

At a regular meeting of the Federal Reserve Board, held in the office of the Board on Friday, April 5, 1918, at 11 A. M.,

PRESENT:

Mr. Harding, presiding, Mr. Delano,
 Mr. Warburg, Mr. Willis, Secretary.
 Mr. Miller,

The minutes of the meeting of the Board held on April 3 were read and, on motion, approved.

The minutes of the meeting of the Executive Committee, held on April 4, were read and, on motion, approved, and the action therein set forth ratified.

The minutes of the meetings of the Gold Export Committee, held on April 4 and 5, were presented and, on motion, approved, and the action therein set forth ratified.

The minutes of the meeting of the Capital Issues Committee, held on April 1, were presented and, on motion, approved, and the action therein set forth ratified.

The minutes of the meeting of Committee No. 4, held on April 4, were read and, on motion,

approved.

Discount rate changes at Federal Reserve Banks were taken up for consideration and letters relating to suggested changes were read.

On motion, there were approved:

15-day collateral commercial paper rates as follows:

Boston.....	4%	St. Louis.....	4%
New York.....	4%	Richmond.....	4%
Philadelphia..	4%	Kansas City...	4%
Atlanta.....	4%		

16-60 days maturities:

Boston.....	4 3/4%	Atlanta.....	4 3/4%
New York.....	4 3/4%	Chicago.....	4 3/4%
Philadelphia..	4 3/4%	St. Louis...	4 3/4%
Richmond.....	4 3/4%	Kansas City.	4 3/4%

61-90 days maturities:

Boston.....	4 3/4%	Atlanta.....	4 3/4%
New York.....	4 3/4%	St. Louis...	4 3/4%
Philadelphia..	4 3/4%	Kansas City.	4 3/4%
Richmond.....	4 3/4%		

Over 90 days maturities:

Boston.....	5%	Atlanta.....	5%
New York.....	5%	St. Louis...	5%
Philadelphia..	5%	Kansas City.	5%

Member bank 15-day collateral notes secured by Liberty Loan obligations:

Boston.....	4%	Atlanta.....	4%
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New York.....	4 $\frac{1}{2}$ %	Chicago.....	4 $\frac{1}{2}$ %
Philadelphia...	4 $\frac{1}{2}$ %	St. Louis...	4 $\frac{1}{2}$ %
Richmond.....	4 $\frac{1}{2}$ %	Kansas City.	4 $\frac{1}{2}$ %

Notes secured by bonds and certificates 16-90 days:

Boston.....	4 $\frac{1}{2}$ %	Atlanta.....	4 $\frac{1}{2}$ %
New York.....	4 $\frac{1}{2}$ %	Chicago.....	4 $\frac{1}{2}$ %
Philadelphia..	4 $\frac{1}{2}$ %	St. Louis...	4 $\frac{1}{2}$ %
Richmond.....	4 $\frac{1}{2}$ %	Kansas City.	4 $\frac{1}{2}$ %

Trade acceptances 1-60 days:

Boston.....	4 $\frac{1}{2}$ %	Atlanta.....	4 $\frac{1}{2}$ %
New York.....	4 $\frac{1}{2}$ %	Chicago.....	4 $\frac{1}{2}$ %
Philadelphia..	4 $\frac{1}{2}$ %	St. Louis...	4 $\frac{1}{2}$ %
Richmond.....	4 $\frac{1}{2}$ %	Kansas City.	4 $\frac{1}{2}$ %

Trade acceptances 61-90 days:

Boston.....	4 $\frac{1}{2}$ %	Atlanta.....	4 $\frac{1}{2}$ %
New York.....	4 $\frac{1}{2}$ %	Chicago.....	4 $\frac{1}{2}$ %
Philadelphia..	4 $\frac{1}{2}$ %	St. Louis...	4 $\frac{1}{2}$ %
Richmond.....	4 $\frac{1}{2}$ %	Kansas City.	4 $\frac{1}{2}$ %

Open Market rate:

Minimum of 4% in all banks.

Thereupon the general rate schedule was ordered approved as follows:

DISCOUNT RATES IN EFFECT APRIL 5, 1918.

M A T U R I T I E S

D i s c o u n t s

	Within 15 days, including mem- ber bank's col- lateral notes.	16 to 60 days	61 to 90 days.	Agricul- tural & livest'k over 90	Secured by U.S. cts or L. L. bonds.	Trade Accept.		
					Within 15 days, including mem- ber banks col. notes.	16 to 90 ds	1 to 60 days inc.	61 to 90 days inc.
Boston.....	4	4-3/4	4-3/4	5	4	4½	4½	4½
New York.....	4	4-3/4	4-3/4	5	4	4½	4½	4½
Philadelphia.....	4	4-3/4	4-3/4	5	4	4½	4½	4½
Cleveland.....	-	-	-	-	-	-	-	-
Richmond.....	4½	4-3/4	4-3/4	5	4	4½	4½	4½
Atlanta.....	4	4-3/4	4-3/4	5	4	4½	4½	4½
Chicago.....	-	4-3/4	-	-	4	4½	4½	4½
St. Louis.....	4	4-3/4	4-3/4	5½	4	4½	4½	4½
Minneapolis.....	-	-	-	-	-	-	-	-
Kansas City.....	4	4-3/4	4-3/4	5	4	4½	4½	4½
Dallas.....	-	-	-	-	-	-	-	-
San Francisco.....	-	-	-	-	-	-	-	-

572

The approval of further rates in line with the foregoing was referred to the Executive Committee with power to act.

On motion, the rates thus fixed were ordered effective upon the signing of the War Finance Corporation bill by the President.

The publication of the Attorney General's recent opinion on the question of service charges and clearing was discussed but no action taken.

On motion, the opinion of Mr. J. P. Cotton, re the amount of reserves in outlying banks in reserve cities, was ordered transmitted to the Federal Reserve Bank of New York.

A report of Committee No. 1, dated April 4, re changes in the collection and service charge system in Federal Reserve banks, was read and, on motion, accepted, subject to the following changes:

No. 1, approved, the date of suspending service charges, however, to be June 15.

No. 2, approved, but insert the words "on the collection of checks" after the words "service charges".

No. 3, approved.

No. 4, approved, but insert instead of the words "shall be based upon the 15-day discount rate", "shall be approximately based as a minimum upon the 15-day discount rate."

No. 5, approved.

No. 6, approved.

No. 7, approved, but add at the end of No. 7
"provided that bankers' acceptances be
handled wherever possible as cash itmes."

The remainder of the report was approved.

Reports of Committees were approved as
follows:

No. 2.

Applications of state institutions for admis-
sion upon conditions named in each case by the Com-
mittee, as follows:

Glen Ridge Trust Co., Glen Ridge, N. J.
72 shares in the Federal Reserve Bank of N. Y.

Ithaca Trust Co., Ithaca, N. Y.
180 shares in the Federal Reserve Bank of N. Y.

Cambridge Trust Co., Chester, Pa.
225 shares in the Federal Reserve Bank of Phila.

Union Savings & Trust Co., Cincinnati, O.
1,800 shares in the Federal Reserve Bank of Cleveland.

Central Illinois Trust & Savings Bank, Mattoon, Ill.
90 shares in the Federal Reserve Bank of Chicago.

Marathon County Bank, Wausau, Wis.
84 shares in the Federal Reserve Bank of Chicago.

Flatonía State Bank, Flatonía, Texas.
25 shares in the Federal Reserve Bank of Dallas.

First State Bank, Normangee, Texas.
30 shares in the Federal Reserve Bank of Dallas.

Guaranty Bank & Trust Co., Beaumont, Texas.
66 shares in the Federal Reserve Bank of Dallas.

St. Anthony Bank & Trust Co., St. Anthony, Idaho.
24 shares in the Federal Reserve Bank of San Francisco.

Farmers State Bank, St. John, Washington.
17 shares in the Federal Reserve Bank of San Francisco.

No. w.

Declining the application of Charles C. MacGill
and approving that of E. E. Ames under the Clayton Act.

Recommending action on applications for fiduciary
powers as follows:

Applications granted:

Union Commerce National Bank, Cleveland, power
as registrar of stocks and bonds.

Applications suspended:

First National Bank, Whitehall, Montana.
Montana National Bank, Billings, Montana.
First National Bank, Fayetteville, Arkansas.

A letter from the Connecticut Bankers Association, inviting Mr. Harding to attend the annual convention, was read and Mr. Harding authorized to attend at the expense of the Board if deemed best by him.

A letter from the Federal Reserve Bank of New York, re registration of Government bonds, was read and referred to Mr. Harding for further inquiry.

A letter of W. N. Kiehnle in favor of deferred classification for Mr. John Heemsath, was read

and approved for transmission.

Mr. Harding read a memorandum from Mr. Hamlin favoring the appointment of Mr. Thompson as assistant secretary of the Board.

On motion, at 1 P. M., the Board adjourned.

APPROVED:

A. P. K. Willis
Secretary

Chairman