



SNAPSHOT: "The Fed"

Go to federalreserve.gov and get a quick refresher on the Federal Reserve ... find 6 important facts about the Fed that are NOT detailed in the book (for instance, who is the Chairman?). Then prepare 6 bullets summarizing what you found on a PowerPoint slide and email as an attachment. Use your formatting skills (no B&W slides, please).

THINK CRITICALLY

Handwrite your responses in the space below; 2 sentences each.

1. What is the Fed? When was it created, and what is its purpose?
2. The Fed's activities are in what four general areas?
3. What is the meaning of the term monetary policy?
4. What is the discount rate? The federal funds rate? The prime rate?
5. How does the Fed control the money supply in the United States?
6. How do open-market transactions for U.S. government securities affect the economy?
7. What types of banks must be members of the Federal Reserve System? Are banks that are not members also regulated by the Fed?
8. What is a bank reserve requirement?