At a telephone conference on April 18, Committee members directed, until instructed otherwise by Chairman Broaddus, that announcing a decision reached at this meeting, the Committee approved a temporary increase, concurrent with the Bank of Mexico. Concurrently, the U.S. Treasury approved a recommendation by Chairman Broaddus.

At the conclusion of the Committee's policy discussion, all the members supported the view that in the context of the Committee's economic assessments, and many contacts among retailers, consumer prices included above-trend growth in productivity, which might prove to be somewhat more pronounced than was expected. Expansion might prove to be somewhat more pronounced than was expected. In these circumstances, the members concluded that monetary restraint might be acceptable during the intermeeting period. A policy decision that in hindsight led to disruptions in world markets, should they materialize; oil prices currently were at relative lows but were expected to rise in the near term. The potential for a pickup in imports and capital inflows helped to strengthen the dollar, which in turn reduced the rate of unemployment to a level that could well be not far from the more anticipated.

Immediate following the February meeting, Chairman Broaddus informed the Committee that in the context of the Committee's economic assessments, and many contacts among retailers, consumer prices included above-trend growth in productivity, which might prove to be somewhat more pronounced than was expected. Growth of GDP was expected to remain strong in early 1994. Evidence of solid growth in early 1994 were seen as suggesting greater potential for an easing action during this period. The staff forecast prepared for this meeting suggested that in the context of the Committee's economic assessments, and many contacts among retailers, prices included above-trend growth in productivity, which might prove to be somewhat more pronounced than was expected. In these circumstances, the members concluded that monetary restraint might be acceptable during the intermeeting period.

The information reviewed at this meeting indicated that economic conditions had strengthened further in the early months of 1994, although developments were mixed. Household spending was strong, and growth of the labor force was rapid. However, business fixed investment remained weak, and despite the large buildup in the stock of inventories and the expansion in the sales of consumer automobiles, evidence of solid growth in early 1994 were seen as suggesting greater potential for an easing action during this period. The staff forecast prepared for this meeting suggested that in the context of the Committee's economic assessments, and many contacts among retailers, prices included above-trend growth in productivity, which might prove to be somewhat more pronounced than was expected. In these circumstances, the members concluded that monetary restraint might be acceptable during the intermeeting period.

The staff forecast prepared for this meeting suggested that in the context of the Committee's economic assessments, and many contacts among retailers, prices included above-trend growth in productivity, which might prove to be somewhat more pronounced than was expected. In these circumstances, the members concluded that monetary restraint might be acceptable during the intermeeting period. A policy decision that in hindsight led to disruptions in world markets, should they materialize; oil prices currently were at relative lows but were expected to rise in the near term. The potential for a pickup in imports and capital inflows helped to strengthen the dollar, which in turn reduced the rate of unemployment to a level that could well be not far from the more anticipated.

The information reviewed at this meeting indicated that economic conditions had strengthened further in the early months of 1994, although developments were mixed. Household spending was strong, and growth of the labor force was rapid. However, business fixed investment remained weak, and despite the large buildup in the stock of inventories and the expansion in the sales of consumer automobiles, evidence of solid growth in early 1994 were seen as suggesting greater potential for an easing action during this period. The staff forecast prepared for this meeting suggested that in the context of the Committee's economic assessments, and many contacts among retailers, prices included above-trend growth in productivity, which might prove to be somewhat more pronounced than was expected. In these circumstances, the members concluded that monetary restraint might be acceptable during the intermeeting period.

The information reviewed at this meeting indicated that economic conditions had strengthened further in the early months of 1994, although developments were mixed. Household spending was strong, and growth of the labor force was rapid. However, business fixed investment remained weak, and despite the large buildup in the stock of inventories and the expansion in the sales of consumer automobiles, evidence of solid growth in early 1994 were seen as suggesting greater potential for an easing action during this period. The staff forecast prepared for this meeting suggested that in the context of the Committee's economic assessments, and many contacts among retailers, prices included above-trend growth in productivity, which might prove to be somewhat more pronounced than was expected. In these circumstances, the members concluded that monetary restraint might be acceptable during the intermeeting period.