

At a meeting of the Executive Committee of the Federal Reserve Board held in the office of the Governor on Saturday, June 22, 1918, at 3:15 P.M.,

PRESENT:

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

Governor Harding presented business as follows:

The question of quarters for the Division of Foreign Exchange in New York was discussed and a report prepared by Mr. F. I. Kent, Director of Foreign Exchange, was read and on motion it was voted that Mr. Kent be authorized to engage quarters in the Equitable Trust Company building in accord with the plan set forth in the report.

Mr. Kent was instructed to send to banks a form of inquiry relating to foreign exchange profits, which form was submitted in a letter from Mr. Kent.

A resolution, proposed by Mr. Hamlin and referred to the Executive Committee of the Board for the insertion of minor modifications, if any, with respect to public expressions of members as to the opinion of other members on matters not formally passed on by the Board was read and approved for action without change.

It was voted to inform Governors of Reserve banks that the Board wishes to consult with them mainly on questions affecting the sale of Treasury certificates and related matters, clearings, branches and foreign exchange, in Washington on July 1st and the following days.

A dividend at the rate of 6% for the Federal Reserve Bank of Richmond for the period January 1 to June 30, 1918, was authorized.

A letter from Assistant Secretary Leffingwell transmitting a letter from Governor Seay regarding the organization for placing the Third Liberty Loan was read; also a letter from Governor Seay dated June 18th re a statement as to the rendering of aid by Federal Reserve banks in placing Treasury certificates. General discussion of discount rates ensued. It was voted to say to Governor Seay that no general public statement at this time is expedient; the Governor to advise him accordingly.

A confidential telegram from Governor Wold of Minneapolis re the location of the financing of the coming grain crop was read and it was agreed to say that the telegram will be forwarded to the U. S. Food Administration.

