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.
November 22, 2004.

Subject to review and determination by the Board of Governors, the directors of the Federal Reserve Banks of Minneapolis and Kansas City had voted on November 18, 2004, to establish a rate for discounts and advances under the primary credit program (primary credit rate) of 3-1/4 percent (an increase from 3 percent). The directors of the Federal Reserve Bank of St. Louis had voted on November 10, the directors of the Federal Reserve Bank of Atlanta had voted on November 11, the directors of the Federal Reserve Banks of Dallas and San Francisco had voted on November 12, and the directors of the Federal Reserve Banks of Boston, New York, Philadelphia, Cleveland, Richmond, and Chicago had voted on November 18 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 Greenspan, Vice Chairman Ferguson, and Governors Gramlich, Bies, Olson, Bernanke, and Kohn.

Background: Office of the Secretary memorandum, November 19, 2004.

Implementation: Wire from Ms. Johnson to the Reserve Banks, November 22, 2004.

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

Approved.
November 22, 2004.

The Board approved renewal by the Federal Reserve Bank of St. Louis on November 10, 2004, by the Federal Reserve Bank of Atlanta on November 11, by the Federal Reserve Banks of Dallas and San Francisco on November 12, and by the Federal Reserve Banks of Boston, New York, Philadelphia, Cleveland, Richmond, Chicago, Minneapolis, and Kansas City on November 18 of the formulas for calculating the rates applicable to discounts and advances under the secondary and seasonal credit programs.

Voting for this action: Chairman Greenspan, Vice Chairman Ferguson, and Governors Gramlich, Bies, Olson, Bernanke, and Kohn.

Background: Office of the Secretary memorandum, November 19, 2004.

Implementation: Wire from Ms. Johnson to the Reserve Banks, November 22, 2004.

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

Existing rate maintained.
December 6, 2004.

Subject to review and determination by the Board of Governors, the directors of the Federal Reserve Bank of San Francisco had voted on November 24, 2004, and the directors of the Federal Reserve Banks of New York, Philadelphia, Minneapolis, and Kansas City had voted on December 2 to establish a rate for discounts and advances under the primary credit program (primary credit rate) of 3-1/4 percent (an increase from 3 percent). The directors of the Federal Reserve Bank of Dallas had voted on November 24, the directors of the Federal Reserve Bank of Richmond had voted on December 1, and the directors of the Federal Reserve Banks of Boston, Cleveland, Atlanta, Chicago, and St. Louis had voted on December 2 to maintain the existing rate.

Reserve Bank directors in favor of an increase in the primary credit rate saw the economy as expanding at a healthy pace. Some of these directors agreed that the expansion appeared to be moving ahead about as expected, while other directors viewed recent reports on economic activity as somewhat stronger than anticipated. These directors generally agreed that economic indicators continued to suggest that further removal of monetary policy accommodation was appropriate.

Reserve Bank directors in favor of maintaining the existing primary credit rate acknowledged that the economy showed signs of strengthening, but they wanted to evaluate additional incoming data before recommending any change in the stance of monetary policy.

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 Greenspan, Vice Chairman Ferguson, and Governors Gramlich, Olson, Bernanke, and Kohn.

Background: Office of the Secretary memorandum, December 3, 2004.

Implementation: Wire from Ms. Johnson to the Reserve Banks, December 6, 2004.

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

Approved.
December 6, 2004.

The Board approved renewal by the Federal Reserve Banks of Dallas and San Francisco on November 24, 2004, by the Federal Reserve Bank of Richmond on December 1, and by the Federal Reserve Banks of Boston, New York, Philadelphia, Cleveland, Atlanta, Chicago, St. Louis, Minneapolis, and Kansas City on December 2 of the formulas for calculating the rates applicable to discounts and advances under the secondary and seasonal credit programs.

Voting for this action: Chairman Greenspan, Vice Chairman Ferguson, and Governors Gramlich, Olson, Bernanke, and Kohn.

Background: Office of the Secretary memorandum, December 3, 2004.

Implementation: Wire from Ms. Johnson to the Reserve Banks, December 6, 2004.

DISCOUNT AND ADVANCE RATES -- Requests by twelve Reserve Banks to increase the primary credit rate.

Existing rate maintained.
December 13, 2004.

Subject to review and determination by the Board of Governors, the directors of the Federal Reserve Banks of New York, Philadelphia, Minneapolis, and Kansas City had voted on December 2, 2004, and the directors of the Federal Reserve Banks of Boston, Cleveland, Richmond, Atlanta, Chicago, St. Louis, Dallas, and San Francisco had voted on December 9 to establish a rate for discounts and advances under the primary credit program (primary credit rate) of 3-1/4 percent (an increase from

3 percent). At its meeting on December 6, the Board had considered, but had taken no action on, similar requests by the Federal Reserve Banks of New York, Philadelphia, Minneapolis, Kansas City, and San Francisco to increase the primary credit rate.

Reserve Bank directors were generally optimistic about the economy. Several directors described economic growth as solid, and some noted improved labor markets, among other factors. The directors concluded that gradually removing the current accommodation in monetary policy was appropriate as long as the economy was performing well and inflation remained under control.

Today, Board members considered the primary credit rate and discussed, on a preliminary basis, their individual assessments of appropriate monetary policy and its communication, which would be the principal subjects of tomorrow's meeting of the Federal Open Market Committee. Against the background of recent and prospective economic developments, Board members tentatively favored a further step in the process of removing policy accommodation and continuing to describe the process as before. No sentiment was expressed for changing the primary credit rate before the Committee's meeting, and the existing rate was maintained.

Participating in this determination: Chairman Greenspan, Vice Chairman Ferguson, and Governors Gramlich, Bies, Olson, Bernanke, and Kohn.

Background: Office of the Secretary memorandum, December 10, 2004.

Implementation: Wire from Ms. Johnson to the Reserve Banks, December 13, 2004.

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

Approved.
December 13, 2004.

The Board approved renewal by the Federal Reserve Banks of Boston, Cleveland, Richmond, Atlanta, Chicago, St. Louis, Dallas, and San Francisco on December 9, 2004, of the formulas for calculating the rates applicable to discounts and advances under the secondary and seasonal credit programs.

Voting for this action: Chairman Greenspan, Vice Chairman Ferguson, and Governors Gramlich, Bies, Olson, Bernanke, and Kohn.

Background: Office of the Secretary memorandum, December 10, 2004.

Implementation: Wire from Ms. Johnson to the Reserve Banks, December 13, 2004.

DISCOUNT AND ADVANCE RATES -- Increase in the primary credit rate from 3 percent to 3-1/4 percent.

Approved.
December 14, 2004.

Subject to review and determination by the Board of Governors, the directors of the Federal Reserve Banks of New York, Philadelphia, Minneapolis, and Kansas City had voted on December 2, 2004, and the directors of the Federal Reserve Banks of Boston, Cleveland, Richmond, Atlanta, Chicago, St. Louis, Dallas, and San Francisco had voted on December 9 to establish a rate for discounts and advances under the primary credit program (primary credit rate) of 3-1/4 percent (an increase from 3 percent). At its meeting on December 13, the Board had considered, but had taken no action on, similar requests by the twelve Reserve Banks.

At today's meeting, there was a consensus in favor of an increase in the primary credit rate of 25 basis points, and the Board approved an increase in the primary credit rate from 3 percent to 3-1/4 percent, effective immediately for the Federal Reserve Banks of Boston, New York, Philadelphia, Cleveland, Richmond, Atlanta, Chicago, Minneapolis, Kansas City, Dallas, and San Francisco, and effective December 15 for the Federal Reserve Bank of St. Louis. At an earlier meeting today, the Federal Open Market Committee had decided to increase its target for the federal funds rate by 25 basis points to 2-1/4 percent. It was understood that a press release announcing the increases in the two rates would be issued.

Voting for this action: Chairman Greenspan, Vice Chairman Ferguson, and Governors Gramlich, Bies, Olson, Bernanke, and Kohn.

Background: Office of the Secretary memorandum, December 10, 2004.

Implementation: Press release and wires from Ms. Johnson to the Reserve Banks, December 14, and Federal Register document, December 15, 2004.