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BDA Calls on Fed to Include all Banks and Dealers who Provide Liquidity in Emergency Programs.

Today, the BDA submitted additional comments to the Federal Reserve on their continued intervention in the capital markets to discuss market structure, and the need to expand their emergency programs to include all banks and dealers who provide liquidity to the market.

The letter can be viewed here.

****All BDA COVID-19 correspondence can be viewed here.**

The letter, while commending Chairman Powell and the Federal Reserve for taking necessary actions to swiftly assistant capital markets, calls on the Fed to be more aware of current market structure:

- The BDA notes that the 24 Primary Dealers with whom the Fed currently trades make up a much smaller share of the trading market;
- Federal regulators have worked hard over the last decade to spread risk more evenly around the financial system and they have been successful; and
- The Fed should look past outdated market structure strategies that rely on a limited number of participants and instead take full advantage of our robust capital markets.

Bond Dealers of America

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