

Press Release

July 28, 2021

Statement Regarding Repurchase Agreement Arrangements

For release at 2:00 p.m. EDT

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The Federal Open Market Committee on Wednesday announced the establishment of two standing repurchase agreement (repo) facilities—a domestic standing repo facility (SRF) and a repo facility for foreign and international monetary authorities (FIMA repo facility). These facilities will serve as backstops in money markets to support the effective implementation of monetary policy and smooth market functioning.

Under the SRF, the Federal Reserve will conduct daily overnight repo operations against Treasury securities, agency debt securities, and agency mortgage-backed securities, with a maximum operation size of \$500 billion. The minimum bid rate for repos under the facility will be set initially at 25 basis points, somewhat above the general level of overnight interest rates. Counterparties for this facility will include primary dealers and will be expanded over time to include additional depository institutions.

Under the FIMA repo facility, the Federal Reserve will enter into overnight repurchase agreements as needed with foreign official institutions against their holdings of Treasury securities maintained in custody at the Federal Reserve Bank of New York. The rate for this facility will be set initially at 25 basis points with a per counterparty limit of \$60 billion. By creating a temporary source of dollar liquidity for FIMA account holders, the facility can help address pressures in global dollar funding markets that could otherwise affect financial market conditions in the United States.

For media inquiries, call 202-452-2955.

[Standing Repurchase Agreement Facility Resolution \(PDF\)](#)

[Standing FIMA Repurchase Agreement Resolution \(PDF\)](#)

[Statement Regarding Repurchase Agreements](#) 

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