

Board of Governors
of the
Federal Reserve System

For immediate release

February 20, 1961

Below is a copy of a statement issued in New York today, for immediate release.

At the direction of the Chairman of the Open Market Committee of the Federal Reserve System, the following announcement was made today by the Manager of the System Open Market Account for the information of the public and all participants in the market for Government securities:

"The System Open Market Account is purchasing in the open market U. S. Government notes and bonds of varying maturities, some of which will exceed 5 years.

"Price quotations and offerings are being requested of all primary dealers in U. S. Government securities. Determination as to which offerings to purchase is being governed by the prices that appear most advantageous, i.e., the lowest prices. Net amounts of all transactions for System account will be shown as usual in the condition statements issued every Thursday.

"During recent years transactions for the System Account, except in correction of disorderly markets, have been made in short-term U. S. Government securities. Authority for transactions in securities of longer maturity has been granted by the Open Market Committee of the Federal Reserve System in the light of conditions that have developed in the domestic economy and in the U. S. balance of payments with other countries."

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