

PRESS RELEASE

New York Fed Announces the Start of Secondary Market Corporate Credit Facility ETF Sales on June 7

June 03, 2021

The Federal Reserve Bank of New York today announced that the Secondary Market Corporate Credit Facility (SMCCF) will begin gradual sales of its holdings of corporate bond exchange-traded funds (ETFs) on June 7, consistent with plans [announced](#) by the Board of Governors to begin winding down the SMCCF portfolio. The New York Fed also released a new set of [Frequently Asked Questions](#) regarding the sale of these assets.

Sales will be gradual and orderly, and will aim to minimize the potential for any adverse impact on market functioning by taking into account daily liquidity and trading conditions for ETFs and corporate bonds. In addition, the SMCCF intends to begin sales of its corporate bond holdings this summer, with further details to be provided at a later date, before those sales begin.

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](#)

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