

Regulatory Reform

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Agency Mortgage-Backed Securities (MBS) Purchase Program

Background

In response to the emerging financial crisis, and in order to mitigate its implications for the U.S. economy and financial system, the Federal Reserve eased the stance of monetary policy aggressively throughout 2008 by reducing the target for the [federal funds rate](#). By December of 2008, the [Federal Open Market Committee \(FOMC\)](#) had reduced its target federal funds rate to a range of between 0 and 1/4 percent. With the target federal funds rate at the effective lower bound, the FOMC sought to provide additional policy stimulus by expanding the holdings of longer term securities in its portfolio, the [System Open Market Account \(SOMA\)](#), including large-scale purchases of fixed-rate, [mortgage-backed securities \(MBS\)](#) guaranteed by Fannie Mae, Freddie Mac, and Ginnie Mae (referred to as "agency MBS"). The purchases were intended to lower longer-term interest rates and contribute to an overall easing of financial conditions.

[Open market operations](#), the purchase and sale of securities by the Federal Reserve, have historically been the primary means by which the Federal Reserve implements monetary policy. The authority to conduct open market operations is granted under Section 14 of the Federal Reserve Act. Open market operations are conducted by the Trading Desk at the Federal Reserve Bank of New York (FRBNY), in compliance with authorizations, policies, and procedures established by the FOMC. The FRBNY's counterparties for open market operations are [primary dealers](#), that is, banks and securities brokerages that the FRBNY has designated as counterparties for its operations.

The agency MBS purchase program was announced in November 2008 and the FOMC expanded the size of the program in early 2009. In total, \$1.25 trillion in agency MBS were purchased between January 2009 and March 2010, when the purchase phase of the program was completed. Additional transactions were conducted after March to facilitate the [settlement](#) of the initial purchases. Outright purchases were conducted via competitive bidding to ensure that trades were executed at market rates.

Transactions include purchases and sales at the trade date. Some of the purchases and sales were associated with [dollar roll](#) and [coupon swap](#) transactions that were conducted to help meet the programs' objectives and to facilitate the settlement of the initial purchases. Because most of the agency MBS trades are conducted based on the general characteristics of the security, the actual securities ([CUSIPs](#)) delivered may vary, within the trade-specified delivery standards.

Data

- [Excel \(1.6 MB\) | Accessible \(391 KB ZIP\)](#)
[CSV Data \(1.19 MB\) | CSV Definitions and Notes \(2 KB\)](#)

Visit the [Excel viewer](#) for more information. Filter and sort features have been added to the column headers in the Excel spreadsheet to assist you with searching and to allow for the creation of custom datasets. Click on the arrow button in each column header to view and select the different filter and sort features.

Compressed (ZIP) files are available through 7-zip. Download the free 7-zip compression utility

The following information on agency MBS transactions is provided:

Data Description	
Trade date	Date upon which the security was bought or sold
Contractual settlement date	At the time of the purchase or sale, the date agreed upon for the delivery of securities and payment of funds
Trade amount	Current face value at the time of the trade of securities purchased or sold, in millions of dollars
Agency	The agency that issued or guaranteed securities purchased or sold by the Federal Reserve: Fannie Mae (FNMA), Freddie Mac (FHLMC), or Ginnie Mae (GNMA)
Coupon	The rate of interest associated with a mortgage-backed security, in percent
Term	Original term in years of the security purchased or sold
CUSIP	A unique security identifier developed by the Committee on Uniform Security Identification Procedures
Transaction category	Indicates whether the transaction was a purchase or a sale
Price	The price at which securities were bought or sold
Primary dealer	Name of the primary dealer that purchased securities from, or sold securities to, the Federal Reserve
Investment manager	The investment manager that conducted the transaction on behalf of the Federal Reserve, or the FRBNY in the case that the transaction was conducted internally by the Federal Reserve Bank of New York

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