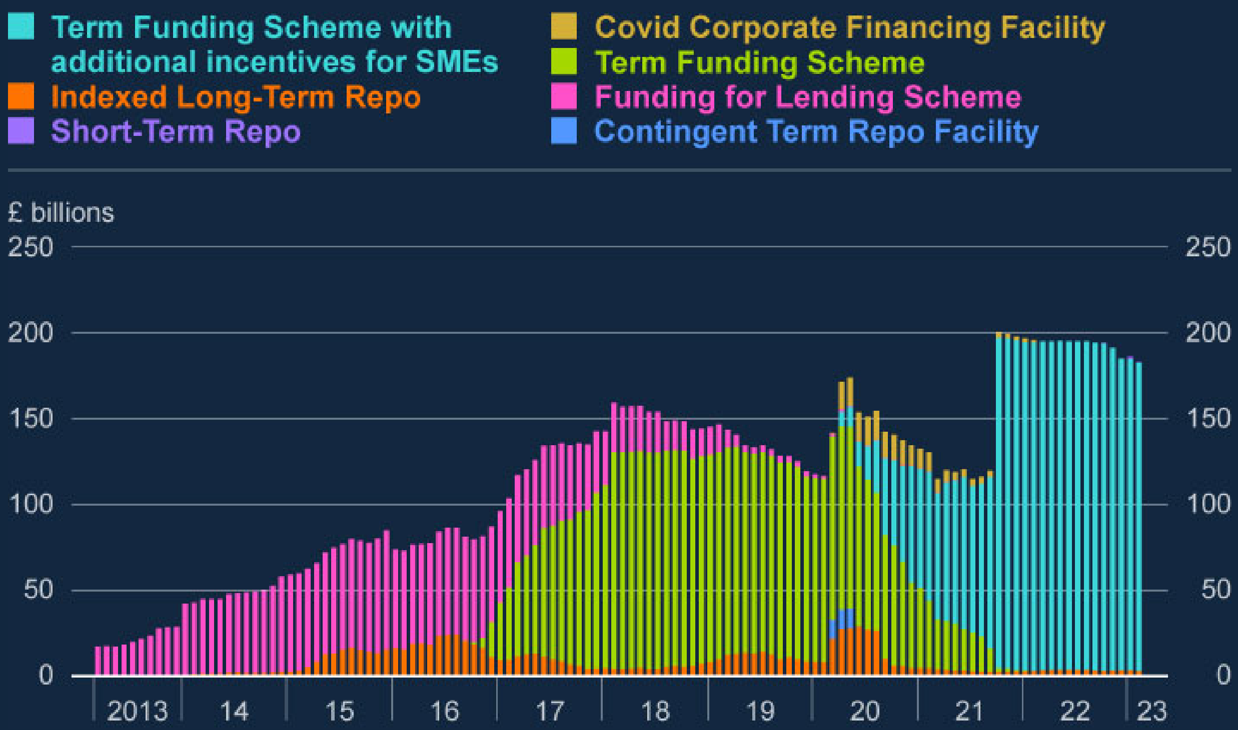
On 28 September 2022, the Bank **announced** it would carry out temporary and targeted purchases of long-dated conventional UK government bonds in order to reduce instability in the gilt market to meet its financial stability objective. These purchases were subsequently **expanded** on 11 October 2022 to include index-linked gilts, and **concluded** as planned on 14 October 2022.

In total, the Bank's temporary holdings of gilts purchased in these operations peaked at £19.3 billion, made up of £12.1 billion of long-dated conventional gilts and £7.2 billion of index-linked gilts.

On 12 January 2023, the Bank **announced** that it had completed, in full, sales from the financial stability gilt portfolio. More information about the financial stability gilt portfolio can be found in Box B.

4: Liquidity and funding activities

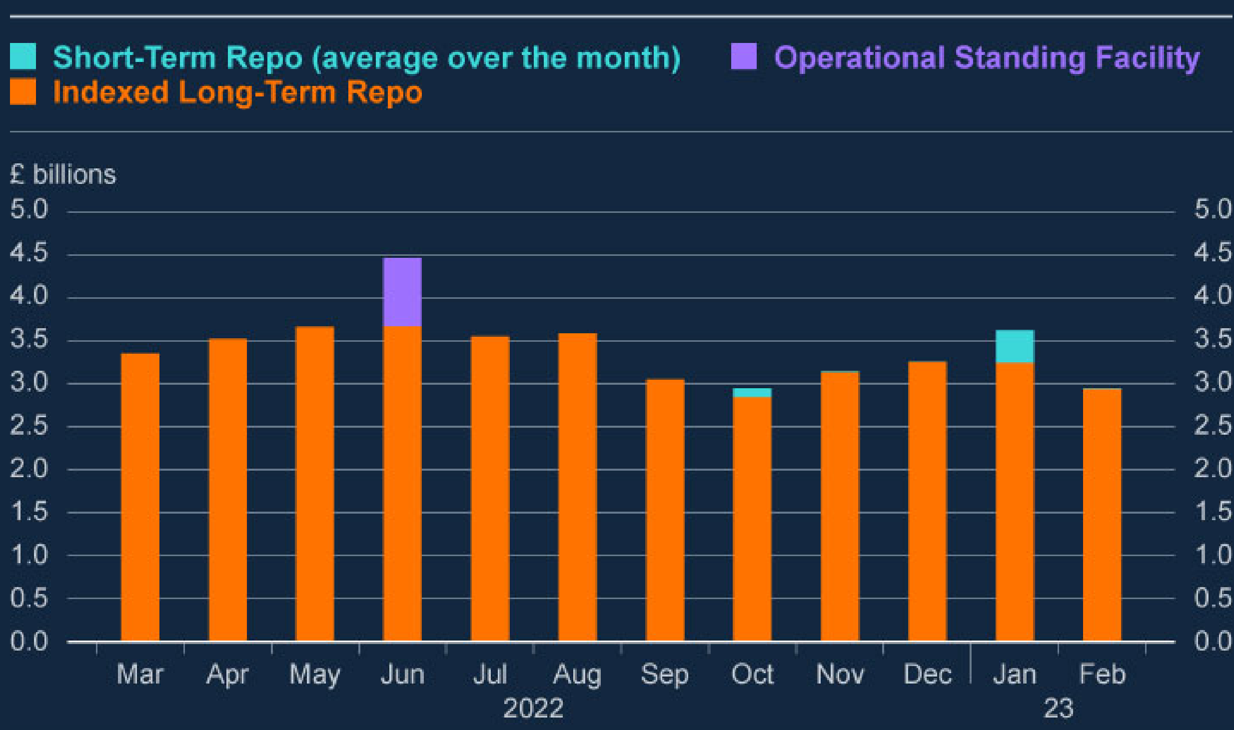
Chart 2a: Outstanding amounts lent in SMF liquidity facilities and funding schemes 2013–23 (a)



Source: Bank of England.

(a) OSFs are not included due to limited net usage.

Chart 2b: Outstanding amounts lent in SMF liquidity facilities in the review period (a) (b) (c)



Source: Bank of England.

(a) STR data is average weekly over the month.
(b) ILTR data is month end drawing.
(c) OSF data is average daily over the month.

4.1: The Term Funding Scheme with additional incentives for SMEs (TFSME)

The TFSME was launched in March 2020 as part of the Bank's response to the Covid pandemic. Its purpose was to support the pass-through of Bank Rate, being designed to incentivise banks to provide credit to small and medium-sized enterprises (SMEs) in particular. The TFSME was open for new lending from 15 April 2020 to 31 October 2021.

Participants may terminate any transaction, in part or in full, before its maturity date. Outstanding TFSME drawings fell from £192.4 billion to £180.5 billion during the review period.

4.2: Short-Term Repo

The Bank announced a new Open Market Operation – the Short-Term Repo (STR) – on 4 August 2022. The purpose of the STR is to provide eligible banks and building societies with ready access to reserves in order to ensure short-term market interest rates remain close to

Bank Rate as the APF is unwound. Further details on the purpose of the STR can be found in Box C.

There were aggregate drawings of £1.68 billion and average weekly drawings of £84 million over the review period, driven by test trades as SMF participants build and check their ability to use this new operation. This modest level of usage is as expected, since the stock of reserves is still well above the level estimated to be required by commercial banks to meet their payments obligations and broader liquidity needs.

4.3: Operational Standing Facilities – lending

The OSF allows participating firms to borrow reserves on an overnight basis throughout each business day. The Bank generally applies a premium of 0.25% above Bank Rate on lending.

There was limited lending through OSFs during the review period. As illustrated in Chart 2b, OSF lending was concentrated in June 2022. This was in response to the temporary suspension of CREST settlement, leading to a Non-Standard Crest Closure (NSCC) on 17 June 2022.

4.4: Indexed Long-Term Repo and Contingent Term Repo Facility

The Indexed Long-Term Repo (ILTR) is a regular market-wide sterling operation. Since 2019, ILTRs have been offered on a weekly basis, the frequency having initially been increased in response to uncertainty related to the UK's exit from the European Union, and later the Covid pandemic. The ILTR is designed to allow market participants to borrow central bank reserves for a six-month period against the full range of eligible collateral.

Usage of the ILTR remained broadly stable during the review period, increasing from £2.89 billion at the start of the period to £2.96 billion at the end of the period.

Because the STR provides access to reserves against Level A collateral, at Bank Rate, and in unlimited quantities for a seven-day term, the Bank judged it appropriate to adjust the minimum spread for bids against Level A collateral for a six-month term in the ILTR following the introduction of the STR. The Bank **announced** on 1 September 2022 that the minimum spread to Bank Rate for bids against Level A collateral in ILTR operations would increase from 0 basis points to 3 basis points. The date at which this change will take effect will be confirmed in due course. All other ILTR operation parameters remain unchanged.

The Contingent Term Repo Facility (CTRF) allows the Bank to provide liquidity against the full range of eligible collateral at any time, term, and price chosen by the Bank. The facility can be activated in response to any actual or prospective market-wide event, but was not active during the review period.

4.5: Discount Window Facility

The Discount Window Facility (DWF) is a bilateral on-demand facility provided to institutions anticipating or experiencing an unexpected liquidity need. It allows participants to borrow highly liquid assets (gilts or, in certain circumstances, cash) in return for other assets (collateral), potentially larger value to the DWF drawing, either to bridge to the next ILTR auction or for a variable term.

The Bank publishes quarterly data of DWF usage with a five-quarter lag. There was no DWF usage reported during the review period (relating to activity between September 2020 and September 2021). However, the Bank undertakes a regular programme of test trades with DWF participants and applicants to ensure operational readiness.

4.6: Non-sterling facilities

The Bank's US dollar repo operation offers to lend dollars on a weekly basis. Participants can bid for unlimited funds for a seven-day term at fixed spread, secured against Level A, B and C collateral. The facility makes use of the international network of standing swap lines between participating central banks; in this case the Bank makes use of the swap line with the US Federal Reserve.

There was minor usage of the facility during the review period, with aggregate drawings of US$40 million representing test usage.

After the period in scope for this report, the Bank, in co-ordination with other central banks, increased the frequency of seven-day maturity US dollar repo operations from once per week to daily to improve the swap lines' effectiveness in providing US dollar funding. This change was in place from 20 March 2023 to 28 April 2023. The frequency of operations reverted from daily to once per week, from 1 May 2023.

The Bank continues to stand ready with other central banks to readjust the provision of US dollar liquidity as warranted by market conditions.

4.7: Covid Corporate Financing Facility

The Covid Corporate Financing Facility (CCFF) was introduced in 2020 to support liquidity available to larger corporations, helping them to bridge Covid-related disruption to their cash flows through the purchase of short-term debt in the form of commercial paper.

The CCFF closed to new purchases in March 2021 as planned. At the beginning of the review period outstanding loans had fallen to £1.1 billion, and final loans matured on 18 March 2022. All loans were repaid in full, as confirmed by an **exchange of letters** between the Governor and Chancellor on 24 March 2022.

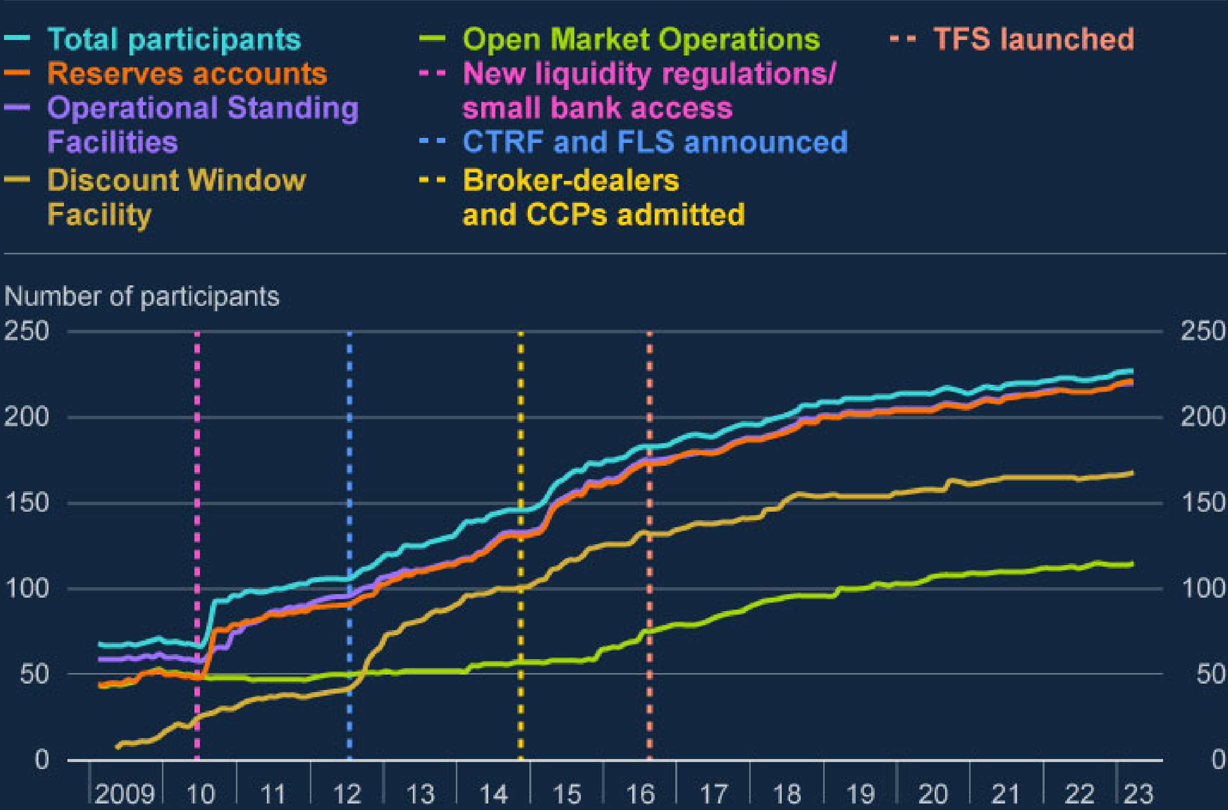
5: SMF membership

Firms that wish to use the Bank's reserves accounts or routine liquidity facilities must sign-up to the SMF. SMF membership – those firms with access to one or more SMF facilities – increased in 2022–23 from 223 to 227 participants. In addition, nine existing participants signed up for access to additional SMF facilities during the course of the year.

Interest in joining the SMF comes from a range of firms, both UK banks and those headquartered outside of the UK. Some are new firms, while others are existing SMF participants wishing to sign up for additional facilities (Chart 3).

The Bank continues to keep its SMF access policy under review.

Chart 3: SMF membership (a)



Source: Bank of England.

(a) Open Market Operations includes access to participate in ILTR and STR operations.

6: Risk management

While the Bank's market operations are designed to deliver monetary policy and to support financial stability, it is vital that facilities are designed and run in a way that ensures risks to public funds are properly managed.

There is a presumption of access to the SMF for applicable firms that meet Prudential Regulation Authority (PRA) supervisory threshold conditions and which have the requisite collateral. A firm's SMF eligibility is subject to a regular and independent review of creditworthiness by the Bank's financial risk management function. This includes a review of the firm's business viability and strategy, asset quality, funding and liquidity, and capital position. This also enables the Bank to monitor its risk and exposures to counterparties across multiple operations. To produce credit assessments, data and information are sourced from PRA supervisory colleagues, publicly available information such as annual reports, and the member firms themselves, including through onsite interviews with executive management where appropriate.

Lending under the SMF is secured against collateral. The Bank's eligible collateral list is broad, including a wide range of securities and portfolios of residential mortgage loans, asset finance, consumer (excluding credit cards), auto, corporate, SME, commercial real estate, private finance initiative, social housing loans, loans and asset finance under the coronavirus business interruption loan scheme or the coronavirus large business interruption loan scheme, and loans under the bounce back loan scheme.[2] This enables a broad range of counterparties to have access to SMF facilities.

Certain collateral requires SMF participants to complete due diligence in order to preposition it, to ensure the collateral is within the Bank's risk tolerance. This can include a data audit, legal review and risk assessment of the loan portfolio. The Bank in principle accepts collateral it judges it can effectively and efficiently risk manage.

Collateral haircuts are set to protect the Bank's balance sheet in a severe stress. As at end February 2022, haircuts for SMF collateral started at 0.5% for sovereign securities, 12% for residential mortgage-backed securities or covered bonds, 15% for other asset-backed securities and 30% for portfolios of senior corporate bonds. Loan pool haircuts across all collateral types were 9%–70% (excluding Libor add-ons). Residential mortgage collateral continues to make up the majority of collateral delivered to the Bank.

The additional amount the Bank could lend through its market operations based on excess pre-positioned collateral stood at £295 billion on 28 February 2023. This is £20 billion less than on 28 February 2022. Total collateral holdings fell by £30 billion over the same period.

Box A: The Bank's approach to unwinding quantitative easing

Gilt maturities and sales

At its meeting ending on 2 February 2022, the MPC **voted** to cease the reinvestment of the proceeds of maturing assets held within the APF. The first such gilt maturity occurred on 7 March 2022, at which point the amount of gilts held for monetary policy purposes fell by £27.9 billion.

At its 3 August 2022 meeting, the MPC **announced** its intention to commence gilt sales, subject to economic and market conditions being judged appropriate at the time of a confirmatory vote. In September 2022, the MPC **agreed** to reduce the stock of gilt purchases by an amount of £80 billion over the following 12 months, comprising both maturing gilts and gilt sales. Gilt sales commenced on 1 November 2022.

The Bank conducts regular multi-stock auctions with sales distributed evenly across short, medium and long maturity buckets. These maturity buckets are defined as gilts with a residual maturity of 3–7 years (short), those with a residual maturity of 7–20 years (medium), and those with a residual maturity of over 20 years (long). The Bank's auctions are carefully designed to meet the MPC's policy by maximising demand and competition. The Bank has **outlined** the key principles in its approach to the sale of gilts from the APF's portfolio which include close liaison with the Debt Management Office (DMO) to ensure that any interference with the DMO's issuance program is minimised.

The Bank also applies comprehensive risk management techniques to ensure that the financial risks posed by the APF portfolio are understood and controlled. The APF is subject to comprehensive governance, reporting and transparency arrangements consistent with the indemnity provided by HM Treasury and the HM Treasury Accounting Officer's requirement to protect the rights and assets of the taxpayer including value for money.

Over the reporting period, £37.1 billion of gilts matured from the APF without replacement. Since the beginning of gilt sales in November 2022 and the end of the reporting period for this report (end-February 2023), the stock of gilts held in the APF for monetary policy purposes decreased from £837 billion to £823 billion.

Corporate Bond Purchase Scheme

On 18 August 2022, the Bank **announced** its approach to the unwind of corporate bond purchases. It confirmed that it aimed to unwind the full stock of Corporate Bond Purchase Scheme (CBPS) assets through a combination of bonds maturing, a programme of bond sales and the potential for buybacks by bond issuers. The primary method of sale was confirmed as regular multi-stock auctions, starting in September 2022. The stock of holdings was to be fully unwound no earlier than towards the end of 2023.

Between the start of sales in September 2022 and end-February 2023, the stock of corporate bond holdings decreased by £9.8 billion, from £18.9 billion to £9.1 billion.

After the review period, on 6 June 2023, the Bank **announced** that it had concluded its corporate bond sales programme. As previously announced, a small number of very short maturity bonds will continue to be held in the portfolio, maturing fully by 5 April 2024.

Box B: Financial stability gilt purchases

On 28 September 2022, in response to a significant repricing of UK and global financial assets that posed a material risk to UK financial stability, the Bank **announced** that it would begin temporary and targeted purchases of long-dated gilts.

During that month, vulnerabilities in liability driven investment (LDI) funds amplified the impact of an abrupt change in fiscal stance into a self-reinforcing spiral in government bond prices. As set out by **Hauser (2023)**, a temporary and targeted backstop purchase facility for gilts proved effective in ending this fire-sale dynamic. The Bank's intervention provided the LDI funds with a window to increase their resilience while minimising risks to public funds, market incentives and the stance of monetary policy.

Table A: Comparing gilt purchases for financial and monetary stability purposes

	Financial stability purchases (October 2022–January 23)	Monetary stability purchases (QE)
Purpose and governance	Aimed at reducing the risk of a self-reinforcing price spiral triggered by LDI vulnerabilities. FPC recommended action to tackle financial stability risk; MPC informed, in line with the Concordat regarding balance sheet operations; Bank executive implemented.	QE aimed at easing monetary conditions in pursuit of the inflation target. MPC voted on quantity targets; Bank executive implemented.
Duration of purchases and exit plan	**Temporary:** purchases undertaken for only as long as required by financial stability issue; and unwound through sales back to market in timely and orderly way once dysfunction resolved.	High-level targets for purchase; unwind and sales programmes voted on by MPC as part of its monetary policy process.
Asset selection	**Targeted:** at assets most affected by financial stability issue.	Appropriately broad-based to achieve monetary policy goals.
Pricing	**Backstop pricing:** to ensure the facility did not unduly interfere with price discovery or substitute for the need for market participants to manage their own risks over the medium term.	Priced to deliver MPC determined quantity targets.

These operations were strictly time-limited and were welcomed by the Financial Policy Committee as a financial stability measure, with the MPC also kept informed. They involved the **purchase** of conventional gilts with a residual maturity of over 20 years in the secondary market.

The Bank operated daily reverse-auctions, offering to buy up to a fixed total value of gilts, initially up to £5 billion per auction. The gilts purchased in these operations were held within a segregated portfolio of the APF. On 3 October 2022, the Bank **confirmed** it would continue its financial stability operations until 14 October 2022.

On 11 October 2022, the Bank **announced** it would include index-linked gilts in its gilt purchase operations. Market participants were invited to offer to sell index-linked gilts in competitive reverse auctions with a minimum yield set by the Bank.

As planned, the Bank concluded these bond purchases on 14 October 2022. In total, the Bank purchased £19.3 billion of gilts, split between £12.1 billion of conventional long-dated gilts and £7.2 billion of index-linked gilts.

On 10 November 2022, the Bank announced its intention to unwind this portfolio in a way that was timely but orderly, beginning from 29 November 2022. Consistent with this, sales were carried out not at a fixed pace, but rather in a demand-led way that was responsive to prevailing market conditions. This approach allowed the Bank to meet demand for gilts where it existed, while limiting the impact of such sales on wider market conditions.

Between 29 November 2022 and 12 January 2023, the Bank carried out these sales to unwind the financial stability gilt portfolio. On 12 January 2023, the Bank **announced** it had completed the sale of the portfolio. In total the Bank raised £23.1 billion from the sale of the portfolio.

On 10 October 2022 and in line with its financial stability objective to avoid dysfunction in core funding markets, the Bank launched the Temporary Expanded Collateral Repo Facility. The facility enabled banks to help ease liquidity pressures facing their client LDI funds through liquidity insurance operations. The facility closed on 10 November 2022.

Box C: Short-Term Repo

The Bank’s balance sheet is used to implement the MPC’s decisions in order to meet the inflation target. A core objective of the Bank's approach to implementing monetary policy is to keep short-term market interest rates close to Bank Rate.

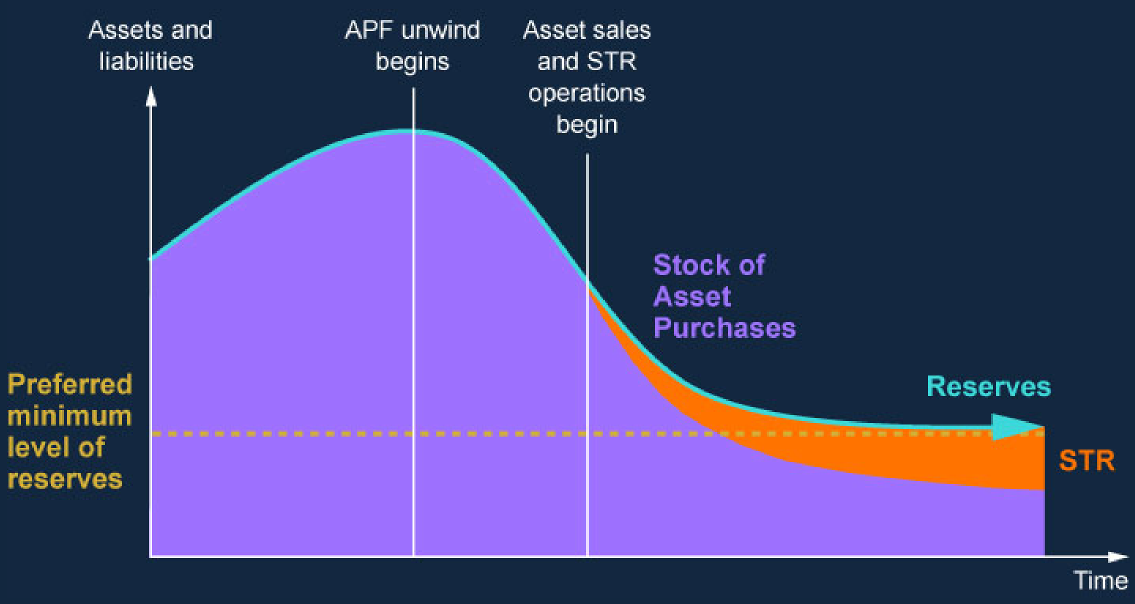
The Bank transmits Bank Rate to short-term market interest rates via the remuneration and supply of reserves held by commercial banks. They can be supplied in a variety of ways, but funding asset purchases by the APF has been by far the dominant source of reserves creation in recent years. This has left the stock of reserves well above the minimum level required by commercial banks to meet their payments obligations and broader liquidity needs. Further background to the demand for reserves can be found in this **Bank Overground** post.

As assets held in the APF mature, or are sold back to the market, the reserves used to fund those purchases are extinguished. As APF unwind continues, the stock of reserves will decrease and eventually approach the minimum level needed by banks. At that point, banks are likely to respond by seeking to borrow reserves from each other in money markets, increasing the rates they are willing to pay to do so and thereby causing short-term interest rates to rise relative to Bank Rate. This could impair the transmission of monetary policy to the wider economy.

To ensure that short-term market rates remain close to Bank Rate as APF unwind progresses, the Bank **announced** a new Open Market Operation – the Short-Term Repo – on 4 August 2022. The STR allows SMF participants to borrow central bank reserves for a one-week period in exchange for high-quality, highly liquid (Level A) assets.

Figure A illustrates how this works in practice. At the point that reserves reach the minimum desired level, banks will be able to meet their demand for reserves at Bank Rate through use of the STR. This will stabilise the quantity of reserves supplied to banks, while allowing the MPC to continue reducing the stock of assets held in the APF.

Figure A: Stylised supply of reserves during the APF unwind



Source: Bank of England.

This facility is priced at Bank Rate. Combined with the one-week term, this helps keep short-term market interest rates in line with Bank Rate by ensuring banks have little need to pay above Bank Rate for reserves in money markets. The STR allows the MPC to focus solely on monetary policy considerations in setting its strategy for APF unwind, without concern for the Bank's ability to align short-term market interest rates close to Bank Rate.

Annex

Table A.1: Results of operations and funding scheme drawings

(£ millions)	Total stock outstanding Feb 2022 (a) (b)	2022 Q1 (b)	2022 Q2	2022 Q3	2022 Q4	Total stock outstanding Feb 2023 (c)
OSF (d) loans	0	0	23,857	0	0	0
OSF deposits	0	6,275	103	61,507	213,531	0
ILTR (d)	2,891	1,385	2,305	762	2,510	2,955
Level A	2,355	615	1,700	150	1,200	1,365
Level B	91	55	40	75	200	215
Level C	445	715	565	537	1,110	1,375
STR (e)	–	–	–	–	11	5
CTRF (d)	0	0	0	0	0	0
TFSME (f)	192,361	-620	-202	-178	-9,510	180,502
CCFF (g)	1,079	0	0	0	0	0

(a) Aggregate drawings outstanding as at 28 February 2022.
(b) Data for 28 February 2022 and the 2022 Q1 period may reflect minor corrections in our records compared to figures reported in the previous report.
(c) Aggregate drawings outstanding as at 28 February 2023.
(d) Quarterly OSF, ILTR and CTRF figures reflect value of new drawings during the quarter. Quarterly TFMSE and CCFF figures reflect value outstanding at quarter-end.
(e) Quarterly STR figures reflect average weekly drawings per quarter.
(f) TFSME net drawdowns for each period (drawdowns less repayments and maturities).
(g) CCFF figures show sum of weekly commercial paper purchases in the primary and secondary market over the quarter.

Table A.2: Balances held in reserves accounts

(£ millions)	Total (a) (b)	2022 Q1 (b)	2022 Q2	2022 Q3	2022 Q4	Total (c)
Reserves balances (d)	966,445	964,940	956,841	949,019	946,485	908,873

(a) Total reserves balance as at 28 February 2022.
(b) Data for 28 February 2022 and the 2022 Q1 period may reflect minor corrections in our records compared to figures reported in the previous report.
(c) Total reserves balance as at 28 February 2023.
(d) Quarterly reserves balances are averages for maintenance periods (the period between MPC meetings) finishing within the quarter, as at quarter-end.

1. This figure does not include £160 million of average aggregate monthly deposits in the Alternative Liquidity Facility.
2. **Details of eligible collateral can be found on the Bank's website**.