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

**Approved.  
July 9, 2007.**

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The Board approved the establishment without change of the rate for discounts and advances under the primary credit program (6-1/4 percent) by the Federal Reserve Banks of Richmond, Atlanta, Chicago, St. Louis, Minneapolis, Kansas City, and Dallas on June 28, 2007, by the Federal Reserve Banks of Cleveland and San Francisco on June 29, and by the Federal Reserve Banks of Boston, New York, and Philadelphia on July 5. The Board also approved renewal by those Banks, on the dates indicated above, 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, Kroszner, and Mishkin.**

**Background:** Office of the Secretary memorandum, July 6, 2007.

**Implementation:** Wire from Ms. Johnson to the Reserve Banks, July 9, 2007.

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

**Approved.  
July 23, 2007.**

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The Board approved the establishment without change of the rate for discounts and advances under the primary credit program (6-1/4 percent) by the Federal Reserve Banks of Boston, Cleveland, Richmond, Atlanta, Chicago, St. Louis, Kansas City, Dallas, and San Francisco on July 12, 2007, and by the Federal Reserve Banks of New York, Philadelphia, and Minneapolis on July 19. The Board also approved renewal by those Banks, on the dates indicated above, 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 20, 2007.

**Implementation:** Wire from Ms. Johnson to the Reserve Banks, July 23, 2007.

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**DISCOUNT AND ADVANCE RATES -- Establishment without change by twelve Reserve Banks of the existing primary credit rate.**

**Existing rate maintained.  
August 6, 2007.**

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Subject to review and determination by the Board of Governors, the directors of the Federal Reserve Banks of Boston, Cleveland, Richmond, Atlanta, Chicago, St. Louis, Kansas City, Dallas, and San Francisco had voted on July 26, 2007, and the directors of the Federal Reserve Banks of New York, Philadelphia, and Minneapolis had voted on August 2 to reestablish the existing rate for discounts and advances (6-1/4 percent) under the primary credit program (primary credit rate).

Directors generally expected the economy to continue to expand at a moderate pace, supported in part by robust global economic conditions. They noted that the U.S. housing market continued to contract and pose a downside risk to U.S. economic growth. Several directors reported somewhat less accommodative financial conditions for some borrowers. However, the economy overall was viewed as relatively healthy. Directors noted that the rate of inflation had continued to moderate but thought that its underlying trend remained unclear. In that regard, some directors pointed to tightness in labor markets. For now, directors preferred to maintain the current stance of monetary policy and to continue to evaluate the outlook for risks to both economic growth and inflation in light of incoming data.

At today's meeting, no sentiment was expressed in favor of considering 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 Warsh, Kroszner, and Mishkin.**

**Background:** Office of the Secretary memorandum, August 3, 2007.

**Implementation:** Wire from Ms. Johnson to the Reserve Banks, August 6, 2007.

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

**Approved.**  
**August 6, 2007.**

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The Board approved renewal by the Federal Reserve Banks of Boston, Cleveland, Richmond, Atlanta, Chicago, St. Louis, Kansas City, Dallas, and San Francisco on July 26, 2007, and by the Federal Reserve Banks of New York, Philadelphia, and Minneapolis on August 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 Bernanke, Vice Chairman Kohn, and Governors Warsh, Kroszner, and Mishkin.**

**Background:** Office of the Secretary memorandum, August 3, 2007.

**Implementation:** Wire from Ms. Johnson to the Reserve Banks, August 6, 2007.