

## Communications

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# Swiss National Bank to increase amount of US dollar repo auctions

Central banks have continued to work together and to consult regularly on liquidity conditions in financial markets. In view of the persistent liquidity pressures in some term funding markets, the European Central Bank, the Federal Reserve, and the Swiss National Bank are announcing an expansion of their liquidity measures.

## Action taken by the SNB

In consultation with the Federal Reserve, the Swiss National Bank (SNB) has decided to increase the frequency and amount of US dollar repo auctions. The SNB will now hold its US dollar auctions on a 14-day basis. As previously, it will allocate a maximum of USD 6 billion of liquidity per auction. With this measure, the total amount of liquidity made available will be increased from USD 6 billion so far to a maximum of USD 12 billion. The US dollar repo auctions ease access to US dollar liquidity for SNB counterparties. The SNB plans to make US dollar liquidity available for as long as it considers this to be necessary.

The SNB will conduct the next US dollar auction on 6 May 2008 with settlement on 8 May 2008. The auction will be carried out in the form of a variable rate tender against collateral eligible for SNB repos. The term of the repo transaction will be 28 days. Further information on the US dollar repo auction and corresponding technical requirements will be posted on the SNB website ([www.snb.ch](http://www.snb.ch), under *Financial markets, Monetary policy operations, Repos, Guidelines and instruction sheets*).

The US Federal Reserve will continue to offer the necessary US dollar liquidity through a reciprocal swap agreement.

2 May 2008

2

### **Information on related action taken by other central banks**

Information on related action taken by the Federal Reserve and the European Central Bank is available on the following websites:

Federal Reserve System ([www.federalreserve.gov](http://www.federalreserve.gov))

European Central Bank ([www.ecb.int](http://www.ecb.int))

Press release