January 5, 1931.

Dear Mr. Matteson:

I acknowledge receipt of and shall bring to the attention of the members of the Board your letter of January 3 enclosing a report of open market operations for the period from December 26, 1930 to December 31, 1930, inclusive, together with data received from Federal Reserve banks.

Very truly yours,

E. M. McClelland,
Assistant Secretary.

Mr. W. B. Matteson,
Assistant Deputy Governor,
Federal Reserve Bank,
New York, New York.

Mr Riefler
Mr Smead
Mr Collier

FEDERAL RESERVE BANK
OF NEW YORK

RECEIVED
JAN -5 1931
DIVISION OF RESEARCH
AND STATISTICS.

CONFIDENTIAL

January 3, 1931

Mr. E. A. Goldenweiser,
Director, Division of Research and Statistics,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Goldenweiser:

Enclosed is a report of open market operations for the period from December 26, 1930 to December 31, 1930 inclusive, together with data received from Federal reserve banks.

Very truly yours,

W. B. Matteson

W. B. Matteson
Assistant Deputy Governor

Encl.

FOR SPECIAL CIRCULATION
PLEASE READ PROMPTLY, INITIAL AND RETURN TO SECRETARY'S OFFICE
Gov. Meyer. Mr. Hamlin Mr. James
Mr. Miller Mr. Pole

Mr. McClelland

FEDERAL RESERVE BANK
OF NEW YORK

CONFIDENTIAL

January 3, 1931

Dear Governor Meyer:

Enclosed is a report of open market operations for the period from December 26, 1930 to December 31, 1930 inclusive, together with data received from Federal reserve banks.

Very truly yours,

W. B. Matteson
W. B. Matteson
Assistant Deputy Governor

Honorable Eugene Meyer,
Governor, Federal Reserve Board,
Washington, D. C.

Encl.

RECEIVED
JAN 5 1931
OFFICE OF
THE GOVERNOR

CONFIDENTIAL

REPORT OF OPEN MARKET OPERATIONS FOR WEEK ENDED DECEMBER 31, 1930

Holdings of Earning Assets of Federal Reserve Banks from December 31, 1929 to Date
(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES Outright Purchases	GOVERNMENT SECURITIES Sales Contracts	BANKERS ACCEPTANCES Outright Purchases	BANKERS ACCEPTANCES Sales Contracts	BILLS DISCOUNTED
-1929-						
Dec. 31	$1,547,517	$487,292	$23,295	$236,974	$155,235	$632,421
-1930-						
Jan. 29	1,154,379	476,466	70	185,677	72,795	406,941
Feb. 26	1,138,522	477,610	5,145	232,521	66,785	342,781
Mar. 26	1,001,090	526,284	2,715	143,772	112,710	206,829
Apr. 30	982,225	527,124	2,385	161,846	47,718	233,452
May 28	958,776	529,450	320	130,066	45,494	247,046
June 25	916,038	576,560	410	94,735	7,578	231,505
July 30	911,554	576,323	45	127,965	2,797	197,101
Aug. 27	967,034	601,913	0	159,137	4,137	193,275
Sept. 24	973,483	601,656	150	192,161	5,583	167,162
Oct. 29	975,021	601,438	0	161,906	3,752	201,603
Nov. 26	1,011,940	595,634	0	169,930	6,176	233,852
Dec. 24	1,356,395	639,645	2,031	221,759	38,078	448,349
Dec. 31	1,351,853	686,064	43,403	324,746	39,098	251,398

CHANGES IN EARNING ASSET HOLDINGS (EXCLUSIVE OF SALES CONTRACTS)
DURING WEEK ENDED DECEMBER 31, 1930
(000 Omitted)

	GOVERNMENT SECURITIES Balance Dec. 31	GOVERNMENT SECURITIES Net Change	BANKERS ACCEPTANCES Balance Dec. 31	BANKERS ACCEPTANCES Net Change	BILLS DISCOUNTED Balance Dec. 31	BILLS DISCOUNTED Net Change
Boston	$ 49,925	$ 2,999+	$ 20,004	$ 4,736+	$ 13,238	$ 11,631-
New York	246,929	16,378+	57,906	23,569+	61,898	79,588-
Philadelphia	54,204	3,205+	6	0	25,663	15,096-
Cleveland	62,925	4,032+	22,333	5,594+	37,216	10,340-
Richmond	13,907	1,646+	9,425	612+	22,766	15,693-
Atlanta	7,877	105+	14,018	2,340+	18,069	10,745-
Chicago	82,603	0	45,060	20,028+	22,804	8,870-
St. Louis	26,383	1,965+	9,493	2,137+	11,301	3,051-
Minneapolis	27,302	1,043+	7,583	1,789+	3,576	586-
Kansas City	31,611	2,274+	11,892	3,464+	15,042	338-
Dallas	31,316	1,654+	7,496	1,485+	4,342	2,346-
San Francisco	51,082	11,118+	23,671	679+	15,483	38,667-
N. Y. holdovers and other bills			95,859	36,554+		
Totals	$686,064	$46,419+	$324,746	$102,987+	$251,398	$196,951-

COMMENT ON CHANGES WEEK ENDED DECEMBER 31, 1930

Total earning assets of the System showed a decrease of $4,542,000 for the current statement week. The changes by classification consisted of increases of $46,419,000 and $102,987,000, respectively, in outright purchases of government securities and bankers acceptances, $42,392,000 in investments held under sales contracts, and a decrease of $196,951,000 in bills discounted. The change in sales contracts consisted of increases of $41,372,000 and $1,020,000, respectively, in government securities and bankers acceptances.

Money Market

During the past week the money market was subject to the influences which usually manifest themselves as the end of the year draws near accentuated this year by an unusual amount of "window dressing." The preparations for December 31 statement and first of January interest and dividend disbursements were accompanied by a sizable increase in the required reserves of the New York City banks, and call money rates advanced. Call money began after Christmas at 2 per cent and advanced on the 26th to 2 1/2 per cent; on the succeeding day on which call money is quoted, Monday, the new loan rate went to 4 per cent from a 2 1/2 per cent renewal level. At that point purchases of securities were made for system account with an immediate effect on the money market. On the next day all transactions were at 3 1/2 per cent, and on the last day of the year the rate for new loans receded to 3 per cent from a 3 1/2 per cent renewal figure. Early in the first business day of the new year, Stock Exchange call money declined to 2 per cent, and later in the day to 1 1/2 per cent.

The demand for funds during the week took the form of an outflow of funds to other centers, in addition to which a substantial amount of currency was earmarked for New York City banks - a usual occurrence at this time of year and representing, it is understood, transactions for Canadian banks through their New York correspondents. There was also a great effort by banks to show no indebtedness at the end of the year and to show large cash reserves. Return of other currency to the Reserve Bank tended to offset losses, to the market, but the demand was largely met by sales of bills to the Reserve Bank and the purchase of $32,925,000 of securities for the System Special Investment Account. The bill and security purchases by this bank enabled the City banks to reduce their indebtedness here from $88,000,000 on December 24, to only $26,000,000 on December 31, and also enabled the City banks to accumulate a considerable surplus of reserve balances, as against a moderate deficit existing a week earlier. On January 2, the reverting of call money to its former easy position made it expedient to dispose of part of the securities acquired prior to the year-end and bill operations on that day also resulted in a loss to the money market, inasmuch as bill maturities from the Federal Reserve portfolio were not accompanied by offerings of bills to this bank.

Quotations in the time money market were unchanged during the past week, and little trading activity was reported. At the close of the period, 3 months' money was quoted at a nominal rate of 2 1/4 per cent bid, 2 1/2 per cent asked.

As is usual at this time of year, both the supply of and demand for commercial paper were of limited volume. Prevailing rates for prime commercial paper continued to be given as 2 3/4 - 3 per cent.

Government Security Market

Accompanying firmer money conditions during the first four days of the last statement week, the demand for United States Government securities fell off and, while short-term issues remained firm, the prices for the long-term bonds showed an average loss of about 1/4 of 1 per cent. On the last two days of the statement week, (which were also the last two days of the calendar year) in sympathy with the ease in money rates and partly assisted by System purchases, the demand for United States Government securities was much better, with the market reflecting a good undertone and prices of the long-term bonds recovering part of the losses recorded earlier in the week. At the close of the statement week the average yield on the short-term government securities, at dealers' offering prices, was about 1.50% as compared with 1.53% last week and the average selling price for the Liberty Loan and Treasury bonds was 104.87 as compared with 104.92 last week and the high for the year of 105.38.

Dealers' Offering Prices at the Close of the Current Statement Week and Net Changes from the Close of the Previous Statement Week

Issue	Price	Net Change	Approx. Yield
2 3/8% Cert. of Ind. due June 15, 1931	100 22/32	- - -	1.30%
1 3/4% " " " " June 15, 1931	100 4/32	- - -	1.46%
2 3/8% " " " " Sept. 15, 1931	100 18/32	- - -	1.55%
1 7/8% " " " " Dec. 15, 1931	100 3/32	+1/32	1.77%
3 1/2% Treasury Notes Series "A" and "B" called for payment Mar. 15, 1931	100 14/32	- - -	1.18%
3 1/2% Treasury Notes due Dec. 15, 1932	101 20/32	- - -	1.75%
Treasury Bills " Feb. 16, 1931	1 5/8% - 1 1/4% discount		

Closing Sale or Bid Prices on New York Stock Exchange at the Close of the Current Statement Week and Net Changes from Close of the Previous Statement Week

Issue	Price	Net Change	Issue	Price	Net Change
1st 3 1/2s	101 29/32	+1/32	Treas. 4s 1944-54	108 (B)	-4/32
1st 4 1/4s	102 30/32	- - -	" 4 1/4s 1947-52	112 4/32	+1/32
4th 4 1/4s	103 21/32	+2/32	" 3 3/4s 1946-56	106 1/32(B)	-3/32
			" 3 3/8s 1943-47	102 11/32(B)	-2/32
			" 3 3/8s 1940-43	102 7/32	- - -

(B) indicates bid price.

Bankers Acceptances

Dealers' offerings of unindorsed bankers acceptances continued at the following rates during the current statement week: 1 7/8 per cent for 30s, 60s and 90s; 2 per cent for 120s, and 2 1/8 per cent for 180-day bills.

Reports week ending Dec. 31

In Boston dealers reported that there was a small supply of bills, with an increased demand during the past period. Bills moved freely at offered rates, with 90-day maturities in best demand. Local banks came in the market, with the result that dealers were obliged to receive bills from their offices in other cities in order to obtain the desired maturities. The supply of new bills continued small. In New York the bill market was moderatly active during the week. Dealers' purchases fell off somewhat as compared with the past two weeks. Their sales continued in good volume and exceeded their purchases moderately. Their aggregate portfolios declined by about $17,000,000. The Reserve Bank purchased a substantial amount of bills during the week for System Account, principally from banks and mostly bills of the shorter maturities. Philadelphia reports that its acceptance market was practically unchanged. Offerings were a little heavier with the demand dull, although dealers reported portfolios slightly lighter. Chicago reports that its bill market was rather quiet although offerings to the Reserve Bank were heavy on account of year-end settlement. Dallas reports that the bill market in its district continued quiet during the past week with the demand small and few offerings.

OPERATIONS FOR ACCOUNT UNITED STATES TREASURY

Transactions consummated under Treasury authorization during the current statement week were as follows:

Sale of $ 600,000	- par value	3 1/2% Treasury notes, due Dec. 15, 1932 account Alien Property Custodian
115,000	- par value	4 1/4% Fourth Liberty Loan bonds due Oct. 15, 1933-38, account German Special Deposit Account
1,000,000	- par value	4 1/4% Fourth Liberty Loan bonds due Oct. 15, 1933-38, account Government Life Insurance Fund
$1,715,000	- Total Sales	

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

Under authority of the Open Market Policy Conference of September 25, 1930, and to avoid undue stringency of money over the year-end, purchases were made on December 30 and 31 of $32,925,000 aggregate amount of United States Government securities of various issues, as follows:

December 30, 1930 -	$28,275,000
December 31, 1930 -	4,650,000
Total	$32,925,000

These purchases temporarily increased the total amount of holdings in the System Account to $435,225,000. The participations by Federal reserve banks and the classification of issues at the close of the statement week ending December 31, 1930, were as follows:

PARTICIPATION BY FEDERAL RESERVE BANKS

Boston	$ 49,235,500
New York	87,153,500
Philadelphia	41,297,000
Cleveland	52,760,000
Richmond	12,755,000
Atlanta	5,146,500
Chicago	62,675,500
St. Louis	17,757,500
Minneapolis	19,563,500
Kansas City	31,608,500
Dallas	21,332,500
San Francisco	33,940,000
Totals	$435,225,000

RECAPITULATION OF HOLDINGS BY MATURITIES

Feb. 16, 1931 - Treas. Bills	$ 24,182,000
June 15, 1931 - 2 7/8% C/I	83,631,000
June 15, 1931 - 1 3/4% "	5,550,000
Sept. 15, 1931 - 2 3/8% "	82,655,500
Dec. 15, 1931 - 1 7/8% "	51,626,500
Mar. 15, 1931 - 3 1/2% T/N Series "A" and "B"	114,120,100
Dec. 15, 1932 - 3 1/2% "	45,411,900
Oct. 15, 1938 - 4 1/4% 4th L/L	28,048,000
	$435,225,000

Note: The Executive Committee of the Open Market Policy Conference has agreed to selling to the market, as the market appeared to be in condition to absorb it readily, the $32,000,000 securities purchased to take care of year-end demands. Sales have been made to the market of $10,000,000 of these securities, leaving a balance of about $22,000,000 to be disposed of.

ITEMIZED STATEMENT OF TRANSACTIONS IN GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES AFFECTING THE INVESTMENT ACCOUNT OF ALL FEDERAL RESERVE BANKS FROM DECEMBER 26 TO DECEMBER 31, 1930, INCLUSIVE

GOVERNMENT SECURITIES - SYSTEM INVESTMENT ACCOUNT

	Purchases
Boston	$ 2,998,500
New York	10,545,000
Philadelphia	3,205,000
Cleveland	4,032,000
Richmond	1,646,000
Atlanta	0
Chicago	0
St. Louis	1,964,500
Minneapolis	987,500
Kansas City	2,274,500
Dallas	1,654,000
San Francisco	3,618,000
Total	$32,925,000

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	Purchases	Issue	Sales	Issue
New York	$ 7,431,700	Misc. Gov't Sec.	$1,599,500	Misc. Gov't Sec.
Atlanta	541,400	" " "	435,950	" " "
Minneapolis	947,350	" " "	891,700	" " "
San Francisco	7,500,000	" " "	0	-
Totals	$16,420,450		$2,927,150	

BANKERS ACCEPTANCES
(000 Omitted)

	Holdings Dec. 24	Purchased Own Mkt.	By Allotment from New York	Maturities & Sales	Holdings Dec. 31	Other Holdings Close Dec. 31/30 Sales Contracts	Other Holdings Close Dec. 31/30 Other Bills
Boston	$ 15,268	$ 688 R	$ 6,717	$ 2,669	$ 20,004	$ 2,648	$ 2,663
New York	34,337	33,725 " 63,226 A	0	10,156	57,906	29,093	36,965
Phila.	6	0	0	0	6	0	3,490
Cleve.	16,739	0	9,137	3,543	22,333	0	3,598
Richmond	8,813	216 R	4,814	4,418	9,425	0	1,511
Atlanta	11,678	1,514 "	5,534	4,708	14,018	0	1,737
Chicago	25,032	13,984 "	12,246	6,202	45,060	2,488	4,822
St. Louis	7,356	0	4,589	2,452	9,493	0	1,295
Minn.	5,794	902 "	2,842	1,955	7,583	0	828
Kan. City	8,428	0	5,336	1,872	11,892	0	1,079
Dallas	6,011	20 "	3,760	2,295	7,496	0	1,079
San Fran.	22,992	419 "	8,251	7,991	23,671	4,869	2,483
Totals	$162,454	$114,694	$63,226	$48,261	$228,887	$39,098	$61,550

Bills held over night by New York for distribution to other F. R. Banks - - 34,309

Total - - - - $95,859

NOTE: R. indicates Retained and A. indicates Allotted in the above statement.

MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDING DECEMBER 31, 1930
(000 Omitted)

	1-30 days 1 3/4%	31-60 days 1 3/4%	61-90 days 1 3/4%	Over 90-days 1 3/4-1 7/8%	Total
Boston	$ 26	$ 97	$ 565	$ 0	$ 688
New York	64,771*	12,202	19,585*	393	96,951
Richmond	45	171	0	0	216
Atlanta	1,401*	49	62	2**	1,514
Chicago	4,559	5,900	3,525	0	13,984
Minneapolis	0	0	902	0	902
Dallas	0	0	0	20	20
San Francisco	231	171	17***	0	419
Totals	$71,033	$18,590	$24,656	$415	$114,694

*Purchased at 1 3/4 to 1 7/8%
**Purchased at 2 1/8%
***Purchased at 1 7/8 to 2%

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES DURING WEEK ENDING DECEMBER 31, 1930
(000 Omitted)

(Excluding Sales Contracts)

	Government Securities	Bankers Acceptances	Total
Purchased	$49,346	$114,694	$164,040
Sold	2,927	0	2,927
Matured	0	48,261	48,261
		$ 66,433+	$112,852+
		36,554+ (Net Change 1-day holdover & other bills)	36,554+ (Net Change 1-day holdover & other bills)
Totals	$46,419+	$102,987+	$149,406+

HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES DECEMBER 31, 1930
(000 Omitted)

(Including Sales Contracts)

	Within 15-days	16-30 days	31-60 days	61-90 days	91 days-6 months	Over 6 months	Total
Gov't Securities	$ 43,403	$ 0	$24,182	$126,133	$107,530	$428,219	$729,467
Bills Purchased	219,272	68,062	47,249	28,129	1,132	0	363,844
Totals	$262,675	$68,062	$71,431	$154,262	$108,662	$428,219	$1,093,311

December 29, 1930.

Dear Mr. Matteson:

Receipt is acknowledged of your letter of December 27th, addressed to Governor Meyer, enclosing a ~~report of~~ open market operations for the period from December 18 to December 24, 1930, inclusive.

Very truly yours,

E. M. McClelland,
Assistant Secretary.

Mr. W. B. Matteson,
Assistant Deputy Governor,
Federal Reserve Bank,
New York, N. Y.

1930

FEDERAL RESERVE BANK
OF NEW YORK

P E R S O N A L December 27, 1930

Dear Governor Meyer:

We are enclosing, for your files, a report of open market operations for the period from December 18, 1930 to December 24, 1930 inclusive, together with data received from Federal reserve banks.

Very truly yours,

W. B. Matteson
Assistant Deputy Governor

Honorable Eugene Meyer,
Governor, Federal Reserve Board,
Washington, D. C.

Encl.

Mr Riefler
Mr Smead
Mr Collier

RECEIVED
DEC 29 1930
DIVISION OF RESEARCH AND STATISTICS

FEDERAL RESERVE BANK

OF NEW YORK

CONFIDENTIAL

December 27, 1930

Mr. E. A. Goldenweiser,
Director, Division of Research and Statistics,
Federal Reserve Board,
Washington, D. C.

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W. B. Matteson
Assistant Deputy Governor

Encl.

FEDERAL RESERVE BANK

OF NEW YORK

CONFIDENTIAL

December 27, 1930

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W. B. Matteson
Assistant Deputy Governor

Honorable Eugene Meyer,
Governor, Federal Reserve Board,
Washington, D. C.

Encl.

Ans (letter) 12/29/30

CONFIDENTIAL

REPORT OF OPEN MARKET OPERATIONS FOR WEEK ENDED DECEMBER 24, 1930

Holdings of Earning Assets of Federal Reserve Banks from December 24, 1929 to Date
(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES Outright Purchases	Sales Contracts	BANKERS ACCEPTANCES Outright Purchases	Sales Contracts	BILLS DISCOUNTED
-1929-						
Dec. 24	$1,612,537	$475,528	$ 9,515	$220,677	$134,266	$762,781
Dec. 31	1,547,517	487,292	23,295	236,974	155,235	632,421
-1930-						
Jan. 29	1,154,379	476,466	70	185,677	72,795	406,941
Feb. 26	1,138,522	477,610	5,145	232,521	66,785	342,781
Mar. 26	1,001,090	526,284	2,715	143,772	112,710	206,829
Apr. 30	982,225	527,124	2,385	161,843	47,718	233,452
May 28	958,776	529,450	320	130,066	45,494	247,046
June 25	916,038	576,560	410	94,735	7,578	231,505
July 30	911,554	576,323	45	127,965	2,797	197,101
Aug. 27	967,034	601,913	0	159,137	4,137	193,275
Sept. 24	973,483	601,656	150	192,161	5,583	167,162
Oct. 29	975,021	601,438	0	161,906	3,752	201,603
Nov. 26	1,011,940	595,634	0	169,930	6,176	233,852
Dec. 17	1,282,797*	692,434*	0	223,911	27,680	331,321
Dec. 24	1,356,395	639,645	2,031	221,759	38,078	448,349

*Includes $109,000,000 special one-day Treasury certificate of indebtedness

CHANGES IN EARNING ASSET HOLDINGS (EXCLUSIVE OF SALES CONTRACTS)
DURING WEEK ENDED DECEMBER 24, 1930
(000 Omitted)

	GOVERNMENT SECURITIES Balance Dec. 24	Net Change	BANKERS ACCEPTANCES Balance Dec. 24	Net Change	BILLS DISCOUNTED Balance Dec. 24	Net Change
Boston	$ 46,926	$ 0	$ 15,268	$1,357-	$ 24,869	$ 10,320+
New York	230,551	56,200+	34,337	1,061+	141,486	63,746+
Philadelphia	50,999	1-	6	0	40,759	16,535+
Cleveland	58,893	1+	16,739	3,229-	47,556	5,331+
Richmond	12,261	1-	8,813	2,135-	38,459	6,288+
Atlanta	7,772	8-	11,678	1,440-	28,814	133-
Chicago	82,603	0	25,032	1,810+	31,674	8,530+
St. Louis	24,418	0	7,356	1,157-	14,352	853-
Minneapolis	26,259	20+	5,794	378-	4,162	301+
Kansas City	29,537	0	8,428	635-	15,380	660+
Dallas	29,632	0	6,011	1,044-	6,688	102+
San Francisco	39,964	0	22,992	2,242-	54,150	6,201+
N. Y. holdovers and other bills			59,305	8,594+		
Totals	$639,645	$56,211+	$221,759	$2,152-	$448,349	$117,028+

COMMENT ON CHANGES WEEK ENDED DECEMBER 24, 1930

Total earning assets of the System (exclusive of the $109,000,000 special one-day certificate of indebtedness issued by the Treasury to cover the overdraft on December 17, 1930) showed an increase of $182,598,000 for the current statement week. The changes by classification consisted of increases of $56,211,000 and $117,028,000 respectively, in outright purchases of government securities and bills discounted and $12,429,000 in investments held under sales contracts, and a decrease of $2,152,000 in bankers acceptances. The change in sales contracts consisted of an increase of $2,031,000 in government securities and $10,398,000 in bankers acceptances.

The increase of $56,200,000 in government securities at the Federal Reserve Bank of New York represents replacement purchases, delivery of which was deferred until December 18, as described in detail in last week's report.

Money Market

Following the termination of the Treasury overdraft at the Reserve bank, money conditions in New York became slightly firmer as the supply of funds was reduced by outgoing transfers to other centers, and by currency withdrawals from the Reserve bank, partly for Christmas needs and also partly to fortify the City banks' cash position after the closing of the Chelsea Bank and Trust Company. The closing of this bank, however, created much less disturbance and a smaller currency demand than did the closing of the Bank of United States. Throughout the past week, call money has been quoted at 2 per cent on the Exchange, but the rate in the outside market which had been 1 1/4 - 1 1/2 per cent on Friday, the 19th, moved up to 1 1/2 - 2 per cent on the following Monday, and on the two days preceding Christmas offerings in the outside market were made no lower than the Exchange quotation. On Friday afternoon, the 26th, the rate for new call loans went to 2 1/2 per cent.

The New York City banks opened the past week with their reserve balances considerably in excess of requirements, but as a result of the losses during the period, this surplus was converted into a moderate shortage which prevailed on Wednesday, the 24th, and consequently on Christmas, the first two days of the current reserve period. The losses of money market funds during the week in transfers to other districts and increased currency requirements were amplified by Treasury collections and only slightly offset by a net gain of gold through import and earmarking transactions. The principal offsets to the large loss in commercial and agency transactions were replacement security purchases for the New York Bank's investment account, most of which were made on December 18, and an increase of $51,000,000 in New York City bank borrowings which occurred on December 24. On that day, the indebtedness of the City banks reached $88,000,000. On Friday, the 26th, the banks took the expedient of selling a large amount of bills to the Reserve bank in order to correct their reserve position.

Bid and asked quotations for 30 and 90 day loans turned slightly easier during the week. As to actual trading, however, the time money market was practically at a standstill.

Seasonal dullness characterized the commercial paper market on both the supply and demand sides. Rates for prime names were unchanged at 2 3/4 - 3 per cent.

Government Security Market

The undertone in the market for United States Government securities was somewhat easier during most of the current statement week. Offerings were in excess of the demand, especially for the long-term issues, which were offered in fairly large volume, as a result of which prices declined fractionally. However, on the last day of the statement week, following the announcement of the reduction in the rediscount rate at the Federal Reserve Bank of New York, there was a much better undertone in the government security market and prices of the short-term issues recorded small fractional gains, while prices of the long-term issues were firm. At the close of the current statement week the average yield on the short-term government securities, at dealers' offering prices, was about 1.53% as compared with 1.62% last week and the average selling price for the Liberty Loan and Treasury bonds was 104.92 as compared with 105.01 last week and the high for the year of 105.38.

Dealers' Offering Prices at the Close of the Current Statement Week
and Net Changes from the Close of the Previous Statement Week

Issue	Price	Net Change	Approx. Yield
2 7/8% Cert. of Ind. due June 15, 1931	100 22/32	+1/32	1.37%
1 3/4% " " " " June 15, 1931	100 4/32	+2/32	1.47%
2 3/8% " " " " Sept. 15, 1931	100 18/32	- - -	1.57%
1 7/8% " " " " Dec. 15, 1931	100 2/32	- - -	1.80%
3 1/2% Treasury Notes Series "A" and "B" called for payment Mar. 15, 1931	100 14/32	-1/32	1.39%
3 1/2% Treasury Notes due Dec. 15, 1932	101 20/32	+3/32	1.78%
Treasury Bills " Feb. 16, 1931	1 1/2% - 1 1/4% discount		

Closing Sale Prices on New York Stock Exchange at the Close
of the Current Statement Week and Net Changes from
Close of the Previous Statement Week

Issue	Price	Net Change	Issue	Price	Net Change
1st 3 1/2s	101 28/32	+2/32	Treas. 4s 1944-54	108 4/32	-6/32
1st 4 1/4s	102 30/32	+1/32	" 4 1/4s 1947-52	112 3/32	-7/32
4th 4 1/4s	103 19/32	- - -	" 3 3/4s 1946-56	106 4/32	-10/32
			" 3 3/8s 1943-47	102 13/32	-7/32
			" 3 3/8s 1940-43	102 7/32	+1/32

Bankers Acceptances

Dealers' offerings of unindorsed bankers acceptances continued at the following rates during the current statement week: 1 7/8 per cent for 30s, 60s and 90s; 2 per cent for 120s, and 2 1/8 per cent for 180-day bills.

Reports Week ending Dec. 24

Boston reports that the acceptors had more bills to offer during the past period than for several weeks past. The local demand also increased, due to continued easy money. Dealers continued to maintain small portfolios as heretofore and forwarded excess supply of bills to offices in other cities. In New York the bill market was slightly less active this week. The first three days of the period dealers' sales exceeded their purchases and aggregate portfolios were reduced to $47,000,000, but the last two days was the reverse with dealers' purchases exceeding sales considerably and aggregate portfolios at the end of the week had increased to $69,000,000, which was about $8,000,000 more than they held at the end of last week. Philadelphia reports that its acceptance market was dull and inactive. The supply of bills was small, with practically no demand. Chicago reports that there was an increase in both the supply and the demand for bills in its district during the past week. Dallas reports that its bill market continued quiet, with the demand small. There were no offerings to the Federal reserve bank.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

Transactions consummated under Treasury authorization during the current statement week were as follows:

Purchase of	$ 69,600	- Fourth 4 1/4% Liberty Loan bonds, account General Railroad Contingent Fund
Sales of	50,000	- Fourth 4 1/4% Liberty Loan bonds account German Special Deposit Account
	1,000,000	- Fourth 4 1/4% Liberty Loan bonds, account Government Life Insurance Fund
	750,000	- 3 3/8% Treasury bonds of 1943-47, account Commissioner of Indian Affairs
	300,000	- Fourth 4 1/4% Liberty Loan bonds, account Commissioner of Indian Affairs
	375,000	- 4% Treasury bonds of 1944-54, account Commissioner of Indian Affairs
	100,000	- 3 3/4% Treasury bonds of 1946-56, account Commissioner of Indian Affairs
	$2,575,000	- Total Sales

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

During the current statement week exchanges were effected advantageously in the holdings in the System Account of:

$14,000,000 - 3 1/2% Treasury notes called for payment March 15, 1931
10,500,000 - Treasury bills due February 16, 1931
1,000,000 - 2 7/8% certificates of indebtedness due June 15, 1931

a total of $25,500,000 for a like amount of United States Government securities as follows:

$10,000,000 - 3 1/2% Treasury notes called for payment March 15, 1931
1,000,000 - 2 3/8% certificates of indebtedness due Sept. 15, 1931
14,500,000 - 1 7/8% certificates of indebtedness due Dec. 15, 1931
$25,500,000

With reference to the $10,000,000 3 1/2% Treasury Notes called for payment March 15, 1931, referred to in the above statement, these notes were acquired temporarily as an accommodation to the market and were subsequently disposed of.

These transactions did not affect the amount of total holdings in the System Account which remained at the close of business Wednesday, December 24, 1930, at $402,300,000. The participations by Federal reserve banks and the classification of issues at the close of the statement week were as follows:

PARTICIPATION BY FEDERAL RESERVE BANKS		RECAPITULATION OF HOLDINGS BY MATURITIES	
Boston	$ 46,237,000	Feb. 16, 1931 - Treas. Bills	$ 23,457,000
New York	76,608,500	June 15, 1931 - 2 7/8% C/I	83,631,000
Philadelphia	38,092,000	June 15, 1931 - 1 3/4% "	500,000
Cleveland	48,728,000	Sept.15, 1931 - 2 3/8% "	80,655,500
Richmond	11,109,000	Dec. 15, 1931 - 1 7/8% "	43,926,500
Atlanta	5,146,500	Mar. 15, 1931 - 3 1/2% T/N	
Chicago	62,675,500	Series "A" and "B"	99,620,100
St. Louis	15,793,000	Dec. 15, 1932 - 3 1/2% T/N	45,411,900
Minneapolis	18,576,000	Oct. 15, 1938 - 4 1/4% 4th L/L	25,098,000
Kansas City	29,334,000		
Dallas	19,678,500		
San Francisco	30,322,000		
Totals	$402,300,000		$402,300,000

ITEMIZED STATEMENT OF TRANSACTIONS IN GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES AFFECTING THE INVESTMENT ACCOUNT OF ALL FEDERAL RESERVE BANKS FROM DECEMBER 18 TO DECEMBER 24, 1930, INCLUSIVE

GOVERNMENT SECURITIES - SYSTEM INVESTMENT ACCOUNT

	Purchases	Sales
Boston	$ 2,931,500	$ 2,931,500
New York	4,856,500	4,856,500
Philadelphia	2,415,000	2,415,000
Cleveland	3,088,000	3,088,000
Richmond	704,000	704,000
Atlanta	326,500	326,500
Chicago	3,973,000	3,973,000
St. Louis	1,000,500	1,000,500
Minneapolis	1,177,500	1,177,500
Kansas City	1,859,000	1,859,000
Dallas	1,247,000	1,247,000
San Francisco	1,921,500	1,921,500
Totals	$25,500,000	$25,500,000

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	Purchases	Issue	Sales	Issue
New York	$59,200,000*	Misc. Gov't Sec.	$3,000,000	Misc. Gov't Sec.
Atlanta	498,900	" " "	507,750	" " "
Minneapolis	723,800	" " "	703,600	" " "
Totals	$60,422,700		$4,211,350	

* Of this amount $56,000,000 represents replacement purchases delivery of which was deferred until December 18 as described in detail in last week's report.

BANKERS ACCEPTANCES
(000 Omitted)

	Holdings Dec. 17	Purchased Own Mkt.	By Allotment from New York	Maturities & Sales	Holdings Dec. 24	Other Holdings Close Dec. 24,1930 Sales Contracts	Other Bills
Boston	$ 16,625	$ 855 R	$ 157	$ 2,369	$ 15,268	$ 1,727	$ 2,662
New York	33,276	4,981 " 1,560 A	0	3,920	34,337	29,749	27,572
Philadelphia	6	0	0	0	6	0	3,489
Cleveland	19,968	0	214	3,443	16,739	0	3,597
Richmond	10,948	0	127	2,262	8,813	0	1,511
Atlanta	13,118	1,746 R	127	3,313	11,678	0	1,752
Chicago	23,222	3,235 "	316	1,741	25,032	1,742	4,821
St. Louis	8,513	0	115	1,272	7,356	0	1,295
Minneapolis	6,172	0	64	442	5,794	0	827
Kansas City	9,063	0	129	764	8,428	0	1,079
Dallas	7,055	0	107	1,151	6,011	0	1,079
San Francisco	25,234	1,544 "	204	3,990	22,992	4,860	2,482
Totals	$173,200	$13,921	$1,560	$24,667	$162,454	$38,078	$52,166
Bills held over night by New York for distribution to other F. R. Banks - -							7,139
Total - - - - - - - - - -							$59,305

NOTE: R. indicates Retained and A. indicates Allotted in the above statement.

MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDING DECEMBER 24, 1930
(000 Omitted)

	1-30 days 1 3/4 - 1 7/8%	31-60 days 1 7/8%	61-90 days 1 7/8 - 2%	Over 90-days 2 1/8 - 2 3/8%	Total
Boston	$ 128	$ 390	$ 337**	0	$ 855
New York	5,460	767	314	0	6,541
Atlanta	405	756	322	263	1,746
Chicago	1,539	896	800	0	3,235
San Francisco	828*	638	78	0	1,544
Totals	$8,360	$3,447	$1,851	$263	$13,921

*Purchased at 1 7/8 to 2%
**Purchased at 1 3/4 to 2%

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES DURING WEEK ENDING DECEMBER 24, 1930
(000 Omitted)

(Excluding Sales Contracts)

	Government Securities	Bankers Acceptances		Total	
Purchased	$85,922	$13,921		$99,843	
Sold	29,711	0		29,711	
Matured	0	24,667		24,667	
		$10,746-		$45,465+	
		8,594+	(Net change 1-day holdover and other bills)	8,594+	(Net Change 1-day holdover and other bills)
Totals	$56,211+	$ 2,152-		$54,059+	

HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES DECEMBER 24, 1930
(000 Omitted)

(Including Sales Contracts)

	Within 15-days	16-30 days	31-60 days	61-90 days	91 days-6 months	Over 6 months	Total
Gov't Securities	$ 2,031	0	$23,457	$111,668	$102,492	$402,028	$641,676
Bills Purchased	149,905	60,720	40,712	8,218	282	0	259,837
Totals	$151,936	$60,720	$64,169	$119,886	$102,774	$402,028	$901,513

December 20, 1930

Dear Mr. Matteson:

I acknowledge receipt of and shall bring to the attention of the members of the Board your letter of December 19th, addressed to Governor Meyer, enclosing report of open market operations for the period from December 11, 1930 to December 17, 1930 inclusive.

Very truly yours,

E. M. McClelland,
Assistant Secretary

Mr. W. B. Matteson,
Assistant Deputy Governor,
Federal Reserve Bank,
New York, N. Y.

Mr Riefler
Mr Smead
Mr Collier

FEDERAL RESERVE BANK

OF NEW YORK

RECEIVED
DEC 20 1930
DIVISION OF RESEARCH AND STATISTICS.

CONFIDENTIAL December 19, 1930

Mr. E. A. Goldenweiser,
Director, Division of Research and Statistics,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Goldenweiser:

Enclosed is a report of open market operations for the period from December 11, 1930 to December 17, 1930 inclusive, together with data received from Federal reserve banks.

Very truly yours,

W. B. Matteson

W. B. Matteson
Assistant Deputy Governor

Encl.

FEDERAL RESERVE BANK
OF NEW YORK

P E R S O N A L December 19, 1930

Dear Governor Meyer:

We are enclosing, for your files, a report of open market operations for the period from December 11, 1930 to December 17, 1930 inclusive, together with data received from Federal reserve banks.

Very truly yours,

W. B. Matteson
Assistant Deputy Governor

Honorable Eugene Meyer,
Governor, Federal Reserve Board,
Washington, D. C.

Encl.

FOR SPECIAL CIRCULATION

PLEASE READ PROMPTLY, INITIAL AND RETURN TO SECRETARY'S OFFICE

Gov. Meyer Mr. Hamlin Mr. James Mr. Pole

Mr. Miller

FEDERAL RESERVE BANK

OF NEW YORK

CONFIDENTIAL

December 19, 1930

Dear Governor Meyer:

Enclosed is a report of open market operations for the period from December 11, 1930 to December 17, 1930 inclusive, together with data received from Federal reserve banks.

Very truly yours,

W. B. Matteson
Assistant Deputy Governor

Honorable Eugene Meyer,
Governor, Federal Reserve Board,
Washington, D. C.

Encl.

See letter 12/20/30

CONFIDENTIAL

REPORT OF OPEN MARKET OPERATIONS FOR WEEK ENDED DECEMBER 17, 1930

Holdings of Earning Assets of Federal Reserve Banks from December 18, 1929 to Date
(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES Outright Purchases	GOVERNMENT SECURITIES Sales Contracts	BANKERS ACCEPTANCES Outright Purchases	BANKERS ACCEPTANCES Sales Contracts	BILLS DISCOUNTED
-1929-						
Dec. 18	$1,589,466*	$508,990*	$24,275	$243,102	$ 66,309	$737,038
Dec. 31	1,547,517	487,292	23,295	236,974	155,235	632,421
-1930-						
Jan. 29	1,154,379	476,466	70	185,677	72,795	406,941
Feb. 26	1,138,522	477,610	5,145	232,521	66,785	342,781
Mar. 26	1,001,090	526,284	2,715	143,772	112,710	206,829
Apr. 30	982,225	527,124	2,385	161,846	47,718	233,452
May 28	958,776	529,450	320	130,066	45,494	247,046
June 25	916,038	576,560	410	94,735	7,578	231,505
July 30	911,554	576,323	45	127,965	2,797	197,101
Aug. 27	967,034	601,913	0	159,137	4,137	193,275
Sept. 24	973,483	601,656	150	192,161	5,583	167,162
Oct. 29	975,021	601,438	0	161,906	3,752	201,603
Nov. 26	1,011,940	595,634	0	169,930	6,176	233,852
Dec. 10	1,117,905	604,003	13,000	223,407	20,290	257,097
Dec. 17	1,282,797**	692,434**	0	223,911	27,680	331,321

*Includes $69,000,000 special one-day Treasury certificate of indebtedness
**Includes $109,000,000 " " " " " " "

CHANGES IN EARNING ASSET HOLDINGS (EXCLUSIVE OF SALES CONTRACTS)
DURING WEEK ENDED DECEMBER 17, 1930
(000 Omitted)

	GOVERNMENT SECURITIES Balance Dec. 17	GOVERNMENT SECURITIES Net Change	BANKERS ACCEPTANCES Balance Dec. 17	BANKERS ACCEPTANCES Net Change	BILLS DISCOUNTED Balance Dec. 17	BILLS DISCOUNTED Net Change
Boston	$ 46,926	$ 2+	$ 16,625	$ 81+	$ 14,549	$ 1,628+
New York	174,351	16,148-	33,276	2,631-	77,740	16,965+
Philadelphia	51,000	2,098-	6	6+	24,224	2,413+
Cleveland	58,892	2,247-	19,968	361+	42,225	10,136+
Richmond	12,262	5,293-	10,948	365-	32,171	3,947+
Atlanta	7,780	56+	13,118	265+	28,947	3,468-
Chicago	82,603	4+	23,222	3,380+	23,144	734+
St. Louis	24,418	5,267+	8,513	630+	15,205	1,954+
Minneapolis	26,239	119-	6,172	436+	3,861	19-
Kansas City	29,337	2+	9,063	823+	14,720	1,260-
Dallas	29,662	3+	7,055	813+	6,586	761-
San Francisco	39,964	2+	25,234	102+	47,949	41,955+
N. Y. holdovers and other bills			50,711	3,397-		
Totals	$583,434	$20,569-	$223,911	$ 504+	$331,321	$74,224+

COMMENT ON CHANGES WEEK ENDED DECEMBER 17, 1930

Total earning assets of the System (exclusive of the $109,000,000 special one-day certificate of indebtedness issued by the Treasury to cover the overdraft) showed an increase of $55,892,000 for the current statement week. The changes by classification consisted of increases of $504,000 and $74,224,000 respectively, in outright purchases of bankers acceptances and bills discounted, and decreases of $20,569,000 and $5,610,000 respectively, in outright purchases of government securities and investments held under sales contracts. The change in the latter item consisted of an increase of $7,390,000 in bankers acceptances and a decrease of $13,000,000 in government securities.

Money Market

The money market during the past week was subject to two principal influences. Heavy currency withdrawals from the Reserve Bank, after the closing of the Bank of United States, were accompanied by large temporary borrowings from the Reserve Bank and by the development of a firmer money situation, which continued for several days. Following this, the quarterly Treasury operations and the beginning of a return flow of currency to the Reserve Bank were easing factors in the situation. As a result of these influences, call money on the Stock Exchange advanced to 2 1/2 per cent on Friday, the 12th, following a situation in the previous afternoon, when 2 1/2 per cent had been paid for some loans arranged in the outside market. The 2 1/2 per cent rate, which had not been quoted on the Exchange since September, continued despite Treasury operations until Wednesday, the 17th, when the Exchange new loan rate dropped to 2 per cent and outside money became available at 1 1/2 per cent. On the following day, the renewal rate returned to 2 per cent, with 1 1/2 per cent again quoted in the outside market.

The past week has been one of large movements of funds in the New York money market. The net withdrawal of nearly $160,000,000 of currency from the Reserve Bank during the 3 day period of December 11 to 13 was due to the substantial cash demands being made on several New York City banks and their numerous branches, as well as to the desire of other banks to fortify their cash position in the event that unusual withdrawals of currency should be made from them. Notwithstanding sizable currency deposits at the Reserve Bank on the succeeding three days, reflecting the return to a more normal banking situation in New York, there was a net loss to the reserves of the City banks of close to $100,000,000 for the week. There also was a substantial loss of money market funds through outgoing transfers to other districts (chiefly on the 16th and 17th to replace income tax collections in other centers). These losses of funds, were offset by gains through Treasury operations, Federal Reserve bill and security transactions, and member bank borrowings.

On December 15, Treasury redemptions of maturing securities and interest payments exceeded by a considerable amount income tax collections and foreign debt payments effected on that day, resulting in a large gain of funds to the market, and consequently it was expedient to sell to New York City banks participations for $80,000,000 in the Treasury special one-day certificate of indebtedness amounting to $215,000,000. In the two succeeding days further income tax collections in excess of Treasury bill maturities allowed the Treasury to reduce its special certificate to $109,000,000, and the participation of City banks in the overdraft was terminated on the 17th, after having been reduced to $50,000,000 on the 16th. Accompanying further losses to the market on the 18th through Treasury operations and outflow of funds to other centers, security purchases were made to replace securities which had matured or been sold from the New York Bank's investment account during the preceding three days. The deferring of these replacement purchases to a later date was arranged so as not to aggravate the condition of ample supply of funds during the period of December 15 - 17.

Time money quotations were advanced during the course of the week to 2 1/4 per cent bid 2 1/2 per cent offered for 30 and 60 day loans; 2 1/2 - 2 3/4 per cent for 3 and 4 months; and 2 1/2 - 3 per cent for 5 and 6 months. These levels represent an increase of about 1/4 to

1/2 per cent. There was little activity evident in this division of the money market. Ninety day money loaned in limited amounts at 2 1/2 per cent, up 1/4 per cent from previous transaction.

Paper of high grade commercial concerns continued to command the 2 3/4 per cent rate in the open market, but the average piece of prime paper more generally was priced at 3 per cent. The market during the past week was rather inactive, due principally to the inability of dealers to secure new drawings - in part as a result of seasonal influences.

Government Security Market

On Thursday, December 11, the market for long-term issues of government bonds, which had been weak during the few preceding days, declined to lower levels accentuated somewhat by the closing of a large New York City bank on that day. During the next few days, however, there was a complete reversal of conditions in the market for these bonds with the demand brisk and prices advancing in most cases to levels above those existing at the close of the last statement week. The demand for the short-term government issues continued good through the week and prices advanced slightly. The two new Treasury issues of 1 3/4% and 1 7/8% certificates of indebtedness, were offered by dealers at a small premium while the 3 1/2% Series "C" Treasury notes advanced 18/32 in price due to these notes not being called on December 15 for payment on June 15, 1931, thereby making the earliest callable date December 15, 1931. At the close of the current statement week the average yield on the short-term governments was about 1.62% as compared with 1.51% last week (the increase in yield being primarily due to the change in maturity dates) and the average selling price for the Liberty Loan and Treasury bonds was 105.01 as compared with 104.91 last week and the high level for the year of 105.38.

Dealers' Offering Prices at the Close of the Current Statement Week and Net Changes from the Close of the Previous Statement Week

Issue	Price	Net Change	Approx. Yield
2 7/8% Cert. of Ind. due June 15, 1931	100 21/32	- - - -	1.52%
1 3/4% " " " " June 15, 1931	100 2/32	+ 2/32	1.62%
2 3/8% " " " " Sept. 15, 1931	100 18/32	+ 1/32	1.60%
1 7/8% " " " " Dec. 15, 1931	100 2/32	+ 2/32	1.81%
3 1/2% Treasury Notes Series "A" and "B" called for payment Mar. 15, 1931	100 15/32	- 1/32	1.50%
3 1/2% Treasury Notes due Dec. 15, 1932	101 17/32	+18/32	1.92%
Treasury Bills " Feb. 16, 1931	1 5/8% - 1 3/8% discount		

Closing Sale Prices on New York Stock Exchange at the Close of the Current Statement Week and Net Changes from Close of the Previous Statement Week

Issue	Price	Net Change	Issue	Price	Net Change
1st 3 1/2s	101 26/32	- - -	Treas. 4s 1944-54	108 10/32	+ 3/32
1st 4 1/4s	102 29/32	+ 2/32	" 4 1/4s 1947-52	112 10/32	- 3/32
4th 4 1/4s	103 19/32	- - -	" 3 3/4s 1946-56	106 14/32	+ 8/32
			" 3 3/8s 1943-47	102 20/32	+ 8/32
			" 3 3/8s 1940-43	102 6/32	+11/32

Bankers Acceptances

Dealers unendorsed bankers acceptances continued at the following rates during the current statement week: 1 7/8 per cent for 30s, 60s and 90s; 2 per cent for 120-day bills, and 2 1/8 per cent for 180-day bills.

Reports week ending Dec. 17

Boston reports that although the supply of bills was small during the past period, it was much greater than the demand and dealers were again obliged to forward most of their bills to their offices in other cities. Offerings to the reserve bank were small. In New York the bill market was more active this week than it has been for the past several weeks. Firmer money conditions resulted in a substantial increase in the supply of bills. The demand was also good and came principally from local banks who were buying for their own accounts and for the accounts of foreign correspondents. The demand, however, was exceeded by the supply and dealers' aggregate portfolios increased by about $22,000,000, the increase being bills of maturities of less than 60 days. Philadelphia reports that bills were offered a little more freely during the past week, consisting mostly of short maturities. The demand was very small and dealers' portfolios increased. Chicago reports that there was an increase in both the supply and demand for bills in its district during the past week, and Dallas reports that the bill market in its district was extremely dull during the past week, with practically no demand and no offerings to the reserve bank.

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

Transactions effected in the System Account during the current statement week consisted of

Redemption on	Dec. 15	of $ 7,068,500	- 3 1/4% certificates	due	Dec. 15, 1930
" "	Dec. 16	" 11,000,000	- Treasury bills	"	Dec. 16, 1930
" "	Dec. 17	" 12,500,000	- " "	"	Dec. 17, 1930

Total redemptions of $30,568,500 which were replaced on the respective maturity dates by purchase of a like amount of 2 3/8% certificates of indebtedness due Sept. 15, 1931, from the holdings in the Investment Account of the Federal Reserve Bank of New York.

Exchange on Dec. 15 of	$18,176,500	- 3 1/4% certificates due Dec. 15, 1930, against allotment by the Treasury of a like amount of new Treasury 1 7/8% certificates due Dec. 15, 1931, on exchange subscription entered for $25,245,000.

Exchange in the market of	$ 4,750,000	- Treasury bills due Feb. 16, 1931
	11,500,000	- 3 1/2% Treasury notes called for payment March 15, 1931
	2,000,000	- 3 1/2% Treasury notes due Dec. 15, 1932

A total of $18,250,000 for a like amount of United States Government securities as follows:

$ 500,000	- 1 3/4% certificates due	June 15, 1931
1,500,000	- 2 3/8% " "	Sept. 15, 1931
11,250,000	- 1 7/8% " "	Dec. 15, 1931
5,000,000	- 4 1/4% Fourth Liberty Loan bonds	
$18,250,000	- total	

In order to provide a partial offset to the easing effect in the money market caused by Treasury tax period operations, purchases were made for the System Account (in replacement of maturities on December 15, 16 and 17) from the holdings in the Investment Account of the Federal Reserve Bank of New York, as shown above, and delivery was deferred until after December 17 of purchases made in the market for the Investment Account of the Federal Reserve Bank of New York in replacement of maturities on December 15, 16 and 17, sales to the System Account and sales to the market on an exchange basis. The aggregate amount of these deferred deliveries was $57,200,000 and, in addition, participations in the Treasury special one-day certificate issued to the Federal Reserve Bank of New York to cover the overdraft (which amounted to $215,000,000 on December 15 and $118,000,000 on December 16) were sold to New York City banks to an amount of $80,000,000 on December 15 and $50,000,000 on December 16, all of which had the desired effect.

On December 11, the Federal Reserve Bank of St. Louis repurchased $5,000,000 of its participation of government securities in the System Account, representing the balance of the $10,000,000 of which it was temporarily relieved on November 17, 1930.

On December 12, the Federal Reserve Bank of Richmond, in order to increase its gold reserve to care for emergencies, asked to be relieved temporarily of $5,000,000 of its participation in the System Account. These securities were accordingly taken over immediately into the participation of the Federal Reserve Bank of New York and apportioned on Monday, December 15, to the other Federal reserve banks which expressed a willingness to participate.

The aforementioned transactions in the System Account did not affect the amount of total holdings in the Account which remained at the close of business Wednesday, December 17, 1930, at $402,300,000. The participation by Federal reserve banks and the classification of issues at the close of the statement week were as follows:

PARTICIPATION BY FEDERAL RESERVE BANKS

Boston	$ 46,237,000
New York	76,608,500
Philadelphia	38,092,000
Cleveland	48,728,000
Richmond	11,109,000
Atlanta	5,146,500
Chicago	62,675,500
St. Louis	15,793,000
Minneapolis	18,576,000
Kansas City	29,334,000
Dallas	19,678,500
San Francisco	30,322,000
Totals	$402,300,000

RECAPITULATION OF HOLDINGS BY MATURITIES

Feb. 16, 1931 - Treasury Bills	$ 33,957,000
June 15, 1931 - 2 7/8% C/I	84,631,000
June 15, 1931 - 1 3/4% "	500,000
Sept. 15, 1931 - 2 3/8% "	79,655,500
Dec. 15, 1931 - 1 7/8% "	29,426,500
Mar. 15, 1931 - 3 1/2% T/N Series "A" and "B"	103,620,100
Dec. 15, 1932 - 3 1/2% "	45,411,900
Oct. 15, 1938 - 4 1/4% 4th L/L	25,098,000
	$402,300,000

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

Transactions consummated under Treasury authorization during the current statement week (exclusive of Treasury financing operations) were as follows:

Sale of $ 900,000 - 3 1/2% Treasury notes due Dec. 15, 1932, account Alien Property Custodian
2,000,000 - 4 1/4% Fourth Liberty Loan bonds, account Government Life Insurance Fund

$2,900,000 - Total Sales

OPERATIONS IN INVESTMENT ACCOUNT OF FEDERAL RESERVE BANK OF NEW YORK

In the emergency situation of last week in order to supply funds to one of the large New York City institutions, which had heavy withdrawals due to the conditions which were brought about by the closing of the Bank of United States, the Federal Reserve Bank of New York purchased last week for its own account $40,000,000 par value of the government securities of this bank. The proceeds of this purchase were used by the institution to meet currency withdrawals without excessive borrowing from the Reserve bank.

ITEMIZED STATEMENT OF TRANSACTIONS IN GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES AFFECTING THE INVESTMENT ACCOUNT OF ALL FEDERAL RESERVE BANKS FROM DECEMBER 11 TO DECEMBER 17, 1930, INCLUSIVE

GOVERNMENT SECURITIES - SYSTEM INVESTMENT ACCOUNT

	Purchases	Sales	Net Increase	Net Decrease
Boston	$ 8,090,000	$ 8,088,000	$ 2,000	$ 0
New York	17,743,500	17,736,000	7,500	0
Philadelphia	6,774,500	6,773,000	1,500	0
Cleveland	8,644,000	8,640,500	3,500	0
Richmond	1,899,500	7,193,000	0	5,293,500
Atlanta	856,500	856,500	0	0
Chicago	11,188,500	11,184,500	4,000	0
St. Louis	7,894,500	2,627,500	5,267,000	0
Minneapolis	3,259,500	3,258,500	1,000	0
Kansas City	5,191,000	5,189,000	2,000	0
Dallas	3,499,500	3,497,000	2,500	0
San Francisco	5,536,000	5,533,500	2,500	0
Totals	$80,577,000	$80,577,000	$5,293,500	$5,293,500

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES
(Excluding Special 1-day C/I)

	Purchases	Issue	Maturities & Sales	Issue
New York	$69,973,000	Misc. Gov't Sec.	$57,918,500	Misc. Gov't Sec.
			28,210,000	Redeemed
Philadelphia	1,400,000	TD-1931 C/I	3,500,000	"
Cleveland	0	-	2,250,000	"
Atlanta	445,500	Misc. Gov't Sec.	389,100	Misc. Gov't Sec.
Minneapolis	1,061,800	" " "	1,181,550	" " "
Totals	$72,880,300		$93,449,150	

BANKERS ACCEPTANCES
(000 Omitted)

	Holdings Dec. 10	Purchased Own Mkt.	By Allotment from New York	Maturities & Sales	Holdings Dec. 17	Other Holdings Close Dec. 17/30 Sales Contracts	Other Holdings Close Dec. 17/30 Other Bills
Boston	$ 16,544	$ 103 R	$ 2,559	$ 2,581	$ 16,625	$ 1,818	$ 2,662
New York	35,907	10,512 "	0	13,143	33,276	18,086	25,483
		25,383 A					
Phila.	0	6 R	0	0	6	0	3,489
Cleve.	19,607	0	3,706	3,345	19,968	0	3,597
Richmond	11,313	0	2,018	2,383	10,948	0	1,511
Atlanta	12,853	649 "	2,128	2,512	13,118	0	1,778
Chicago	19,842	1,151 "	5,128	2,899	23,222	2,595	4,821
St. Louis	7,883	0	1,909	1,279	8,513	0	1,295
Minn.	5,736	0	1,164	728	6,172	0	827
Kan. City	8,240	0	2,158	1,335	9,063	0	1,079
Dallas	6,242	0	1,538	725	7,055	5	1,079
San Fran.	25,132	1,146 "	3,075	4,119	25,234	5,176	2,482
Totals	$169,299	$38,950	$25,383	$35,049	$173,200	$27,680	$50,103

Bills held over night by New York for distribution to other Fed. Res. Bks. - 608

Total - - - - - - -$50,711

NOTE: R. indicates Retained and A. indicates Allotted in the above statement.

MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDING DECEMBER 17, 1930.
(000 Omitted)

	1-30 days 1 7/8%	31-60 days 1 7/8%	61-90 days 1 7/8%	Over 90-days -	Total
Boston	$ 0	$ 74	$ 29	0	$ 103
New York	26,714	8,163	1,018*	0	35,895
Philadelphia	0	0	6**	0	6
Atlanta	291	264	94*	0	649
Chicago	350	251	550	0	1,151
San Francisco	185	332	629*	0	1,146
Totals	$27,540	$9,084	$2,326	0	$38,950

*Purchased at 1 7/8 to 2%
**Purchased at 3%

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES DURING WEEK ENDING DECEMBER 17, 1930
(000 Omitted)

(Excluding Sales Contracts & Special 1-day C/I)

	Government Securities	Bankers Acceptances		Total	
Purchased	$153,457	$38,950		$192,407	
Sold	140,066	0		140,066	
Matured	33,960	35,049		69,009	
		$ 3,901+		$ 16,668-	
		3,397-	(Net Change 1-day holdover and other bills)	3,397-	(Net Change 1-day holdover and other bills)
Totals	$ 20,569-	$ 504+		$ 20,065-	

HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES DECEMBER 17, 1930
(000 Omitted)

(Including Sales Contracts & Special 1-day C/I)

	Within 15-days	16-30 days	31-60 days	61-90 days	91 days-6 months	Over 6 months	Total
Gov't Securities	$109,000	0	0	$152,606	$ 99,979	$330,849	$692,434
Bills Purchased	107,130	77,280	55,973	11,160	48	0	251,591
Totals	$216,130	$77,280	$55,973	$163,766	$100,027	$330,849	$944,025

December 15, 1930.

Dear Mr. Matteson:

I acknowledge receipt of and shall bring to the attention of the members of the Federal Reserve Board your letter of December 12th, addressed to Governor Meyer, enclosing report of open market operations for the period from December 4, 1930 to December 10, 1930 inclusive, together with data received from Federal Reserve banks.

Very truly yours,

E. M. McClelland,
Assistant Secretary.

Mr. W. B. Matteson,
Assistant Deputy Governor,
Federal Reserve Bank,
New York, New York.

Mr. Riefler
Mr. Smead
Mr. Collier

RECEIVED
DEC 15 1930
DIVISION OF RESEARCH AND STATISTICS

FEDERAL RESERVE BANK

OF NEW YORK

CONFIDENTIAL

December 12, 1930

Mr. E. A. Goldenweiser,
Director, Division of Research and Statistics,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Goldenweiser:

Enclosed is a report of open market operations for the period from December 4, 1930 to December 10, 1930 inclusive, together withdata received from Federal reserve banks.

Very truly yours,

W. B. Matteson

W. B. Matteson
Assistant Deputy Governor

Encl.

FEDERAL RESERVE BANK
OF NEW YORK

P E R S O N A L

December 12, 1930

Dear Governor Meyer:

We are enclosing, for your files, a report of open markte operations for the period from December 4, 1930 to December 10, 1930 inclusive, together with data received from Federal reserve banks.

Very truly yours,

W. B. Matteson
Assistant Deputy Governor

Honorable Eugene Meyer,
Governor, Federal Reserve Board,
Washington, D. C.

Encl.

PLEASE READ ... SECR...

Mr. ... Mr. James

Meyer Mr. Miller Mr. Pole

FEDERAL RESERVE BANK
OF NEW YORK

CONFIDENTIAL December 12, 1930

Dear Governor Meyer:

Enclosed is a report of open market operations for the period from December 4, 1930 to December 10, 1930 inclusive, together with data received from Federal reserve banks.

Very truly yours,

W. B. Matteson
Assistant Deputy Governor

Honorable Eugene Meyer,
Governor, Federal Reserve Board,
Washington, D. C.

Encl.

Su(ltr) 12/12/30

CONFIDENTIAL

REPORT OF OPEN MARKET OPERATIONS FOR WEEK ENDED DECEMBER 10, 1930

Holdings of Earning Assets of Federal Reserve Banks from December 11, 1929 to Date
(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES Outright Purchases	GOVERNMENT SECURITIES Sales Contracts	BANKERS ACCEPTANCES Outright Purchases	BANKERS ACCEPTANCES Sales Contracts	BILLS DISCOUNTED
-1929-						
Dec. 11	$1,491,299	$386,309	$ 625	$242,833	$ 79,007	$768,922
Dec. 31	1,547,517	487,292	23,295	236,974	155,235	632,421
-1930-						
Jan. 29	1,154,379	476,466	70	185,677	72,795	406,941
Feb. 26	1,138,522	477,610	5,145	232,521	66,785	342,781
Mar. 26	1,001,090	526,284	2,715	143,772	112,710	206,829
Apr. 30	982,225	527,124	2,385	161,846	47,718	233,452
May 28	958,776	529,450	320	130,066	45,494	247,046
June 25	916,038	576,560	410	94,735	7,578	231,505
July 30	911,554	576,323	45	127,965	2,797	197,101
Aug. 27	967,034	601,913	0	159,137	4,137	193,275
Sept. 24	973,483	601,656	150	192,161	5,583	167,162
Oct. 29	975,021	601,438	0	161,906	3,752	201,603
Nov. 26	1,011,940	595,634	0	169,930	6,176	233,852
Dec. 3	1,078,414	602,192	0	203,359	15,578	250,927
Dec. 10	1,117,905	604,003	13,000	223,407	20,290	257,097

CHANGES IN EARNING ASSET HOLDINGS (EXCLUSIVE OF SALES CONTRACTS)
DURING WEEK ENDED DECEMBER 10, 1930
(000 Omitted)

	GOVERNMENT SECURITIES Balance Dec. 10	GOVERNMENT SECURITIES Net Change	BANKERS ACCEPTANCES Balance Dec. 10	BANKERS ACCEPTANCES Net Change	BILLS DISCOUNTED Balance Dec. 10	BILLS DISCOUNTED Net Change
Boston	$ 46,924	$ 391-	$ 16,544	$ 2,727+	$ 12,921	$ 1,115-
New York	190,499	1,871-	35,907	3,536+	60,775	13,810+
Philadelphia	53,098	432-	0	0	21,811	662+
Cleveland	61,139	1,719+	19,607	2,132+	32,089	1,932-
Richmond	17,555	293-	11,313	1,590+	28,224	3,039+
Atlanta	7,724	63-	12,853	1,991+	32,415	570-
Chicago	82,599	754-	19,842	1,474+	22,410	1,251+
St. Louis	19,151	5,000+	7,883	771+	13,251	531-
Minneapolis	26,358	79-	5,736	0	3,880	82+
Kansas City	29,335	307-	8,240	1,053+	15,980	392-
Dallas	29,659	229-	6,242	702+	7,347	188-
San Francisco	39,962	489-	25,132	860+	5,994	7,946-
N. Y. holdovers and other bills			54,108	3,212+		
Totals	$604,003	$1,811+	$223,407	$20,048+	$257,097	$ 6,170+

COMMENT ON CHANGES WEEK ENDED DECEMBER 10, 1930

Total earning assets of the System showed an increase of $39,491,000 for the current statement week. The changes by classification consisted of increases of $1,811,000 and $20,048,000 respectively, in outright purchases of government securities and bankers acceptances, and $6,170,000 in bills discounted and $17,712,000 in investments held under sales contracts. The changes in the latter item consisted of increases of $13,000,000 and $4,712,000 respectively, in government securities and bankers acceptances.

Money Market

Rates in the New York money market during the past week were practically unchanged from the preceding week. Call money continued to be quoted at 2 per cent on the Exchange, and in the outside market there was little money obtainable below this figure. In fact, on Thursday, the 11th, a small amount of loans was placed at 2 1/2 per cent in the outside market. For most of the time, Federal funds were quoted at around 1 3/4 - 2 per cent, but eased to 1 1/2 - 3/4 per cent on December 11.

During the week ended Wednesday there was a further moderately large increase in the amount of Federal Reserve credit outstanding in this market which was sufficient not only to offset a loss of funds through commercial and agency transactions, but also to raise the reserve balances of the City banks to a position of moderate surplus at the opening of business Thursday, December 11, as against a small deficit at the corresponding time in the preceding week. The increase in outstanding Reserve bank credit was accomplished to about half the total amount by an increase in Reserve System bill holdings, and there were in addition lesser increases in the New York Reserve Bank's security holdings and in borrowings of New York City banks. The loss in commercial and agency transactions reflected chiefly withdrawals of currency from the Reserve bank which were only partly balanced by some net inflow of funds from other centers, a small gold import, and a net gain in miscellaneous commercial and Treasury operations. On Thursday, December 11, heavy withdrawals of currency from the Reserve bank, following the closing of a New York City bank having numerous branches, were accompanied by a further increase of $43,000,000 in borrowings of City banks.

In the time money market little activity was reported, and bid and asked quotations were unchanged at 1 3/4 per cent bid, 2 per cent asked for 30-day loans; 2 - 2 1/4 per cent for 60 and 90 days; 2 1/4 - 2 1/2 per cent for 4 months, and 2 1/2 - 2 3/4 per cent for 5 and 6 months maturities. A moderate amount of 6 months money was loaned at 2 1/2 per cent.

A slightly better bank investment demand for commercial paper developed during the past week, but little improvement in dealers' sales was reported, due to the continued scarcity of prime names in the market. Prevailing open market rates for prime names were unchanged at 2 3/4 - 3 per cent.

Government Security Market

There was a fair demand in the market during the current statement week for the short-term government securities although prices of all issues showed small fractional recessions for the week. However, the market for the long-term Treasury bonds was uneasy with offerings considerably in excess of the demand and prices of these issues recorded much larger fractional losses. At the close of the statement week the average yield on the short-term governments at dealers' offering prices was about 1.51% as compared with 1.45% last week, and the average selling price for the Liberty Loan and Treasury bonds was 104.91 as compared with 105.29 last week and the high level for the year of 105.38.

Dealers' Offering Prices at the Close of the Current Statement Week and Net Changes from the Close of the Previous Statement Week

Issue	Price	Net Change	Approx. Yield
3 1/4% Cert. of Ind. due Dec. 15, 1930	To yield 1.35%		
2 7/8% " " " " June 15, 1931	100 21/32	-2/32	1.57%
2 3/8% " " " " Sept. 15, 1931	100 17/32	-2/32	1.66%
3 1/2% Treasury Notes Series "A" and "B" called for payment Mar. 15, 1931	100 16/32	-2/32	1.53%
3 1/2% Treasury Notes due Dec. 15, 1932	100 31/32	-2/32	1.57%
Treasury Bills " Dec. 16 and 17, 1930	1 3/4% - 1 3/8%		discount
" " " Feb. 16, 1931	1 3/4% - 1 1/2%		"

Closing Sale Prices on New York Stock Exchange at the Close of the Current Statement Week and Net Changes from Close of the Previous Statement Week

Issue	Price	Net Change	Issue		Price	Net Change
1st 3 1/2s	101 26/32	-5/32	Treas. 4s	1944-54	108 7/32	-19/32
1st 4 1/4s	102 27/32	-1/32	" 4 1/4s	1947-52	112 13/32	-19/32
4th 4 1/4s	103 19/32	-3/32	" 3 3/4s	1946-56	106 6/32	-20/32
			" 3 3/8s	1943-47	102 12/32	-16/32
			" 3 3/8s	1940-43	101 27/32	-13/32

Bankers Acceptances

Dealers' offerings of unindorsed bankers acceptances continued at the following rates during the current statement week: 1 7/8 per cent for 30s, 60s and 90s; 2 per cent for 120s, and 2 1/8 per cent for 180-day bills.

Reports week ending Dec. 10

In Boston, dealers reported that there was very little change in the bill market during the past period. The supply was somewhat limited, with the demand fair and preference shown for 90-day bills. City banks bought less than $1,000,000 from dealers and, as heretofore, dealers forwarded most of their bills to their offices in other cities. In New York the bill market was slightly more active this week. The demand was better, but was equalled by the supply and dealers' aggregate portfolios were practically unchanged. Banks sold to the Reserve bank for System Account fairly substantial amounts of bills of the shorter maturities. Philadelphia reports that its acceptance market was inactive during the past week; offerings were not particularly heavy, with practically no demand. Chicago reports that the demand for bills in its district was not as good during the past week as during the previous period, while the supply appeared to be a little better. Dallas reports that there was some improvement in the demand for bills in its district during the past week with sales consisting principally of five and six months' bills. Offerings to the Reserve bank were very light.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

Transactions consummated under Treasury authorization during the current statement week were as follows:

Sale of $ 180,000	par amount	Fourth 4 1/4% Liberty Loan bonds, account German Special Deposit Account
1,000,000	" "	Fourth 4 1/4% Liberty Loan bonds, account Government Life Insurance Fund
$1,180,000		- Total Sales

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

During the current statement week exchanges were effected advantageously, in anticipation of early maturities, of

$14,500,000 - 3 1/4% certificates due Dec. 15, 1930, and
2,500,000 - 3 1/2% Treasury notes called for payment Mar. 15, 1931

a total of $17,000,000 - for a like par amount of government securities as follows:

$ 7,500,000 - 2 3/8% certificates due Sept. 15, 1931
1,500,000 - 3 1/2% Treasury notes due Dec. 15, 1932
8,000,000 - 4 1/4% Fourth Liberty Loan bonds
$17,000,000

On December 4 the Federal Reserve Bank of St. Louis repurchased $5,000,000 of its participation of government securities in the System Account representing one-half of the $10,000,000 of which it was temporarily relieved on November 17, 1930.

These transactions did not affect the amount of total holdings in the System Account, which remained at the close of business Wednesday, December 10, 1930, at $402,300,000. The participations by Federal reserve banks and the classification of issues at the close of the statement week were as follows:

PARTICIPATION BY FEDERAL RESERVE BANKS	
Boston	$ 46,235,000
New York	76,601,000
Philadelphia	38,090,500
Cleveland	48,724,500
Richmond	16,402,500
Atlanta	5,146,500
Chicago	62,671,500
St. Louis	10,526,000
Minneapolis	18,575,000
Kansas City	29,332,000
Dallas	19,676,000
San Francisco	30,319,500
Totals	$402,300,000

RECAPITULATION OF HOLDINGS BY MATURITIES	
Dec. 16, 1930 - Treasury Bills	$ 11,000,000
Dec. 17, 1930 - " "	12,500,000
Feb. 16, 1931 - " "	38,707,000
Dec. 15, 1930 - 3 1/4% C/I	25,245,000
June 15, 1931 - 2 7/8% "	84,631,000
Sept. 15, 1931 - 2 3/8% "	47,587,000
Mar. 15, 1931 - 3 1/2% T/N Series "A" and "B"	115,120,100
Dec. 15, 1932 - 3 1/2% "	47,411,900
Oct. 15, 1938 - 4 1/4% 4th L/L	20,098,000
	$402,300,000

ITEMIZED STATEMENT OF TRANSACTIONS IN GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES AFFECTING THE INVESTMENT ACCOUNT OF ALL FEDERAL RESERVE BANKS FROM DECEMBER 4 TO DECEMBER 10, 1930, INCLUSIVE

GOVERNMENT SECURITIES - SYSTEM INVESTMENT ACCOUNT

	Purchases	Sales	Net Decrease	Net Increase
Boston	$1,953,000	$ 2,343,500	$ 390,500	0
New York	3,236,500	4,647,500	1,411,000	0
Philadelphia	1,610,500	2,043,000	432,500	0
Cleveland	2,057,500	2,588,000	530,500	0
Richmond	693,000	986,000	293,000	0
Atlanta	217,500	217,500	0	0
Chicago	2,648,500	3,402,500	754,000	0
St. Louis	5,445,000	445,000	0	5,000,000
Minneapolis	785,500	953,000	167,500	0
Kansas City	1,240,500	1,548,000	307,500	0
Dallas	832,500	1,056,500	224,000	0
San Francisco	1,280,000	1,769,500	489,500	0
Totals	$22,000,000	$22,000,000	$5,000,000	$5,000,000

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	Purchases	Issue	Sales	Issue
New York	$ 8,040,000	Misc. Gov't Sec.	$8,500,000	Misc. Gov't Sec.
Cleveland	2,250,000	TD-1930 C/I	0	-
Atlanta	159,400	Misc. Gov't Sec.	221,950	Misc. Gov't Sec.
Minneapolis	1,286,900	" " "	1,197,900	" " "
Dallas	0	-	4,300	" " "
Totals	$11,736,300		$9,924,150	

BANKERS ACCEPTANCES
(000 Omitted)

	Holdings Dec.3	Purchased Own Mkt.	By Allotment from New York	Maturities & Sales	Holdings Dec.10	Other Holdings Close Dec. 10/30: Sales Contracts	Other Holdings Close Dec. 10/30: Other Bills
Boston	$ 13,817	$ 1,010 R.	$ 2,896	$ 1,179	$ 16,544	$ 955	$ 2,662
New York	32,371	11,249 " 27,803 A.	0	7,713	35,907	11,138	29,378
Phila.	0	0	0	0	0	0	3,489
Cleveland	17,475	0	4,101	1,969	19,607	0	3,597
Richmond	9,723	322 R.	2,264	996	11,313	0	1,511
Atlanta	10,862	626 "	2,229	864	12,853	0	1,888
Chicago	18,368	75 "	5,695	4,296	19,842	2,660	4,821
St. Louis	7,112	0	2,103	1,332	7,883	0	1,295
Minn.	5,736	0	1,363	1,363	5,736	0	827
Kan. City	7,187	0	2,436	1,383	8,240	0	1,079
Dallas	5,540	15 "	1,684	997	6,242	0	1,079
San Fran.	24,272	884 "	3,032	3,056	25,132	5,537	2,482
Totals	$152,463	$41,984	$27,803	$25,148	$169,299	$20,290	$54,108

NOTE: R. indicates Retained and A. indicates Allotted in the above statement.

MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDING DECEMBER 10, 1930
(000 Omitted)

	1-30 days 1 7/8%	31-60 days 1 7/8%	61-90 days 1 7/8-2 1/8%	Over 90-days -	Totals
Boston	$ 296	$ 604	$ 110	0	$ 1,010
New York	26,740	11,160*	1,152	0	39,052
Richmond	50**	177**	95	0	322
Atlanta	359	190	77	0	626
Chicago	48	21	6	0	75
Dallas	7	8	0	0	15
San Francisco	116	237	531	0	884
Totals	$27,616	$12,397	$1,971	0	$41,984

* Purchased at 1 7/8 to 2 1/8%
** Purchased at 2%

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES DURING WEEK ENDING DECEMBER 10, 1930
(000 Omitted)

(Excluding Sales Contracts)

	Government Securities	Bankers Acceptances	Total
Purchased	$33,736	$41,984	$75,720
Sold	31,925	0	31,925
Matured	0	25,148	25,148
		$16,836+	$18,647+
		3,212+(Net Change 1-day holdover & other bills)	3,212+(Net Change 1-day holdover & other bills)
Totals	$ 1,811+	$20,048+	$21,859+

HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES DECEMBER 10, 1930
(000 Omitted)

(Including Sales Contracts)

	Within 15-days	16-30 days	31-60 days	61-90 days	91 days-6 months	Over 6 months	Total
Gov't Securities	$ 73,555	$ 0	$ 0	$38,707	$155,240	$349,501	$617,003
Bills Purchased	92,595	70,984	67,414	12,655	49	0	243,697
Totals	$166,150	$70,984	$67,414	$51,362	$155,289	$349,501	$860,700

December 6, 1930.

Dear Mr. Matteson:

I acknowledge receipt of and shall bring to the attention of the members of the Board your letter of December 5th enclosing a report of open market operations for the period from November 27th to December 3, 1930 inclusive, together with data received from Federal Reserve banks.

Very truly yours,

E. M. McClelland,
Assistant Secretary.

Mr. J. B. Matteson, Asst. Deputy Governor,
Federal Reserve Bank,
New York, New York.

Mr. Riefler
Mr. Smead
Mr. Collier

FEDERAL RESERVE BANK

OF NEW YORK

CONFIDENTIAL

December 5, 1930

Mr. E. A. Goldenweiser,
Director, Division of Research and Statistics,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Goldenweiser:

Enclosed is a report of open market operations for the period from November 27, 1930 to December 3, 1930 inclusive, together with data received from Federal reserve banks.

Very truly yours,

W. B. Matteson

W. B. Matteson
Assistant Deputy Governor

Encl.

FEDERAL RESERVE BANK
OF NEW YORK

P E R S O N A L   December 5, 1930

Dear Governor Meyer:

We are enclosing, for your files, a report of open market operations for the period from November 27, 1930 to December 3, 1930 inclusive, together with data received from Federal reserve banks.

Very truly yours,

W. B. Matteson
Assistant Deputy Governor

Honorable Eugene Meyer,
Governor, Federal Reserve Board,
Washington, D. C.

Encl.

FEDERAL RESERVE BANK

OF NEW YORK

RECEIVED
DEC 6 1930
OFFICE OF
THE GOVERNOR

FOR SPECIAL CIRCULATION
PLEASE READ PROMPTLY, INITIAL AND RETURN TO SECRETARY'S OFFICE
Gov. Meyer   Mr. Hamlin   Mr. James
Mr. Miller
Mr. Pole

CONFIDENTIAL

December 5, 1930

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Very truly yours,

W. B. Matteson
Assistant Deputy Governor

Honorable Eugene Meyer,
Governor, Federal Reserve Board,
Washington, D. C.

Encl.

Sec'y files 12/6/30

CONFIDENTIAL

REPORT OF OPEN MARKET OPERATIONS FOR WEEK ENDED DECEMBER 3, 1930

Holdings of Earning Assets of Federal Reserve Banks from December 4, 1929 to Date
(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES Outright Purchases	GOVERNMENT SECURITIES Sales Contracts	BANKERS ACCEPTANCES Outright Purchases	BANKERS ACCEPTANCES Sales Contracts	BILLS DISCOUNTED
-1929-						
Dec. 4	$1,502,670	$352,349	$ 2,795	$218,038	$ 38,480	$872,310
Dec. 31	1,547,517	487,292	23,295	236,974	155,235	632,421
-1930-						
Jan. 29	1,154,379	476,466	70	185,677	72,795	406,941
Feb. 26	1,138,522	477,610	5,145	232,521	66,785	342,781
Mar. 26	1,001,090	526,284	2,715	143,772	112,710	206,829
Apr. 30	982,225	527,124	2,385	161,846	47,718	233,452
May 28	958,776	529,450	320	130,066	45,494	247,046
June 25	916,038	576,560	410	94,735	7,578	231,505
July 30	911,554	576,323	45	127,965	2,797	197,101
Aug. 27	967,034	601,913	0	159,137	4,137	193,275
Sept. 24	973,483	601,656	150	192,161	5,583	167,162
Oct. 29	975,021	601,438	0	161,906	3,752	201,603
Nov. 26	1,011,940	595,634	0	169,930	6,176	233,852
Dec. 3	1,078,414	602,192	0	203,359	15,578	250,927

CHANGES IN EARNING ASSET HOLDINGS (EXCLUSIVE OF SALES CONTRACTS)
DURING WEEK ENDED DECEMBER 3, 1930
(000 Omitted)

	GOVERNMENT SECURITIES Balance Dec. 3	GOVERNMENT SECURITIES Net Change	BANKERS ACCEPTANCES Balance Dec. 3	BANKERS ACCEPTANCES Net Change	BILLS DISCOUNTED Balance Dec. 3	BILLS DISCOUNTED Net Change
Boston	$ 47,315	$ 432-	$ 13,817	$ 2,503+	$ 14,036	$ 2,022-
New York	192,370	5,000+	32,371	7,462+	46,965	8,760+
Philadelphia	53,530	479-	0	0	21,149	305-
Cleveland	59,420	587-	17,475	2,824+	34,021	3,372+
Richmond	17,848	324-	9,723	1,658+	25,185	4,156-
Atlanta	7,787	94+	10,862	2,874+	32,985	3,343+
Chicago	83,353	834-	18,368	4,243+	21,159	2,046+
St. Louis	14,151	5,526+	7,112	1,291+	13,782	926-
Minneapolis	26,437	279-	5,736	1,681+	3,798	14-
Kansas City	29,642	340-	7,187	91-	16,372	1,553+
Dallas	29,888	247-	5,540	344+	7,535	751-
San Francisco	40,451	540-	24,272	789+	13,940	6,175+
N. Y. holdovers and other bills			50,896	7,851+		
Totals	$602,192	$6,558+	$203,359	$33,429+	$250,927	$17,075+

COMMENT ON CHANGES WEEK ENDED DECEMBER 3, 1930

Total earning assets of the System showed an increase of $66,474,000 for the current statement week. The changes by classification consisted of increases of $6,558,000 and $33,429,000 respectively, in outright purchases of government securities and bankers acceptances, and $17,075,000 in bills discounted, and $9,402,000 in bankers acceptances held under sales contracts.

Money Market

The rate for call money outside the Stock Exchange continued to be the principal medium reflecting conditions of the supply of and demand for funds in New York. Turn of the month and holiday influences resulted in a slight further hardening in the rate for call loans in the outside market, and by Friday, November 28, this rate reached the Exchange level of 2 per cent where it remained most of the time through Thursday, December 4. The Stock Exchange rate for call funds was unchanged at 2 per cent throughout the week. Federal funds went as high as 2 1/4 - 2 1/2 per cent on Monday, December 1, but subsequently receded and on December 4 the quotation was 1 3/4 - 2 per cent.

An increase in currency circulation, due to holiday and month-end demands, and an outflow of funds to other centers at the turn of the month occasioned substantial losses to the money market, and consequently the New York City banks had to seek recourse to the Federal Reserve in order to balance their average reserve position for the period ended Tuesday, December 2. In addition to rather large sales of bills by the banks to the Reserve Bank, the City banks temporarily increased their indebtedness to $67,000,000, the highest since the end of September. As the result of the accumulation of excess actual reserves by these operations and some gain in commercial and agency transactions on Wednesday, the major part of the member bank borrowings incurred in the previous days was retired, but on Thursday the City banks again sold bills to the Reserve Bank in order to offset losses occasioned chiefly by currency withdrawals.

No change occurred in the bid and asked rates for time money; trading was confined to a small volume of 90-day loans at 2 1/4 per cent. Commercial paper continued to be quoted at a range of 2 3/4 - 3 per cent with activity limited chiefly by the small quantity of new prime material entering the open market.

Government Security Market

Accompanying firmer money conditions there was considerable selling of United States Government securities, especially the long-term bonds. While the demand was fair, it was somewhat less than the amount of offerings and the trend of prices turned downward. At the close of the statement week the average yield on the short-term governments at dealers' offering prices was about 1.45% as compared with 1.34% last week, and the average selling price for the long-term bonds was 105.29 as compared with the high level for the year of 105.38 which was established during the preceding statement week.

Dealers' Offering Prices at the Close of the Current Statement Week
and Net Changes from the Close of the Previous Statement Week

Issue	Price	Net Change	Approx. Yield
3 1/4% Cert. of Ind. due Dec. 15, 1930	To yield 1.25%		
2 7/8% " " " " June 15, 1931	100 23/32	-3/32	1.50%
2 3/8% " " " " Sept. 15, 1931	100 19/32	-2/32	1.59%
3 1/2% Treasury Notes Series "A" and "B" called for payment Mar. 15, 1931	100 18/32	-3/32	1.44%
3 1/2% Treasury Notes due Dec. 15, 1932	101 1/32	-3/32	1.52%
Treasury Bills " Dec. 16 and 17, 1930	1 3/4% - 1 3/8%		discount
" " " Feb. 16, 1931	1 3/4% - 1 1/2%		"

Closing Sale Prices on New York Stock Exchange at the Close of the Current Statement Week and Net Changes from Close of the Previous Statement Week

Issue	Price	Net Change	Issue		Price	Net Change
1st 3 1/2s	101 31/32*	+3/32	Treas.4s	1944-54	108 26/32*	-4/32
1st 4 1/4s	102 28/32	-6/32	" 4 1/4s	1947-52	113 *	-9/32
4th 4 1/4s	103 22/32	-3/32	" 3 3/4s	1946-56	106 26/32*	-4/32
			" 3 3/8s	1943-47	102 28/32*	+3/32
			" 3 3/8s	1940-43	102 8/32	-4/32

*Represent last sales on the N. Y. Stock Exchange which were made prior to close of statement week.

Bankers Acceptances

Dealers' offerings of unendorsed bankers acceptances continued at the following rates during the current statement week: 1 7/8 per cent for 30s, 60s and 90s; 2 per cent for 120s and 2 1/8 per cent for 180-day bills.

Reports week ending Dec. 3

Boston reports that there was very little change in the bill market in its district during the past period. There was a slight indication on the part of some of the accepting banks to sell more of their bills from their portfolios. The demand was about the same as the previous week, dealers forwarding most of their bills to their offices in other cities as heretofore. Offerings to the Reserve bank from dealers amounted to $764,000, the first in four weeks. In New York firmer money conditions resulted in banks selling to the Federal Reserve Bank of New York fairly substantial amounts of bills of the shorter maturities for System Account and to the dealers a moderate amount of the longer maturities. The demand was moderately exceeded by the supply and dealers aggregate portfolios increased by about $6,000,000. Philadelphia reports that its acceptance market was a little more active. Offerings to dealers while not heavy showed some improvement indicating that banks were releasing some of their holdings. Portfolios were slightly higher. Chicago reports that there was a good demand for bills in its district during the past week with the supply limited. Dallas reports that its bill market was very quiet during the past week, the demand being very light. Offerings to the Reserve bank were practically negligible.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

Transactions consummated under Treasury authorization during the current statement week consisted of sales of $2,000,000 aggregate amount Fourth 4 1/4% Liberty Loan bonds from holdings, account Government Life Insurance Fund.

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

During the current statement week exchanges were effected advantageously in the holdings in the System Account, either as an accommodation to the market or in anticipation of early maturities, of

$21,000,000	- 3 1/4% certificates of indebtedness due December 15, 1930
1,000,000	- 3 1/2% Treasury notes called for payment March 15, 1931
$22,000,000	- for a like par amount of government securities

as follows:

$10,000,000	- 3 1/2% Treasury notes called for payment March 15, 1931
1,000,000	- 2 7/8% certificates of indebtedness due June 15, 1931
5,000,000	- 2 3/8% certificates of indebtedness due September 15, 1931
1,000,000	- 3 1/2% Treasury notes due December 15, 1932
5,000,000	- 4 1/4% Fourth Liberty Loan bonds
$22,000,000	

On December 2 the Federal Reserve Bank of St. Louis repurchased $5,526,000 of its participation of government securities in the System Account of which it was temporarily relieved on November 21.

These transactions did not affect the amount of total holdings in the System Account, which remained at the close of business Wednesday, December 3, 1930, at $402,300,000. The participations by Federal reserve banks and the classification of issues at the close of the statement week were as follows:

PARTICIPATION BY FEDERAL RESERVE BANKS	
Boston	$ 46,625,500
New York	78,012,000
Philadelphia	38,523,000
Cleveland	49,255,000
Richmond	16,695,500
Atlanta	5,146,500
Chicago	63,425,500
St. Louis	5,526,000
Minneapolis	18,742,500
Kansas City	29,639,500
Dallas	19,900,000
San Francisco	30,809,000
Totals	$402,300,000

RECAPITULATION OF HOLDINGS BY MATURITIES	
Dec. 16, 1930 - Treas.Bills	$ 11,000,000
Dec. 17, 1930 - " "	12,500,000
Feb. 16, 1931 - " "	38,707,000
Dec. 15, 1930 - 3 1/4% C/I	39,745,000
June 15, 1931 - 2 7/8% "	84,631,000
Sept. 15, 1931 - 2 3/8% "	40,087,000
Mar. 15, 1931 - 3 1/2% T/N Series "A" and "B"	117,620,100
Dec. 15, 1932 - 3 1/2% "	45,911,900
Oct. 15, 1938 - 4 1/4% L/L	12,098,000
	$402,300,000

ITEMIZED STATEMENT OF TRANSACTIONS IN GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES AFFECTING THE INVESTMENT ACCOUNT OF ALL FEDERAL RESERVE BANKS FROM NOVEMBER 27 TO DECEMBER 3, 1930, INCLUSIVE

GOVERNMENT SECURITIES - SYSTEM INVESTMENT ACCOUNT

	Purchases	Sales	Net Decrease	Net Increase
Boston	$ 2,568,000	$ 3,000,000	$ 432,000	0
New York	4,331,500	5,890,000	1,558,500	0
Philadelphia	2,127,000	2,605,500	478,500	0
Cleveland	2,718,500	3,305,500	587,000	0
Richmond	927,000	1,251,000	324,000	0
Atlanta	281,500	281,500	0	0
Chicago	3,503,500	4,337,500	834,000	0
St. Louis	5,594,500	68,500	0	5,526,000
Minneapolis	1,032,500	1,217,500	185,000	0
Kansas City	1,635,500	1,975,500	340,000	0
Dallas	1,099,000	1,346,000	247,000	0
San Francisco	1,707,500	2,247,500	540,000	0
Totals	$27,526,000	$27,526,000	$5,526,000	$5,526,000

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	Purchases	Issue	Sales	Issue
New York	$ 8,059,050	Misc. Gov't Sec.	$1,500,000	Misc. Gov't Sec.
Atlanta	319,350	" " "	225,700	" " "
Minneapolis	1,680,100	" " "	1,774,800	" " "
Dallas	2,174,650	Fourth L/L Bonds	2,174,650	Ser. B. & C. T/N
Totals	$12,233,150		$5,675,150	

BANKERS ACCEPTANCES
(000 Omitted)

	Holdings Nov. 26	Purchased Own Mkt.	By Allotment from New York	Maturities & Sales	Holdings Dec. 3	Other Holdings Close Dec. 3/30 Sales Contracts	Other Holdings Close Dec. 3/30 Other Bills
Boston	$ 11,314	$ 1,286 R.	$ 3,327	$ 2,110	$ 13,817	$ 1,441	$ 2,518
New York	24,909	12,142 " 31,373 A.	0	4,680	32,371	8,940	25,177
Phila.	0	0	0	0	0	0	3,300
Cleve.	14,651	0	4,643	1,819	17,475	0	3,402
Richmond	8,065	71 R.	2,569	982	9,723	0	1,429
Atlanta	7,988	1,298 "	2,890	1,314	10,862	0	1,933
Chicago	14,125	544 "	6,274	2,575	18,368	852	4,559
St. Louis	5,821	0	2,470	1,179	7,112	0	1,225
Minn.	4,055	660 "	1,525	504	5,736	0	783
Kan. City	7,278	0	2,773	2,864	7,187	0	1,021
Dallas	5,196	0	1,877	1,533	5,540	0	1,021
San Fran.	23,483	1,470 "	3,025	3,706	24,272	4,345	2,348
Totals	$126,885	$48,844	$31,373	$23,266	$152,463	$15,578	$48,716
Bills held overnight by New York for distribution to other F.R. Banks - -							2,180
Total - - - - -							$50,896

NOTE: R. indicates Retained and A. indicates Allotted in the above statement.

MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDING DECEMBER 3, 1930
(000 Omitted)

	1-30 days 1 7/8%	31-60 days 1 7/8%	61-90 days 1 7/8%	Over 90-days -	Total
Boston	$ 363	$ 362	$ 561	0	$ 1,286
New York	16,899*	22,944*	3,672*	0	43,515
Richmond	0	71	0	0	71
Atlanta	421	429	448	0	1,298
Chicago	10	534	0	0	544
Minneapolis	0	660	0	0	660
San Francisco	228	992	250	0	1,470
Totals	$17,921	$25,992	$4,931	0	$48,844

*Purchased at 1 7/8 to 2%

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES DURING WEEK ENDING DECEMBER 3, 1930
(000 Omitted)

(Excluding Sales Contracts)

	Government Securities	Bankers Acceptances		Total	
Purchased	$39,759	$48,844		$88,603	
Sold	33,201	0		33,201	
Matured	0	23,266		23,266	
		$25,578+		$32,136+	
		7,851+	(Net Change 1-day holdover and other bills)	7,851+	(Net Change 1-day holdover and other bills)
Totals	$ 6,558+	$33,429+		$39,987+	

HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES DECEMBER 3, 1930
(000 Omitted)

(Including Sales Contracts)

	Within 15-days	16-30 days	31-60 days	61-90 days	91 days-6 months	Over 6 months	Total
Gov't Securities	$ 72,765	0	0	$38,707	$157,738	$332,982	$602,192
Bills Purchased	84,859	51,691	68,277	14,062	48	0	218,937
Totals	$157,624	$51,691	$68,277	$52,769	$157,786	$332,982	$821,129

December 1, 1930.

Dear Mr. Matteson:

I acknowledge receipt of and shall bring to the attention of the members of the Board your letter of November 29, enclosing a report of open market operations for the period from November 20th to November 26, 1930 inclusive, together with data received from Federal Reserve banks.

Very truly yours,

E. M. McClelland,
Assistant Secretary.

Mr. W. B. Matteson, Asst. Deputy Governor,
Federal Reserve Bank,
New York, New York.

FEDERAL RESERVE BANK
OF NEW YORK

PERSONAL

November 29, 1930

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Assistant Deputy Governor

Honorable Eugene Meyer,
Governor, Federal Reserve Board,
Washington, D. C.

Encl.

Mr Riefler
Mr Smead
Mr Goldenweiser
Mr Collier

FEDERAL RESERVE BANK

OF NEW YORK

CONFIDENTIAL November 29, 1930

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W. B. Matteson
Assistant Deputy Governor

Encl.

See letter 12/1/30

FEDERAL RESERVE BANK

OF NEW YORK

FOR SPECIAL CIRCULATION
PLEASE READ PROMPTLY, INITIAL AND RETURN TO SECRETARY'S OFFICE
Gov. Meyer Mr. Hamlin Mr. James
Mr. Miller Mr. Pole

CONFIDENTIAL November 29, 1930

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Assistant Deputy Governor

Honorable Eugene Meyer,
Governor, Federal Reserve Board,
Washington, D. C.

Encl.

CONFIDENTIAL

REPORT OF OPEN MARKET OPERATIONS FOR WEEK ENDED NOVEMBER 26, 1930

Holdings of Earning Assets of Federal Reserve Banks from November 27, 1929 to Date
(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES Outright Purchases	GOVERNMENT SECURITIES Sales Contracts	BANKERS ACCEPTANCES Outright Purchases	BANKERS ACCEPTANCES Sales Contracts	BILLS DISCOUNTED
-1929-						
Nov. 27	$1,514,460	$322,063	$ 4,035	$250,044	$ 7,271	$912,349
Dec. 31	1,547,517	487,292	23,295	236,974	155,235	632,421
-1930-						
Jan. 29	1,154,379	476,466	70	185,677	72,795	406,941
Feb. 26	1,138,522	477,610	5,145	232,521	66,785	342,781
Mar. 26	1,001,090	526,284	2,715	143,772	112,710	206,829
Apr. 30	982,225	527,124	2,385	161,846	47,718	233,452
May 28	958,776	529,450	320	130,066	45,494	247,046
June 25	916,038	576,560	410	94,735	7,578	231,505
July 30	911,554	576,323	45	127,965	2,797	197,101
Aug. 27	967,034	601,913	0	159,137	4,137	193,275
Sept. 24	973,483	601,656	150	192,161	5,583	167,162
Oct. 29	975,021	601,438	0	161,906	3,752	201,603
Nov. 19	985,380	595,773	0	172,647	5,626	205,037
Nov. 26	1,011,940	595,634	0	169,930	6,176	233,852

CHANGES IN EARNING ASSET HOLDINGS (EXCLUSIVE OF SALES CONTRACTS)
DURING WEEK ENDED NOVEMBER 26, 1930
(000 Omitted)

	GOVERNMENT SECURITIES Balance Nov. 26	GOVERNMENT SECURITIES Net Change	BANKERS ACCEPTANCES Balance Nov. 26	BANKERS ACCEPTANCES Net Change	BILLS DISCOUNTED Balance Nov. 26	BILLS DISCOUNTED Net Change
Boston	$ 47,747	$ 432+	$ 11,314	$1,466-	$ 16,058	$ 2,077+
New York	187,370	1,926+	24,909	616-	38,205	6,659+
Philadelphia	54,009	479+	0	0	21,454	3,080+
Cleveland	60,007	587+	14,651	918-	30,649	2,744+
Richmond	18,172	324+	8,065	485-	29,341	7,341+
Atlanta	7,693	31-	7,988	552-	29,642	2,146+
Chicago	84,187	834+	14,125	559-	19,113	1,975+
St. Louis	8,625	5,526-	5,821	246-	14,708	1,285-
Minneapolis	26,716	209+	4,055	23-	3,812	31-
Kansas City	29,982	340+	7,278	723-	14,819	1,987+
Dallas	30,135	253-	5,196	147+	8,286	337+
San Francisco	40,991	540+	23,483	1,153+	7,765	1,785+
N. Y. holdovers and other bills			43,045	1,571+		
Totals	$595,634	$ 139-	$169,930	$2,717-	$233,852	$28,815+

COMMENT ON CHANGES WEEK ENDED NOVEMBER 26, 1930

Total earning assets of the System showed an increase of $26,560,000 for the current statement week. The changes by classification consisted of increases of $28,815,000 and $550,000 respectively, in bills discounted and bankers acceptances held under sales contracts, and decreases of $139,000 in outright purchases of government securities and $2,717,000 in outright purchases of bankers acceptances.

Money Market

As in other recent weeks, changes in money market conditions were reflected in the rate quoted on call money outside the Exchange. This quotation remained at 1 per cent during most of the week, but some firming was indicated on Tuesday when the bulk of the offerings were at 1 1/2 and 2 per cent, and on Wednesday when no concessions were obtainable below 1 1/2 per cent. Call money on the Stock Exchange continued at 2 per cent, a figure which has been constant since the middle of September except for a one-day decline to 1 1/2 per cent on September 29. The rate for Federal funds at the close of the week rose as high as 1 3/4 - 2 per cent, compared with 1/2 - 3/4 per cent at the end of the preceding period.

The principal factor affecting conditions in the New York money market during the past week was a substantial seasonal withdrawal of currency from the Reserve Bank for circulation purposes. Doubtless due to a similar holiday demand in other districts, the net inter-district movement of funds was away from New York through Tuesday and on that day the New York City banks sold a moderately large amount of bills to the Reserve Bank in order to maintain their reserve position. On Wednesday, however, a return movement of funds to this market and a decrease in member bank reserve requirements resulted in the accumulation of a moderate surplus of actual reserves. This was completely wiped out on Friday and member banks found a small amount of borrowing necessary.

A small volume of business continued to be transacted in the time money market, chiefly in 4 months' maturities which on Thursday, November 20, were at 2 1/4 per cent, down 1/4 per cent from previously reported trades, but toward the end of the present week were again made at 2 1/2 per cent. Nominal bid and asked rates were unchanged as follows: 30 days, 1 3/4 - 2 per cent; 60 and 90 days, 2 - 2 1/4 per cent; 4 months, 2 1/4 - 2 1/2 per cent; and 5 and 6 months, 2 1/2 - 2 3/4 per cent.

Dealers in commercial paper report that outlets for high grade material at 2 3/4 per cent were fewer than a short time ago, but that the prevailing quotations for prime names remained at 2 3/4 - 3 per cent. Bank investment demand generally was somewhat smaller than recently, and new drawings of paper were light.

Government Security Market

The market for United States Government securities continued strong during the current statement week. The demand was good for both the short and long-term issues, which again advanced in price to higher levels. At the close of the statement week the average yield on the short-term governments at dealers' offering prices was about 1.34% as compared with 1.41% last week, while the average selling price for the long-term bonds again registered a new high level for the year of 105.38 as compared with the previous high for the year of 105.21 made last week.

Dealers' Offering Prices at the Close of the Current Statement Week and Net Changes from the Close of the Previous Statement Week

Issue	Price	Net Change	Approx. Yield
3 1/4% Cert. of Ind. due Dec. 15, 1930	To yield 1.25%		- - -
2 7/8% " " " " June 15, 1931	100 26/32	- - -	1.35%
2 3/8% " " " " Sept. 15, 1931	100 21/32	+1/32	1.53%
3 1/2% Treasury Notes Series "A" and "B" called for payment Mar. 15, 1931	100 21/32	-1/32	1.19%
3 1/2% Treasury Notes due Dec. 15, 1932	101 4/32	+1/32	1.39%
Treasury Bills due Dec. 16 and 17, 1930	1 1/2% - 1 1/4% discount		
" " " Feb. 16, 1931	1 5/8% - 1 3/8% "		

Closing Prices on New York Stock Exchange at the Close of the Current Statement Week and Net Changes from Close of the Previous Statement Week

Issue	Price	Net Change	Issue	Price	Net Change
1st 3 1/2s	101 28/32	+10/32	Treas. 4s 1944-54	108 30/32	+5/32
1st 4 1/4s	103 2/32	+ 6/32	" 4 1/4s 1947-52	113 9/32	+2/32
4th 4 1/4s	103 25/32	+ 3/32	" 3 3/4s 1946-56	106 30/32	+5/32
			" 3 3/8s 1943-47	102 25/32	+4/32
			" 3 3/8s 1940-43	102 12/32	+5/32

Bankers Acceptances

Dealers' offerings of unendorsed bankers acceptances continued at the following rates during the current statement week: 1 7/8 per cent for 30s, 60s and 90s; 2 per cent for 120s and 2 1/8 per cent for 180-day bills.

Reports week ending Nov. 26

Boston reports that bill dealers continued to report that the supply of bills was very limited with a considerable falling off in the demand over the previous week. Bills as a whole did not move freely, with very little choice as to maturities. Reporting dealers' sales fell to approximately $600,000, while new bills coming into the market fell off over $3,500,000. Some corporation buying was noticed for the first time in months, but as heretofore dealers were obliged to forward the majority of their bills to their offices in other cities in order to keep portfolios down. Offerings to the Reserve bank were negligible. In New York the volume of bills handled by dealers during the week was greater than it has been for the past several weeks, as firmer money conditions brought some bills into the market. Up to the 25th of the month, conditions were the same as they have been for the past few weeks with dealers being able to sell all of the bills which came into their hands. On the 25th, dealers' purchases were substantially larger. Sales increased also, but not to the same extent as their purchases and aggregate portfolios at the end of the week had increased by approximately $6,000,000. Philadelphia reports that its acceptance market was without change. New bills continued to be scarce with portfolios very low. Chicago reports that there was very little activity in the bill market in its district. The demand was good with the supply small. Dallas reports that there was some improvement in the bill market during the past week, the demand being better than at any time for the past several months. However, the increase in purchases was due partially to a large order from a reserve city bank. Offerings to the Federal reserve bank were negligible.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

The only transaction consummated under Treasury authorization during the current statement week was a sale of $200,000 - 3 1/2% Treasury notes due December 15, 1932, from holdings, account Alien Property Custodian.

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

During the current statement week exchanges were advantageously effected in the System Account of

$ 3,500,000	- 3 1/4% certificates of indebtedness due December 15, 1930
2,500,000	- Treasury bills due December 16, 1930
5,000,000	- " " " February 16, 1931
500,000	- 3 1/2% Treasury notes called for payment March 15, 1931

a total of $11,500,000 for a like par amount of other issues of government securities as follows:

$ 1,500,000	- 2 7/8% certificates of indebtedness due June 15, 1931
2,000,000	- 2 3/8% certificates of indebtedness due September 15, 1931
1,500,000	- 3 1/2% Treasury notes due December 15, 1932
6,500,000	- 4 1/4% Fourth Liberty Loan bonds
$11,500,000	

On November 21 the Federal Reserve Bank of St. Louis asked to be relieved temporarily of the balance of its participation in the System Account. These securities, amounting to $5,526,000, were taken over into the participation of the Federal Reserve Bank of New York on November 21 and apportioned on Monday, November 24, to the other Federal reserve banks who expressed a willingness to participate.

These transactions did not affect the amount of total holdings in the System Account, which remained at the close of business Wednesday, November 26, 1930, at $402,300,000. The participations by Federal reserve banks and the classification of issues at the close of the statement week were as follows:

PARTICIPATION BY FEDERAL RESERVE BANKS

Boston	$ 47,057,500
New York	79,570,500
Philadelphia	39,001,500
Cleveland	49,842,000
Richmond	17,019,500
Atlanta	5,146,500
Chicago	64,259,500
St. Louis	0
Minneapolis	18,927,500
Kansas City	29,979,500
Dallas	20,147,000
San Francisco	31,349,000
Totals	$402,300,000

RECAPITULATION OF HOLDINGS BY MATURITIES

Dec. 16, 1930 - Treasury Bills	$ 11,000,000
Dec. 17, 1930 - " "	12,500,000
Feb. 16, 1931 - " "	38,707,000
Dec. 15, 1930 - 3 1/4% C/I	40,745,000
June 15, 1931 - 2 7/8% "	83,631,000
Sept. 15, 1931 - 2 3/8% "	35,087,000
Mar. 15, 1931 - 3 1/2% T/N Series "A" and "B"	128,620,100
Dec. 15, 1932 - 3 1/2% "	44,911,900
Oct. 15, 1938 - 4 1/4% 4th L/L	7,098,000
	$402,300,000

ITEMIZED STATEMENT OF TRANSACTIONS IN GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES AFFECTING THE INVESTMENT ACCOUNT OF ALL FEDERAL RESERVE BANKS FROM NOVEMBER 20 TO NOVEMBER 26, 1930, INCLUSIVE

GOVERNMENT SECURITIES - SYSTEM INVESTMENT ACCOUNT

	Purchases	Sales	Net Increase	Net Decrease
Boston	$ 1,774,000	$ 1,342,000	$ 432,000	0
New York	7,807,500	6,249,000	1,558,500	0
Philadelphia	1,590,500	1,112,000	478,500	0
Cleveland	2,007,000	1,420,000	587,000	0
Richmond	807,000	483,000	324,000	0
Atlanta	148,000	148,000	0	0
Chicago	2,663,500	1,829,500	834,000	0
St. Louis	27,000	5,553,000	0	5,526,000
Minneapolis	724,000	539,000	185,000	0
Kansas City	1,193,500	853,500	340,000	0
Dallas	820,000	573,000	247,000	0
San Francisco	1,431,500	891,500	540,000	0
Totals	$20,993,500	$20,993,500	$5,526,000	$5,526,000

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	Purchases	Issue	Sales	Issue
New York	$ 367,000	Misc. Gov't Sec.	$ 0	-
Atlanta	100,850	" " "	131,600	Misc. Gov't Sec.
Minneapolis	803,550	" " "	780,300	" " "
Dallas	0	-	500,000	TS-1931 C/I
Totals	$1,271,400		$1,411,900	

BANKERS ACCEPTANCES
(000 Omitted)

	Holdings Nov.19	Purchased Own Mkt.	By Allotment from New York	Maturities & Sales	Holdings Nov. 26	Other Holdings Close Nov.26/30: Sales Contracts	Other Bills
Boston	$ 12,780	0	$ 853	$ 2,319	$ 11,314	$ 992	$2,247
New York	25,525	4,523 R. 8,303 A.	0	5,139	24,909	1,401	20,522
Phila.	0	0	0	0	0	0	2,945
Cleve.	15,569	0	1,154	2,072	14,651	0	3,036
Richmond	8,550	218 R.	643	1,346	8,065	0	1,275
Atlanta	8,540	0	723	1,275	7,988	0	1,865
Chicago	14,684	588 "	1,633	2,780	14,125	751	4,068
St. Louis	6,067	0	645	891	5,821	0	1,093
Minn.	4,078	0	373	396	4,055	0	698
Kan. City	8,001	0	718	1,441	7,278	0	911
Dallas	5,049	112 "	481	446	5,196	0	911
San Fran.	22,330	2,507 "	1,080	2,434	23,483	3,032	2,095
Totals	$131,173	$16,251	$8,303	$20,539	$126,885	$6,176	$41,666

Bills held overnight by New York for distribution to other F. R. Banks - - 1,379

Total - - - - - - $43,045

NOTE: R. indicates Retained and A. indicates Allotted in the above statement.

MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDING NOVEMBER 26, 1930
(000 Omitted)

	1-30 days 1 7/8%	31-60 days 1 7/8%	61-90 days 1 7/8%	Over 90-days -	Total
New York	$8,544*	$3,996*	$ 286*	0	$12,826
Richmond	200**	18**	0	0	218
Chicago	0	588	0	0	588
Dallas	82	30	0	0	112
San Francisco	465	781	1,261	0	2,507
Totals	$9,291	$5,413	$1,547	0	$16,251

*Purchased at 1 7/8 to 2%
**Purchased at 2%

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES DURING WEEK ENDING NOVEMBER 26, 1930
(000 Omitted)

(Excluding Sales Contracts)

	Government Securities	Bankers Acceptances		Total	
Purchased	$22,265	$16,251		$38,516	
Sold	22,404	0		22,404	
Matured	0	20,539		20,539	
		$ 4,288-		$ 4,427-	
		1,571+	(Net Change 1-day holdover and other bills)	1,571+	(Net Change 1-day holdover and other bills)
Totals	$ 139-	$ 2,717-		$ 2,856-	

HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES NOVEMBER 26, 1930
(000 Omitted)

(Including Sales Contracts)

	Within 15-days	16-30 days	31-60 days	61-90 days	91 days-6 months	Over 6 months	Total
Gov't Securities	$ 0	$ 73,765	0	$38,707	$169,622	$313,540	$595,634
Bills Purchased	65,854	44,203	53,802	12,088	159	0	176,106
Totals	$65,854	$117,968	$53,802	$50,795	$169,781	$313,540	$771,740

November 22, 1930.

Dear Mr. Matteson:

I acknowledge receipt of and thank you for your letter of November 21st enclosing a report of open market operations for the period from November 13, 1930 to November 19, 1930 inclusive, together with data received from Federal Reserve banks.

Very truly yours,

E. M. McClelland,
Assistant Secretary.

Mr. W. B. Matteson, Asst. Deputy Governor,
Federal Reserve Bank,
New York, N. Y.

FEDERAL RESERVE BANK

OF NEW YORK

P E R S O N A L

November 21, 1930

Dear Governor Meyer:

Enclosed is a report of open market operations for the period from November 13, 1930 to November 19, 1930 inclusive, together with data received from Federal reserve banks.

Very truly yours,

W. B. Matteson
Assistant Deputy Governor

Honorable Eugene Meyer,
Governor, Federal Reserve Board,
Washington, D. C.

Encl.

Mr. Riefler
Mr. Smead
Mr. Collier

FEDERAL RESERVE BANK
OF NEW YORK

CONFIDENTIAL

November 21, 1930

Mr. E. A. Goldenweiser,
Director, Division of Research and Statistics,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Goldenweiser:

Enclosed is a report of open market operations for the period from November 13, 1930 to November 19, 1930 inclusive, together with data received from Federal reserve banks.

Very truly yours,

W. B. Matteson

W. B. Matteson
Assistant Deputy Governor

Encl.

Mr. McClelland

FEDERAL RESERVE BANK
OF NEW YORK

FOR SPECIAL CIRCULATION
PLEASE READ PROMPTLY, INITIAL AND RETURN TO SECRETARY'S OFFICE

Gov. Meyer ✓ Mr. Hamlin Mr. James ✓
Mr. Miller Mr. Cunningham Mr. Pole absent

CONFIDENTIAL

November 21, 1930

Dear Governor Meyer:

Enclosed is a report of open market operations for the period from November 13, 1930 to November 19, 1930 inclusive, together with data received from Federal reserve banks.

Very truly yours,

W. B. Matteson
W. B. Matteson
Assistant Deputy Governor

Honorable Eugene Meyer,
Governor, Federal Reserve Board,
Washington, D. C.

Encl.

Dell Waller 11/22/30

CONFIDENTIAL

REPORT OF OPEN MARKET OPERATIONS FOR WEEK ENDED NOVEMBER 19, 1930

Holdings of Earning Assets of Federal Reserve Banks from November 20, 1929 to Date
(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES Outright Purchases	GOVERNMENT SECURITIES Sales Contracts	BANKERS ACCEPTANCES Outright Purchases	BANKERS ACCEPTANCES Sales Contracts	BILLS DISCOUNTED
-1929-						
Nov. 20	$1,530,265	$322,683	$ 3,845	$276,452	$ 7,379	$899,558
Nov. 27	1,514,460	322,063	4,035	250,044	7,271	912,349
Dec. 31	1,547,517	487,292	23,295	236,974	155,235	632,421
-1930-						
Jan. 29	1,154,379	476,466	70	185,677	72,795	406,941
Feb. 26	1,138,522	477,610	5,145	232,521	66,785	342,781
Mar. 26	1,001,090	526,284	2,715	143,772	112,710	206,829
Apr. 30	982,225	527,124	2,385	161,846	47,718	233,452
May 28	958,776	529,450	320	130,066	45,494	247,046
June 25	916,038	576,560	410	94,735	7,578	231,505
July 30	911,554	576,323	45	127,965	2,797	197,101
Aug. 27	967,034	601,913	0	159,137	4,137	193,275
Sept. 24	973,483	601,656	150	192,161	5,583	167,162
Oct. 29	975,021	601,438	0	161,906	3,752	201,603
Nov. 12	1,006,586	601,290	0	201,878	5,464	191,657
Nov. 19	985,380	595,773	0	172,647	5,626	205,037

CHANGES IN EARNING ASSET HOLDINGS (EXCLUSIVE OF SALES CONTRACTS)
DURING WEEK ENDED NOVEMBER 19, 1930
(000 Omitted)

	GOVERNMENT SECURITIES Balance Nov. 19	GOVERNMENT SECURITIES Net Change	BANKERS ACCEPTANCES Balance Nov. 19	BANKERS ACCEPTANCES Net Change	BILLS DISCOUNTED Balance Nov. 19	BILLS DISCOUNTED Net Change
Boston	$ 47,315	$1,142+	$ 12,780	$ 336-	$ 13,981	$ 3,182+
New York	185,444	1,896-	25,525	6,576-	31,546	1,222-
Philadelphia	53,530	1,278+	0	0	18,374	85-
Cleveland	59,420	1,565+	15,569	2,921-	27,905	2,903+
Richmond	17,848	865+	8,550	1,265-	22,000	4,279+
Atlanta	7,724	5,041-	8,540	605-	27,496	5,084+
Chicago	83,353	2,225+	14,684	1,321-	17,138	1,236+
St. Louis	14,151	9,748-	6,067	843-	15,993	253-
Minneapolis	26,507	586+	4,078	686-	3,843	241+
Kansas City	29,642	906+	8,001	417-	12,832	1,327-
Dallas	30,388	1,159+	5,049	1,167-	7,949	501-
San Francisco	40,451	1,442+	22,330	2,127-	5,980	157-
N. Y. holdovers and other bills			41,474	10,967-		
Totals	$595,773	$5,517-	$172,647	$29,231-	$205,037	$13,380+

COMMENT ON CHANGES WEEK ENDED NOVEMBER 19, 1930

Total earning assets of the System showed a decrease of $21,206,000 for the current statement week. The changes by classification consisted of increases of $13,380,000 and $162,000 respectively in bills discounted and bankers acceptances held under sales contracts, and decreases of $5,517,000 in outright purchases of government securities and $29,231,000 in outright purchases of bankers acceptances.

Money Market

Easy conditions continued to prevail in the call money market during the past week. During at least part of each day funds were obtainable in the outside market as low as 1 per cent, and at all times the supply of money was abundant. The Stock Exchange rate remained at 2 per cent throughout the period. Federal funds temporarily dipped to 1/4 per cent, but the closing quotation of the period was 1/2 - 3/4 per cent, a figure similar to that of a week ago.

The Treasury bill sale consummated on the 17th exceeded by $35,000,000 Treasury bill maturities in the local money market, but this discrepancy was offset to a considerable extent by securities purchased here in replacement of maturing Treasury bills held in Federal reserve portfolios. Other losses occurred through increased currency requirements, but, because of the large surplus of reserves existing at the beginning of the week and gains in commercial transfers and gold imports, the Reserve System acceptance portfolio showed a decline. The net result of the moderate loss of funds to the market from the aforementioned transactions, together with a sizable rise in the bank's reserve requirements, was the absorption of most of the excess of bank reserves, so that by Thursday the 20th reserve balances were not greatly above the required level.

Activity in fixed date accommodation continued within narrow limits at practically unchanged bid and asked quotations for all maturities. The trading rate for 90-day loans, at 2 1/2 per cent, was at the level of previously reported transactions. Four months money loaned on Thursday, the 20th, at 2 1/4 per cent, down 1/4 per cent from the previously reported transaction.

Prime commercial paper continued to be quoted at 2 3/4 and 3 per cent, with dealers encountering resistance from the banks to offerings at the lower level. Turnover generally was limited by the small quantity of new paper that entered the open market.

Government Security Market

The market for United States Government securities reflected a rather strong tendency during the current statement week. The demand, which was greater than the supply, was especially good for the short-term issues and the Fourth 4 1/4s. Prices of both the short and long-term issues again advanced to higher levels, the average yield on the short-term governments at dealers' offering prices at the close of the statement week being about 1.41% as compared with 1.49% last week, while the average selling price for the long-term bonds again registered a new high level for the year of 105.21 as compared with the previous high for the year of 105.13 established during the previous week.

Dealers' Offering Prices at the Close of the Current Statement Week and Net Changes from the Close of the Previous Statement Week

Issue	Price	Net Change	Approx. Yield
3 1/4% Cert. of Ind. due Dec. 15, 1930	To yield 1.25%		- - -
2 7/8% " " " " June 15, 1931	100 26/32	+2/32	1.42%
2 3/8% " " " " Sept. 15, 1931	100 20/32	+3/32	1.59%
3 1/2% Treasury Notes Series "A" and "B" called for payment Mar.15, 1931	100 22/32	+1/32	1.29%
3 1/2% Treasury Notes due Dec. 15, 1932	101 3/32	- - -	1.54%
Treasury Bills " Dec. 16 & 17, 1930	1 5/8% - 1 3/8% discount		
" " " Feb. 16, 1931	1 5/8% - 1 3/8% "		

Closing Prices on New York Stock Exchange at the Close of the Current Statement Week and Net Changes from Close of the Previous Statement Week

Issue	Price	Net Change	Issue	Price	Net Change
1st 3 1/2s	101 18/32	+7/32	Treas. 4s 1944-54	108 25/32	+1/32
1st 4 1/4s	102 28/32	+7/32	" 4 1/4s 1947-52	113 7/32	- - -
4th 4 1/4s	103 22/32	+3/32	" 3 3/4s 1946-56	106 25/32	- - -
			" 3 3/8s 1943-47	102 21/32	+2/32
			" 3 3/8s 1940-43	102 7/32	- - -

Bankers Acceptances

Dealers' offerings of unendorsed bankers acceptances continued at the following rates during the current statement week: 1 7/8 per cent for 30s, 60s and 90s; 2 per cent for 120s, and 2 1/8 per cent for 180-day bills.

Reports week ending Nov. 19

Boston reports that there was some slackening in the demand for bills in its district during the past period. Dealers purchased over $7,000,000 bills from acceptors and sold only $2,600,000. Most of their surplus bills, amounting to $5,600,000, were forwarded to their offices in other cities. Offerings to the Reserve Bank were exceedingly light. In New York conditions in the bill market were practically the same during the week as they have been for the past two weeks with dealers able to sell all of the bills which came into their hands and accepting and discounting banks continuing to withhold bills from the market. Rates were unchanged. Philadelphia reports that its acceptance market was less active. There were very few new bills offered to dealers, indicating that banks were probably holding rather than selling. Bills generally were scarce, portfolios decreasing. Chicago reports that the bill market in its district continued very quiet. Dallas reports that there was a slightly improved demand for bills in its district and offerings to the reserve bank larger.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

Transactions consummated under Treasury authorization (exclusive of Treasury financing operations) during the current statement week were as follows:

Sales of $	79,150 - 4 1/4%	Fourth Liberty Loan bonds, account Foreign Service Retirement and Disability Fund
	200,000 - 3 1/2%	Treasury notes due December 15, 1932, account Alien Property Custodian
	1,000,000 - 4 1/4%	Fourth Liberty Loan bonds, account Government Life Insurance Fund

$1,279,150 - Total Sales

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

During the current statement week the following transactions were effected in the System Account:

Redemption at maturity of	$28,214,000 -	Treasury bills due Nov. 17, 1930, which were replaced by purchase in the market of a like par amount of Treasury bills due Feb. 16, 1931.
Sales to Foreign Correspondent of	1,793,000 -	Treasury bills due Feb. 16, 1931, which were replaced by purchases in the market of a like par amount of 2 3/8% certificates of indebtedness due Sept. 15, 1931.
Exchanges in the market of	24,950,000 -	3 1/2% Treasury notes called for payment March 15, 1931, for a like par amount of Treasury bills due Feb. 16, 1931, and 2 3/8% certificates of indebtedness due Sept. 15, 1931, and
	1,000,000 -	Treasury bills due Feb. 16, 1931, for a like par amount of 2 3/8% certificates of indebtedness due Sept. 15, 1931.
Total	$55,957,000	

On November 14 the Federal Reserve Bank of Atlanta asked to be relieved temporarily of $5,000,000 of its participation of government securities in the System Account and on November 17 the Federal Reserve Bank of St. Louis asked to be relieved temporarily of $10,000,000 of its participation of government securities in the System Account. These securities were taken over into the participation of the Federal Reserve Bank of New York on November 14 and November 17 and apportioned on November 17 and November 18, respectively, to the other Federal reserve banks, all of which expressed a willingness to participate.

These transactions did not affect the total holdings in the Account, which remained at the close of business Wednesday, November 19, 1930, at $402,300,000. The participations by Federal reserve banks and the classification of issues at the close of the statement week were as follows:

PARTICIPATION BY FEDERAL RESERVE BANKS		RECAPITULATION OF HOLDINGS BY MATURITIES	
Boston	$ 46,625,500	Dec. 16, 1930 - Treas. Bills	$13,500,000
New York	78,012,000	Dec. 17, 1930 - " "	12,500,000
Philadelphia	38,523,000	Feb. 16, 1931 - " "	43,707,000
Cleveland	49,255,000	Dec. 15, 1930 - 3 1/4% C/I	44,245,000
Richmond	16,695,500	June 15, 1931 - 2 7/8% "	82,131,000
Atlanta	5,146,500	Sept. 15, 1931 - 2 3/8% "	33,087,000
Chicago	63,425,500	Mar. 15, 1931 - 3 1/2% T/N	
St. Louis	5,526,000	Series "A" and "B"	129,120,100
Minneapolis	18,742,500	Dec. 15, 1932 - 3 1/2% T/N	43,411,900
Kansas City	29,639,500	Oct. 15, 1938 - 4 1/4% L/L	598,000
Dallas	19,900,000		
San Francisco	30,809,000		
Totals	$402,300,000		$402,300,000

ITEMIZED STATEMENT OF TRANSACTIONS IN GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES AFFECTING THE INVESTMENT ACCOUNT OF ALL FEDERAL RESERVE BANKS FROM NOVEMBER 13 TO NOVEMBER 19, 1930, INCLUSIVE

GOVERNMENT SECURITIES - SYSTEM INVESTMENT ACCOUNT

	Purchases	Sales	Net Increase	Net Decrease
Boston	$ 7,528,500	$ 6,375,500	$ 1,153,000	0
New York	25,453,500**	21,292,500	4,161,000	0
Philadelphia	6,514,500	5,236,500	1,278,000	0
Cleveland	8,267,000	6,702,000	1,565,000	0
Richmond	3,104,500	2,239,500	865,000	0
Atlanta	759,000	5,759,000	0	5,000,000
Chicago	10,834,000	8,609,500	2,224,500	0
St. Louis	2,384,500	12,132,500	0	9,748,000
Minneapolis	3,054,000	2,560,000	494,000	0
Kansas City	4,942,500	4,036,000	906,500	0
Dallas	3,364,500	2,705,500	659,000	0
San Francisco	5,589,500	4,147,500	1,442,000	0
Totals	$81,796,000	$81,796,000*	$14,748,000	$14,748,000

*This amount includes $28,214,000 Treasury Bills which matured November 17, 1930.
**Includes $15,000,000 Government securities taken over temporarily from the Federal reserve banks of Atlanta and St. Louis' participations in the System Account as explained on page 4 of this report.

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	Purchases	Issue	Maturities & Sales	Issue
Boston	$ 0	-	$ 11,250	C-1930-32 T/N
New York	1,200,000	Misc. Gov't Sec.	4,257,000	Misc. Gov't Sec.
			3,000,000	Tr. Bills 11/17/30
Atlanta	643,650	" " "	685,050	Misc. Gov't Sec.
Minneapolis	969,700	" " "	879,150	" " "
Dallas	500,000	TS-1931 C/I	0	-
Totals	$3,313,350		$8,832,450	

BANKERS ACCEPTANCES
(000 Omitted)

	Holdings Nov. 12	Purchased Own Mkt.	By Allotment from New York	Maturities & Sales	Holdings Nov. 19	Other Holdings Close Nov. 19/30 Sales Contracts	Other Holdings Close Nov. 19/30 Other Bills
Boston	$ 13,116	$ 0	$ 985	$ 1,321	$ 12,780	$ 395	$ 2,247
New York	32,101	3,707 R. 9,398 A.	0	10,283	25,525	0	19,947
Phila.	0	0	0	0	0	0	2,945
Cleve.	18,490	0	1,340	4,261	15,569	0	3,036
Richmond	9,815	40 R.	715	2,020	8,550	0	1,275
Atlanta	9,145	80 "	853	1,538	8,540	0	1,823
Chicago	16,005	434 "	1,988	3,743	14,684	1,244	4,068
St. Louis	6,910	0	717	1,560	6,067	0	1,093
Minn.	4,764	0	470	1,156	4,078	0	698
Kan. City	8,418	0	829	1,246	8,001	0	911
Dallas	6,216	571 "	598	2,336	5,049	0	911
San Fran.	24,457	538 "	903	3,568	22,330	3,987	2,095
Totals	$149,437	$14,768	$9,398	$33,032	$131,173	$5,626	$41,049

Bills held overnight by New York for distribution to other Fed. Res. Banks - 425
Total - - - - $41,474

NOTE: R. indicates Retained and A. indicates Allotted in the above statement.

MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDING NOVEMBER 19, 1930
(000 Omitted)

	1-30 days 1 7/8%	31-60 days 1 7/8%	61-90 days 1 7/8%	Over 90-days -	Total
New York	$7,398	$4,678	$1,029**	0	$13,105
Richmond	0	40*	0	0	40
Atlanta	75	5	0	0	80
Chicago	100	280	54	0	434
Dallas	189	382	0	0	571
San Francisco	45	121	372	0	538
Totals	$7,807	$5,506	$1,455	0	$14,768

*- Purchased at 2%.
** 61 - 75 day bills.

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES DURING WEEK ENDING NOVEMBER 19, 1930
(000 Omitted)

(Excluding Sales Contracts)

	Government Securities	Bankers Acceptances	Total
Purchased	$85,110	$14,768	$99,878
Sold	59,413	0	59,413
Matured	31,214	33,032	64,246
		$18,264-	$23,781-
		10,967-(Net Change 1-day holdover & other bills)	10,967-(Net Change 1-day holdover & other bills)
Totals	$5,517-	$29,231-	$34,748-

HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES NOVEMBER 19, 1930
(000 Omitted)

(Including Sales Contracts)

	Within 15-days	16-30 days	31-60 days	61-90 days	91 days-6 months	Over 6 months	Total
Gov't Securities	$ 0	$ 79,766	$ 0	$43,707	$170,206	$302,094	$595,773
Bills Purchased	61,282	41,242	55,766	19,865	118	0	178,273
Totals	$61,282	$121,008	$55,766	$63,572	$170,324	$302,094	$774,046

November 15, 1930

Dear Mr. Matteson:

I acknowledge receipt of and shall bring to the attention of the members of the Board your letter of November 14th, addressed to the Governor, enclosing report of open market operations for the period from November 6, 1930 to November 12, 1930, inclusive.

Very truly yours,

E. M. McClelland,
Assistant Secretary

Mr. W. B. Matteson,
Assistant Deputy Governor,
Federal Reserve Bank,
New York, N. Y.

Mr Riefler
Smead
Collier

FEDERAL RESERVE BANK
OF NEW YORK

CONFIDENTIAL

November 14, 1930

Mr. E. A. Goldenweiser,
Director, Division of Research and Statistics,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Goldenweiser:

Enclosed is a report of open market operations for the period from November 6, 1930 to November 12, 1930 inclusive, together with data received from Federal reserve banks.

Very truly yours,

W. B. Matteson

W. B. Matteson
Assistant Deputy Governor

Encl.

FEDERAL RESERVE BANK

OF NEW YORK

P E R S O N A L

November 14, 1930

Dear Governor Meyer:

We are enclosing, for your files, a report of open market operations for the period from November 6, 1930 to November 12, 1930 inclusive, together with data received from Federal reserve banks.

Very truly yours,

W. B. Matteson
Assistant Deputy Governor

Honorable Eugene Meyer,
Governor, Federal Reserve Board,
Washington, D. C.

Encl.

FOR SPECIAL CIRCULATION
PLEASE READ PROMPTLY, INITIAL AND RETURN
SECRETARY'S OFFICE
Gov. Meyer Mr. Hamlin Mr. James
Mr. Miller Mr. Cunningham Mr. Pole

FEDERAL RESERVE BANK

OF NEW YORK

CONFIDENTIAL

November 14, 1930

Dear Governor Meyer:

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Very truly yours,

W. B. Matteson
W. B. Matteson
Assistant Deputy Governor

Honorable Eugene Meyer,
Governor, Federal Reserve Board,
Washington, D. C.

Encl.

RECEIVED
NOV 15 1930
OFFICE OF
THE GOVERNOR

Sec'd file 11/15/30

CONFIDENTIAL

REPORT OF OPEN MARKET OPERATIONS FOR WEEK ENDED NOVEMBER 12, 1930

Holdings of Earning Assets of Federal Reserve Banks from November 13, 1929 to Date
(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES Outright Purchases	GOVERNMENT SECURITIES Sales Contracts	BANKERS ACCEPTANCES Outright Purchases	BANKERS ACCEPTANCES Sales Contracts	BILLS DISCOUNTED
-1929-						
Nov. 13	$1,606,304	$311,261	$ 1,295	$287,109	$ 12,403	$971,355
Nov. 27	1,514,460	322,063	4,035	250,044	7,271	912,349
Dec. 31	1,547,517	487,292	23,295	236,974	155,235	632,421
-1930-						
Jan. 29	1,154,379	476,466	70	185,677	72,795	406,941
Feb. 26	1,138,522	477,610	5,145	232,521	66,785	342,781
Mar. 26	1,001,090	526,284	2,715	143,772	112,710	206,829
Apr. 30	982,225	527,124	2,385	161,846	47,718	233,452
May 28	958,776	529,450	320	130,066	45,494	247,046
June 25	916,038	576,560	410	94,735	7,578	231,505
July 30	911,554	576,323	45	127,965	2,797	197,101
Aug. 27	967,034	601,913	0	159,137	4,137	193,275
Sept. 24	973,483	601,656	150	192,161	5,583	167,162
Oct. 29	975,021	601,438	0	161,906	3,752	201,603
Nov. 5	1,006,197	601,481	50	176,416	9,186	212,767
Nov. 12	1,006,586	601,290	0	201,878	5,464	191,657

CHANGES IN EARNING ASSET HOLDINGS (EXCLUSIVE OF SALES CONTRACTS)
DURING WEEK ENDED NOVEMBER 12, 1930
(000 Omitted)

	GOVERNMENT SECURITIES Balance Nov. 12	GOVERNMENT SECURITIES Net Change	BANKERS ACCEPTANCES Balance Nov. 12	BANKERS ACCEPTANCES Net Change	BILLS DISCOUNTED Balance Nov. 12	BILLS DISCOUNTED Net Change
Boston	$ 46,173	$ 0	$ 13,116	$ 94+	$ 10,799	$ 2,400+
New York	187,340	0	32,101	3,356+	32,768	21,310-
Philadelphia	52,252	0	0	0	18,459	72+
Cleveland	57,855	0	18,490	1,024-	25,002	274+
Richmond	16,983	0	9,815	610+	17,721	79-
Atlanta	12,765	85-	9,145	381+	22,412	1,469-
Chicago	81,128	0	16,005	270+	15,902	2,468-
St. Louis	23,899	0	6,910	261+	16,246	2,529+
Minneapolis	25,921	106-	4,764	249+	3,602	108-
Kansas City	28,736	0	8,418	823+	14,159	618+
Dallas	29,229	0	6,216	289+	8,450	541-
San Francisco	39,009	0	24,457	1,356+	6,137	1,028-
N. Y. holdovers and other bills			52,441	18,797+		
Totals	$601,290	$191-	$201,878	$25,462+	$191,657	$21,110-

COMMENT ON CHANGES WEEK ENDED NOVEMBER 12, 1930

Total earning assets of the System showed an increase of $389,000 for the current statement week. The changes by classification consisted of an increase of $25,462,000 in outright purchases of bankers acceptances and decreases of $191,000 in outright purchases of government securities, $21,110,000 in bills discounted and $3,772,000 in investments held under sales contracts. The changes in the latter item consisted of decreases of $50,000 and $3,722,000, respectively, in government securities and bankers acceptances.

<u>ney Market</u>

D ng the past week the call mone market in New York has changed from the slightly firmer condition th c prevailed in the first few days of the month to a situation of comparative ease. The variations have been entirely in the rate for loans in the outside market, as the official Stock Exchange quotation has been 2 per cent throughout. Beginning on Thursday, the 6th, the outside rate went no lower than 1 1/2 per cent and on the following day a 2 per cent rate alone was quoted. On the 10th, however, larger offerings began to appear with concessions to 1 1/2 per cent granted, a condition that existed until Thursday, the 13th, when outside market loans were placed as low as 1 per cent. The quotation for Federal funds worked as high as 2 - 2 1/4 per cent on Friday, the 7th, but by the following Thursday had returned to 1/2 - 3/4 per cent.

At the opening of the past reporting week a moderate deficit existed in reserve accounts of the money market banks, so that on Friday the City banks had to increase their Reserve Bank borrowings to $34,000,000 in order to balance their average position for the period ended that day, despite an inflow of funds from other centers and an increase in Federal Reserve bill holdings. In the succeeding days return of currency from circulation, further net inward movement of funds from other districts, and a gold import were accompanied by repayment of New York City bank borrowings and the establishing of a substantial surplus of reserves as the reporting week closed.

The time money market has remained quiet during the past week and rates have been unchanged. Limited amounts of 3 and 4 months money have been placed at 2 1/4 and 2 1/2 per cent respectively.

While sales of prime commercial paper at 2 3/4 per cent have increased to sufficient volume to change the effective selling range quoted by dealers to 2 3/4 - 3 per cent, there is still considerable sales resistance to offerings at the lower level. Investment demand, at the same time, is largely for the best grade of names, little interest being evidenced in the smaller good names, which may be obtained at slightly higher rates. Activity of the market is hampered by the extremely small supply of paper available.

<u>Government Security Market</u>

The market for United States Government securities continued fairly active, with the demand good for practically all issues. Prices of both the short and long-term issues showed small net gains for the week, the average yield on the short-term governments at dealers' offering prices at the close of the statement week being about 1.49% as compared with 1.53% last week, while the average selling price for the long-term bonds again established a new high level for the year of 105.13 as compared with the previous high for the year of 105.11 made during the previous statement week.

<u>Dealers' Offering Prices at the Close of the Current Statement Week and Net Changes from the Close of the Previous Statement Week</u>

Issue	Price	Net Change	Approx. Yield
3 1/4% Cert. of Ind. due Dec. 15, 1930	To yield 1.30%		- - -
2 7/8% " " " " June 15, 1931	100 24/32	+1/32	1.57%
2 3/8% " " " " Sept.15, 1931	100 17/32	+2/32	1.72%
3 1/2% Treasury notes Series "A" and "B" called for payment Mar.15,1931	100 21/32	-1/32	1.51%
3 1/2% Treasury notes due Dec. 15, 1932	101 3/32	+2/32	1.61%
Treasury Bills " Nov. 17, 1930	1 5/8% bid - none offered		
" " " Dec. 16 & 17, 1930	1 5/8% - 1 3/8% discount		

Closing Prices on New York Stock Exchange at the Close of the Current Statement Week and Net Changes from Close of the Previous Statement Week

Issue	Price	Net Change	Issue	Price	Net Change
1st 3 1/2s	101 11/32	+2/32	Treas. 4s 1944-54	108 24/32	-4/32
1st 4 1/4s	102 21/32	- - -	" 4 1/4s 1947-52	113 7/32	+2/32
4th 4 1/4s	103 19/32	-1/32	" 3 3/4s 1946-56	106 25/32	+2/32
			" 3 3/8s 1943-47	102 19/32	+3/32
			" 3 3/8s 1940-43	102 7/32	+3/32

Bankers Acceptances

Dealers' offerings of unendorsed bankers acceptances continued at the following rates during the current statement week: 1 7/8 per cent for 30s, 60s and 90s, 2 per cent for 120s and 2 1/8 per cent for 180-day bills.

Reports week ending Nov. 12

Boston reports that the supply of bills in its local market fell off considerably during the reporting period. There was a good local demand for bills but local dealers were not able to fill all their orders due to the small supply caused by local banks holding their own bills. Ninety day bills continued in best demand. In New York dealers' purchases increased slightly as compared with the past two weeks. Their sales, however, continued to exceed their purchases and aggregate portfolios decreased by about $12,000,000 to $26,000,000, the lowest they have been since the end of July. Several dealers reported they could have sold more bills of maturities under 90 days if bills had been available. Philadelphia reports that its acceptance market was a little more active. There was more improvement in the volume of new bills offered although banks were inclined to hold rather than sell. The demand generally greatly exceeded the supply - portfolios low. Chicago reports that the bill market in its district continued very quiet. Dallas reports that there was continued dullness in its bill market during the past week with practically no demand and very light offerings to the reserve bank.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

Transactions consummated under Treasury authorization during the current statement week were as follows:

Sales of $	108,000	- Fourth 4 1/4% Liberty Loan bonds, account German Special Deposit Account
	400,000	- 3 1/2% Treasury notes due December 15, 1932, account Alien Property Custodian
	1,000,000	- Fourth 4 1/4% Liberty Loan bonds, account Government Life Insurance Fund
	$1,508,000	- Total Sales

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

During the current statement week exchanges were effected in the holdings in the System Account of

$6,500,000	- 3 1/4% certificates of indebtedness, due December 15, 1930
2,000,000	- 2 7/8% certificates of indebtedness, due June 15, 1931
1,000,000	- 3 1/2% Treasury notes called for payment March 15, 1931

a total of $9,500,000 for a like par amount of other issues of short-term governments as follows:

$1,500,000	- Treasury bills due November 17, 1930
5,000,000	- " " " December 17, 1930
1,000,000	- 2 3/8% certificates of indebtedness, due September 15, 1931
2,000,000	- 3 1/2% Treasury notes due December 15, 1932
$9,500,000	

These exchanges, which were made mostly as an accommodation to the market, were effected at prices advantageous to the System Account and did not affect the total amount of holdings in the Account, which remained at the close of business Wednesday, November 12, 1930, at $402,300,000. The participation by Federal reserve banks and the classification of issues at the close of the statement week were as follows:

PARTICIPATION BY FEDERAL RESERVE BANKS	
Boston	$ 45,472,500
New York	73,851,000
Philadelphia	37,245,000
Cleveland	47,690,000
Richmond	15,830,500
Atlanta	10,146,500
Chicago	61,201,000
St. Louis	15,274,000
Minneapolis	18,248,500
Kansas City	28,733,000
Dallas	19,241,000
San Francisco	29,367,000
Totals	$402,300,000

RECAPITULATION OF HOLDINGS BY MATURITIES	
Nov. 17, 1930 - Treasury Bills	$ 28,214,000
Dec. 16, 1930 - " "	13,500,000
Dec. 17, 1930 - " "	12,500,000
Dec. 15, 1930 - 3 1/4% C/I	44,245,000
June 15, 1931 - 2 7/8% "	82,131,000
Sept. 15, 1931 - 2 3/8% "	23,630,000
Mar. 15, 1931 - 3 1/2% T/N Series "A" and "B"	154,070,100
Dec. 15, 1932 - 3 1/2% "	43,411,900
Oct. 15, 1938 - 4 1/4% 4th L/L	598,000
	$402,300,000

ITEMIZED STATEMENT OF TRANSACTIONS IN GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES AFFECTING THE INVESTMENT ACCOUNT OF ALL FEDERAL RESERVE BANKS FROM NOVEMBER 6 TO NOVEMBER 12, 1930, INCLUSIVE

GOVERNMENT SECURITIES - SYSTEM INVESTMENT ACCOUNT

	Purchases	Sales
Boston	$1,073,500	$1,073,500
New York	1,743,500	1,743,500
Philadelphia	879,500	879,500
Cleveland	1,126,000	1,126,000
Richmond	374,500	374,500
Atlanta	239,000	239,000
Chicago	1,445,000	1,445,000
St. Louis	361,000	361,000
Minneapolis	431,000	431,000
Kansas City	679,000	679,000
Dallas	454,500	454,500
San Francisco	693,500	693,500
Totals	$9,500,000	$9,500,000

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	Purchases	Issue	Sales	Issue
Atlanta	$285,850	Misc. Gov't Sec.	$370,750	Misc. Gov't Sec.
Minneapolis	500,200	" " "	606,200	" " "
Totals	$786,050		$976,950	

BANKERS ACCEPTANCES
(000 Omitted)

	Holdings Nov. 5	Purchased Own Mkt.	By Allotment from New York	Maturities & Sales	Holdings Nov. 12	Other Holdings Close Nov. 12,1930 Sales Contracts	Other Bills
Boston	$ 13,022	$ 200 R	$ 1,460	$ 1,566	$ 13,116	$ 268	$ 2,247
New York	28,745	5,297 " 13,450 A	0	1,941	32,101	932	29,012
Phila.	0	0	0	0	0	0	2,945
Cleve.	19,514	0	1,935	2,959	18,490	0	3,036
Richmond	9,205	0	1,096	486	9,815	0	1,275
Atlanta	8,764	0	1,134	753	9,145	0	1,719
Chicago	15,735	0	2,688	2,418	16,005	1,310	4,068
St.Louis	6,649	0	931	670	6,910	0	1,093
Minn.	4,515	0	623	374	4,764	0	698
Kan. City	7,595	0	1,137	314	8,418	0	911
Dallas	5,927	32 R	785	528	6,216	0	911
San Fran.	23,101	883 "	1,661	1,188	24,457	2,954	2,095
Totals	$142,772	$19,862	$13,450	$13,197	$149,437	$5,464	$50,010
Bills held over night by New York for distribution to other Federal Res.Bks.							2,431
Total							$52,441

NOTE: R. indicates Retained and A. indicates Allotted in the above statement.

MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDING NOVEMBER 12, 1930
(000 Omitted)

	1-30 days 1 7/8%	31-60 days 1 7/8%	61-90 days 1 7/8%	Over 90-days -	Total
Boston	$ 0	$ 0	$ 200**	0	$ 200
New York	10,972*	5,603*	2,172*	0	18,747
Dallas	27	3	2**	0	32
San Francisco	159	252	472	0	883
Totals	$11,158	$5,858	$2,846	0	$19,862

* Purchased at 1 7/8 to 2%
**Purchased at 2%

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES DURING WEEK ENDING NOVEMBER 12, 1930
(000 Omitted)

(Excluding Sales Contracts)

	Government Securities	Bankers Acceptances	Total
Purchased	$10,286	$19,862	$30,148
Sold	10,477	0	10,477
Matured	0	13,197	13,197
		$ 6,665+	$ 6,474+
		18,797+(Net Change 1-day holdover & other bills)	18,797+(Net Change 1-day holdover & other bills)
Totals	$ 191-	$25,462+	$25,271+

HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES NOVEMBER 12, 1930
(000 Omitted)

(Including Sales Contracts)

	Within 15-days	16-30 days	31-60 days	61-90 days	91 days-6 months	Over 6 months	Total
Gov't Securities	$ 31,214	$ 0	$ 79,766	$ 0	$195,090	$295,220	$601,290
Bills Purchased	78,168	43,344	56,358	29,447	25	0	207,342
Totals	$109,382	$43,344	$136,124	$29,447	$195,115	$295,220	$808,632

November 8, 1930.

Dear Mr. Matteson:

I acknowledge receipt of and shall bring to the attention of the members of the Federal Reserve Board your letter of November 7th, enclosing a report of open market operations for the period from October 30, 1930 to November 5, 1930, inclusive.

Very truly yours,

E. M. McClelland,
Assistant Secretary.

Mr. W. B. Matteson, Asst. Deputy Governor,
Federal Reserve Bank,
New York City, N. Y.

Mr Riefler
Mr Smead
Mr Collier

FEDERAL RESERVE BANK
OF NEW YORK

RECEIVED
NOV - 8 1930
DIVISION OF RESEARCH AND STATISTICS.

CONFIDENTIAL

November 7, 1930

Mr. E. A. Goldenweiser,
Director, Division of Research and Statistics,
Federal Reserve Board,
Washington, D. C.

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W B Matteson

W. B. Matteson
Assistant Deputy Governor

Encl.

FEDERAL RESERVE BANK
OF NEW YORK

P E R S O N A L

November 7, 1930

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Assistant Deputy Governor

Honorable Eugene Meyer,
Governor, Federal Reserve Board,
Washington, D. C.

Encl.

FOR SPECIAL CIRCULATION

PLEASE READ ..., INITIAL AND RETURN TO ...

Gov. Meyer   Mr. Hamlin   Mr. ...
Mr. Miller   Mr. Cunningham   Mr. ...

FEDERAL RESERVE BANK
OF NEW YORK

1930

CONFIDENTIAL   November 7, 1930

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W. B. Matteson
W. B. Matteson
Assistant Deputy Governor

Honorable Eugene Meyer,
Governor, Federal Reserve Board,
Washington, D. C.

Encl.

Bulletin 11/8/30

CONFIDENTIAL

REPORT OF OPEN MARKET OPERATIONS FOR WEEK ENDED NOVEMBER 5, 1930

Holdings of Earning Assets of Federal Reserve Banks from November 6, 1929 to Date
(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES Outright Purchases	GOVERNMENT SECURITIES Sales Contracts	BANKERS ACCEPTANCES Outright Purchases	BANKERS ACCEPTANCES Sales Contracts	BILLS DISCOUNTED
-1929-						
Nov. 6	$1,637,634	$282,974	$ 9,775	$305,411	$ 24,963	$990,880
Nov. 27	1,514,460	322,063	4,035	250,044	7,271	912,349
Dec. 31	1,547,517	487,292	23,295	236,974	155,235	632,421
-1930-						
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Mar. 26	1,001,090	526,284	2,715	143,772	112,710	206,829
Apr. 30	982,225	527,124	2,385	161,846	47,718	233,452
May 28	958,776	529,450	320	130,066	45,494	247,046
June 25	916,038	576,560	410	94,735	7,578	231,505
July 30	911,554	576,323	45	127,965	2,797	197,101
Aug. 27	967,034	601,913	0	159,137	4,137	193,275
Sept.24	973,483	601,656	150	192,161	5,583	167,162
Oct. 29	975,021	601,438	0	161,906	3,752	201,603
Nov. 5	1,006,197	601,481	50	176,416	9,186	212,767

CHANGES IN EARNING ASSET HOLDINGS (EXCLUSIVE OF SALES CONTRACTS)
DURING WEEK ENDED NOVEMBER 5, 1930
(000 Omitted)

	GOVERNMENT SECURITIES Balance Nov. 5	GOVERNMENT SECURITIES Net Change	BANKERS ACCEPTANCES Balance Nov. 5	BANKERS ACCEPTANCES Net Change	BILLS DISCOUNTED Balance Nov. 5	BILLS DISCOUNTED Net Change
Boston	$ 46,173	$ 1-	$ 13,022	$ 594+	$ 8,399	$ 748-
New York	187,340	0	28,745	4,997+	54,078	15,531+
Philadelphia	52,252	0	0	0	18,387	1,396-
Cleveland	57,855	0	19,514	627+	24,728	1,156-
Richmond	16,983	0	9,205	1,138+	17,800	1,036-
Atlanta	12,850	81+	8,764	825+	23,881	263+
Chicago	81,128	0	15,735	2,599-	18,370	1,077+
St. Louis	23,899	0	6,649	336+	13,717	2,653-
Minneapolis	26,027	36-	4,515	111+	3,710	438-
Kansas City	28,736	0	7,595	801+	13,541	1,487+
Dallas	29,229	1-	5,927	363+	8,991	458-
San Francisco	39,009	0	23,101	3,366+	7,165	691+
N. Y. holdovers and other bills			33,644	3,951+		
Totals	$601,481	$43+	$176,416	$14,510+	$212,767	$11,164+

COMMENT ON CHANGES WEEK ENDED NOVEMBER 5, 1930

Total earning assets of the System showed an increase of $31,176,000 for the current statement week. The changes by classification consisted of increases of $43,000 and $14,510,000, respectively, in outright purchases of government securities and bankers acceptances, $11,164,000 in bills discounted, and $5,484,000 in investments held under sales contracts. The changes in the latter item consisted of an increase of $50,000 in government securities and $5,434,000 in bankers acceptances.

Money Market

Turn of the month and holiday influences caused a slight firming in call money during the past week. The Stock Exchange quotation showed no change from the 2 per cent rate in effect throughout October, but in the outside market the granting of concessions became less of a factor as the period progressed so that by Thursday, the 6th, only a small amount of money was placed at 1 1/2 per cent, as against large offerings at 1 per cent a week earlier. The quotation for federal funds rose to 1 3/4 - 2 per cent from the 1/4 - 1/2 per cent rate in effect a week ago.

At the opening of the reporting week the New York City banks had rather large surplus reserves, but losses to the market during the week in commercial and agency transactions, principally through an outflow of funds to other parts of the country and currency withdrawals from the Reserve Bank, were about twice the size of the opening surplus of reserves. In order to average their position for the reserve period ending with the Tuesday holiday, New York City banks on Monday sold a moderately large volume of bills to the Reserve Bank and in addition borrowed $39,000,000. In the two subsequent business days, the City banks retired part of these borrowings, but the reserve position of the banks on these days reflected the narrowing of the supply of funds in New York that has occurred during the past week.

General lack of interest continued to prevail in the market for fixed date accommodation, with bid and asked rates down about 1/4 per cent from a week ago to new low levels in recent years. Current quotations are: 30 days, 1 3/4 - 2 per cent; 60 days, 2 per cent flat; 90 days, 2 - 2 1/4 per cent; 4 months, 2 1/4 - 2 1/2 per cent; 5 and 6 months, 2 1/2 - 2 3/4 per cent. Trading activity during the week appeared to be confined chiefly to 4 months loans at 2 1/2 per cent, and to 6 months loans at 2 3/4 per cent.

Dealers' offering lists contained an increased proportion of especially choice commercial paper priced at 2 3/4 per cent, but the actual movement of this paper into investors' portfolios during the past week was limited to only occasional transactions. Dealers reported a ready market for the average run of prime names at 3 per cent, which they continue to quote as the prevailing rate. The market generally was rather inactive due to the scarcity of material.

Government Security Market

The market for United States Government securities continued moderately active during the current reporting period with the demand good for all issues, especially for the short-term issues and the Fourth 4 1/4s. Prices advanced fractionally for the week, the average yield on the short-term governments at dealers' offering prices at the close of the week being 1.53% as compared with 1.71% last week, while the average selling price for the long-term bonds again established a new high level for the year of 105.11 as compared with the previous high for the year of 105.05 made on the last day of the previous statement week.

Dealers' Offering Prices at the Close of the Current Statement Week and Net Changes from the Close of the Previous Statement Week

Issue	Price	Net Change	Approx. Yield
3 1/4% Cert. of Ind. due Dec. 15, 1930	100 7/32	- - -	1.12%
2 7/8% " " " " June 15, 1931	100 23/32	+4/32	1.67%
2 3/8% " " " " Sept. 15, 1931	100 15/32	+4/32	1.81%
3 1/2% Treasury notes Series "A" and "B" called for payment Mar. 15, 1931	100 22/32	+1/32	1.53%
3 1/2% Treasury notes due Dec. 15, 1932	101 1/32	+2/32	1.77%
Treasury Bills due Nov. 17, 1930	1 5/8% - 1 3/8% discount		
" " " Dec. 16 & 17, 1930	1 5/8% - 1 3/8% "		

Closing Prices on New York Stock Exchange at the Close of the Current Statement Week and Net Changes from Close of the Previous Statement Week

	Issue	Price	Net Change		Issue		Price	Net Change
1st	3 1/2s	101 9/32	+3/32	Treas.	4s	1944-54	108 28/32	+1/32
1st	4 1/4s	102 21/32	+1/32	"	4 1/4s	1947-52	113 5/32	+3/32
4th	4 1/4s	103 20/32	+2/32	"	3 3/4s	1946-56	106 23/32	+3/32
				"	3 3/8s	1943-47	102 16/32	+2/32
				"	3 3/8s	1940-43	102 4/32	+2/32

Bankers Acceptances

Dealers' offerings of unindorsed bankers acceptances were at the following rates at the close of the current statement week: 1 7/8 per cent for 30s, 60s and 90s, 2 per cent for 120s, and 2 1/8 per cent for 180-day bills. This represents a reduction of 1/8 per cent on 180-day bills from the previous week.

Reports week ending Nov. 5

Boston reports that, with call money at 1 to 1 1/2 per cent, local banks turned to bankers acceptances during the past week, with the result that nearly all available bills were soon absorbed, necessitating dealers to import bills from their offices in other cities to fill orders. The supply of bills also showed some increase and, for the first time in months, was insufficient to meet the demand. There was little choice as to maturities, but 90-day bills were easier to move. In New York the bill market was less active this week than the previous week. The demand, however, continued to exceed the supply and dealers' aggregate portfolios were reduced $17,000,000 to $38,000,000. On October 31, dealers reduced rates 1/8 per cent on 5 and 6 months bills to 2 1/4 bid, 2 1/8 asked. Indorsed bills 1/8 less. No change in other maturities. Dealers' sales to the Reserve Bank for System Account were practically nil during the week, while sales by banks to the Reserve Bank were in fairly substantial amounts, the bulk of the purchases being offered by two or three banks on the 3rd of November. Philadelphia reports that its acceptance market was dull; there were practically no new bills and no sales. Dealers reported that, due to the demand in other districts, their portfolios were considerably lower. Chicago reports that there was continued extreme dullness in the bill market in its district. Dallas reports that there was a very light demand for bills in its district during the past week, with offerings to the Reserve Bank very small.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

The only transaction consummated under Treasury authorization during the current statement week was a sale of $200,000 - 3 1/2% Treasury notes due December 15, 1932 from holdings, account Alien Property Custodian.

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

During the current statement week exchanges were effected in the holdings in the System Account of

$1,000,000	- Treasury bills due November 17, 1930
5,000,000	- " " " December 16 and 17, 1930
1,000,000	- 3 1/4% certificates due December 15, 1930
1,500,000	- 2 7/8% " " June 15, 1931
9,000,000	- 3 1/2% Treasury notes called for payment March 15, 1931

a total of $17,500,000 - for a like par amount of various issues of short-term governments as follows:

$ 5,000,000	- Treasury bills due November 17, 1930
4,000,000	- 2 7/8% certificates due June 15, 1931
6,500,000	- 2 3/8% " " September 15, 1931
2,000,000	- 3 1/2% Treasury notes due December 15, 1932
$17,500,000	

These exchanges, which were made to either accommodate the market or to exchange early maturities for later maturities, were effected at prices advantageous to the System Account and did not affect the total amount of holdings in the Account which remained at the close of business Wednesday, November 5, 1930, at $402,300,000. The participation by Federal reserve banks and the classification of issues at the close of the statement week were as follows:

PARTICIPATION BY FEDERAL RESERVE BANKS

Boston	$ 45,472,500
New York	73,851,000
Philadelphia	37,245,000
Cleveland	47,690,000
Richmond	15,830,500
Atlanta	10,146,500
Chicago	61,201,000
St. Louis	15,274,000
Minneapolis	18,248,500
Kansas City	28,733,000
Dallas	19,241,000
San Francisco	29,367,000
Totals	$402,300,000

RECAPITULATION OF HOLDINGS BY MATURITIES

Nov. 17, 1930 - Treasury bills	$ 26,714,000
Dec. 16, 1930 - " "	13,500,000
Dec. 17, 1930 - " "	7,500,000
Dec. 15, 1930 - 3 1/4% C/I	50,745,000
June 15, 1931 - 2 7/8% "	84,131,000
Sept.15, 1931 - 2 3/8% "	22,630,000
Mar. 15, 1931 - 3 1/2% T/N Series "A" and "B"	155,070,100
Dec. 15, 1932 - 3 1/2% T/N	41,411,900
Oct. 15, 1938 - 4 1/4% 4th L/L	598,000
	$402,300,000

ITEMIZED STATEMENT OF TRANSACTIONS IN GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES
AFFECTING THE INVESTMENT ACCOUNT OF ALL FEDERAL RESERVE BANKS
FROM OCTOBER 30 TO NOVEMBER 5, 1930, INCLUSIVE

GOVERNMENT SECURITIES - SYSTEM INVESTMENT ACCOUNT

	Purchases	Sales
Boston	$ 1,977,500	$ 1,977,500
New York	3,212,500	3,212,500
Philadelphia	1,620,500	1,620,500
Cleveland	2,074,000	2,074,000
Richmond	689,500	689,500
Atlanta	440,500	440,500
Chicago	2,661,500	2,661,500
St. Louis	665,000	665,000
Minneapolis	794,500	794,500
Kansas City	1,250,000	1,250,000
Dallas	837,000	837,000
San Francisco	1,277,500	1,277,500
Totals	$17,500,000	$17,500,000

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	Purchases	Issue	Sales	Issue
Boston	$ 0	-	$ 1,000	Misc. Gov't Sec.
New York	5,055,000	Misc. Gov't Sec.	5,055,000	" " "
Atlanta	845,850	" " "	765,350	" " "
Minneapolis	1,233,750	" " "	1,269,050	" " "
Dallas	0	-	1,000	" " "
Totals	$7,134,600		$7,091,400	

BANKERS ACCEPTANCES
(000 Omitted)

	Holdings Oct.29	Purchased Own Mkt.	By Allot-ment from New York	Matur-ities & Sales	Holdings Nov. 5	Other Holdings Close Nov.5/30 Sales Contracts	Other Holdings Close Nov.5/30 Other Bills
Boston	$ 12,428	$ 73 R.	$ 1,969	$ 1,448	$ 13,022	$ 13	$ 1,778
New York	23,748	7,576 " 18,424 A.	0	2,579	28,745	3,429	15,325
Phila.	0	0	0	0	0	0	2,330
Cleve.	18,887	0	2,830	2,203	19,514	0	2,402
Richmond	8,067	0	1,458	320	9,205	0	1,009
Atlanta	7,939	384 R.	1,614	1,173	8,764	0	1,469
Chicago	18,334	118 "	3,594	6,311	15,735	1,671	3,219
St. Louis	6,313	0	1,392	1,056	6,649	0	865
Minn.	4,404	0	837	726	4,515	0	553
Kan. City	6,794	0	1,622	821	7,595	0	721
Dallas	5,564	7 R.	1,192	836	5,927	0	721
San Fran.	19,735	3,613 "	1,916	2,163	23,101	4,073	1,658
Totals	$132,213	$30,195	$18,424	$19,636	$142,772	$9,186	$32,050

Bills held overnight by New York for distribution to other F. R. Banks - - - 1,594
" " " " " " " " " foreign correspondents - 0

Total - - - - $33,644

NOTE; R indicates Retained and A. indicates Allotted in the above statement.

MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDING NOVEMBER 5, 1930
(000 Omitted)

	1-30 days 1 7/8%	31-60 days 1 7/8%	61-90 days 1 7/8%	Over 90-days -	Total
Boston	0	$ 14	$ 59	0	$ 73
New York	9,726*	15,854*	420*	0	26,000
Atlanta	157	202	25	0	384
Chicago	0	118	0	0	118
Dallas	0	7	0	0	7
San Francisco	0	2,215	1,398	0	3,613
Totals	$9,883	$18,410	$1,902	0	$30,195

*Purchased at 1 7/8 - 2 1/8%.

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES DURING WEEK ENDING NOVEMBER 5, 1930
(000 Omitted)

(Excluding Sales Contracts)

	Government Securities	Bankers Acceptances		Total	
Purchased	$24,635	$30,195		$54,830	
Sold	24,592	0		24,592	
Matured	0	19,636		19,636	
		$10,559+		$10,602+	
		3,951+	(Net Change 1-day holdover and other bills)	3,951+	(Net Change 1-day holdover and other bills)
Totals	$ 43+	$14,510+		$14,553+	

HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES NOVEMBER 5, 1930
(000 Omitted)

(Including Sales Contracts)

	Within 15-days	16-30 days	31-60 days	61-90 days	91 days-6 months	Over 6 months	Total
Gov't Securities	$29,764	0	$81,345	0	$196,055	$294,367	$601,531
Bills Purchased	60,380	38,346	56,123	30,642	111	0	185,602
Totals	$90,144	$38,346	$137,468	$30,642	$196,166	$294,367	$787,133

November 1, 1930.

Dear Mr. Matteson:

Receipt is acknowledged of your letter of October 31st addressed to Governor Meyer enclosing a report of open market operations for the period from October 23, 1930 to October 29, 1930 inclusive, together with data received from Federal Reserve banks.

Very truly yours,

E. M. McClelland,
Assistant Secretary.

Mr. W. B. Matteson, Asst. Deputy Governor,
Federal Reserve Bank,
New York, N. Y.

Mr. Riefler
Mr. Smead
Mr. Collier

FEDERAL RESERVE BANK

OF NEW YORK

CONFIDENTIAL

October 31, 1930

Mr. E. A. Goldenweiser,
Director, Division of Research and Statistics,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Goldenweiser:

Enclosed is a report of open market operations for the period from October 23, 1930 to October 29, 1930 inclusive, together with data received from Federal reserve banks.

Very truly yours,

W. B. Matteson

W. B. Matteson
Assistant Deputy Governor

Encl.

FEDERAL RESERVE BANK
OF NEW YORK

P E R S O N A L   October 31, 1930

Dear Governor Meyer:

We are enclosing, for your files, a report of open market operations for the period from October 23, 1930 to October 29, 1930 inclusive, together with data received from Federal reserve banks.

Very truly yours,

W. B. Matteson
Assistant Deputy Governor

Honorable Eugene Meyer,
Governor, Federal Reserve Board,
Washington, D.C.

Encl.

FOR SPECIAL CIRCULATION
PLEASE READ PROMPTLY, INITIAL AND RETURN TO SECRETARY'S OFFICE
Gov. Meyer Mr. Hamlin Mr. James
Mr. Miller Mr. Cunningham Mr. Pole

FEDERAL RESERVE BANK
OF NEW YORK

CONFIDENTIAL   October 31, 1930

Dear Governor Meyer:

Enclosed is a report of open market operations for the period from October 23, 1930 to October 29, 1930 inclusive, together with data received from Federal reserve banks.

Very truly yours,

W. B. Matteson
Assistant Deputy Governor

Honorable Eugene Meyer,
Governor, Federal Reserve Board,
Washington, D. C.

Encl.

1930

Sullabus 11/1/30

CONFIDENTIAL

REPORT OF OPEN MARKET OPERATIONS FOR WEEK ENDED OCTOBER 29, 1930

Holdings of Earning Assets of Federal Reserve Banks from October 30, 1929 to Date
(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES Outright Purchases	GOVERNMENT SECURITIES Sales Contracts	BANKERS ACCEPTANCES Outright Purchases	BANKERS ACCEPTANCES Sales Contracts	BILLS DISCOUNTED
-1929-						
Oct. 30	$1,648,742	$259,848	$32,840	$310,774	$ 29,111	$991,038
Nov. 27	1,514,460	322,063	4,035	250,044	7,271	912,349
Dec. 31	1,547,517	487,292	23,295	236,974	155,235	632,421
-1930-						
Jan. 29	1,154,379	476,466	70	185,677	72,795	406,941
Feb. 26	1,138,522	477,610	5,145	232,521	66,785	342,781
Mar. 26	1,001,090	526,284	2,715	143,772	112,710	206,829
Apr. 30	982,225	527,124	2,385	161,846	47,718	233,452
May 28	958,776	529,450	320	130,066	45,494	247,046
June 25	916,038	576,560	410	94,735	7,578	231,505
July 30	911,554	576,325	45	127,965	2,797	197,101
Aug. 27	967,034	601,913	0	159,137	4,137	193,275
Sept. 24	973,483	601,656	150	192,161	5,583	167,162
Oct. 22	976,900	602,029	0	157,625	18,965	191,984
Oct. 29	975,021	601,438	0	161,906	3,752	201,603

CHANGES IN EARNING ASSET HOLDINGS (EXCLUSIVE OF SALES CONTRACTS)
DURING WEEK ENDED OCTOBER 29, 1930
(000 Omitted)

	GOVERNMENT SECURITIES Balance Oct. 29	GOVERNMENT SECURITIES Net Change	BANKERS ACCEPTANCES Balance Oct. 29	BANKERS ACCEPTANCES Net Change	BILLS DISCOUNTED Balance Oct. 29	BILLS DISCOUNTED Net Change
Boston	$ 46,174	$ 0	$ 12,428	$ 1,197-	$ 9,147	$3,030+
New York	187,340	0	23,748	2,677-	38,547	6,709+
Philadelphia	52,252	0	0	0	19,783	945+
Cleveland	57,855	0	18,887	180-	25,884	1,165-
Richmond	16,983	0	8,067	1,217-	18,836	161-
Atlanta	12,769	9-	7,939	948-	23,618	815-
Chicago	81,128	0	18,334	1,159-	17,293	3,348+
St. Louis	23,899	0	6,313	1,543-	16,370	1,791-
Minneapolis	26,063	581-	4,404	111-	4,148	665-
Kansas City	28,736	0	6,794	341-	12,054	1,219+
Dallas	29,230	1-	5,564	520-	9,449	535-
San Francisco	39,009	0	19,735	1,893-	6,474	500-
N. Y. holdovers and other bills			29,693	16,067+		
Totals	$601,438	$591-	$161,906	$ 4,281+	$201,603	$9,619+

COMMENT ON CHANGES WEEK ENDED OCTOBER 29, 1930

Total earning assets of the System showed a decrease of $1,879,000 for the current statement week. The changes by classification consisted of an increase of $4,281,000 and $9,619,000, respectively, in outright purchases of bankers acceptances and bills discounted, and decreases of $591,000 in outright purchases of government securities and $15,213,000 in bankers acceptances, held under sales contracts.

Money Market

Call money on the Stock Exchange was steady at 2 per cent during the past week, but reflecting the usual seasonal tendencies at this time easier conditions prevailed in the outside market where large offerings resulted in loans being made during much of the time as low as 1 per cent, whereas a week earlier the outside rate went no lower than 1 1/2 per cent. Federal funds also eased, the quotation during the past three days being 1/4 - 1/2 per cent, compared with 1 - 1 1/4 per cent at the close of the previous period.

Reserves of the New York City banks at the opening of the week were $40,000,000 in excess of requirements, and during the period reserves were raised by a further substantial inflow of funds from other parts of the country and a gain of gold which were only slightly offset by some additional decline in Reserve Bank bill holdings. There was a concurrent increase in member bank reserve requirements of somewhat smaller amount so that by the end of the week a surplus of $66,000,000 had developed in the reserve accounts of the City banks. This will probably diminish over the first of the month.

Very little interest was shown in fixed maturity accommodation during the week, and nominal quotations were unchanged. A small aggregate amount of loans was placed; some for 30 days at 2 per cent; some for 90 days at 2 1/2 per cent; for 4 months at 2 3/4 per cent; and for 6 months at 3 per cent. These trading rates were the same as during the previous week.

With respect to commercial paper, the dealers indicated that a good market existed for prime material at 3 per cent, but for trades to be made below this level required paper of nationally known business organizations of especially high rating and only occasional sales were made at 2 3/4 per cent. The supply of prime names continued scarce, and consequently sales were in limited volume.

Government Security Market

The market for United States Government securities was somewhat more active during the current statement week than in the previous reporting period. There was a good demand for practically all issues, short and long-term, especially the Fourth Liberty Loan 4 1/4s. Prices advanced fractionally for the week with the long-term bonds recording the larger gains, the greater portion of which were made on the last day of the current period. The average yield on the short-term governments at dealers' offering prices at the close of the statement week was about 1.71% as compared with 1.76% last week, while the average selling price for the long-term bonds established a new high level for the year of 105.05 as compared with 104.90 at the close of last week and a previous high for the year of 105.03.

Dealers' Offering Prices at the Close of the Current Statement Week
and Net Changes from the Close of the Previous Statement Week

Issue	Price	Net Change	Approx. Yield
3 1/4% Cert. of Ind. due Dec. 15, 1930	100 7/32	-1/32	1.44%
2 7/8% " " " " June 15, 1931	100 19/32	- - -	1.90%
2 3/8% " " " " Sept.15, 1931	100 11/32	+3/32	1.97%
3 1/2% Treasury notes Series "A" and "B" called for payment Mar.15, 1931	100 21/32	-1/32	1.72%
3 1/2% Treasury notes due Dec.15, 1932	100 31/32	- - -	1.92%
Treasury Bills " Nov.17, 1930	1 3/4% - 1 1/2% discount		
" " " Dec.16 & 17, 1930	1 3/4% - 1 1/2% "		

Closing Prices on New York Stock Exchange at the Close of the Current Statement Week and Net Changes from Close of the Previous Statement Week

Issue	Price	Net Change	Issue	Price	Net Change
1st 3 1/2s	101 6/32	+1/32	Treas. 4s 1944-54	108 27/32	+ 8/32
1st 4 1/4s	102 20/32	+6/32	" 4 1/4s 1947-52	113 2/32	+10/32
4th 4 1/4s	103 18/32	+4/32	" 3 3/4s 1946-56	106 20/32	+ 2/32
			" 3 3/8s 1943-47	102 14/32	+ 3/32
			" 3 3/8s 1940-43	102 2/32	+ 4/32

Bankers Acceptances

Dealers' offerings of unindorsed bankers acceptances continued at the following rates during the current statement week: 1 7/8 per cent for 30s, 60s and 90s; 2 per cent for 120s and 2 1/8 - 2 1/4 per cent for 180-day bills.

Boston reports that there was slight improvement in the demand for bills in its district during the past period, with the visible supply somewhat smaller and dealers were obliged to call on their offices in other cities to obtain the desired maturities to complete their orders. Dealers continued to forward their new bills to their offices in other cities; principally to the New York market. In New York easier money conditions during the week resulted in an excellent demand for bills. Dealers' purchases fell off considerably as compared with the past few weeks. Their sales exceeded their purchases very substantially and their aggregate portfolios declined by $59,000,000 during the week to $55,000,000. Offerings to the Reserve Bank for System Account were light. Philadelphia reports that its acceptance market was without change - dull and inactive. There was some little demand for 30 and 120-day bills, but other maturities did not move. Chicago reports that there was no change in its bill market during the past week. Dallas reports that the demand for bills during the past week was negligible. There were no bills offered to the Reserve Bank.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

Transactions consummated under Treasury authorization during the current statement week were as follows:

Sale of $1,000,000 - 3 1/4% certificates of indebtedness due December 15, 1930, account Government Life Insurance Fund

600,000 - 3 1/2% Treasury notes due December 15, 1932, account Alien Property Custodian

$1,600,000 - Total Sales

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

During the current statement week exchanges were effected in the System Account of

$2,500,000 - Treasury bills due November 17, 1930, and

3,000,000 - 3 1/4% certificates of indebtedness due December 15, 1930

a total of $5,500,000 - for a like par amount of 2 7/8% certificates of indebtedness due June 15, 1931, and 3 1/2% Treasury notes, Series C, due December 15, 1932.

These exchanges of early maturities for later maturities of short-term government securities were made at prices to give slightly higher yields on the securities purchased, and did not affect the total amount of holdings in the System Account, which remained at the close of business Wednesday, October 29, 1930, at $402,300,000. The participation by Federal reserve banks and the classification of issues at the close of the statement week were as follows:

PARTICIPATION BY FEDERAL RESERVE BANKS	
Boston	$ 45,472,500
New York	73,851,000
Philadelphia	37,245,000
Cleveland	47,690,000
Richmond	15,830,500
Atlanta	10,146,500
Chicago	61,201,000
St. Louis	15,274,000
Minneapolis	18,248,500
Kansas City	28,733,000
Dallas	19,241,000
San Francisco	29,367,000
Totals	$402,300,000

RECAPITULATION OF HOLDINGS BY MATURITIES	
Nov. 17, 1930 - Treasury bills	$22,714,000
Dec. 16, 1930 - " "	16,000,000
Dec. 17, 1930 - " "	10,000,000
Dec. 15, 1930 - 3 1/4% C/I	51,745,000
June 15, 1931 - 2 7/8% "	81,631,000
Sept.15, 1931 - 2 3/8% "	16,130,000
Mar. 15, 1931 - 3 1/2% T/N Series "A" and "B"	164,070,100
Dec. 15, 1932 - 3 1/2% T/N	39,411,900
Oct. 15, 1938 - 4 1/4% 4th L/L	598,000
	$402,300,000

ITEMIZED STATEMENT OF TRANSACTIONS IN GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES AFFECTING THE INVESTMENT ACCOUNT OF ALL FEDERAL RESERVE BANKS FROM OCTOBER 23 TO OCTOBER 29, 1930, INCLUSIVE

GOVERNMENT SECURITIES - SYSTEM INVESTMENT ACCOUNT

	Purchases	Sales
Boston	$ 621,500	$ 621,500
New York	1,010,000	1,010,000
Philadelphia	509,500	509,500
Cleveland	652,500	652,500
Richmond	216,500	216,500
Atlanta	139,000	139,000
Chicago	836,000	836,000
St. Louis	209,000	209,000
Minneapolis	249,500	249,500
Kansas City	392,500	392,500
Dallas	262,500	262,500
San Francisco	401,500	401,500
Totals	$5,500,000	$5,500,000

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	Purchases	Issue	Sales	Issue
Atlanta	$ 258,100	Misc. Gov't Sec.	$ 267,950	Misc. Gov't Sec.
Minneapolis	1,317,850	" " "	1,898,650	" " "
Totals	$1,575,950		$2,166,600	

BANKERS ACCEPTANCES
(000 Omitted)

	Holdings Oct. 22	Purchased Own Mkt.	By Allotment from New York	Maturities & Sales	Holdings Oct. 29	Other Holdings Close Oct. 29/30 Sales Contracts	Other Bills
Boston	$ 13,625	$ 500 R.	$ 440	$ 2,137	$ 12,428	$ 679	$ 1,236
New York	26,425	1,280 " 4,062 A.	0	3,957	23,748	1,226	7,936
Phila.	0	0	0	0	0	0	1,620
Cleve.	19,067	0	596	776	18,887	0	1,670
Rich.	9,284	328 R.	342	1,887	8,067	0	701
Atlanta	8,887	387 "	354	1,689	7,939	0	1,192
Chicago	19,493	861 "	617	2,637	18,334	1,847	2,238
St. Louis	7,856	0	300	1,843	6,313	0	601
Minn.	4,515	200 "	227	538	4,404	0	384
Kan. City	7,135	0	383	724	6,794	0	501
Dallas	6,084	0	253	773	5,564	0	501
San Fran.	21,628	1,125 "	550	3,568	19,735	0	1,152
Totals	$143,999	$8,743	$4,062	$20,529	$132,213	$3,752	$19,732

Bills held overnight by New York for distribution to other F. R. Banks - - - 0
" " " " " " " " " foreign correspondents - 9,961
Total - - - - - -$29,693

NOTE: R. indicates Retained and A. indicates Allotted in the above statement.

MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDING OCTOBER 29, 1930
(000 Omitted)

	1-30 days 1 7/8%	31-60 days 1 7/8%	61-90 days 1 7/8%	Over 90-days -	Total
Boston	$ 3	$ 181	$ 316	0	$ 500
New York	2,196*	1,159**	1,987*	0	5,342
Richmond	10***	97***	221***	0	328
Atlanta	283	55	49	0	387
Chicago	0	350	511	0	861
Minneapolis	0	0	200	0	200
San Francisco	209	386	530	0	1,125
Totals	$2,701	$2,228	$3,814	0	$8,743

*Purchased at 1 7/8 - 2 1/4%, **Purchased at 1 7/8 - 2 1/8%, ***Purchased at 2%.

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES DURING WEEK ENDING OCTOBER 29, 1930
(000 Omitted)

(Excluding Sales Contracts)

	Government Securities	Bankers Acceptances		Total	
Purchased	$7,076	$8,743		$15,819	
Sold	7,666	0		7,666	
Matured	0	20,529		20,529	
		$11,786-		$12,376-	
		16,067+	(Net Change 1-day holdover and other bills)	16,067+	(Net Change 1-day holdover and other bills)
Totals	$ 590-	$ 4,281+		$ 3,691+	

HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES OCTOBER 29, 1930
(000 Omitted)

(Including Sales Contracts)

	Within 15-days	16-30 days	31-60 days	61-90 days	91 days-6 months	Over 6 months	Total
Gov't Securities	$ 0	$25,714	$ 82,321	$ 0	$205,109	$288,294	$601,438
Bills Purchased	48,200	43,774	42,236	31,333	115	0	165,658
Totals	$48,200	$69,488	$124,557	$31,333	$205,224	$288,294	$767,096

October 25, 1930

Dear Mr. Matteson:

I acknowledge receipt of and shall bring to the attention of the members of the Board your letter of October 24th, enclosing a report of open market operations for the period from October 16, 1930 to October 22, 1930 inclusive.

Very truly yours,

E. M. McClelland,
Assistant Secretary

Mr. W. B. Matteson,
Assistant Deputy Governor,
c/o Federal Reserve Bank,
New York, N. Y.

Mr Smead ✓
Mr Collier

FEDERAL RESERVE BANK
OF NEW YORK

CONFIDENTIAL October 24, 1930

Mr. E. A. Goldenweiser,
Director, Division of Research and Statistics,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Goldenweiser:

Enclosed is a report of open market operations for the period from October 16, 1930 to October 22, 1930 inclusive, together with data received from Federal reserve banks.

Very truly yours,

W. B. Matteson

W. B. Matteson
Assistant Deputy Governor

Encl.

FEDERAL RESERVE BANK
OF NEW YORK

P E R S O N A L October 24, 1930

Dear Governor Meyer:

We are enclosing, for your files, a report of open market operations for the period from October 16, 1930 to October 22, 1930 inclusive, together with data received from Federal reserve banks.

Very truly yours,

W. B. Matteson
Assistant Deputy Governor

Honorable Eugene Meyer,
Governor, Federal Reserve Board,
Washington, D. C.

Encl.

FOR SPECIAL CIRCULATION
PLEASE READ PROMPTLY, INITIAL AND RETURN TO SECRETARY'S OFFICE
Gov. Meyer Mr. Hamlin Mr. James
Mr. Miller Mr. Cunningham Mr. Pole

FEDERAL RESERVE BANK

OF NEW YORK

CONFIDENTIAL

October 24, 1930

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Very truly yours,

W. B. Matteson
Assistant Deouty Governor

Honorable Eugene Meyer,
Governor, Federal Reserve Board,
Washington, D. C.

Encl.

RECEIVED
OCT 25 1930
OFFICE OF
THE GOVERNOR

CONFIDENTIAL

REPORT OF OPEN MARKET OPERATIONS WEEK ENDED OCTOBER 22, 1930

Holdings of Earning Assets of Federal Reserve Banks from October 23, 1929 to Date
(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES Outright Purchases	GOVERNMENT SECURITIES Sales Contracts	BANKERS ACCEPTANCES Outright Purchases	BANKERS ACCEPTANCES Sales Contracts	BILLS DISCOUNTED
-1929-						
Oct. 23	$1,336,656	$127,899	$ 7,805	$363,500	$15,883	$796,358
Oct. 30	1,648,742	259,848	32,840	310,774	29,111	991,038
Nov. 27	1,514,460	322,063	4,035	250,044	7,271	912,349
Dec. 31	1,547,517	487,292	23,295	236,974	155,235	632,421
-1930-						
Jan. 29	1,154,379	476,466	70	185,677	72,795	406,941
Feb. 26	1,138,522	477,610	5,145	232,521	66,785	342,781
Mar. 26	1,001,090	526,284	2,715	143,772	112,710	206,829
Apr. 30	982,225	527,124	2,385	161,846	47,718	233,452
May 28	958,776	529,450	320	130,066	45,494	247,046
June 25	916,038	576,560	410	94,735	7,578	231,505
July 30	911,554	576,323	45	127,965	2,797	197,101
Aug. 27	967,034	601,913	0	159,137	4,137	193,275
Sept. 24	973,483	601,656	150	192,161	5,585	167,162
Oct. 15	1,003,817	601,614	0	155,842	29,650	210,439
Oct. 22	976,900	602,029	0	157,625	18,965	191,984

CHANGES IN EARNING ASSET HOLDINGS (EXCLUSIVE OF SALES CONTRACTS)
DURING WEEK ENDED OCTOBER 22, 1930
(000 Omitted)

	GOVERNMENT SECURITIES Balance Oct. 22	GOVERNMENT SECURITIES Net Change	BANKERS ACCEPTANCES Balance Oct. 22	BANKERS ACCEPTANCES Net Change	BILLS DISCOUNTED Balance Oct. 22	BILLS DISCOUNTED Net Change
Boston	$ 46,174	$ 1-	$ 13,625	$1,599-	$ 6,117	$ 2,950-
New York	187,340	0	26,425	1,266+	31,838	25,911-
Philadelphia	52,252	0	0	0	18,838	1,424+
Cleveland	57,855	0	19,067	1,520+	27,049	2,978+
Richmond	16,983	0	9,284	937+	18,997	995+
Atlanta	12,778	3+	8,887	1,001-	24,433	225+
Chicago	81,128	0	19,493	2,205+	13,945	365+
St. Louis	23,899	0	7,856	42+	18,161	2,148+
Minneapolis	26,644	411+	4,515	540-	4,813	514+
Kansas City	28,736	0	7,135	1,417-	10,835	705+
Dallas	29,231	2+	6,084	1,653-	9,984	595-
San Francisco	39,009	0	21,628	697+	6,974	1,647+
N. Y. holdovers and other bills			13,626	2,326+		
Totals	$602,029	$415+	$157,625	$1,783+	$191,984	$18,455-

COMMENT ON CHANGES WEEK ENDED OCTOBER 22, 1930

Total earning assets of the System showed a decrease of $26,917,000 for the current statement week. The changes by classification consisted of increases of $415,000 and $1,783,000 respectively, in outright purchases of government securities and bankers acceptances, and a decrease of $10,685,000 in bankers acceptances held under sales contracts, and $18,455,000 in bills discounted.

Money Market

On Thursday and Friday of last week, a substantial inflow of funds from other parts of the country and some increase in reserve bank bill holdings resulted in a gain to the market large enough not only to offset losses through currency requirements and Treasury operations, but also to permit the retirement by member banks of reserve bank indebtedness incurred a few days previously. During this time, call money held at 2 per cent, both on the Stock Exchange and in the outside market.

This week a continued net inflow of funds from other centers and return of currency from circulation led to the accumulation of some surplus of bank reserves. Reflecting this situation, conditions in the call money market during this part of the week became somewhat easier, although the only rate changes were in the outside market where concessions to 1 1/2 per cent prevailed, as against the continuance of the Exchange rate at 2 per cent.

The time money market was extremely quiet during the entire week. Small amounts were loaned for 3, 4 and 6 months at 2 1/2 per cent, 2 3/4 and 3 per cent respectively. Nominal quotations are now: 30 days 2 per cent flat; 60 days 2 per cent bid, 2 1/4 asked; 3 and 4 months 2 1/2 per cent bid, 2 3/4 asked; and 5 and 6 months 2 3/4 percent bid, 3 per cent asked.

While there have been some sales of high grade commercial paper reported at 2 3/4 per cent, leading paper dealers construe them in the nature of special transactions and continue to quote a prevailing selling rate of 3 per cent. At the present time, dealers' small acquisitions of prime material are moving rapidly into investors' portfolios.

Government Security Market

The market for United States Government securities was very quiet during the current statement week. The undertone was steady with a slight preference in the demand being shown for the Fourth 4 1/4% Liberty Loan bonds. Prices were approximately at the same levels as at the previous week's close, the average yield on the short-term governments at dealers' offering prices at the close of the reporting period being 1.76% as compared with 1.78% last week, while the average selling price for the long-term bonds was 104.90 as compared with 104.87 at the close of last week and the high average for the year of 105.03.

Dealers' Offering Prices at the Close of the Current Statement Week and Net Changes from the Close of the Previous Statement Week

Issue	Price	Net Change	Approx. Yield
3 1/4% Cert. of Ind. due Dec. 15, 1930	100 8/32	-1/32	1.46%
2 7/8% " " " " June 15, 1931	100 19/32	- - -	1.93%
2 3/8% " " " " Sept. 15, 1931	100 8/32	- - -	2.09%
3 1/2% Treasury Notes Series "A" and "B" called for payment Mar. 15, 1931	100 22/32	-1/32	1.72%
3 1/2% Treasury Notes due Dec. 15, 1932	100 31/32	-1/32	1.96%
Treasury Bills due Nov. 17, 1930	1 7/8% - 1 1/2% discount		
" " " Dec. 16 & 17, 1930	1 7/8% - 1 5/8% discount		

Closing Prices on New York Stock Exchange at the Close of the Current Statement Week and Net Changes from Close of the Previous Statement Week

Issue	Price	Net Change		Issue		Price	Net Change
1st 3 1/2s	101 5/32	+1/32	Treas.	4s	1944-54	108 19/32	+1/32
1st 4 1/4s	102 14/32	+2/32	"	4 1/4s	1947-52	112 24/32	+2/32
4th 4 1/4s	103 14/32	-1/32	"	3 3/4s	1946-56	106 18/32	+3/32
			"	3 3/8s	1943-47	102 11/32	+2/32
			"	3 3/8s	1940-43	101 30/32	-4/32

Bankers Acceptances

Dealers' offerings of unindorsed bankers acceptances continued at the following rates during the current statement week: 1 7/8 per cent for 30s, 60s and 90s; 2 per cent for 120s and 2 1/4 per cent for 180-day bills.

Reports week ending Oct. 22

Boston reports that the bill market conditions in its district remained unchanged during the past period. While there was a slight increase in the supply, the demand continued poor and dealers were obliged to forward most of their bills to their offices in other cities as heretofore. In New York, due to a slackened demand and a good supply of bills, dealers' portfolios were increased during the week by $31,000,000 to $113,000,000 on Wednesday, the highest since the middle of last July. This amount is now being reduced as money has become easier. Investments by the reserve bank for foreign account were comparatively light, while offerings for System Account increased considerably, principally from banks. Philadelphia reports that its acceptance market was very quiet. The supply of new bills practically dried up in its district, with no demand. Dealers reported portfolios still rather high. Chicago reports that there was no change in its bill market conditions during the past week. Dallas reports that the demand for bills during the past week was very light. There were no bills offered to the reserve bank.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

Transactions consummated under Treasury authorization during the current statement week were as follows:

Sale of $400,000 - Fourth 4 1/4% Liberty Loan bonds, account Alien Property Custodian

500,000 - 3 3/8% Treasury bonds of 1943-47, account Secretary of the Interior, Commissioner of Indian Affairs

$900,000 - Total Sales

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

During the current statement week exchanges were effected advantageously in the System Account of

$5,000,000 Treasury bills due November 17, 1930

6,000,000 - 3 1/4% certificates of indebtedness due December 15, 1930

6,000,000 Treasury notes called for payment March 15, 1931

Total of $17,000,000 for a like par amount of Treasury bills due December 16 and 17, 1930, and 2 3/8% certificates of indebtedness due September 15, 1931.

These exchanges of maturities did not affect the total amount of holdings in the System Account which remained at the close of business Wednesday, October 22, 1930, at $402,300,000. The participation by Federal reserve banks and the classification of issues at the close of the statement week were as follows:

PARTICIPATION BY FEDERAL RESERVE BANKS		RECAPITULATION OF HOLDINGS BY MATURITIES	
Boston	$ 45,472,500	Nov. 17, 1930-Treasury Bills	$ 25,214,000
New York	73,851,000	Dec. 16, 1930- " "	16,000,000
Philadelphia	37,245,000	Dec. 17, 1930- " "	10,000,000
Cleveland	47,690,000	Dec. 15, 1930-3 1/4% C/I	54,745,000
Richmond	15,830,500	June 15, 1931-2 7/8% "	80,131,000
Atlanta	10,146,500	Sept.15, 1931-2 3/8% "	16,130,000
Chicago	61,201,000	Mar. 15, 1931-3 1/2% T/N	
St. Louis	15,274,000	Series "A" and "B"	164,070,100
Minneapolis	18,248,500	Dec. 15, 1932-3 1/2% T/N	35,411,900
Kansas City	28,733,000	Oct. 15, 1938-4 1/4% 4th L/L	598,000
Dallas	19,241,000		
San Francisco	29,367,000		
Totals	$402,300,000		$402,300,000

ITEMIZED STATEMENT OF TRANSACTIONS IN GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES AFFECTING THE INVESTMENT ACCOUNT OF ALL FEDERAL RESERVE BANKS FROM OCTOBER 16 TO OCTOBER 22, 1930, INCLUSIVE

GOVERNMENT SECURITIES - SYSTEM INVESTMENT ACCOUNT

	Purchases	Sales
Boston	$ 1,921,000	$ 1,921,000
New York	3,120,500	3,120,500
Philadelphia	1,574,500	1,574,500
Cleveland	2,014,500	2,014,500
Richmond	669,500	669,500
Atlanta	428,000	428,000
Chicago	2,586,000	2,586,000
St. Louis	646,000	646,000
Minneapolis	771,500	771,500
Kansas City	1,214,500	1,214,500
Dallas	813,000	813,000
San Francisco	1,241,000	1,241,000
Totals	$17,000,000	$17,000,000

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	Purchases	Issue	Sales	Issue
Boston	$ 0	-	$ 1,000	Misc. Gov't Sec.
New York	3,000,000	Misc. Gov't Sec.	3,000,000	" " "
Atlanta	2,426,600	" " "	2,423,750	" " "
Minneapolis	1,468,250	" " "	1,057,700	" " "
Dallas	2,000	" " "	0	-
Totals	$6,896,850		$6,482,450	

BANKERS ACCEPTANCES
(000 Omitted)

	Holdings Oct. 15	Purchased Own Mkt.	By Allotment from New York	Maturities & Sales	Holdings Oct. 22	Other Holdings Close Oct. 22,1930 Sales Contracts	Other Bills
Boston	$ 15,224	$ 670 R	$ 2,588	$ 4,857	$ 13,625	$ 2,814	$ 766
New York	25,159	9,361 " 29,409 A	0	8,095	26,425	10,192	3,406
Phila.	0	0	0	0	0	0	1,004
Cleve.	17,547	0	4,444	2,924	19,067	0	1,035
Richmond	8,347	0	2,512	1,575	9,284	0	435
Atlanta	9,888	117 R	2,543	3,661	8,887	0	1,000
Chicago	17,288	200 "	6,228	4,223	19,493	2,710	1,387
St. Louis	7,814	0	2,234	2,192	7,856	0	373
Minn.	6,055	0	1,477	3,017	4,515	0	238
Kan. City	8,552	0	2,573	3,990	7,135	0	311
Dallas	7,737	0	1,897	3,550	6,084	0	311
San Fran.	20,931	1,562 "	2,913	3,778	21,628	3,249	714
Totals	$144,542	$41,319	$29,409	$41,862	$143,999	$18,965	$10,980

Bills held over night by New York for distribution to other F.R. Banks - - - 671
" " " " " " " " " " foreign correspondents- 1,975

Total - - - - - - - - - - - - - - -$13,626

NOTE: R. indicates Retained and A. indicates Allotted in the above statement.

MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDING OCTOBER 22, 1930
(000 Omitted)

	1-30 days 1 7/8%	31-60 days 1 7/8%	61-90 days 1 7/8 - 2%	Over 90-days -	Total
Boston	$ 0	$ 67	$ 603	0	$ 670
New York	10,669*	16,417*	11,684	0	38,770
Atlanta	117	0	0	0	117
Chicago	0	0	200	0	200
San Francisco	138	480	944	0	1,562
Totals	$10,924	$16,964	$13,431	0	$41,319

*Small portion purchased at 2%.

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES DURING WEEK ENDING OCTOBER 22, 1930
(000 Omitted)

(Excluding Sales Contracts)

	Government Securities	Bankers Acceptances	Totals
Purchased	$23,897	$41,319	$65,216
Sold	23,482	0	23,482
Matured	0	41,862	41,862
		$ 543-	$ 128-
		2,326+(Net Change 1-day holdover & other bills)	2,326+(Net Change 1-day holdover & other bills)
Totals	$ 415+	$ 1,783+	$ 2,198+

HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES OCTOBER 22, 1930
(000 Omitted)

(Including Sales Contracts)

	Within 15-days	16-30 days	31-60 days	61-90 days	91 days-6 months	Over 6 months	Total
Gov't Securities	$ 0	$28,214	$ 85,370	$ 0	$205,075	$283,370	$602,029
Bills Purchased	61,537	43,822	44,435	26,566	230	0	176,590
Totals	$61,537	$72,036	$129,805	$26,566	$205,305	$283,370	$778,619

October 18, 1930

Dear Mr. Matteson:

I acknowledge receipt of and shall bring to the attention of the members of the Board your letter of October 17th, addressed to Governor Meyer, enclosing a report of open market operations for the period from October 9, 1930 to October 15, 1930 inclusive.

Very truly yours,

(Signed) E. M. McClelland.

E. M. McClelland,
Assistant Secretary

Mr. W. B. Matteson,
Assistant Deputy Governor,
Federal Reserve Bank,
New York, N. Y.

N.Y. F.R.B.

FEDERAL RESERVE BANK
OF NEW YORK

RECEIVED
OCT 18 1930
OFFICE OF
THE GOVERNOR

P E R S O N A L

October 17, 1930

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We are enclosing, for your files, a report of open market operations for the period from October 9, 1930 to October 15, 1930 inclusive, together with data received from Federal reserve banks.

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W. B. Matteson
Assistant Deputy Governor

Honorable Eugene Meyer,
Governor, Federal Reserve Board,
Washington, D. C.

Encl.

Mr. Smead ✓
Mr. Collier

FEDERAL RESERVE BANK
OF NEW YORK

CONFIDENTIAL

October 17, 1930

Mr. E. A. Goldenweiser,
Director, Division of Research and Statistics,
Federal Reserve Board,
Washington, D. C.

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Assistant Deputy Governor

Encl.

FOR SPECIAL CIRCULATION
PLEASE READ PROMPTLY, INITIAL AND RETURN TO SECRETARY'S OFFICE
Gov. Meyer Mr. Hamlin Mr. James
Mr. Miller Mr. Cunningham Mr. Pole

RECEIVED
OCT 17 1930
OFFICE OF
THE GOVERNOR

FEDERAL RESERVE BANK

OF NEW YORK

CONFIDENTIAL

October 17, 1930

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W. B. Matteson

W. B. Matteson
Assistant Deputy Governor

Honorable Eugene Meyer,
Governor, Federal Reserve Board,
Washington, D. C.

Encl.

Ack letter 10/17/30

CONFIDENTIAL
REPORT OF OPEN MARKET OPERATIONS WEEK ENDED OCTOBER 15, 1930

Holdings of Earning Assets of Federal Reserve Banks from October 16, 1929 to Date
(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES Outright Purchases	GOVERNMENT SECURITIES Sales Contracts	BANKERS ACCEPTANCES Outright Purchases	BANKERS ACCEPTANCES Sales Contracts	BILLS DISCOUNTED
-1929-						
Oct. 16	$1,370,428	$128,063	$ 9,565	$303,260	$ 56,850	$848,935
Oct. 30	1,648,742	259,848	32,840	310,774	29,111	991,038
Nov. 27	1,514,460	322,063	4,035	250,044	7,271	912,349
Dec. 31	1,547,517	487,292	23,295	236,974	155,235	632,421
-1930-						
Jan. 29	1,154,379	476,466	70	185,677	72,795	406,941
Feb. 26	1,138,522	477,610	5,145	232,521	66,785	342,781
Mar. 26	1,001,090	526,284	2,715	143,772	112,710	206,829
Apr. 30	982,225	527,124	2,385	161,846	47,718	233,452
May 28	958,776	529,450	320	130,066	45,494	247,046
June 25	916,038	576,560	410	94,735	7,578	231,505
July 30	911,554	576,323	45	127,965	2,797	197,101
Aug. 27	967,034	601,913	0	159,137	4,137	193,275
Sept. 24	973,483	601,656	150	192,161	5,583	167,162
Oct. 8	990,900	600,289	150	183,092	27,931	173,166
Oct. 15	1,003,817	601,614	0	155,842	29,650	210,439

CHANGES IN EARNING ASSET HOLDINGS (EXCLUSIVE OF SALES CONTRACTS)
DURING WEEK ENDED OCTOBER 15, 1930
(000 Omitted)

	GOVERNMENT SECURITIES Balance Oct. 15	GOVERNMENT SECURITIES Net Change	BANKERS ACCEPTANCES Balance Oct. 15	BANKERS ACCEPTANCES Net Change	BILLS DISCOUNTED Balance Oct. 15	BILLS DISCOUNTED Net Change
Boston	$ 46,175	$ 0	$ 15,224	$ 5,905-	$ 9,067	$ 452-
New York	187,340	1,100+	25,159	6,420-	57,749	32,100+
Philadelphia	52,252	0	0	0	17,414	2,133+
Cleveland	57,855	0	17,547	341+	24,071	2,985+
Richmond	16,983	0	8,347	666-	18,002	255+
Atlanta	12,775	49+	9,888	228+	24,208	5+
Chicago	81,128	0	17,288	981+	13,580	1,516-
St. Louis	23,899	0	7,814	306+	16,013	179+
Minneapolis	26,233	176+	6,055	183-	4,299	358+
Kansas City	28,736	0	8,552	145-	10,130	916+
Dallas	29,229	0	7,737	123+	10,579	263+
San Francisco	39,009	0	20,931	1,306+	5,327	47+
N. Y. holdovers and other bills			11,300	17,216-		
Totals	$601,614	$1,325+	$155,842	$27,250-	$210,439	$37,273+

COMMENT ON CHANGES WEEK ENDED OCTOBER 15, 1930

Total earning assets of the System showed an increase of $12,917,000 for the current statement week. The changes by classification consisted of increases of $1,325,000 and $37,273,000 respectively, in outright purchases of government securities and bills discounted, and $1,569,000 net in investments held under sales contracts, and a decrease of $27,250,000 in outright purchases of bankers acceptances. The change in sales contracts consisted of an increase of $1,719,000 in bankers acceptances and a decrease of $150,000 in government securities.

Money Market

Conditions in the New York call money market during the past week were little changed from the situation that prevailed during much of the preceding period. On the Exchange, the call rate held steady at 2 per cent and in the outside market no concessions from this rate were reported. Ample, though not abundant, supplies of funds were available at all times however.

For the week ended October 15, there was an inflow of funds to this market from other centers, but losses occurred through increased currency requirements, an excess of Treasury bill sales over interest payments here, and a decline in Reserve System bill holdings. The resulting net loss and a rise in member bank reserve requirements caused the New York City banks to increase their Reserve Bank borrowings to $40,000,000 on the 14th, following which there was only a small decrease, as increased Federal Reserve bill takings on the 15th and 16th served as a partial offset to the loss occasioned by the Treasury bill sales in this market.

In the time money market, quotations were virtually unchanged during the week. Little actual trading was done and the small amount of loans for 4 and 6 months placed was 2 3/4 and 3 per cent, respectively.

The rather limited supply of new commercial paper that was received by dealers moved quickly into investors' portfolios at the prevailing quotation of 3 per cent for prime names.

Government Security Market

There was less activity in the market for United States Government securities during the current statement week than in the few preceding weeks. Notwithstanding the smaller amount of trading, the undertone was good and dealers reported that while offerings were not in large volume there was a fair demand for practically all issues. Prices in general were firm at levels slightly below the high point reached during the early part of the preceding week, and at the close of the current reporting period the average selling price for the long-term bonds was 104.87 as compared with the high average for the year of 105.03 established during the early part of the previous week.

Dealers' Offering Prices at the Close of the Current Statement Week and Net Changes from the Close of the Previous Statement Week

Issue	Price	Net Change	Approx. Yield
3 1/4% Cert. of Ind. due Dec. 15, 1930	100 9/32	-1/32	1.48%
2 7/8% " " " " June 15, 1931	100 19/32	+1/32	1.96%
2 3/8% " " " " Sept. 15, 1931	100 8/32	+1/32	2.09%
3 1/2% Treasury Notes Series "A" and "B" called for payment Mar. 15, 1931	100 23/32	- - -	1.73%
3 1/2% Treasury Notes due Dec. 15, 1932	101	- - -	1.96%
Treasury Bills due Nov. 17, 1930	1 7/8% - 1 1/2% discount		
" " " Dec. 16 & 17, 1930	1 7/8% - 1 3/4% "		

Closing Prices on New York Stock Exchange at the Close of the Current Statement Week and Net Changes from Close of the Previous Statement Week

Issue	Price	Net Change		Issue	Price	Net Change
1st 3 1/2s	101 4/32	+1/32	Treas.	4s 1944-54	108 18/32	- - -
1st 4 1/4s	102 12/32	+1/32	"	4 1/4s 1947-52	112 22/32	-8/32
4th 4 1/4s	103 13/32	- - -	"	3 3/4s 1946-56	106 15/32	- - -
			"	3 3/8s 1943-47	102 9/32	+2/32
			"	3 3/8s 1940-43	102 2/32	+5/32

Bankers Acceptances

Dealers' offerings of unendorsed bankers acceptances continued at the following rates during the current statement week: 1 7/8 per cent for 30s, 60s and 90s; 2 per cent for 120s and 2 1/8 - 2 1/4 per cent for 180-day bills.

Reports week ending Oct. 15

Boston reports that there was no change in the local bill market conditions in its district during the past period. While the supply showed a slight decrease, it continued to be in excess of the demand which was very small. Local banks were practically out of the market and dealers found it difficult to move their bills. Dealers kept their portfolios small by forwarding all of their excess supply to their offices in other cities. In New York the bill market continued moderately active during the week. The demand fell off somewhat as compared with the past few weeks, while the supply continued good and dealers aggregate portfolios increased by about $23,000,000 to $82,000,000, the highest they have been since the middle of July. Offerings to the reserve bank for System Account were only moderate and practically all from banks. Philadelphia reports that its acceptance market continued inactive. Dealers reported portfolios slightly higher, there being no demand for bills in its district. Chicago reports that there was practically no improvement in bills in its market during the past week. Dallas reports that there was a slight improvement in the demand for bills during the past week due principally to a substantial purchase by one of the large reserve city banks. The demand from other sources was practically negligible and offerings to the reserve bank were very light.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

Transactions consummated under Treasury authorization during the current statement week were as follows:

Sale of	$100,000 - 3 1/2%	Treasury notes due December 15, 1932, account Alien Property Custodian
and purchases of	177,450 - 4 1/4%	Fourth Liberty Loan bonds, account General Railroad Contingent Fund
	175,000 - 4 1/4%	Fourth Liberty Loan bonds, account German Special Deposit Account
	$352,450 - Total Purchases	

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

During the current statement week exchanges were effected in the System Account incidental to the Treasury's financing of Treasury bills during the week of

$18,000,000 - 3 1/4% certificates of indebtedness due December 15, 1930, for a like par amount of Treasury bills maturing November 17 and December 16, 1930

These exchanges did not affect the amount of total holdings in the System Account which remained at the close of business Wednesday, October 15, 1930, at $402,300,000. The participation by Federal Reserve banks and the classification of issues at the close of the statement week were as follows:

PARTICIPATION BY FEDERAL RESERVE BANKS

Boston	$ 45,472,500
New York	73,851,000
Philadelphia	37,245,000
Cleveland	47,690,000
Richmond	15,830,500
Atlanta	10,146,500
Chicago	61,201,000
St. Louis	15,274,000
Minneapolis	18,248,500
Kansas City	28,733,000
Dallas	19,241,000
San Francisco	29,367,000
Totals	$402,300,000

RECAPITULATION OF HOLDINGS BY MATURITIES

Nov. 17, 1930 - Treasury Bills	$30,214,000
Dec. 16, 1930 - " "	10,000,000
Dec. 15, 1930 - 3 1/4% C/I	60,745,000
June 15, 1931 - 2 7/8% "	80,131,000
Sept.15, 1931 - 2 3/8% "	15,130,000
Mar. 15, 1931 - 3 1/2% T/N Series "A" and "B"	170,070,100
Dec. 15, 1932 - 3 1/2% T/N	35,411,900
Oct. 15, 1938 - 4 1/4% 4th L/L	598,000
	$402,300,000

ITEMIZED STATEMENT OF TRANSACTIONS IN GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES AFFECTING THE INVESTMENT ACCOUNT OF ALL FEDERAL RESERVE BANKS FROM OCTOBER 9 TO OCTOBER 15, 1930, INCLUSIVE

GOVERNMENT SECURITIES - SYSTEM INVESTMENT ACCOUNT

	Purchases	Sales
Boston	$ 2,034,500	$ 2,034,500
New York	3,304,000	3,304,000
Philadelphia	1,666,500	1,666,500
Cleveland	2,134,000	2,134,000
Richmond	708,500	708,500
Atlanta	454,000	454,000
Chicago	2,738,500	2,738,500
St. Louis	683,000	683,000
Minneapolis	816,500	816,500
Kansas City	1,285,500	1,285,500
Dallas	861,000	861,000
San Francisco	1,314,000	1,314,000
Totals	$18,000,000	$18,000,000

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	Purchases	Issue	Sales	Issue
New York	$1,100,000	Misc. Gov't Sec.	0	-
Atlanta	140,650	" " "	91,850	Misc. Gov't Sec.
Minneapolis	928,500	" " "	753,200	" " "
Totals	$2,169,150		$845,050	

BANKERS ACCEPTANCES
(000 Omitted)

	Holdings Oct. 8	Purchased Own Mkt.	By Allotment from New York	Maturities & Sales	Holdings Oct.15	Other Holdings Close Oct. 15/30 Sales Contracts	Other Holdings Close Oct. 15/30 Other Bills
Boston	$ 21,129	$ 260 R.	$ 2,148	$ 8,313	$ 15,224	$ 2,246	$ 80
New York	31,579	8,090 " 23,363 A.	0	14,510	25,159	21,569	2,306
Phila.	0	0	0	0	0	0	104
Cleve.	17,206	0	3,188	2,847	17,547	0	107
Richmond	9,013	0	1,885	2,551	8,347	0	45
Atlanta	9,660	149 R.	2,179	2,100	9,888	0	573
Chicago	16,307	849 "	4,891	4,759	17,288	2,575	144
St. Louis	7,508	0	1,861	1,555	7,814	0	39
Minn.	6,338	0	1,171	1,354	6,055	0	25
Kan. City	8,697	0	2,052	2,197	8,552	0	32
Dallas	7,614	16 "	1,501	1,394	7,737	0	32
San Fran.	19,625	3,320 "	2,487	4,501	20,931	3,260	74
Totals	$154,676	$36,047	$23,363	$46,081	$144,542	$29,650	$ 3,561

Bills held overnight by New York for distribution to other F.R. Banks - - - 5,764
" " " " " " " " " " foreign correspondents - 1,975
Total - - - - - $11,300

NOTE: R. indicates Retained and A. indicates Allotted in the above statement.

MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDING OCTOBER 15, 1930
(000 Omitted)

	1-30 days 1 7/8%	31-60 days 1 7/8%	61-90 days 1 7/8%	Over 90-days -	Total
Boston	$ 6	$ 179	$ 75*	0	$ 260
New York	24,367	2,530**	4,556*	0	31,453
Atlanta	149	0	0	0	149
Chicago	849	0	0	0	849
Dallas	0	0	16***	0	16
San Francisco	217	1,388	1,715	0	3,320
Totals	$25,588	$4,097	$6,362	0	$36,047

*Purchased at 1 7/8 to 2%, **Purchased at 1 7/8 to 2 1/4%, ***Purchased at 2%.

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES DURING WEEK ENDING OCTOBER 15, 1930
(000 Omitted)

(Excluding Sales Contracts)

	Government Securities	Bankers Acceptances		Totals	
Purchased	$20,170	$36,047		$56,217	
Sold	18,845	0		18,845	
Matured	0	46,081		46,081	
		$10,034-		$ 8,709-	
		17,216-	(Net Change 1-day holdover and other bills)	17,216-	(Net Change 1-day holdover and other bills)
Totals	$ 1,325+	$27,250-		$25,925-	

HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES OCTOBER 15, 1930
(000 Omitted)

(Including Sales Contracts)

	Within 15-days	16-30 days	31-60 days	61-90 days	91 days-6 months	Over 6 months	Total
Gov't Securities	$ 0	$ 0	$33,214	$75,361	$211,096	$281,943	$601,614
Bills Purchased	96,922	31,889	41,671	14,753	257	0	185,492
Totals	$96,922	$31,889	$74,885	$90,114	$211,353	$281,943	$787,106

October 11, 1930.

Dear Mr. Matteson:

Receipt is acknowledged of your letter of October 10th, addressed to Governor Meyer, enclosing report of open market operations for the period from October 2nd to October 8th, inclusive.

Very truly yours,

J. C. Noell,
Assistant Secretary.

Mr. W. B. Matteson, Assistant Deputy Governor,
Federal Reserve Bank,
New York, New York.

Form No. 131.

Office Correspondence

FEDERAL RESERVE BOARD

Date October11, 1930

To Governor Meyer

Subject:

From Mr. McClelland

2—8495

Up to the last month or so, it has been the practice of the Federal Reserve Bank of New York to address to the Board weekly a letter reviewing conditions and operations in the bill and Government securities markets. The last letter received by the Board was under date of August 28th, and is attached, for your information. May I inquire whether the discontinuance of this letter is the result of an agreement made by you with the New York Bank? If not, would you like for me to write to the Bank and ask that they resume the sending of the weekly letter. I believe it was of interest to other members of the Board.

10/14 Talked with Mr. Rounds over telephone and letters will be resumed.

Aug 28

Mr. [illegible]
Mr. [illegible]

RECEIVED
OCT 11 1930
DIVISION OF RESEARCH AND STATISTICS.

FEDERAL RESERVE BANK
OF NEW YORK

CONFIDENTIAL

October 10, 1930

Mr. E. A. Goldenweiser,
Director, Division of Research and Statistics,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Goldenweiser:

Enclosed is a report of open market operations for the period from October 2, 1930 to October 8, 1930 inclusive, together with data received from Federal reserve banks.

Very truly yours,

W. B. Matteson

W. B. Matteson
Assistant Deputy Governor

Encl.

FOR SPECIAL CIRCULATION
PLEASE READ PROMPTLY, INITIAL AND RETURN TO SECRETARY'S OFFICE
Gov. ~~Young~~ Meyer   Mr. Hamlin   Mr. James
~~Mr. Platt~~   Mr. Miller   Mr. Cunningham   Mr. Pole

FEDERAL RESERVE BANK

OF NEW YORK

CONFIDENTIAL

October 10, 1930

Dear Governor Meyer:

Enclosed is a report of open market operations for the period from October 2, 1930 to October 8, 1930 inclusive, together with data received from Federal reserve banks.

Very truly yours,

W. B. Matteson

W. B. Matteson
Assistant Deputy Governor

Honorable Eugene Meyer,
Governor, Federal Reserve Board,
Washington, D. C.

Encl.

RECEIVED
OCT 11 1930
OFFICE OF
THE GOVERNOR

See letter 10/11/30

CONFIDENTIAL

REPORT OF OPEN MARKET OPERATIONS WEEK ENDED OCTOBER 8, 1930

Holdings of Earning Assets of Federal Reserve Banks from October 9, 1929 to date
(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES Outright Purchases	GOVERNMENT SECURITIES Sales Contracts	BANKERS ACCEPTANCES Outright Purchases	BANKERS ACCEPTANCES Sales Contracts	BILLS DISCOUNTED
-1929-						
Oct. 9	$1,345,970	$127,493	$13,265	$287,755	$ 45,396	$857,306
Oct. 30	1,648,742	259,848	32,840	310,774	29,111	991,038
Nov. 27	1,514,460	322,063	4,035	250,044	7,271	912,349
Dec. 31	1,547,517	487,292	23,295	236,974	155,235	632,421
-1930-						
Jan. 29	1,154,379	476,466	70	185,677	72,795	406,941
Feb. 26	1,138,522	477,610	5,145	232,521	66,785	342,781
Mar. 26	1,001,090	526,284	2,715	143,772	112,710	206,829
Apr. 30	982,225	527,124	2,385	161,846	47,718	233,452
May 28	958,776	529,450	320	130,066	45,494	247,046
June 25	916,038	576,560	410	94,735	7,578	231,505
July 30	911,554	576,323	45	127,965	2,797	197,101
Aug. 27	967,034	601,913	0	159,137	4,137	193,275
Sept. 24	973,483	601,656	150	192,161	5,582	167,162
Oct. 1	986,973	600,337	840	180,830	12,278	185,916
Oct. 8	990,900	600,289	150	183,192	27,931	173,166

CHANGES IN EARNING ASSET HOLDINGS (EXCLUSIVE OF SALES CONTRACTS)
DURING WEEK ENDED OCTOBER 8, 1930
(000 Omitted)

	GOVERNMENT SECURITIES Balance Oct. 8	GOVERNMENT SECURITIES Net Change	BANKERS ACCEPTANCES Balance Oct. 8	BANKERS ACCEPTANCES Net Change	BILLS DISCOUNTED Balance Oct. 8	BILLS DISCOUNTED Net Change
Boston	$ 46,175	$ 1-	$ 21,129	$ 1,402+	$ 9,519	$ 2,993-
New York	186,240	0	31,579	482+	25,649	743-
Philadelphia	52,252	0	0	0	15,281	1,633-
Cleveland	57,855	0	17,206	3,101-	21,086	674+
Richmond	16,983	0	9,013	1,540-	17,747	627-
Atlanta	12,726	20+	9,660	2,487-	24,203	2,294-
Chicago	81,128	0	16,307	1,150-	15,096	1,535-
St. Louis	23,899	0	7,508	1,652-	15,834	3,230-
Minneapolis	26,057	67-	6,338	1,252-	3,941	71-
Kansas City	28,736	0	8,697	1,502-	9,214	411+
Dallas	29,229	0	7,614	895-	10,316	317-
San Francisco	39,009	0	19,625	1,096-	5,280	392-
N. Y. holdovers and other bills			28,516	15,153+		
Totals	$600,289	$48-	$183,192	$ 2,362+	$173,166	$12,750-

COMMENT ON CHANGES WEEK ENDED OCTOBER 8, 1930

Total earning assets of the System showed an increase of $3,927,000 for the current statement week. The changes by classification consisted of increases of $2,362,000 and $14,963,000 net respectively, in bankers acceptances and investments held under sales contracts, and decreases of $48,000 and $12,750,000 respectively in outright purchases of government securities and bills discounted. The change in sales contracts consisted of an increase of $15,653,000 in bankers acceptances and a decrease of $690,000 in government securities.

Money Market

Somewhat firmer conditions existed in the money market during the past week. Call money on the Stock Exchange held steady at 2 per cent throughout the period, while during the previous week the rate declined to 1 1/2 per cent for one day. In the outside market, concessions from the Exchange rate were smaller and less frequent than they were last week; at no time was the outside rate less than 1 1/2 per cent, and from Monday to Thursday the outside charge held at the 2 per cent level which prevailed on the Exchange.

There was a large outflow of funds to other parts of the country during the week, and the loss to the market from this source was only partly offset by gains resulting chiefly from a small net return of currency from circulation and a reduction in the reserve requirements of New York City banks. Consequently, the member banks found it necessary to increase their borrowings here in order to balance their average reserve position, but these loans were soon repaid through the sale of bills to the Reserve Banks. The increase in bill holdings was largely in the form of repurchase agreements; outright holdings declined during the first part of the period, but in the last two days there were substantial bank sales of bills to the Reserve Bank.

There was little trading activity in time money, but this market showed some firming tendency in that the nominal quotations for 3 to 6 months' maturities closed the period slightly higher. Bid and asked quotations on October 9 were as follows: 30 days, 2 per cent flat; 60 days, 2 - 2 1/4 per cent; 3 and 4 months, 2 1/2 - 2 3/4 per cent; 5 and 6 months, 3 per cent flat.

The rate for prime commercial paper remained 3 per cent, and conditions of demand for and supply of the paper continued much the same as a week ago. Sales generally were small due to the fact that new drawings were in limited volume. Demand was large, and new paper currently received by dealers passed quickly into investors' portfolios.

Government Security Market

During the first part of the current statement week the market for United States Government securities, which had become somewhat easier in the few preceding days, was again fairly active and strong. The demand was good for practically all issues and prices advanced fractionally, the average selling price for the long-term bonds reaching a new high level for the year of 105.03 as compared with the previous high for the year of 105.02, established during the early part of the preceding week. During the latter part of the current statement week, however, the demand again slackened and prices in most instances declined fractionally to levels slightly below those prevailing at the close of the previous statement week.

Dealers' Offering Prices at the Close of the Current Statement Week and Net Changes from the Close of the Previous Statement Week

Issue	Price	Net Change	Approx. Yield
3 1/4% Cert. of Ind. due Dec. 15, 1930	100 10/32	-2/32	1.49%
2 7/8% " " " " June 15, 1931	100 18/32	-1/32	2.03%
2 3/8% " " " " Sept. 15, 1931	100 7/32	-1/32	2.13%
3 1/2% Treasury Notes Series "A" and "B" called for payment Mar.15, 1931	100 23/32	-1/32	1.80%
3 1/2% Treasury Notes due Dec.15, 1932	101	-1/32	2.00%
Treasury Bills " Nov.17, 1930	1 7/8% - 1 1/2% discount		

Closing Prices on New York Stock Exchange at the Close of the Current Statement Week and Net Changes from Close of the Previous Statement Week

Issue	Price	Net Change	Issue		Price	Net Change
1st 3 1/2s	101 3/32	-1/32	Treas. 4s	1944-54	108 18/32	-5/32
1st 4 1/4s	102 11/32	-1/32	" 4 1/4s	1947-52	112 30/32	+2/32
4th 4 1/4s	103 13/32	+1/32	" 3 3/4s	1946-56	106 15/32	- - -
			" 3 3/8s	1943-47	102 7/32	-3/32
			" 3 3/8s	1940-43	101 29/32	-4/32

Bankers Acceptances

Dealers' offerings of unendorsed bankers acceptances continued at the following rates during the current statement week: 1 7/8 per cent for 30s, 60s and 90s; 2 per cent for 120s and 2 1/8 - 2 1/4 per cent for 180-day bills.

Reports week ending Oct. 8

Boston reports that for the past ten days the supply of new bills had been slowly increasing. While most of these bills represent shipments between foreign countries, cotton credits have made their appearance in fair volume. There was no change in the demand for bills which continued poor in its district. Consequently dealers continued to send most of their bills to their offices in other cities. In New York the bill market was fairly active during the week. As a result of the firmer money conditions which existed during the week, more bills were offered to dealers with a falling off in the demand and dealers' aggregate portfolios increased approximately by about $20,000,000, to about $60,000,000. The reserve bank's purchases for System Account were fairly substantial and came practically all from banks. Philadelphia reports that its acceptance market was quiet. The amount of new bills was the smallest for sometime with no demand. Chicago reports that its bill market continued very dull and inactive with very few bills appearing. Dallas reports that the bill market in its district continued very dull during the past week with the demand light. There were no offerings to the reserve bank.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

Transactions consummated under Treasury authorization during the current statement week consisted of a sale of $1,000,000 Fourth 4 1/4% Liberty Loan bonds account Government Life Insurance Fund.

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

During the current statement week an exchange was effected in the market of

$1,000,000 - 3 1/2% called Treasury notes

at a price to yield about 1.74% for a like par amount of 2 3/8% Treasury certificates due September 15, 1931, at a price to yield about 2.14%.

This exchange did not affect the amount of total holdings in the Account which remained at the close of business Wednesday, October 8, 1930, at $402,300,000. The participations by Federal reserve banks and the classification of issues at the close of the statement week were as follows:

PARTICIPATION BY FEDERAL RESERVE BANKS

Boston	$ 45,472,500
New York	73,851,000
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Totals	$402,300,000

RECAPITULATION OF HOLDINGS BY MATURITIES

Nov. 17, 1930 - Treasury Bills	$ 22,214,000
Dec. 15, 1930 - 3 1/4% C/I	78,745,000
June 15, 1931 - 2 7/8% "	80,131,000
Sept. 15, 1931 - 2 3/8% "	15,131,000
Mar. 15, 1931 - 3 1/2% T/N Series "A" and "B"	170,070,100
Dec. 15, 1932 - 3 1/2% T/N	35,511,900
Oct. 15, 1938 - 4 1/4% 4th L/L	598,000
	$402,300,000

ITEMIZED STATEMENT OF TRANSACTIONS IN GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES AFFECTING THE INVESTMENT ACCOUNT OF ALL FEDERAL RESERVE BANKS FROM OCTOBER 1 TO OCTOBER 8, 1930, INCLUSIVE

GOVERNMENT SECURITIES - SYSTEM INVESTMENT ACCOUNT

	Purchases	Sales
Boston	$ 113,000	$ 113,000
New York	183,500	183,500
Philadelphia	92,500	92,500
Cleveland	118,500	118,500
Richmond	39,500	39,500
Atlanta	25,000	25,000
Chicago	152,000	152,000
St. Louis	38,000	38,000
Minneapolis	45,500	45,500
Kansas City	71,500	71,500
Dallas	48,000	48,000
San Francisco	73,000	73,000
Totals	$1,000,000	$1,000,000

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	Purchases	Issue	Sales	Issue
Boston	$ 0	-	$ 1,000	Misc. Gov't Sec.
Atlanta	441,900	Misc. Gov't Sec.	421,800	" " "
Minneapolis	676,650	" " "	743,700	" " "
Totals	$1,118,550		$1,166,500	

BANKERS ACCEPTANCES
(000 Omitted)

	Holdings Oct. 1	Purchased Own Mkt.	By Allotment from New York	Maturities & Sales	Holdings Oct. 8	Other Holdings Close Oct. 8, 1930: Sales Contracts	Other Holdings Close Oct. 8, 1930: Other Bills
Boston	$ 19,727	$ 6,298 R.	$ 838	$ 5,734	$ 21,129	$ 1,634	$ 80
New York	31,097	12,988 " 14,703 A.	0	12,506	31,579	24,983	354
Phila.	0	0	0	0	0	0	104
Cleve.	20,307	0	2,481	5,582	17,206	0	107
Richmond	10,553	70 R.	1,395	3,005	9,013	0	45
Atlanta	12,147	0	1,223	3,710	9,660	0	555
Chicago	17,457	113 R.	3,568	4,831	16,307	1,314	144
St. Louis	9,160	0	1,338	2,990	7,508	0	39
Minn.	7,590	0	705	2,057	6,338	0	25
Kan. City	10,199	0	1,478	2,980	8,697	0	32
Dallas	8,509	0	890	1,785	7,614	0	32
San Fran.	20,721	3,101 R.	787	4,984	19,625	0	74
Totals	$167,467	$37,273	$14,703	$50,164	$154,676	$27,931	$ 1,591

Bills held overnight by New York for distribution to other F.R. Banks - - 14,899
" " " " " " " " " " Foreign Correspondents 12,026
Total - - - - $28,516

NOTE: R. indicates Retained and A. indicates Allotted in the above statement.

MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDING OCTOBER 8, 1930
(000 Omitted)

	1-30 days 1 7/8%	31-60 days 1 7/8%	61-90 days 1 7/8-2 1/8%	Over 90-days 2 1/8%	Total
Boston	$ 6,133	$ 101	$ 64	0	$ 6,298
New York	11,884*	9,442*	6,365**	0	27,691
Richmond	0	35***	35***	0	70
Chicago	10	103	0	0	113
San Francisco	758	1,834	451	58	3,101
Totals	$18,785	$11,515	$6,915	$58	$37,273

*Purchased at 1 7/8 - 2 1/8%, **Purchased at 1 7/8 - 2 1/4%, ***Purchased at 2%

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES DURING WEEK ENDING OCTOBER 8, 1930
(000 Omitted)

(Excluding Sales Contracts)

	Government Securities	Bankers Acceptances		Totals	
Purchased	$2,119	$37,273		$39,392	
Sold	2,167	0		2,167	
Matured	0	56,447		56,447	
		$19,174-		$19,222-	
		15,153+	(Net Change 1-day holdover and other bills)	15,153+	(Net Change 1-day holdover and other bills)
Totals	$ 48-	$ 4,021-		$ 4,069-	

HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES OCTOBER 8, 1930
(000 Omitted)

(Including Sales Contracts)

	Within 15-days	16-30 days	31-60 days	61-90 days	91 days-6 months	Over 6 months	Total
Gov't Securities	$ 150	0	$25,214	$83,320	$211,063	$280,692	$600,439
Bills Purchased	125,273	29,878	46,679	9,084	109	0	211,023
Totals	$125,423	$29,878	$71,893	$92,404	$211,172	$280,692	$811,462

October 4, 1930

Dear Mr. Matteson:

I acknowledge receipt of and shall bring to the attention of the members of the Federal Reserve Board your letter of October 3rd, enclosing a report of open market operations for the period from September 25, 1930 to October 1, 1930 inclusive.

Very truly yours,

E. M. McClelland,
Assistant Secretary

Mr. W. B. Matteson,
Assistant Deputy Governor,
c/o Federal Reserve Bank,
New York, N. Y.

FEDERAL RESERVE BANK

OF NEW YORK

P E R S O N A L

October 3, 1930

Dear Governor Meyer:

We are enclosing, for your files, a report of open market operations for the period from September 25, 1930 to October 1, 1930 inclusive, together with data received from Federal reserve banks.

Very truly yours,

W. B. Matteson
W. B. Matteson
Assistant Deputy Governor

Honorable Eugene Meyer,
Governor, Federal Reserve Board,
Washington, D. C.

Encl.

Mr. Smead ✓
Mr. Collier ✓

FEDERAL RESERVE BANK

OF NEW YORK

CONFIDENTIAL

October 3, 1930

Mr. E. A. Goldenweiser,
Director, Division of Research and Statistics,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Goldenweiser,

Enclosed is a report of open market operations for the period from September 25, 1930 to October 1, 1930 inclusive, together with data received from Federal reserve banks.

Very truly yours,

W. B. Matteson
W. B. Matteson,
Assistant Deputy Governor

Encl.

FOR SPECIAL CIRCULATION

PLEASE READ PROMPTLY, INITIAL AND RETURN TO SECRETARY'S OFFICE

Gov. ~~Young~~ Meyer — Mr. Hamlin — Mr. James
~~Mr. Platt~~ — Mr. Miller — Mr. Cunningham — Mr. Pole

FEDERAL RESERVE BANK OF NEW YORK

CONFIDENTIAL

October 3, 1930

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Very truly yours,

W. B. Matteson
W. B. Matteson
Assistant Deputy Governor

Honorable Eugene Meyer,
Governor, Federal Reserve Board,
Washington, D. C.

Encl.

RECEIVED
OCT 4 1930
OFFICE OF
THE GOVERNOR

Ack letter 10/4/30

CONFIDENTIAL

REPORT OF OPEN MARKET OPERATIONS WEEK ENDED OCTOBER 1, 1930

Holdings of Earning Assets of Federal Reserve Banks from October 2, 1929 to Date
(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES Outright Purchases	GOVERNMENT SECURITIES Sales Contracts	BANKERS ACCEPTANCES Outright Purchases	BANKERS ACCEPTANCES Sales Contracts	BILLS DISCOUNTED
-1929-						
Oct. 2	$1,414,228	$127,202	$18,550	$239,339	$83,479	$930,633
Oct. 30	1,648,742	259,848	32,840	310,774	29,111	991,038
Nov. 27	1,514,460	322,063	4,035	250,044	7,271	912,349
Dec. 31	1,547,517	487,292	23,295	236,974	155,235	632,421
-1930-						
Jan. 29	1,154,379	476,466	70	185,677	72,795	406,941
Feb. 26	1,138,522	477,610	5,145	232,521	66,785	342,781
Mar. 26	1,001,090	526,284	2,715	143,772	112,710	206,829
Apr. 30	982,225	527,124	2,385	161,846	47,718	233,452
May 28	958,776	529,450	320	130,066	45,494	247,046
June 25	916,038	576,560	410	94,735	7,578	231,505
July 30	911,554	576,323	45	127,965	2,797	197,101
Aug. 27	967,034	601,913	0	159,137	4,137	193,275
Sept. 24	973,483	601,656	150	192,161	5,582	167,162
Oct. 1	986,973	600,337	840	180,830	12,278	185,916

CHANGES IN EARNING ASSET HOLDINGS (EXCLUSIVE OF SALES CONTRACTS)
DURING WEEK ENDED OCTOBER 1, 1930
(000 Omitted)

	GOVERNMENT SECURITIES Balance Oct. 1	GOVERNMENT SECURITIES Net Change	BANKERS ACCEPTANCES Balance Oct. 1	BANKERS ACCEPTANCES Net Change	BILLS DISCOUNTED Balance Oct. 1	BILLS DISCOUNTED Net Change
Boston	$ 46,176	$ 0	$ 19,727	$ 733-	$ 12,512	$ 2,281+
New York	186,240	1,300-	31,097	5,186-	26,392	2,254+
Philadelphia	52,252	0	0	0	16,914	2,479+
Cleveland	57,855	0	20,307	2,093-	20,412	5,239+
Richmond	16,983	0	10,553	315-	18,374	662-
Atlanta	12,706	200-	12,147	53+	26,497	1,890+
Chicago	81,128	0	17,457	3,276-	16,631	5,345+
St. Louis	23,899	0	9,160	937-	19,064	2,028+
Minneapolis	26,124	181+	7,590	69-	4,012	27-
Kansas City	28,736	0	10,199	1,934-	8,803	201-
Dallas	29,229	0	8,509	589-	10,633	1,328-
San Francisco	39,009	0	20,721	398-	5,672	544-
N. Y. holdovers and other bills			13,363	4,146+		
Totals	$600,337	$1,319-	$180,830	$11,331-	$185,916	$18,754+

COMMENT ON CHANGES WEEK ENDED OCTOBER 1, 1930

Total earning assets of the System showed an increase of $13,490,000 for the current statement week. The changes by classification consisted of increases of $18,754,000 and $7,386,000 net respectively, in bills discounted and investments held under sales contracts and decreases of $1,319,000 and $11,331,000 respectively, in outright purchases of government securities and bankers acceptances. The increase in sales contracts consisted of $690,000 in government securities and $6,696,000 in bankers acceptances.

Money Market

ie money market banks had a sul ıntial surplus of reserves at the opening of business on Thursday, September 25, the initial day of the past reporting period. This excess, however, was absorbed during the remainder of the calendar week through losses resulting chiefly from currency withdrawals from the Reserve Bank and a net outflow of funds to other parts of the country, including transfers of funds to Cuba through the Atlanta bank. In addition, there occurred a large month-end increase in reserve requirements, so that at the close of business on Saturday the banks' reserves were in deficit to a rather marked extent.

This deficit carried over the week-end, so that on Monday morning the accumulated shortage was equal to an impairment of $38,000,000 for one day, and a small net return flow of funds from other centers during the following two days only partly counterbalanced this deficiency. In order to balance their average reserve position on Tuesday, the New York City member banks borrowed $77,000,000, and in addition a substantial volume of bills was sold to the Reserve Bank, part of which was in the form of repurchase agreements. Thus, in balancing average reserves for the period, there was created a large excess of actual reserves at the opening on Wednesday, which together with a sizeable gain during the day in commercial and agency transactions provided the funds for a retirement of Reserve Bank credit in an amount approximately equal to the increase of the previous day.

Call money remained at 2 per cent on the Stock Exchange until Monday, September 29, when the renewal rate was reduced to 1 1/2 per cent, the lowest in fifteen years. On the following day, however, the renewal rate was returned to 2 per cent, and call money held at this level on the Stock Exchange through the remainder of the period. Federal funds rose from a low of 1/4 per cent a week ago to a peak of 2 1/4 - 2 1/2 per cent at the month-end, but subsequently declined, and at the close of business today the quotation was reported to be 1 per cent.

The only change during the past week in the bid and asked quotations for time money was a slight easing in the rates for four months' loans, which are now quoted at 2 1/4 - 2 1/2 per cent, the same as for the 90-day period. Activity was confined principally to small loans for 4 months at 2 1/2 per cent, and for 6 months at 2 3/4 per cent.

Commercial paper dealers report that new drawings of prime paper, which they have received during the past week, have moved rapidly into investors' portfolios. Generally, new paper is said to be in small volume, and consequently only part of the continued substantial demand for the best names is currently satisfied. During the week there was a special transaction consisting of a sizeable block of prime paper maturing in 60 days which was sold at 2 1/2 per cent, but otherwise there has been no indication of any lowering of rates. The rate for 4 to 6 months' prime paper continues at the 3 per cent figure which has prevailed during the two months just passed.

Government Security Market

The market for United States Government securities was strong and active. During the first four business days of the current statement week the demand for practically all issues of government securities was exceptionally strong and, on a heavy turnover, prices of all issues advanced fractionally, the long-term bonds establishing a new high average selling price for the year of 105.02 as compared with the previous high for the year of 104.77. On the last two days of the reporting week the demand slackened somewhat and while prices in general were firm there were some fractional recessions from the high levels during the week and the average selling price for the long-term bonds declined to 104.91, a level still above the high point for any previous week this year.

Dealers' Offering Prices at the Close of the Current Statement Week and Net Changes from the Close of the Previous Statement Week

Issue	Price	Net Change	Approx. Yield
3 1/4% Cert. of Ind. due Dec. 15, 1930	100 12/32	- - -	1.35%
2 7/8% " " " " June 15, 1931	100 19/32	+2/32	2.00%
2 3/8% " " " " Sept. 15, 1931	100 8/32	+5/32	2.10%
3 1/2% Treasury Notes Series "A" and "B" called for payment Mar. 15, 1931	100 24/32	+1/32	1.81%
3 1/2% Treasury Notes due Dec. 15, 1932	101 1/32	+3/32	2.00%
Treasury Bills " Nov. 17, 1930	1 3/4% - 1 3/8% discount		

Closing Prices on New York Stock Exchange at the Close of the Current Statement Week and Net Changes from Close of the Previous Statement Week

Issue	Price	Net Change	Issue	Price	Net Change
1st 3 1/2s	101 4/32	+4/32	Treas. 4s 1944-54	108 23/32	+13/32
1st 4 1/4s	102 12/32	+7/32	" 4 1/4s 1947-52	112 28/32	+ 9/32
4th 4 1/4s	103 12/32	+7/32	" 3 3/4s 1946-56	106 15/32	+10/32
			" 3 3/8s 1943-47	102 10/32	+ 7/32
			" 3 3/8s 1940-43	102 1/32	+11/32

Bankers Acceptances

Dealers' offerings of unendorsed bankers acceptances continued at the following rates: 1 7/8 per cent for 30s, 60s and 90s, 2 per cent for 120s and 2 1/4 per cent for 180-day bills.

Reports week ending Oct. 1

Boston reports that some increase was noted in the demand for bills in its market during the past period due mostly to cheap call money rates. This demand, however, did not hold and with a slight increase in the supply of new bills dealers, as heretofore, were obliged to forward their bills to offices in other cities. Offerings to the Reserve bank continued small. The New York bill market was more active this week than it has been for the past several weeks. The greater part of the week there was a good demand which came principally from local banks who were buying for their own accounts and for the accounts of foreign correspondents. This demand exceeded the supply most of the week, but on Tuesday, the last day of the month, money was firmer and dealers' purchases exceeded their sales considerably on that day. At the close of the week dealers' portfolios had only been reduced slightly. Philadelphia reported that its acceptance market showed little change from the previous week. There was a fair amount of new bills offered during the week with practically no demand. Chicago reports that the supply of bills was limited during the past week with the demand light. Dallas reports that its bill market was quiet during the past week with a small demand. Offerings to the Reserve bank were light.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

Transactions consummated under Treasury authorization during the current statement week were as follows:

Sales of	$1,000,000 - 4 1/4%	Fourth Liberty Loan bonds, account Government Life Insurance Fund
	500,000 - 4 1/4%	Fourth Liberty Loan bonds, account German Special Deposit Account
	3,700,000 - 3 1/2%	Treasury Notes, Series C, account Alien Property Custodian
	$5,200,000 - Total Sales	

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

During the current statement week a sale was made from the holdings in the System Account to a foreign correspondent of

$5,000,000 - 3 1/2% Treasury notes called
for payment on March 15, 1931
at a price to yield about 1.95%

This sale was replaced in the System Account by purchase of a like par amount of 2 3/8% Treasury certificates due September 15, 1931, at a price to yield about 2.25%.

These transactions did not change the total amount of holdings in the System Account, which remained at the close of business Wednesday, October 1, 1930, at $402,300,000. The participations by Federal reserve banks and the classification of issues at the close of the statement week were as follows:

PARTICIPATION BY FEDERAL RESERVE BANKS

Boston	$ 45,472,500
New York	73,851,000
Philadelphia	37,245,000
Cleveland	47,690,000
Richmond	15,830,500
Atlanta	10,146,500
Chicago	61,201,000
St. Louis	15,274,000
Minneapolis	18,248,500
Kansas City	28,733,000
Dallas	19,241,000
San Francisco	29,367,000
Totals	$402,300,000

RECAPITULATION OF HOLDINGS BY MATURITIES

Nov. 17, 1930 - Treasury Bills	$ 22,214,000
Dec. 15, 1930 - 3 1/4% C/I	78,745,000
June 15, 1931 - 2 7/8% "	80,131,000
Sept.15, 1931 - 2 3/8% "	14,130,000
Mar. 15, 1931 - 3 1/2% T/N Series "A" and "B"	171,070,100
Dec. 15, 1932 - 3 1/2% "	35,411,900
Oct. 15, 1938 - 4 1/4% 4th L/L	598,000
	$402,300,000

ITEMIZED STATEMENT OF TRANSACTIONS IN GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES AFFECTING THE INVESTMENT ACCOUNT OF ALL FEDERAL RESERVE BANKS FROM SEPTEMBER 25 TO OCTOBER 1, 1930, INCLUSIVE

GOVERNMENT SECURITIES - SYSTEM INVESTMENT ACCOUNT

	Purchases	Sales
Boston	$ 565,000	$ 565,000
New York	918,000	918,000
Philadelphia	463,000	463,000
Cleveland	592,500	592,500
Richmond	197,000	197,000
Atlanta	126,000	126,000
Chicago	760,500	760,500
St. Louis	190,000	190,000
Minneapolis	227,000	227,000
Kansas City	357,000	357,000
Dallas	239,000	239,000
San Francisco	365,000	365,000
Totals	$5,000,000	$5,000,000

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	Purchases	Issue	Sales	Issue
New York	$3,700,000	Misc. Gov't Sec.	$5,000,000	Misc. Gov't Sec.
Atlanta	76,000	" " "	275,950	" " "
Minneapolis	982,350	" " "	800,700	" " "
Totals	$4,758,350		$6,076,650	

BANKERS ACCEPTANCES
(000 Omitted)

	Holdings Sept. 24	Purchased Own Mkt.	By Allotment from New York	Maturities & Sales	Holdings Oct. 1	Other Holdings Close October 1,1930 Sales Contracts	Other Holdings Close October 1,1930 Other Bills
Boston	$ 20,460	$ 1,917 R.	$ 1,833	$ 4,483	$ 19,727	$ 933	$ 80
New York	36,283	8,071 " 15,791 A.	0	13,257	31,097	5,407	353
Phila.	0	0	0	0	0	0	104
Cleve.	22,400	0	2,184	4,277	20,307	0	107
Richmond	10,868	0	1,344	1,659	10,553	0	45
Atlanta	12,094	590 R.	1,388	1,925	12,147	0	532
Chicago	20,733	0	3,227	6,503	17,457	1,302	144
St. Louis	10,097	0	1,241	2,178	9,160	0	39
Minn.	7,659	200 "	797	1,066	7,590	0	25
Kan. City	12,133	0	1,441	3,375	10,199	0	32
Dallas	9,098	299 "	1,037	1,925	8,509	0	32
San Fran.	21,119	3,056 "	1,299	4,753	20,721	4,636	74
Totals	$182,944	$29,924	$15,791	$45,401	$167,467	$12,278	$ 1,567

Bills held overnight by New York for distribution to foreign correspondents - - - 11,796

$13,363

NOTE: R. indicates Retained and A. indicates Allotted in the above statement.

MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDING OCTOBER 1, 1930
(000 Omitted)

	1-30 days 1 7/8%	31-60 days 1 7/8%	61-90 days 1 7/8%	Over 90-days -	Totals
Boston	$ 1,021	$ 535*	$ 361	0	$ 1,917
New York	15,513	7,373	976	0	23,862
Atlanta	150	440*	0	0	590
Minneapolis	0	0	200	0	200
Dallas	0	299	0	0	299
San Francisco	595	2,088	373	0	3,056
Totals	$17,279	$10,735	$1,910	0	$29,924

*Purchased at 2%

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES DURING WEEK ENDING OCTOBER 1, 1930
(000 Omitted)

(Excluding Sales Contracts)

	Government Securities	Bankers Acceptances		Total	
Purchased	$ 9,758	$29,924		$39,682	
Sold	11,077	0		11,077	
Matured	0	45,401		45,401	
		$15,477-		$16,796-	
		4,146+	(Net Change 1-day holdover and other bills)	4,146+	(Net Change 1-day holdover and other bills)
Totals	$ 1,319-	$11,331-		$12,650-	

HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES OCTOBER 1, 1930
(000 Omitted)

(Including Sales Contracts)

	Within 15-days	16-30 days	31-60 days	61-90 days	91 days-6 months	Over 6 months	Totals
Gov't Securities	$ 840	0	$25,214	$83,320	$212,079	$279,724	$601,177
Bills Purchased	106,442	39,384	42,989	4,172	121	0	193,108
Totals	$107,282	$39,384	$68,203	$87,492	$212,200	$279,724	$794,285

FEDERAL RESERVE BANK
OF NEW YORK

P E R S O N A L September 26, 1930

Dear Governor Meyer:

We are enclosing, for your files, a report of open market operations for the period from September 18, 1930 to September 24, 1930 inclusive, together with data received from Federal reserve banks.

Very truly yours,

W. B. Matteson
Assistant Deputy Governor

Honorable Eugene Meyer,
Governor, Federal Reserve Board,
Washington, D. C.

Encl.

Mr. Riefler
S and
Collier

FEDERAL RESERVE BANK

OF NEW YORK

CONFIDENTIAL

September 26, 1930

Mr. E. A. Goldenweiser,
Director, Division of Research and Statistics,
Federal Reserve Board,
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W. B. Matteson
Assistant Deputy Governor

Honorable Eugene Meyer,
Governor, Federal Reserve Board,
Washington, D. C.

Encl.

CONFIDENTIAL

REPORT OF OPEN MARKET OPERATIONS WEEK ENDED SEPTEMBER 24, 1930

Holdings of Earning Assets of Federal Reserve Banks from September 25, 1929 to Date
(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES Outright Purchases	GOVERNMENT SECURITIES Sales Contracts	BANKERS ACCEPTANCES Outright Purchases	BANKERS ACCEPTANCES Sales Contracts	BILLS DISCOUNTED
-1929-						
Sept. 25	$1,375,467	$125,973	$26,086	$179,449	$84,485	$944,399
Oct. 30	1,648,742	259,848	32,840	310,774	29,111	991,038
Nov. 27	1,514,460	322,063	4,035	250,044	7,271	912,349
Dec. 31	1,547,517	487,292	23,295	236,974	155,235	632,421
-1930-						
Jan. 29	1,154,379	476,466	70	185,677	72,795	406,941
Feb. 26	1,138,522	477,610	5,145	232,521	66,785	342,781
Mar. 26	1,001,090	526,284	2,715	143,772	112,710	206,829
Apr. 30	982,225	527,124	2,385	161,846	47,718	233,452
May 28	958,776	529,450	320	130,066	45,494	247,046
June 25	916,038	576,560	410	94,735	7,578	231,505
July 30	911,554	576,323	45	127,965	2,797	197,101
Aug. 27	967,034	601,913	0	159,137	4,137	193,275
Sept. 17	989,415*	609,963*	420	203,119	5,742	163,149
Sept. 24	973,483	601,656	150	192,161	5,582	167,162

*Includes $45,000,000 special one-day Treasury certificate of indebtedness

CHANGES IN EARNING ASSET HOLDINGS (EXCLUSIVE OF SALES CONTRACTS)
DURING WEEK ENDED SEPTEMBER 24, 1930
(000 Omitted)

	GOVERNMENT SECURITIES Balance Sept.24	GOVERNMENT SECURITIES Net Change	BANKERS ACCEPTANCES Balance Sept.24	BANKERS ACCEPTANCES Net Change	BILLS DISCOUNTED Balance Sept.24	BILLS DISCOUNTED Net Change
Boston	$ 46,176	$ 0	$ 20,460	$ 202+	$ 10,231	$ 265+
New York	187,540	7,850-	36,283	5,908-	24,138	2,535+
Philadelphia	52,252	0	0	0	14,435	235-
Cleveland	57,855	0	22,400	745+	15,173	3,363+
Richmond	16,983	1+	10,868	273-	19,036	89+
Atlanta	12,906	203+	12,094	451-	24,607	109-
Chicago	81,128	650-	20,733	1,279+	11,286	189+
St. Louis	23,899	0	10,097	253-	17,036	822-
Minneapolis	25,943	11-	7,659	209-	4,039	198-
Kansas City	28,736	0	12,133	837-	9,004	169+
Dallas	29,229	0	9,098	110+	11,961	825-
San Francisco	39,009	0	21,119	1,361+	6,216	408-
N. Y. holdovers and other bills			9,217	6,724-		
Totals	$601,656	$8,307-	$192,161	$10,958-	$167,162	$4,013+

COMMENT ON CHANGES WEEK ENDED SEPTEMBER 24,1930

Total earning assets of the System (exclusive of the $45,000,000 special one-day Treasury certificate of indebtedness issued by the Treasury to cover the overdraft September 17) showed an increase of $29,068,000 for the current statement week. The changes by classification consisted of increases of $36,693,000 (exclusive of Treasury overdraft certificate of indebtedness) and $4,013,000 respectively in outright purchases of government securities and bills discounted, and decreases of $10,958,000 and $430,000 net respectively, in outright purchases of bankers acceptances and investments held under sales contracts. The change in the latter item consisted of a decrease of $270,000 in government securities and $160,000 in bankers acceptances.

Money Market

On Thursday, September 18, the opening day of the reporting week just completed, bank reserves were substantially in excess of requirements, but during this and the following two days losses through income tax collections, a substantial movement of funds to other centers, and currency withdrawals for week-end circulation, which were only partly offset by security purchases for the Treasury Sinking Fund and the completion of replacement purchases of securities for the New York Bank's own investment account, completely absorbed this surplus. In fact, actual reserves of the New York banks became slightly in deficit on Saturday.

During the last three days of the reporting period a reversal of the inter-district movement of funds placed a large credit at the disposal of the money market. In addition, there was an unseasonal return of currency from circulation and other miscellaneous gains which were only partly absorbed by a decline in Reserve Bank bill holdings, and an increase in member bank reserve requirements. Consequently, toward the end of the week bank reserves rose to a position of surplus which was even more substantial than the excess which existed at the opening of the period. This case, unusual for this time of year, may be ascribed to the release of funds by slack business activity.

The Stock Exchange rate for call money remained at 2 per cent, but conditions in the outside market were somewhat easier in that toward the end of the week loans were made at 1 per cent. Federal funds were practically unlendable, and the market was quoted at 1/4 per cent nominal.

The time money market remained exceedingly dull, while quoted rates moved lower. Nominal quotations for maturities up to 4 months showed a net reduction of 1/4 per cent during the past week, and 5 and 6 months' loans were reduced 1/2 per cent from the rates quoted on the previous Thursday. By the end of the period limited trading was being done in 30-day money at 2 per cent, in loans of nearly 4 months at 2 1/2 per cent, and in 6 months' money at 2 3/4 per cent. These are new low rates for recent years - on the whole somewhat below the 1924 level.

Commercial paper dealers continued to report that the scarcity of prime names was the principal reason for the small volume of sales. A large potential investment demand existed, but it was only partly satisfied. The prevailing rate for prime names remained at 3 per cent.

Government Security Market

The volume of trading in the market for United States Government securities during the current statement week was considerably less than during the preceding period. The demand fell off for all issues, with exception of the Fourth 4 1/4s for which the demand continued good, and prices generally showed small fractional losses for the week. The average selling price of the long-term bonds at the close of the statement week was 104.64 as compared with 104.70 last week, and the high for the year of 104.77. On Thursday the market was better.

Dealers' Offering Prices at the Close of the Current Statement Week and Net Changes from the Close of the Previous Statement Week

Issue	Price	Net Change	Approx. Yield
3 1/4% Cert. of Ind. due Dec. 15, 1930	100 12/32	-1/32	1.51
2 7/8% " " " " June 15, 1931	100 17/32	-1/32	2.12
2 3/8% " " " " Sept. 15, 1931	100 3/32	- - -	2.27
3 1/2% Treasury Notes Series "A" and "B" called for payment Mar. 15, 1931	100 23/32	- - -	1.95
3 1/2% Treasury Notes due Dec. 15, 1932	100 30/32	-1/32	2.17
Treasury Bills " Nov. 17, 1930	1 7/8% - 1 5/8% discount		

Closing Prices on New York Stock Exchange at the Close of the Current Statement Week and Net Changes from Close of the Previous Statement Week

Issue	Price	Net Change	Issue	Price	Net Change
1st 3 1/2s	101	-3/32	Treas. 4s 1944-54	108 10/32	-2/32
1st 4 1/4s	102 5/32	-1/32	" 4 1/4s 1947-52	112 19/32	-4/32
4th 4 1/4s	103 5/32	- - -	" 3 3/4s 1946-56	106 5/32	-4/32
			" 3 3/8s 1943-47	102 3/32	- - -
			" 3 3/8s 1940-43	101 22/32	- - -

Bankers Acceptances

Dealers' offering of unendorsed bankers acceptances continued at the following rates during the current statement week: 1 7/8 per cent for 30s, 60s and 90s, 2 per cent for 120s and 2 1/4 per cent for 180-day bills.

Reports week ending Sept. 24

Boston reports that although there was a slight increase in the supply of bills during the past period, there seemed to be no material change in the local bill conditions. The amount of bills showed a sizeable increase but most of these bills were purchased for foreign accounts. Dealers still continued to forward their longer maturities to New York necessitating the importation of bills of shorter maturities to fill the small local demand. Philadelphia reports that its acceptance market continued very quiet. Dealers reported little activity either way with the result that portfolios were practically unchanged. In New York the bill market was slightly more active this week than it has been for the past few weeks. Dealers' purchases were moderately larger, a moderate amount of grain bills having appeared in the market. Their sales exceeded purchases slightly and aggregate portfolios decreased accordingly. The demand was practically all from local institutions who were buying for their own account and for the accounts of foreign correspondents. Chicago reports that there was no change in the bill market in its district except possibly an increase in the supply of new bills. The demand continued quiet. Dallas reports that its bill market was very dull during the past week with very little demand and practically no offerings to the reserve bank.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

Transactions consummated under Treasury authorization during the current statement week were as follows:

Sales of $ 500,000	par amount	Fourth 4 1/4% Liberty Loan bonds, account German Special Deposit Account
800,000	" "	3 1/2% Series "C" Treasury notes, due December 15, 1932, account Alien Property Custodian
$1,300,000	Total Sales	

and purchases of $20,000,000 par amount 3 1/2% Treasury notes called March 15, 1931, account Sinking Fund.

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

During the current statement week a sale was made from the holdings in the System Account to the Treasury, account Sinking Fund of

$12,350,000 - 3 1/2% Treasury notes called for payment March 15, 1931

In this connection the Treasury purchased $20,000,000 called notes for account of the Sinking Fund, $7,650,000 of which was acquired by direct purchase in the market, and the balance of $12,350,000 was supplied from holdings in the System Account. This sale from the System Account was replaced by purchase in the market of a like amount of short-term Treasury certificates and bills.

These transactions did not affect the total amount of holdings in the System Account which remained at the close of business Wednesday, September 24, 1930, at $402,300,000. The participation by Federal reserve banks and the classification of issues held at the close of the statement week were as follows:

PARTICIPATION BY FEDERAL RESERVE BANKS		RECAPITULATION OF HOLDINGS BY MATURITIES	
Boston	$ 45,472,500	Nov. 17, 1930 - Treasury Bills	$22,214,000
New York	73,851,000	Dec. 15, 1930 - 3 1/4% C/I	78,745,000
Philadelphia	37,245,000	June 15, 1931 - 2 7/8% "	80,131,000
Cleveland	47,690,000	Sept. 15, 1931 - 2 3/8% "	9,130,000
Richmond	15,830,500	Mar. 15, 1931 - 3 1/2% T/N	
Atlanta	10,146,500	Series "A" and "B"	176,070,100
Chicago	61,201,000	Dec. 15, 1932 - 3 1/2% "	35,411,900
St. Louis	15,274,000	Oct. 15, 1938 - 4 1/4% 4 th L/L	598,000
Minneapolis	18,248,500		
Kansas City	28,733,000		
Dallas	19,241,000		
San Francisco	29,367,000		
Totals	$402,300,000		$402,300,000

ITEMIZED STATEMENT OF TRANSACTIONS IN GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES AFFECTING THE INVESTMENT ACCOUNT OF ALL FEDERAL RESERVE BANKS FROM SEPTEMBER 18 TO SEPTEMBER 24, 1930, INCLUSIVE

GOVERNMENT SECURITIES - SYSTEM INVESTMENT ACCOUNT

	Purchases	Sales
Boston	$ 1,396,000	$ 1,396,000
New York	2,267,000	2,267,000
Philadelphia	1,143,500	1,143,500
Cleveland	1,464,000	1,464,000
Richmond	486,000	486,000
Atlanta	311,500	311,500
Chicago	1,878,500	1,878,500
St. Louis	469,000	469,000
Minneapolis	560,500	560,500
Kansas City	882,000	882,000
Dallas	590,500	590,500
San Francisco	901,500	901,500
Totals	$12,350,000	$12,350,000

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	Purchases	Issue	Sales	Issue
New York	$42,150,000*	Misc. Gov't Sec.	$50,000,000*	Misc. Gov't Sec.
Atlanta	308,250	" " "	105,650	" " "
Chicago	0	-	650,000	**Ser. "B" T/N
Minneapolis	400,050	" " "	410,500	Misc. Gov't Sec.
Totals	$42,858,300		$51,166,150	

*Includes special 1-day Certificate of Indebtedness of $3,000,000 bought and $48,000,000 matured.
**Was held temporarily for resale to Treasury.

BANKERS ACCEPTANCES
(000 Omitted)

	Holdings Sept. 17	Purchased Own Mkt.	By Allotment from New York	Maturities & Sales	Holdings Sept. 24	Other Holdings Close Sept. 24, 1930: Sales Contracts	Other Holdings Close Sept. 24, 1930: Other Bills
Boston	$ 20,258	$ 300 R	$ 1,614	$ 1,712	$ 20,460	$1,929	$ 79
New York	42,191	5,675 "	0	11,583	36,283	0	352
		13,774 A					
Phila.	0	0	0	0	0	0	104
Cleveland	21,655	0	2,113	1,368	22,400	0	107
Richmond	11,141	143 R	1,158	1,574	10,868	0	45
Atlanta	12,545	209 "	1,181	1,841	12,094	0	566
Chicago	19,454	527 "	2,432	1,680	20,733	628	144
St. Louis	10,350	0	1,046	1,299	10,097	0	39
Minn.	7,868	0	659	868	7,659	0	25
Kan. City	12,970	0	1,172	2,009	12,133	0	32
Dallas	8,988	5 "	963	858	9,098	0	32
San Fran.	19,758	1,737 "	1,436	1,812	21,119	3,025	74
Totals	$187,178	$22,370	$13,774	$26,604	$182,944	$5,582	$1,599

Bills held over night by New York for distribution to other F. R. Banks - - - 430
" " " " " " " " " " foreign correspondents- 7,188
Total - - - - - - - - - -$9,217

NOTE: R. indicates Retained and A. indicates Allotted in the above statement.

MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDING SEPTEMBER 24, 1930
(000 Omitted)

	1-30 days 1 7/8%	31-60 days 1 7/8%	61-90 days 1 7/8%	Over 90-days -	Total
Boston	$ 0	$ 181	$ 119	0	$ 300
New York	8,201	9,741	1,507	0	19,449
Richmond	18	105	20	0	143
Atlanta	124	58	27	0	209
Chicago	0	2	525	0	527
Dallas	0	0	5*	0	5
San Francisco	1,165	567	5	0	1,737
Totals	$9,508	$10,654	$2,208	0	$22,370

*Purchased at 2%

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES DURING WEEK ENDING SEPTEMBER 24, 1930
(000 Omitted)

(Excluding Sales Contracts and Special 1-day C/I)

	Government Securities	Bankers Acceptances		Total	
Purchased	$52,209	$22,370		$74,579	
Sold	15,516	0		15,516	
Matured	0	26,604		26,604	
		$ 4,234-		$32,459+	
		6,724-	(Net Change 1-day holdover and other bills)	6,724-	(Net Change 1-day holdover and other bills)
Totals	$36,693+	$10,958-		$25,735+	

HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES SEPTEMBER 24, 1930
(000 Omitted)

(Including Sales Contracts)

	Within 15-days	16-30 days	31-60 days	61-90 days	91 days-6 months	Over 6 months	Total
Gov't Securities	$ 150	$ 0	$25,214	$83,368	$217,050	$276,024	$601,806
Bills Purchased	105,051	48,705	39,930	4,047	10	0	197,743
Totals	$105,201	$48,705	$65,144	$87,415	$217,060	$276,024	$799,549

Mr. Riefler
Smead
Collier

FEDERAL RESERVE BANK
OF NEW YORK

CONFIDENTIAL

September 19, 1930

Mr. E. A.Goldenweiser,
Director, Division of Research and Statistics,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Goldenweiser:

Enclosed is a report of open market operations for the period from September 11, 1930 to September 17, 1930 inclusive, together with data received from Federal reserve banks.

Very truly yours,

W. B. Matteson
Assistant Deputy Governor

Encl.

FEDERAL RESERVE BANK

OF NEW YORK

P E R S O N A L

September 19, 1930

Dear Mr. Meyer:

We are enclosing, for your files, a report of open market operations for the period from September 11, 1930 to September 17, 1930 inclusive, together with data received from Federal reserve banks.

Very truly yours,

W. B. Matteson
Assistant Deputy Governor

Honorable Eugene Meyer, Jr.,
Governor, Federal Reserve Board,
Washington, D. C.

Encl.

Mr McClelland

FEDERAL RESERVE BANK

OF NEW YORK

CONFIDENTIAL

September 19, 1930

Dear Mr. Meyer:

Enclosed is a report of open market operations for the period from September 11, 1930 to September 17, 1930 inclusive, together with data received from Federal reserve banks.

Very truly yours,

W. B. Matteson
Assistant Deputy Governor

Honorable Eugene Meyer, Jr.,
Governor, Federal Reserve Board,
Washington, D. C.

Encl.

CONFIDENTIAL

REPORT OF OPEN MARKET OPERATIONS WEEK ENDED SEPTEMBER 17, 1930

Holdings of Earning Assets of Federal Reserve Banks from September 18, 1929 to Date
(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES Outright Purchases	GOVERNMENT SECURITIES Sales Contracts	BANKERS ACCEPTANCES Outright Purchases	BANKERS ACCEPTANCES Sales Contracts	BILLS DISCOUNTED
-1929-						
Sept. 18	$1,367,678	$130,604	$47,005	$163,530	$77,573	$933,916
Sept. 25	1,375,467	125,973	26,086	179,449	84,485	944,399
Oct. 30	1,648,742	259,848	32,840	310,774	29,111	991,038
Nov. 27	1,514,460	322,063	4,035	250,044	7,271	912,349
Dec. 31	1,547,517	487,292	23,295	236,974	155,235	632,421
-1930-						
Jan. 29	1,154,379	476,466	70	185,677	72,795	406,941
Feb. 26	1,138,522	477,610	5,145	232,521	66,785	342,781
Mar. 26	1,001,090	526,284	2,715	143,772	112,710	206,829
Apr. 30	982,225	527,124	2,385	161,846	47,718	233,452
May 28	958,776	529,450	320	130,066	45,494	247,046
June 25	916,038	576,560	410	94,735	7,578	231,505
July 30	911,554	576,323	45	127,965	2,797	197,101
Aug. 27	967,034	601,913	0	159,137	4,137	193,275
Sept. 10	985,120	601,863	170	177,423	15,697	183,195
Sept. 17	989,415*	609,963*	420	203,119	5,742	163,149

*Includes $45,000,000 special one-day Treasury certificate of indebtedness

CHANGES IN EARNING ASSET HOLDINGS (EXCLUSIVE OF SALES CONTRACTS)
DURING WEEK ENDED SEPTEMBER 17, 1930
(000 Omitted)

	GOVERNMENT SECURITIES Balance Sept.17	GOVERNMENT SECURITIES Net Change	BANKERS ACCEPTANCES Balance Sept.17	BANKERS ACCEPTANCES Net Change	BILLS DISCOUNTED Balance Sept.17	BILLS DISCOUNTED Net Change
Boston	$ 46,176	$ 0	$ 20,258	$ 278+	$ 9,966	$ 927-
New York	195,390	7,444+	42,191	4,123+	21,603	4,519-
Philadelphia	52,252	0	0	0	14,670	3,363-
Cleveland	57,855	1-	21,655	1,162+	11,810	1,330-
Richmond	16,982	1-	11,141	985+	18,947	1,352-
Atlanta	12,703	18-	12,545	1,469+	24,716	5,987-
Chicago	81,778	650+	19,454	1,295+	11,097	1,951-
St. Louis	23,899	0	10,350	23+	17,858	741+
Minneapolis	25,954	26+	7,868	170+	4,237	96+
Kansas City	28,736	0	12,970	842+	8,835	325+
Dallas	29,229	0	8,988	151+	12,786	1,182-
San Francisco	39,009	0	19,758	1,218+	6,624	597-
N. Y. holdovers and other bills			15,941	13,980+		
Totals	$609,963	$8,100+	$203,119	$25,696+	$163,149	$20,046-

COMMENT ON CHANGES WEEK ENDED SEPTEMBER 17, 1930

Total earning assets of the System (exclusive of the $45,000,000 special one-day Treasury certificate of indebtedness issued by the Treasury to cover the overdraft) showed a decrease of $40,705,000 for the current statement week. The changes by classification consisted of an increase of $25,696,000 in outright purchases of bankers acceptances, and decreases of $36,900,000 (exclusive of Treasury overdraft) and $20,046,000 respectively in outright purchases of government securities and bills discounted, and $9,705,000 net in investments held under sales contracts. The change in the latter item consisted of an increase of $250,000 in government securities and a decrease of $9,955,000 in bankers acceptances.

Money Market

Only a slight easing in call money accompanied the Treasury financing operations during the past week. The renewal rate for call loans which had been 2 1/2 per cent for some days continued at that level until Wednesday, the 17th, when following declines in the new loan charge on Monday and Tuesday, a 2 per cent renewal rate was established. Subsequently the Exchange rate remained at that level. In the outside market funds were loaned during much of the period at as low as 1 1/2 per cent, and on Thursday a 1 1/4 per cent rate was quoted on some money.

At the opening of business on Thursday, the 11th, bank reserves were substantially in excess of requirements, but during this and the succeeding two days currency withdrawals and substantial sales of securities from Reserve Bank holdings (in connection with the Treasury financing period turnover) absorbed this surplus; in fact, a small deficit in reserves developed on Saturday, and consequently carried over until the opening of business on the 15th. On September 15, Treasury redemptions of certificates of indebtedness, and interest and other Treasury payments affecting the money market exceeded income tax collections by over $190,000,000, in addition to which the interdistrict flow of funds was considerably in favor of this market. Consequently in order to absorb part of the surplus of funds arising from the day's operations, it was propitious to sell to New York City banks participations for $170,500,000 in the special one-day Treasury certificate of indebtedness to cover the $274,000,000 Treasury overdraft. All but $1,000,000 of the total Treasury overdraft with the Reserve System was concentrated at New York.

On Tuesday, the 16th, the banks' reserves were only moderately above requirements, reflecting in part a marked increase in the requirement figures. Income tax collections on that day took $85,000,000 more out of this market, and the interdistrict flow of funds turned outward due to heavy tax collections outside of New York. In addition, losses occurred through Reserve Bank bill and security operations. Accompanying these losses and a decrease of the Treasury overdraft to $122,000,000, $102,500,000 of participations in the special Treasury certificate were retired, leaving the New York City banks still participating in the overdraft to the extent of $68,000,000.

As a result of Tuesday's operations and despite a decline in reserve requirements from the September 15 peak, no great excess of bank reserves existed at the opening of business on Wednesday, and with further income tax collections and a continued substantial outflow to other centers taking funds from the market, the remaining $68,000,000 of member bank participation in the Treasury special certificate was retired and $50,500,000 of replacement security purchases, which had been deferred until money market conditions warranted, were made for the New York Bank's own investment account. The net effect of these transactions was to place the banks in a favorable reserve position for the first day of the reserve period so that further income tax collections and outgoing transfers could be met without undue strain. On this day the Treasury overdraft was reduced to $45,000,000, and on the following day, (Thursday, the 18th) was practically eliminated with some Treasury funds going back into the market through security purchases. The effect of continued tax collections in New York and outgoing transfers was counterbalanced by the completion of the replacement security purchases on Thursday and Friday.

Time money was dull and unchanged during the week. Two, three, four and six months' loans were arranged in small amounts at 2 1/4, 2 3/4, 3 and 3 1/4 per cent, respectively.

Continued inability of dealers to secure adequate supplies of new paper restricted the activity of the commercial paper market. Bank investment demand at the same time continued good. Prime names were quoted at 3 per cent, and less well known material at 3 1/4 and 3 1/2 per cent, unchanged from a week ago.

Government Security Market

The market for United States Government securities during the current statement week was strong and active. Dealers reported that a large volume of exchanges were effected in the market of the 3 1/2% Series "A" and "B" Treasury notes called for payment on March 15, 1931 for other issues of government securities principally for the long-term bonds which were in very good demand. The average selling price of the long-term bonds at the close of the statement week was 104.70 as compared with 104.48 last week and the high for the year of 104.77.

Dealers' Offering Prices at the Close of the Current Statement Week and Net Changes from the Close of the Previous Statement Week

Issue	Price	Net Change	Approx. Yield
3 1/4% Cert. of Ind. due Dec. 15, 1930	100 13/32	-1/32	1.52
2 7/8% " " " " June 15, 1931	100 18/32	- - -	2.09
2 3/8% " " " " Sept. 15, 1931	100 3/32	+3/32	2.27
3 1/2% Treasury Notes Series "A" and "B" called for payment Mar. 15, 1931	100 23/32	-1/32	2.01
3 1/2% Treasury Notes due Dec. 15, 1932	100 31/32	+1/32	2.16
Treasury Bills " Nov. 17, 1930	1 7/8% - 1 1/2% discount		

Closing Prices on New York Stock Exchange at the Close of the Current Statement Week and Net Changes from Close of the Previous Statement Week

Issue	Price	Net Change	Issue	Price	Net Change
1st 3 1/2s	101 3/32	+3/32	Treas. 4s 1944-54	108 12/32	+15/32
1st 4 1/4s	102 6/32	+4/32	" 4 1/4s 1947-52	112 23/32	+ 7/32
4th 4 1/4s	103 5/32	+5/32	" 3 3/4s 1946-56	106 9/32	+15/32
			" 3 3/8s 1943-47	102 3/32	+ 8/32
			" 3 3/4s 1940-43	101 22/32	+ 9/32

Bankers Acceptances

Dealers' offerings of unindorsed bankers acceptances continued at the following rates during the current statement week; 1 7/8 per cent for 30s, 60s and 90s, 2 per cent for 120s and 2 1/4 per cent for 180-day bills.

Reports week ending Sept. 17

Boston reports that the bill market in its district continued to remain in a sluggish condition. Few new bills made their appearance and the supply again fell off. There was practically no demand for bills and dealers were obliged to forward most of their bills to their offices in other cities, most of them continuing to go to New York for foreign accounts. In New York the bill market was quiet throughout the week. Dealers' purchases declined moderately as compared with last week. Sales were slightly in excess of purchases and dealers' aggregate portfolios were reduced by about $4,500,000. Philadelphia reports that its acceptance market was less active. The supply of new bills was smaller with the demand extremely light. Chicago reports that the bill market in its district was very dull with both the demand and supply very light. Dallas reports that its bill market was very dull during the past week with very little demand and practically no offerings to the reserve bank.

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

Transactions effected in the System Account during the current statement week were related primarily to the tax period and consisted of

Redemption on
September 15 $27,215,000 maturing 3 1/8% Treasury certificates
1,855,000 " Treasury Bills

Total Redemptions - $29,070,000 which were replaced by purchase of a like par amount of various issues of short-term government securities

Exchange on
September 15 of $5,130,000 maturing Treasury Bills against allotment by the Treasury of a like amount of the new Treasury 2 3/8% certificates on subscription entered for $34,200,000.

Exchange in
the market of $ 5,000,000 - 2 7/8% certificates due June 15, 1931
5,000,000 - 3 1/4% " " Dec. 15, 1930
13,000,000 - 4 1/4% Fourth Liberty Loan bonds

$23,000,000 for a like amount of various issues of short-term government securities.

The active market for United States Government securities during the past week afforded an opportunity of exchanging almost all the holdings of Fourth 4 1/4s in the System Account and in the Investment Account of the Federal Reserve Bank of New York for shorter maturities. There was also the opportunity to exchange advantageously in the market the $10,000,000 aggregate amount of Treasury certificates due next December 15 and June 15, referred to above, for other short-term issues.

In order to steady the conditions in the money market over the Treasury financing period, purchases were made for the System Account (in replacement of the redemption of the September 15 maturities and a large portion of the other securities exchanged) from the holdings in the Investment Account of the Federal Reserve Bank of New York and delivery of the purchases made in the market in replacement of these and other sales and maturities from the holdings in the latter account were deferred until September 17, 18 and 19 in order to provide a partial offset to the easing effect of Treasury tax day operations. The aggregate amount of such deferred deliveries for the Investment Account of the Federal Reserve Bank of New York was $87,500,000. In addition participations in the Treasury $274,000,000 special one-day certificate issued to the Federal Reserve Bank of New York were sold to New York City banks to an amount of $170,000,000 on September 15 and $68,000,000 on September 16; as a consequence the market was relatively undisturbed by tax day operations.

The aforementioned transactions in the System Account did not affect the amount of total holdings in the Account which remained at the close of business Wednesday, September 17, 1930, at $402,300,000. The participation by Federal reserve banks and the classification of issues at the close of the statement week were as follows:

PARTICIPATION BY FEDERAL RESERVE BANKS

Boston	$ 45,472,500
New York	73,851,000
Philadelphia	37,245,000
Cleveland	47,690,000
Richmond	15,830,500
Atlanta	10,146,500
Chicago	61,201,000
St. Louis	15,274,000
Minneapolis	18,248,500
Kansas City	28,733,000
Dallas	19,241,000
San Francisco	29,367,000
Totals	$402,300,000

RECAPITULATION OF HOLDINGS BY MATURITIES

Nov. 17, 1930 - Treas.Bills	$ 17,214,000
Dec. 15, 1930 - 3 1/4% C/I	76,895,000
June 15, 1931 - 2 7/8% "	78,631,000
Sept. 15, 1931 - 2 3/8% "	5,130,000
Mar. 15, 1931 - 3 1/2% T/N "A"	60,114,100
Mar. 15, 1931 - 3 1/2% " "B"	128,306,000
Dec. 15, 1932 - 3 1/2% "	35,411,900
Oct. 15, 1938 - 4 1/4% 4th L/L	598,000
	$402,300,000

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

Transactions consummated under Treasury authorization during the current statement week (exclusive of Treasury financing) were as follows:

Sale of $ 70,000 - Fourth 4 1/4% Liberty Loan bonds, account German Special Deposit Account
" " 1,000,000 - Fourth 4 1/4% Liberty Loan bonds, account Government Life Insurance Fund

$1,070,000 - Total Sales

and purchase of $20,000,000 - 3 1/2% Treasury notes called March 15, 1931, account Sinking Fund.

ITEMIZED STATEMENT OF TRANSACTIONS IN GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES AFFECTING THE INVESTMENT ACCOUNT OF ALL FEDERAL RESERVE BANKS FROM SEPTEMBER 11 TO SEPTEMBER 17, 1930, INCLUSIVE

GOVERNMENT SECURITIES - SYSTEM INVESTMENT ACCOUNT

	Purchases	Sales
Boston	$ 6,465,000	$ 6,465,000
New York	10,501,000	10,501,000
Philadelphia	5,295,500	5,295,500
Cleveland	6,779,500	6,779,500
Richmond	2,251,500	2,251,500
Atlanta	1,442,500	1,442,500
Chicago	8,701,500	8,701,500
St. Louis	2,172,000	2,172,000
Minneapolis	2,595,500	2,595,500
Kansas City	4,085,500	4,085,500
Dallas	2,735,000	2,735,000
San Francisco	4,175,500	4,175,500
Totals	$57,200,000	$57,200,000

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	Purchases	Issue	Sales and Maturities	Issue
New York	$498,380,000*	Misc. Gov't Sec.	$490,936,000*	Misc. Gov't Sec.
Cleveland	0	-	1,000	Sept. 15/30 C/I
Atlanta	105,950	Misc. Gov't Sec.	121,900	Misc. Gov't Sec.
			2,000	Sept. 15/30 C/I
Chicago	650,000**	Treasury Notes	0	-
Minneapolis	1,089,950	Misc. Gov't Sec.	1,064,050	Misc. Gov't Sec.
San Francisco	1,000,000	Spec. 1-day C/I	1,000,000	Spec. 1-day C/I
Totals	$501,225,900		$493,124,950	

* Includes $441,000,000 special one-day Certificates of Indebtedness to cover Treasury overdraft which was reduced to $45,000,000 on September 17, 1930.

** Held temporarily for resale to Treasury.

BANKERS ACCEPTANCES
(000 Omitted)

	Holdings Sept. 10	Purchased Own Mkt.	By Allotment from New York	Maturities & Sales	Holdings Sept. 17	Other Holdings Close Sept. 17/30: Sales Contracts	Other Holdings Close Sept. 17/30: Other Bills
Boston	$ 19,980	$ 588 R	$ 1,532	$ 1,842	$ 20,258	$1,484	$ 79
New York	38,068	11,963 "	0	7,840	42,191	2,648	352
		14,486 A					
Phila.	0	0	0	0	0	0	104
Cleve.	20,493	0	2,155	993	21,655	0	107
Richmond	10,156	0	1,253	268	11,141	0	45
Atlanta	11,076	193 R	1,662	386	12,545	0	500
Chicago	18,159	160 "	2,364	1,229	19,454	1,610	144
St. Louis	10,327	0	1,024	1,001	10,350	0	39
Minn.	7,698	0	666	496	7,868	0	25
Kan. City	12,128	0	1,309	467	12,970	0	32
Dallas	8,837	30 "	957	836	8,988	0	32
San Fran.	18,540	696 "	1,564	1,042	19,758	0	74
Totals	$175,462	$28,116	$14,486	$16,400	$187,178	$5,742	$ 1,533

Bills held over night by New York for distribution to other F. R. Banks - - 4,053
" " " " " " " " " "foreign correspondents 10,355
Total - - - - - - - $15,941

NOTE: R. indicates Retained and A. indicates Allotted in the above statement.

MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDING SEPTEMBER 17, 1930
(000 Omitted)

	1-30 days 1 7/8%	31-60 days 1 7/8%	61-90 days 1 7/8%	Over 90-days 2 1/8%	Total
Boston	$ 0	$ 6	$ 582	$ 0	$ 588
New York	19,888*	6,229**	332**	0	26,449
Atlanta	85	58	50***	0	193
Chicago	75	0	85	0	160
Dallas	16	4	0	10	30
San Fran.	551	141	4	0	696
Totals	$20,615	$6,438	$1,053	$10	$28,116

*Purchased at 1 7/8-2% **Purchased at 1 7/8-2 1/8% ***Purchased at 2%

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES DURING WEEK ENDING SEPTEMBER 17,1930
(000 Omitted)

(Excluding Sales Contracts and Special 1-day C/I)

	Government Securities	Bankers Acceptances	Total
Purchased	$116,426	$28,116	$144,542
Sold	152,957	0	152,957
Matured	369	16,400	16,769
		$11,716+	$ 25,184-
		13,980+(Net Change 1-day holdover & other bills)	13,980+(Net Change 1-day holdover & other bills)
Totals	$ 36,900-	$25,696+	$ 11,204-

HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES SEPTEMBER 17, 1930
(000 Omitted)

(Including Sales Contracts and Special 1-day C/I)

	Within 15-days	16-30 days	31-60 days	61-90 days	91 days-6 months	Over 6 months	Total
Gov't Securities	$ 45,420	$ 0	$ 0	$100,034	$220,127	$244,802	$610,383
Bills Purchased	83,508	73,576	41,058	10,546	173	0	208,861
Totals	$128,928	$73,576	$41,058	$110,580	$220,300	$244,802	$819,244

September 13, 1930

Dear Mr. Matteson:

Receipt is acknowledged of your two letters of September 12th, addressed to Mr. Platt, enclosing a report of open market operations for the period from September 4, 1930, to September 10, 1930, inclusive. This report will be brought to the attention of the members of the Federal Reserve Board.

Very truly yours,

E. M. McClelland,
Assistant Secretary

Mr. W. B. Matteson,
Assistant Deputy Governor,
Federal Reserve Bank,
New York, N. Y.

FEDERAL RESERVE BANK
OF NEW YORK

P E R S O N A L   September 12, 1930

Dear Mr. Platt:

We are enclosing, for your files, a report of open market operations for the period from September 4, 1930 to September 10, 1930 inclusive, together with data received from Federal reserve banks.

Very truly yours,

W B Matteson

W. B. Matteson
Assistant Deputy Governor

Honorable Edmund Platt,
Vice Governor, Federal Reserve Board,
Washington, D. C.

Encl.

Mr. Riefler
Smead
Collier

FEDERAL RESERVE BANK
OF NEW YORK

CONFIDENTIAL

September 12, 1930

Mr. E. A. Goldenweiser,
Director, Division of Research and Statistics,
Federal Reserve Board,
Washington, D. C.

Dear Mr. Goldenweiser:

Enclosed is a report of open market operations for the period from September 4, 1930 to September 10, 1930 inclusive, together with data received from Federal reserve banks.

Very truly yours,

W. B. Matteson

W. B. Matteson
Assistant Deputy Governor

Encl.

FOR SPECIAL CIRCULATION

PLEASE D PROMPTLY, INITIAL AND RET TO SECRETARY'S OFFICE

Gov. Young Mr. Hamlin Mr. James
Mr. Platt Mr. Miller Mr. Cunningham Mr. Pole

FEDERAL RESERVE BANK
OF NEW YORK

CONFIDENTIAL

September 12, 1930

Dear Mr. Platt:

Enclosed is a report of open market operations for the period from September 4, 1930 to September 10, 1930 inclusive, together with data received from Federal reserve banks.

Very truly yours,

W. B. Matteson
Assistant Deputy Governor

Honorable Edmund Platt,
Vice Governor, Federal Reserve Board,
Washington, D. C.

Encl.

9/13/30

CONFIDENTIAL

REPORT OF OPEN MARKET OPERATIONS WEEK ENDED SEPTEMBER 10, 1930

Holdings of Earning Assets of Federal Reserve Banks from September 11, 1929 to Date
(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES Outright Purchases	GOVERNMENT SECURITIES Sales Contracts	BANKERS ACCEPTANCES Outright Purchases	BANKERS ACCEPTANCES Sales Contracts	BILLS DISCOUNTED
-1929-						
Sept. 11	$1,370,273	$127,182	$31,835	$137,324	$84,905	$ 972,927
Sept. 25	1,375,467	125,973	26,086	179,449	84,485	944,399
Oct. 30	1,648,742	259,848	32,840	310,774	29,111	991,038
Nov. 27	1,514,460	322,063	4,035	250,044	7,271	912,349
Dec. 31	1,547,517	487,292	23,295	236,974	155,235	632,421
-1930-						
Jan. 29	1,154,379	476,466	70	185,677	72,795	406,941
Feb. 26	1,138,522	477,610	5,145	232,521	66,785	342,781
Mar. 26	1,001,090	526,284	2,715	143,772	112,710	206,829
Apr. 30	982,225	527,124	2,385	161,846	47,718	233,452
May 28	958,776	529,450	320	130,066	45,494	247,046
June 25	916,038	576,560	410	94,735	7,578	231,505
July 30	911,554	576,323	45	127,965	2,797	197,101
Aug. 27	967,034	601,913	0	159,137	4,137	193,275
Sept. 3	1,012,271	601,639	405	160,087	10,308	231,260
Sept. 10	985,120	601,863	170	177,423	15,697	183,195

CHANGES IN EARNING ASSET HOLDINGS (EXCLUSIVE OF SALES CONTRACTS)
DURING WEEK ENDED SEPTEMBER 10, 1930
(000 Omitted)

	GOVERNMENT SECURITIES Balance Sept.10	GOVERNMENT SECURITIES Net Change	BANKERS ACCEPTANCES Balance Sept.10	BANKERS ACCEPTANCES Net Change	BILLS DISCOUNTED Balance Sept.10	BILLS DISCOUNTED Net Change
Boston	$ 46,176	$ 1-	$ 19,980	$ 3,677+	$ 10,893	$ 3,204-
New York	187,946	200+	38,068	9,692+	26,122	37,453-
Philadelphia	52,252	0	0	0	18,033	1,540+
Cleveland	57,856	0	20,493	3,649+	13,140	2,361-
Richmond	16,983	0	10,156	1,382+	20,299	1,349-
Atlanta	12,721	21+	11,076	1,487+	30,703	1,438-
Chicago	81,128	0	18,159	5,711+	13,048	2,714-
St. Louis	23,899	0	10,327	1,441+	17,117	190+
Minneapolis	25,928	4+	7,698	323+	4,141	59+
Kansas City	28,736	0	12,128	1,865+	8,510	193-
Dallas	29,229	0	8,837	1,640+	13,968	438-
San Francisco	39,009	0	18,540	682+	7,221	704-
N. Y. holdovers and other bills			1,961	14,213-		
Totals	$601,863	$224+	$177,423	$17,336+	$183,195	$48,065-

COMMENT ON CHANGES WEEK ENDED SEPTEMBER 10, 1930

Total earning assets of the System showed a decrease of $27,151,000 for the current statement week. The changes by classification consisted of increases of $224,000 and $17,336,000 respectively, in outright purchases of government securities and bankers acceptances, and $5,154,000 net in sales contracts, and a decrease of $48,065,000 in bills discounted. The changes in investments held under sales contracts consisted of an increase of $5,389,000 in bankers acceptances and a decrease of $235,000 in government securities.

Money Market

At the opening of business on Thursday, September 4, the reserve balances of the large New York City banks were impaired to the extent of $6,000,000, but in the subsequent days funds have been placed at the disposal of the New York money market through a net inflow from other parts of the country, a retirement of currency from circulation, and a substantial increase in Reserve Bank bill holdings. In addition, there has been a decline in member bank reserve requirements. These developments have been sufficient not only to permit a reduction of New York City bank indebtedness to the low level prevailing during the latter part of August, but as well to convert bank reserves from the position of small deficit at the opening of the period to one of substantial surplus at the close of Wednesday, September 10.

Notwithstanding this accumulation of surplus bank reserves, call money has held at 2 1/2 per cent on the Exchange since the afternoon of Wednesday, September 3, and the only directions in which easier money has been evident have been in the outside market, where funds have been available at 2 per cent throughout most of the period, and in the market for Federal funds where the quotation has declined to 1 - 1 1/4 per cent from the 2 - 2 1/4 per cent rate in effect at the close of the previous period.

Time money bid and asked quotations continued at the level in effect at the close of the previous week. Trading activity was reported to have been of small proportions, with loans for 90 days made at 2 3/4 per cent, and loans for 4 and 6 months, which carry beyond the year-end, made at 3 and 3 1/4 per cent respectively.

No significant change has occurred in the market for commercial paper. A large potential demand exists for prime names, but sales have been small due principally to the inability of dealers to acquire sufficient supplies. The rate for prime material continues to be 3 per cent, with names not so well known quoted at 3 1/4 and 3 1/2 per cent.

Government Security Market

The market for United States Government securities, which had been dull and inactive for the past few weeks, continued to show no improvement for the greater part of the current statement week. However, following the Secretary of the Treasury's announcement of the new issue of one year 2 3/8 per cent certificates of indebtedness and the calling for payment on March 15, 1931, of the Series A and B - 3 1/2 per cent Treasury notes, there was more interest shown in the demand for government securities which, on the last day of the statement week developed into a strong market, especially for the Fourth 4 1/4s which were traded in large volume. While prices declined fractionally in the early part of the week, there was an upturn later in the week for all issues with the exception of the called Treasury notes and the closing prices for the week showed small fractional gains in most instances.

Dealers' Offering Prices at the Close of the Current Statement Week and Net Changes from the Close of the Previous Statement Week

Issue		Price	Net Change	Approx. Yield
3 1/4% Cert. of Ind. due	Dec. 15, 1930	100 14/32	-1/32	1.52
2 7/8% " " " "	June 15, 1931	100 18/32	- - -	2.11
3 1/2% Treasury Notes "	Mar. 15, 1932*	100 24/32	-2/32	2.00
3 1/2% " " "	Sept. 15, 1932*	100 24/32	-2/32	2.00
3 1/2% " " "	Dec. 15, 1932	100 30/32	+2/32	2.23
Treasury Bills "	Nov. 17, 1930	2% - 1 5/8% discount		

*Called March 15, 1931

Closing Prices in New York Stock Exchange at the Close of the Current Statement Week and Net Changes from Close of the Previous Statement Week

Issue	Price	Net Change	Issue	Price	Net Change
1st 3 1/2s	101	+2/32	Treas. 4s 1944-54	107 29/32	-3/32
1st 4 1/4s	102 2/32	- - -	" 4 1/4s 1947-52	112 16/32	-3/32
4th 4 1/4s	103	+2/32	" 3 3/4s 1946-56	105 26/32	-6/32
			" 3 3/8s 1943-47	101 27/32	+4/32
			" 3 3/8s 1940-43	101 13/32	+1/32

Bankers Acceptances

Dealers' offerings of bankers acceptances continued at the following rates during the current statement week: 1 7/8 per cent for 30s, 60s and 90s; 2 per cent for 120s and 2 1/4 per cent for 180-day bills.

Reports week ending Sept. 10

Boston reports that while there was no material change in the local bill market conditions in its district, there was a slight increase in the supply of new bills during the past period. Although bills sold by dealers showed a good increase, most of the bills were sold for foreign account, local banks being poor buyers. Dealers continued to forward most of their 90-day bills to New York, making it necessary to import bills to fill orders for short maturities. In New York the bill market was slightly more active this week. Dealers' purchases and sales were both moderately larger than last week but their purchases exceeded sales slightly. Call money was slightly firmer during the week and the Reserve Bank purchased fairly substantial amounts of bills from banks for System Account, but offerings from dealers were very light. Philadelphia reports its acceptance market somewhat better. More new bills were made in its district than for some time, dealers reporting portfolios slightly higher. The demand continued light. Chicago reports that its bill market continued very dull with no excess supply and very little demand. Dallas reports that there was practically no change in its bill market during the past week, as compared with the previous week. There was no demand for bills and no offerings to the Reserve Bank.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

Transactions consummated under Treasury authorization during the current statement week were as follows:

Sale of $1,000,000	Fourth 4 1/4% Liberty Loan bonds, account Government Life Insurance Fund
200,000	- 3 1/2% Treasury notes due December 15, 1932, account Alien Property Custodian
25,000	- Fourth 4 1/4% Liberty Loan bonds, account German Special Deposit Account
$1,225,000	- Total Sales

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

Transactions during the current statement week consisted of an exchange of

$6,000,000 Fourth 4 1/4% Liberty Loan bonds

for a like par amount of shorter term government issues. This exchange did not affect the total holdings in the System Account which remained at the close of business Wednesday, September 10, at $402,300,000. The participation by Federal reserve banks and the classification of issues in the Account at the close of the statement week were as follows:

PARTICIPATION BY FEDERAL RESERVE BANKS

Boston	$ 45,472,500
New York	73,851,000
Philadelphia	37,245,000
Cleveland	47,690,000
Richmond	15,830,500
Atlanta	10,146,500
Chicago	61,201,000
St. Louis	15,274,000
Minneapolis	18,248,500
Kansas City	28,733,000
Dallas	19,241,000
San Francisco	29,367,000
Totals	$402,300,000

RECAPITULATION OF HOLDINGS BY MATURITIES

Sept. 15, 1930 - Treas. Bills	$ 6,985,000
Nov. 17, 1930 - " "	17,214,000
Sept. 15, 1930 - 3 1/8% C/I	27,215,000
Dec. 15, 1930 - 3 1/4% "	69,325,000
June 15, 1931 - 2 7/8% "	68,131,000
Mar. 15, 1932 - 3 1/2% T/N	55,114,100
Sept. 15, 1932 - 3 1/2% "	109,306,000
Dec. 15, 1932 - 3 1/2% "	35,411,900
Oct. 15, 1938 - 4th 4 1/4% L/L	13,598,000
	$402,300,000

ITEMIZED STATEMENT OF TRANSACTIONS IN GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES AFFECTING THE INVESTMENT ACCOUNT OF ALL FEDERAL RESERVE BANKS FROM SEPTEMBER 4 TO SEPTEMBER 10, 1930, INCL.

GOVERNMENT SECURITIES - SYSTEM INVESTMENT ACCOUNT

	Purchases	Sales
Boston	$ 678,000	$ 678,000
New York	1,101,500	1,101,500
Philadelphia	555,500	555,500
Cleveland	711,000	711,000
Richmond	236,500	236,500
Atlanta	151,000	151,000
Chicago	912,500	912,500
St. Louis	228,000	228,000
Minneapolis	272,500	272,500
Kansas City	428,500	428,500
Dallas	287,000	287,000
San Francisco	438,000	438,000
Totals	$6,000,000	$6,000,000

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	Purchases	Issue	Sales	Issue
Boston	0	-	$ 1,000	-
New York	700,000	Misc. Gov't Sec.	500,000	Misc. Gov't Sec.
Atlanta	145,000	" " "	124,350	" " "
Minneapolis	357,850	" " "	354,100	" " "
Totals	$1,202,850		$979,450	

BANKERS ACCEPTANCES
(000 Omitted)

	Holdings Sept. 3	Purchased Own Mkt.	By Allotment from New York	Maturities & Sales	Holdings Sept. 10	Other Holdings Close Sept. 10/30: Sales Contracts	Other Holdings Close Sept. 10/30: Other Bills
Boston	$ 16,303	$ 580 R.	$ 4,303	$ 1,206	$ 19,980	$ 2,102	$ 79
New York	28,376	13,627 " 40,484 A.	0	3,935	38,068	12,554	352
Phila.	0	0	0	0	0	0	104
Cleve.	16,844	0	6,009	2,360	20,493	0	107
Richmond	8,774	0	3,370	1,988	10,156	0	45
Atlanta	9,589	550 R.	3,468	2,531	11,076	0	606
Chicago	12,448	100 "	8,828	3,217	18,159	1,041	144
St. Louis	8,886	0	2,959	1,518	10,327	0	39
Minn.	7,375	0	1,927	1,604	7,698	0	25
Kan. City	10,263	0	3,500	1,635	12,128	0	32
Dallas	7,197	0	2,396	756	8,837	0	32
San Fran.	17,858	100 "	3,724	3,142	18,540	0	74
Totals	$143,913	$55,441	$40,484	$23,892	$175,462	$15,697	$1,639

Bills held overnight by New York for distribution to other Fed. Res. banks - 322

Total - - - - - -$1,961

NOTE: R. indicates Retained and A. indicates Allotted in the above statement.

MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDING SEPTEMBER 10, 1930
(000 Omitted)

	1-30 days 1 7/8%	31-60 days 1 7/8%	61-90 days 1 7/8%	Over 90 days -	Total
Boston	$ 215	$ 265	$ 100*	0	$ 580
New York	15,566	27,578**	10,967**	0	54,111
Atlanta	220	191	139*	0	550
Chicago	0	100	0	0	100
San Francisco	0	0	100	0	100
Totals	$16,001	$28,134	$11,306	0	$55,441

*Purchased at 1 7/8 - 2%
**Purchased at 1 7/8 - 2 1/8%

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES DURING WEEK ENDING SEPTEMBER 10, 1930
(000 Omitted)

(Excluding Sales Contracts)

	Government Securities	Bankers Acceptances	Total
Purchased	$ 7,203	$55,441	$62,644
Sold	6,979	0	6,979
Matured	0	17,658	17,658
		$37,783+	$38,007+
		14,213-(Net Change 1-day holdover & other bills)	14,213-(Net Change 1-day holdover & other bills)
Totals	$ 224+	$23,570+	$23,794+

HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES SEPTEMBER 10, 1930
(000 Omitted)

(Including Sales Contracts)

	Within 15-days	16-30 days	31-60 days	61-90 days	91 days-6 months	Over 6 months	Total
Gov't Securities	$34,938	$ 0	$ 0	$17,214	$86,321	$463,560	$602,033
Bills Purchased	54,173	74,508	51,666	12,750	23	0	193,120
Totals	$89,111	$74,508	$51,666	$29,964	$86,344	$463,560	$795,153