



## The Fed's Footprint in U.S. Money Market Funds Has Grown Significantly Since 2021

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The Federal Reserve's Overnight Reverse Repurchase Facility provides money market funds with a short-term, risk-free investment paying competitive returns. Through this program, the Fed's role as a counterparty for money market funds' Treasury security repurchases has grown significantly. The chart above shows counterparties to U.S. money market funds in Treasury security repurchase agreements as a percentage of the total market. From 2019 to 2021, activity was spread among a diverse set of counterparties. However, since 2021, the Fed has been the dominant counterparty for U.S. money market funds' Treasury repurchases.

See more research from [Charting the Economy](#).

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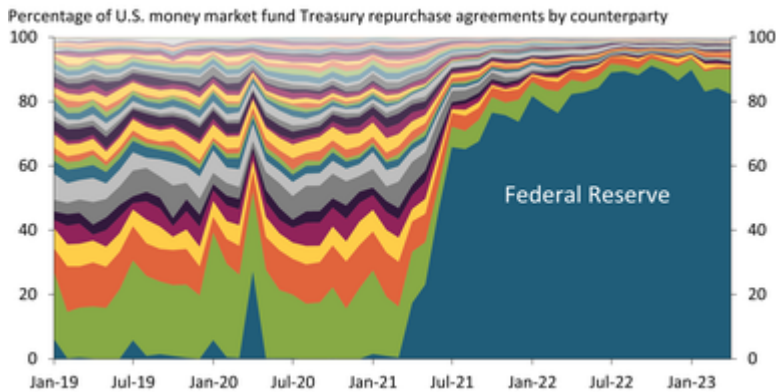


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Stefan Jacewitz is a Research and Policy Officer at the Federal Reserve Bank of Kansas City. He joined the Economic Research Department in April 2021 after serving 12 years at the Federal Deposit Insurance Corporation (FDIC), most recently as the Chief of the Quantitative Risk Analysis Section and previously as a Senior Financial Economist. Mr. Jacewitz has B.A. degrees in Mathematics and Economics from the University of Oklahoma and a Ph.D. in Economics from Texas A&M University. His main areas of research are bank regulation and financial intermediation.

## Media



Sources: U.S. Securities and Exchange Commission (via U.S. Office of Financial Research) and author's calculations.