

Appendix 1: Materials used by Mr. Reinhart

Exhibit 1

Five General Principles about the Announcement

- (1) Respect the important role of the discussion at the meeting
- (2) Do not unnecessarily complicate forging a consensus
- (3) Make use of a key communications channel with the public
- (4) Avoid mistakes
- (5) Preserve the confidentiality of the decision until its release

Exhibit 2

A Few Models

	<i>Respect discussion of decision</i>	<i>Do not complicate consensus</i>	<i>Use communication channel</i>	<i>Avoid mistakes</i>	<i>Preserve confidentiality</i>
(1) Federal Reserve of the early 1990s <i>Do not issue a statement (or perhaps only one limited to the vote on the funds rate)</i>	+	+	—	+	+
(2) Bank of England <i>Release a simplified statement and expedite the publication of the minutes</i>	+	+	?	—	+
(3) Bank of Canada <i>Draft the statement after the policy decision, which would require delaying its release</i>	+	—	+	—	—
(4) Federal Reserve of the late 1980s <i>Routinize parts of the statement and circulate staff alternatives in advance</i>	+	—	?	+	+
(5) Federal Reserve of the 2000s <i>Review a prepared draft statement after the decision</i>	+	?	+	+	+

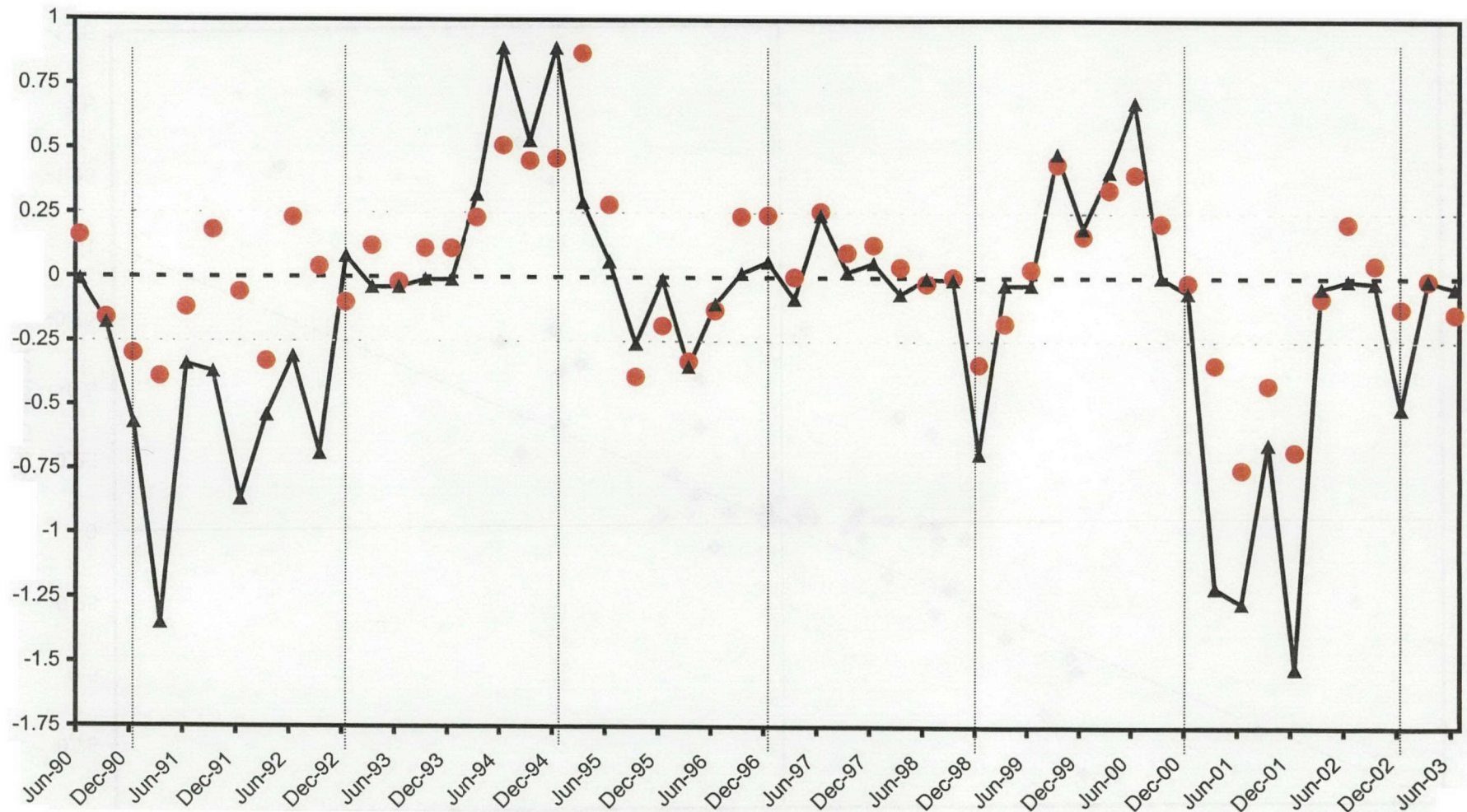
Exhibit 3

Some Questions about Content

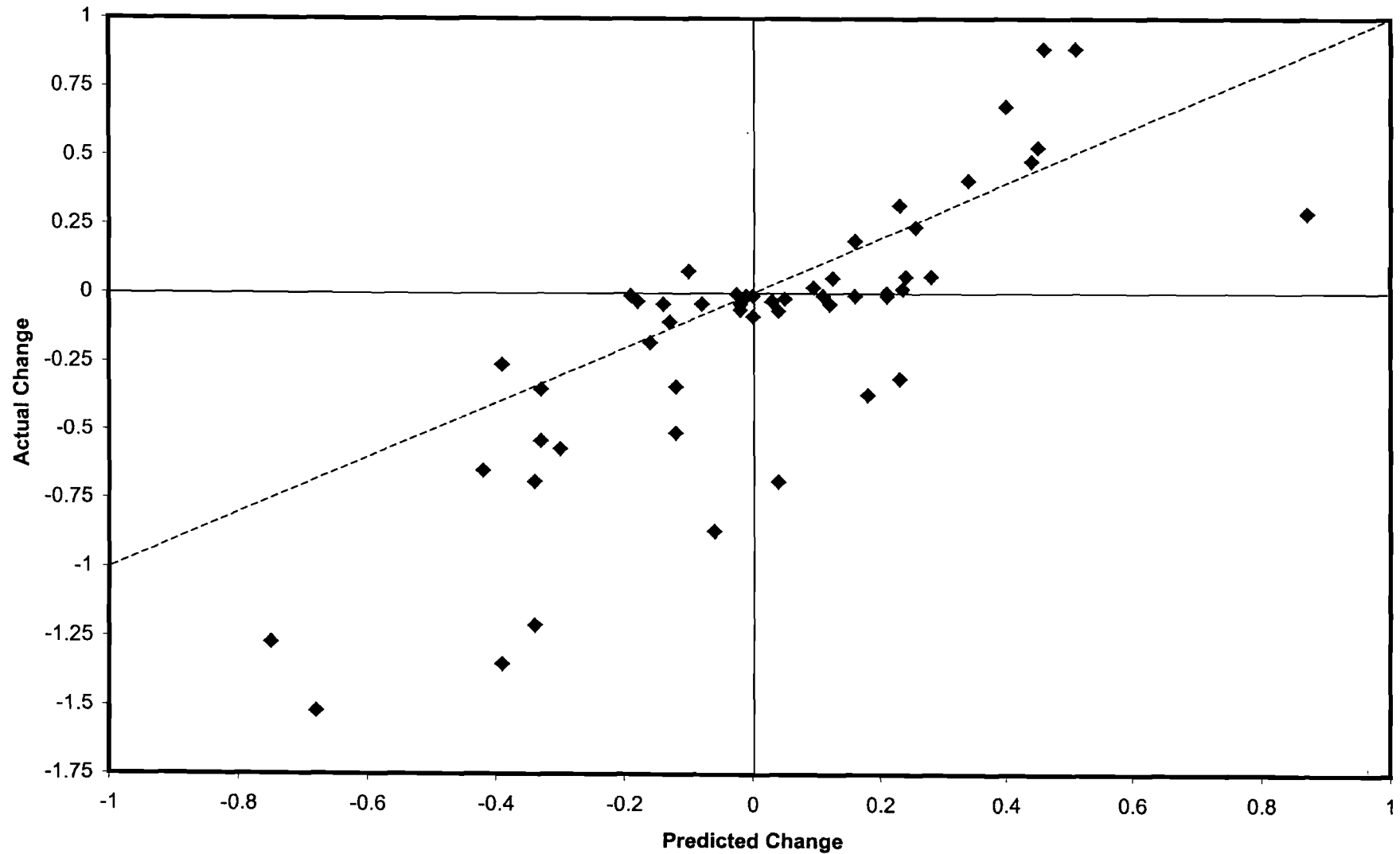
- (1) Is the Committee satisfied with the three-part risk assessment initiated in May?
 - Risks to sustainable economic growth
 - Risks to price stability
 - The balance of those two risks
- (2) What does “sustainable” economic growth mean?
 - Economic growth at the rate of potential output
 - Economic growth that does not create imbalances
- (3) Does “risk” have a negative connotation?
- (4) How long is the “foreseeable” future
- (5) Should the Committee include a commitment that policy will be kept accommodative for a considerable period?

Appendix 2: Materials used by Mr. Poole

Figure 1: Predicted and Actual Changes in the Funds Rate, Quarterly
(triangles denote actual changes, dots denote predicted changes)



The data are daily for the business day closest to the 15th of the last month of the quarter.
 The actual change (black line) is the difference between the zero-month futures rate at t and $t-3$.
 The predicted change (the red dot) is difference between 3- and zero-month futures rates at $t-1$.

Figure 2: Scatter Plot of Predicted and Actual Changes in the Funds Rate, Quarterly

The data are daily for the business day closest to the 15th of the last month of the quarter.
The actual change is the difference between the zero-month futures rate at t and $t-3$.
The predicted change is difference between 3- and zero-month futures rates at $t-1$.