PRESS RELEASE

The Federal Reserve and U.S. Treasury Did Not Intervene in FX Markets During the First Quarter

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NEW YORK—The Federal Reserve and U.S. Treasury did not intervene in foreign exchange markets during the January – March 2022 quarter, the Federal Reserve Bank of New York said today in its quarterly report to the U.S. Congress.

The U.S. dollar, as measured by the Federal Reserve Board's broad trade-weighted dollar index, was little changed, on net, in the first quarter of 2022. The dollar appreciated in late February and early March amid negative risk sentiment related to Russia's invasion of Ukraine and following communications by Federal Reserve policymakers that signaled a more-rapid-than-expected pace of policy rate increases. However, an improvement in risk sentiment amid a potential reduction in geopolitical tensions led the dollar to retrace in late March, leaving it little changed over the quarter. The dollar appreciated 2.7 percent against the euro, 5.8 percent against the Japanese yen, and 3.0 percent against the British pound, while depreciating 3.2 percent against the Mexican peso, 2.9 percent against the Australian dollar, and 1.0 percent against the Canadian dollar.

The report was presented by Lorie Logan, executive vice president of the Federal Reserve Bank of New York and the Federal Open Market Committee's manager for the System Open Market Account, on behalf of the Treasury and the Federal Reserve System.

The full report is available on the New York Fed's website.

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