
DISCOUNT AND ADVANCE RATES -- Requests by eleven Reserve Banks to maintain the existing rate; request by one Reserve Bank to increase the primary credit rate.

Existing rate maintained.
August 22, 2011.

Subject to review and determination by the Board of Governors, the directors of the Federal Reserve Banks of Boston, Cleveland, St. Louis, Dallas, and San Francisco had voted on August 11, 2011, and the directors of the Federal Reserve Banks of New York, Philadelphia, Richmond, Atlanta, Chicago, and Minneapolis had voted on August 18 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 Bank of Kansas City had voted on August 11 to establish a rate of 1 percent (an increase from 3/4 percent). At its meeting on August 8, the Board had taken no action on 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 Duke, Tarullo, and Raskin.

Background: Office of the Secretary memorandum, August 19, 2011.

Implementation: Transmissions from Mr. Frierson to the Reserve Banks, August 22, 2011.

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

Approved.
August 22, 2011.

The Board approved renewal by the Federal Reserve Banks of Boston, Cleveland, St. Louis, Kansas City, Dallas, and San Francisco on August 11, 2011, and by the Federal Reserve Banks of New York, Philadelphia, Richmond, Atlanta, Chicago, and Minneapolis on August 18 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, August 19, 2011.

Implementation: Transmissions from Mr. Frierson to the Reserve Banks,
August 22, 2011.

DISCOUNT AND ADVANCE RATES -- Requests by eleven Reserve Banks to maintain the existing rate; request by one Reserve Bank to increase the primary credit rate.

Existing rate maintained.
September 6, 2011.

Subject to review and determination by the Board of Governors, the directors of the Federal Reserve Banks of Boston, Cleveland, St. Louis, Dallas, and San Francisco had voted on August 25, 2011, and the directors of the Federal Reserve Banks of New York, Philadelphia, Richmond, Atlanta, Chicago, and Minneapolis had voted on September 1 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 Bank of Kansas City had voted on September 1 to establish a rate of 1 percent (an increase from 3/4 percent). At its meeting on August 22, the Board had taken no action on a similar request by the Federal Reserve Bank of Kansas City to increase the primary credit rate.

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 later this month. 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, September 1, 2011.
Implementation: Transmissions from Ms. Johnson to the Reserve Banks, September 6, 2011.

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

Approved.
September 6, 2011.

The Board approved renewal by the Federal Reserve Banks of Boston, Cleveland, St. Louis, Dallas, and San Francisco on August 25, 2011, and by the Federal Reserve Banks of New York, Philadelphia, Richmond, Atlanta, Chicago, Minneapolis, and Kansas City on September 1 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, September 1, 2011.
Implementation: Transmissions from Ms. Johnson to the Reserve Banks, September 6, 2011.

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.
September 19, 2011.

Subject to review and determination by the Board of Governors, the directors of the Federal Reserve Banks of Boston, Cleveland, St. Louis, Minneapolis, and San Francisco had voted on September 8, 2011, and the directors of the Federal Reserve Banks of New York, Philadelphia, Richmond, Atlanta, and Chicago had voted on September 15 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 Bank of Dallas had voted on September 8 and the directors of the Federal

Reserve Bank of Kansas City had voted on September 15 to establish a rate of 1 percent (an increase from 3/4 percent). At its meeting on September 6, the Board had taken no action on a request by the Federal Reserve Bank of Kansas City to increase the primary credit rate.

Federal Reserve Bank directors remained cautious about the prospects for economic growth in light of generally weak incoming data on employment and production. Although some directors reported improvements in certain sectors, particularly those related to energy or motor vehicles, most directors described overall economic activity as moderate or flat, and many saw the outlook as unusually uncertain. Several directors cited heightened caution and restraint by consumers and businesses as a result of recent volatility in stock prices, continued uncertainty about European and U.S. fiscal matters, and concern about general economic conditions. Directors also noted the ongoing drag on the economy from sluggish employment growth and the still-depressed housing sector. Higher prices for energy and other commodities pushed up inflation earlier this year, but these prices had subsequently receded or leveled off. Longer-term inflation expectations had remained stable. Against this backdrop, most directors recommended that the current primary credit rate 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 this week. 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, September 16, 2011.

Implementation: Transmissions from Ms. Johnson to the Reserve Banks, September 19, 2011.

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

Approved.
September 19, 2011.

The Board approved renewal by the Federal Reserve Banks of Boston, Cleveland, St. Louis, Minneapolis, Dallas, and San Francisco on September 8, 2011, and by the Federal Reserve Banks of New York, Philadelphia, Richmond, Atlanta, Chicago, and Kansas City on September 15 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, September 16, 2011.

Implementation: Transmissions from Ms. Johnson to the Reserve Banks,
September 19, 2011.