
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.
August 13, 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 August 2, 2012, and the directors of the Federal Reserve Banks of Cleveland, Richmond, Atlanta, Chicago, St. Louis, Dallas, and San Francisco had voted on August 9 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 August 9 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 August 2 to establish a rate of 1 percent (an increase from 3/4 percent). At its meeting on July 30, 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, Raskin, Stein, and Powell.

Background: Office of the Secretary memorandum, August 10, 2012.

Implementation: Transmissions from Mr. Frierson to the Reserve Banks, August 13, 2012.

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

Approved.
August 13, 2012.

The Board approved renewal by the Federal Reserve Banks of New York, Philadelphia, Minneapolis, and Kansas City on August 2, 2012, and by the Federal Reserve Banks of Boston, Cleveland, Richmond, Atlanta, Chicago, St. Louis, Dallas, and San Francisco on August 9 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, Raskin, Stein, and Powell.

Background: Office of the Secretary memorandum, August 10, 2012.

Implementation: Transmissions from Mr. Frierson to the Reserve Banks, August 13, 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.
August 27, 2012.

Subject to review and determination by the Board of Governors, the directors of the Federal Reserve Banks of New York and Minneapolis had voted on August 16, 2012, and the directors of the Federal Reserve Banks of Philadelphia, Cleveland, Richmond, Atlanta, Chicago, St. Louis, Dallas, and San Francisco had voted on August 23 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 August 23 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 August 16 to establish a rate of 1 percent (an increase from 3/4 percent). At its meeting on August 13, 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, August 24, 2012.

Implementation: Transmissions from Mr. Frierson to the Reserve Banks, August 27, 2012.

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

Approved.
August 27, 2012.

The Board approved renewal by the Federal Reserve Banks of New York, Minneapolis, and Kansas City on August 16, 2012, and by the Federal Reserve Banks of Boston, Philadelphia, Cleveland, Richmond, Atlanta, Chicago, St. Louis, Dallas, and San Francisco on August 23 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, August 24, 2012.

Implementation: Transmissions from Mr. Frierson to the Reserve Banks, August 27, 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.
September 10, 2012.

Subject to review and determination by the Board of Governors, the directors of the Federal Reserve Bank of Minneapolis had voted on August 30, 2012, and the directors of the Federal Reserve Banks of New York, Philadelphia, Cleveland, Richmond, Atlanta, Chicago, St. Louis, Dallas, and San Francisco had voted on September 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 Boston had voted on September 6 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 September 6 to establish a rate of 1 percent (an increase from 3/4 percent). At its meeting on August 27, 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 remained cautious about the near-term prospects for economic growth, although most directors still expected economic conditions to improve over the longer term. Some directors reported moderate growth in consumer spending, as well as strong performance in energy-related sectors. Directors also continued to note some positive developments in the housing sector, including a rise in home sales and prices. However, some directors expressed concern about ongoing weakness in the manufacturing sector and the adverse effects of the drought on agricultural production in some parts of the country. Directors cited the persistence of downside risks, including strains in global financial markets and domestic fiscal and regulatory uncertainty, and their dampening effect on firms' hiring and investment decisions. Inflation was generally seen as subdued. Longer-term inflation expectations had inched up recently but remained stable overall. 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 a 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.

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

Background: Office of the Secretary memorandum, September 7, 2012.

Implementation: Transmissions from Mr. Frierson to the Reserve Banks, September 10, 2012.

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

Approved.
September 10, 2012.

The Board approved renewal by the Federal Reserve Bank of Minneapolis on August 30, 2012, and by the Federal Reserve Banks of Boston, New York, Philadelphia, Cleveland, Richmond, Atlanta, Chicago, St. Louis, Kansas City, Dallas, and San Francisco on September 6 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, Raskin, Stein, and Powell.

Background: Office of the Secretary memorandum, September 7, 2012.

Implementation: Transmissions from Mr. Frierson to the Reserve Banks, September 10, 2012.