

FEDERAL RESERVE BANK OF NEW YORK

Date: December 9, 2009
To: Federal Open Market Committee
From: Brian Sack
Subject: Reinvestment Policy for Maturing SOMA Holdings

The attached memo, “Reinvestment Policy for Maturing SOMA Holdings,” discusses some of the issues surrounding upcoming maturities of SOMA holdings and presents several options that the Committee may wish to consider regarding whether to reinvest or redeem those holdings. I will discuss the treatment of agency and MBS holdings in my report on market developments and operations at the upcoming meeting.