

Fast Facts: Single-Tranche Term Repurchase Agreements

ABOUT

- The primary goal of the single-tranche term repurchase agreements that the Federal Reserve conducted in 2008 was to increase the availability of term financing in order to alleviate the strains in the financial markets and to support the flow of credit to U.S. households and businesses.

PROGRAM DETAILS

- These operations were generally conducted as 28-day term RP agreements in which primary dealers were able to elect to deliver as collateral any of the types of securities—Treasury, agency debt or agency mortgage—backed securities—that are eligible as collateral in its conventional RP operations.
- The transactions were conducted through competitive auctions at market rates. Primary dealers were not required to bid in the auctions; however, they were required to acknowledge the operation by connecting their systems.
- These operations were not an emergency lending program authorized by section 13(3) of the Federal Reserve Act, but rather a series of open market operations conducted under section 14 of the Federal Reserve Act.

USAGE

- These operations reached peak use in April 2008 at \$80 billion.
- The last auction was conducted in December 2008 and started winding down the first week of January 2009.
- Use of the operations was at zero by the end of January 2009.

DISCLOSURES

- The establishment and execution of the Federal Reserve's single-tranche open market operations were clearly communicated to the public. On March 7, 2008, the Board of Governors of the Federal Reserve described the program in a public statement. On the same day, the Federal Reserve Bank of New York announced its intent to conduct these open market operations in a public statement.
- Each auction's aggregated results were immediately posted on the New York Fed's website.
- Temporary Open Market Operations Historical Search
- Weekly totals were also published, as part of a single line item which included all RP OMOs, in the Federal Reserve's H 4.1 data release, and further details provided in the SOMA Annual Report.
 - H.4.1 [OFFSITE](#)
 - 2009 SOMA Annual Report [PDF](#)

ANNOUNCEMENTS

Federal Reserve announces two initiatives to address heightened liquidity pressures in term funding [OFFSITE](#)

MARCH 7, 2008

Statement Regarding System Open Market Account Activity

MARCH 7, 2008

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