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.
July 2, 2012.

Subject to review and determination by the Board of Governors, the directors of the Federal Reserve Banks of New York, Philadelphia, and Minneapolis had voted on June 21, 2012, and the directors of the Federal Reserve Banks of Cleveland, Richmond, Atlanta, Chicago, St. Louis, Dallas, and San Francisco had voted on June 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 June 29 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 June 29 to establish a rate of 1 percent (an increase from 3/4 percent). At its meeting on June 18, 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, Vice Chair Yellen, and Governors Duke, Tarullo, Raskin, Stein, and Powell.

Background: Office of the Secretary memorandum, June 29, 2012.
Implementation: Transmissions from Ms. Johnson to the Reserve Banks, July 2, 2012.

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

Approved.
July 2, 2012.

The Board approved renewal by the Federal Reserve Banks of New York, Philadelphia, and Minneapolis on June 21, 2012, and by the Federal Reserve Banks of Boston, Cleveland, Richmond, Atlanta, Chicago, St. Louis, Kansas City, Dallas, and San Francisco on June 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, Vice Chair Yellen, and Governors Duke, Tarullo, Raskin, Stein, and Powell.

Background: Office of the Secretary memorandum, June 29, 2012.

Implementation: Transmissions from Ms. Johnson to the Reserve Banks, July 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.
July 16, 2012.

Subject to review and determination by the Board of Governors, the directors of the Federal Reserve Banks of New York, Philadelphia, and Minneapolis had voted on July 5, 2012, and the directors of the Federal Reserve Banks of Cleveland, Richmond, Atlanta, Chicago, St. Louis, Dallas, and San Francisco had voted on July 12 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 July 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 July 12 to establish a rate of 1 percent (an increase from 3/4 percent). At its meeting on July 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.

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, Raskin, Stein, and Powell.

Background: Office of the Secretary memorandum, July 13, 2012.

Implementation: Transmissions from Mr. Frierson to the Reserve Banks, July 16, 2012.

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

Approved.
July 16, 2012.

The Board approved renewal by the Federal Reserve Banks of New York, Philadelphia, and Minneapolis on July 5, 2012, and by the Federal Reserve Banks of Boston, Cleveland, Richmond, Atlanta, Chicago, St. Louis, Kansas City, Dallas, and San Francisco on July 12 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, Raskin, Stein, and Powell.

Background: Office of the Secretary memorandum, July 13, 2012.

Implementation: Transmissions from Mr. Frierson to the Reserve Banks, July 16, 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.
July 30, 2012.

Subject to review and determination by the Board of Governors, the directors of the Federal Reserve Banks of New York, Philadelphia, and Minneapolis had voted on July 19, 2012, and the directors of the Federal Reserve Banks of Cleveland, Richmond, Atlanta, Chicago, St. Louis, Dallas, and San Francisco had voted on July 26 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 July 26 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 July 19 to establish a rate of 1 percent (an increase from 3/4 percent). At its meeting on July 16, 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 that economic activity had slowed somewhat in recent months. Most directors still expected economic conditions to improve over the medium term, although some expressed considerable uncertainty about the near-term prospects for economic growth. In labor markets, growth in employment was sluggish, and the elevated unemployment rate remained a source of concern. Directors reported solid increases in automobile sales, but overall consumer spending had decelerated somewhat. Directors also noted continued, though uneven, improvements in the housing sector that included a rise in home sales and prices in a number of areas. Some directors reported potentially adverse effects from recent drought conditions in many regions. Directors cited ongoing downside risks, including still-significant strains in global financial markets and domestic fiscal uncertainty, as resulting in more caution on the part of firms regarding hiring and investment. Lower energy prices had helped to hold down inflation, and longer-term inflation expectations had remained stable. 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. Thereafter, a discussion of economic and financial developments and issues related to possible policy actions took place. (NOTE: Vice Chair Yellen was not present for this discussion.)

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

Background: Office of the Secretary memorandum, July 27, 2012.

Implementation: Transmissions from Mr. Frierson to the Reserve Banks, July 30, 2012.

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

Approved.
July 30, 2012.

The Board approved renewal by the Federal Reserve Banks of New York, Philadelphia, Minneapolis, and Kansas City on July 19, 2012, and by the Federal Reserve Banks of Boston, Cleveland, Richmond, Atlanta, Chicago, St. Louis, Dallas, and San Francisco on July 26 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, Raskin, Stein, and Powell.

Background: Office of the Secretary memorandum, July 27, 2012.

Implementation: Transmissions from Mr. Frierson to the Reserve Banks, July 30, 2012.