

FEDERAL RESERVE BANK  
OF NEW YORK

Circular No. 7563  
February 4, 1975

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 reduced the Bank's discount rate to 6-3/4 percent from 7-1/4 percent, effective Wednesday, February 5, 1975.

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 Boston, New York, Philadelphia, Cleveland, Richmond, Atlanta, Minneapolis, Dallas, and San Francisco, reducing the discount rate of those Banks from 7-1/4 to 6-3/4 percent, effective Wednesday, February 5.

The action was taken in recognition of the reductions that have occurred over recent weeks in other short-term interest rates.

The discount rate is the interest rate charged member commercial 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 February 5, 1975 ]

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 February 5, 1975:

A rate of  $6\frac{3}{4}$  percent per annum on advances to, and discounts for, member banks under sections 13 and 13a of the Federal Reserve Act, and advances under section 10(b) of the Act if secured by mortgage loans on one-family to four-family residences.

A rate of  $7\frac{1}{4}$  percent per annum on advances to member banks under section 10(b) of the Federal Reserve Act, except as otherwise indicated herein.

A rate of  $8\frac{1}{2}$  percent per annum on advances to member banks for prolonged periods and in significant amounts under section 10(b) of the Federal Reserve Act, except advances secured by mortgage loans on one-family to four-family residences.

A rate of  $9\frac{1}{2}$  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 on the reverse side 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 January 10, 1975.

ALFRED HAYES,  
*President.*

(OVER)

# Rate Schedule, Effective February 5, 1975

Percent  
Per Annum

## *Advances to and discounts for member banks:*

- |   |    |
|---|----|
| (a) Advances and discounts under sections 13 and 13a of the Federal Reserve Act, and advances under section 10(b) of the Act if secured by mortgage loans on one-family to four-family residences ..... | 6¾ |
| (b) Advances under section 10(b) of the Federal Reserve Act, except as otherwise provided in this schedule .....  | 7¼ |
| (c) Advances for prolonged periods and in significant amounts under section 10(b) of the Federal Reserve Act, except advances secured by mortgage loans on one-family to four-family residences .....   | 8½ |

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

- |  |    |
|--|----|
| Advances under last paragraph of section 13 of the Federal Reserve Act ..... | 9½ |
|--|----|