

Use of Federal Reserve Programs – 07/09/2020

By Pascal Ungersboeck

Original post [here](#).

Below we report on operational Fed programs, based on the Fed's weekly [H.4.1 release](#). Since last week, the Term Asset-Backed Securities Loan Facility has started operations; however, no funds have been extended so far. The ECB, BoE and BoJ further decreased their use of the swap lines established with the Fed in March.

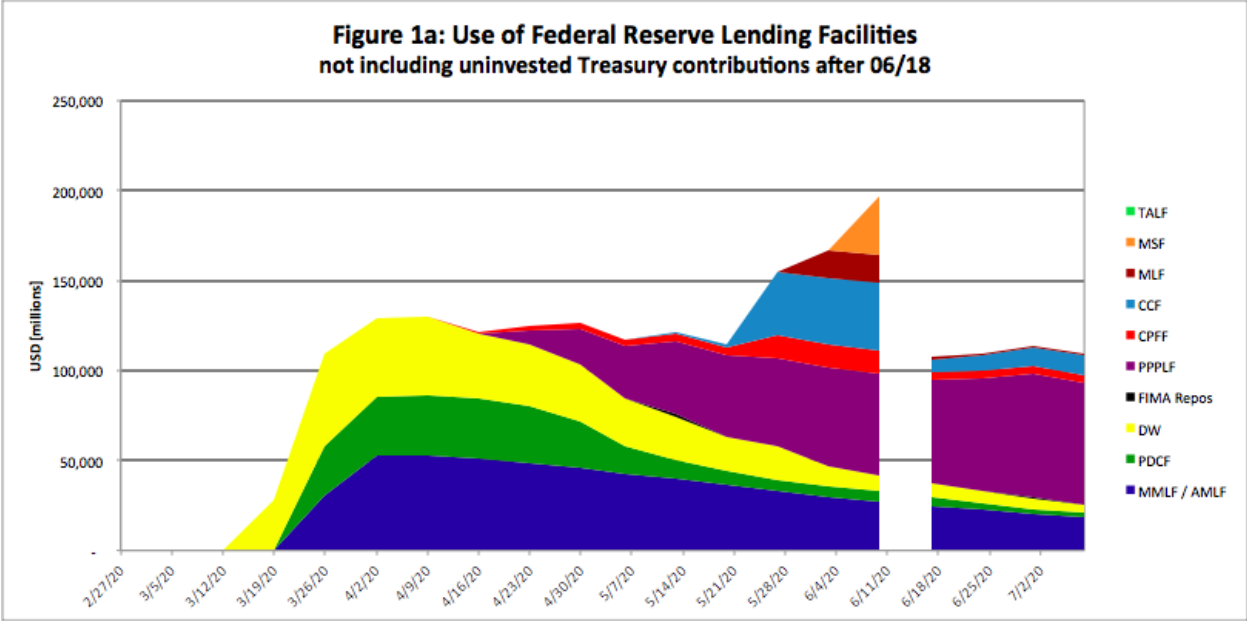
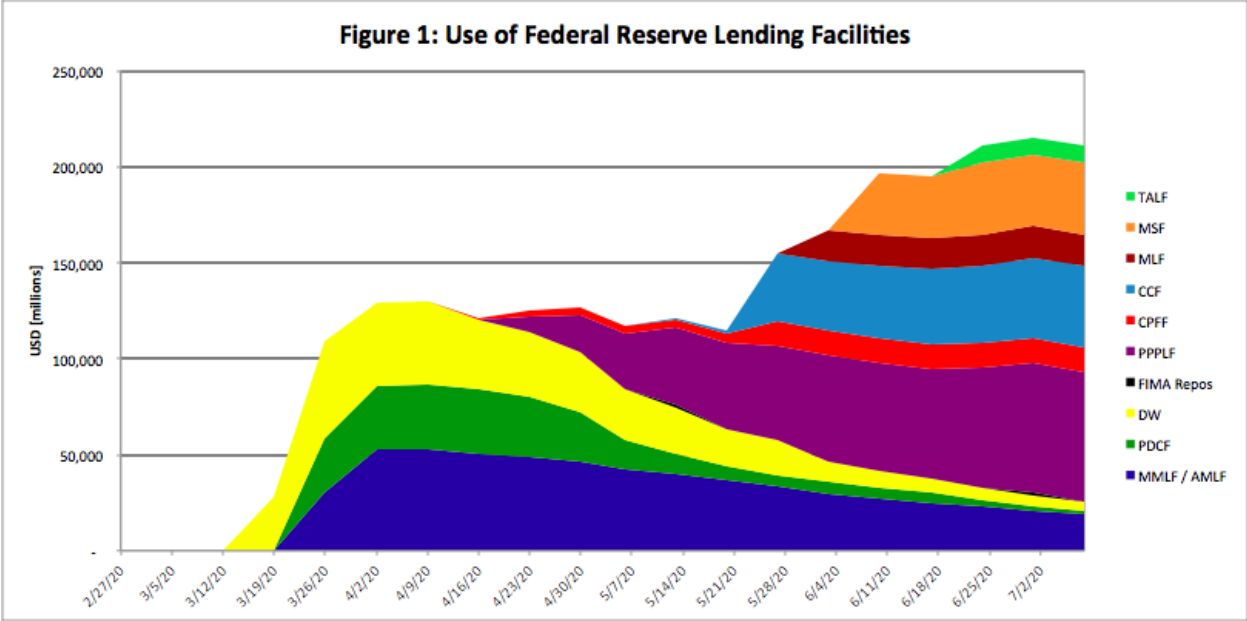
Note on Treasury contributions to Federal Reserve Programs

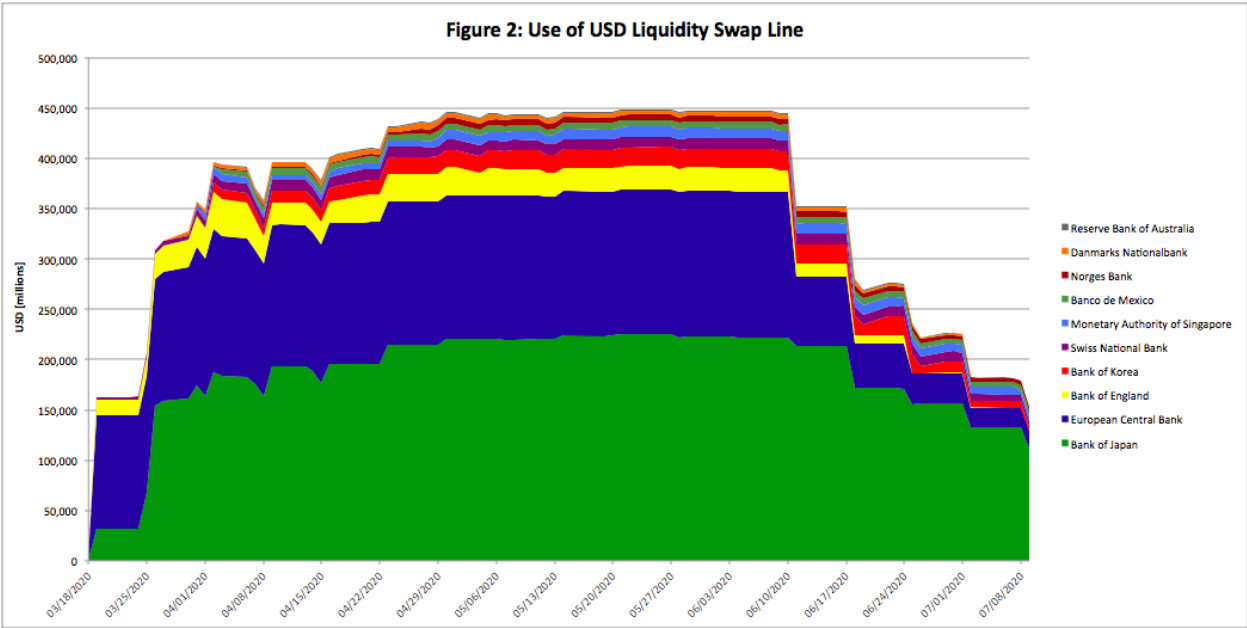
The Treasury announced on April 9 that it intended to use funds available under the CARES Act to purchase equity in special purpose vehicles established under Fed lending programs. On June 16, the Federal Reserve Bank of New York received the most recent contribution of \$10 billion to [TALF](#). In total, the Treasury has invested a total of \$114 billion in six facilities. Per the facility agreements, 85% of the equity contributions to the [CCF](#), [CPFF](#), [MLF](#), [MSF](#) and [TALF](#) have been invested in nonmarketable Treasury securities; \$31.9 billion for the CCF, \$8.5 billion for the CPFF, \$14.9 billion for the MLF, \$31.9 billion for the MSF, and \$8.5 billion for TALF.

As of July 2, there is \$211 billion outstanding across 10 facilities (Figure 1); \$109 billion out of the total has been used to purchase targeted assets. The total amount outstanding is slightly down from last week, when it stood at \$215 billion - \$114 billion excluding Treasury contributions. It is the first time the total has declined since the launch of the first programs in March. Figure 1a below reports the outstanding amount of each facility, not including Treasury contributions that are invested in securities, from June 18 onwards.

Note on Federal Reserve Swap lines

Over the last month, central banks significantly reduced their use of the USD swap lines established with the Fed in March. The reduction is due to the expiration of 84-day swaps entered during the early weeks of the crisis. Auctions for these swaps were conducted weekly. As these contracts are reaching maturity, the total outstanding amount declined by almost \$300 billion since its peak on May 27. As of July 9, the total amount still outstanding is \$153 billion, down from \$183 billion last week. The BoJ and ECB are now the only counterparties with an outstanding amount above \$10 billion. At \$112 billion outstanding, the BoJ's share represents 73 percent of the total. The ECB stands at \$17 billion; together the two largest counterparties hold 84 percent.





CB Swaps				AMLF / MMLF				PDCF			
GFC		COVID		GFC		COVID		GFC		COVID	
9/17/08	62,000	3/11/20	58	10/8/08	139,481	3/11/20	-	3/5/08	-	3/11/20	-
9/24/08	141,900	3/18/20	44	10/15/08	122,763	3/18/20	-	3/12/08	-	3/18/20	-
10/1/08	286,432	3/25/20	206,051	10/22/08	107,895	3/25/20	30,634	3/19/08	28,800	3/25/20	27,718
10/8/08	335,184	4/1/20	348,544	10/29/08	96,010	4/1/20	52,667	3/26/08	37,023	4/1/20	33,050
10/15/08	406,882	4/8/20	358,077	11/5/08	85,097	4/8/20	53,171	4/2/08	34,443	4/8/20	33,018
10/22/08	477,159	4/15/20	378,291	11/12/08	76,546	4/15/20	50,656	4/9/08	26,479	4/15/20	33,409
10/29/08	498,860	4/22/20	409,712	11/19/08	61,923	4/22/20	48,810	4/16/08	25,655	4/22/20	31,526
11/5/08	528,355	4/29/20	438,953	11/26/08	53,309	4/29/20	46,277	4/23/08	18,555	4/29/20	25,504
11/12/08	569,716	5/6/20	444,885	12/3/08	49,234	5/6/20	42,763	4/30/08	17,775	5/6/20	14,903
11/19/08	562,090	5/13/20	440,934	12/10/08	34,425	5/13/20	39,820	5/7/08	16,260	5/13/20	10,288
11/26/08	475,435	5/20/20	446,103	12/17/08	27,421	5/20/20	36,449	5/14/08	14,485	5/20/20	7,501
12/3/08	506,819	5/27/20	448,946	12/28/08	23,993	5/27/20	33,244	5/21/08	13,555	5/27/20	6,241
12/10/08	582,575	6/3/20	446,945	1/7/09	23,765	6/3/20	29,859	5/28/08	10,125	6/3/20	5,847
12/17/08	583,135	6/11/20	352,597	1/14/09	16,093	6/10/20	26,977	6/4/08	7,750	6/10/20	5,829
12/24/08	552,728	6/18/20	279,497	1/21/09	14,775	6/17/20	24,680	6/11/08	8,520	6/17/20	5,306
12/31/08	553,728	6/25/20	228,669	1/28/09	15,967	6/24/20	22,889	6/18/08	8,145	6/24/20	3,624
1/7/09	538,162	7/2/20	182,858	2/4/09	16,933	7/1/20	20,637	6/25/08	1,690	7/1/20	2,486
1/14/09	510,514	7/9/20	153,041	2/11/09	14,185	7/8/20	18,927	7/2/08	-	7/8/20	1,874

DW				PPPLF				CPFF			
GFC		COVID		GFC		COVID		GFC		COVID	
9/10/08	23,455	3/11/20	11			3/11/20	-	10/15/08	-	3/11/20	-
9/17/08	33,401	3/18/20	28,224			3/18/20	-	10/22/08	-	3/18/20	-
9/24/08	39,327	3/25/20	50,768			3/25/20	-	10/29/08	144,808	3/25/20	-
10/1/08	49,524	4/1/20	43,744			4/1/20	-	11/5/08	243,305	4/1/20	-
10/8/08	98,107	4/8/20	43,449			4/8/20	-	11/12/08	257,287	4/8/20	-
10/15/08	101,853	4/15/20	36,284			4/15/20	-	11/19/08	270,879	4/15/20	974
10/22/08	107,547	4/22/20	33,742			4/22/20	8,009	11/26/08	294,094	4/22/20	2,732
10/29/08	110,737	4/29/20	31,759			4/29/20	19,488	12/3/08	303,880	4/29/20	3,372
11/5/08	108,567	5/6/20	26,494			5/6/20	29,181	12/10/08	312,414	5/6/20	3,988
11/12/08	99,180	5/13/20	24,239			5/13/20	40,580	12/17/08	318,843	5/13/20	4,292
11/19/08	92,645	5/20/20	19,535			5/20/20	45,090	12/28/08	331,686	5/20/20	4,293
11/27/08	91,725	5/27/20	18,198			5/27/20	49,211	1/1/09	334,102	5/27/20	12,794
12/3/08	87,813	6/3/20	11,011			6/3/20	55,230	1/7/09	334,409	6/3/20	12,795
12/10/08	89,952	6/10/20	8,427			6/10/20	56,983	1/14/09	334,705	6/10/20	12,796
12/17/08	90,237	6/17/20	7,479			6/17/20	57,552	1/21/09	350,524	6/17/20	12,797
12/28/08	84,898	6/24/20	6,237			6/24/20	62,597	1/28/09	248,091	6/24/20	12,798
1/1/09	93,769	7/1/20	5,860			7/1/20	68,133	2/4/09	258,664	7/1/20	12,799
12/17/08	90,237	7/8/20	4,846			7/8/20	67,685	2/11/09	251,206	7/8/20	12,802

CCF				FIMA Repos				MLF			
GFC		COVID		GFC		COVID		GFC		COVID	
		3/11/20	-			3/11/20	-			3/11/20	-
		3/18/20	-			3/18/20	-			3/18/20	-
		3/25/20	-			3/25/20	-			3/25/20	-
		4/1/20	-			4/1/20	-			4/1/20	-
		4/8/20	-			4/8/20	1			4/8/20	-
		4/15/20	-			4/15/20	-			4/15/20	-
		4/22/20	-			4/22/20	-			4/22/20	-
		4/29/20	-			4/29/20	2			4/29/20	-
		5/6/20	-			5/6/20	-			5/6/20	-
		5/13/20	305			5/13/20	1,404			5/13/20	-
		5/20/20	1,801			5/20/20	1			5/20/20	-
		5/27/20	34,853			5/27/20	1			5/27/20	-
		6/3/20	36,154			6/3/20	-			6/3/20	16,075
		6/10/20	37,374			6/10/20	-			6/10/20	16,077
		6/17/20	38,916			6/17/20	-			6/17/20	16,079
		6/24/20	40,617			6/24/20	1			6/24/20	16,080
		7/1/20	41,940			7/1/20	1,001			7/1/20	16,081
		7/8/20	42,644			7/8/20	-			7/8/20	16,082

MSF				TALF			
GFC		COVID		GFC		COVID	
		3/11/20	-	12/17/08	-	3/11/20	-
		3/18/20	-	12/24/08	-	3/18/20	-
		3/25/20	-	12/31/08	-	3/25/20	-
		4/1/20	-	1/7/09	-	4/1/20	-
		4/8/20	-	1/14/09	-	4/8/20	-
		4/15/20	-	1/21/09	-	4/15/20	-
		4/22/20	-	1/28/09	-	4/22/20	-
		4/29/20	-	2/4/09	-	4/29/20	-
		5/6/20	-	2/11/09	-	5/6/20	-
		5/13/20	-	2/18/09	-	5/13/20	-
		5/20/20	-	2/25/09	-	5/20/20	-
		5/27/20	-	3/4/09	-	5/27/20	-
		6/3/20	-	3/11/09	-	6/3/20	-
		6/10/20	31,875	3/18/09	-	6/10/20	-
		6/17/20	31,876	3/25/09	4,711	6/17/20	-
		6/24/20	37,502	4/1/09	4,692	6/24/20	8,500
		7/1/20	37,502	4/8/09	4,692	7/1/20	8,753
		7/8/20	37,503	4/15/09	6,379	7/8/20	8,753

Liquidity Swap Lines

The USD [swap lines](#) are bilateral agreements between the Fed and foreign central banks. They allow foreign central banks to exchange domestic currency for US dollars. The Fed currently maintains swap line agreements with 14 central banks.

Money Market Mutual Fund Liquidity Facility

The [MMLF](#) allows the Fed to fund the purchase of money market mutual fund assets. The program is established under section 13(3) of the Federal Reserve Act.

Discount Window

The [DW](#) is a standing facility that allows the Fed to provide collateralized loans to depository institutions.

Primary Dealer Credit Facility

The [PDCF](#) allows the Fed to extend collateralized loans to primary dealers. The facility was established under section 13(3).

Paycheck Protection Program Liquidity Facility

The [PPPLF](#) allows the Fed to provide financial institutions with liquidity backed by loans to small and medium businesses extended under the federal government's Paycheck Protection Program and guaranteed by the Small Business Administration. The Program is established under section 13(3).

Commercial Paper Funding Facility

The [CPFF](#) provides a liquidity backstop to issuers of commercial paper and was also established under section 13(3). It is operated by the FRBNY through a special purpose vehicle, the Commercial Paper Funding Facility II LLC.

Primary and Secondary Market Corporate Credit Facility

The [PMCCF](#) and [SMCCF](#) were set up under section 13(3) to support credit to employers through purchases of newly issued bonds and support market liquidity for outstanding corporate bonds. These facilities operate through a special purpose vehicle, the Corporate Credit Facility LLC (CCF LLC).

