

FEDERAL RESERVE BANK
OF NEW YORK

Circular No. 8849
June 12, 1980

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 11 percent from 12 percent, effective Friday, June 13, 1980.

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

The Federal Reserve Board today approved a reduction in the discount rate from 12 percent to 11 percent, effective Friday, June 13. The action was taken entirely in reflection of recent further declines in short-term market interest rates to levels well below the existing discount rate.

In making this technical change, the Board acted on requests from the directors of the Federal Reserve Banks of New York, Philadelphia, Cleveland, Richmond, Chicago, St. Louis, Minneapolis, Kansas City, Dallas and San Francisco.

The new rate schedule for this Bank, effective June 13, 1980, is as follows:

	<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, and advances under section 10(b) of the Act if secured by mortgage loans on one-family to four-family residences	11
(b) Advances under section 10(b) of the Federal Reserve Act, except as otherwise provided in this schedule	11½
(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	12
<i>Advances to individuals, partnerships, and corporations other than member banks:</i>	
Advances under last paragraph of section 13 of the Federal Reserve Act	14

A copy of this Bank's Operating Circular No. 13, regarding discount rates, will be sent to you tomorrow.

ANTHONY M. SOLOMON,
President.