

At a meeting of the Federal Reserve Board held in the office of the Board on Friday, June 4, 1920, at 11 A.M.,

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

Minutes of meetings of the Board held June 3d were read, and on motion approved.

Business was presented and disposed of as follows:

The Governor stated that the Federal Reserve Agent at Boston had telephoned this morning that it is the desire of that Bank, in abolishing its discount rate on bankers' acceptances, to handle such acceptances at the commercial paper rate, and to preserve its open market rate on bankers' acceptances of 6%.

On motion duly seconded, the Governor was authorized to send the following telegram to Mr. Curtiss:

"With rates as approved by Board yesterday, bankers acceptances offered for rediscount would automatically take commercial paper rate except in cases where you deem paper to be of sufficient merit to justify you in purchasing same at lower rate for open market purchases, which latter rate was not abolished."

The Governor reported rediscount transaction, pursuant to authority heretofore vested in him; member bank promissory notes secured by Government obligations: rate 5-1/2% on paper secured by certificates of indebtedness, as

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follows:

<u>Date</u>	<u>Bank Redis-</u> <u>counting</u>	<u>With</u>	<u>Amount</u>	<u>Maturities</u>
June 3d	Chicago	New York	\$5,000,000	Within 15 days

Noted.

The Governor reported the reserve positions of the several Federal Reserve Banks as at close of business June 2d, and the status of rediscounts between Federal Reserve Banks as of the same date.

The Governor submitted for approval, draft of letter by him dated June 3d, addressed to the Governors of all Federal Reserve Banks, containing comments by the Board on recommendations made by the Governors at their conference with the Board, April 7-10, 1920.

Approved.

REPORTS OF COMMITTEE NO. 1:

Dated June 4th, 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.

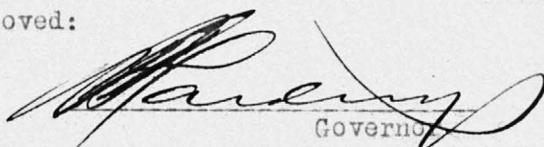
Approved.

Dated June 3d, recommending changes in stock at Federal Reserve Banks, as set forth in the auxiliary minute book as of this date.

Approved.

At 12-20 P.M., the meeting adjourned.

Approved:


Governor


Secretary.