Banco de la República Reinforces Liquidity Supply and Supports Credit Supply

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With the purpose of reinforcing the adequate supply of liquidity to the economy and supporting the credit supply required by firms and households, the Board of Directors, at its meeting today, authorized the Central Bank to carry out repo operations collateralized with bank credit claims for up to COP $6.3 trillion.

These repos shall have a 6-month maturity, and will be accessible to credit institutions. The first auction will take place on 14 May 2020 for COP $1 trillion. The allotment for subsequent auctions will be announced throughout the development of the program. Auctions are planned to be held every two weeks on Thursdays for three months. The relevant regulations will be issued today.

The Board of Directors also authorized access to FINAGRO to all transitory expansion facilities available.

Finally, the Board introduced changes to the lender of last resort facility (ATLs). Haircuts applicable to the loan portfolio admitted were reduced in line with the credit risk assessment system of the Office of the Financial Superintendent.

Fuente: https://www.banrep.gov.co/en/banco-republica-reinforces-liquidity-supply-and-supports-credit-supply