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.
May 19, 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 Boston, Cleveland, Chicago, St. Louis, Minneapolis, Kansas City, Dallas, and San Francisco had voted on May 8, 2025, and the directors of the Federal Reserve Banks of New York, Philadelphia, Richmond, and Atlanta, had voted on May 15, 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 and Governors Bowman, Waller, and Cook.
Absent: Vice Chair Jefferson and Governors Barr and Kugler.

Background: Office of the Secretary memorandum, May 16, 2025.
Implementation: Transmissions from Ms. Misback to the Reserve Banks, May 19, 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.
June 9, 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 Banks of New York, Philadelphia, Richmond, and Atlanta had voted on May 29, 2025, and the directors of the Federal Reserve Banks of Boston, Cleveland, Chicago, St. Louis, Minneapolis, Kansas City, Dallas, and San Francisco had voted on June 5, to establish the primary credit rate at the existing level of 4.5 percent.

While most directors reported generally solid economic conditions, they continued to express uncertainty about the potential impact of tariffs and other government policies on economic activity, prices, and employment. Many directors observed that consumers and businesses remained cautious about their spending and future plans in light of this uncertainty. Several directors noted a range of plans for price adjustments across industries. Labor market conditions were reported as stable, with some directors noting an increase in available applicants, though several also reported businesses taking a cautious approach to hiring in the current environment.

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, and Kugler.
Absent: Governor Barr.

Background: Office of the Secretary memorandum, June 6, 2025.

Implementation: Transmissions from Ms. Misback to the Reserve Banks, June 9, 2025.

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

Approved.
June 18, 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 June 20, 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 June 20, 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, Atlanta, Chicago, Kansas City, and Dallas had voted on June 12, 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,
Vice Chair for Supervision Bowman, and
Governors Waller, Cook, Barr, and Kugler.

Background: Office of the Secretary memorandum, June 13, 2025.

Implementation: FOMC statement (with attached implementation note) and transmissions from Ms. Misback to the Reserve Banks, June 18, 2025.