

Term Auction Facility (TAF)

Background

Bank funding markets, especially [term funding](#) markets, came under severe pressure at the start of the financial crisis in 2007. Amid widespread concerns about the condition of many financial institutions, investors became very reluctant to lend, especially at maturities beyond the very shortest terms. To address these funding pressures, the Federal Reserve first took steps to increase the amount of liquidity available to financial institutions through the [discount window](#). However, many banks were reluctant to borrow at the discount window out of fear that their borrowing would become known and would be erroneously taken as a sign of financial weakness. To meet the demands for term funding more directly, the Federal Reserve established the Term Auction Facility (TAF) in December 2007.

Under the program, the Federal Reserve auctioned 28-day loans, and, beginning in August 2008, 84-day loans, to [depository institutions](#) in generally sound financial condition. The TAF enabled the Federal Reserve to provide term funds to a broader range of counterparties and against a broader range of collateral than it could through [open market operations](#). As a result, the TAF helped promote the distribution of liquidity when unsecured bank funding markets were under stress. It also provided access to term credit without the stigma that had been associated with use of the discount window.


All depository institutions that were eligible to borrow under the Federal Reserve's [primary credit](#) program were eligible to participate in the TAF. All U.S. depository institutions and U.S. branches and agencies of foreign institutions that maintain deposits subject to [reserve requirements](#) are eligible to borrow from the Federal Reserve's discount window. Of those institutions, primary credit, and thus also the TAF, is available only to institutions that are financially sound.

All loans extended under the TAF were fully collateralized, and the funds were allocated through an auction, in which participating depository institutions placed bids specifying an amount of funds, up to a pre-specified limit, and an interest rate that they would be willing to pay for such funds. The funds were allocated beginning with the highest interest rate offered until either all funds were allocated or all bids were satisfied. All borrowing institutions paid the same interest rate, either the rate associated with the bid that would fully subscribe the auction, or in the case that total bids were less than the amount of funds offered, the lowest rate that was bid. The TAF was created under the Federal Reserve's standard discount window lending authority granted under Section 10B of the Federal Reserve Act. The auctions were administered by the Federal Reserve Bank of New York, with loans granted through the 12 Federal Reserve Banks.

The facility was announced on December 12, 2007. The final TAF auction was held on March 8, 2010, with credit extended under that auction maturing on April 8, 2010. All loans made under the facility were repaid in full, with interest, in accordance with the terms of the facility.

Data

- [Excel \(953 KB\)](#) | [Accessible \(534 KB ZIP\)](#)
[CSV Data \(6 KB\)](#) | [CSV Definitions and Notes \(6 KB\)](#)

Visit the [Excel viewer](#)  for more information. Filter and sort features have been added to the column headers in the Excel spreadsheet to assist you with searching and to allow for the creation of custom datasets. Click on the arrow button in each column header to view and select the different filter and sort features.

Compressed (ZIP) files are available through 7-zip. Download the free 7-zip compression utility

The following information on TAF transactions is provided:

| Data Description | |
|---|--|
| Loan date | Date upon which the TAF was loan originated |
| Maturity date | Date upon which the TAF loan was scheduled to mature |
| Term | Number of days for which the loan was extended |
| Lending Federal Reserve District | Lending Federal Reserve district: Boston (1), New York (2), Philadelphia (3), Cleveland (4), Richmond (5), Atlanta (6), Chicago (7), St. Louis (8), Minneapolis (9), Kansas City (10), Dallas (11), San Francisco (12) |
| Borrower | Name of the borrower |
| Borrower city | The city in which the borrower is located |
| Borrower state | The state in which the borrower is located |
| Loan amount | Amount of TAF loan, in millions of dollars |
| Interest rate | Interest rate on TAF loan, in percent |

Unencumbered collateral Lendable value of TAF borrower's discount window collateral, after the application of appropriate margins (haircuts) and minus the value of any outstanding loans, in millions of dollars

| | |
|---|---|
| Unencumbered collateral, lendable value, by asset type | |
| Commercial loans | Loans to businesses other than commercial real estate loans. Pro-rata amount of unencumbered collateral based on share of total collateral pledged, in millions of dollars |
| Residential mortgages | 1-4 family mortgages and home equity loans. Pro-rata amount of unencumbered collateral based on share of total collateral pledged, in millions of dollars |
| Commercial real estate loans | Commercial real estate loans. Includes construction and land development loans. Pro-rata amount of unencumbered collateral based on share of total collateral pledged, in millions of dollars |
| Consumer loans | Loans to households other than residential mortgages. Pro-rata amount of unencumbered collateral based on share of total collateral pledged, in millions of dollars |
| U.S. Treasury/agency securities | Unsecured debt issued by the U.S. Department of the Treasury and government-sponsored enterprises. Pro-rata amount of unencumbered collateral based on share of total collateral pledged, in millions of dollars |
| Municipal securities | Securities issued by state and local governments and agencies. Pro-rata amount of unencumbered collateral based on share of total collateral pledged, in millions of dollars |
| Corporate market instruments | Unsecured securities issued by private corporations. Includes corporate bonds, commercial paper, and other corporate securities and instruments. Pro-rata amount of unencumbered collateral based on share of total collateral pledged, in millions of dollars |
| MBS/CMO: agency guaranteed | Mortgage-backed securities (MBS) and collateralized mortgage obligations (CMO) issued by government-sponsored enterprises. Pro-rata amount of unencumbered collateral based on share of total collateral pledged, in millions of dollars |
| MBS/CMO: other | Mortgage-backed securities (MBS) and collateralized mortgage obligations (CMO) issued by private corporations. Pro-rata amount of unencumbered collateral based on share of total collateral pledged, in millions of dollars |
| Asset-backed securities | Securities collateralized by assets other than first-lien mortgages. Includes collateralized debt obligations (CDOs). Pro-rata amount of unencumbered collateral based on share of total collateral pledged, in millions of dollars |
| International securities | Foreign government and municipal securities, international agency securities, and other securities issued or held at approved custodians outside the United States. Pro-rata amount of unencumbered collateral based on share of total collateral pledged, in millions of dollars |
| Other collateral | Cash holdings. Pro-rata amount of unencumbered collateral based on asset share of total collateral pledged, in millions of dollars |
| Unencumbered collateral, lendable value, securities by credit rating | |