

A meeting of the Federal Reserve Board was held in the office of the Federal Reserve Board on Wednesday, March 3, 1926 at 10:35 a.m.

PRESENT: Governor Crissinger
Mr. Hamlin
Mr. Miller
Mr. Cunningham
Mr. McIntosh
Mr. Eddy, Secretary
Mr. McClelland, Asst. Secretary
PRESENT ALSO: Mr. W. W. Stewart
Mr. Goldenweiser, Asst. Director of the
Division of Research & Statistics.

The Governor stated that the purpose of the meeting was to discuss with Mr. Stewart, who prior to January 31st was Director of the Board's Division of Research and Statistics, the first draft of the Board's Annual Report for the year 1925, mimeographed copies of which were distributed among the members of the Board several days ago.

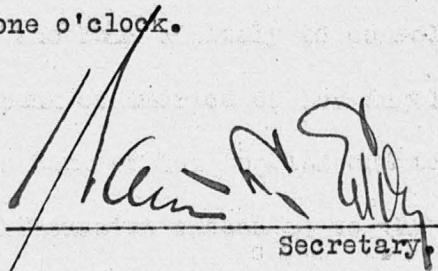
Mr. Stewart stated that the report had been prepared in consultation with the Governor and that he desired to have any suggestions or corrections the members of the Board might care to make which could be incorporated in the draft before it is sent to the printer for galley proof, after which the Board will have further opportunity for revision. He stated that he desired particularly criticism of the content and general structure of the report.

Thereupon ensued a discussion of various portions of the report during which Mr. Platt entered the meeting. Dr. Goldenweiser presented a revision of Pages 8 and 9 and of Pages 19 and 20 which were approved. Mr. Miller pointed out various sections with respect to discount rate and open market policy to which he dissented and stated that if the report were adopted in its present form he might wish to file a memorandum of his criticisms.

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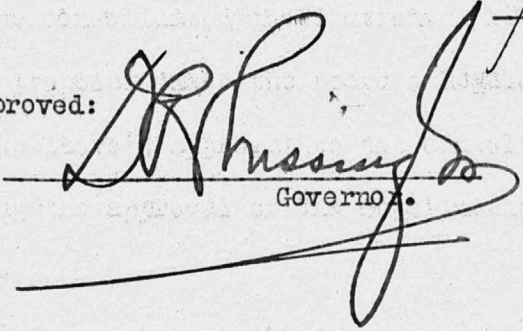
On motion made by Mr. Hamlin the Board ordered that the report, as amended, be sent to the printer for galley proof, and Governor Crissinger requested Mr. Miller to prepare and submit to the Board for consideration a statement for inclusion in report along the lines of his suggestion made at this meeting that loans by member banks in the call loan market might properly be regarded as the secondary reserve of those banks, and as such the Federal Reserve Board might recognize the principle that under certain conditions member banks should draw on this so-called secondary reserve before approaching the Federal reserve banks for credit.

The meeting adjourned at one o'clock.



 Secretary

Approved:



 Governor.