

MINUTES OF THE MEETING OF THE OPEN MARKET INVESTMENT COMMITTEE
FOR THE FEDERAL RESERVE SYSTEM HELD IN THE OFFICES OF
THE FEDERAL RESERVE BOARD, SEPTEMBER 22, 1925

322-31
333-b-2
Final Minutes
9/22/25

The following were present:

Governors Strong, Harding, Fancher and McDougal
Mr. Hutt, representing Governor Norris, and
W. R. Burgess, Secretary pro tem

The meeting was called to order by Governor Strong at 11 a. m.

Reports were submitted by the chairman concerning credit conditions and future program, by the secretary of the committee giving the data as to the detail of operations, and by Mr. Case concerning operations with foreign banks of issue. After discussion it was

VOTED that these reports be adopted as submitted, including the recommendation in the secretary's report that during the balance of the year additional purchases of bills or securities be distributed among the banks in such manner as, first, to provide for the expenses and dividends of each bank; and, second, to provide thereafter for estimated chargeoffs as completely as possible.

There following a general discussion concerning credit conditions.

At 11:45 the committee met with the Federal Reserve Board.

The chairman presented the Committee reports to the Board and the action which had been taken, calling attention to that part of the report which suggested that the present situation appeared to call not for open market operations but careful consideration of the position of the discount rate, which was outside of the province of the committee.

[There then ensued a discussion of credit conditions and discount policy.
No action was taken and the only definite recommendation was made by Dr. Miller to the effect that it would be desirable to make sales from the special

investment account and to follow these sales shortly by an increase in the New York discount rate. Most of those present at the meeting were not in agreement with this view.]

The meeting adjourned at 1:15.

W. R. Burgess

Secretary pro tem