DISCOUNT AND ADVANCE RATES -- Requests by six Reserve Banks to maintain the existing rate; request by one Reserve Bank to decrease the primary credit rate; and requests by five Reserve Banks to increase the primary credit rate.

Existing rate maintained.
August 31, 2015.

Subject to review and determination by the Board of Governors, the directors of the Federal Reserve Banks of Atlanta, Chicago, and St. Louis had voted on August 20, 2015, and the directors of the Federal Reserve Banks of Boston, New York, and San Francisco had voted on August 27, 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 Minneapolis had voted on August 27 to establish a rate of 1/2 percent (a decrease from 3/4 percent). The directors of the Federal Reserve Bank of Philadelphia had voted on August 20, and the directors of the Federal Reserve Banks of Cleveland, Richmond, Kansas City, and Dallas had voted on August 27, to establish a rate of 1 percent (an increase from 3/4 percent). At its meeting on July 27, the Board had taken no action on similar requests by the Philadelphia, Cleveland, Richmond, Kansas City, and Dallas Reserve Banks to increase, and by the Minneapolis Reserve Bank to decrease, the primary credit rate in the same manner as currently requested.

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, Vice Chairman Fischer, and Governors Powell and Brainard.

Background: Office of the Secretary memorandum, August 28, 2015.

Implementation: Transmissions from Mr. Frierson to the Reserve Banks, August 31, 2015.

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

Approved.
August 31, 2015.

The Board approved renewal by the Federal Reserve Banks of Philadelphia, Atlanta, Chicago, and St. Louis on August 20, 2015, and by the Federal Reserve Banks of Boston, New York, Cleveland, Richmond, Minneapolis, Kansas City, Dallas, and San Francisco on August 27, 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, Vice Chairman Fischer, and Governors Powell and Brainard.

Background: Office of the Secretary memorandum, August 28, 2015.

Implementation: Transmissions from Mr. Frierson to the Reserve Banks, August 31, 2015.

DISCOUNT AND ADVANCE RATES -- Requests by three Reserve Banks to maintain the existing rate; request by one Reserve Bank to decrease the primary credit rate; and requests by eight Reserve Banks to increase the primary credit rate.

Existing rate maintained.
September 15, 2015.

Subject to review and determination by the Board of Governors, the directors of the Federal Reserve Bank of Boston had voted on September 3, 2015, and the directors of the Federal Reserve Banks of New York and Chicago had voted on September 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 Minneapolis had voted on September 3 to establish a rate of 1/2 percent (a decrease from 3/4 percent). The directors of the Federal Reserve Banks of Philadelphia and St. Louis had voted on September 3, and the directors of the Federal Reserve Banks of Cleveland, Richmond, Atlanta, Kansas City, Dallas, and San Francisco had voted on September 10, to establish a rate of 1 percent (an increase from 3/4 percent). At its meeting on August 31, the Board had taken no action on requests by the Philadelphia, Cleveland, Richmond, Kansas City, and Dallas Reserve Banks to increase, and by the Minneapolis Reserve Bank to decrease, the primary credit rate.

Federal Reserve Bank directors reported ongoing moderate growth in economic activity, including stronger consumer spending, particularly for autos, and gains in the residential and commercial real estate sectors. Some directors noted that economic growth had been somewhat faster than they had anticipated a few months ago. In labor markets, some directors reported sustained employment gains and signs of wage pressures in some sectors and parts of the country. Inflation, however, remained below the Federal Reserve's 2 percent objective, reflecting in part the effects of lower prices of imported goods. Overall, directors were optimistic about the prospects for continued economic growth, but they also expressed uncertainty about the likely effects of recent international economic and financial developments for the domestic economy. Against this backdrop, some directors recommended that the current primary credit rate be maintained.

However, other Federal Reserve Bank directors favored either an increase or a decrease in the primary credit rate. Directors requesting an increase in the primary credit rate (to 1 percent) viewed a move toward a more normal level as appropriate in light of improvements in economic and labor market conditions, as well as expectations for inflation to begin rising gradually toward its 2 percent objective over the medium term. Some directors also judged that an increase in interest rates could help limit the risks to financial stability over the longer run. The directors requesting a reduction in the primary credit rate (to 1/2 percent) judged that the lower rate would be appropriate given current and anticipated economic conditions, their outlook for continued low inflation, and potential downside risks to the domestic economy associated with international developments.

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, Powell, and Brainard.

Background: Office of the Secretary memorandum, September 11, 2015.

Implementation: Transmissions from Mr. Frierson to the Reserve Banks, September 15, 2015.

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

Approved.
September 15, 2015.

The Board approved renewal by the Federal Reserve Banks of Boston, Philadelphia, St. Louis, and Minneapolis on September 3, 2015, and by the Federal Reserve Banks of New York, Cleveland, Richmond, Atlanta, Chicago, Kansas City, Dallas, and San Francisco on September 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 Tarullo, Powell, and Brainard.

Background: Office of the Secretary memorandum, September 11, 2015.

Implementation: Transmissions from Mr. Frierson to the Reserve Banks, September 15, 2015.