

A meeting of the Executive Committee of the Federal Reserve Board was held in Washington on Thursday, September 8, 1932, at 12:00 o'clock noon.

PRESENT: Governor Meyer  
Mr. Miller  
Mr. James  
Mr. Magee

Mr. Morrill, Secretary  
Mr. McClelland, Assistant Secretary  
Mr. Harrison, Assistant to the Governor.

Reply to telegram dated September 7, 1932, from the Chairman of the Federal Reserve Bank of Dallas, approved by five members of the Board on September 7, 1932, advising that the Federal Reserve Board has approved a rediscount rate of 6%, established by the board of directors of that bank, on discounts for individuals, partnerships and corporations in accordance with section 13 of the Federal Reserve Act as amended, effective September 8. The reply also stated that it is assumed that the 3% rate on trade acceptances referred to in the Chairman's telegram is a rate on purchases and not on rediscounts, and that on this assumption the Board approves that rate also, effective September 8, 1932.

Approved.

Reply to telegram dated September 8, 1932, from the Governor of the Federal Reserve Bank of Boston, approved by five members of the Board today, advising that the Federal Reserve Board extends to September 23, 1932, the authority granted in its telegram of August 26, 1932, to the Federal Reserve Bank of Boston to advance to the Quincy Trust Company, Quincy, Massachusetts, in accordance with the provisions of section 10(b) of the Federal Reserve Act, as amended, not to exceed \$250,000, including the amount of \$74,000 outstanding on August 26, 1932, at a rate of 5 1/2% per annum, and payable on demand; Governor Young having advised that although the institution is not using the credit at present and local conditions are quiet, it is felt desirable that

9/8/32

-2-

the Federal reserve bank be in a position to render assistance should necessity arise.

Approved.

Reply to telegram dated September 8, 1932, from the Governor of the Federal Reserve Bank of Boston, approved by five members of the Board today, advising that the Federal Reserve Board extends to September 23, 1932, the authority granted in its telegram of August 26, 1932, to the Federal Reserve Bank of Boston to advance to the Peoples National Bank, Southbridge, Massachusetts, in accordance with the provisions of section 10(b) of the Federal Reserve Act, as amended, not to exceed \$75,000, including the amount of \$35,000 outstanding on August 26, 1932, and still outstanding, at a rate of 5 1/2% per annum, and payable on demand; Governor Young having advised that although the institution is now using only \$35,000 of this credit and their situation is quiet, it is still considered desirable that the Federal reserve bank should be in position to assist in case necessity arises.

Approved.

The Governor then reported that in telephone conversations with the Governor of the Federal Reserve Bank of New York he had been advised that the Federal Reserve Bank of Chicago has requested the Federal Reserve Bank of New York to purchase for its account \$20,000,000 of United States Government obligations, to replace a like amount of Governments which the Federal Reserve Bank of Chicago on September 6, 1932, sold from its own portfolio, for delivery today. He also stated that the Federal Reserve Bank of New York has offered to repurchase from the Federal Reserve Bank of Chicago, should necessity arise, up to the \$12,500,000 of Governments which the Chicago bank took over recently from the portfolio of the Federal Reserve Bank of New York.

9/8/32

It was the consensus that with the adjustment of this matter there is no need for an immediate meeting of the Open Market Policy Conference or the Executive Committee of that body, and it was understood that the arrangements begun yesterday for a meeting of the Executive Committee in Washington on Friday, September 9, would be dropped.

Report of Standing Committee dated September 8, 1932, recommending approval of the following change in stock at a Federal reserve bank:

<u>Application for ORIGINAL Stock:</u>	<u>Shares</u>	
<u>District No. 12.</u>		
Valley National Bank, Milton, Oregon.	17	17

Approved.

Thereupon the meeting adjourned.

W. Foster Howell  
Secretary.

Approved:

Eugene C. Meyer  
Governor.