

DISCOUNT RATES

*To all Member Banks, and Others Concerned,
in the Second Federal Reserve District:*

1. This Bank has established the following new rates, effective September 12, 1958:

A rate of 2 per cent per annum on advances to, and discounts for, member banks under sections 13 and 13a of the Federal Reserve Act.

A rate of 2½ per cent per annum on advances to member banks under section 10(b) of the Federal Reserve Act.

A rate of 3½ per cent per annum on advances to individuals, partnerships, and corporations other than member banks, under the last paragraph of section 13 of the Federal Reserve Act, secured by direct obligations of the United States.

Rates of from 4 per cent to 6 per cent per annum on advances under section 13b of the Federal Reserve Act direct to industrial or commercial businesses, including advances made in participation with financing institutions.

Also effective September 12, 1958, no commitment to a financing institution under section 13b of the Federal Reserve Act shall be given on a loan on which the borrower is charged more than 6 per cent per annum (instead of 5½ per cent, as heretofore).

2. On the reverse side of this circular is a schedule of the rates now in effect at this Bank with respect to advances, discounts and commitments made under the Federal Reserve Act.

3. This circular supersedes our Operating Circular No. 13, Revised April 18, 1958.

ALFRED HAYES,
President.

(OVER)

RATE SCHEDULE OF FEDERAL RESERVE BANK OF NEW YORK

Effective September 12, 1958

*Per Cent
Per Annum*

Advances to and discounts for member banks:

- | | |
|---|----|
| (a) Advances and discounts under sections 13 and 13a of the Federal Reserve Act | 2 |
| (b) Advances under section 10(b) of the Federal Reserve Act | 2½ |

Advances to individuals, partnerships and corporations other than member banks:

- | | |
|---|----|
| Advances under last paragraph of section 13 of the Federal Reserve Act secured by direct obligations of the United States | 3½ |
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Industrial advances and commitments under section 13b of the Federal Reserve Act:

- | | |
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| (a) Advances direct to industrial or commercial businesses, including advances made in participation with financing institutions | 4 to 6 |
| (b) Commitments to make advances direct to industrial or commercial businesses | 10 to 25 per cent of rate to be charged borrower with a minimum rate of ½ per cent per annum. |
| (c) Advances taken over from financing institutions under commitments | Rate charged borrower on portion for which Federal Reserve Bank assumes the risk, and rate charged borrower less the commitment charge on portion on which financing institution assumes the risk. |
| (d) Commitments to financing institutions | 10 to 25 per cent of rate charged borrower with a minimum rate of ½ per cent per annum, provided that no commitment shall be given on loan on which borrower is charged more than 6 per cent per annum. |