

FEDERAL RESERVE BANK
OF NEW YORK

[Circular No. 7380]
April 24, 1974

DISCOUNT RATES

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

The directors of this Bank, with the approval of the Board of Governors of the Federal Reserve System, have increased the Bank's discount rate to 8 percent from 7½ percent, effective Thursday, April 25.

Following is the text of a statement issued today by the Board of Governors of the Federal Reserve System:

The Board of Governors of the Federal Reserve System today approved actions by the directors of the Federal Reserve Banks of New York, Philadelphia, Cleveland, Richmond, Kansas City, Dallas, and San Francisco increasing the discount rate of those banks from 7½ percent to 8 percent, effective Thursday, April 25.

The action was taken in the light of a recent rapid rise in money and bank credit and in recognition of increases that have already occurred in other short-term interest rates. The problem of inflation continues to be a serious concern to the Board.

The discount rate is the rate charged member banks for borrowings from their district Federal Reserve Banks.

Enclosed is a copy of this Bank's Operating Circular No. 13, regarding discount rates. Additional copies of the enclosure will be furnished upon request.

ALFRED HAYES,
President.

FEDERAL RESERVE BANK
OF NEW YORK

[Operating Circular No. 13]
[Revised April 25, 1974]

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 April 25, 1974:

A rate of 8 percent per annum on advances to, and discounts for, member banks under sections 13 and 13a of the Federal Reserve Act.

A rate of 8½ percent per annum on advances to member banks under section 10(b) of the Federal Reserve Act.

A rate of 10 percent 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.

Shown below is the schedule of rates now in effect at this Bank on advances and discounts made under the Federal Reserve Act.

2. This circular supersedes our Operating Circular No. 13, Revised August 14, 1973.

ALFRED HAYES,
President.

Rate Schedule, Effective April 25, 1974

	<i>Percent Per Annum</i>
<i>Advances to and discounts for member banks:</i>	
(a) Advances and discounts under sections 13 and 13a of the Federal Reserve Act	8
(b) Advances under section 10(b) of the Federal Reserve Act	8½
<i>Advances to individuals, partnerships, and corporations other than member banks:</i>	
Advances under last paragraph of section 13 of the Federal Reserve Act	10