

Macro Roundup Article

Headline: [Central Banks Announce Dollar Liquidity Measures To Ease Banking Crisis](#)

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Tweet: The Federal Reserve has set up swap lines with other major central banks to improve dollar liquidity, running daily dollar auctions for the first time since the 2020 Covid crisis @FinancialTimes.

Summary: The Federal Reserve and five other leading central banks have taken fresh measures to improve global access to dollar liquidity as financial markets reel from the turmoil hitting the banking sector. In a joint statement on Sunday, the central banks said that from Monday, they would switch from weekly to daily auctions of dollars in an effort to “ease strains in global funding markets”. The daily swap lines between the Fed and the European Central Bank, Bank of England, Swiss National Bank, Bank of Canada and Bank of Japan would run at least until the end of April, the officials said. The Fed’s swap line network, first set up in 2007, has provided an important funding backstop for global banks during periods of acute market stress. Lenders outside the US can use the swap lines to access dollars in exchange for their domestic currencies by pledging collateral at their respective central banks.

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