

# Press Release

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March 17, 2020

## Federal Reserve Board announces establishment of a Primary Dealer Credit Facility (PDCF) to support the credit needs of households and businesses

For release at 6:00 p.m. EDT

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To support the credit needs of American households and businesses, the Federal Reserve Board on Tuesday announced that it will establish a Primary Dealer Credit Facility, or PDCF. The facility will allow primary dealers to support smooth market functioning and facilitate the availability of credit to businesses and households.

The PDCF will offer overnight and term funding with maturities up to 90 days and will be available on March 20, 2020. It will be in place for at least six months and may be extended as conditions warrant. Credit extended to primary dealers under this facility may be collateralized by a broad range of investment grade debt securities, including commercial paper and municipal bonds, and a broad range of equity securities. The interest rate charged will be the primary credit rate, or discount rate, at the Federal Reserve Bank of New York.

More detailed terms and conditions and an operational calendar will be subsequently released. The PDCF is established under Section 13(3) of the Federal Reserve Act, with approval of the Treasury Secretary.

For media inquiries, call 202-452-2955.

 [Term Sheet: Primary Dealer Credit Facility \(PDF\)](#)

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Last Update: March 19, 2020