

A meeting of the Federal Reserve Board was held in the office of the Board on Monday, November 8, 1920, at 11:05 a.m.

PRESENT: The Governor
Mr. Platt
Mr. Hamlin
Mr. Miller
Mr. Hoxton, Secretary.

Minutes of the meeting of the Board held November 4th were read and on motion approved, as amended.

Minutes of the meeting of the Executive Committee held November 5th were read, and on motion the action therein set forth was ratified.

The Governor reported the reserve positions of the several Federal Reserve banks as at close of business November 4th and 5th, and the status of rediscounts between the Federal Reserve banks as of the same dates.

The Governor reported rediscount transactions, member bank promissory notes secured by Government obligations; rates 7% and 7% on commercial paper, as follows:

<u>Date</u>	<u>Bank Redis-</u> <u>counting</u>	<u>With</u>	<u>Amount</u>	<u>Maturities</u>
Nov. 4	Atlanta	Cleveland	\$1,413,500.	10-90 days
Nov. 4	New York	(Philadelphia)	10,000,000.	- - - -
		(Cleveland)	15,000,000.	
Nov. 5	Dallas	Cleveland	5,000,000.	
Nov. 5	Minneapolis	Boston	1,000,000.	11-15 "
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Letters from Mr. Wills, dated November 5th, from Chicago, and November 6th, from Kansas City, briefly reporting to the Board

credit conditions in the Seventh and Tenth Districts.

Noted.

Letter dated November 5th from Governor McDougal, of the Federal Reserve Bank of Chicago, enclosing a recommendation of the Counsel of the Federal Reserve Bank of Chicago that that Bank pay the sum of \$3,000. to the next of kin of a certain young student who was killed by a private policeman in the employ of the Federal Reserve Bank of Chicago, while the said policeman was off duty.

The Governor was authorized to advise Governor McDougal that in view of the recommendation made by the Counsel of the Federal Reserve Bank of Chicago, the Board will approve the payment of \$3,000.

Letter dated November 5th from the Secretary of the Federal Reserve Bank of Cleveland, transmitting resolutions passed by the Board of Directors of the Federal Reserve Bank of Cleveland, setting forth certain conditions which the Federal Reserve Bank of Cleveland wishes to be observed by those other Federal Reserve Banks rediscounting with it.

The Governor was requested to advise all Federal Reserve Banks rediscounting with the Federal Reserve Bank of Cleveland of the latter's wish in this matter, further action being deferred.

Telegram dated November 8th, from Mr. P. H. Saunders, of New Orleans, stating that certain Southern bankers have organized a corporation under the so-called Edge Law, and requesting the Board's approval for one of the following names: Federal

Foreign Banking Company, United States Federal Banking Company, United States Foreign Banking Company, Federal International Banking Company.

Upon motion it was decided that the use of the term "United States" should be avoided in the titles of such corporations, but there would be no objection to the use of Federal International Banking Company, or Federal Foreign Banking Company of New Orleans, or such other title as might seem appropriate to the Governor, after consultation with the General Counsel.

Letter dated November 5th, from Mr. John H. Rich, Chairman of the Federal Reserve Bank of Minneapolis, advising of the pressure being felt by the Federal Reserve Bank of Minneapolis due to the demands of sixteen member banks in Minneapolis, St. Paul and South St. Paul, and inquiring if the Federal Reserve Agent would be justified in refusing to accept as collateral for Federal Reserve notes the rediscounted paper of such particular banks as may be borrowing from the Federal Reserve Bank in excessive amounts.

Upon motion the Governor was authorized to advise Mr. Rich that the Board is not disposed to adopt his suggestion, except possibly as a last resort; that the Board believes from the statement of facts submitted that the situation at the Federal Reserve Bank of Minneapolis calls for the application of progressive rates, using the present rate as the basic rate; that the Board will be glad to have the views of the Federal Reserve Bank of Minneapolis in this matter; and that the Board is of the opinion that regardless of pressure, the situation is one which must be controlled by the officers and directors of the Federal Reserve Bank of Minneapolis.

Letter dated November 6th from Acting Governor Case, of the Federal Reserve Bank of New York, giving an analysis of the recent large increase in borrowings from the Federal Reserve Bank of New York on the part of six New York member banks.

No action, it being understood that Governor Harding will make further inquiries into this matter while in New York next Wednesday.

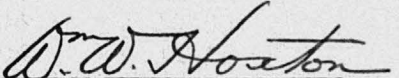
Letter dated November 5th, from Price, Waterhouse & Company, suggesting that, in all authorized forms for financial statements, the item sometimes appearing, without qualification, as "accounts receivable", should be separated so as to show the amount of "accounts receivable - customers - good and collectible" as distinct from all other "accounts receivable".

Upon motion the Governor was authorized to prepare a circular for the purpose of calling the above suggestion to the attention of such Federal Reserve Banks as may be issuing forms of financial statements not sub-divided as indicated.

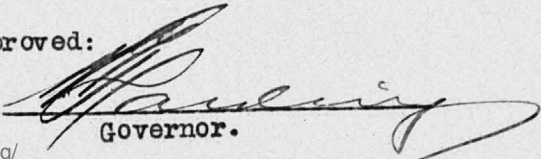
Mr. Hamlin reported that he had just completed an index digest of the first five volumes of the Federal Reserve Bulletin, and would soon be in a position to announce the completion of this work through the year 1920.

Upon motion, the matter of printing the index digest was referred to the Executive Committee with power.

At one o'clock the meeting adjourned.


Secretary.

Approved:


Governor.