

FEDERAL RESERVE BANK OF SAN FRANCISCO
101 MARKET STREET, SAN FRANCISCO, CALIFORNIA 94105

November 6, 2002

ADVANCES AND DISCOUNTS

To Depository Institutions and Others Concerned
in the Twelfth Federal Reserve District

Enclosed is an amendment to the rates of interest on advances and discounts in the Twelfth Federal Reserve District. The enclosure, which is effective November 6, 2002, reflects a decrease from 1¼% to ¾% in the basic discount rate that applies to our short-term adjustment credit advances and certain extended credit advances.

You may obtain additional information about our rates of interest from the District Credit Unit in San Francisco by calling (415) 974-2974.

ROBERT T. PARRY
President

Enclosure

RATES OF INTEREST ON ADVANCES AND DISCOUNTS

The rates on advances and discounts made by the Federal Reserve Bank of San Francisco pursuant to the provisions of the Federal Reserve Act and Regulation A are, effective November 6, 2002, as set forth below:

	RATE PER ANNUM
Advances to and discounts for member banks and other depository institutions:	
(a) Adjustment credit advances and discounts under sections 10b, 13 and 13a of the Act and under section 201.3(a) of Regulation A ¹	¾%
(b) Seasonal credit advances pursuant to section 201.3(b)(1) of Regulation A ²	Flexible Rate
(c) Other extended credit advances under section 201.3(b)(2) of Regulation A for the first 30 days of borrowing ³	¾%

Currently, no advance or discount is subject to a surcharge.

This schedule of rates supersedes our previous schedule that was effective December 11, 2001.

¹ In the case of adjustment credit loans that we determine to be unusually large and to arise from a major operating problem at the borrowing institution, we may, at our discretion, charge the rate referred to in footnote 3 for extended credit outstanding for more than 30 days.

² A flexible rate that takes into account rates on market sources of funds is applied to seasonal credit, but in no case will the rate be less than the discount rate applicable to adjustment credit.

³ A flexible rate that takes into account rates on market sources of funds ordinarily will be applied to any extended credit outstanding for more than 30 days. This rate will exceed the rate applicable to seasonal credit advances. At the discretion of this Reserve Bank, the time period for which the basic discount rate is charged may be lengthened or shortened.