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

Existing rate maintained.
April 2, 2012.

Subject to review and determination by the Board of Governors, the directors of the Federal Reserve Banks of Philadelphia, Cleveland, Richmond, Atlanta, Chicago, St. Louis, Dallas, and San Francisco had voted on March 22, 2012, and the directors of the Federal Reserve Banks of New York and Minneapolis had voted on March 29 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 Boston had voted on March 22 to establish a rate of 1/2 percent (a decrease from 3/4 percent). The directors of the Federal Reserve Bank of Kansas City had voted on March 22 to establish a rate of 1 percent (an increase from 3/4 percent). At its meeting on March 12, the Board had taken no action on similar requests by the Federal Reserve Bank of Boston to decrease and by the Federal Reserve Bank of Kansas City 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, March 30, 2012.

Implementation: Transmissions from Mr. Frierson to the Reserve Banks, April 2, 2012.

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

Approved.
April 2, 2012.

The Board approved renewal by the Federal Reserve Banks of Boston, Philadelphia, Cleveland, Richmond, Atlanta, Chicago, St. Louis, Kansas City, Dallas, and San Francisco on March 22, 2012, and by the Federal Reserve Banks of New York and Minneapolis on March 29 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, March 30, 2012.

Implementation: Transmissions from Mr. Frierson to the Reserve Banks, April 2, 2012.

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

Existing rate maintained.
April 23, 2012.

Subject to review and determination by the Board of Governors, the directors of the Federal Reserve Banks of Cleveland, Richmond, St. Louis, Dallas, and San Francisco had voted on April 12, 2012, and the directors of the Federal Reserve Banks of New York, Philadelphia, Atlanta, Chicago, and Minneapolis had voted on April 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 Bank of Boston had voted on April 12 to establish a rate of 1/2 percent (a decrease from 3/4 percent). The directors of the Federal Reserve Bank of Kansas City had voted on April 12 to establish a rate of 1 percent (an increase from 3/4 percent). At its meeting on April 2, the Board had taken no action on similar requests by the Federal Reserve Bank of Boston to decrease and by the Federal Reserve Bank of Kansas City to increase the primary credit rate.

Federal Reserve Bank directors noted further improvement in economic activity, and they anticipated growth would continue at a moderate pace. Directors generally saw the incoming data on consumer spending as a bit more robust than they had expected but cautioned that these gains might be attributable to unseasonably warm winter weather. Directors also reported strong performance in sectors related to agriculture and motor vehicles. Some directors noted improvement, albeit gradual and from low levels, in the housing sector that was particularly apparent in multifamily housing. While hiring had picked up recently, the unemployment rate remained elevated. Some directors noted that higher energy prices were damping consumer spending on non-energy products. Many directors cited downside risks that included still-significant strains in global financial markets and ongoing domestic fiscal uncertainty. Against this backdrop, most directors recommended that the current primary credit rate be maintained.

However, other Federal Reserve Bank directors viewed current and anticipated economic conditions as warranting either an increase or decrease in the primary credit rate. Some directors favored decreasing the rate by 25 basis points (to 1/2 percent), while other directors favored increasing the rate by 25 basis points (to 1 percent). In part, directors viewed an increase, which would widen the spread between the primary credit rate and the upper end of the target range for the federal funds rate to 75 basis points, as a move toward restoring the 100-basis-point spread in the pre-crisis discount rate structure.

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, April 20, 2012.

Implementation: Transmissions from Ms. Johnson to the Reserve Banks, April 23, 2012.

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

Approved.
April 23, 2012.

The Board approved renewal by the Federal Reserve Banks of Boston, Cleveland, Richmond, St. Louis, Kansas City, Dallas, and San Francisco on April 12, 2012, and by the Federal Reserve Banks of New York, Philadelphia, Atlanta, Chicago, and Minneapolis on April 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, April 20, 2012.

Implementation: Transmissions from Ms. Johnson to the Reserve Banks, April 23, 2012.