

Cash Advisory Council:

The following communication has just been distributed to all Federal Reserve Cash Services customers via email and through the FedCash Services via the FedLine Web access solution (FedLine Home):

FedCash® Services – Coin Distribution Update announcing increases effective November 16, 2020

The Federal Reserve continues efforts to manage the distribution of the Federal Reserve’s coin inventory and new coin produced by the U.S. Mint in a fair and equitable manner.

The following coin order adjustments will take effect on November 16:

- **Pennies and quarters:** In consideration of the upcoming holiday season, the Federal Reserve is pleased to remove the coin order caps for pennies and quarters. Thanks to steady deposits from financial institutions (FIs) and elevated U.S. Mint production, the Reserve Banks’ inventories of these coins are now closer to pre-pandemic levels. FIs can place orders for pennies and quarters without limits but are asked to only order based on near-term customer demand. Coin circulation challenges remain and could continue until the underlying slowed consumer circulation is resolved. FIs are strongly encouraged to place reasonable orders for coin and continue to deposit any excess coin to the Federal Reserve.
 - o **Action Required:** This removal of coin order caps should enable you to do the same for your customer orders. In addition, we ask that you please share this communication with local branches in your area to help disseminate the information to local vaults and branches.
- **Nickels and dimes:** Order caps for nickels are being increased by at least 25 percent in each group (with a 33 and 50 percent increase for the Small and Medium groups, respectively). Order caps for dimes are being increased by 50 percent for all groups. Due to current available Federal Reserve inventory and the current ordering and depositing trends for these denominations, Reserve Banks will continue to allocate nickels and dimes at this time. Future adjustments to coin order caps will continue to depend on coin deposits from FIs and the U.S. Mint’s ability to produce new coin.

Please refer to the table below for the current and new coin order cap amounts. **These adjustments will start being applied to orders placed on Friday, November 13, 2020 for pick-up on Monday, November 16, 2020.**

Coin order caps effective November 16:

Group	Penny		Nickel		Dime		Quarter	
	10/19	New (11/16)	10/19	New (11/16)	10/19	New (11/16)	10/19	New (11/16)
Small	\$1,300	No Caps	\$1,200	\$1,600	\$6,000	\$9,000	\$14,000	No Caps
Medium	\$3,000	No Caps	\$2,400	\$3,600	\$8,000	\$12,000	\$50,000	No Caps
Large	\$14,000	No Caps	\$12,000	\$15,000	\$30,000	\$45,000	\$150,000	No Caps
X-Large	\$36,000	No Caps	\$24,000	\$30,000	\$100,000	\$150,000	\$500,000	No Caps
XX-Large	\$75,000	No Caps	\$72,000	\$90,000	\$200,000	\$300,000	\$900,000	No Caps

Please note that these amounts establish the maximum for your orders per week and per endpoint. However, if our coin inventory is depleted or low, we may be delayed in filling your orders entirely, or we may fill your orders with less coin than the caps referenced above.

Coin circulation issue is improving, but not yet fully resolved

Industry efforts to improve coin circulation are helping to get coin moving, allowing the Federal Reserve to increase coin order caps consistently since the allocation program was implemented in mid-June. The decision to lift and/or increase limits is driven by the Federal Reserve's goal to distribute as much coin as possible into the economy in a fair and equitable manner, especially in advance of the holiday season. However, the nation's coin circulation challenges are not fully resolved. While efforts to get coin moving have succeeded, all coin supply chain partners need to remain diligent to keep coin moving. **We ask all FedCash Services customers to do their part and to continue to order only what they need to meet near-term demand and to deposit any excess coin to the Federal Reserve.** We will continue to monitor U.S. Mint production, coin deposits and orders, and Federal Reserve inventories in our monthly review of order allocation caps.

We appreciate all of our customers and supply chain partners doing their part to #getcoinmoving.

Background on Coin Allocation

The Federal Reserve's coin allocation program began on [June 15, 2020](#). Using historical ordering volumes by denomination, all FI endpoints were placed into Small, Medium, Large, and Extra-Large (XL) endpoint groups (on September 14, the Extra-Extra-Large (XXL) group was added). Coin order caps are unique by coin denomination and are based on available inventory. The Federal Reserve has committed to reviewing coin allocation on a monthly basis or when inventory levels warrant a change in allocation.

Since June 2020, the Federal Reserve has increased coin order limit amounts six times (July 20, August 10, August 31, September 14, October 19, and November 16). The decision to raise or lower coin allocation caps is based on several factors, including U.S. Mint production levels, and coin deposits and coin orders from FIs.

Service and Support

If you have questions, please contact your local FedCash Services [customer support representative or your Federal Reserve account executive](#). For a complete list of customer support contacts for your institution, please visit the [Contact](#) page. You may wish to print a hard copy of this list in case of power or internet disruptions.