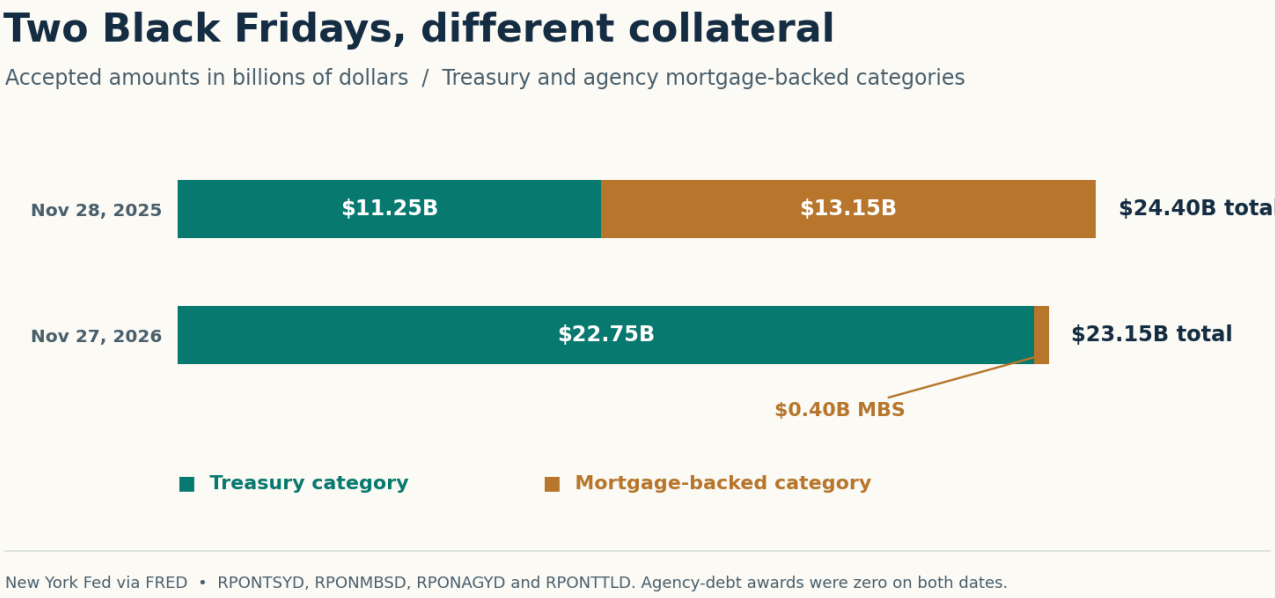
Black Friday repo and the failure of United Fidelity Bank

Christopher Grenke / Evidence available on Friday evening, November 27, 2026

The New York Fed supplied **$23.15 billion** against eligible collateral in its morning operation. That evening regulators closed an Indiana thrift with **$5.9 billion** in assets. Two different historical records explain what was unusual about each event.



The funding comparison

This was the largest draw since February 17 and the second-largest reported day of 2026. Last Black Friday was slightly larger. In 2025 large draws clustered on both sides of the holiday. In 2026 the two preceding reported days combined for $2 million.

The bank comparison

At United Fidelity, noncurrent loans and leases rose from $16.69 million in June to $2.161 billion in September. Its results establish severe credit deterioration almost two months before closing. Friday’s public repo records contain no counterparty names.

SOURCE RECORDS

NY Fed operation records FRED daily history FDIC bank financials OCC closure order

Reconstructing the Fed’s ticket

Cash supplied at the two New York Fed windows, then the separate entries visible in the dashboard.

November 27, ET	Treasury	Agency debt	Agency MBS	Total
8:15–8:30 a.m.	$22.750B	$0	$0.400B	$23.150B
1:30–1:45 p.m.	$0	$0	$0	$0

Operation IDs **RP 112726 25** and **RP 112726 26**. Both settled November 27 and mature November 30. The offering rate was 4.00% annualized. All submitted morning funds were accepted. No afternoon funds were requested.

What one overnight trade does

The Desk buys eligible securities under an agreement to resell them. The counterparty obtains temporary cash. A Friday-to-Monday maturity spans three calendar days. A new draw at maturity would be a fresh award. A daily flow does not establish cumulative outstanding borrowing or private borrower identity.

What the other dashboard panels measure

Record	Observation	How it enters the analysis
RPONTSYD	$22.750B	Treasury component within the $23.150B total.
RRPONTSYD	$0.350B	Separate reverse-repo facility that takes in cash.
Nov 24 outright bill operation	$30.140B offered, $3.511B accepted	Par value of securities bought outright. Settlement Nov 25.
Domestic SOMA holdings	Released weekly	Portfolio stocks by security type. Not Friday’s flow.

The MBS-category award can settle with higher-quality eligible collateral under Desk rules. An award in that category is insufficient to identify a specific security, dealer, bank or pool of mortgages.

SOURCE RECORDS

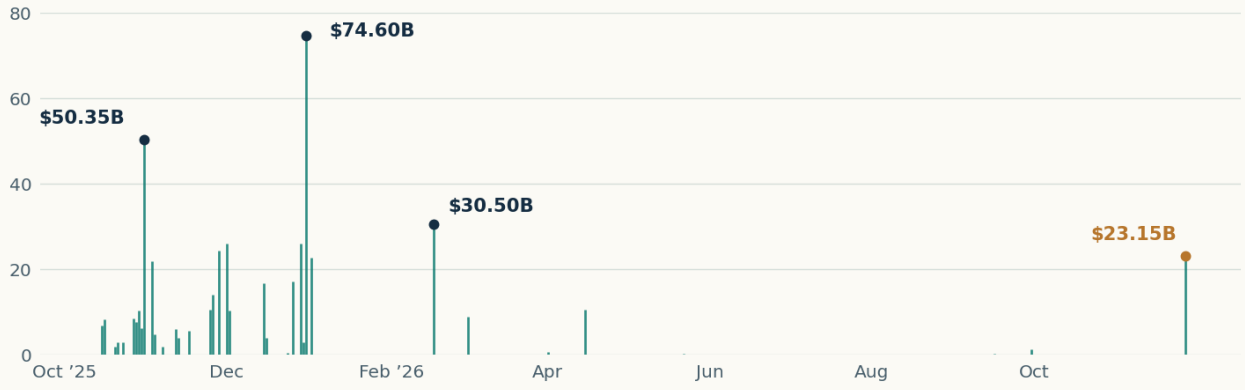
November 27 tickets · Desk terms · November 24 bill purchase · Reverse repo series · Administered rates

Testing last winter’s persistence claim

Compare all reported daily totals on the same basis. Public PN coverage identified repeated borrowing as the condition to watch.

Where Friday sits in the repo record

Total overnight repo accepted per reported day / billions of dollars



New York Fed via FRED • RPONTTLD • October 1, 2025 through November 27, 2026. Unreported dates excluded.

Reported-day sample	Result
Calendar 2026 through Nov 27	226 observations. Six at or above $1B.
Friday’s rank in that sample	2nd. February 17 was $30.50B.
Twenty reported dates before Nov 27	Median $1.5M. Maximum $104M.
Nov 28, 2025 to Nov 27, 2026	249 observations. Median $1M. Six at or above $23.15B.

Post-Thanksgiving Fridays in 2021, 2022 and 2023 recorded zero. The 2024 value was $1 million. In 2025 it was $24.40 billion, followed by $26.00 billion Monday and $10.257 billion Tuesday. The 2026 total is $1.25 billion lower than the 2025 holiday comparator.

The quiet run through much of 2026 weakens a claim of continuous large borrowing. Friday confirms that a very large one-day demand can still reappear. A six-holiday sample and changes to facility terms limit any inference about seasonality.

SOURCE RECORDS

FRED total time series Dec 2025 facility change Dec 29 PN thesis Jan 2 PN follow-up

United Fidelity before receivership

Evansville, Indiana / FDIC certificate 29566 / Dollar amounts below are millions.

Call report metric	June 30, 2026	Sept 30, 2026
Total assets	$6,493.32	$5,915.45
Total deposits	$5,622.42	$5,369.69
Gross loans and leases	$3,436.07	$3,059.39
Noncurrent loans and leases	$16.69	$2,160.80
Of which, noncurrent multifamily loans	$0.121	$2,143.25
Noncurrent / gross loans	0.49%	70.63%
Book equity	$652.53	$389.67
Common equity Tier 1 ratio	11.08%	4.74%
Credit-loss provisions, year to date	$0.00	$319.00
Net income, year to date	−$2.79	−$249.64

Multifamily real-estate loans accounted for 99.2% of September’s noncurrent loan balance. That category identifies where the bank’s reported distress was concentrated. A regulatory loan category does not identify collateral delivered to the Fed.

The earlier supervisory record

On October 31, 2023, the OCC issued a consent order addressing board oversight, credit underwriting, contingency funding, interest-rate risk and capital planning. The closure order of November 27, 2026 identified an unsafe or unsound condition and likely inability to meet obligations or normal depositor demands.

The acquisition and the insurance fund

First Citizens announced approximately $5.9B of assets, $3.1B of loans and $4.5B of deposits to be assumed, subject to closing adjustments. The buyer’s $2.6B asset discount and zero deposit premium are bid terms. The FDIC’s $1.83B estimated fund cost is a separate receivership measure. Certain brokered deposits were excluded from the transfer according to the FDIC as reported by CNN.

The buyer planned normal branch hours from Monday, November 30.

SOURCE RECORDS

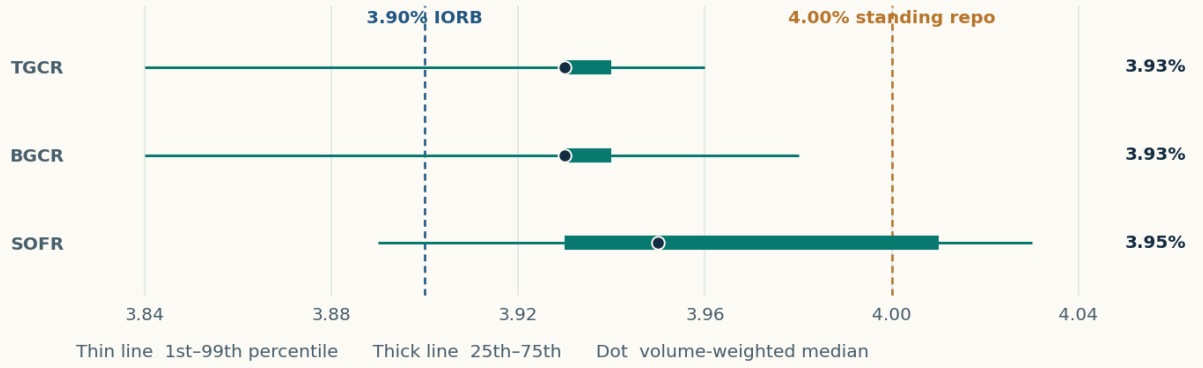
Quarterly financials Multifamily 2023 consent order 2026 closure First Citizens terms CNN / FDIC details

Reading the price and the quantity

The latest contemporaneously available SOFR concerned November 25 trades. All spreads below use the same effective date.

Where secured trades cleared before Thanksgiving

November 25, 2026 effective date / annual rate, percent



New York Fed reference rates and Board implementation note. The three secured benchmarks cover overlapping trading segments.

SOFR was 3.95%, 5 basis points above IORB and 5 below the 4.00% standing offer. SOFR volume was $3.145T. EFFR was 3.88% and inside the 3.75%–4.00% target range. The p75 and p99 SOFR readings of 4.01% and 4.03% show a tail already above the standing rate before Thanksgiving.

The 30-, 90- and 180-day compounded SOFR averages dated November 27 were 3.92666%, 3.86324% and 3.77106%. The index was 1.26881456. These measures cannot be entered as Friday's overnight funding cost.

Fed balance sheet, $ billions	Nov 18	Nov 25	Change
Reserve balances, weekly average	2,979.656	2,963.667	−15.989
Treasury cash (TGA), weekly average	916.613	902.038	−14.575
Fed total assets, Wednesday level	6,741.452	6,732.044	−9.408

Aggregate reserves alone do not identify which institution needed cash, who could intermediate for it, or the price it faced. Do not add a Friday transaction to a weekly average to reconstruct a balance sheet.

SOURCE RECORDS

NY Fed rates and percentiles · Publication schedule · Policy rates · Reserves · TGA · Total assets

What can be tested after month-end

Each explanation makes a different demand on the next release. These checkpoints were still in the future at the editorial cutoff.

Monday, November 30

Check the November 27 SOFR median, p75, p99, volume and their spreads to the standing rate and IORB. On the operation side, distinguish the maturity of Friday's loan from the gross morning and afternoon awards. November 30 was also month-end. Treasury's schedule put two-, five- and seven-year note issues on that date.

Tuesday and Wednesday, December 1–2

Check whether substantial gross draws survive the reporting turn and whether both windows see demand. Compare value dates to the appropriate rate releases a business day later. A prompt decline in use and narrower rate tails favors temporary calendar demand. Repeated large awards and elevated marginal rates strengthen the wider funding-pressure interpretation.

Interpretation	Evidence available by Nov 27	What would change the assessment
Calendar or settlement demand	Shortened US fixed-income session, morning concentration, Monday maturity.	Persistent demand after the turn weakens this explanation on its own.
Broader intermediation constraint	Second-largest day in 2026. Wednesday's upper SOFR tail exceeded 4%.	Additional ordinary-day draws and expensive private financing raise confidence.
United Fidelity used or caused the draw	No affirmative evidence in the Desk totals, buyer announcement or OCC order.	A named transaction record or a receivership document explicitly connecting the events.

Connection to the wider PN liquidity model

The PCA framework uses Fed assets, reverse repo, Treasury cash and M2 on aligned frequencies. No new model fit was made here. This daily event tests one transmission mechanism. A permanent reserve addition, a new asset-price target and a change in the policy-rate path each require their own evidence.

SOURCE RECORDS

SIFMA hours · Treasury offering · Treasury calendar · Disclosure lag · PN liquidity methodology

Sources, units and replication

The accompanying evidence ZIP contains a machine-readable source ledger, the frozen data, the computation script and its expected output.

Records and cutoff

The three supplied screenshots established the questions. The dated New York Fed APIs independently verify the deal tickets, collateral, times, rates and bill operation. FRED's daily data supply the history. FDIC BankFind supplies bank-level financials eligible for comparison at the publication cutoff. OCC and the buyer give the closure and purchase terms. CNN supplies the contemporaneous reporting of the FDIC's fund estimate and brokered-deposit exception. The FDIC closing release itself could not be fetched directly during this review.

Reproduction rules

Run **python code/analyze.py** from the extracted data-and-code archive. The script uses the Python standard library and the included snapshots. A separate **python code/plot_figures.py** command recreates the four charts with pandas and Matplotlib. The source ledger gives public URLs and identifies the purpose of each record.

Rank reported daily totals only. Retain genuine zeros and exclude blanks, holidays and unavailable rates. Convert FRED repo from billions, weekly H.4.1 from millions, and FDIC dollar fields from thousands. Divide NCLNLS by LNLSGR for noncurrent share. Subtract the June year-to-date income from September's nine-month income for the standalone third-quarter result. Regulatory capital ratios enter as reported percentages.

Direct source index

Dated operations	Repo windows · Outright purchase · Market rates
Time series	Total repo · Treasury · MBS · Agency debt · Reverse repo
Bank records	FDIC financials · Consent order · Closure order · Buyer terms
Earlier PN research	Oct 17, 2025 · Nov 3 · Nov 12 · Nov 28 · Dec 29 · Jan 2, 2026

Amounts shown are nominal U.S. dollars. Market facility awards are gross flows and reported collateral categories. The 226 and 249 denominators refer to observed operation dates, not calendar days. All interpretations and conditional checkpoints are Pattern Nexus analysis.