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.
May 9, 2011.

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 April 28, 2011, and the directors of the Federal Reserve Banks of New York, Philadelphia, Atlanta, and Minneapolis had voted on May 5 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 April 28 to establish a rate of 1 percent (an increase from 3/4 percent). At its meeting on April 25, 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 Duke, Tarullo, and Raskin.

Background: Office of the Secretary memorandum, May 6, 2011.

Implementation: Transmissions from Ms. Johnson to the Reserve Banks, May 9, 2011.

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

Approved.
May 9, 2011.

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

April 28, 2011, and by the Federal Reserve Banks of New York, Philadelphia, Atlanta, and Minneapolis on May 5 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 Duke, Tarullo, and Raskin.

Background: Office of the Secretary memorandum, May 6, 2011.

Implementation: Transmissions from Ms. Johnson to the Reserve Banks, May 9, 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.
May 23, 2011.

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 May 12, 2011, and the directors of the Federal Reserve Banks of New York, Philadelphia, Atlanta, and Minneapolis had voted on May 19 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 May 12 to establish a rate of 1 percent (an increase from 3/4 percent). At its meeting on May 9, 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.

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 next meeting of the Federal Open Market Committee. 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, May 20, 2011.

Implementation: Transmissions from Ms. Johnson to the Reserve Banks, May 23, 2011.

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

Approved.
May 23, 2011.

The Board approved renewal by the Federal Reserve Banks of Boston, Cleveland, Richmond, Chicago, St. Louis, Kansas City, Dallas, and San Francisco on May 12, 2011, and by the Federal Reserve Banks of New York, Philadelphia, Atlanta, and Minneapolis on May 19 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, May 20, 2011.

Implementation: Transmissions from Ms. Johnson to the Reserve Banks, May 23, 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.
June 6, 2011.

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 May 26, 2011, and the directors of the Federal Reserve Banks of New York, Philadelphia, Atlanta, and Minneapolis had voted on June 2 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 May 26 to establish a rate of 1 percent (an increase from 3/4 percent). At its meeting on May 23, 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.

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 next meeting of the Federal Open Market Committee. 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, June 3, 2011.

Implementation: Transmissions from Ms. Johnson to the Reserve Banks, June 6, 2011.

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

Approved.
June 6, 2011.

The Board approved renewal by the Federal Reserve Banks of Boston, Cleveland, Richmond, Chicago, St. Louis, Kansas City, Dallas, and San Francisco on May 26, 2011, and by the Federal Reserve Banks of New York, Philadelphia, Atlanta, and Minneapolis on June 2 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, June 3, 2011.

Implementation: Transmissions from Ms. Johnson to the Reserve Banks, June 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.

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 June 9, 2011, and the directors of the Federal Reserve Banks of New York, Philadelphia, Atlanta, and Minneapolis had voted on June 16 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 June 9 and the directors of the Federal Reserve Bank of Kansas City had voted on June 16 to establish a rate of 1 percent (an increase from 3/4 percent). At its meeting on June 6, 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 noted that recent economic data had been weaker than expected, and they expressed a heightened caution about the likely pace of improvement in the economy over coming quarters. Many directors said that recent increases in the prices of food and energy had damped consumer spending and sentiment. Other directors expressed concern that uncertainty about fiscal and regulatory policies was weighing on business investment and hiring. Unemployment was elevated, and the housing sector remained depressed, despite some activity in multifamily construction. Several directors attributed the slower pace of recovery, in part, to factors that were likely to be transitory, but they expected the recovery would only be moderately strong even after those factors had dissipated. Higher prices for energy and other commodities had recently pushed up inflation, but with commodity prices apparently stabilizing and longer-term inflation expectations stable, directors generally expected inflation to fall back. 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 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, June 17, 2011.

Implementation: Transmissions from Ms. Johnson to the Reserve Banks, June 20, 2011.

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

Approved.
June 20, 2011.

The Board approved renewal by the Federal Reserve Banks of Boston, Cleveland, Richmond, Chicago, St. Louis, Dallas, and San Francisco on June 9, 2011, and by the Federal Reserve Banks of New York, Philadelphia, Atlanta, Minneapolis, and Kansas City on June 16 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, June 17, 2011.

Implementation: Transmissions from Ms. Johnson to the Reserve Banks, June 20, 2011.