

## Press Release

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# FEDERAL RESERVE press release



*Release Date: October 28, 2008*

**For release at 5:00 p.m. EDT**

Today, the Federal Reserve and the Reserve Bank of New Zealand are announcing the establishment of a temporary reciprocal currency arrangement (swap line) to address ongoing, elevated pressures in U.S. dollar short-term funding markets. This facility, like those already established with other central banks, is designed to help improve liquidity conditions in global financial markets.

### **Federal Reserve Actions**

The Federal Open Market Committee has authorized the establishment of a new swap facility with the Reserve Bank of New Zealand that will support the provision of U.S. dollar liquidity in amounts of up to \$15 billion. This reciprocal currency arrangement has been authorized through April 30, 2009.

The FOMC previously authorized temporary reciprocal currency arrangements with nine other central banks: the Reserve Bank of Australia, the Bank of Canada, Danmarks Nationalbank, the Bank of England, the European Central Bank, the Bank of Japan, the Norges Bank, the Sveriges Riksbank, and the Swiss National Bank.

### **Information on Related Actions Being Taken by Other Central Banks**

Information on the actions that will be taken by the Reserve Bank of New Zealand is available at the following website:

[Reserve Bank of New Zealand](#) 

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### **Related Federal Reserve Announcements**

September 18

[Coordinated measures with Bank of Canada, Bank of England, ECB, Bank of Japan, and Swiss National Bank](#)

September 24

[Arrangements with Reserve Bank of Australia, Danmarks Nationalbank, Norges Bank, and Sveriges Riksbank](#)

September 26

[Federal Reserve and other central banks announce operations to address funding pressures over quarter end](#)

September 29

[Federal Reserve and other central banks announce further coordinated actions to expand significantly the capacity to provide U.S. dollar liquidity](#)

October 13, 2008

[Federal Reserve and other central banks announce further measures to provide broad access to](#)

liquidity and funding to financial institutions

October 14, 2008

FOMC authorizes an increase in the size of its temporary reciprocal currency arrangement with the Bank of Japan