

FEDERAL RESERVE BANK
OF NEW YORK

Circular No. 7631
May 15, 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 percent from 6-1/4 percent, effective Friday, May 16, 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, Chicago, St. Louis, Kansas City, and Dallas, reducing the discount rates of those Banks from 6-1/4 percent to 6 percent, effective Friday, May 16.

The action was taken in recognition of declines that have occurred recently in other short-term interest rates and is intended to bring the discount rate into better alignment with short-term rates generally.

The discount rate is the interest rate charged member commercial banks when they borrow from their district Federal Reserve Bank.

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. 18** }
{ **Revised May 16, 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 May 16, 1975:

A rate of 6 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 6½ 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 7½ 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.

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 March 10, 1975.

ALFRED HAYES,
President.

(OVER)

Rate Schedule, Effective May 16, 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 | 6 |
| (b) Advances under section 10(b) of the Federal Reserve Act, except as otherwise provided in this schedule | 6½ |
| (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 | 7½ |

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

- | | |
|--|---|
| Advances under last paragraph of section 13 of the Federal Reserve Act | 9 |
|--|---|