

**FEDERAL RESERVE BANK  
OF NEW YORK**

Circular No. 9178  
October 30, 1981

**DISCOUNT RATES**

*To All Depository Institutions  
in the Second Federal Reserve District:*

Effective Monday, November 2, 1981, 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 from 14 percent to 13 percent.

The following is quoted from the text of a statement issued today by the Board of Governors:

The Federal Reserve Board today approved a reduction in the basic discount rate from 14 to 13 percent, effective Monday, November 2. No change was made in the 2 percent surcharge that currently applies to large, frequent borrowers at the discount window.

This action was taken against the background of recent declines in short-term interest rates and the reduced level of adjustment borrowing at the discount window. It is consistent with a pattern of continued restraint on growth of money and credit.

In announcing the change, the Board acted on requests from the directors of the Federal Reserve Banks of Boston, New York, Philadelphia, Cleveland, Richmond, Chicago, St. Louis, Minneapolis, and San Francisco.

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

ANTHONY M. SOLOMON,  
*President.*



**FEDERAL RESERVE BANK  
OF NEW YORK**

[ **Operating Circular No. 13**  
Revised effective November 2, 1981 ]

**DISCOUNT RATES**

*To All Depository Institutions  
in the Second Federal Reserve District:*

1. This Bank has made the following changes in its rate schedule, effective November 2, 1981:

The rate on advances of adjustment and seasonal credit and discounts under sections 13, 13a, and 10(b) of the Federal Reserve Act has been reduced from 14 percent per annum to 13 percent per annum.

The rate on advances under section 10(b) of the Federal Reserve Act of extended credit (i) to institutions under sustained liquidity pressures, or (ii) for special circumstances has been reduced from 14 percent per annum to 13 percent per annum; the rate on such credit outstanding for more than 60, but not more than 150, days has been reduced from 15 percent per annum to 14 percent per annum; and the rate on such credit outstanding for more than 150 days has been reduced from 16 percent per annum to 15 percent per annum.

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 effective October 13, 1981.

ANTHONY M. SOLOMON,  
*President.*

FEDERAL RESERVE BANK  
OF NEW YORK

Rate Schedule Effective November 2, 1981

Percent  
Per Annum

**Advances to and discounts for depository institutions:**

(a) Advances of adjustment and seasonal credit and discounts under sections 13, 13a, and 10(b) of the Federal Reserve Act .....	13*
(b) Advances under section 10(b) of the Federal Reserve Act of extended credit (i) to institutions under sustained liquidity pressures, or (ii) for special circumstances, where such Federal Reserve credit has been outstanding (including extensions and renewals) for:	
Not more than 60 days .....	13
More than 60, but not more than 150, days .....	14
More than 150 days .....	15

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\* Advances to, and discounts for, a depository institution having total deposits of \$500 million or more will be subject to a surcharge of 2 percent in either of the following circumstances:

- (1) Any advance or discount which represents borrowing of adjustment credit by the depository institution in two or more consecutive reserve accounting weeks; or
- (2) Any advance or discount which represents borrowing of adjustment credit by the depository institution in more than four reserve accounting weeks within a period of 13 reserve accounting weeks consisting of the week in which the advance or discount is made and the 12 preceding weeks.