

G7 Policy Tracker





Track every new measures
implemented to fight
the COVID-19 crisis

Saxo's G7 Policy Tracker tracks every new monetary and fiscal measures implemented to fight the coronavirus crisis in G7 countries. It is updated on a regular basis with the most up-to-date measures.








G7 Fiscal Policy Initiatives

March 2020

COUNTRY	MAIN MEASURES	TOTAL AMOUNT (including state guarantee)
 CANADA	<ul style="list-style-type: none"> • C\$27bn in direct support for individuals and companies (including C\$10 billion emergency care program to workers who stay home and a 10% wage subsidy to eligible small businesses for the next 90 days) • C\$55bn in temporary tax deferrals until August 31 for both households and businesses. 	Around C\$82bn
 FRANCE	<ul style="list-style-type: none"> • Promises “no bankruptcy” • Door open to nationalisations • €300bn of state guarantee • Postponed payroll taxes, for about €35bn • Partial unemployment scheme, for about €15 to 20 billion if the crisis lasts longer than one month 	Around €350bn
 GERMANY	<ul style="list-style-type: none"> • Radical break with German economic orthodoxy • Unlimited liquidity support via KfW (€550bn so far) • €600bn rescue fund, including €400bn in public guarantees, €100 for direct equity stakes and €100bn for KfW loan • Higher total net borrowing for 2020 at €356bn (or 10% of GDP) 	€1.1tr (without higher debt issuance)
 ITALY	<ul style="list-style-type: none"> • €25bn stimulus package for businesses, families and the health system • €340bn business credit line 	€365bn
 JAPAN	<ul style="list-style-type: none"> • Ongoing discussions to be finalized in early April • Could provide cash and gift certificates to the public • Could subsidize portions of travel expenses • Could facilitate financing for small and midsize companies • Discusses deficit-covering bonds as a financial source for the package 	Up to ¥30tr (includes spending by the private sector)
 UNITED KINGDOM	<ul style="list-style-type: none"> • Short-term emergency package worth £12bn for the NHS and SMEs and individuals (increased to around £32bn on March 19) • Pre-planned discretionary stimulus of nearly £18bn • Plans to add a further £18bn in stimulus in 2021 • Wage bailout: pays up to 80% of wages up to £2500 per month, backdated to March 1, no limit on funding (could represent more than 10% of GDP, or £200bn, if it runs into two quarters or more) • Tax breaks worth £20bn for companies and households • VAT holiday until end of June, representing £30bn cash injection into the economy • 3-mth moratorium on mortgage payments for home owners in difficulty • State-backed loans and grants of at least £350bn 	£550bn (without the stimulus package for 2021 and wage bailout)
 UNITED STATES	<ul style="list-style-type: none"> • US Senate and WH agreed on stimulus package. Details to be released but should include billions in assistance to companies and states and cities; checks to most Americans, loans and aid for small businesses to maintain their payrolls, more expansive unemployment insurance, deferrals of taxes etc. 	\$2tr

G7 Central Bank Policy Actions

March 2020

Central Bank	Date	Announcement	Rate cut	Level of interest rate	Liquidity injection
 FED	MARCH 3	<ul style="list-style-type: none"> Rate cut 	0.50%	1.00-1.25%	
	MARCH 12	<ul style="list-style-type: none"> Offers cumulative offer \$5.4 trillion liquidity in repo market 			
	MARCH 15	<ul style="list-style-type: none"> Rate cut 	1%	0-0.25%	
		<ul style="list-style-type: none"> QE program 			\$700bn (Treasury and mortgage-backed securities)
	MARCH 17	<ul style="list-style-type: none"> FX swap lines with ECB, BoJ and BoE at 25bp above OIS rate for 84 days 			
	MARCH 17	<ul style="list-style-type: none"> Commercial paper funding facility. The cost will be the 3-mth overnight index swap +200pts 			
	MARCH 19	<ul style="list-style-type: none"> New Money Market Mutual Fund Liquidity Facility FX swap lines with nine more CBs (including EM CBs such as Brazil, SK, Mexico and Singapore) 			
	MARCH 20	<ul style="list-style-type: none"> Offers 7-day USD operations on a daily basis in coordination with the BoC, the BoE, the BoJ, the SNB and the ECB 			
MARCH 23	<ul style="list-style-type: none"> Basically, unlimited QE to make sure the dollar funding market does not freeze Buys an unlimited amount of Treasury bonds and MBS including agency commercial MBS New lending facilities that will provide up to \$300bn by purchasing corporate bonds Wider range of municipal bond purchases TO BE ANNOUNCED – Main Street Business Lending Program for SMEs 			UNLIMITED	
 ECB	MARCH 12	<ul style="list-style-type: none"> Expanding QE program 			€120bn until the end of 2020, with a special focus on private sector bonds, such as corporate bonds
		<ul style="list-style-type: none"> More favorable terms for the already planned TLTRO III with a rate up to -0.75% 			
MARCH 18	<ul style="list-style-type: none"> “Whatever it takes” moment Increased purchase of government and corporate bonds and other assets up to €750bn until the end of 2020 (will even include Greek debt under waiver) 				
 BoE	MARCH 11	<ul style="list-style-type: none"> Rate cut 	0.50%	0.25%	
		<ul style="list-style-type: none"> Term-funding scheme to support SMEs 			could provide in excess of £100bn
	MARCH 19	<ul style="list-style-type: none"> Rate cut Increased U.K. government bond purchases 	0.15%	0.10%	Up to £200bn (with total QE program reaching £645bn)
 BoJ	MARCH 16	<ul style="list-style-type: none"> Increase the purchase of ETFs 			Limit at ¥12tr
		<ul style="list-style-type: none"> Increased limit of corporate bond purchases 			Limit at ¥8tr
	MARCH 19	<ul style="list-style-type: none"> Emergency bond buying of government bonds to curb rising long-term yields 			¥1.3tr
 BoC	MARCH 4	<ul style="list-style-type: none"> Rate cut 	0.50%	1.25%	
	MARCH 13	<ul style="list-style-type: none"> Rate cut 	0.50%	0.75%	