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## PRESS RELEASE

# REACTIVATION OF US DOLLAR LIQUIDITY PROVIDING OPERATIONS

In response to the re-emergence of strains in U.S. dollar short-term funding markets in Europe, the Bank of Canada, the Bank of England, the European Central Bank (ECB), the Federal Reserve, and the Swiss National Bank are announcing the re-establishment of temporary U.S. dollar liquidity swap facilities. These facilities are designed to help improve liquidity conditions in U.S. dollar funding markets and to prevent the spread of strains to other markets and other financial centers. The Bank of Japan will be considering similar measures soon. Central banks will continue to work together closely as needed to address pressures in funding markets.

### **ECB decisions**

The Governing Council of the ECB decided to reactivate, in coordination with other central banks, the temporary liquidity swap lines with the Federal Reserve, and resume US dollar liquidity-providing operations at terms of 7 and 84 days. These operations will take the form of repurchase operations against ECB-eligible collateral and will be carried out as fixed rate tenders with full allotment. The first operation will be carried out on 11 May 2010.

**Information on related actions being taken by other central banks** is available at the following websites:

Federal Reserve Board: <http://www.federalreserve.gov>

Bank of England: <http://www.bankofengland.co.uk>

Bank of Japan: <http://www.boj.or.jp/en>

Swiss National Bank: <http://www.snb.ch>

Bank of Canada: <http://www.bankofcanada.ca>