A meeting of the Executive Committee of the Federal Reserve Board was held in the office of the Federal Reserve Board on Tuesday, July 2, 1929 at 11:00 a.m.

PRESENT: Vice Governor Platt  
Mr. James  
Mr. Cunningham  
Mr. McClelland, Asst. Secretary

Letter dated June 27th from the Secretary of the Federal Reserve Bank of New York, telegram dated June 26th from the Chairman of the Federal Reserve Bank of Chicago and telegram dated June 27th from the Secretary of the Federal Reserve Bank of Kansas City, all advising that their boards of directors at meetings on the dates stated made no changes in the banks' existing schedules of rates of discount and purchase.

Without objection, noted with approval.

Telegram dated June 26th from the Deputy Governor of the Federal Reserve Bank of New York, advising that following a week of demand for bankers acceptances in excess of the supply dealers generally reduced their rates one-eighth of one percent on that date; the telegram stating that the Federal Reserve bank will observe the effect in the market before making any change in its rates.

Noted.

Memorandum dated June 27th from the Director of the Division of Research and Statistics, recommending approval of a request by Miss Helene Baur, clerk in the Division, for leave without pay for a period of nine days from August 19th to August 27th, inclusive.

Approved.

The Assistant Secretary then reported that the Comptroller of the Currency this morning made a call upon all national banks for reports of condition as at
the close of business Saturday, June 29th, and at the same time a call was made for reports of condition of state member banks as of the same date.

Noted, with approval.

Bonds in the amount of $100,000 and $50,000, executed under date of June 24th by Mr. C. C. Walsh and Mr. C. C. Hall, Federal Reserve Agent and Assistant Federal Reserve Agent, respectively, at the Federal Reserve Bank of Dallas.

Approved.

Telegram dated July 1st from the Chairman of the Federal Reserve Bank of San Francisco, advising of the death on June 30th of Mr. William T. Sesnon, Class B Director of the bank.

Noted, with regret.

Matter approved on initials on June 28th, namely, letter dated June 27th from the Comptroller of the Currency, recommending approval of a salary of $6,500 per annum for National Bank Examiner William J. Schechter, assigned to the Fourth Federal Reserve District.

Formally approved.

Letter dated June 29th from the Comptroller of the Currency, recommending approval of a salary of $3,000 per annum for National Bank Examiner John Isaac, assigned to the First Federal Reserve District.

Approved.

Report of Committee on Salaries and Expenditures on letter dated June 29th from the Deputy Governor of the Federal Reserve Bank of Boston, transmitting list of employees for whom the directors of that bank approved leaves of absence with pay, on account of illness, during the month of May, where the total of such absences, since January 1, 1929 has exceeded thirty days; the
Board's Committee recommending approval of the salary payments involved.

Approved.

Report of Committee on Salaries and Expenditures on letter dated June 25th from the Chairman of the Federal Reserve Bank of San Francisco, requesting approval of increases, effective July 1st, in the salary of Mr. R. W. Bachelor, Research Assistant in the Division of Analysis and Research, from $2,400 to $2,700 per annum, and in the salary of Mr. N. Sherman, Assistant Head of the Division of Analysis and Research, from $2,700 to $3,000 per annum; the Chairman stating that the increases have been approved by the Executive Committee of the bank and will be submitted to the board of directors at its meeting on July 11th.

Upon recommendation of the Committee on Salaries and Expenditures, it was voted to approve the increases recommended, subject to confirmation by the board of directors of the San Francisco bank.

Telegram dated July 1st from the Assistant Federal Reserve Agent at St. Louis, advising that effective July 1st the Mississippi Valley Trust Company of St. Louis, a state member institution, merged with the Merchants-Laclede National Bank and the State National Bank, both of St. Louis, under its own charter and under the title Mississippi Valley Merchants State Trust Company.

Noted.

Letter dated June 28th from the Assistant Federal Reserve Agent at New York, advising of the prospective merger of the Century Bank, New York, N. Y., a nonmember, into the Interstate Trust Company, a member bank in New York City.
Noted.

Letter dated June 28th from the Federal Reserve Agent at New York, advising that the International Germanic Trust Company, New York City, a member bank, is planning to merge the Mutual Trust Company, recently organized, and subsequently to assume the deposit liabilities of the defunct City Trust Company of New York.

Noted.

Letter dated July 1st from the Assistant Federal Reserve Agent at New York, advising that the affiliation of the Farmers Loan and Trust Company and the National City Bank of New York has been effected; the National City Bank taking over the commercial business of the two institutions and the trust business going over to the City Bank Farmers Trust Company, which it is expected will file notice of intention to withdraw from membership in the Federal Reserve System.

Noted.

Letter dated June 29th from the Deputy Governor of the Federal Reserve Bank of New York, transmitting copy of the credit agreement in favor of the National Bank of Hungary, which became effective July 1, 1929; together with copy of a letter to all other Federal Reserve banks regarding participation in the credit under the authority recently granted by the Board.

Ordered circulated.

The Assistant Secretary then submitted draft of a reply to a letter from the President of the Will A. Beach Printing Company, Sioux Falls, S. D., requesting permission to print and circulate the pamphlet "Verification of Financial Statements" being distributed by the Board; the proposed reply stating that the pamphlet was prepared by the American Institute of Accountants, and
request should, therefore, be addressed to the Institute rather than the Board, and further, that should permission to print and distribute the pamphlet commercially be secured from the Institute the Board would request that any reference to it be eliminated from the reprint, beyond a statement that the pamphlet was originally printed and distributed by the Board.

Upon motion, the proposed reply was approved.

Letter dated June 29th addressed to the Governor by the Deputy Governor of the Federal Reserve Bank of Atlanta, transmitting copy of a letter addressed to the Vice Governor of the Board regarding conditions in the Sixth Federal Reserve District and the necessity of making advances to member banks that are continuous borrowers.

The Vice Governor stated that he has received the original of the enclosure and, at his suggestion, it was ordered circulated.

Letter dated June 29th from the Chairman of the Federal Reserve Bank of Kansas City, advising that the Board's letter of June 24th, regarding future credit policy, has been received and discussed by the board of directors of that bank; the letter also commenting upon prospective credit conditions in the Tenth Federal Reserve District.

Noted.

Memorandum dated June 26th from the Chief of the Division of Bank Operations, advising that the Federal Reserve Bank of Cleveland recently changed the reserve computation period of reserve cities in its district, outside of the head office and branch cities, from the week ending Wednesday to the week ending Friday, which change was not submitted for approval by the Board.
in accordance with the provisions of Regulation "D". The Assistant Secretary then presented a letter from the Assistant Federal Reserve Agent at Cleveland in connection with another matter, advising that the change was made to avoid delay in securing figures of demand and time deposits of Toledo and Columbus member banks which are reported to the Board along with figures for Cleveland, Cincinnati and Pittsburgh banks.

Upon motion, it was voted to approve the change made by the Cleveland bank.

Telegram dated July 1st from the Governor of the Federal Reserve Bank of Dallas, referring to the Board's letter of June 24th regarding future credit policy and requesting that he be advised of the approximate date of the proposed conference with the Board of representatives of the various Federal Reserve banks.

After discussion, the Vice Governor was authorized to advise Governor Talley that while it is impossible to advise him of a definite date, if the proposed conference is held it will probably be on either July 17th or July 24th.

REPORTS OF STANDING COMMITTEES:

Dated, June 29th, Recommending changes in stock at Federal Reserve banks as July 1st, set forth in the Auxiliary Minute Book of this date. Recommendations approved.

The meeting adjourned at 11:45 a.m.

Approved: 

Vice Governor.

Assistant Secretary.