
DISCOUNT AND ADVANCE RATES -- Establishment without change by twelve Federal Reserve Banks of the primary credit rate, and renewal by those Reserve Banks of the formulas for calculating the secondary and seasonal credit rates.

**Existing rate maintained.
Formulas renewed.
February 8, 2016.**

Subject to review and determination by the Board of Governors, the directors of the Federal Reserve Banks of New York, Cleveland, Richmond, Minneapolis, Kansas City, Dallas, and San Francisco had voted on January 28, 2016, and the directors of the Federal Reserve Banks of Boston, Philadelphia, Atlanta, Chicago, and St. Louis had voted on February 4, to reestablish the existing rate for discounts and advances (1 percent) under the primary credit program (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. The formulas for calculating the rates applicable to discounts and advances under the secondary and seasonal credit programs were also renewed by the Board for the twelve Reserve Banks on the dates indicated above.

Participating in these determinations: Chair Yellen, Vice Chairman Fischer, and Governors Tarullo, Powell, and Brainard.

Background: Office of the Secretary memorandum, February 5, 2016.

Implementation: Transmissions from Ms. Shanks to the Reserve Banks, February 8, 2016.

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

**Existing rate maintained.
March 14, 2016.**

Subject to review and determination by the Board of Governors, the directors of the Federal Reserve Banks of Boston, Philadelphia, St. Louis, and Minneapolis had voted on March 3, 2016, and the directors of the Federal Reserve Banks of New York, Cleveland, Atlanta, Chicago, Dallas, and San Francisco had voted on March 10, to reestablish the existing rate for discounts and advances (1 percent) under the primary credit program (primary credit rate). The directors of the Federal Reserve Bank of Richmond had voted on March 3, and the directors of the Federal Reserve Bank of Kansas City had voted on March 10, to establish a rate of 1-1/4 percent (an increase from 1 percent).

In general, Federal Reserve Bank directors viewed the recent pace of economic expansion as moderate. Several directors pointed to positive developments, including growth in consumer spending and housing-sector activity. However, some directors also cited ongoing weakness in the manufacturing, energy, and export-related sectors. Most directors reported further strengthening in labor markets. Some directors reported signs of moderate wage pressures for certain types of jobs, as well as recruiting difficulties for highly skilled and technical jobs. Inflation increased recently yet remains below the Federal Reserve's 2 percent objective. Directors noted continuing global economic and financial developments and their potential implications for the economic outlook.

Against this backdrop, most directors recommended that the current primary credit rate be maintained. Other Federal Reserve Bank directors recommended increasing the primary credit rate (to 1-1/4 percent), in light of continued improvements in labor market conditions and expectations that inflation would rise toward the Federal Reserve's 2 percent objective over the medium term.

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, Vice Chairman Fischer, and Governors Tarullo, Powell, and Brainard.

Background: Office of the Secretary memorandum, March 11, 2016.

Implementation: Transmissions from Mr. Frierson to the Reserve Banks, March 14, 2016.

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

**Formulas renewed.
March 14, 2016.**

The formulas for calculating the rates applicable to discounts and advances under the secondary and seasonal credit programs were renewed by the Board for the Federal Reserve Banks of Boston, Philadelphia, Richmond, St. Louis, and Minneapolis on March 3, 2016, and for the Federal Reserve Banks of New York, Cleveland, Atlanta, Chicago, Kansas City, Dallas, and San Francisco on March 10.

Participating in this determination: Chair Yellen, Vice Chairman Fischer, and Governors Tarullo, Powell, and Brainard.

Background: Office of the Secretary memorandum, March 11, 2016.

Implementation: Transmissions from Mr. Frierson to the Reserve Banks, March 14, 2016.