
DISCOUNT AND ADVANCE RATES -- Requests by nine Reserve Banks to maintain the existing rate and requests by three Reserve Banks to increase the primary credit rate.

Existing rate maintained.
April 14, 2014.

Subject to review and determination by the Board of Governors, the directors of the Federal Reserve Banks of New York, Richmond, Chicago, and St. Louis had voted on April 3, 2014, and the directors of the Federal Reserve Banks of Boston, Cleveland, Atlanta, Minneapolis, and San Francisco had voted on April 10, 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 Philadelphia had voted on April 3, and the directors of the Federal Reserve Banks of Kansas City and Dallas had voted on April 10, to establish a rate of 1 percent (an increase from 3/4 percent). At its meeting on March 17, the Board had taken no action on similar requests by the Federal Reserve Banks of Philadelphia, Kansas City, and Dallas 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: Chair Yellen and Governors Stein and Powell.

Background: Office of the Secretary memorandum, April 11, 2014.

Implementation: Transmissions from Mr. Frierson to the Reserve Banks, April 14, 2014.

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

Approved.
April 14, 2014.

The Board approved renewal by the Federal Reserve Banks of New York, Philadelphia, Richmond, Chicago, and St. Louis on April 3, 2014, and by the Federal Reserve Banks of Boston, Cleveland, Atlanta, Minneapolis, Kansas City, Dallas, and San Francisco on April 10, of the formulas for calculating the rates applicable to discounts and advances under the secondary and seasonal credit programs.

Voting for this action: Chair Yellen and Governors Stein and Powell.

Background: Office of the Secretary memorandum, April 11, 2014.

Implementation: Transmissions from Mr. Frierson to the Reserve Banks, April 14, 2014.

DISCOUNT AND ADVANCE RATES -- Requests by nine Reserve Banks to maintain the existing rate and requests by three Reserve Banks to increase the primary credit rate.

Existing rate maintained.
April 28, 2014.

Subject to review and determination by the Board of Governors, the directors of the Federal Reserve Banks of New York, Richmond, Chicago, and St. Louis had voted on April 17, 2014, and the directors of the Federal Reserve Banks of Boston, Cleveland, Atlanta, Minneapolis, and San Francisco had voted on April 24, 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 Philadelphia had voted on April 17, and the directors of the Federal Reserve Banks of Kansas City and Dallas had voted on April 24, to establish a rate of 1 percent (an increase from 3/4 percent). At its meeting on April 14, the Board had taken no action on similar requests by the Federal Reserve Banks of Philadelphia, Kansas City, and Dallas to increase the primary credit rate.

Federal Reserve Bank directors noted recent improvements in economic activity following a slowdown earlier in the year because of severe winter weather. Overall, most directors expressed positive views that the economy would continue to expand at a moderate pace. While consumer spending had started to pick up, some directors cited uneven activity across income groups. Some directors also reported increased construction activity, particularly for commercial and multifamily residential projects. Commercial lending had expanded moderately, but residential lending continued to slow for both purchases and refinancings. Recent labor market indicators had been moderately encouraging, but businesses were still cautious about hiring, and

unemployment remained elevated. Some directors continued to report difficulty in finding qualified workers for certain positions. Although prices for food and other commodities had increased recently, directors did not note a change in longer-term inflation expectations, which had remained stable. Against this backdrop, most directors recommended that the current primary credit rate be maintained.

As another step toward restoring a pre-crisis discount rate structure, some directors supported increasing the primary credit rate by 25 basis points (to 1 percent) at this time. Such an action would result in a 75-basis-point spread between the primary credit rate and the upper end of the Federal Open Market Committee's target range for the federal funds rate. These directors favored a move toward normalization of the primary credit rate in light of current and anticipated economic conditions.

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: Chair Yellen and Governors Tarullo, Stein, and Powell.

Background: Office of the Secretary memorandum, April 25, 2014.

Implementation: Transmissions from Mr. Frierson to the Reserve Banks, April 28, 2014.

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

Approved.
April 28, 2014.

The Board approved renewal by the Federal Reserve Banks of New York, Philadelphia, Richmond, Chicago, and St. Louis on April 17, 2014, and by the Federal Reserve Banks of Boston, Cleveland, Atlanta, Minneapolis, Kansas City, Dallas, and San Francisco on April 24, of the formulas for calculating the rates applicable to discounts and advances under the secondary and seasonal credit programs.

Voting for this action: Chair Yellen and Governors Tarullo, Stein, and Powell.

Background: Office of the Secretary memorandum, April 25, 2014.

Implementation: Transmissions from Mr. Frierson to the Reserve Banks, April 28, 2014.