

FEDERAL RESERVE BANK  
OF NEW YORK

Circular No. 7583  
March 7, 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 6-1/4 percent from 6-3/4 percent, effective Monday, March 10, 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 announced today the approval of actions by directors of the Federal Reserve Banks of Boston, New York, Philadelphia, Cleveland, Richmond, Atlanta, Chicago, Minneapolis, Kansas City and San Francisco, reducing the discount rate of those banks from 6-3/4 to 6-1/4 percent, effective Monday, March 10, 1975.

The action was taken in view of the weakness in economic activity, the recent evidence of moderation in the rate of inflation, and also to bring the discount rate into better alignment with 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.*