Monetary Policy Notes

1. What is the Federal Reserve?
   1. Its purpose is to…
2. What roles and responsibilities does the Federal Reserve have?
3. How is the Federal Reserve Structured?
4. What are the duties of the Federal Reserve Banks?
   1. Distribute
   2. Supervise member
   3. Serve as \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ for the US \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
   4. Contribute to \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
5. What is Monetary Policy?
6. What is the FOMC?
7. What role does it play?
8. What are the Goals of Monetary Policy?
   1. Full
   2. Stable
   3. Sustained
9. What are the tools of Monetary Policy?
   1. Discount
   2. Reserve
   3. Open
10. How does the Discount Rate work?
11. How do the Reserve Requirements work?
12. What are Open Market Operations and how do they work?
13. What effect do low interest rates tend to have?
14. What effect do higher interest rates have?