
DISCOUNT AND ADVANCE RATES -- Request by one Reserve Bank to increase the primary credit rate; requests by eleven Reserve Banks to maintain the existing rate.

**Existing rate maintained.
July 17, 2006.**

Subject to review and determination by the Board of Governors, the directors of the Federal Reserve Bank of Richmond had voted on July 13, 2006, to establish a rate for discounts and advances under the primary credit program (primary credit rate) of 6-1/2 percent (an increase from 6-1/4 percent). The directors of the Federal Reserve Banks of New York, Philadelphia, and Kansas City had voted on July 6, and the directors of the Federal Reserve Banks of Boston, Cleveland, Atlanta, Chicago, St. Louis, Minneapolis, Dallas, and San Francisco had voted on July 13 to maintain the existing rate.

At today's meeting, no sentiment was expressed for changing the primary credit rate, and the existing rate was maintained.

Participating in this determination: Chairman Bernanke, Vice Chairman Kohn, and Governors Warsh and Kroszner.

Background: Office of the Secretary memorandum, July 14, 2006.

Implementation: Wire from Ms. Johnson to the Reserve Banks, July 17, 2006.

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

**Approved.
July 17, 2006.**

The Board approved renewal by the Federal Reserve Banks of New York, Philadelphia, and Kansas City on July 6, 2006, and by the Federal Reserve Banks of Boston, Cleveland, Richmond, Atlanta, Chicago, St. Louis, Minneapolis, Dallas, and San Francisco on July 13 of the formulas for calculating the rates applicable to discounts and advances under the secondary and seasonal credit programs.

Voting for this action: Chairman Bernanke, Vice Chairman Kohn, and Governors Warsh and Kroszner.

Background: Office of the Secretary memorandum, July 14, 2006.

Implementation: Wire from Ms. Johnson to the Reserve Banks, July 17, 2006.

DISCOUNT AND ADVANCE RATES -- Request by one Reserve Bank to increase the primary credit rate; requests by four Reserve Banks to maintain the existing rate.

**Existing rate maintained.
July 24, 2006.**

Subject to review and determination by the Board of Governors, the directors of the Federal Reserve Bank of Richmond had voted on July 13, 2006, to establish a rate for discounts and advances under the primary credit program (primary credit rate) of 6-1/2 percent (an increase from 6-1/4 percent). The directors of the Federal Reserve Bank of Kansas City had voted on July 19, and the directors of the Federal Reserve Banks of New York, Philadelphia, and Minneapolis had voted on July 20 to maintain the existing rate. At its meeting on July 17, the Board had considered, but had taken no action on, the request by the Richmond Reserve Bank to increase the primary credit rate.

At today's meeting, no sentiment was expressed for changing the primary credit rate, and the existing rate was maintained.

Participating in this determination: Chairman Bernanke, Vice Chairman Kohn, and Governors Bies, Warsh, and Kroszner.

Background: Office of the Secretary memorandum, July 21, 2006.

Implementation: Wire from Ms. Johnson to the Reserve Banks, July 24, 2006.

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

**Approved.
July 24, 2006.**

The Board approved renewal by the Federal Reserve Bank of Kansas City on July 19, 2006, and by the Federal Reserve Banks of New York, Philadelphia, and Minneapolis on July 20 of the formulas for calculating the rates applicable to discounts and advances under the secondary and seasonal credit programs.

Voting for this action: Chairman Bernanke, Vice Chairman Kohn, and Governors Bies, Warsh, and Kroszner.

Background: Office of the Secretary memorandum, July 21, 2006.

Implementation: Wire from Ms. Johnson to the Reserve Banks, July 24, 2006.

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

**Existing rate maintained.
August 7, 2006.**

Subject to review and determination by the Board of Governors, the directors of the Federal Reserve Bank of Richmond had voted on July 27, 2006, and the directors of the Federal Reserve Bank of Philadelphia had voted on August 3 to establish a rate for discounts and advances under the primary credit program (primary credit rate) of 6-1/2 percent (an increase from 6-1/4 percent). The directors of the Federal Reserve Banks of Boston, Cleveland, Atlanta, Chicago, Kansas City, Dallas, and San Francisco had voted on July 27, the directors of the Federal Reserve Banks of New York and Minneapolis had voted on August 3, and the directors of the Federal Reserve Bank of St. Louis had voted on August 4 to maintain the existing rate. At its meeting on July 24, the Board had considered, but had taken no action on, a similar request by the Richmond Reserve Bank to increase the primary credit rate.

Directors who preferred to maintain the existing primary credit rate at this time pointed to slower economic growth, the lagged effects of monetary policy actions, and the stability of longer-term inflation expectations. Nevertheless, inflation pressures remained a concern for most directors, and they generally agreed that incoming data would be crucial in determining the appropriate stance of monetary policy going forward.

Directors in favor of increasing the primary credit rate noted that, while growth had slowed, it remained solid. In this light, they appeared to view the risk that inflation pressures would persist as outweighing the risk of a sharp deceleration in economic activity.

At today's meeting, no sentiment was expressed for changing the primary credit rate before tomorrow's meeting of the Federal Open Market Committee, and the existing rate was maintained.

Participating in this determination: Chairman Bernanke, Vice Chairman Kohn, and Governors Bies, Warsh, and Kroszner.

Background: Office of the Secretary memorandum, August 4, 2006.

Implementation: Wire from Ms. Johnson to the Reserve Banks, August 7, 2006.

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

Approved.
August 7, 2006.

The Board approved renewal by the Federal Reserve Banks of Boston, Cleveland, Richmond, Atlanta, Chicago, Kansas City, Dallas, and San Francisco on July 27, 2006, by the Federal Reserve Banks of New York, Philadelphia, and Minneapolis on August 3, and by the Federal Reserve Bank of St. Louis on August 4 of the formulas for calculating the rates applicable to discounts and advances under the secondary and seasonal credit programs.

Voting for this action: Chairman Bernanke, Vice Chairman Kohn, and Governors Bies, Warsh, and Kroszner.

Background: Office of the Secretary memorandum, August 4, 2006.

Implementation: Wire from Ms. Johnson to the Reserve Banks, August 7, 2006.