



Bank of Canada announces amendments to targeted facilities and programs that support liquidity and short-term funding markets

Notice - Monday, November 9, 2020, 15:00 (ET)

Reflecting the continued improvement in the functioning of short-term funding markets and financial markets more generally, the Bank of Canada (the Bank) is announcing amendments to the **Provincial Money Market Purchase** (PMMP) program and to the amount of Government of Canada treasury bills acquired at auction. The Bank is also announcing amendments to the **Standing Term Liquidity Facility** (STLF).

Effective November 16, 2020, the Bank will discontinue the PMMP program, with the last operation scheduled for November 13, 2020. Also, effective November 24, 2020, the size of the Bank's purchases at Government of Canada treasury bill auctions will range from 0 percent to 10 percent, revised from a constant **10 percent currently**. While the intent will be to minimize the Bank's participation over time, purchase amounts will vary depending on different factors, including prevailing market conditions and balance sheet requirements.

Furthermore, the **terms and conditions** for the STLF have been revised to include terms of up to thirty (30) days from the current term of up to ninety (90) days. Renewal and early repayment are at the Bank of Canada's discretion. Under the STLF, the Bank can provide loans to eligible financial institutions in need of temporary liquidity support and where the Bank has no concerns about their financial soundness.

The Bank will continue to monitor market conditions and remains committed to providing liquidity as required to support the functioning of the Canadian financial system. Any discontinued facilities can be restarted if necessary.

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