

**Appendix 1: Materials used by Mr. Reinhart**

Exhibit 1

**Five General Principles about the Announcement**

- (1) Respect the important role of the discussion at the meeting
- (2) Do not unnecessarily complicate forging a consensus
- (3) Make use of a key communications channel with the public
- (4) Avoid mistakes
- (5) Preserve the confidentiality of the decision until its release

## Exhibit 2

## A Few Models

	<i>Respect discussion of decision</i>	<i>Do not complicate consensus</i>	<i>Use communication channel</i>	<i>Avoid mistakes</i>	<i>Preserve confidentiality</i>
(1) Federal Reserve of the early 1990s <i>Do not issue a statement (or perhaps only one limited to the vote on the funds rate)</i>	+	+	—	+	+
(2) Bank of England <i>Release a simplified statement and expedite the publication of the minutes</i>	+	+	?	—	+
(3) Bank of Canada <i>Draft the statement after the policy decision, which would require delaying its release</i>	+	—	+	—	—
(4) Federal Reserve of the late 1980s <i>Routinize parts of the statement and circulate staff alternatives in advance</i>	+	—	?	+	+
(5) Federal Reserve of the 2000s <i>Review a prepared draft statement after the decision</i>	+	?	+	+	+

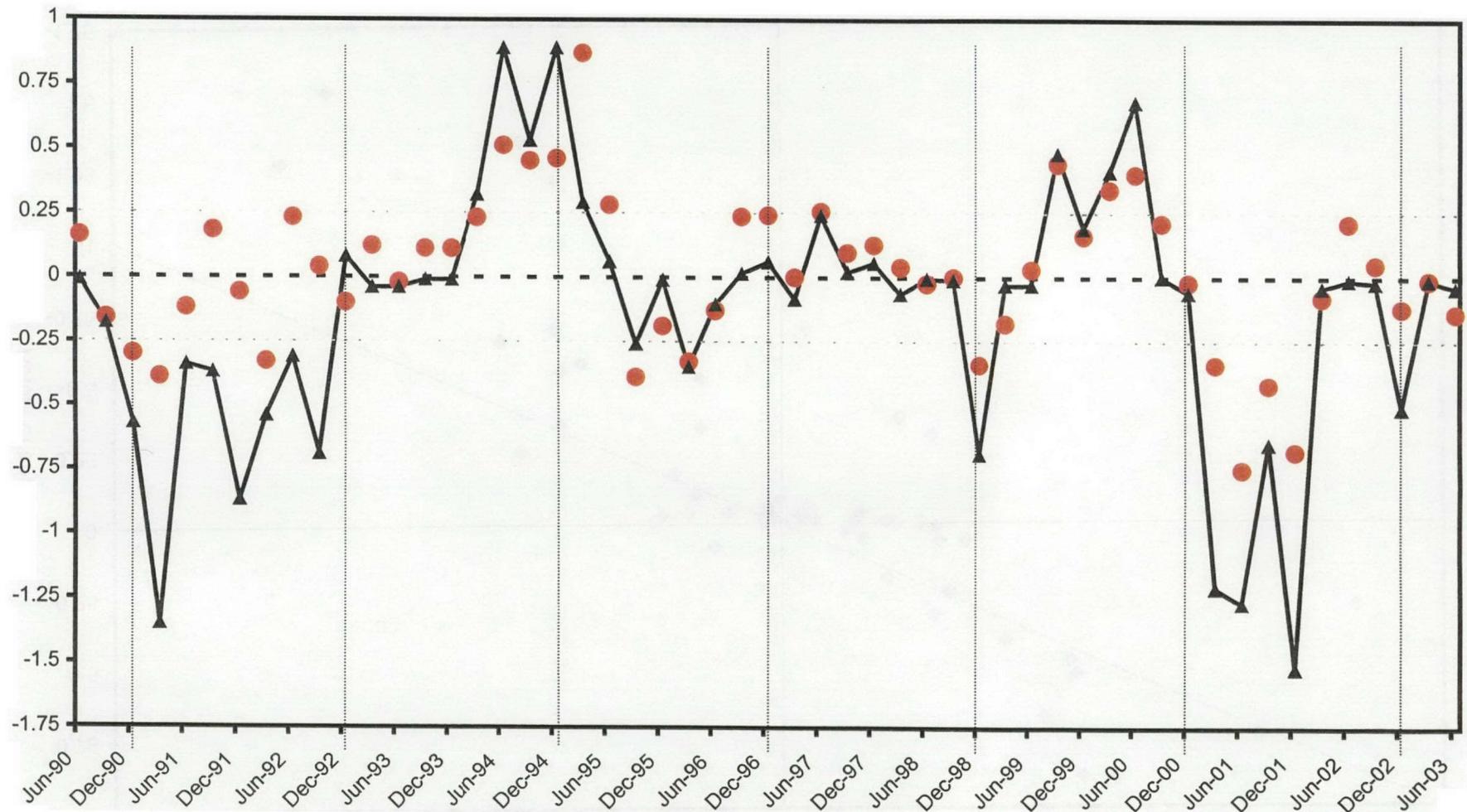
Exhibit 3

## Some Questions about Content

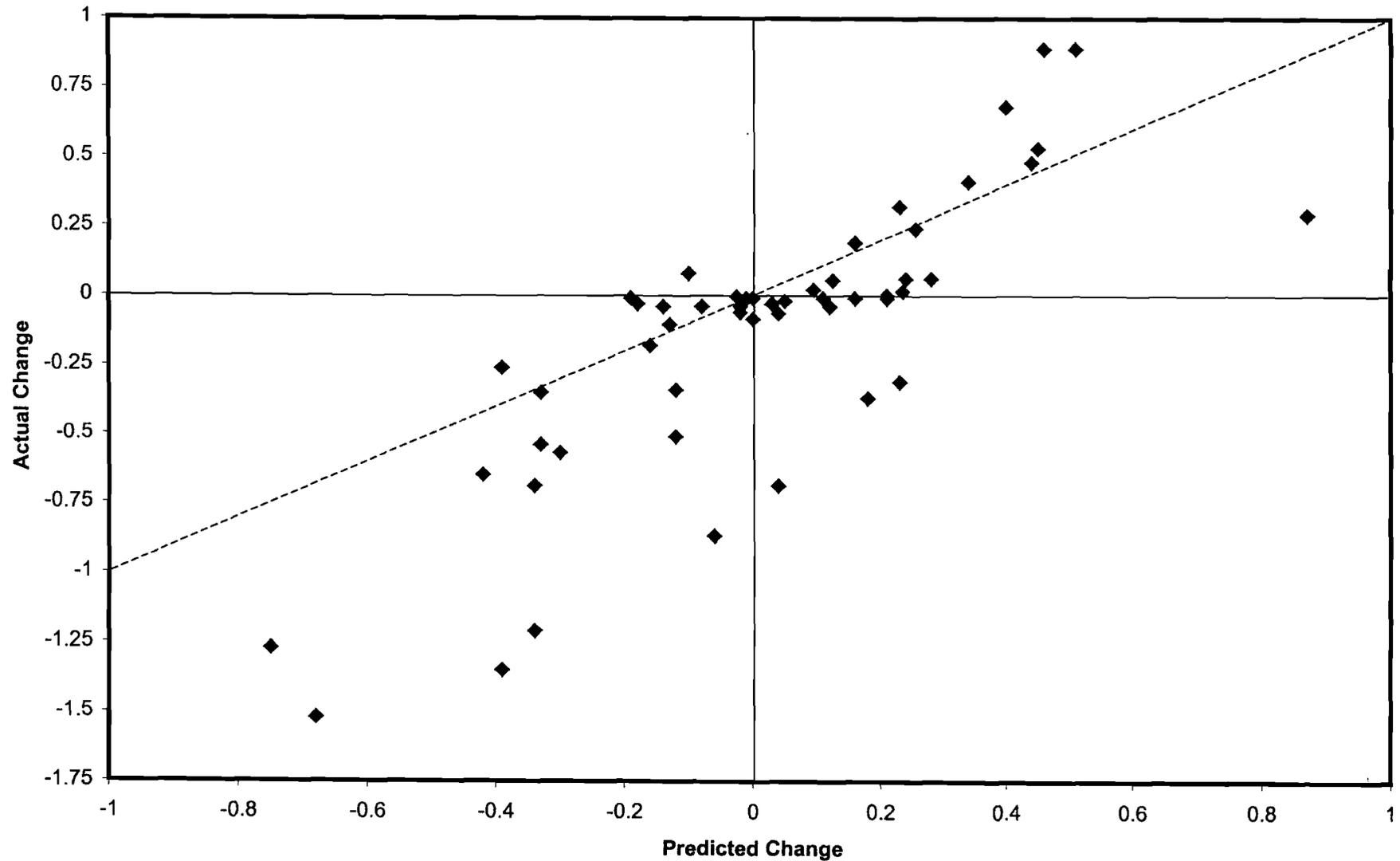
- (1) Is the Committee satisfied with the three-part risk assessment initiated in May?
  - Risks to sustainable economic growth
  - Risks to price stability
  - The balance of those two risks
- (2) What does “sustainable” economic growth mean?
  - Economic growth at the rate of potential output
  - Economic growth that does not create imbalances
- (3) Does “risk” have a negative connotation?
- (4) How long is the “foreseeable” future
- (5) Should the Committee include a commitment that policy will be kept accommodative for a considerable period?

**Appendix 2: Materials used by Mr. Poole**

Figure 1: Predicted and Actual Changes in the Funds Rate, Quarterly  
(triangles denote actual changes, dots denote predicted changes)



The data are daily for the business day closest to the 15<sup>th</sup> of the last month of the quarter.  
The actual change (black line) is the difference between the zero-month futures rate at  $t$  and  $t-3$ .  
The predicted change (the red dot) is difference between 3- and zero-month futures rates at  $t-1$ .

**Figure 2: Scatter Plot of Predicted and Actual Changes in the Funds Rate, Quarterly**

The data are daily for the business day closest to the 15<sup>th</sup> of the last month of the quarter.  
The actual change is the difference between the zero-month futures rate at  $t$  and  $t-3$ .  
The predicted change is difference between 3- and zero-month futures rates at  $t-1$ .