

Riksbank joins the Federal Reserve's repo facility in USD

◉ NEWS The Riksbank has decided to join the US Federal Reserve System's standing repo facility in US dollars. This will increase the Riksbank's readiness to use its foreign exchange reserves, for instance to strengthen access to liquidity in US dollars in the Swedish financial system.

The Federal Reserve's standing repo facility provides the Riksbank with an additional tool that can be used to convert US government bonds into dollars. A repo with the Federal Reserve entails a very low counterparty risk for the Riksbank.

In March 2020, the Federal Reserve announced that it would introduce a new repo facility called the Foreign and International Monetary Authorities (FIMA) Repo Facility to support the smooth functioning of the financial markets, including the US government bond market. The repo facility gives foreign central banks the opportunity to enter into repurchase agreements regarding US government securities with the Federal Reserve to obtain US dollars. The facility was initially temporary, but in July 2021 the Federal Reserve decided that the FIMA Repo Facility would be made permanent.

RELATED CONTENT

[The Federal Reserve: Foreign and International Monetary Authorities \(FIMA\) Repo Facility](#) 

Updated 20/12/2021

Contact: Press Office, tel. +46 8-7870200