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DISCOUNT AND ADVANCE RATES -- Requests by nine Reserve Banks to maintain the existing rate and requests by three Reserve Banks to increase the primary credit rate.

Existing rate maintained.  
February 10, 2014.

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Subject to review and determination by the Board of Governors, the directors of the Federal Reserve Banks of New York, Richmond, Chicago, and St. Louis had voted on January 30, 2014, and the directors of the Federal Reserve Banks of Boston, Cleveland, Atlanta, Minneapolis, and San Francisco had voted on February 6, 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 January 30, and the directors of the Federal Reserve Banks of Philadelphia and Dallas had voted on February 6, to establish a rate of 1 percent (an increase from 3/4 percent). At its meeting on January 27, the Board had taken no action on similar requests by the Federal Reserve Banks of Philadelphia, 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: Chair Yellen and Governors Tarullo, Raskin, Stein, and Powell.

Background: Office of the Secretary memorandum, February 7, 2014.

Implementation: Transmissions from Mr. Frierson to the Reserve Banks, February 10, 2014.

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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 10, 2014.

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The Board approved renewal by the Federal Reserve Banks of New York, Richmond, Chicago, St. Louis, and Kansas City on January 30, 2014, and by the Federal Reserve Banks of Boston, Philadelphia, Cleveland, Atlanta, Minneapolis, Dallas, and San Francisco on February 6, of the formulas for calculating the rates applicable to discounts and advances under the secondary and seasonal credit programs.

Voting for this action: Chair Yellen and Governors Tarullo, Raskin, Stein, and Powell.

Background: Office of the Secretary memorandum, February 7, 2014.

Implementation: Transmissions from Mr. Frierson to the Reserve Banks, February 10, 2014.

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DISCOUNT AND ADVANCE RATES -- Requests by nine Reserve Banks to maintain the existing rate and requests by three Reserve Banks to increase the primary credit rate.

Existing rate maintained.  
February 24, 2014.

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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, Chicago, St. Louis, and San Francisco had voted on February 13, 2014, and the directors of the Federal Reserve Banks of New York, Atlanta, and Minneapolis had voted on February 20, 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 13, and the directors of the Federal Reserve Bank of Philadelphia had voted on February 20, to establish a rate of 1 percent (an increase from 3/4 percent). At its meeting on February 10, the Board had taken no action on similar requests by the Federal Reserve Banks of Philadelphia, 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: Governors Tarullo, Raskin, Stein, and Powell.

Background: Office of the Secretary memorandum, February 21, 2014.  
Implementation: Transmissions from Mr. Frierson to the Reserve Banks,  
February 24, 2014.

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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 24, 2014.

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The Board approved renewal by the Federal Reserve Banks of Boston, Cleveland, Richmond, Chicago, St. Louis, Kansas City, Dallas, and San Francisco on February 13, 2014, and by the Federal Reserve Banks of New York, Philadelphia, Atlanta, and Minneapolis on February 20, of the formulas for calculating the rates applicable to discounts and advances under the secondary and seasonal credit programs.

Voting for this action: Governors Tarullo, Raskin, Stein, and Powell.

Background: Office of the Secretary memorandum, February 21, 2014.  
Implementation: Transmissions from Mr. Frierson to the Reserve Banks,  
February 24, 2014.

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DISCOUNT AND ADVANCE RATES -- Requests by nine Reserve Banks to maintain the existing rate and requests by three Reserve Banks to increase the primary credit rate.

Existing rate maintained.  
March 17, 2014.

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Subject to review and determination by the Board of Governors, the directors of the Federal Reserve Banks of New York, Richmond, Chicago, and St. Louis had voted on March 6, 2014, and the directors of the Federal Reserve Banks of Boston, Cleveland, Atlanta, Minneapolis, and San Francisco had voted on March 13, 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 Philadelphia had voted on March 6, and the directors of the Federal Reserve Banks of Kansas City and Dallas had voted on March 13, to establish a rate of 1 percent (an increase from 3/4 percent). At its meeting on February 24, the Board had taken no action on similar requests by the Federal Reserve Banks of Philadelphia, Kansas City, and Dallas to increase the primary credit rate.

Federal Reserve Bank directors remained cautiously optimistic that the economy would continue to expand at a moderate pace, although most noted that severe winter weather had constrained recent economic activity. Some directors reported advances in capital investment, particularly in the energy sector, as well as a recent pickup in demand for business loans, especially for smaller businesses. Directors had mixed reports on construction activity, and consumer spending was described as improving only modestly. Other directors observed a softening in residential mortgage originations for both purchases and refinancing. Overall, businesses were still cautious about hiring, and unemployment remained elevated. However, some directors reported difficulty in finding qualified workers for certain positions. Some directors also voiced concerns about the possible negative effects of increased health care costs. Although recent inflation readings were lower than the Federal Open Market Committee's longer-run goal, directors did not note a change in longer-term inflation expectations, which 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. Thereafter, a discussion of economic and financial developments and issues related to possible policy actions took place.

Participating in this determination: Chair Yellen and Governors Tarullo, Stein, and Powell.

Background: Office of the Secretary memorandum, March 14, 2014.  
Implementation: Transmissions from Mr. Frierson to the Reserve Banks, March 17, 2014.

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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 17, 2014.

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The Board approved renewal by the Federal Reserve Banks of New York, Philadelphia, Richmond, Chicago, and St. Louis on March 6, 2014, and by the Federal Reserve Banks of Boston, Cleveland, Atlanta, Minneapolis, Kansas City, Dallas, and San Francisco on March 13, of the formulas for calculating the rates applicable to discounts and advances under the secondary and seasonal credit programs.

Voting for this action: Chair Yellen and Governors Tarullo, Stein, and Powell.

Background: Office of the Secretary memorandum, March 14, 2014.  
Implementation: Transmissions from Mr. Frierson to the Reserve Banks, March 17, 2014.