

A meeting of the Federal Reserve Board was held in the office of the Federal Reserve Board on Friday, October 9, 1931, at 11:50 a. m.

PRESENT: The Chairman
Mr. Miller
Mr. James
Mr. Magee
Mr. Pole
Mr. Morrill, Secretary
Mr. McClelland, Assistant Secretary.

ALSO PRESENT: Mr. Harrison, Assistant to the Governor.

Reference was made to the action of the Board of Directors of the Federal Reserve Bank of New York yesterday in establishing, with the approval of the Federal Reserve Board, a rediscount rate of 2 1/2% on all classes of paper of all maturities, and the likelihood of action being taken in the near future by other Federal Reserve banks to increase their rates, advice having already been received that the question is under consideration today by the Boards of Directors of the Federal Reserve Banks of Boston and Cleveland.

After some discussion, upon motion, it was voted to authorize the Executive Committee to approve, for and on behalf of the Board, an increase not in excess of 1% in the discount rate of any Federal Reserve Bank, other than New York.

The Assistant Secretary then presented a telegram just received from the Chairman of the Federal Reserve Bank of Boston advising that the Executive Committee of the bank, under authority of the Board of Directors, today voted to establish a rediscount rate of 2 1/2% on all classes of paper of all maturities, effective the first business day following that on which approved by the Federal Reserve Board.

Upon motion, it was voted to approve the rate of 2 1/2% established by the Executive Committee of the Boston bank, effective October 10, 1931.

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The meeting adjourned at 12:05 p.m.

Chester Morrill
Secretary.

Approved:

Ho Nelson
Chairman.

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