

Title: Federal Reserve

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Created 2022-04-07 06:48:16 UTC

Permalink: /r/GME/comments/ty72y4/federal\_reserve/

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I've been doing alot of research on the Federal Reserve and this is a basic breakdown of what i learned. Just so I know more of how this might affect GME and just for my own curiosity

The Federal Reserve is a Board of Governors with 7 members that are appointed by the President. They can serve up to 14 years and are appointed every 2 years. The Board of Governors oversee the 12 Federal Reserve Banks and meet 8 times a year.

The Federal Reserve Banks have nine members.

\- The Federal Reserve Bank Member banks elect 6 of the 9 members.

\- Boards of Governors appoint 3 of the 9 members.

\- 3 members represent the public, 3 members represent the Federal Reserve Bank, and 3 members represent the Board of Governors.

\- Each Federal Reserve Bank is responsible for a district.

Federal Reserve Banks are independent, privately owned and locally controlled corporations.

As of Nov 2020 Collective assets of the Federal Reserve Banks is \$7.15 trillion

\-Federal Reserve Bank of New York: \$3.97 Trillion

\-Federal Reserve Bank of San Fransisco: \$725 Billion

The Federal Open Market Committee (FOMC)

\- Includes all 7 members of the Board of Governors

\- Includes the President of the New York Fed and a rotation of 4 other district presidents

\- They meet 8 times a year and determine Fed monetary policy / set target rates

Federal Reserve Monetary Policy

Federal funds rate: Interest rate at which member banks borrow money from other member banks at the fed (member banks lend excess reserve balances to other member banks).

Rate falling = expansion in the supply of credit and currency

Rate rising = contraction in the supply of credit and currency

FOMC sets the target federal funds rate, and uses open market operations as the primary tool to reach that target.

To influence rates in a down trend, the fed will purchase securities and deposit the funds in the member bank's account at the Fed (increasing their reserve balance)

To influence rates in a up trend , the fed will sell securities and withdraw funds from the member bank's account at the Fed (diminishing their reserve balance)

Open market operations are not subject to any federal audit.

From what I've learned I feel like the Federal Reserve isn't as a whole bad actors. It appears like they have a few nefarious members like the New York Federal Reserve Bank which accounts for more than half of their funding. Which could be the main cause for their issues and makes sense since New York is the home of Wall street and most likely the easiest member to corrupt that holds alot of power since he sits on all the 8 meetings a year of the FOMC. If you think about it the Federal Reserve doesn't spend the money they just distribute it and control interest rates. Its the Federal Reserve Banks that are responsible for causing the inflation and doing all the shady lending putting the Federal Reserve at systematic risk. Of course i'm an ape and just speculating after watching a few youtube videos on the fed so don't take me too seriously lol.