DISCOUNT AND ADVANCE RATES -- Requests by twelve Reserve Banks to maintain the existing primary credit rate; requests to renew secondary and seasonal credit formulas.

Existing rate and formulas approved.
April 7, 2025.

Today, Board members discussed economic and financial developments and issues related to possible policy actions. In connection with this discussion, Board members considered discounts and advances made under the primary credit program (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 next joint meeting of the Board and the Federal Open Market Committee.

Subject to review and determination by the Board of Governors, the directors of the Federal Reserve Banks of Philadelphia, Richmond, and Atlanta had voted on March 27, 2025, and the directors of the Federal Reserve Banks of Boston, New York, Cleveland, Chicago, St. Louis, Minneapolis, Kansas City, Dallas, and San Francisco had voted on April 3, to establish the primary credit rate at the existing level of 4.5 percent. No sentiment was expressed by the Board at today's meeting for changing the primary credit rate at this time, and the Board approved the establishment of the primary credit rate at the existing level of 4.5 percent.

The Board's action today on the primary credit rate also included renewal of the existing formulas for calculating the rates applicable to discounts and advances under the secondary and seasonal credit programs. As specified by the formula for the secondary credit rate, this rate would be set 50 basis points above the primary credit rate. As specified by the formula for the seasonal credit rate, this rate would be reset every two weeks as the average of the daily effective federal funds rate and the rate on three-month CDs over the previous 14 days, rounded to the nearest 5 basis points.

Voting for this action: Chair Powell, Vice Chair Jefferson, and Governors Waller, Cook, and Barr.
Absent: Governors Bowman and Kugler.

Background: Office of the Secretary memorandum, April 4, 2025.

Implementation: Transmissions from Ms. Misback to the Reserve Banks, April 7, 2025.

DISCOUNT AND ADVANCE RATES -- Requests by twelve Reserve Banks to maintain the existing primary credit rate; requests to renew secondary and seasonal credit formulas.

Existing rate and formulas approved.
April 28, 2025.

Today, Board members discussed economic and financial developments and issues related to possible policy actions. In connection with this discussion, Board members considered discounts and advances made under the primary credit program (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 joint meeting of the Board and the Federal Open Market Committee next week.

Subject to review and determination by the Board of Governors, the directors of the Federal Reserve Bank of New York had voted on April 17, 2025, and the directors of the Federal Reserve Banks of Boston, Philadelphia, Cleveland, Richmond, Atlanta, Chicago, St. Louis, Minneapolis, Kansas City, Dallas, and San Francisco had voted on April 24, to establish the primary credit rate at the existing level of 4.5 percent.

Overall, Reserve Bank directors noted considerable uncertainty about the outlook. While most directors described recent economic conditions as generally stable, they also expressed concern about the potential impact of evolving trade and other policies on economic activity, prices, and employment. In light of elevated uncertainty, many directors had observed consumers and businesses becoming more cautious about their spending and future plans. Several directors commented on expected price pressures related to tariffs, including higher prices for consumers. Labor market conditions remained healthy, with some directors noting low turnover and limited layoffs. However, some directors said businesses in their Districts had indicated future staff reductions might be needed to absorb costs associated with tariffs and reduced government funding in certain sectors.

No sentiment was expressed by the Board at today's meeting for changing the primary credit rate at this time, and the Board approved the establishment of the primary credit rate at the existing level of 4.5 percent. The Board's action today on the primary credit rate also included renewal of the existing formulas for calculating the rates applicable to discounts and advances under the secondary and seasonal credit programs. As specified by the formula for the secondary credit rate, this rate would be set 50 basis points above the primary credit rate. As specified by the formula for the seasonal credit rate, this rate would be reset every two weeks as the average of the daily effective federal funds rate and the rate on three-month CDs over the previous 14 days, rounded to the nearest 5 basis points.

Voting for this action: Chair Powell, Vice Chair Jefferson, and Governors Bowman, Waller, Cook, Barr, and Kugler.

Background: Office of the Secretary memorandum, April 25, 2025.

Implementation: Transmissions from Ms. Misback to the Reserve Banks, April 28, 2025.

MONETARY POLICY IMPLEMENTATION -- Interest on reserve balances rate unchanged; rates on discounts and advances unchanged; renewal of secondary and seasonal credit formulas.

Approved.
May 7, 2025.

In a joint meeting of the Federal Open Market Committee (FOMC) and the Board today, the FOMC decided to maintain the target range for the federal funds rate at 4-1/4 to 4-1/2 percent, effective May 8, 2025. Consistent with the FOMC's decision to leave the target range for the federal funds rate unchanged, the Board approved maintaining the interest rate paid on reserve balances at 4.4 percent, effective May 8, 2025. At today's meeting, the Board also approved the establishment of the interest rate on discounts and advances made under the primary credit program (the primary credit rate) at the existing level (4.5 percent).

Subject to review and determination by the Board of Governors, the directors of the Federal Reserve Banks of New York, Philadelphia, Richmond, and Atlanta had voted on May 1, 2025, to establish the primary credit rate at 4.5 percent. No sentiment was expressed by the Board at today's meeting for changing the primary credit rate at this time, and the Board approved the establishment of the primary credit rate at the existing level of 4.5 percent.

The Board's action today on the primary credit rate also included renewal of the existing formulas for calculating the rates applicable to discounts and advances under the secondary and seasonal credit programs. As specified by the formula for the secondary credit rate, this rate would be set 50 basis points above the primary credit rate. As specified by the formula for the seasonal credit rate, this rate would be reset every two weeks as the average of the daily effective federal funds rate and the rate on three-month CDs over the previous 14 days, rounded to the nearest 5 basis points.

Voting for these actions: Chair Powell, Vice Chair Jefferson, and Governors Bowman, Waller, Cook, Barr, and Kugler.

Background: Office of the Secretary memorandum, May 2, 2025.

Implementation: FOMC statement (with attached implementation note) and transmissions from Ms. Misback to the Reserve Banks, May 7, 2025.