

At a meeting of the Executive Committee of the Federal Reserve Board held in the office of the Board on Wednesday, July 2, 1919, at 11 A.M.,

PRESENT: The Governor
Mr. Strauss
Mr. Broderick, Secretary.

Business was presented and disposed of as follows:

The Governor read draft by General Counsel of proposed form of amendment to Section 5200, authorizing, with certain limitations, the discount of paper secured by shipping documents or warehouse receipts covering readily marketable, non-perishable agricultural staples.

Approved as amended.

Letter dated June 30th from the Chairman of the Federal Reserve Bank of Atlanta, submitting for approval recommendations of increases in salaries of officers and employees of the Federal Reserve Bank of Atlanta and its branches and agency.

Approved subject to check by Secretary.

Letter dated June 27th from the Chairman of the Federal Reserve Bank of Richmond, submitting for approval recommendations of increases in salaries of officers and employees of that Bank and its Baltimore Branch.

Approved, subject to check by the Secretary.

Memorandum by General Counsel dated July 2d, submitting for approval, draft of proposed form of amendment to Section 5202

of the Revised Statutes of the United States, based upon a recommendation of the Federal Advisory Council that such section be amended in order to except from its limitations accepted bills of exchange actually owned by a bank and rediscounted at home or abroad.

Approved, subject to approval by the Comptroller of the Currency.

The Governor reported rediscount transaction, pursuant to authority heretofore vested in him: member bank promissory notes secured by Government obligations; rate 4% on paper secured by certificates of indebtedness and 4¹/₄% on paper secured by Liberty bonds or Victory notes, as follows:

<u>Date</u>	<u>Bank Rediscounting</u>	<u>With</u>	<u>Amount</u>	<u>Maturities</u>
July 2d	Richmond.....	(Minneapolis	\$10,000,000	11-15 days
		(Chicago	5,000,000	"

Noted.

The Governor reported the purchase of special 2% certificates of indebtedness of the United States for deposit with the Comptroller of the Currency as collateral for Federal Reserve bank notes, as follows:

<u>For Federal Reserve Bank of:</u>	<u>Date</u>	<u>Amount</u>
Richmond	July 1, 1919	\$100,000

Approved.

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Letter dated June 30th from the Chairman of the Federal Reserve Bank of Boston, requesting authority to appoint Mr. William D. McRae as Acting Assistant Federal Reserve Agent to serve as such until Mr. Charles F. Gettemy reports for duty as Assistant Federal Reserve Agent.

Approved, upon understanding that Mr. McRae give bond in amount similar to that given by Mr. Spear.

Telegram dated July 2d from the Secretary of the Federal Reserve Bank of Chicago, submitting application of the Continental and Commercial National Bank of Chicago, for authority to purchase 2,000 shares of the capital stock of the Mercantile Bank of the Americas of New York.

Approved.

The Governor reported the reserve positions of the various Federal Reserve Banks.

Noted.

Letter dated June 26th from the Director, Division of Analysis and Research, recommending the continuation in modified form of the gathering of statistics relating to foreign exchange. Reference was had to the meeting of the Executive Committee held on June 25th, at which time it was voted as the sense of the meeting that the cooperation of banks and such foreign exchange dealers as will agree to cooperate with the Board should

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be obtained in continuing in simplified form statistics relating to foreign exchange, and that the Director of the Division of Analysis and Research prepare for the signature of the Governor a letter inviting such cooperation.

Voted that the Board do not require the furnishing of such statistics by any one; voted further that, in order to avoid misconception that might lead to the impression that the Board having discontinued its regulations calling for statistical reports, is immediately thereafter making further requirements, letters requesting such statistics be sent out in the name of the director of the Division of Analysis and Research rather than of the Board proper; voted further that, in view of the certain objection that would arise to furnishing such information, banks be not requested to report securities held in the United States for foreign account; voted further that inasmuch as Assistant Secretary of the Treasury Leffingwell feels strongly that it would be a great mistake to publish at the present time statistics bearing on foreign balances, and in view of the fact that the Director of the Division of Analysis and Research will leave shortly for an extended absence, the entire question of the securing of the data contemplated by Mr. Willis' letter be deferred until his return in the fall.

REPORTS OF COMMITTEE NO. 1:

Dated July 2d, recommending admission of State institutions as set forth in the auxiliary minute book as of this date, subject to the conditions stated in the individual reports attached to each application.

Approved.

Dated July 2d, recommending action on applications for fiduciary powers as set forth in the auxiliary minute book as of this date.

Approved.

At 12-25 P.M., the meeting adjourned.

J. A. Broderick
Secretary.

Approved:

[Signature]
Governor.