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.
February 18, 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 Richmond, Atlanta, Dallas, and San Francisco had voted on February 6, 2025, and the directors of the Federal Reserve Banks of Boston, New York, Philadelphia, Cleveland, Chicago, St. Louis, Minneapolis, and Kansas City had voted on February 13, 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, Vice Chair Jefferson,
and Governors Bowman, Cook, and Kugler.
Absent: Vice Chair for Supervision Barr
and Governor Waller.

Background: Office of the Secretary memorandum, February 14, 2025.

Implementation: Transmissions from Ms. Misback to the Reserve Banks, February 18, 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.
March 10, 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 Bank of Philadelphia had voted on February 27, 2025, and the directors of the Federal Reserve Banks of Boston, New York, Cleveland, Richmond, Atlanta, Chicago, St. Louis, Minneapolis, Kansas City, Dallas, and San Francisco had voted on March 6, to establish the primary credit rate at the existing level of 4.5 percent.

Federal Reserve Bank directors generally reported steady economic activity in their Districts, though directors also expressed ongoing or heightened uncertainty about the outlook. Several directors noted that labor market conditions remained relatively stable, but many commented on uncertainty about future labor availability and hiring plans in connection with recent and potential changes in immigration policy. In addition, directors expressed concerns about the potential impact of other government policies, particularly increased costs associated with tariffs, and about the potential effects of reduced government spending.

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, and Cook.
Absent: Governors Barr and Kugler.

Background: Office of the Secretary memorandum, March 7, 2025.

Implementation: Transmissions from Mr. McDonough to the Reserve Banks, March 10, 2025.

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

Approved.
March 19, 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 March 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 March 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 Philadelphia and Richmond had voted on March 13, 2025, and the directors of the Federal Reserve Bank of Atlanta had voted on March 14, 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, and Governors Bowman, Waller, Cook, Barr, and Kugler.

Background: Office of the Secretary memorandum, March 14, 2025.

Implementation: FOMC statement (with attached implementation note) and transmissions from Ms. Misback to the Reserve Banks, March 19, 2025.