



EUROPEAN CENTRAL BANK

EUROSYSTEM

PRESS RELEASE

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ECB provides further details on APP purchases of assets with yields below the deposit facility rate

- Purchases of assets with yields below the DFR will only occur under the PSPP, while no such purchases are foreseen for the CBPP3, ABSPP and CSPP
- For each jurisdiction, priority will be given to PSPP purchases of assets with yields above the DFR

The Governing Council of the European Central Bank (ECB) today decided on further details of how the Eurosystem will buy assets with yields below the interest rate on the deposit facility (DFR) under the asset purchase programme (APP). At the December monetary policy meeting, the Governing Council decided to allow such purchases, to the extent necessary, and tasked Eurosystem committees with working out the implementation details.

As a result of that work, the Governing Council today decided that:

- No purchases below the DFR will be conducted under the third covered bond purchase programme (CBPP3), the asset-backed securities purchase programme (ABSPP), or the corporate sector purchase programme (CSPP)
- With regard to the public sector purchase programme (PSPP), for each jurisdiction, priority will be given to purchases of assets with yields above the DFR. This means that the amount of purchases that have to be made at yields below the DFR will vary among jurisdictions. This amount may also change over time, reflecting changes in market interest rates relative to the DFR.

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NOTES

- The Governing Council [decided on adjustments](#) to the parameters of the APP on 8 December 2016 as well [as taking decisions on the future path of the APP](#).
- Further details of the ECB's asset purchase programmes, including updated frequently asked questions, will be [available on the ECB's website](#).

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