

Press Release

June 15, 2020

Federal Reserve Board announces updates to Secondary Market Corporate Credit Facility (SMCCF), which will begin buying a broad and diversified portfolio of corporate bonds to support market liquidity and the availability of credit for large employers

For release at 2:00 p.m. EDT

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The Federal Reserve Board on Monday announced updates to the Secondary Market Corporate Credit Facility (SMCCF), which will begin buying a broad and diversified portfolio of corporate bonds to support market liquidity and the availability of credit for large employers.

As detailed in a revised term sheet and updated FAQs, the SMCCF will purchase corporate bonds to create a corporate bond portfolio that is based on a broad, diversified market index of U.S. corporate bonds. This index is made up of all the bonds in the secondary market that have been issued by U.S. companies that satisfy the facility's minimum rating, maximum maturity, and other criteria. This indexing approach will complement the facility's current purchases of exchange-traded funds.

The Primary Market and Secondary Market Corporate Credit Facilities were established with the approval of the Treasury Secretary and with \$75 billion in equity provided by the Treasury Department from the CARES Act.

For media inquiries, call 202-452-2955

 [Term Sheet: Secondary Market Corporate Credit Facility \(PDF\)](#)

[FAQs: Primary Market Corporate Credit Facility and Secondary Market Corporate Credit Facility](#) 

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