

At a regular meeting of the Federal Reserve Board held in the office of the Board at 11:00 a. m., on Tuesday, November 30,

## PRESENT:

Mr. Hamlin, presiding Mr. Harding

Mr. Delano Mr. Miller

Mr. Warburg Mr. Willis, Secretary.

Mr. Warburg reported on behalf of the committee which had been directed to investigate the present condition of the Gold Settlement Fund. He had had a conversation with Governor Strong of New York over the telephone, and reported that Governor Strong was today telegraphing the other banks that he would henceforward make settlement as usual both for past balances and for future balances, but admonishing them that they must not speculate in exchange. Governor Strong had warned them to this effect in the past. The danger lay in the possibility that in course of settling he would be left with a stock of cash consisting too largely of silver and silver certificates.

General discussion of the conditions existing at New York ensued, and the status of the clearing fund was discussed at some length. After all phases of the subject had been canvassed, it was agreed to wire each bank as follows:

"Please advise in your settlement telegram what amounts, if any, you have authorized other Federal Reserve Banks to withhold from your account, and if any is carried over from last settlement."

(Signed) Assistant Secretary.

The following telegram was also sent to each Federal Reserve Agent:

November 30, 1915.

Because of the situation which led the Federal Reserve Bank of New York, under date of November 24, to request the withholding from settlement of certain sums due from it to other Federal reserve banks, the Board is asking all Federal reserve banks to give, for its information, an approximate estimate of the proportion of reserve payments made to your bank on November 16th in New York exchange. The Board also wishes to be informed concerning the nature and extent of purchases of New York exchange during last thirty days made in excess of your ordinary requirements and other than those made for reserve payments.

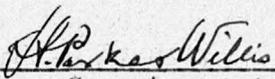
WILLIS,  
Secretary.

Mr. Delano presented a letter from Mr. Warburg with reference to the question of making a permanent appointment of a settling agent for the Gold Fund. After discussion the letter was ordered filed.

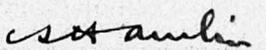
Sundry questions tentatively suggested by the Joint Committee on Rural Credits for submission to the Board, were taken under advisement, and a draft thereof was ordered referred to Mr. Harding for consideration and report.

A letter written by Secretary of Commerce Redfield to Secretary of the Treasury McAdoo, with reference to certain reports on banking in South America, prepared by Mr. Lough, was read and after discussion, the matter was referred to Mr. Warburg and Mr. Hamlin.

On motion at 12:30 p. m. the Board adjourned to meet at 11:00 a. m. on Wednesday, December 1.

  
Secretary.

APPROVED:

  
Chairman.