

# Press Release

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June 02, 2021

## Federal Reserve Board announces plans to begin winding down the portfolio of the Secondary Market Corporate Credit Facility

For release at 4:30 p.m. EDT

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The Federal Reserve Board on Wednesday announced plans to begin winding down the portfolio of the Secondary Market Corporate Credit Facility (SMCCF), a temporary emergency lending facility that closed on December 31<sup>st</sup>, 2020. The SMCCF proved vital in restoring market functioning last year, supporting the availability of credit for large employers, and bolstering employment through the COVID-19 pandemic.

SMCCF portfolio 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 exchange traded funds and corporate bonds. The Federal Reserve Bank of New York, which manages the operations of the SMCCF, will announce additional details soon and before sales begin.

The SMCCF was established with the approval of the Treasury Secretary and equity provided by the Treasury Department under the CARES Act.

For media inquiries, call 202-452-2955

Last Update: June 02, 2021