

C O P Y

CONFIDENTIAL

ACTION TAKEN BY FEDERAL OPEN MARKET COMMITTEE OCTOBER 23, 1935, WITH
RESPECT TO OPERATIONS IN THE SYSTEM SPECIAL INVESTMENT ACCOUNT

After a brief discussion of the authority which it was necessary to give the executive committee in order to replace maturities from time to time in the System Account, and in order to make shifts in maturities to meet changing market conditions, it was unanimously

VOTED that superseding previous authorizations, the executive committee be authorized to make shifts between maturities of government securities up to \$500,000,000, provided that the amount of securities maturing within two years be maintained at not less than \$1,000,000,000 and that the amount of bonds be not over \$500,000,000.

After discussion as to further authority which should be given to the executive committee in order to keep the committee in a position to act promptly if any occasion for action arose due to causes not now foreseen, it was

VOTED that the executive committee be authorized to buy or sell up to \$250,000,000 of Government securities subject to telegraphic approval of a majority of the Federal Open Market Committee and the approval of the Board of Governors of the Federal Reserve System.