

Federal Reserve extends temporary US dollar liquidity swap lines and FIMA repo facility to March 31, 2021

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Original post [here](#).

On [July 29](#), the Federal Reserve announced the extensions of its temporary U.S. dollar liquidity swap lines and the temporary repurchase agreement facility for foreign and international monetary authorities (FIMA repo facility). Now these facilities are set to expire on March 31, 2021.

These deadline extensions follow the extensions of other lending programs to December 31 as announced on [July 28](#). The Fed had previously extended the termination date for the Municipal Lending Facility in April.

When the temporary U.S. dollar liquidity swap lines were established on [March 19](#), the Fed announced that they will be “in place for at least six months” (see the YPFS blog [here](#)). The 9 counterparties of the temporary swap lines are the Reserve Bank of Australia, the Banco Central do Brasil, the Danmarks Nationalbank (Denmark), the Bank of Korea, the Banco de Mexico, the Norges Bank (Norway), the Reserve Bank of New Zealand, the Monetary Authority of Singapore, and the Sveriges Riksbank (Sweden).

The FIMA Repo Facility was announced on [March 31](#) and implemented on April 6. In the former announcement, it was stated that the facility was set to “continue for at least 6 months” (see the YPFS blog [here](#)).

The table below lists the current expiration dates for the Fed’s programs in response to the COVID-19 crisis.

Lending Facility	Original Expiration	New Expiration
Primary Dealer Credit Facility (PDCF)	September 20, 2020	December 31, 2020
Money Market Mutual Fund Liquidity Facility (MMLF)	September 30, 2020	December 31, 2020
Primary Market Corporate Credit Facility (PMCCF)	September 30, 2020	December 31, 2020
Secondary Market Corporate Credit Facility (SMCCF)	September 30, 2020	December 31, 2020
Term Asset-Backed Securities Loan Facility (TALF)	September 30, 2020	December 31, 2020
Paycheck Protection Program Liquidity Facility (PPPLF)	September 30, 2020	December 31, 2020
Main Street Lending Program (MSLP)	September 30, 2020	December 31, 2020
Municipal Liquidity Facility (MLF)	September 30, 2020	December 31, 2020
Commercial Paper Funding Facility (CPFF)	March 17, 2021	n/a
Temporary U.S. dollar liquidity swap lines*	September 19, 2020*	March 31, 2021

FIMA Repo Facility	September 31, 2020*	March 31, 2021
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*In March announcements, temporary U.S. dollar liquidity swap lines and the temporary repurchase agreement facility for FIMA repo facility were set to last to “at least six months”.

The Federal Reserve has also activated its standing U.S. dollar liquidity swap lines with the Bank of Canada, the Bank of England, the Bank of Japan, the European Central Bank, and the Swiss National Bank. (See [this](#) YPFS blog).

At the press conference [on July 29](#), Chair Powell noted that “the introduction of the swap lines has really restored dollar funding markets around the world to fairly normal levels of activity” and the facilities served their purposes. Meanwhile, he underscored that the purpose of extension is to “facilitate planning by other central banks, and just so people will know that those facilities are still there.” This is consistent with the earlier [Fed’s research](#) showing that simply announcing the facilities helped restore market confidence.

For more information on liquidity swap lines, see our [resources guide](#).