

At a meeting of the Executive Committee of the Federal Reserve Board with certain others held in the office of Assistant Secretary of the Treasury Leo S. Rowe, on Thursday, October 11, at 12 o'clock noon,

PRESENT:

Mr. Warburg, Mr. Miller,
Mr. Rowe, Mr. Strauss,
Mr. Willis, Secretary.

Present also, Mr. Henry Bruere, of the American Metals Co., Mr. Loeb, of the American Smelting & Refining Co.

Mr. Rowe stated the substance of a cablegram which had been received from the American Ambassador relative to the gold requirements of the Mexican Government, and Mr. Bruere placed before the Conference the following statement of the gold requirements of the Mexican Government:

MEXICO.

PROGRAM OF GOVERNMENTAL AND COMMERCIAL NEEDS.

1. Governmental needs.

| | | | |
|---|-------------|-------------|-------------|
| (1) Purchase of 6,000,000 silver pesos, approximately | | <u>Gold</u> | \$4,000,000 |
| (2) For monetary reorganization, | first month | | 5,000,000 |
| | second " | | 4,000,000 |
| | third " | | 4,000,000 |
| | fourth " | | 4,000,000 |
| | fifth " | | 3,000,000 |

| | | |
|--------------------------------|--|-------------|
| (3) Needs of Mexican Treasury, | | <u>Gold</u> |
| | First month | \$5,000,000 |
| | second month | 5,000,000 |
| | third and suc- ceeding months | |
| | until balance of trade is in favor of U.S. | 2,500,000 |

II. Commercial needs.

The Federal Reserve Board will issue gold export licenses to an amount not exceeding,

| | |
|--------------|-------------|
| First month | \$5,000,000 |
| Second month | 5,000,000 |
| Third " | 3,000,000 |
| Fourth " | 2,500,000 |

These licenses shall cover actual commercial transactions.

General discussion ensued, but no action was taken.

At 1.00 p.m., the Conference adjourned.

APPROVED:

H. Parker Willis
Chairman.

Chairman.

(1)

(1) \$5,000,000

(2) \$5,000,000

(3) \$3,000,000

(4) \$2,500,000

(5) \$2,500,000