

PRESS RELEASE

New York Fed Announces the Start of Secondary Market Corporate Credit Facility Corporate Bond Sales on July 12

July 08, 2021

The Federal Reserve Bank of New York today announced that the Secondary Market Corporate Credit Facility (SMCCF) will begin gradual sales of its corporate bond holdings on July 12, 2021. The New York Fed also released an updated set of [Frequently Asked Questions](#) regarding the sales of these assets.

This announcement of the start of SMCCF corporate bond sales follows the [start](#) of sales of SMCCF exchange-traded funds (ETF) on June 7, 2021 and is consistent with plans [announced](#) by the Board of Governors to begin winding down the SMCCF portfolio.

As with ETF sales, the sales of the SMCCF corporate bond holdings will be gradual and orderly, and will be conducted in a manner that aims to minimize the potential for any adverse impact on market functioning by taking into account liquidity conditions in the secondary market for corporate debt.

The SMCCF, which was announced on March 23, 2020, supported market liquidity for corporate debt by purchasing corporate bonds and ETFs in the secondary market through the date of its closure on December 31, 2020. As specified in the [term sheet](#), the SMCCF purchased corporate bonds to create a corporate bond portfolio that was based on a broad, diversified market index of U.S. corporate bonds and purchased U.S.-listed ETFs whose investment objective was to provide broad exposure to the market for U.S. corporate bonds.

Sign up to receive email [alerts](#) for the SMCCF.

For more information, see:

[SMCCF Website](#)

[Frequently Asked Questions](#)

Contact for General Inquiries

smccf@ny.frb.org

Contacts for Media Inquiries

Suzanne Elio

(212) 720-6449

suzanne.elio@ny.frb.org

Andrea Priest

(212) 720-6139

Andrea.Priest@ny.frb.org

