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DISCOUNT AND ADVANCE RATES -- Requests by ten Reserve Banks to maintain the existing rate; requests by two Reserve Banks to increase the primary credit rate.

Existing rate maintained.  
February 7, 2011.

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Subject to review and determination by the Board of Governors, the directors of the Federal Reserve Banks of Boston, Cleveland, Richmond, St. Louis, and San Francisco had voted on January 27, 2011, and the directors of the Federal Reserve Banks of New York, Philadelphia, Atlanta, Chicago, and Minneapolis had voted on February 3 to reestablish the existing rate for discounts and advances (3/4 percent) under the primary credit program (primary credit rate). The directors of the Federal Reserve Banks of Kansas City and Dallas had voted on January 27 to establish a rate of 1 percent (an increase from 3/4 percent). At its meeting on January 24, the Board had taken no action on similar requests by the Federal Reserve Banks of Kansas City and Dallas to increase the primary credit rate.

At today's meeting, no sentiment was expressed in favor of considering the primary credit rate, and the existing rate was maintained.

Participating in this determination: Chairman Bernanke, Vice Chair Yellen, and Governors Warsh, Duke, Tarullo, and Raskin.

Background: Office of the Secretary memorandum, February 4, 2011.

Implementation: Transmissions from Ms. Johnson to the Reserve Banks, February 7, 2011.

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DISCOUNT AND ADVANCE RATES -- Renewal by twelve Reserve Banks of the formulas for calculating the secondary and seasonal credit rates.

Approved.  
February 7, 2011.

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The Board approved renewal by the Federal Reserve Banks of Boston, Cleveland, Richmond, St. Louis, Kansas City, Dallas, and San Francisco on January 27,

2011, and by the Federal Reserve Banks of New York, Philadelphia, Atlanta, Chicago, and Minneapolis on February 3 of the formulas for calculating the rates applicable to discounts and advances under the secondary and seasonal credit programs.

Voting for this action: Chairman Bernanke, Vice Chair Yellen, and  
Governors Warsh, Duke, Tarullo, and Raskin.

Background: Office of the Secretary memorandum, February 4, 2011.

Implementation: Transmissions from Ms. Johnson to the Reserve Banks,  
February 7, 2011.

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DISCOUNT AND ADVANCE RATES -- Requests by ten Reserve Banks to maintain the existing rate; requests by two Reserve Banks to increase the primary credit rate.

Existing rate maintained.  
February 28, 2011.

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Subject to review and determination by the Board of Governors, the directors of the Federal Reserve Banks of New York, Philadelphia, Atlanta, Chicago, and Minneapolis had voted on February 17, 2011, and the directors of the Federal Reserve Banks of Boston, Cleveland, Richmond, St. Louis, and San Francisco had voted on February 24 to reestablish the existing rate for discounts and advances (3/4 percent) under the primary credit program (primary credit rate). The directors of the Federal Reserve Banks of Kansas City and Dallas had voted on February 24 to establish a rate of 1 percent (an increase from 3/4 percent). At its meeting on February 7, the Board had taken no action on similar requests by the Federal Reserve Banks of Kansas City and Dallas to increase the primary credit rate.

At today's meeting, no sentiment was expressed in favor of considering the primary credit rate, and the existing rate was maintained.

Participating in this determination: Chairman Bernanke and Governors Warsh,  
Duke, Tarullo, and Raskin.

Background: Office of the Secretary memorandum, February 25, 2011.

Implementation: Transmissions from Ms. Johnson to the Reserve Banks,  
February 28, 2011.

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DISCOUNT AND ADVANCE RATES -- Renewal by twelve Reserve Banks of the formulas for calculating the secondary and seasonal credit rates.

Approved.  
February 28, 2011.

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The Board approved renewal by the Federal Reserve Banks of New York, Philadelphia, Atlanta, Chicago, and Minneapolis on February 17, 2011, and by the Federal Reserve Banks of Boston, Cleveland, Richmond, St. Louis, Kansas City, Dallas, and San Francisco on February 24 of the formulas for calculating the rates applicable to discounts and advances under the secondary and seasonal credit programs.

Voting for this action: Chairman Bernanke and Governors Warsh, Duke, Tarullo, and Raskin.

Background: Office of the Secretary memorandum, February 25, 2011.

Implementation: Transmissions from Ms. Johnson to the Reserve Banks, February 28, 2011.

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DISCOUNT AND ADVANCE RATES -- Requests by ten Reserve Banks to maintain the existing rate; requests by two Reserve Banks to increase the primary credit rate.

Existing rate maintained.  
March 14, 2011.

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Subject to review and determination by the Board of Governors, the directors of the Federal Reserve Banks of New York, Philadelphia, Chicago, and Minneapolis had voted on March 3, 2011, and the directors of the Federal Reserve Banks of Boston, Cleveland, Richmond, Atlanta, St. Louis, and San Francisco had voted on March 10 to reestablish the existing rate for discounts and advances (3/4 percent) under the primary credit program (primary credit rate). The directors of the Federal Reserve Banks of Kansas City and Dallas had voted on March 10 to establish a rate of 1 percent (an increase from 3/4 percent). At its meeting on February 28, 2011, the Board had taken no action on similar requests by the Federal Reserve Banks of Kansas City and Dallas to increase the primary credit rate.

Federal Reserve Bank directors generally viewed recent information as showing that the economic recovery was progressing. Directors noted a number of positive indicators, including further gains in consumer spending, a modest improvement in labor market conditions, and continued advances in manufacturing activity. Information about commercial construction activity was mixed, while the housing sector continued to struggle due, in part, to a high volume of foreclosures. Directors expressed concerns about the downside risks posed by rising energy and other commodity prices and by increased fiscal stringency at all levels of government. While rising commodity prices can exert upward pressure on inflation, most directors expected inflation to remain low over the medium term. Against this backdrop, most directors recommended that the current accommodative stance of monetary policy be maintained.

As another step toward restoring a pre-crisis discount rate structure, some directors supported increasing the primary credit rate by 25 basis points (to 1 percent) at this time. Such an action would result in a 75-basis-point spread between the primary credit rate and the upper end of the Federal Open Market Committee's target range for the federal funds rate. These directors favored a move toward normalization of the primary credit rate in light of current and anticipated economic conditions.

Today, Board members considered the primary credit rate and discussed, on a preliminary basis, their individual assessments of the appropriate rate and its communication, which would be discussed at the meeting of the Federal Open Market Committee tomorrow. No sentiment was expressed for changing the primary credit rate before the Committee's meeting, and the existing rate was maintained.

Participating in this determination: Chairman Bernanke, Vice Chair Yellen, and Governors Duke, Tarullo, and Raskin.

Background: Office of the Secretary memorandum, March 11, 2011.

Implementation: Transmissions from Ms. Johnson to the Reserve Banks, March 14, 2011.

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DISCOUNT AND ADVANCE RATES -- Renewal by twelve Reserve Banks of the formulas for calculating the secondary and seasonal credit rates.

Approved.  
March 14, 2011.

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The Board approved renewal by the Federal Reserve Banks of New York, Philadelphia, Chicago, and Minneapolis on March 3, 2011, and by the Federal Reserve Banks of Boston, Cleveland, Richmond, Atlanta, St. Louis, Kansas City, Dallas, and San Francisco on March 10 of the formulas for calculating the rates applicable to discounts and advances under the secondary and seasonal credit programs.

Voting for this action: Chairman Bernanke, Vice Chair Yellen, and  
Governors Duke, Tarullo, and Raskin.

Background: Office of the Secretary memorandum, March 11, 2011.

Implementation: Transmissions from Ms. Johnson to the Reserve Banks, March 14, 2011.