

333-6-2  
Final minutes

9/10/26

MINUTES OF JOINT MEETING OF THE OPEN MARKET INVESTMENT COMMITTEE  
AND THE FEDERAL RESERVE BOARD HELD IN WASHINGTON, FRIDAY, SEPTEMBER 10, 1926

**Present:**

Governor Crissinger  
 Vice Governor Platt  
 Mr. Hamlin  
 Mr. James  
 Dr. Miller  
 Mr. Cunningham  
 Mr. McIntosh`

Members of the Board

Acting Chairman Case  
 Governor Harding  
 Governor McDougal  
 Governor Norris  
 Mr. F. J. Zurlinden, Deputy Governor of the  
 Federal Reserve Bank of Cleveland,  
 representing Governor Fancher

Members of the Committee

Under Secretary of the Treasury Winston  
 Mr. Matteson, Secretary  
 Mr. Noel  
 Mr. Goldenweiser  
 Mr. McClelland

The meeting was called to order at 11:00 o'clock a. m. by  
 Governor Crissinger.

On motion, it was

VOTED to dispense with the reading of the minutes of  
 the last meeting of the Committee held on August 17, 1926.

The report of the Secretary with accompanying exhibits was presented.

The report of the Chairman of the Committee was presented and read  
 and there followed a full discussion of the contents of the report and of the  
 credit situation generally. It was the sense of the meeting that the recent  
 sale to the Treasury from the System Account of about \$40,000,000 Third Liberty  
 Loan bonds had served a useful purpose in making effective the recent change in  
 the New York discount rate. Mr. Goldenweiser pointed out that a sale of this  
 character with its attendant calls by the Treasury on all depository banks  
 tended to spread more evenly the discounts throughout the Federal Reserve System.

Trans letter 9/14/26 filed 333-6-2

- Revised minutes -

2

It was the sense of the meeting that the open market account should be maintained, for the present, at about the present level, and upon motion, duly seconded, the Committee

VOTED that the open market account should be maintained for the present at \$200,000,000 or thereabouts, with the understanding that the Committee could, in its discretion, increase or decrease the account by not more than \$50,000,000.

It was also understood that in the event of further gold imports for the account of foreign correspondents, we should continue to furnish them with securities from the Special Account as heretofore, thus offsetting the effect of the gold imports.

Mr. Winston referred briefly to the Treasury financing and stated that there probably would be a temporary overdraft of approximately \$200,000,000 on September 15 to be carried by the reserve banks, which would run four or five days only. In the same connection Mr. Case stated, that owing to the fairly heavy discounts at the New York bank it would probably be unnecessary to sell any considerable amount of Government securities to New York member banks over the tax period.

Mr. Case reported on the condition of the foreign accounts stating the changes which had occurred since the last meeting of the Committee.

On motion, the meeting adjourned at 1 p. m.

(Signed) W. B. Matteson

Secretary