

Communications

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Central banks extend swap arrangements until February 2014

The Bank of Canada, the Bank of England, the European Central Bank, the Federal Reserve, and the Swiss National Bank today are announcing an extension of the existing temporary U.S. dollar liquidity swap arrangements through February 1, 2014. Previously these swap arrangements had been authorized through February 1, 2013.

These central banks are also extending through February 1, 2014, the network of temporary bilateral liquidity swap arrangements that enable the provision of liquidity in each jurisdiction in any of their currencies should market conditions so warrant. The bilateral liquidity swap arrangements had been authorized through February 1, 2013.

The Bank of Japan will consider an extension of both sets of swap arrangements at its next Monetary Policy Meeting.

Swiss National Bank action

The Swiss National Bank (SNB) has decided, in cooperation with other central banks, to extend the precautionary and temporary network of reciprocal swap lines for another year. This action will allow the SNB to provide Swiss francs to these central banks when required, as well as enabling the SNB to provide liquidity, should it be needed, in Canadian dollars, British pounds, Japanese yen, and euros (in addition to the existing operations in US dollars). Up to now there was no need to activate those swap lines.

The SNB intends to continue offering US dollar liquidity-providing repo operations at terms of one week and three months. Further information about the US dollar operations and the technical requirements are posted on the SNB website (www.snb.ch/en/ifor/finmkt/id/finmkt_usdollars).

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Information on related measures taken by other central banks is available on the following websites:

Bank of Canada (www.bankofcanada.ca)

European Central Bank (www.ecb.int)

Bank of England (www.bankofengland.co.uk)

Federal Reserve System (www.federalreserve.gov)

Bank of Japan (www.boj.or.jp/en/)