

## (a) Balance Sheet Mechanics

Equivalence: bank balance sheet unchanged  
if CB lends back at  $r_{CB} = r_D$

### Pre-CBDC Bank Balance Sheet

Assets	Liabilities
Loans 100B	Deposits 100B

Deposit flight 30B

### Post-CBDC Bank Balance Sheet

Assets	Liabilities	Public Holdings
Loans 100B	CB Funding 30B Deposits 70B	CBDC CBDC Holdings 30B

CB pass-through funding 30B

## (b) Equivalence Parameter Space

