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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 and of the auction procedure for determining the rate for the Term Auction Facility.

Approved.  
February 9, 2009.

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The Board approved the establishment without change of the rate for discounts and advances under the primary credit program (1/2 percent) by the Federal Reserve Banks of Minneapolis and Kansas City on January 29, 2009, and by the Federal Reserve Banks of Boston, New York, Philadelphia, Cleveland, Richmond, Atlanta, Chicago, St. Louis, Dallas, and San Francisco on February 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 and renewal of the auction procedure for determining the rate for the Term Auction Facility.

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

Background: Office of the Secretary memorandum, February 6, 2009.

Implementation: Transmissions from Ms. Johnson to the Reserve Banks,  
February 9, 2009.

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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 and of the auction procedure for determining the rate for the Term Auction Facility.

Approved.  
February 23, 2009.

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The Board approved the establishment without change of the rate for discounts and advances under the primary credit program (1/2 percent) by the Federal Reserve

Banks of Boston, Cleveland, St. Louis, Kansas City, Dallas, and San Francisco on February 12, 2009, and by the Federal Reserve Banks of New York, Philadelphia, Richmond, Atlanta, Chicago, and Minneapolis on February 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 and renewal of the auction procedure for determining the rate for the Term Auction Facility.

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

Background: Office of the Secretary memorandum, February 20, 2009.

Implementation: Transmissions from Ms. Johnson to the Reserve Banks, February 23, 2009.

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

Existing rate maintained.  
March 16, 2009.

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Subject to review and determination by the Board of Governors, the directors of the Federal Reserve Banks of New York, Philadelphia, Richmond, Chicago, and Minneapolis had voted on March 5, 2009, and the directors of the Federal Reserve Banks of Boston, Cleveland, Atlanta, St. Louis, Kansas City, Dallas, and San Francisco had voted on March 12 to reestablish the existing rate for discounts and advances (1/2 percent) under the primary credit program (primary credit rate).

Federal Reserve Bank directors generally expressed concern about further weakness in economic conditions, and most cited the need for additional monetary and fiscal stimulus. Some directors pointed to persistent tight credit conditions as exerting downward pressure on economic activity. Others noted that the low level of consumer and business confidence was an important factor in reducing aggregate demand. Overall, they concluded that the downside risks to the outlook for growth and employment remained considerable, while inflationary pressures continued to be subdued. Under these circumstances, directors believed that short-term interest rates should provide the greatest possible degree of stimulus, and they recommended maintaining the current primary credit rate.

Today, Board members considered the primary credit rate in light of this week's meeting of the Federal Open Market Committee. 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 Bernanke, Vice Chairman Kohn, and Governors Warsh, Duke, and Tarullo.

Background: Office of the Secretary memorandum, March 13, 2009.

Implementation: Transmissions from Ms. Johnson to the Reserve Banks, March 16, 2009.

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DISCOUNT AND ADVANCE RATES -- Renewal by twelve Reserve Banks of the formulas for calculating the secondary and seasonal credit rates and of the auction procedure for determining the rate for the Term Auction Facility.

Approved.  
March 16, 2009.

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The Board approved renewal by the Federal Reserve Banks of New York, Philadelphia, Richmond, Chicago, and Minneapolis on March 5, 2009, and by the Federal Reserve Banks of Boston, Cleveland, Atlanta, St. Louis, Kansas City, Dallas, and San Francisco on March 12 of the formulas for calculating the rates applicable to discounts and advances under the secondary and seasonal credit programs and renewal of the auction procedure for determining the rate for the Term Auction Facility.

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

Background: Office of the Secretary memorandum, March 13, 2009.

Implementation: Transmissions from Ms. Johnson to the Reserve Banks, March 16, 2009.