

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
DIVISION OF MONETARY AFFAIRS
FOMC SECRETARIAT

Date: October 13, 2010
To: Federal Open Market Committee
From: Deborah J. Danker
Subject: Two Background Memos from Reserve Banks

Please find attached two papers from Reserve Banks that were sent to us to share with the Committee in advance of Friday's FOMC videoconference. The first, "The Case for Targeting the Level of Nominal Spending," is from the Dallas Bank. The second, from the Cleveland Bank, is entitled "Historically Determined Inflation in the Context of Price Level and Inflation Targeting Regimes;" it follows an introductory note from President Pianalto.