2023

Primary and Secondary Rates: Historical

Federal Reserve
liquidity has improved.

Depository institutions are not required to seek alternative sources of funds before a reliance on market sources of funding, or the orderly resolution of a troubled institution. Secondary credit may not be used to fund an expansion of the borrower’s assets.

*Primary credit is available to generally sound depository institutions on a very short-term basis; typically overnight, at a rate above the Federal Open Market Committee’s target rate for federal funds.

**Secondary credit is available to depository institutions not eligible for primary credit. It is extended on a very short-term basis; typically overnight, at a rate that is above the primary credit rate. Secondary credit is available to meet backup liquidity needs when its use is consistent with a timely return to a reliance on market sources of funding or the orderly resolution of a troubled institution. Secondary credit may not be used to fund an expansion of the borrower’s assets.

* On August 17, 2007, the primary credit program was temporarily changed to allow primary credit loans for terms of up to 30 days, rather than overnight or for very short terms as before. Also, the spread of the primary credit rate over the FOMC’s target federal funds rate has been reduced to 50 basis points. These changes will remain until the Federal Reserve determines that market liquidity has improved.