

At a special meeting of the Federal Reserve Board held in the office of the Board on Saturday, March 27, 1920, at 11 A.M.,

PRESENT: The Governor
Mr. Miller
Mr. Hamlin
Mr. Moehlenpah
Mr. Williams
Mr. Chapman, Secretary.

Business was presented and disposed of as follows:

Letter dated March 24th from the Governor, Federal Reserve Bank of Kansas City, advising that that Bank is in a position to dispose of certain United States four per cent bonds against which it has issued circulation, and requesting the views of the Board as to whether or not the Bank should take advantage of the opportunity to sell such bonds.

Voted that the Governor advise Governor Miller that the Board would favor disposition of the bonds at the price named by Governor Miller.

Letter dated March 26th from Mr. Fred E. Farnsworth of the Bankers' Statistics Corporation of New York, requesting that the Board give him an estimate of the present currency and credit inflation in the United States.

Referred to Mr. Willis and Mr. Jacobson for report.

On motion duly seconded, the Governor was requested to consult with General Counsel and to submit to the Board for

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approval, draft of letter to all Federal Reserve banks directing their attention to domestic acceptances, and requesting that they take precautions to see to it that the use of such acceptances is not abused.

Telegram dated March 26th from the Secretary of the Federal Reserve Bank of Chicago, requesting approval of the following rediscount rates, effective March 27th:

Rediscount of bankers acceptances.....	5-1/2%
Paper of all maturities, including member bank notes, secured by Liberty bonds and Victory notes.....	5-3/4%

Voted to approve the rate of 5-1/2% on rediscount of bankers acceptances, but to defer until the meeting of the Board to be held Tuesday, March 30th, consideration of the recommended increase in rate on paper secured by Liberty bonds and Victory notes.

(At this point Mr. Williams joined the meeting)

The Governor read a suggested amendment of the Board's reply to Senate resolution No. 328, stating that he had submitted the draft of reply heretofore approved by the Board to the Chairman of the Board, who was not present at the meeting approving same, and that the reply so approved was agreeable to the Chairman.

Voted to refer to the Governor and Mr. Miller for submission to the Board at its next meeting, a reply in final form.

Mr. Williams stated that as Comptroller of the Currency he was unable to have printed at the Government Printing Office

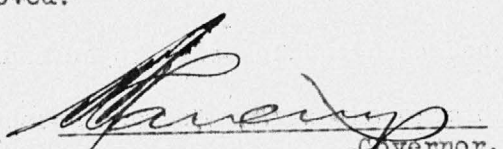
the report of condition of national banks as of the close of business December 31, 1919, and requested that the Board endeavor to secure such printing in connection with its publication of the reports of condition of member banks as of the same date.

Referred to the Governor with power, after consultation with General Counsel.

At 12-30 P.M., the meeting adjourned.


Secretary.

Approved:


Governor.