

December 01, 2010

Federal Reserve releases detailed information about transactions conducted to stabilize markets during the recent financial crisis

For immediate release

Share 

The Federal Reserve Board on Wednesday posted detailed information on its public website about more than 21,000 individual credit and other transactions conducted to stabilize markets during the recent financial crisis, restore the flow of credit to American families and businesses, and support economic recovery and job creation in the aftermath of the crisis.

Many of the transactions, conducted through a variety of broad-based lending facilities, provided liquidity to financial institutions and markets through fully secured, mostly short-term loans. Purchases of agency mortgage-backed securities (MBS) supported mortgage and housing markets, lowered longer-term interest rates, and fostered economic growth. Dollar liquidity swap lines with foreign central banks helped stabilize dollar funding markets abroad, thus contributing to the restoration of stability in U.S. markets. Other transactions provided liquidity to particular institutions whose disorderly failure could have severely stressed an already fragile financial system.

As financial conditions have improved, the need for the broad-based facilities has dissipated, and most were closed earlier this year. The Federal Reserve followed sound risk-management practices in administering all of these programs, incurred no credit losses on programs that have been wound down, and expects to incur no credit losses on the few remaining programs. These facilities were open to participants that met clearly outlined eligibility criteria; participation in them reflected the severe market disruptions during the financial crisis and generally did not reflect participants' financial weakness.

The Federal Reserve is committed to transparency and has previously provided extensive aggregate information on its facilities in weekly and monthly reports. As provided by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, transaction-level details now are posted from December 1, 2007, to July 21, 2010, in the following programs:

- Asset-Backed Commercial Paper Money Market Mutual Fund Liquidity Facility (AMLF)
- Term Asset-Backed Securities Loan Facility (TALF)
- Primary Dealer Credit Facility (PDCF)
- Commercial Paper Funding Facility (CPFF)
- Term Securities Lending Facility (TSLF)
- TSLF Options Program (TOP)
- Term Auction Facility (TAF)
- Agency MBS purchases
- Dollar liquidity swap lines with foreign central banks
- Assistance to Bear Stearns, including Maiden Lane
- Assistance to American International Group, including Maiden Lane II and III

Additionally, discount window and open market operation transactions after July 21, 2010, will be posted with a two-year lag.

The data made available Wednesday can be downloaded in multiple formats, including Excel, at www.federalreserve.gov/newsevents/reform_transaction.htm. The Excel files allow users to search, sort, and filter the data for each program in multiple categories. The site also provides explanations of each program as well as definitions for the data elements.

In the case of broad-based facilities, details provided include the name of the borrower, the amount borrowed, the date the credit was extended, the interest rate charged, information about collateral, and other relevant credit terms. Similar information is provided for the draws of foreign central banks on their dollar liquidity swap lines with the Federal Reserve. For agency MBS transactions, details include the name of the counterparty, the security purchased or sold, and the date, amount, and price of the transaction.