Policy Tools

Foreign and International Monetary Authorities (FIMA) Repo Facility

The Federal Reserve established a repurchase agreement facility for foreign and international monetary authorities (FIMA Repo Facility). By creating a backstop source of temporary 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. Its role as a liquidity backstop also helps to support the smooth functioning of financial markets more generally.

The FIMA Repo Facility allows FIMA account holders, which consist of central banks and other international monetary authorities with accounts at the Federal Reserve Bank of New York, to enter into repurchase agreements with the Federal Reserve. In these transactions, approved FIMA account holders temporarily exchange their U.S. Treasury securities held with the Federal Reserve for U.S. dollars, which can then be made available to institutions in their jurisdictions. This facility provides, at a backstop rate, an alternative temporary source of U.S. dollars for foreign official holders of Treasury securities other than sales of the securities in the open market. A temporary FIMA Repo Facility was established March 31, 2020, and the facility was made a standing facility on July 28, 2021.

- Frequently Asked Questions (March 24, 2022)

Related Press Releases

- Statement Regarding Repurchase Agreement Arrangements (July 28, 2021)
- Federal Reserve announces the extension of its temporary U.S. dollar liquidity swap lines and the temporary repurchase agreement facility for foreign and international monetary authorities (FIMA repo facility) through September 30, 2021 (December 16, 2020)
- Federal Reserve Board announces the extensions of its temporary U.S. dollar liquidity swap lines and the temporary repurchase agreement facility for foreign and international monetary authorities (FIMA repo facility) through March 31, 2021 (July 29, 2020)
- Federal Reserve announces establishment of a temporary FIMA Repo Facility to help support the smooth functioning of financial markets (March 31, 2020)

Related Content

https://www.federalreserve.gov/monetarypolicy/fima-repo-facility.htm
COVID-19 Frequently Asked Questions

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