

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
DIVISION OF MONETARY AFFAIRS

Date: October 26, 2015
To: Board Members and Reserve Bank Presidents
From: Thomas Laubach
Subject: Effects of a change in the dollar on r^*

In response to a recent question from an FOMC participant about the effect of a change in the value of the dollar on r^* , Bob Tetlow has prepared a helpful memo entitled, “Implications of a Large, Temporary Appreciation of the Dollar, in Terms of r^* ,” which is attached for your background.