

# 2

12-3-12  
Weekly Report

January 3, 1923.

Dear Sir:

This will acknowledge receipt of your letter of January 2nd, enclosing report of transactions in Government securities by the different Federal reserve banks as reported to the Committee of Governors on Centralized Execution of Purchases and Sales of Government Securities during the week ended December 27, 1922.

Yours very truly,

Acting Governor.

Mr. W. B. Matteson,  
Federal Reserve Bank,  
New York, N. Y.

FEDERAL RESERVE BANK  
OF NEW YORK

333.1c

Committee of Governors on  
Centralized Execution of Purchases  
and Sales of Government Securities  
by Federal Reserve Banks

January 2, 1923

CONFIDENTIAL

My dear Mr. Platt:

Enclosed is a report of transactions in Government securities by the different Federal reserve banks as reported to the Committee of Governors on Centralized Execution of Purchases and Sales of Government Securities during the week ending December 27, 1922.

Very truly yours,



W. B. MATTESON  
Secretary of the Committee

Enclosure.

Honorable Edmund Platt,  
Vice Governor, Federal Reserve Board,  
Washington, D.C.

TRANSACTIONS IN GOVERNMENT SECURITIES FOR ACCOUNT OF THE TREASURY DEPARTMENT  
AND FEDERAL RESERVE BANKS ALSO DATA REGARDING MARKET CONDITIONS  
FROM CLOSE OF BUSINESS DECEMBER 20, 1922, TO CLOSE OF BUSINESS DECEMBER 27, 1922,  
AS REPORTED TO THE COMMITTEE OF GOVERNORS ON CENTRALIZED EXECUTION OF  
PURCHASES AND SALES OF GOVERNMENT SECURITIES BY FEDERAL RESERVE BANKS

Operations Account Treasury Department

Treasury  
Orders      Cumulative Sinking Fund

The Cumulative Sinking Fund orders dated December 12 and 14 have been completed by the purchase of \$20,000,000 uncalled Victory notes at prices ranging from 100.32 to 100.44 by the following banks:

Boston	\$ 1,234,050
New York	13,683,050
Philadelphia	2,220,200
Atlanta	5,500
Chicago	2,450,000
St. Louis	66,000
Minneapolis	330,650
Kansas City	10,550

TOTAL ORDER      \$20,000,000

Under date of December 27, 1922, authorization was received for the purchase of \$5,000,000 uncalled Victory notes at prices not exceeding 100.42 and accrued interest, for delivery December 29, 1922, for account of the Sinking Fund. Purchases have been reported by the following banks:

Boston	\$ 600,000 at 100.42
New York	650,000 " 100.38
	1,500,000 " 100.42
Philadelphia	500,000 " 100.42
Chicago	300,000 " 100.38
	1,200,000 " 100.42
San Francisco	250,000 " 100.42

TOTAL ORDER      \$ 5,000,000

Alien Property Custodian

The Alien Property Custodian order dated December 12 for the purchase of \$10,000,000 Treasury certificates of indebtedness of any series at the prevailing market rates has also been completed. Purchases of June, September and the new December and March certificates were made in the following amounts:

Boston	\$ 1,205,000
New York	3,548,500
Philadelphia	583,000
Atlanta	110,000
Chicago	1,795,000
St. Louis	180,000
Minneapolis	1,378,500
San Francisco	1,200,000

\$10,000,000

- 2 -

Miscellaneous Orders

At the request of the Treasury Department the Federal Reserve Bank of New York executed miscellaneous Treasury orders by purchasing \$584,300 face amount of Liberty and Treasury Bonds for various accounts.

Transactions by Federal Reserve Banks for Their Own Accounts and Data Regarding Government Security Conditions in Their Districts

## Boston

During the past week the market in Government securities has been somewhat more active, and the period closed with all issues at slightly higher levels. Brokers report a steady though not large demand slightly exceeding the supply, and they are looking for higher prices after the first of the year. Advances to dealers in Government securities under Repurchase Agreements totaled \$2,906,890 at the close of this period.

There were no investment account transactions other than in Special 2 1/2% certificates of indebtedness issued to cover the overdraft in the Treasurer's account.

## New York

Although prices held firm in the general bond market there were numerous fractional declines during this period in which dealers generally expect an advancing market, in view of the traditional January first investments. Liberty prices improved slightly, the outstanding feature being the new Treasury 4 1/4s, which touched par. Treasury certificates and notes, although without change in price, exhibited strength in face of tightened money rates, the call loan rate closing Wednesday at 5 1/2%. Loans to dealers in Government securities under Sales Contract agreements amounted to \$31,529,000 at the close of this period.

Investment account transactions were as follows:

PURCHASES

\$ 2,500,000	4 3/4%	Treasury notes, due March 15, 1926 on a 4.50 basis (purchased at request of Treasury)
<u>400,000</u>	4 3/4%	Treasury notes, due March 15, 1925 on a 4.50 basis
\$ 2,900,000		

SALES

\$ 400,000	4 1/4%	Treasury notes, due September 15, 1926 on a 4.50 basis
<u>700,000</u>	June 3 3/4%	certificates at 100 to foreign correspondent
\$ 1,100,000		

## Philadelphia

The past week has shown a steady increase in demand for all the issues of Liberty bonds, Treasury Certificates and Notes, buying being both by institutions and individuals. The reinvestment of funds derived from the called Victories and other issues has been very large, preference being given to the bonds of a longer maturity. The Treasury 4 1/4s of 1952 again sold at par and the 3 1/2s showed strength on buying for the tax free feature. The tendency of prices has been upward.

- 3 -

Philadelphia  
(continued)

Investment account transactions were as follows:

PURCHASES

\$ 274,800	4 1/2%	Treasury notes, due June 15, 1925	at 100
3,000	"	" " " " " June 15, 1925	" 99 3/4
<u>2,500</u>	December 4%	Treasury Certificates	at 100
\$ 280,300			

SALES

\$ 48,400 4 1/2% Treasury notes, due June 15, 1925 at 100.

## Cleveland

One dealer reported market conditions in this district as follows: "The Liberty Bond market has been fairly active and strong the past week. Investment buying has continued throughout the state and the market has held steady with a tendency to go higher. The new U. S. 4 1/4s reached par again this week for the first time in several weeks."

There were no investment account transactions other than the purchase of special certificates of indebtedness, arising from an overdraft in the Treasurer's account.

## Richmond

Brokers report the market inactive for certificates, but state that buying orders for 4 1/4% Libertys are numerous; more numerous than selling orders. The reserve bank sold \$500 in Fourth 4 1/4% Libertys and \$15,000 in Treasury bonds of 1947/52 for member banks and purchased for member banks \$15,000 in Second 4 1/4% Libertys.

There were no transactions affecting the investment account.

## Atlanta

During the past week the buying of Liberty bonds, especially the Third and Fourth loans continued strong. There is a noticeable inclination on the part of holders of called Victories to reinvest in long term bonds. Several large sales were executed in Treasury bonds on account of the strong tone of this issue.

There were no transactions affecting the investment account.

## Chicago

Liberty Bonds have been active during the past week, with prices about equal to a week ago. Treasury notes and certificates were inactive without change in price. Loans to dealers in Government securities under Sales Contracts amounted to \$2,694,000.

Investment account transactions were as follows:

PURCHASES

\$ 200,000	December 4%	certificates on a 3.85 basis
<u>50,000</u>	4 1/2%	Treasury notes, due June 15, 1925 at 100
\$ 250,000		

SALES

\$ 178,400 4 1/2% Treasury notes, due June 15, 1925 at 100 in small amounts to investors.

- 4 -

## St. Louis

Dealers have sold more bonds than they have purchased. The demand for bonds is good. Market conditions very poor.

From the investment holdings \$1,800 face amount of 4 1/2% Treasury notes, due June 15, 1925, were sold at 100 and accrued interest.

## Minneapolis

Gradually increasing interest in Government securities has been reported by local dealers this week. We understand that some investment houses have been selling practically nothing but Government securities for the past three or four days.

Investment account transactions were as follows:

PURCHASES

\$ 557,000	Treasury Notes
69,000	" Bonds
<u>\$ 626,000</u>	

SALES

\$ 95,400	Treasury Notes
31,000	" Bonds
<u>\$ 126,400</u>	

## Kansas City

Local brokers in this city reported the Liberty Bond market as strong.

The following transactions were made through the investment account to take care of late subscriptions:

PURCHASES

\$ 20,000	4 1/2% Treasury notes, due June 15, 1925
2,000	December 4% certificates
<u>\$ 22,000</u>	

SALES

\$ 178,100	4 1/2% Treasury notes, due June 15, 1925
18,000	December 4% certificates
31,500	March 3 1/2% certificates
<u>\$ 227,600</u>	

## Dallas

About \$3,000,000 or \$4,000,000 face amount of the December 15 issues of certificates and notes were sold and offered for sale through this bank. In some instances sales were arranged independently by subscribers to these issues in the 11th district. For the most part sales were made by banks receiving large allotments which they paid for by credit in their depository account.

There were no transactions affecting the investment account.

## San Francisco

The market in Government securities has continued quiet.

There were no investment account transactions other than in special certificates of indebtedness issued to cover the Treasurer's overdraft.

December 28, 1922.

Dear Mr. Matteson:

This will acknowledge receipt of your letter  
 of December 27th, enclosing report of transactions in  
Government securities by the different Federal reserve  
banks as reported to the Committee of Governors on  
centralized execution of purchases and sales of Government  
securities during the week ended December 20, 1922.

Yours very truly,

Acting Governor.

Mr. W. B. Matteson,  
 Federal Reserve Bank,  
 New York, N. Y.

FEDERAL RESERVE BANK  
OF NEW YORK

Committee of Governors on  
Centralized Execution of Purchases  
and Sales of Government Securities  
by Federal Reserve Banks

December 27, 1922.

RECEIVED  
DEC 28 1922  
OFFICE OF  
MR. PLATT.

CONFIDENTIAL

My dear Mr. Platt:

Enclosed is a report of transactions in Government securities by the different Federal reserve banks as reported to the Committee of Governors on Centralized Execution of Purchases and Sales of Government Securities during the week ending December 20, 1922.

Very truly yours,

W. B. MATTESON  
Secretary of the Committee

Enclosure.

Honorable Edmund Platt,  
Vice Governor, Federal Reserve Board,  
Washington, D.C.



TRANSACTIONS IN GOVERNMENT SECURITIES FOR ACCOUNT OF THE TREASURY DEPARTMENT  
AND FEDERAL RESERVE BANKS ALSO DATA REGARDING MARKET CONDITIONS  
FROM CLOSE OF BUSINESS DECEMBER 13, 1922, TO CLOSE OF BUSINESS DECEMBER 20, 1922,  
AS REPORTED TO THE COMMITTEE OF GOVERNORS ON CENTRALIZED EXECUTION OF  
PURCHASES AND SALES OF GOVERNMENT SECURITIES BY FEDERAL RESERVE BANKS

Operations Account Treasury Department

Treasury  
Orders      Cumulative Sinking Fund

Purchases of uncalled Victory notes on the Cumulative Sinking Fund orders dated December 12 and 14, for the purchase of \$20,000,000 face amount of this issue on Stock Exchanges or elsewhere, at prices not exceeding 100.44, (later reduced to 100.40), have been reported in the following amounts:

Boston	\$	641,000	
New York		13,298,050	
Philadelphia		1,795,200	
Atlanta		5,500	
Chicago		2,200,000	
St. Louis		66,000	
Minneapolis		165,650	
Kansas City		10,550	
		\$18,181,950	
		1,818,050	Unexecuted Balance
		\$20,000,000	

On December 14, 1922, the Treasury requested the Federal Reserve Bank of New York to purchase \$11,500,000 face amount of Third and Fourth 4 1/4% Liberty Loan bonds on the New York Stock Exchange, for account of the Sinking Fund. Of this amount \$5,680,000 Fourths were purchased at prices ranging from 98.62 to 98.74 and \$5,820,000 Third 4 1/4s were purchased at prices between 98.82 and 98.92 and interest.

Alien Property Custodian

The order dated December 9, 1922, for the purchase of \$5,000,000 certificates of indebtedness of any issue at prevailing market rates for account of the Alien Property Custodian has been completed. Purchases of June and September certificates at par and interest have been reported by the following banks:

Boston	\$	1,954,000	
New York		558,500	
Philadelphia		568,500	
Atlanta		415,500	
Chicago		1,465,000	
St. Louis		13,500	
Kansas City		25,000	
		\$ 5,000,000	

The order dated December 6, 1922, for the purchase of \$5,000,000 March 4 1/4% certificates for account of the Alien Property Custodian, at prevailing market rates has also been completed. The following banks

- 2 -

reported purchases of these certificates, for the most part at 100 1/8:

Boston	\$ 317,000
New York	2,974,000
Philadelphia	339,500
Chicago	460,000
St. Louis	93,000
Minneapolis	2,000
Kansas City	100,000
San Francisco	<u>214,500</u>
	\$ 5,000,000

Under date of December 12, 1922, authorization was received for the purchase of \$10,000,000 certificates of indebtedness of any series at prevailing market rates, for this account. Against this authorization purchases of June and September certificates were made in the amount of \$5,513,500 and on December 18, 1922, the Treasury requested that the balance, \$4,486,500 be used for the purchase of the new March 3 1/2s and December 4% certificates dated December 15, 1922. Thus far a total of \$3,335,000 purchased for this account has been reported, leaving a balance of \$1,151,500 to be purchased. Participation by banks in the purchase of the four issues of certificates is as follows:

Boston	\$ 1,205,000
New York	3,097,000
Philadelphia	583,000
Atlanta	110,000
Chicago	1,795,000
St. Louis	180,000
Minneapolis	1,378,500
San Francisco	<u>500,000</u>
	\$ 8,848,500
	<u>1,151,500</u> Unexecuted Balance
	\$10,000,000

On December 16, 1922, the Treasury requested the Federal Reserve Bank of New York to purchase in New York \$15,000,000 face amount of the new Treasury certificates of indebtedness of any series at prevailing market rates, for account of the Alien Property Custodian. Offerings for the entire \$15,000,000 at par and accrued interest were immediately purchased, of which \$1,875,000 were March 3 1/2s and \$13,125,000 were December 4% certificates.

Purchases from Proceeds  
of Treasury Notes

An authorization dated December 18, 1922, was received for the purchase of \$20,000,000 face amount of the new 4 1/2% Treasury notes due June 15, 1925, for the account "Purchases from Proceeds of Treasury Notes." All banks were immediately advised and the order was completed by the following purchases at par and accrued interest:

- 3 -

Boston	\$ 2,000,000
New York	7,550,000
Philadelphia	3,500,000
Atlanta	250,000
Chicago	5,000,000
St. Louis	300,000
Minneapolis	400,000
San Francisco	<u>1,000,000</u>

\$20,000,000

Miscellaneous Orders

On December 13 and 14 the Federal Reserve Bank of New York, at the request of the Treasury Department, purchased \$7,500,000 face amount of Treasury notes offered in the open market at prices yielding 4 1/2% or better. The following notes have been purchased to be carried temporarily in the investment account until definite instructions as to disposition have been received:

\$ 250,000	4 3/8%	Treasury Notes	due 12/15/25	on a 4.52 basis
750,000	4 3/4%	"	"	" 4.50 "
1,850,000	4 3/4%	"	3/15/25	" 4.50 "
2,550,000	4 3/4%	"	3/15/26	" 4.50 "
<u>2,100,000</u>	4 1/4%	"	9/15/26	" 4.50 "

\$7,500,000

At the request of the Treasury Department the Federal Reserve Bank of New York purchased for account of the Government Life Insurance Fund \$338,400 face amount of 4 1/4% Treasury bonds of 1947-52.

Transactions by Federal Reserve Banks for Their Own Accounts and Data  
Regarding Government Security Conditions in Their Districts

Boston

The market for Government securities was quiet during the week, and the period closed with all issues, except the First 3 1/2% Liberty Bonds, at slightly lower prices. However, toward the end of the week there seemed to be an improvement in feeling, and brokers report a better demand, especially for the shorter maturities, and they look for better prices. Advances to dealers in Government securities under Repurchase Agreements amounted to \$1,534,990 at the close of this period.

Investment account transactions were as follows:

PURCHASES

\$10,000,000 March 3 1/2% certificates at 100.

New York

The U. S. Government bonds on the Stock Exchange were firm throughout the period, with a large turnover in comparison with the general bond market in which trading was irregular, although at prices greatly improved since the October reaction. The advanced prices of a week ago in Libertys were maintained, there being practically no change except in First 3 1/2s

- 4 -

New York  
(continued)

which closed Wednesday at 100.64 as against 100.28 last week. Treasury certificates and notes were active with quotations prevailing at last week's levels. Financial markets were firm, call money fluctuating between 4% and 5% on the Exchange. Loans to dealers in Government securities amounted to \$30,610,000 at the close of this period.

Investment account transactions were as follows:

PURCHASES

\$25,000,000	March 3 1/2%	certificates at 100
2,000,000	June 3 3/4%	" " 100 from dealers
7,500,000	Treasury notes for account Treasury	
<u>\$34,500,000</u>		

SALES

\$ 3,500,000 June 3 3/4% certificates at 100 to dealers

Philadelphia

The market in Government securities has been somewhat firmer with a volume of sales slightly greater than the previous week. The prices of Liberty bonds have risen to a slightly higher level and in the case of Treasury certificates the prices firmed toward the close of the week, as a result, to some extent, of Government support. Money has ruled steady at about 4 1/2%, and with a continued easing tendency in the money market, dealers are presaging an increased demand for all Government issues after the first of the year.

Transactions affecting the investment account were as follows:

PURCHASES

\$ 350,000	Treasury notes Series C-1925 at 100
500,000	December 4% certificates at 100
500,000	March 3 1/2% certificates at 100
<u>\$1,350,000</u>	

SALES

\$ 400,000	March 3 1/2% certificates at 100
241,600	Treasury notes, series C-1925, at 100
<u>\$ 641,600</u>	

Cleveland

The market in Government securities in this district has been described by one dealer as follows: "The Liberty Bond market of the past week has been active and the latter part of last week it showed a downward tendency. However, this week it has been stronger and has held its own. There is a flood of buying orders from all over Ohio, coming mostly from small investors."

Transactions affecting the investment account were as follows:

PURCHASES

\$ 4,000 June 3 3/4% certificates at 100 from member.

- 5 -

## Richmond

The Reserve Bank of Richmond sold \$21,650 in Liberty bonds for account of member banks and bought \$58,650 for their account. Brokers reported a brisk demand for Libertys.

There were no transactions affecting the investment account.

## Atlanta

The market in Government securities in this district during the past week has been active, with a firmer tone and somewhat higher prices prevailing over the preceding week. The demand for Libertys has been strong as well as for the new issue of Treasury notes.

There were no transactions affecting the investment account.

## Chicago

There has been a noticeable improvement in the market for Government securities during the past week, with Liberty bonds in good demand. Treasury notes of the old issue are offered freely on a 4 1/2% basis; however, little interest has been shown in Treasury certificates of indebtedness. Advances to dealers under Sales Contract Agreements amounted to \$204,600.

Investment account transactions were as follows:

PURCHASES

\$10,000,000	December 4% certificates at 100
200,000	Treasury notes, Series C-1925, at 100
<u>\$10,200,000</u>	

## St. Louis

Dealers have sold more bonds than they purchased. Demand for bonds has been fair, but not many offered for sale. Market conditions very poor.

There were no transactions affecting the investment account.

## Minneapolis

The local Government security market shows steady improvement. Minneapolis and St. Paul dealers say that they have a good demand, especially for the Second and Third 4 1/4% Liberty bonds.

Purchases and sales affecting the investment account were as follows:

PURCHASES

\$	500	March 4 1/4% certificates
	200,000	December 4% "
	<u>460,000</u>	Treasury Notes
\$	<u>660,500</u>	

SALES

\$	200,000	December 4% certificates
	210,000	Treasury notes, C-1925
	<u>40,900</u>	Treasury Bonds
\$	<u>450,900</u>	

- 6 -

## Kansas City

Local brokers report that the demand for all Government issues was much heavier than they are able to supply locally and that they are constantly having to buy in the New York market. They also report they have received inquiries for Treasury notes, C-1925. For account of member and non-member banks in various issues we have made purchases aggregating \$38,800 and sales aggregating \$52,000.

Investment account transactions were as follows:

PURCHASES

\$	500,000	March 3 1/2% certificates
	250,000	December 4% "
	<u>250,000</u>	Treasury Notes, C-1925
\$	<u>1,000,000</u>	

\$	1,100	Treasury Notes, C-1925 (additional subscription)
	<u>500</u>	December 4% certificates at 100
\$	<u>1,600</u>	

SALES

\$	7,000	December 15th certificates redeemed
----	-------	-------------------------------------

(Out of our subscriptions to the new issues we are endeavoring to take care of late out of town subscriptions.)

## Dallas

The market in Government securities has been reported active. There were no transactions affecting the investment account other than \$24,750 called Victory notes redeemed.

## San Francisco

The market in Government securities has continued quiet during the period. There were no transactions affecting the investment account.

# 2  
833 1

December 21, 1922.

Dear Sir:

This will acknowledge receipt of your letter of the 18th instant, enclosing report of transactions in Government securities by the different Federal reserve banks as reported to the Committee of Governors on centralized execution of purchases and sales of Government securities during the week ended December 13, 1922.

Yours very truly,

Acting Governor.

Mr. W. B. Mattoon,  
Federal Reserve Bank,  
New York, N. Y.

FEDERAL RESERVE BANK  
OF NEW YORK

Committee of Governors on  
Centralized Execution of Purchases  
and Sales of Government Securities  
by Federal Reserve Banks

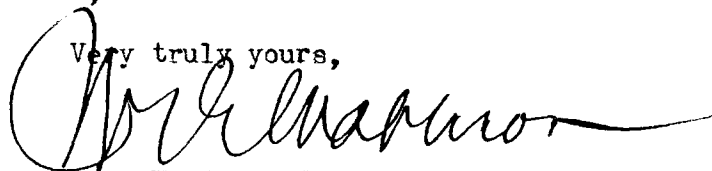
December 18, 1922.

CONFIDENTIAL

My dear Mr. Platt:

Enclosed is a report of transactions in Government securities by the different Federal reserve banks as reported to the Committee of Governors on Centralized Execution of Purchases and Sales of Government Securities during the week ending December 13, 1922.

Very truly yours,



W. B. MATTESON  
Secretary of the Committee

Enclosure.

Honorable Edmund Platt,  
Vice Governor, Federal Reserve Board,  
Washington, D.C.



TRANSACTIONS IN GOVERNMENT SECURITIES FOR ACCOUNT OF THE TREASURY DEPARTMENT  
AND FEDERAL RESERVE BANKS ALSO DATA REGARDING MARKET CONDITIONS  
FROM CLOSE OF BUSINESS DECEMBER 6, 1922, TO CLOSE OF BUSINESS DECEMBER 13, 1922  
AS REPORTED TO THE COMMITTEE OF GOVERNORS ON CENTRALIZED EXECUTION OF  
PURCHASES AND SALES OF GOVERNMENT SECURITIES BY FEDERAL RESERVE BANKS

Operations Account Treasury Department

Treasury  
Orders      Cumulative Sinking Fund

The Cumulative Sinking Fund order dated December 6, 1922, for the purchase of \$10,000,000 uncalled Victory notes on Stock Exchanges or elsewhere, at prices not exceeding 100.32 excluding commissions, (later advanced to 100.40) has been completed. Participation by the banks in this order is as follows:

Boston	\$	100,000	
New York		7,307,950	
Philadelphia		75,000	
Atlanta		5,000	
Chicago		1,900,000	
St. Louis		92,250	
Minneapolis		61,500	
Kansas City		108,300	
San Francisco		<u>350,000</u>	
			\$10,000,000

An additional authorization dated December 12, 1922, for the purchase of \$10,000,000 uncalled Victory notes at prices not exceeding 100.44 and interest for the Sinking Fund was transmitted to all reserve banks, against which purchases in the following amounts were reported at the close of this period:

Boston	\$	36,000	
New York		6,675,650	
Philadelphia		240,200	
Chicago		100,000	
Minneapolis		<u>15,000</u>	
	\$	7,066,850	
		<u>2,933,150</u>	Unexecuted Balance
			\$10,000,000

The Federal Reserve Bank of New York also purchased for the Cumulative Sinking Fund under separate authorizations, \$1,000,000 Third 4 1/4% Liberty Loan bonds and \$500,000 Fourth 4 1/4% Liberty Loan bonds on the New York Stock Exchange. The prices paid were as follows:

\$	5,000	Thirds	at	98.78
	20,000	"	"	98.80
	49,000	"	"	98.82
	926,000	"	"	98.84
	<u>500,000</u>	Fourths	at average price of	98.84
	\$1,500,000			

- 2 -

Alien Property Custodian

The status of the order dated December 6, 1922, to purchase \$5,000,000 March 4 1/4% certificates at prices not exceeding 100 1/8 for account of the Alien Property Custodian is as follows:

Boston	\$ 717,000	
New York	2,286,000	
Philadelphia	319,000	
Chicago	335,000	
St. Louis	95,000	
Kansas City	100,000	
San Francisco	214,500	
	<u>\$4,066,500</u>	
	933,500	Unexecuted Balance
	\$5,000,000	

On the Treasury orders dated December 9 and 12 for the purchase of \$15,000,000 certificates of indebtedness of any issue for this account, the following banks have made purchases of June and September certificates at prices not exceeding 100, exclusive of commissions:

Boston	\$ 1,954,000	
New York	2,405,500	
Philadelphia	568,500	
Atlanta	415,500	
Chicago	1,640,000	
St. Louis	13,500	
Minneapolis	1,178,500	
Kansas City	25,000	
	<u>\$ 8,200,500</u>	
	6,799,500	Unexecuted Balance
	\$15,000,000	

The Federal Reserve Bank of New York also executed a separate authorization for account of the Alien Property Custodian by purchasing \$500,000 4 1/4% Treasury bonds of 1947-52 at an average price of 99.88 on the New York Stock Exchange.

Miscellaneous Orders

At the request of the Treasury Department the Federal Reserve Bank of New York purchased \$273,300 face amount of Government securities for various funds and accounts.

Transactions by Federal Reserve Banks for Their Own Accounts  
And Data Regarding Government Security Conditions  
In Their Districts

Boston

The trend of all issues of Liberty bonds, except the First 3 1/2s, has been upward during the period just closed. United States Treasury Bonds have shown improvement. Uncalled Victory notes, influenced by

- 3 -

Boston  
(continued)

purchases for the Sinking Fund, are high and cannot be purchased in large amounts. The various tax issues that were hanging over the market have been cleaned up, and the effect has been to create better feeling among present holders who are not now inclined to sell. The long term note issues are in poorest demand, having receded slightly from position at close of last period. Dealers report general conditions better but with tendency toward dullness. Advances to dealers under repurchase agreements amounted to \$181,000 at the close of this period.

There were no transactions affecting the investment account.

## New York

This period has witnessed an enhancement of values in the general bond market and in listed Government securities. Dealers ascribe this movement to a natural reaction after the past month's decline and assert that the segregation of funds to this center for December 15 and January 1 disbursements has been an influencing factor. Call money closed Wednesday at 3 3/4% as opposed to last week's 5% prevailing rate. Certificates and notes were considerably more active with quotations in the latter appreciably improved over last week. Loans to dealers in Government securities under sales contracts amounted to \$18,957,900 at the close of this period.

There were no investment account transactions.

## Philadelphia

The past week has shown a marked improvement, both in prices and investment demand, in the Liberty Bonds, Treasury Certificates and notes, due to some extent to Government support. The market has absorbed some large offerings, especially in the Fourth 4 1/4s. Money has been easier, ruling about 4%. With the continued easing tendency in the money market, dealers and banks are taking a more optimistic view and indications are that the market should broaden and improve after the first of the year.

There were no transactions affecting the investment account other than \$500,000 Pittman Act certificates redeemed.

## Cleveland

Market conditions in Government securities in this district have been reported by one dealer as follows: "Liberty bonds have been very steady and strong the past week and have made and held a considerable advance. The buying of bonds in comparatively small lots for investment among people in the 4th district continues in good volume." Another dealer reports: "There have been very few buyers for the past two weeks. On last Friday and Saturday there were some buyers. So far this week practically no buyers for Liberty Bonds, Certificates or Treasury Notes. There have been quite a number of blocks of Government securities offered this week but the prices appeared to be slightly above the market. In short term securities there seems to be a fair market for the June and September 3 3/4s and some demand for the short term 4 1/4s.

There were no transactions affecting the investment account.

## Richmond

The Reserve Bank of Richmond sold a total of \$8,450 Liberty bonds and Victory notes for account of member banks during the period. In addition, purchases for members were made in the amount of \$35,550

- 4 -

Richmond (continued) which indicates an increased demand and interest in Government securities in this district.

There were no transactions affecting the investment account other than \$600,000 Pittman Act certificates redeemed.

Atlanta Market conditions in this district have been steady, while a number of large sales have been executed of Treasury certificates at firm figures. There has been no tendency on the part of holders to sell on a weak market. Quite a few orders to sell in large amounts have been placed at prices somewhat above the prevailing market.

There were no transactions affecting the investment account.

Chicago There has been considerable activity in the Government bond market during the past week, especially in the Liberty Loan bonds. Some demand for Treasury bonds has developed at present levels, influenced by the rather sharp advance in the price of Libertys. Treasury certificates have been very dull and inactive. A total of \$330,100 was loaned to dealers in Government issues under sales contract agreements at the close of the period.

The following transaction affecting the investment account was made during the week:

PURCHASES

\$ 25,000 September 3 3/4% certificates on a 4% basis.

St. Louis Buying and selling about equal. Market in general has been very quiet.

Transactions affecting the investment account were as follows:

SALES

\$ 93,000 March 4 1/4% certificates at 100.125  
 500 4 1/4% Treasury bonds of 1947-52 at 100.  
 \$ 93,500

Minneapolis A renewed interest in the purchase of Government securities has been reported here during the past week by local dealers. Several large transactions have been made, both with banking institutions and individuals.

Investment account transactions were as follows:

PURCHASES

\$ 2,000 March 4 1/4% certificates  
 1,178,500 September 3 3/4% certificates  
 262,000 Treasury notes  
 40,900 4 1/4% Treasury bonds of 1947-52  
 \$2,483,400

- 5 -

Minneapolis  
(continued)

SALES

\$ 2,000 March 4 1/4% certificates  
 1,143,500 September 3 3/4% certificates  
12,000 Treasury notes  
 \$1,157,500

Kansas City

Local brokers report the demand increasing rather than decreasing with longer time securities favored, particularly the Fourth 4 1/4% bonds. For account of member and non-member banks purchases aggregating \$23,000 were made of various bond issues.

Investment account transactions were as follows:

PURCHASES

\$ 400,000 Third 4 1/4% Liberty Loan bonds at 98.72 and interest

Dallas

The market in Government securities has become active.

There were no investment account transactions other than \$900,000 Pittman Act certificates redeemed.

San Francisco

The market in Government securities remained quiet during this period.

Investment account transactions were as follows:

SALES

\$ 203,500 March 4 1/4% certificates at 100 1/8 to Treasury for account of the Alien Property Custodian.

df  
68

1  
2

333 /

December 13, 1922.

Dear Sir:

This will acknowledge receipt of your letter of December 12th, enclosing report of transactions in Government securities by the different Federal reserve banks as reported to the Committee of Governors on Centralized Execution of Purchases and Sales of Government securities during the week ended December 8th.

Yours very truly,

Acting Governor.

Mr. W. B. Matteson,  
Federal Reserve Bank,  
New York, N. Y.

FEDERAL RESERVE BANK  
OF NEW YORK

Committee of Governors on  
Centralized Execution of Purchases  
and Sales of Government Securities  
by Federal Reserve Banks

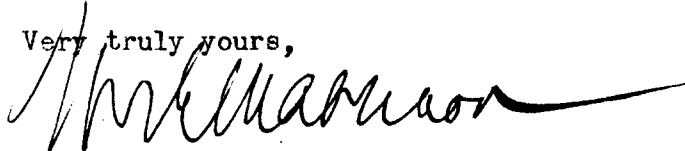
December 12, 1922

CONFIDENTIAL

My dear Mr. Platt:

Enclosed is a report of transactions in Government securities by the different Federal reserve banks as reported to the Committee of Governors on Centralized Execution of Purchases and Sales of Government securities during the week ending December 6, 1922.

Very truly yours,



W. B. MATTESON  
Secretary of the Committee

Enclosure.

Honorable Edmund Platt,  
Vice Governor, Federal Reserve Board,  
Washington, D.C.

TRANSACTIONS IN GOVERNMENT SECURITIES FOR ACCOUNT OF THE TREASURY DEPARTMENT  
AND FEDERAL RESERVE BANKS ALSO DATA REGARDING MARKET CONDITIONS  
FROM CLOSE OF BUSINESS NOVEMBER 29, 1922, TO CLOSE OF BUSINESS DECEMBER 6, 1922,  
AS REPORTED TO THE COMMITTEE OF GOVERNORS ON CENTRALIZED EXECUTION OF  
PURCHASES AND SALES OF GOVERNMENT SECURITIES BY FEDERAL RESERVE BANKS

Operations Account Treasury Department

Treasury Cumulative Sinking Fund  
Orders

The Cumulative Sinking Fund order dated November 27, 1922, for the purchase of \$10,000,000 called Victory notes on the Stock Exchange or elsewhere has been cancelled inasmuch as the Treasury feels that the redemption of these notes at par should be sufficient to absorb any offerings. Participation by the banks in this order is as follows:

Boston	\$ 465,000
New York	1,513,000
Philadelphia	1,081,700
Richmond	41,450
Atlanta	5,000
Chicago	1,125,000
St. Louis	388,450
Minneapolis	151,850
Kansas City	<u>203,900</u>

\$4,975,350

A new Treasury order for account of the Sinking Fund has been transmitted to all banks authorizing the purchase of \$10,000,000 uncalled Victory notes on Stock Exchanges or elsewhere, at prices not exceeding 100.32, excluding commissions. Total purchases thus far reported are as follows:

New York	\$2,900,000 at 100.32
	3,750,000 " 100.30
Chicago	<u>875,000 " 100.32</u>

\$7,525,000

Alien Property Custodian

On December 6, 1922, the Treasury authorized the purchase of \$5,000,000 March 4 1/4% certificates for account of the Alien Property Custodian at prices not exceeding 100 1/8, exclusive of commissions. The following purchases have been reported:

New York	\$ 450,000 at 100 1/16
	476,000 " 100 1/8
Philadelphia	<u>204,000 " 100 1/8</u>

\$1,130,000

Postal Savings System

The order to sell on the New York Stock Exchange \$9,000,000 Second Liberty Loan 4 1/4% bonds for account of the Board of Trustees, Postal Savings System, has been completed. Sales of these bonds were



- 2 -

executed at the following prices:

‡	238,000	at	98.06
	1,007,000	"	98.04
	4,814,000	"	98.02
	2,232,000	"	98.00
	327,000	"	97.98
	<u>382,000</u>	"	97.96

‡ 9,000,000

#### Federal Land Banks

The Federal Reserve Bank of New York sold during the week, at the request of the Farm Loan Commissioner, ‡500,000 4 1/4% Treasury notes due September 15, 1926, at the following prices:

‡	250,000	at	99
	<u>250,000</u>	"	98 15/16

‡ 500,000

#### Miscellaneous Orders

The Federal Reserve Bank of New York, at the request of the Treasury Department, purchased ‡348,500 of Treasury bonds for various funds and accounts.

#### Transactions by Federal Reserve Banks for Their Own Accounts And Data regarding Government Security Conditions In their Districts

##### Boston

The period closed with Liberty bond prices slightly higher. There was practically no change in certificates and notes. The market continues to be a professional one, with practically no outside or investment buying other than some exchanges of the last Treasury bonds for Liberty issues showing higher yields. Advances to dealers in Government securities under Sales Contract Agreements amounted to ‡839,900.

There were no transactions affecting the investment account.

##### New York

An increased demand for investment securities, as reflected on the New York Stock Exchange, has brought about some improvement in the Libertys and Treasury bonds, which closed the period with an average gain of 30 cents per \$100 for eight issues over last week's prices. Financial markets were firm, call money prevailing for the most part at about 5%. Trading in certificates and notes was inactive, without change in prices. A total of ‡14,869,200 was loaned to dealers in Government securities under Sales Contract Agreements.

Transactions affecting the investment account were as follows:

#### SALES

‡ 500,000 June 3 3/4% ctfs. at 100 to foreign correspondents.

- 3 -

## Philadelphia

The market in Government securities during the past week has been more or less inactive, but with a firmer tone and somewhat higher prices prevailing. What little improvement there was in this movement centered on the Third 4 1/4s, which at the closing price 98.70 yield 4 1/2%. Dealers are apparently marking time awaiting the Treasury's announcement, without taking a position in the market, most of the transactions being made on order. The concensus of opinion on the street, seems to be that the Treasury Department's next issue will be a short term proposition and this should react in favor of the longer term bond.

There were no transactions affecting the investment account.

## Cleveland

Market conditions in Government securities have been described by one dealer as follows: "The Liberty bond market has strengthened up considerably during the past week. As far as this district is concerned, there is a large increase in buying orders. While these orders are not very large individually, they amount to considerable in the aggregate and they indicate that Ohio people are investing again in Government securities. The trend of the market looks decidedly upward." Another dealer reports: "Buying orders for bonds fairly good, with few bonds offered here. Demand better and prices firmer. Practically no dealings in short term issues."

Investment account transactions during the period were as follows:

PURCHASES

\$ 44,100 Treasury bonds of 1947-52 at 100

SALES

\$ 10,000 March 4 1/4% certificates at 100 to member bank.

## Richmond

The Reserve Bank of Richmond sold \$3,550 face amount of Liberty bonds and Victory notes for account of member banks. In addition, \$10,000 Fourth 4 1/4% Libertys were purchased for a member.

There were no transactions affecting the investment account.

## Atlanta

Market conditions in this district indicate by the number of orders placed for purchases of Libertys, that the small investor is readily taking advantage of the high yield based on the past weeks' market. There has been some tendency on the part of large holders of Treasury certificates and notes toward liquidation.

There were no transactions affecting the investment account.

## Chicago

The Government bond market during the past week has continued dull, preparatory to the announcement of Government financing on December 15. Advances to dealers in Government securities under Sales Contract agreements amounted to \$862,600.

- 4 -

Chicago

Investment account transactions were as follows:

PURCHASES

\$ 450,000	September 3	3 3/4%	certificates	on a 4% basis
<u>2,500,000</u>	"	"	"	at 100
\$ 2,950,000				

St. Louis

Market conditions exceedingly dull; prices a little better.  
Purchases and sales about even.  
There were no transactions affecting the investment account.

Minneapolis

There was no change in local market conditions for Government securities.

Investment account transactions were as follows:

PURCHASES

\$ 72,000	March 4	1 1/4%	certificates
<u>250,000</u>	Treasury notes, Series B-1926		
\$ 312,000			

SALES

\$ 72,000	March 4	1 1/4%	certificates
250,000	Treasury notes, Series B-1926		
<u>172,000</u>	Treasury bonds of 1947-52		
\$ 494,000			

Kansas City

Local brokers report the demand exceeds the supply.  
Transactions affecting the investment account, for the period, were as follows:

PURCHASES

\$ 5,000	March 4	1 1/4%	certificates at 100
----------	---------	--------	---------------------

Dallas

The market in Government securities during the period has been active.

Investment account transactions were as follows:

SALES

\$ 300,000	4	1 1/4%	Treasury notes due September 15, 1926
------------	---	--------	---------------------------------------

San Francisco

Offerings in the market in Government securities have increased but sales continued quiet.

There were no transactions affecting the investment account other than \$500,000 Pittman Act certificates redeemed.

pk

# 2

333

December 5, 1922.

Dear Sir:

This will acknowledge receipt of your letter of December 4th, enclosing report of transactions in Government securities by the different Federal reserve banks as reported to the Committee of Governors on Centralized Execution of Purchases and Sales of Government Securities during the week ended November 29th.

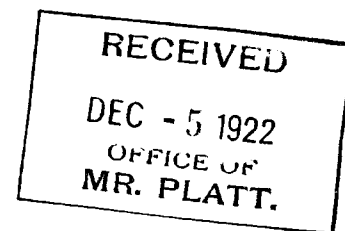
Yours very truly,

Vice Governor.

Mr. W. B. Matteson,  
Federal Reserve Bank,  
New York, N. Y.

FEDERAL RESERVE BANK  
OF NEW YORK

Committee of Governors on  
Centralized Execution of Purchases  
and Sales of Government Securities  
by Federal Reserve Banks



December 4, 1922.

CONFIDENTIAL

My dear Mr. Platt:

Enclosed is a report of transactions in Government securities by the different Federal reserve banks as reported to the Committee of Governors on Centralized Execution of Purchases and Sales of Government Securities during the week ending November 29, 1922.

Very truly yours,

A handwritten signature in dark ink, appearing to read "W. B. Matteson". The signature is fluid and cursive, with a long horizontal stroke at the end.

W. B. MATTESON  
Secretary of the Committee

Enclosure.

Honorable Edmund Platt,  
Vice Governor, Federal Reserve Board,  
Washington, D.C.

TRANSACTIONS IN GOVERNMENT SECURITIES FOR ACCOUNT  
OF THE TREASURY DEPARTMENT AND FEDERAL RESERVE BANKS FROM  
CLOSE OF BUSINESS NOVEMBER 22, 1922, TO CLOSE OF BUSINESS NOVEMBER 29, 1922,  
AS REPORTED TO THE COMMITTEE OF GOVERNORS ON CENTRALIZED EXECUTION  
OF PURCHASES AND SALES OF GOVERNMENT SECURITIES BY FEDERAL RESERVE BANKS

Operations Account Treasury Department

Treasury Cumulative Sinking Fund  
Orders

The Cumulative Sinking Fund order dated November 14 for the purchase of \$10,000,000 called Victory notes on the Stock Exchanges or elsewhere has been completed. The participation by the banks in this order is as follows:

Boston	\$	626,000
New York		3,986,600
Philadelphia		1,767,500
Atlanta		15,000
Chicago		2,500,000
St. Louis		654,150
Minneapolis		209,250
Kansas City		106,500
San Francisco		<u>135,000</u>

\$10,000,000 TOTAL ORDER

An additional authorization, dated November 27, 1922, has been received for the purchase of \$10,000,000 called Victory notes for the Cumulative Sinking Fund. All banks were advised by the Committee of this order and authorized to purchase offerings on Stock Exchanges or elsewhere in accordance with the following price schedule:

November 27 to December 4	price to be reduced from 100.08 to 100.04
December 4 " " 11 " " " "	" 100.04 " 100.02
" 11 " " 15 " " " "	" 100.02 " 100.00

Purchases have been made against this order in the following amounts:

Boston	\$	350,000	at	100.04
New York		962,000	"	100.04
Philadelphia		549,050	"	100.04
Atlanta		5,000	"	100.04
Chicago		475,000	"	100.04
St. Louis		304,450	"	100.02
Minneapolis		46,500	"	100.04
Kansas City		<u>57,550</u>	"	100.02
	\$	2,749,550		
		<u>7,250,450</u>	Unexecuted Balance	

\$10,000,000 TOTAL ORDER

War Finance Corporation

On November 23 the Federal Reserve Bank of New York was authorized to dispose of \$32,185,000 face amount of Treasury notes held in the investment account of the War Finance Corporation. These were a part of the notes purchased for this account by the Federal reserve banks during the

- 2 -

month of October. As to their disposition, \$22,185,000 face amount of these notes were retired at par and accrued interest (the price paid), as "Purchases from Proceeds of Treasury Notes." The New York Bank was requested to carry the remaining \$10,000,000 temporarily in the investment account until December 31, 1922, at which time the notes will be repurchased by the Treasury. This latter request was complied with, and the investment account of the Federal Reserve Bank of New York was increased by \$10,000,000 of the above mentioned notes.

#### Osage Indian Fund

The Treasury advised that the Secretary of the Interior desired to invest certain Indian funds in Government securities and formal authorization was received for the purchase of \$4,000,000 4 1/4% Treasury notes due September 15, 1926, at prevailing market prices. The Committee transmitted this order to all banks and offers were received in two instances from investment portfolios of the banks but at prices fractionally above those quoted by dealers. The following offers from dealers in the open market were accepted:

Boston	\$	500,000	at	99 1/8
New York		2,000,000	"	99 1/8
Philadelphia		1,000,000	"	99 1/8
Chicago		<u>500,000</u>	"	99 1/8
	\$	4,000,000		

#### Postal Savings System

As previously reported, there remains a balance of \$5,236,000 face amount of Second 4 1/4% Liberty Loan bonds to be sold on the New York Stock Exchange, for account of the Postal Savings System.

#### Federal Land Banks

At the request of the Farm Loan Commissioner the Federal Reserve Bank of New York has sold the following Treasury notes for account of various Federal Land Banks:

\$ 250,000	4 3/4%	Treasury notes due	3-15-25	at	100 3/8
125,000	"	"	"	"	3-15-25 " 100 5/16
105,000	"	"	"	"	3-15-26 " 100 7/16
<u>270,000</u>	4 1/4%	"	"	"	9-15-26 " 98 3/4
\$ 750,000					

#### Miscellaneous Treasury Orders

At the request of the Treasury Department the Federal Reserve Bank of New York purchased \$224,900 face amount of Treasury bonds for various accounts and funds.

- 3 -

Transactions by Federal Reserve Banks for Their Own Accounts

## Boston

The prices of Government securities continued to decline slightly during the past week. The market is still a professional one, with very little interest from outside investors. Dealers report that some banks are exchanging the last issue of Treasury bonds for the older Liberty issues. Advances to dealers in Government securities under Repurchase Agreements amounted to \$1,046,650 at the close of the period.

There were no transactions affecting the investment account.

## New York

Government securities on the New York Stock Exchange have been inactive during this period, although the Libertys and Treasury Bonds developed some strength at the close. There has been practically no price change for the completed period. Treasury certificates and notes were also inactive, with little change. Loans to dealers in Government securities under Sales Contract Agreements amounted to \$7,585,000 at the close of the period.

The only investment account transaction was the purchase of \$10,000,000 Treasury notes from the War Finance Corporation, the issues of which are as follows:

\$ 2,400,000	4 3/4%	Treas.nts.due	3-15-25	on a	4 3/8%	approximate basis
4,800,000	4 3/8%	"	"	"	12-15-25	at 100
1,000,000	4 3/4%	"	"	"	3-15-26	on 4.40 approximate basis
<u>1,800,000</u>	4 1/4%	"	"	"	9-15-26	at 100

\$10,000,000

## Philadelphia

The Government securities market, for the past week, has been more or less listless, with narrow price ranges. The Fourths and Second 4 1/4s recorded the lowest price of this movement, selling at 97.94 - 97.66, respectively, with a yield of 4.40 on the Fourths and 4.55 on the Seconds. The volume of trading has fallen off to a very small proportion, dealers only being willing to purchase bonds on orders, apparently marking time to see what the Treasury refunding operations will be before the end of the year. The break in the stock market has brought liquidation from that quarter, which has tended to ease money conditions, and which should be reflected in the Government securities market. Treasury Certificates and Notes were inactive, the supply exceeding the demand.

There were no investment account transactions other than \$500,000 Pittman Act Certificates redeemed.

## Cleveland

Dealers in Government securities comment as follows: "Liberty bonds reached new lows this week, but on Wednesday they strengthened. At this time of the year there is usually considerable investment in high grade bonds, many people selling more speculative issues during the end of the year and turning their money into Government bonds. We look for considerable buying in this territory during the month of December and the first part of January." Another dealer reported "demand for Liberty issues has been quite strong in this district, with supply meagre. Very few sellers in this market. Prices generally have changed very little. Some call for short time issues due June and September 1923."



- 4 -

## Richmond

The Federal Reserve Bank of Richmond sold \$5,000 Libertys and Victory notes for member banks. No reports were received from brokers in this district.

There were no investment account transactions other than \$500,000 Pittman Act Certificates redeemed.

## Atlanta

Market conditions in this district remained unchanged during the past week.

The Treasury redeemed \$500,000 Pittman Act Certificates. There were no other investment account transactions.

## Chicago

The market for United States Government securities during the past week continued dull, with prices about the same as a week ago, Treasury certificates were offered freely on a 4% basis and there are a few large blocks of Treasury notes available at prices yielding about 4.60%. A total of \$1,004,500 was advanced to dealers in Government securities under Sales Contract Agreements.

Investment account transactions were as follows:

PURCHASES

\$2,600,000 September 3 3/4% certificates on 4% basis

SALES

\$1,000,000 Pittman Act Certificates redeemed.

## St. Louis

Market low but very inactive; purchases generally exceed sales.

Transactions affecting the investment account were as follows:

PURCHASES

\$ 500 Treasury bonds of 1947-52 at 99.54 and interest

4,000	"	"	"	"	"	100
<u>\$4,500</u>						

SALES

\$2,200 Treasury bonds of 1947-52 at 100.

## Minneapolis

There seems to be much more interest shown by the Ninth District banks in Government securities than in the past four weeks.

Purchases and sales affecting the investment account were as follows:

- 5 -

Minneapolis  
(continued)PURCHASES

\$	15,000	September 3	3 3/4%	certificates
	20,000	June	"	"
	15,000	March	4 1/4%	"
	472,000	Treasury bonds of 1947-52		
	558,400	Treasury Notes		
	<u>\$1,080,400</u>			

SALES

\$	15,000	September 3	3 3/4%	certificates
	20,000	June	"	"
	15,000	March	4 1/4%	"
	300,400	Treasury bonds of 1947-52		
	558,400	Treasury Notes		
	<u>908,800</u>			

Kansas City

Local brokers report that the movement in Government securities has been limited. The demand has exceeded the supply and has been for securities having the longest time to run, with very few calls for Victory notes. Sales for account of member and non-member banks have amounted to 1,100 uncalled Victory notes.

Transactions in Government securities affecting the investment account were as follows:

SALES

\$	200	Treasury bonds at 100
	250,000	2% Consols at 103
	<u>500,000</u>	Pittman Act Certificates redeemed
\$	750,200	

Dallas

The market in Government securities is beginning to show signs of increased activity.

Investment account transactions were as follows:

PURCHASES

\$	300,000	4 1/4% Treasury notes due 9-15-26
----	---------	-----------------------------------

San Francisco

The market in Government securities remained quiet during this period.

There were no transactions involving the investment account.

1  
A 2

1  
333 /

December 1, 1932.

Dear Sir:

This will acknowledge receipt of your letter of November 29th, enclosing report of transactions in Government securities by the different Federal reserve banks as reported to the Committee of Governors on Centralized Execution of Purchases and Sales of Government Securities.

Yours very truly,

Vice Governor.

Mr. W. B. Matteson,  
Federal Reserve Bank,  
New York, N. Y.

FEDERAL RESERVE BANK  
OF NEW YORK

Committee of Governors on  
Centralized Execution of Purchases  
and Sales of Government Securities  
by Federal Reserve Banks

November 29, 1922

CONFIDENTIAL

My dear Mr. Platt:

Enclosed is report of transactions in Government securities by the different Federal reserve banks as reported to the Committee of Governors on Centralized Execution of Purchases and Sales of Government securities during the week ending November 22, 1922.

Very truly yours,



W. B. MATTESON  
Secretary of the Committee

Enclosure.

Honorable Edmund Platt,  
Vice Governor, Federal Reserve Board,  
Washington, D.C.

**TRANSACTIONS IN GOVERNMENT SECURITIES FOR ACCOUNT  
OF THE TREASURY DEPARTMENT AND FEDERAL RESERVE BANKS FROM  
CLOSE OF BUSINESS NOVEMBER 15, 1922, TO CLOSE OF BUSINESS NOVEMBER 22, 1922,  
AS REPORTED TO THE COMMITTEE OF GOVERNORS ON CENTRALIZED EXECUTION  
OF PURCHASES AND SALES OF GOVERNMENT SECURITIES BY FEDERAL RESERVE BANKS**

Operations Account Treasury Department

Treasury Cumulative Sinking Fund  
Orders

On the Cumulative Sinking Fund order dated November 14, 1922, a total of \$8,090,700 face amount of called Victory notes has been purchased at prices ranging from 100 to 100.08. The participation by the banks in this order is as follows:

Boston	\$	326,000
New York		3,986,600
Philadelphia		1,322,500
Atlanta		15,000
Chicago		1,825,000
St. Louis		208,600
Minneapolis		170,500
Kansas City		101,500
San Francisco		<u>135,000</u>
	\$	8,090,700

Postal Savings System

The status of the order to sell for the Board of Trustees, Postal Savings System, \$9,000,000 Second 4 1/4% Liberty Loan bonds on the New York Stock Exchange is as follows:

<u>Sold</u>	\$	238,000	at	98.06
		1,007,000	"	98.04
		808,000	"	98.00
		2,000	"	98.02
		382,000	"	97.96
		<u>327,000</u>	"	97.98
	\$	2,764,000		
Balance unsold		<u>6,236,000</u>		
Total	\$	9,000,000		

Sale of Victory Notes  
at Request of Treasury

The balance of uncalled Victory notes held by the Federal reserve banks has been sold. There were sold in New York for San Francisco \$4,690,000 Victorys at 100.30, which was reinvested in Bankers' Acceptances.

With reference to the holdings of the Federal Reserve Bank of Cleveland, \$3,000,000 were sold in New York at 100.32 and the Treasury authorized the retirement of the balance, \$7,304,500, at 100.32 and accrued interest for account of the Cumulative Sinking Fund.

- 2 -

Civil Service Retirement  
and Disability Fund

The Treasury Department requested the Federal Reserve Bank of New York to redeem \$3,000,000 December 3 1/2% certificates of indebtedness held in the investment account of the Civil Service Retirement and Disability Fund and to sell from the bank's account at the market rate \$2,000,000 March 4 1/4% certificates and \$1,000,000 June 3 3/4% certificates to the Treasury for the same account. These instructions were carried out, the \$2,000,000 March 4 1/4% certificates being sold at 100 1/8 and the \$1,000,000 June's at 100.

War Finance Corporation

For account of the War Finance Corporation \$12,598,000 face amount of Second, Third and Fourth 4 1/4% Liberty Loan bonds were taken over by the Treasury for retirement for the Cumulative Sinking Fund.

Miscellaneous Orders

An authorization was received from the Treasury to purchase \$1,000,000 September 3 3/4% certificates at 100 for account of the U. S. Spruce Production Corporation. This order was filled by a sale from the investment account of the Federal Reserve Bank of New York, a replacement being made by a purchase of \$1,000,000 June 3 3/4% certificates at 100 from the Federal Reserve Bank of Philadelphia.

All reserve banks were advised by the Committee that a foreign correspondent of the Federal Reserve Bank of New York desired to purchase \$1,000,000 Treasury certificates of indebtedness at 100. Offerings of June certificates at that price were received for the most part, but inasmuch as the preference was made for the September issue by the foreign correspondent, the first offering of that maturity was taken up. This was made by the Federal Reserve Bank of Kansas City, which sold \$1,000,000 September 3 3/4% certificates at 100 from its investment account.

Miscellaneous  
Treasury  
Orders

At the request of the Treasury Department the Federal Reserve Bank of New York purchased \$800,200 face amount of Treasury bonds for various accounts and funds.

Transactions by Federal Reserve Banks for Their Own AccountsBoston

The market for United States securities has been very quiet during the past week, with very slight price changes. Brokers describe it as a waiting market and although the present supply appears to exceed the demand they look for higher prices after the first of the year. Total advances to dealers in Government securities under Sales Contract Agreements amounted to \$560,450.

There were no investment account transactions other than \$500,000 Pittman Act certificates redeemed.

- 3 -

## New York

A relaxation in the credit demands of Autumn trade and industry shown by reduced discounts of the System had little apparent effect on the market in Government securities in New York for the period ending November 22. Liberty bonds were inactive with practically no change in price over last week. Call money rates fluctuated between 3 1/2% and 5%, money loaning for the most part at about 4%. Similarly, there was but little activity in Treasury certificates and notes, the prices of which did not change. Loans to dealers in Government securities under Sales Contract agreements amounted to \$7,163,000 at the close of the period.

Investment account transactions were as follows:

PURCHASES

\$ 426,000	September 3	3 3/4%	certificates at 100	from dealers
<u>1,000,000</u>	June	"	"	" 100 " Philadelphia
\$ 1,426,000				

SALES

\$ 2,000,000	March	4 1/4%	certificates at 100	1/8 to Treasury
1,000,000	June	3 3/4%	"	" 100 " "
<u>1,000,000</u>	September	"	"	" 100 " "
\$ 4,000,000				

## Philadelphia

The past week has found the bond market very inactive prices moving within a very narrow range. There was some little demand for the Third 4 1/4s, but on the whole there was apparently little inquiry for Government issues, and the volume of sales was comparatively small. Prices have been erratic with no material change. Conditions in the money market and the revival of the bonus question have, undoubtedly, been reflected in the Government market. Certificates of Indebtedness have been quiet and dealers were offering notes with little demand from the investing public.

The only transaction affecting the investment account was the sale to New York of \$1,000,000 June 3 3/4% certificates at par and accrued interest.

## Cleveland

Dealers report that the Liberty Bond market has continued dull for the past week, although it has been more steady. So far as the Cleveland district is concerned, there seems to be more buying than selling and selling of bonds has let up considerably. Another dealer reports a lack of interest in buying orders and no sellers. Very few bonds offered.

Investment account transactions were as follows:

SALES

\$ 3,000,000	uncalled Victory notes at 100.32	in New York
<u>7,304,500</u>	"	" " " 100.32 to Treasury
\$ 10,304,500		

- 4 -

**Richmond**

Brokers report the market dull but with a considerable number of small buying orders for the various Liberty issues. During the week the Federal Reserve Bank of Richmond sold a total of \$66,400 face amount of Government securities for account of member banks.

There were no transactions involving the investment account.

**Atlanta**

Offerings of Government securities in this district have been light with rather good demand for purchases in small lots.

There were no transactions affecting the investment account.

**Chicago**

The market for all issues of Government securities continued very dull all week, with prices moving over a narrow range. Dealers are carrying very small portfolios of notes and certificates. Advances to dealers under Sales Contract agreements amounted to \$354,100.

The only transactions affecting the investment account were the sale of \$2,500,000 September 3 3/4% certificates for the accommodation of a local bank and \$500,000 Pittman Act certificates redeemed.

**St. Louis**

Sales and purchases about equal. Market low, but fairly steady.

Transactions affecting the investment account were as follows:

PURCHASES

\$ 1,200 Treasury bonds of 1947-52 at 99.56

SALES

\$ 7,500 Treasury bonds of 1947-52 at 100.

**Minneapolis**

The local market in Government securities was very quiet, with practically no orders to sell at present prices, and with only a few purchases.

Investment account transactions were as follows:

PURCHASES

\$	15,000	September 3 3/4% certificates
	760,100	Treasury notes
	10,000	" bonds
\$	<u>785,100</u>	

SALES

\$	760,000	Treasury notes
	8,900	" bonds
\$	<u>768,900</u>	



- 5 -

**Kansas City**

Purchases of \$2,100 and sales of \$1,500 have been made for the account of member banks. Local brokers report that the market has been dull, but that the local supply has not been sufficient to fill the local demand, and that they have had to purchase on the New York market.

The following sales reduced the investment account holdings:

SALES

\$ 1,000,000	September 3 3/4% certificates at 100
<u>50,000</u>	2% Consols at 103
\$ 1,050,000	

**Dallas**

The market in Government securities has been very quiet during the past week. The balance of uncalled Victory notes in the investment account, amounting to \$75,000, was sold to member banks.

**San Francisco**

The market for Government securities in this district still remains quiet.

Investment account transactions were as follows:

SALES

\$ 4,690,000	uncalled Victorys at 100.30 in New York
<u>500,000</u>	Pittman Act certificates redeemed
\$ 5,190,000	

AP

# 2

333 /

November 22, 1922.

Dear Sir:

This will acknowledge receipt of your letter of November 21st, enclosing report of transactions in Government securities by the different Federal reserve banks as reported to the Committee of Governors on Centralized Execution of Purchases and Sales of Government Securities during the week ended November 15, 1922.

Yours very truly,

Vice Governor.

Mr. W. B. Matteson,  
Federal Reserve Bank,  
New York, N. Y.

FEDERAL RESERVE BANK  
OF NEW YORK

Committee of Governors on  
Centralized Execution of Purchases  
and Sales of Government Securities  
by Federal Reserve Banks

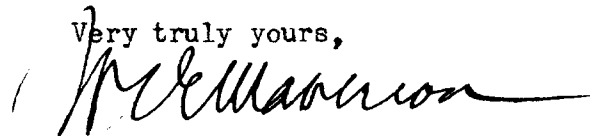
November 21, 1922.

CONFIDENTIAL

My dear Mr. Platt:

Enclosed is report of transactions in Government securities by the different Federal reserve banks as reported to the Committee of Governors on Centralized Execution of Purchases and Sales of Government Securities during the week ending November 15, 1922.

Very truly yours,



W. B. MATTESON  
Secretary of the Committee

Enclosure.

Honorable Edmund Platt,  
Vice Governor, Federal Reserve Board,  
Washington, D.C.

TRANSACTIONS IN GOVERNMENT SECURITIES FOR ACCOUNT  
OF THE TREASURY DEPARTMENT AND FEDERAL RESERVE BANKS FROM  
CLOSE OF BUSINESS NOVEMBER 8, 1922, TO CLOSE OF BUSINESS NOVEMBER 15, 1922,  
AS REPORTED TO THE COMMITTEE OF GOVERNORS ON CENTRALIZED EXECUTION  
OF PURCHASES AND SALES OF GOVERNMENT SECURITIES BY FEDERAL RESERVE BANKS

Operations Account Treasury Department

Treasury Orders      Cumulative Sinking Fund

The Cumulative Sinking Fund order dated October 31, 1922, for the purchase on Stock Exchanges or elsewhere of \$10,000,000 called Victory notes, at prices not exceeding 100.08 excluding commissions, has been completed. Participation in this order by the banks is as follows:

Boston	\$	60,000
New York		7,323,950
Philadelphia		310,000
Chicago		1,875,000
St. Louis		239,550
Kansas City		91,500
San Francisco		<u>100,000</u>

\$10,000,000 TOTAL ORDER

Under date of November 14, 1922, the Treasury authorized the purchase of \$10,000,000 called Victory notes on Stock Exchanges or elsewhere, at prices not exceeding 100.08, excluding commissions, for account of the Sinking Fund. Purchases thus far made against this order are as follows:

Boston	\$	146,000	at	100.08
New York		2,086,050	"	100.06
		800,000	"	100.08
Philadelphia		100,000	"	100.08
Atlanta		10,000	"	100.08
Chicago		300,000	"	100.08
		150,000	"	100.06
Minneapolis		4,650	"	100.08
St. Louis		12,900	"	100.04
		<u>50,000</u>	"	100.06
	\$	3,659,600		
		<u>6,340,400</u>	Unexecuted Balance	

\$10,000,000 TOTAL ORDER

Sale of Victory Notes at request of Treasury

With reference to the Treasury's suggestion made through the Committee to all banks, to sell in the open market all uncalled Victory notes held in their investment accounts, (proceeds of which Committee at conference October 31 suggested might be reinvested where necessary and desirable in Bankers' Bills), the following sales have taken place in compliance with the Treasury's desires:

- 2 -

<u>DISTRICT</u>	<u>AMOUNT</u>	<u>DISPOSITION</u>
Boston	\$ 5,806,000	Sold in New York at 100.34. Proceeds have not been reinvested.
Philadelphia	150	Total holdings sold.
Cleveland	10,304,500	Sale authorized for week of November 20 at 100.32.
Kansas City	10,850	Sold in their market at 100.24.
Dallas	161,250	Of which \$86,250 has been sold in New York at 100.32, and the balance, \$75,000, to their member banks.
San Francisco	<u>10,065,300</u>	Of this amount \$5,375,300 has been sold in New York at 100.32 and reinvested in Bankers Acceptances. The balance, \$4,690,000, is in the process of sale and is to be reinvested in Bills.
TOTAL	\$26,348,050	

Farm Loan Board

The Federal Reserve Bank of New York sold at the request of the Farm Loan Commissioner, \$250,000 4 3/4% Treasury notes, due March 15, 1925, at 100 5/16 for account of the Federal Land Bank of Columbia. In connection with orders of purchase and sale of securities for account of the Farm Loan Board, the Treasury Department has advised in the future that the Commissioner, after consultation with the Treasury Department, will give the Committee three or four day's advance notice of any orders so that these orders may be handled by the Committee and executed in accordance with the usual procedure for Treasury and Federal reserve bank orders.

Postal Savings System

On November 9, 1922, the Treasury requested the Federal Reserve Bank of New York to sell on the New York Stock Exchange for the account of the Board of Trustees, Postal Savings System, \$375,000 face amount of First 4 1/4% Liberty Loan bonds and \$9,000,000 face amount of Second 4 1/4% Liberty Loan bonds. Sales made thus far on the Stock Exchange follow:

\$	375,000	First 4 1/4s	at	98.42
	238,000	Second "	"	98.06
	<u>1,007,000</u>	"	"	98.04
\$	<u>1,620,000</u>			
	<u>7,755,000</u>	Second 4 1/4s	to be sold	
\$	9,375,000			

- 3 -

Miscellaneous  
Treasury  
Orders

At the request of the Treasury Department the Federal Reserve Bank of New York purchased \$930,200 face amount of Government bonds on the Stock Exchange for various accounts and funds.

Transactions by Federal Reserve Banks for Their Own Accounts

## Boston

The United States securities market is still a professional one. Prices are lower on all issues at the end of the period, and supply and demand are light and about equal. A total of \$800,930 was loaned to dealers in Government securities, under Repurchase Agreements.

The following transaction affected the investment account:

SALES

\$ 5,806,000 uncalled Victory notes at 100.34 in New York.

## New York

Prices declined in all classes of bonds listed on the New York Stock Exchange with the Libertys, generally leaders in any price movement, but with a comparatively minor reduction in prices. Eight issues of Government obligations averaged a net loss of 42 cents per \$100. Treasury certificates and notes were also sympathetically weak, influenced directly by the prevailing high money rates. That the strong selling tendency which is now predominant in the bond market is not accompanied by a corresponding rise in stocks, leads some dealers to believe that the peak has not been reached in the bond market, which, for the past year, has been strong, with prices in all issues advancing month by month. Prognosticators holding this view therefore look for a recovery from the recent slump in the next few months, contending that the present increased activity in business is purely periodical and does not as yet mark a turn to normalcy. Advances to dealers in Government securities under sales contracts amounted to \$11,958,000 at the close of the period.

Investment account transactions were as follows:

PURCHASES

\$ 249,000	September	3 3/4%	certificates	at	100
35,500	June	"	"	"	100
1,500,000	March	4 1/4%	"	"	100 1/8 from
<u>\$ 1,784,500</u>					St. Louis

SALES

\$ 1,375,000	September	3 3/4%	certificates	at	100
1,000,000	March	4 1/4%	"	on	3.55 basis
<u>\$ 2,375,000</u>					

## Philadelphia

The past week has seen the Liberty bond market ease off from the prices of the previous week, in sympathy with the general bond market. The major portion of the sales has been attributed to industrial concerns for the purpose of using the proceeds in their

- 4 -

Philadelphia  
(continued)

expanding business. The market is now absorbing this liquidation and when it has run its course, we should see advancing prices, but for the present, we can expect a spotty market. The market in Treasury certificates and Notes has been more or less apathetic, with comparatively heavy offerings and practically no demand.

Investment account transactions were as follows:

PURCHASES

\$ 31,600 Treasury bonds of 1947-52 at 100  
2,700 Victory notes at 100  
 \$ 34,300

SALES

\$ 14,800 U. S. Treasury bonds of 1947-52 at 100  
 2,700 Victory notes at 100  
150 uncalled Victory notes at 100.30  
 \$ 17,650

## Cleveland

Dealers in Government securities report that the Liberty bond market has been weak, with very little buying or selling. At the close of the period the Second issue reached a new low on this movement, selling under 98 and all the 4 1/4s selling but a few points above 98. The new low prices reached this week will undoubtedly attract buyers. One dealer reports that there has been some absorption of Fourths and Seconds here, investors having purchased from this dealer about \$1,500,000 of these bonds during the past week. Sellers here are scarce with very little doing in certificates and notes.

Purchases and sales affecting the investment account are as follows:

PURCHASES

\$ 500,000 September 3 3/4% certificates at 100

SALES

\$ 150,000 September 3 3/4% certificates at 100  
 40,000 uncalled Victory notes at 100.38  
20,000 March 4 1/4% certificates at 100  
 \$ 210,000

## Richmond

Brokers report the market quiet, with no important price changes. During the past week the Federal Reserve Bank of Richmond sold for member banks a total of \$30,950 bonds and notes. In addition to this \$5,550 Third 4 1/4s were purchased for members.

There were no transactions affecting the investment account.

## Atlanta

Although the sale of Liberty bonds has been very quiet, due to continued weakness of the market, there seems to be an increase in the number of small buyers taking advantage of the declining prices.

There were no purchases and sales affecting the investment account.

- 5 -

## Chicago

The market for Government securities continues dull and inactive, with a further drop in prices along the entire list. Advances to dealers under sales contract agreements amounted to \$623,500. There were no transactions affecting the investment account.

## St. Louis

Bond sales exceeded purchases by a small margin. Certificate purchases and sales were about equal. Generally speaking the market was weak and declining.

Investment account activities were as follows:

PURCHASES

\$ 7,000 Treasury bonds of 1947-52 at 99.96

SALES

\$1,500,000 March 4 1/4% certificates at 100.125

6,500 Treasury bonds of 1947-52 at 100

\$1,506,500

## Minneapolis

There has been no change in the market here for Government securities. Trading during the week has been very dull.

Investment account transactions were as follows:

PURCHASES

\$ 5,000 March 4 1/4% certificates

11,000 Treasury notes

2,400 Treasury bonds of 1947-52

\$ 18,400

SALES

\$ 5,000 March 4 1/4% certificates

11,000 Treasury notes

9,400 Treasury bonds

\$ 25,400

## Kansas City

Purchases of \$13,200 and sales of \$1,850 have been made for account of member banks. Local brokers report that the local demand for Government securities still somewhat exceeds the local supply, but there has been no great volume of transactions during the last week.

The following investment account transactions were reported:

PURCHASES

\$ 5,000 December 4 1/2% certificates at 100

SALES

\$ 100,000 2% Consols at 103

10,850 uncalled Victory notes at 100.24

\$ 110,850



- 6 -

Dallas

The market was very quiet in Government securities during the week.

Investment account transactions were as follows:

SALES

\$ 86,250 uncalled Victory notes at 100.32 in New York

San Francisco

The market in Government securities continued quiet during the week. The sale of \$5,375,300 uncalled Victory notes at 100.32 in New York was the only investment account transactions.

AK

# 21

333

November 14, 1922.

Dear Sir:

This will acknowledge receipt of your letter of November 13th, enclosing report of transactions in Government securities by the different Federal reserve banks as reported to the Committee of Governors on Centralized Execution of Purchases and Sales of Government Securities during the week ended November 8, 1922.

Yours very truly,

Vice Governor.

Mr. W. B. Matteson,  
Federal Reserve Bank,  
New York, N. Y.

FEDERAL RESERVE BANK  
OF NEW YORK

Committee of Governors on  
Generalized Execution of Purchases  
and Sales of Government Securities  
by Federal Reserve Banks

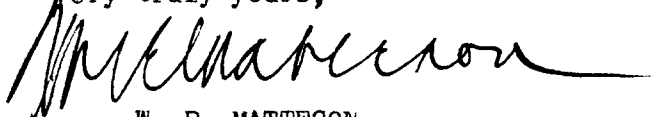
November 13, 1922.

CONFIDENTIAL

My dear Mr. Platt:

Enclosed is report of transactions in Government securities by the different Federal reserve banks as reported to the Committee of Governors on Centralized Execution of Purchases and Sales of Government securities during the week ending November 8, 1922.

Very truly yours,



W. B. MATTESON  
Secretary of the Committee

Enclosure.

Honorable Edmund Platt,  
Vice Governor, Federal Reserve Board,  
Washington, D.C.

TRANSACTIONS IN GOVERNMENT SECURITIES FOR ACCOUNT  
OF THE TREASURY DEPARTMENT AND FEDERAL RESERVE BANKS FROM  
CLOSE OF BUSINESS NOVEMBER 1, 1922, TO CLOSE OF BUSINESS NOVEMBER 8, 1922,  
AS REPORTED TO THE COMMITTEE OF GOVERNORS ON CENTRALIZED EXECUTION  
OF PURCHASES AND SALES OF GOVERNMENT SECURITIES BY FEDERAL RESERVE BANKS

Operations Account Treasury Department

Treasury Cumulative Sinking Fund  
Orders

On November 8, 1922, the Treasury approved purchases of called Victory notes against the Cumulative Sinking Fund order dated October 31, 1922, which was held up temporarily until the effect of the Treasury's general offer to redeem the December 15 maturities was apparent. Accordingly all banks were authorized to purchase these notes at prices not exceeding 100.08, excluding commissions. Purchases thus far reported are as follows:

Boston	\$	60,000	at	100.08	
New York		2,700,000	"	100.08	
St. Louis		135,000	"	100.06	
		4,550	"	100.00	
Chicago		600,000	"	100.06	
		125,000	"	100.08	
Kansas City		14,000	"	100.02	
		16,000	"	100.04	
		40,000	"	100.06	
	\$	3,694,550			
		6,305,450	Unexecuted Balance		
	\$	10,000,000			

The Treasury Department has recently proposed that the Federal reserve banks dispose of their holdings of uncalled Victory notes in the open market and suggested at the same time that reinvestment of such funds, where necessary or desirable, might be made by the purchase of Bankers Acceptances. This proposition was assented to by the members of the Committee and all banks were advised of the Treasury's suggestion. This action by the Treasury is in line with the discussions of the Committee at their meeting held in Cleveland on October 31, 1922, copies of the minutes of which have been sent to all Governors.

The Treasury recently informed the Committee that there is now held in the investment account of the Alien Property Custodian \$41,814,000 of the new 4 1/4% Treasury bonds of 1947-52 which were purchased at an average principal cost of about 100.06. As opportunity offers, it intends to sell these bonds from time to time in the open market at the above price or better, and thereupon to reinvest the proceeds of this sale in Treasury certificates, preferably of the earlier maturities by purchases of the holdings of the Federal reserve banks. This transaction may require a considerable period of time to consummate.

Miscellaneous      At the request of the Treasury Department the Federal Reserve  
Treasury Bank of New York purchased \$504,800 face amount of Government securities  
Orders              for various funds and accounts.

- 2 -

Transactions by Federal Reserve Banks for Their Own Accounts

Boston

The market for the past week has been a professional one. With liquidation terminated (at least temporarily), dealers succeeded in bidding up the prices on all issues, but even with increased prices there was no sustained outside buying. If anything, there seems to be a tendency for banks to sell. This, brokers expect, will become more general when banks with Christmas Savings Funds begin to liquidate in anticipation of paying Christmas fund holders. Advances to dealers in Government securities under repurchase agreements amounted to \$1,455,250.

Investment account transactions were as follows:

SALES

\$ 1,000,000	September 3 3/4%	certificates at 100
500,000	Pittman Act	certificates redeemed
<u>\$ 1,500,000</u>		

New York

Trading in Government securities during this period in New York has been carried on in decreased volume, but accompanied by an appreciable price improvement, eight issues showing an average advance of 20¢ per \$100. Treasury certificates and notes also recorded gains although the activity in that quarter was very moderate. Commercial paper and call loan rates continued firm while advances to dealers under sales contract agreements amounted to \$13,769,800 at the close of the period.

Transactions affecting the investment account were as follows:

PURCHASES

\$ 2,000,000	September 3 3/4%	certificates at 100
--------------	------------------	---------------------

SALES

\$ 5,112,500	September 3 3/4%	certificates at 100
300,000	" "	" " 100 1/64
375,000	March 4 1/4%	" on 3.55 basis
540,000	June 3 3/4%	" 3.70 "
5,000,000	uncalled Victory notes	" 3.70 "
<u>\$11,327,500</u>		

Philadelphia

The market as a whole was very erratic throughout the week, with some signs of strength during the early part. The decline in prices, which has extended over a period of several weeks, was checked temporarily and the whole list began to move forward again. The slight gain, however, was later lost under the pressure of comparatively heavy sales. There has been some buying by banking institutions, especially the new 4 1/4% bonds, with the result that they advanced to 100.08 and Fourth 4 1/4s to 99.50, with closing sales of 99.92 and 98.94 respectively. The volume of trading was not very heavy, the market apparently being easily affected by moderate size orders either way. Money is loaning and renewing at 5 to 5 1/2% and no buying of Government securities can be looked for while these rates prevail. Treasury certificates and notes remained quiet, with very little demand or offering, although the prices are fractionally better.

- 3 -

Philadelphia  
(continued)

The following are transactions affecting the investment account:

PURCHASES

\$ 100,000	First 4 1/4% Liberty loan bonds at 98.90
------------	--

SALES

\$ 146,500	U. S. Treasury bonds of 1947-52 at 100
<u>100,000</u>	First 4 1/4% Liberty loan bonds at 98.90
\$ 246,500	

Cleveland

Dealers in Government securities report that the Liberty bond market in the latter part of last week was quite strong, with recoveries from recent lows from 1/2 to 3/4 of a point. Liberty bonds this week, however, have been reactionary. There has been very little increase in selling in this territory, while the buying continues to improve somewhat. Increasing bid prices on Libertys brought out very few bonds. The activity in Treasury notes and certificates was limited.

The following are investment account transactions:

PURCHASES

\$ 125,000	September 3 3/4% certificates at 100
------------	--------------------------------------

SALES

\$5,449,800	called Victory notes at 100.08 to the Treasury
<u>10,000</u>	March 4 1/4% certificates at 100
\$5,459,800	

Atlanta

Market conditions have been unusually quiet in this district due to the continued weakness in all issues.

There were no transactions affecting the investment account other than \$500,000 Pittman Act certificates redeemed.

Chicago

The market for Liberty bonds and notes has been very dull and inactive during the past week. Certificates of indebtedness have been quoted below par for several days but this market is also very inactive. A total of \$3,181,000 was advanced to dealers in Government securities under sales contract.

There were no purchases and sales affecting the investment account.

St. Louis

Purchases and sales of Liberty bonds have been about equal. Brokers have bought more certificates than they have sold. Market conditions are improving.

The following are transactions affecting the investment account:

PURCHASES

\$ 30,000	June 3 3/4% certificates at 100
1,400	Treasury bonds of 1947-52 at 100.04
<u>3,300</u>	" " " " " 100
\$ 34,700	

- 4 -

St. Louis  
(continued)SALES

\$ 6,700	Treasury bonds of 1947-52 at 100
<u>3,050</u>	uncalled Victory notes redeemed
\$ 9,750	

Minneapolis

The local market in Government securities remains very quiet. Purchases and sales affecting the investment account were as follows:

PURCHASES

\$ 115,000	September 3 3/4% certificates
3,000	Series B-1925 Treasury notes
<u>203,600</u>	Treasury bonds of 1947-52
\$ 321,600	

SALES

\$ 115,000	September 3 3/4% certificates
13,500	Treasury notes
<u>201,500</u>	Treasury bonds of 1947-52
\$ 330,000	

Kansas City

For account<sup>of member</sup> and non-member banks we have purchased \$4,500 of Fourth Liberty bonds and \$4,700 of Treasury bonds. Local brokers report that the demand for Government securities continues about as for the past two or three weeks, that is, the demand is greater than the local supply and as a consequence they are compelled to purchase in New York.

During this period \$100,000 2% Consols were sold at 103 and \$1,000,000 Pittman Act certificates were redeemed.

Dallas

The demand for short term securities is increasing. Transactions in the investment account were as follows:

PURCHASES

\$ 125,000	B-1926 Treasury notes
------------	-----------------------

SALES

\$ 125,000	B-1926 Treasury notes
------------	-----------------------

San Francisco

Offerings continued light in the market in Government securities during the period.

There were no transactions affecting the investment account.

# 2

3331

November 11, 1922.

Dear Sir:

This will acknowledge receipt of your letter of November 9th, enclosing copy of the minutes of the meeting of the Committee of Governors on Centralized Execution of Purchases and Sales of Government Securities held in Cleveland, Ohio, on October 31, 1922.

Yours very truly,

Vice Governor.

Mr. W. B. Matteson,  
Federal Reserve Bank,  
New York.



FEDERAL RESERVE BANK  
OF NEW YORK

Committee of Governors on  
Centralized Execution of Purchases  
and Sales of Government Securities  
by Federal Reserve Banks.

November 9, 1922.

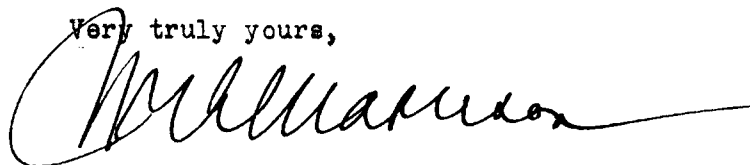
RECEIVED  
NOV 10 1922  
OFFICE OF  
MR. PLATT.

CONFIDENTIAL

Dear Mr. Platt;

I am enclosing copy of the minutes of the meeting  
of the Committee of Governors on Centralized Execution of  
Purchases and Sales of Government Securities held in  
Cleveland, Ohio, on October 31, 1922.

Very truly yours,



W. B. Matteson  
Secretary of the Committee

Enclosure.

Honorable Edmund Platt,  
Vice Governor, Federal Reserve Board,  
Washington, D. C.

MINUTES OF MEETING OF COMMITTEE OF GOVERNORS ON CENTRALIZED  
EXECUTION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES BY FEDERAL  
RESERVE BANKS HELD AT THE FEDERAL RESERVE BANK OF CLEVELAND, OCTOBER 31, 1922

Meeting of the Committee of Governors on Centralized Execution of Purchases and Sales of Government Securities by Federal Reserve Banks held at the Federal Reserve Bank of Cleveland, Ohio, Tuesday, October 31, 1922, at 10:15 A.M. Present: All the members of the Committee, and Mr. John R. Mitchell of the Federal Reserve Board.

The Chairman submitted a report of transactions brought down to October 25.

The Chairman was directed by the Committee to secure from Under Secretary Gilbert more explicit directions, if possible, as to which orders for the Treasury's account are limited in execution to the stock exchanges and which may be executed in the open market.

The Committee examined the report submitted by the Chairman and various questions relating to the execution of orders were discussed at length.

The discussion developed the fact that it was the unanimous feeling of the members of the Committee that the difficulty with the market for the new issue of Treasury bonds was principally to be attributed to bank subscriptions made for the purpose of securing the deposit of the proceeds, some of the subscribing banks having at once offered for sale the bonds which were allotted to them.

It was informally suggested to the Chairman that the subject of bank subscriptions and payment by credit for Government loans, as well as deposit withdrawals, should be discussed with Mr. Gilbert.

The Chairman reported that the last advices received from Under Secretary Gilbert were to the effect that it would not be the policy of the Treasury to give supporting orders for any of the issues now outstanding

- 2 -

and that any change in this attitude would be promptly reported to members of the Committee.

The Committee discussed the situation created by the advances in the market rate for Bankers' Acceptances to 4% and over, that being a shade above the discount rate of the Boston and New York banks. It was proposed that if Bankers' Acceptances do not obtain satisfactory distribution at this rate level it might be desirable for the Committee to suggest to the other Federal reserve banks that they consider liquidating some of their holdings of Government securities, preferably by sales to the Treasury (which would have the effect of absorbing Treasury bank balances) and that those banks then participate in purchases of bills in the market with a view to maintaining as nearly as possible a 4% rate. Obviously, if this program is not successful it might be necessary to advance discount rates, at least in Boston and New York.

Adjourned at 12:45 o'clock P.M.

APPROVED: Governor Strong, Chairman  
Governor Fancher  
Governor McDougal  
Governor Morss  
Governor Norris

PK

A 2

333.1

November 9, 1922.

Dear Sir:

This will acknowledge receipt of your letter of November 8th, enclosing report of transactions in Government securities by the different Federal reserve banks as reported to the Committee of Governors on Centralized Execution of Purchases and Sales of Government Securities during the week ended November 1, 1922.

Yours very truly,

Vice Governor.

Mr. W. B. Matteson,  
Federal Reserve Bank,  
New York, N. Y.

FEDERAL RESERVE BANK  
OF NEW YORK

RECEIVED  
NOV 9 1922  
OFFICE OF  
MR. PLATT.

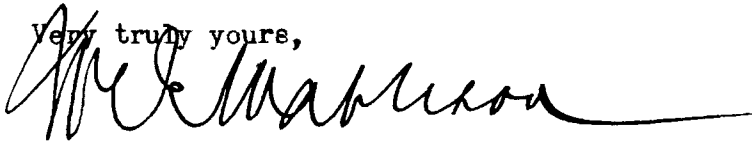
Committee of Governors on  
Centralized Execution of Purchases  
and Sales of Government Securities  
by Federal Reserve Banks

November 8, 1922.

CONFIDENTIAL

My dear Mr. Platt:

Enclosed is report of transactions in Government securities by the different Federal reserve banks as reported to the Committee of Governors on Centralized Execution of Purchases and Sales of Government Securities during the week ending November 1, 1922.

Very truly yours,  


W. B. MATTESON  
Secretary of the Committee

Enclosure.

Honorable Edmund Platt,  
Vice Governor, Federal Reserve Board,  
Washington, D.C.

TRANSACTIONS IN GOVERNMENT SECURITIES FOR ACCOUNT  
OF THE TREASURY DEPARTMENT AND FEDERAL RESERVE BANKS FROM  
CLOSE OF BUSINESS OCTOBER 25, 1922, TO CLOSE OF BUSINESS NOVEMBER 1, 1922,  
AS REPORTED TO THE COMMITTEE OF GOVERNORS ON CENTRALIZED EXECUTION  
OF PURCHASES AND SALES OF GOVERNMENT SECURITIES BY FEDERAL RESERVE BANKS

Operations Account Treasury Department

Treasury  
Orders      Cumulative Sinking Fund

The Cumulative Sinking Fund order dated October 17, 1922, for the purchase of \$15,000,000 called Victory notes has been completed. Purchases have been made by the following banks at prices ranging from 100.04 to 100.20 net, the price limit on this authorization having been changed from 100.16 to 100.12 exclusive of commissions on October 23, 1922:

Boston	\$ 1,901,000
New York	11,074,200
Philadelphia	850,000
Chicago	900,000
Kansas City	24,800
Minneapolis	<u>250,000</u>

\$15,000,000

A new order dated October 31, 1922, has been received authorizing the purchase of \$10,000,000 called Victory notes for the Cumulative Sinking Fund at prices, excluding commissions, not to exceed 100.10 and interest. No purchases have thus far been made against this order, as Treasury instructed us to await effect of general offer to redeem called Victory notes and December 15, 1922 certificates.

Alien Property Custodian

On October 27 the Treasury Department authorized the Federal Reserve Bank of New York to purchase \$1,500,000 4 1/4% Treasury bonds of 1947-52 on New York Stock Exchange at the market rate for account of the Alien Property Custodian. Purchases were made immediately in this amount at prices averaging 99.26, the market for these bonds fluctuating on that day from 99. to 99.42.

Postal Savings System

The balance of \$2,900,000 Fourth 4 1/4% Liberty bonds remaining on the order dated August 1, 1922, for the sale of \$10,000,000 Liberty bonds for account of the Postal Savings System has been disposed of by the sale in New York of \$2,000,000 Fourths at 98.28 and \$900,000 at 98.34 less 1/16 and interest.

Redemptions

Referring to the Treasury's purchases for redemption of called Victory notes and December certificates held by the several Federal reserve banks, the following are reported sold to the Treasury:

Treasury  
 Orders  
 (continued)

<u>Federal Reserve Bank of</u>	<u>December Certificates</u>	<u>Called Victory Notes</u>
Boston	\$ 780,000	
New York	18,015,000	
Philadelphia	7,000	
Cleveland	10,465,000	\$ 5,449,800
Chicago	165,500	
St. Louis	901,500	1,996,950
Minneapolis	1,167,000	
Kansas City	420,000	
Dallas	250,000	
San Francisco	4,040,000	
	\$36,211,000	\$ 7,446,750

Miscellaneous  
 Treasury  
 Orders

At the request of the Treasury Department the Federal Reserve Bank of New York purchased \$325,300 face amount of bonds for various accounts.

Transactions by Federal Reserve Banks for Their Own Account

Boston

The market in all Government securities during the past week has been very dull, with lower quotations on all issues. However, there has been a slightly strengthening tendency apparent during the last few days of the period. The longer maturities have shown the greater weakness. Advances made to dealers under sales contract agreements amounted to \$806,700.

Investment account transactions were as follows:

SALES

\$ 456,500	December 4	1 1/2%	certificates at 100	to Treasury
325,000	"	3 1/2%	" " 100 "	" "
\$ 781,500				

New York

In spite of the continued selling tendency in stocks and bonds on the New York Exchange, Libertys and the new Treasury bonds maintained the previous week's prices, closing the period on Wednesday with firmness and in some cases at improved prices. There has been but moderate activity in certificates and notes at reduced price levels, brought on in part by the higher money rates which have prevailed during the week. The call money rate at five and six per cent. is accepted by dealers without alarm as incidental to the first of the month payments as well as evidence of some increase in commercial demands. Advances to dealers in Government securities held under sales contract agreements amounted to \$9,927,500 as compared with \$22,360,900 outstanding at this time the previous week.

Transactions affecting the investment account were as follows:

PURCHASES

\$2,302,500	September 3	3 3/4%	certificates at 100
566,500	June	"	" " 100
\$2,869,000			

- 3 -

New York  
(continued) SALES

\$ 4,550,000	December 3	1 1/2%	certificates at 100 to Treasury
13,465,000	"	4 1/2%	" " 100 " "
<u>3,000,000</u>	September 3	3 3/4%	" " 100 " Cleveland
\$21,015,000			

## Philadelphia

The Liberty Bond market during the past week has been more or less inactive but with a better tone and more inquiries for bonds at these prices, dealers taking only a trading position. There was no wide change in prices except the new Treasury 4 1/4% bonds of 1947/52 which have recovered from 99 to 99.80. Treasury notes and certificates have been quiet with very little demand.

Transactions affecting the investment account were as follows:

PURCHASES

\$10,000 4 1/4% Treasury Bonds, 1947/52 at 100

SALES

\$ 5,000	December 4	1 1/2%	certificates at 100 to Treasury
<u>2,000</u>	"	3 1/2%	" " 100 " "
\$ 7,000			

## Cleveland

Dealers in Government securities have reported that the Liberty bond market has strengthened considerably within the last forty-eight hours, with the new 4 1/4s, now selling within twelve cents of par. In spite of the fact that business has been rather dull in Liberty bonds during the past week, there seems, however, to be an increase in the number of small buyers coming into the market, while the sale of \$100 and \$50 bonds by individuals is letting up considerably. Another dealer reports that the market is improving and that prices are stronger for practically all of the issues. No banks are selling Government securities, but some are purchasing both bonds and notes.

Investment account transactions were as follows:

PURCHASES

\$ 3,000,000	September 3	3 3/4%	certificates at 100 from New York
<u>2,000,000</u>	June	"	" " 100 " Chicago
\$ 5,000,000			

SALES

\$ 3,160,000	December 3	1 1/2%	certificates at 100 to Treasury
<u>7,305,000</u>	"	4 1/2%	" " 100 " "
\$10,465,000			

## Richmond

The decline of Libertys below par has stimulated purchases but has slowed up sales. Brokers report that all issues are bought freely on declines, but that holders are reluctant to sell. During the week the Reserve Bank of Richmond sold \$11,400 face amount of Liberty bonds and Victory notes for account of member banks.

There were no transactions for the investment account.



- 4 -

## Atlanta

The market in Government securities in this district has been inactive due principally to the general weakness in all issues. There were no investment account transactions other than \$500,000 Pittman Act certificates redeemed.

## Chicago

After receding to new levels for this period, Liberty bonds and Treasury notes are meeting with some demand at slightly lower prices. There is a good demand for the new Treasury bonds, with few offered. Brokers have averaged down their large holdings of Treasury notes and are now carrying very moderate amounts in this market. A total of \$1,601,200 was loaned to dealers in Government securities under sales contract agreements.

Investment account transactions were as follows:

PURCHASES

\$ 2,130,000 September 3 3/4% certificates at 100

SALES

\$ 2,000,000 June 3 3/4% certificates at 100 to Cleveland  
 165,500 December certificates at 100 to Treasury  
\$ 2,165,500

## St. Louis

There has been little trading in Liberty bonds, with more sales than purchases, while, as to the certificates, brokers have purchased more than they have sold. Generally speaking, market conditions in Government securities are improving.

Investment account transactions were as follows:

PURCHASES

\$ 1,014,000 September 3 3/4% certificates at 100  
 7,500 Treasury bonds of 1947-52 at 99.48  
 5,000 " " " " " 99.90  
\$ 1,026,500

SALES

\$ 901,500 December 4 1/2% certificates at 100 to Treasury  
 1,996,950 called Victory notes at 100.06 to Treasury  
 52,600 Treasury bonds of 1947-52 at 100  
\$ 2,951,050

## Minneapolis

The local market in Government securities is very quiet. Advances to dealers in Government securities under resale agreements amounted to \$2,000,000.

The following are transactions in the investment account:

PURCHASES

\$ 30,000 March 4 1/4% certificates  
 510,500 Treasury notes  
 17,000 Treasury bonds of 1947-52  
\$557,500

- 5 -

**Minneapolis SALES**  
(continued)

\$ 1,167,000 December certificates at 100 to Treasury  
 172,000 June 3 3/4% "  
 30,000 March 4 1/4% "  
 500,000 Treasury notes  
17,100 Treasury bonds of 1947-52  
 \$ 1,886,100

**Kansas City**

Reports from Denver and Omaha both indicate that purchases and sales in those cities have been light. Local brokers report that the demand for Liberty bonds has been good and considerably in excess of the amounts offered for sale. One firm reports having had to purchase \$550,000 in New York to supply the local demand.

Investment account transactions were as follows:

PURCHASES

\$ 85,000 Treasury notes A-1925 at 100.50  
 9,000 " " A-1926 " 100 5/8  
109,000 September 3 3/4% certificates at 100  
 \$ 203,000

SALES

\$ 420,000 December 15 1922 certificates at 100 to Treasury  
 Exchanged \$11,400 Victorys for Treasury bonds.

**Dallas**

There was but slight demand for Government securities in this district during the past week.

The investment account was reduced by the sale of \$250,000 December 3 1/2% certificates at 100 to the Treasury.

**San Francisco**

There were practically no offerings of Government securities in this market during the period. The entire holdings of December certificates, amounting to \$4,040,000 were sold to the Treasury at 100.

# 2

333 /

Octob 31, 1922.

Dear Sir:

This will acknowledge receipt of your letter of October 30th, enclosing report of transactions in Government securities by the different Federal reserve banks as reported to the Committee of Governors on Centralized Execution of Purchases and Sales of Government Securities during the week ended October 26, 1922.

Yours very truly,

Vice Governor.

Mr. W. B. Matteson,  
Federal Reserve Bank,  
New York, N. Y.

FEDERAL RESERVE BANK  
OF NEW YORK

Committee of Governors on  
Centralized Execution of Purchases  
and Sales of Government Securities  
by Federal Reserve Banks

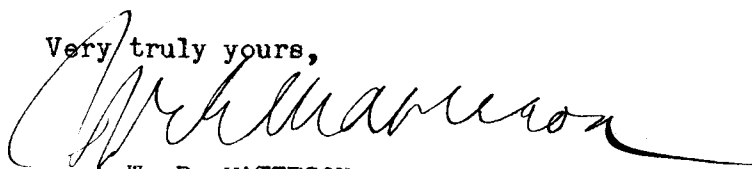
October 30, 1922.

CONFIDENTIAL

My dear Mr. Platt:

Enclosed is report of transactions in Government securities by the different Federal reserve banks as reported to the Committee of Governors on Centralized Execution of Purchases and Sales of Government Securities during the week ending October 25, 1922.

Very truly yours,



W. B. MATTESON  
Secretary of the Committee

Enclosure.

Honorable Edmund Platt,  
Vice Governor, Federal Reserve Board,  
Washington, D.C.

**TRANSACTIONS IN GOVERNMENT SECURITIES FOR ACCOUNT  
OF THE TREASURY DEPARTMENT AND FEDERAL RESERVE BANKS FROM  
CLOSE OF BUSINESS OCTOBER 18, 1922, TO CLOSE OF BUSINESS OCTOBER 25, 1922,  
AS REPORTED TO THE COMMITTEE OF GOVERNORS ON CENTRALIZED EXECUTION  
OF PURCHASES AND SALES OF GOVERNMENT SECURITIES BY FEDERAL RESERVE BANKS**

**Operations Account Treasury Department**

Treasury  
Orders

**Alien Property Custodian**

The Treasury has given authorizations totaling \$28,314,000 for the purchase of 4 1/4% Treasury bonds of 1947-52 at the market rate for account of the Alien Property Custodian. These orders have been completed by the following purchases:

New York	\$ 3,000,000	at 100 1/8
	2,000,000	" 100 1/16
	2,556,000	" 100.06 to 100.10
	1,876,000	" 100.08 to 100.10
	3,513,000	" 100.06 to 100.10
	3,169,000	" 100.08 to 100.12
	3,250,000	" 100.04 to 100.10
	4,400,000	" 100.10
	750,000	" 100.08
	2,000,000	" 100
Boston	1,000,000	
Philadelphia	700,000	" 100.12 net
Atlanta	100,000	" 100 1/16
	<u>\$28,314,000</u>	

On the order dated October 17 authorizing the purchase of \$15,000,000 called Victory notes at prices not exceeding 100.16, excluding commissions, for account of Cumulative Sinking Fund, a total of \$11,204,800 face amount of purchases have thus far been reported. On October 23, 1922, the Treasury requested that the price limit on this order be changed to 100.12 excluding commissions. The following is the participation by banks in this order:

New York	\$ 690,000	at 100.04 to 100.20
	4,000,000	" 100.20 net
	3,423,000	" 100.16
	130,000	" 100.12 (registered)
	1,251,000	" 100.16
Boston	1,036,000	" 100.10 to 100.20
Philadelphia	100,000	" 100.16
	400,000	" 100.10
Chicago	150,000	" 100.16
Kansas City	16,800	" 100.08
	6,000	" 100.10
	2,000	" 100.04
	<u>\$11,204,800</u>	
	3,795,200	Unexecuted Balance
	<u>\$15,000,000</u>	

**Redemption**

In view of the large amounts of Treasury certificates and called Victory notes maturing December 15, 1922, now outstanding, the Treasury has expressed its desire to anticipate redemptions on that date

- 2 -

by purchasing this month from the Federal reserve banks about \$18,000,000 December certificates and \$7,500,000 called Victory notes which are held by them. After obtaining the approval of the other members of the Committee, Governor Strong, as chairman, transmitted the Treasurer's request to all reserve banks and replies thus far received indicate without exception that the banks are quite willing to cooperate with the Treasurer's proposed redemption plan by selling their holdings of this maturity. As previously reported the Federal Reserve Bank of New York has sold \$32,000,000 December certificates to the Treasurer for redemption, representing its entire holdings of this issue.

Miscellaneous  
Treasury  
Orders

At the request of the Treasury Department the Federal Reserve Bank of New York purchased \$290,900 face amount of Liberty bonds for the various accounts.

Transactions by Federal Reserve Banks for Their Own Accounts

Boston

The market for Liberty bonds, certificates and notes has been quiet during the week, and all issues closed the period at lower prices, the longer maturities of certificates and notes showing lowest levels. Dealers report the supply exceeding the demand and no buying by institutions. Advances to dealers in Government securities under sales contract agreements amounted to \$1,366,800.

Transactions affecting the investment account are as follows:

PURCHASES

\$ 100,000 called Victory notes at 100.10 on Treasury order.

SALES

\$ 207,000 called Victory notes on Treasury order  
500,000 Pittman Act certificates redeemed.

New York

Increased selling, indicating further liquidation for business requirements, characterized the bond market during the past week. Liberty bonds sold off on the Stock Exchange, closing with a net loss of about thirty-two cents per hundred for each issue. The new Treasury bonds of 1947-52 closed at 99.96 on Wednesday, giving evidence that further selling might be expected. Higher money rates have prevailed in response to commercial demands, although the call loan rate temporarily dropped on Wednesday to 4%. Treasury certificates and notes were traded in at fractionally lower prices over last week in sympathy with the Liberty movement as well as reflecting the higher loan rates. At the close of business October 25 a total of \$22,360,900 was loaned to dealers in Government securities under sales contract agreements.

- 3 -

Investment account transactions were as follows:

PURCHASES

\$ 8,090,000	June 3 3/4%	certificates at 100	from dealers
4,400,000	September 3 3/4%	" " 100	" "
898,000	June 3 3/4%	" " 100	" Chicago market
<u>\$13,388,000</u>			

SALES

\$12,500,000	December 3 1/2%	certificates to Treasury for redemption
5,700,000	4 3/4%	Treasury notes, due 3-15-25, on 4.50 basis to dealers
2,800,000	4 3/4%	Treasury notes, due 3-15-25, on 4.45 basis to dealers
1,200,000	June 3 3/4%	certificates at 100 to foreign correspondents
700,000	September 3 3/4%	certificates at 100 to foreign correspondents
<u>\$22,900,000</u>		

## Philadelphia

Liberty bonds and Treasury certificates continued their downward swing notwithstanding slightly easier rates for call money during the latter part of this period. A greater demand for money in all parts of the country caused selling by banks and industrial concerns, many of which purchased bonds below the present quotations. This liquidation will continue as long as money is worth more than the yield from Government securities. The movement is perfectly natural and no real advance will occur until money rates are lower. There is a considerable amount of bonds for sale at present prices on a scale up to par, with little buying power. Dealers have liquidated and are taking a trading position, and hesitate to take on bonds.

The new 4 1/4% Treasury bonds are now selling below par, indications being that many dealers and brokers purchased these new bonds expecting that they would sell considerably above par, but found the supply was greater than the demand.

Treasury certificates and notes, though both selling at lower prices, are more firm and the demand for the same at these prices has improved to a considerable extent.

Transactions affecting the investment account are as follows:

PURCHASES

\$ 192,200	Treasury bonds of 1947-52 at 100
66,000	September 3 3/4% certificates at 100
3,000	December 3 1/2% " " 100
<u>\$ 261,200</u>	

SALES

\$ 225,200	Treasury bonds of 1947-52 at 100
2,000	September 3 3/4% certificates at 100
580,000	December 3 1/2% " " 100 for redemption
500,000	Pittman Act certificates redeemed.
<u>\$1,307,200</u>	

- 4 -

## Cleveland

Dealers report Liberty bonds have declined during the past week, with most issues selling below 99. While considerable decline seems due to selling of Libertys to purchase new 4 1/4% Treasury bonds of 1947-52, notwithstanding, the decline seems largely due to selling of bonds to take care of increasing business demands. Dealers are quite confident that bonds have reached their low point or are approaching it and look for a better market and rising prices shortly. The upturn, when it comes, may be very sharp.

Transactions affecting the investment account are as follows:

PURCHASES

\$ 35,000	September 3	3 3/4%	certificates	at	100
<u>100,000</u>	March	4 1/4%	"	"	100
\$ 135,000					

## Richmond

The demand for Libertys and the new Treasury bonds continues good. The Reserve Bank of Richmond sold Liberty bonds for account of member banks amounting to \$77,300.

There were no transactions affecting the investment account.

## Atlanta

Selling of certificates and notes in moderate amounts has continued throughout the week, with the new Treasury bonds also selling but in smaller volume than the former.

There were no transactions affecting the investment account.

## Chicago

Practically all outstanding Government securities are quoted substantially lower than last week, with very little demand in face of heavy offerings of new Treasury bonds offered in large amounts on Wednesday at par with brokers bidding 99.90. Advances to dealers under sales contract agreements amounted to \$3,509,400 at the close of the period.

Investment account transactions are as follows:

PURCHASES

\$ 3,614,500	September 3	3 3/4%	certificates	at	100
<u>175,000</u>	June	"	"	"	100
\$ 3,789,500					

## St. Louis

Brokers in Liberty bonds reported purchases in excess of sales, with the demand for certificates and notes about offsetting the supply. Generally speaking, the market was dull and declining.

Transactions affecting the investment account were as follows:

PURCHASES

\$ 620,000	September 3	3 3/4%	certificates	at	100
<u>61,100</u>	Treasury bonds of 1947-52	"	"	"	100
\$ 681,100					

SALES

\$ 620,000	September 3	3 3/4%	certificates	at	100
<u>10,500</u>	Treasury bonds of 1947-52	"	"	"	100
\$ 630,500					



\* 5 -

## Minneapolis

There has been very little activity in the Government security market during the past week. Local banks and investment houses state that they have handled less volume for the period than for many weeks past. There are practically no purchasing orders in the market and very few selling orders.

Investment account transactions are as follows:

PURCHASES

\$ 225,000	September 3 3/4%	certificates
500	December 4 1/2%	"
50,000	June 3 3/4%	"
20,000	B-1926 Treasury	notes
62,100	Treasury	bonds
<u>\$ 357,600</u>		

SALES

\$ 525,000	September 3 3/4%	certificates
471,200	Treasury	notes
81,900	Treasury	bonds
<u>\$1,078,100</u>		

## Kansas City

Local brokers report a strong demand for Liberty bonds, one of the largest houses reporting that they have sold no Liberty bonds on the New York market in the last four weeks, but have had to purchase a considerable amount to supply the local demand. Treasury certificates and notes are being offered freely by member banks from their own investment accounts, indicating an increased demand for loans.

PURCHASES

\$ 500	March 4 1/4%	certificates at 100
2,000	December	certificates " 100
2,133,000	September 3 3/4%	certificates at 100
50,000	Treasury	notes at 100
17,100	"	bonds at 100
<u>\$2,202,600</u>		

SALES

\$ 100,000	Consols at 103
------------	----------------

## Dallas

There still remains an unsatisfied demand for the new issue of Treasury bonds.

Transactions affecting the investment account are as follows:

PURCHASES

\$2,229,500	June 3 3/4%	certificates at 100
-------------	-------------	---------------------

SALES

\$ 50,000	June 3 3/4%	certificates.
-----------	-------------	---------------

- 6 -

San Francisco

There has been no change in the condition of the Government securities market during the past week, with trading still quiet.

There were no transactions affecting the investment account.

# 2

333 /

EF

October 23, 1922.

Dear Sir:-

This will acknowledge receipt of your letter of October 21st, enclosing copy of the minutes of the meeting of the Committee of Governors on Centralized Execution of Purchases and Sales of Government Securities by Federal Reserve Banks held at the Federal Reserve Bank of New York on October 2, 1922, which will be brought to the attention of the members of the Board.

Yours very truly,

Vice Governor.

Mr. W. B. Matteson,  
Federal Reserve Bank,  
New York, N. Y.

FEDERAL RESERVE BANK  
OF NEW YORK

Committee of Governors on  
Centralized Execution of Purchases  
and Sales of Government Securities  
by Federal Reserve Banks

October 21, 1922.

CONFIDENTIAL

S i r :

I am enclosing herewith a copy of the minutes of  
the meeting of the Committee of Governors on Centralized  
Execution of Purchases and Sales of Government Securities  
by Federal Reserve Banks held at the Federal Reserve Bank  
of New York on October 2, 1922.

Respectfully,



W. B. MATTESON  
Secretary of the Committee

Honorable Edmund Platt,  
Vice Governor of the Federal Reserve Board,  
Washington, D. C.

Enclosure

CONFIDENTIALCOPY

October 2, 1922.

Pursuant to call of the Chairman, a meeting of the Committee was held at the Federal Reserve Bank of New York on October 2, 1922, at 10:30 a. m.

The following were present:

Messrs. Strong, McDougal, Morss, Norris and  
Dr. Miller of the Federal Reserve Board,  
and others in attendance during the course of the meeting were:  
Messrs. Fancher and Wills of the Federal Reserve  
Bank of Cleveland,  
Governor Wellborn of the Federal Reserve Bank of  
Atlanta,  
Deputy Governor Case of the Federal Reserve Bank  
of New York, who acted as secretary of the meeting.

The Chairman offered for the consideration of the Committee a suggested report to be submitted at the coming Governors Conference on October 10, 1922. The report was read and on motion was unanimously approved.

Consideration was given to the recommendation of the Federal Advisory Council at its meeting on September 26, 1922, in respect to the subject covered by Topic #8, as follows:

"Should there be any change in the earlier recommendations made by the Council in this regard, and reference is made to recommendation No. 9 of the Proceedings of the Council, April 28, 1922."

and the Council's reply:

"The Council reiterates its recommendation that the Federal Reserve Banks in their purchases of Government obligations should not be governed by the necessity of covering their fixed charges and earning their dividends. The Council is strongly of the view that open market operations, particularly in so far as they touch investment in Government securities, should be carried on under a uniform policy by the System as a whole. Council has learned with great satisfaction of the organization of a committee of Governors having supervision of transactions in Government securities by the Federal Reserve Banks. In the Council's opinion, the policy of the Federal Reserve System as a whole should be at this time not to increase any further its investments in Government securities."

A full discussion of this recommendation followed and it was voted to report to the Governors Conference that the Committee concurred in the recommendation of the Advisory Council.

In continuing the discussion of this subject, the Chairman was requested to express to the Governors Conference the further views of the members of the Committee, which were substantially as follows:

"Upon reviewing the investment operations of the Federal Reserve Banks during the year 1922 the Committee believes that there will be no dissent to the proposition

- 2 -

that in purchasing Government securities too much attention must not be given to the consideration of earnings and dividends. Due to the fact that liquidation was still in process and that the money market was easy, with low rates, apparently no particular harm has resulted from these operations during the first half of the year. During the second half of the year the situation has changed and with that change there has arisen a need for a different policy, the belief being that increased attention must be paid by the System to the bearing of the investment operations of the Federal Reserve Banks upon the money market.

"At the present time indications point to increasing demand for loan funds which has been most in evidence in the New York market during recent weeks. The Committee is therefore of the opinion, in view of present conditions, that the investment policy of the Federal Reserve Banks, at least for the present, should give but minor consideration to the question of earnings and constant consideration to the effects, both directly and indirectly, which open market operations in Government securities have upon the condition and the course of the money market and the volume of credit. Looking at things from this standpoint, the committee, without wishing to lay down any invariable course of action, is nevertheless unanimously of the opinion that, with the heavy Treasury operations impending during the next eight months, there should be a well considered policy of systematically regulating the dealings in United States securities, with particular reference to the course of the money market and to the operations of the Treasury as one of the most important factors of the money situation, and recommends to the Federal Reserve Board the approval of such a policy."

"The Committee recommends to the Conference that the Federal Reserve Banks continue at regular intervals to make necessary reports of earnings and investments to the Committee, which the Committee will, in turn, distribute to all Federal Reserve Banks.

"In view of the foregoing, the Committee further requests the Conference to add to the duties of the Committee the making of recommendations from time to time to each Federal Reserve Bank as to the advisability of purchases or sales of Government securities, which recommendations will in every case receive serious consideration by the officers or directors of the several banks."

"It was further voted that a recommendation be made to the Governors Conference that the Committee be continued until the Spring Conference, and that the name of E. R. Fancher, Governor of the Federal Reserve Bank of Cleveland, be added to membership."

(EJ)

# 2

333 /

October 18, 1922

My dear Sir:

Receipt is acknowledged of your letter of the 17th instant, enclosing report of transactions in Government securities by the different Federal reserve banks as reported to the Committee of Governors on Centralized Execution of Purchases and Sales of Government Securities during the week ended October 11, 1922.

Yours very truly,

Vice Governor.

Mr. W. B. Matteson, D.  
Federal Reserve Bank,  
New York, N. Y.

FEDERAL RESERVE BANK  
OF NEW YORK

Committee of Governors on  
Centralized Execution of Purchases  
and Sales of Government Securities  
by Federal Reserve Banks

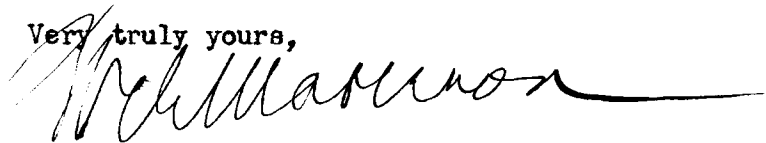
October 17, 1922.

CONFIDENTIAL

My dear Mr. Platt:

Enclosed is report of transactions in Government securities by the different Federal reserve banks as reported to the Committee of Governors on Centralized Execution of Purchases and Sales of Government Securities during the week ending October 11, 1922.

Very truly yours,



W. B. MATTESON  
Secretary of the Committee

Enclosure.

Honorable Edmund Platt,  
Vice Governor, Federal Reserve Board,  
Washington, D.C.



TRANSACTIONS IN GOVERNMENT SECURITIES FOR ACCOUNT  
OF THE TREASURY DEPARTMENT AND FEDERAL RESERVE BANKS FROM  
CLOSE OF BUSINESS OCTOBER 4, 1922, TO CLOSE OF BUSINESS OCTOBER 11, 1922,  
AS REPORTED TO THE COMMITTEE OF GOVERNORS ON CENTRALIZED EXECUTION  
OF PURCHASES AND SALES OF GOVERNMENT SECURITIES BY FEDERAL RESERVE BANKS

Operations Account Treasury Department

Treasury (1)  
Orders                      On October 5, 1922, the Treasury authorized the purchase of \$10,000,000 Third 4 1/4% Liberty Loan bonds at prices not exceeding par for account of the Cumulative Sinking Fund. Instructions were later given to purchase these bonds at prevailing market prices. This order has been completed by purchases at an average price of par net by the following banks:

New York	\$ 9,450,000	
Philadelphia	<u>550,000</u>	
		\$10,000,000 TOTAL ORDER

(2)                      Under date of October 7, 1922, instructions were received from the Treasury to purchase \$25,000,000 Liberty bonds of any issue except First 3 1/2s at prevailing market prices for account of the Cumulative Sinking Fund. This order has been distributed among all the Federal reserve banks and purchases of the various issues have been made at prices averaging par as follows:

Boston	\$ 250,000
Philadelphia	530,000
Atlanta	25,000
Chicago	2,300,000
Kansas City	185,000
San Francisco	1,500,000
New York	<u>20,210,000</u>

\$25,000,000 TOTAL ORDER

(3)                      Due to the state of the money market in New York, large offerings of the new 4 1/4% Treasury notes maturing September 15, 1926, were made at par and accrued interest. The Treasury being advised of these conditions, instructed New York to purchase up to \$10,000,000 of these notes at par for account of the War Finance Corporation. Purchases were made from time to time and carried temporarily in the investment account until October 10, 1922, when the Federal Reserve Bank of New York sold this amount to the Treasury.

Similarly, authorization was given later for the purchase of \$2,050,000 of these notes at par and accrued interest for this account.

Miscellaneous  
Treasury  
Orders

The Treasury advised the Federal Reserve Bank of New York that they would like to exchange \$1,480,000 called Victory notes for a like amount of 3 3/4% certificates due September 15, 1923, for account of the District of Columbia Sinking Fund. The New York bank thereupon sold to the Treasury \$1,480,000 September 3 3/4% at par and purchased from them that amount of called Victory notes at 100.16 and interest.

- 2 -

The Treasury authorized the Federal Reserve Bank of New York to purchase for account of the Secretary of the Treasury, for "Repayment of Foreign Loans" \$111,000 Third 4 1/4% Liberty Loan bonds at prices not exceeding par and accrued interest. This order was filled at 100 net and accrued interest.

At the request of the Treasury Department the Federal Reserve Bank of New York purchased \$761,000 Liberty bonds for account of various funds and accounts.

Transactions by Federal Reserve Banks for Their Own Accounts

Boston

Liberty bond issues have been under pressure during the week, especially the Fourth 4 1/4s, but have been helped by supporting Government purchases. The public are selling shorter term Libertys and certificates for the new bond issue. The certificate market has been weak and dull, with prices slightly lower.

There were no transactions affecting the investment account, and a total of \$3,767,850 was advanced to dealers in Government securities under Sales Contract agreements.

New York

Trading in Liberty bonds during the past week on the New York Stock Exchange has been quite active with a slight reduction in price levels in view of the strong selling tendency caused in part by increased money rates. This firmness which has developed in the money market has also had its effect on the last issues of Treasury notes and certificates, both of which sold at par. Certificates of the earlier maturities, however, have been firm and the Victorys have received some impetus from the Treasury's new bond announcement. A total of \$47,626,600 was loaned to dealers in Government securities under Sales Contracts.

Purchases and sales affecting the investment account during the week are as follows:

PURCHASES

\$ 1,000,000	called Victory notes on a 3.85 basis
3,220,000	December 3 1/2% certificates at 100.
<u>3,000,000</u>	June 3 3/4% " " 100.
\$ 7,220,000	

SALES

\$ 1,060,000	March 4 1/4% certificates on 3.50 basis to dealers
1,020,000	September 3 3/4% " at 100. to Chicago
5,000,000	June " " on 3.65 basis to Chicago
470,000	December 3 1/2% " at 100.
3,000,000	March 4 1/4% " on 3.50 basis to foreign correspondents
<u>1,280,000</u>	called Victory notes at 100.20
\$11,830,000	

- 3 -

## Philadelphia

Market has been somewhat inactive during the past week, the outstanding feature being the announcement of an issue of longer term Government bonds. Trading in this issue on a "when issued basis" has been considerably in evidence. Tightened money conditions have been attributed to the easing in the prices of nearly all Government securities.

The certificate and Treasury note market has also been more or less apathetic, with quite a few offerings and no buying orders, prices sliding off fractionally.

The following purchases and sales were made in the investment account:

PURCHASES

\$ 70,000	September 3 3/4% certificates at 100.
25,000	December 3 1/2% " " 100.
<u>60,000</u>	Treasury notes, B-1926 at 100.

\$ 155,000

SALES

\$ 60,000	Treasury notes, B-1926 at 100.
<u>404,500</u>	September 3 3/4% certificates at 100.

\$ 464,500

## Cleveland

Dealers report that the Liberty bond market during the past week has been a more or less mixed quantity. The latter part of last week the bonds advanced immediately on reports that the Government financing would be put off for two or three weeks. On the announcement of the new thirty year bonds Monday morning, outstanding bonds dropped from 1/4 to 1/8, at which point they have maintained themselves since.

In the Cleveland district we find that there has been no let-up in the buying of old bonds notwithstanding the advantageous terms of the new issue. We look for continued activity in Liberty bonds and gradual enhancement in price.

There were no transactions affecting the investment account other than \$248,000 B-1926 Treasury notes sold to the Treasury at 100 3/16.

## Richmond

Brokers report the market considerably more active since the return of Government bonds to par, after the recent decline. During the past week the Federal Reserve Bank of Richmond sold for member banks a total of \$114,100 Liberty bonds and Victory notes.

A redemption of \$500,000 Pittman Act certificates was the only transaction during the week affecting the investment account.

## Atlanta

The market in Government securities has developed some strength upon the announcement of the new Treasury bonds.

There were no transactions affecting the investment account.

- 4 -

## Chicago

The Government security market has been very quiet during the past week, the only activity apparently being in the Liberty issues which have been selling at par. Advances to dealers under Sales Contract agreements amounted to \$7,575,900.

The Federal Reserve Bank of Chicago advised the Committee that they would like to purchase June and September certificates for their own investment account, it being understood that the Federal Reserve Bank of New York would be willing to sell some of these securities from their own investments. This transaction was consummated by selling to them some September certificates which were offered in New York at par, and by similar purchases which have been made in Philadelphia and St. Louis, the balance being sold to them from the investment account of the Federal Reserve Bank of New York. Sales by the different banks follow:

New York	\$ 1,845,500	September 3 3/4s	at 100.
	5,000,000	June "	on 3.65 basis
Philadelphia	404,500	September "	at 100.
St. Louis	<u>250,000</u>	" "	" 100.
	\$ 7,500,000		

In addition \$322,500 September certificates were purchased at par in the local market.

## St. Louis

There has been little buying or selling of Liberty bonds, and practically no demand for certificates or notes. The market in general has been very quiet.

Investment account transactions are as follows:

PURCHASES

\$ 35,500 September 3 3/4% certificates at 100.

SALES

\$ 250,000 September 3 3/4% certificates at 100.

## Minneapolis

The market in Government securities has been very dull during the past week.

Transactions affecting the investment account are as follows:

PURCHASES

\$ 839,000	September 3 3/4% certificates
1,156,500	Treasury notes, B-1926
7,300	" " A-1926
500	" " B-1924
<u>1,000</u>	" " A-1924
\$ 2,004,300	

- 5 -

Minneapolis  
(continued)      SALES

\$ 7,250,000 Treasury notes, B-1926  
       805,000 September 3 3/4% certificates  
       100,000 December 3 1/2%           "

\$ 8,155,000

Kansas City

Transactions for account of member banks and others during the week amounted to \$29,250. According to information from Oklahoma City there is very little movement in Liberty bonds. The information from Omaha is to the effect that sales and purchases about offset.

Investment account transactions are as follows:

PURCHASES

\$ 39,500 3 3/4% certificates at 100.

SALES

\$ 500,000 Pittman Act certificates redeemed.

Dallas

Government securities have been very inactive during the week with purchases and sales for members in very small volume. There were no transactions in the investment account.

San Francisco

Transactions in Government securities were carried on in smaller volume than in previous weeks. There were no changes in the investment account.

Egn

# 2

333 /

October 16, 1922

My dear Sir:

Receipt is acknowledged of your letter of the 13th instant, enclosing report of transactions in Government securities by the different Federal Reserve banks as reported to the Committee of Governors on Centralized Execution of Purchases and Sales of Government Securities during the week ending October 4, 1922, which will be brought to the attention of the Federal Reserve Board.

Yours very truly,

Vice Governor.

Mr. W. B. Matteson,  
Federal Reserve Bank,  
New York, N. Y.

FEDERAL RESERVE BANK  
OF NEW YORK

Committee of Governors on  
Centralized Execution of Purchases  
and Sales of Government Securities  
by Federal Reserve Banks

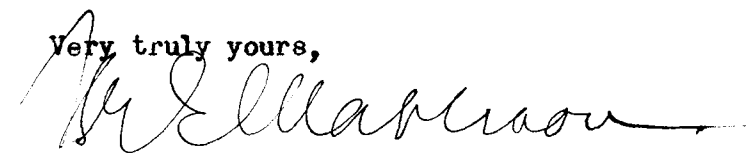
October 13, 1922.

CONFIDENTIAL

My dear Mr. Platt:

Enclosed is report of transactions in Government securities by the different Federal Reserve banks as reported to the Committee of Governors on Centralized Execution of Purchases and Sales of Government Securities during the week ending October 4, 1922.

Very truly yours,



W. B. MATTESON

Secretary of the Committee

Enclosure.

Honorable Edmund Platt,  
Vice Governor, Federal Reserve Board,  
Washington, D.C.

TRANSACTIONS IN GOVERNMENT SECURITIES FOR ACCOUNT  
OF THE TREASURY DEPARTMENT AND FEDERAL RESERVE BANKS FROM  
CLOSE OF BUSINESS SEPTEMBER 27, 1922, TO CLOSE OF BUSINESS OCTOBER 4, 1922,  
AS REPORTED TO THE COMMITTEE OF GOVERNORS ON CENTRALIZED EXECUTION  
OF PURCHASES AND SALES OF GOVERNMENT SECURITIES BY FEDERAL RESERVE BANKS

Operations Account Treasury Department

Treasury Orders (1) The order dated September 26, 1922, to purchase at the market \$8,500,000 face amount of 4 1/4% Treasury notes, due September 15, 1926, for account of the Federal Farm Loan Board was completed, the notes so purchased were charged to the Treasurer's account on October 5, 1922, for account of the Federal Land Banks. The reserve banks which had participated in this purchase and carried the Treasury notes in their investment accounts were asked to deliver them on October 5, 1922, to New York. The following purchases were made:

New York	\$ 5,002,000	at 100
Philadelphia	1,000,000	" 100 1/16
Cleveland	248,000	" 100 3/16
Chicago	2,000,000	" 100 1/16
Minneapolis	250,000	" 100 1/4

Total                    \$ 8,500,000

(2) Under date of October 2, 1922, the Treasury gave instructions to buy at par \$938,000 December 3 1/2% certificates for redemption. This order was immediately filled by the following purchases:

New York	\$ 500,000
Philadelphia	<u>438,000</u>

Total                    \$ 938,000

(3) Treasury order dated October 3, 1922, was received to purchase at par and interest \$2,000,000 3 3/4% certificates due September 15, 1923, for account of the Alien Property Custodian. This order was filled by sales by the Federal Reserve Bank of Philadelphia of \$640,500 and by the Federal Reserve Bank of Chicago of \$1,359,500 of certificates purchased previously and temporarily held in the investment accounts of those banks.

Miscellaneous Orders At the request of the Treasury Department the Federal Reserve Bank of New York purchased \$245,300 Liberty bonds for sundry accounts.

Transactions by Federal Reserve Banks for Their Own Accounts

Boston The market for Liberty bonds, Treasury notes and certificates has been very quiet. All issues of Liberty bonds closed the period at lower prices and practically all issues of certificates and notes were quoted slightly lower.

Dealers report that the supply and demand of Libertys has been about equal, but the supply of the other issues has exceeded the demand. They are also of the opinion that the dullness in the market



- 2 -

Boston  
(continued)

has been due partly to the uncertainty in future Government financing. Advances to dealers represented by sales contract agreements amounted to \$2,967,000. Purchases and sales affecting the investment account are as follows:

PURCHASES

\$ 4,337,000 September 3 3/4% certificates at 100

SALES

\$ 200,000 called Victory notes to Treasury at 100.34  
500,000 Pittman Act certificates redeemed  
 \$ 700,000

New York

Trading in Government securities for the period ending October 4, 1922, has been inactive at fractionally lower prices. Transactions in Liberty bonds on the New York Stock Exchange have been in small volume, with a noticeable decline in the prices of First 3 1/2s and the Victory issues. The same is true in respect to Treasury certificates and notes, although the new September 3 3/4% certificates which were offered in fairly large amounts at par last week have recovered to some extent, there being an absence of such offerings at present. Money, as represented by the call money market, has been tight, and at the close of this period \$49,305,700 was being advanced by New York bank to dealers in Government securities under Sales Contracts.

The following transactions affected the investment account:

PURCHASES

\$ 1,000,000 called Victory notes on a 3.85 basis  
2,500,000 September 3 3/4% certificates at 100. (These certificates were purchased at par and are held temporarily in the investment account for later sale to the Treasury.)  
 \$ 3,500,000

SALES

\$ 1,000,000 March 4 1/4% certificates on a 3.50 basis.

Philadelphia

The Liberty bond market, during the past week, has continued relatively dull, with further evidence of weakness. All issues, with the exception of the First 3 1/2s and Victory 4 3/4s, sold below par. This condition is, no doubt, the result of a combination of circumstances, the principal ones being - comparatively heavy liquidation on the part of financial institutions, the present European situation, and the continued talk of new financing on the part of the Government. The market is, undoubtedly, marking time, awaiting more definite refunding news from Washington.

United States Treasury notes and certificates were also soft, and the last issues of Treasury notes 4 1/4s, due September 15, 1926, are now being quoted at 100 bid - offered at 100 1/16 against 100 1/2 5/8, immediately after the time of issue, September 15.

- 3 -

Philadelphia  
(continued)

Purchases and sales affecting the investment account are as follows:

PURCHASES

\$ 988,000	December 3 1/2s at 100
<u>1,192,000</u>	September 3 3/4s at 100
\$ 2,180,000	

SALES

\$ 787,500	September 3 3/4s at 100
9,350	Victory 4 3/4s " "
<u>438,000</u>	December 3 1/2s " "
\$ 1,234,850	

Cleveland

One dealer reports that the Liberty bond market is flat and hesitant, evidently awaiting news as to the amount and terms of a refunding issue. There have been quite a few buying orders, but bids at last sale prices do not seem to bring out many bonds.

The following transactions affected the investment account:

PURCHASES

\$ 6,000	December 4 1/2% certificates at 100 1/8
<u>7,500</u>	Treasury notes, B-1926, at 100
\$ 13,500	

Richmond

The Reserve Bank of Richmond sold during the week \$41,400 Government securities for member banks, with the last issue of 4 1/4% Treasury notes predominating.

There were no transactions affecting the investment account.

Atlanta

Market conditions in this district have been slightly active, with a tendency to sell. There were no transactions affecting the investment account other than \$500,000 Pittman Act certificates redeemed.

Chicago

Heavy selling of Government securities, principally in Eastern markets, has further depressed the prices of these securities in this market. Offerings have been very light and local banks are carrying certificates and notes in rather large amounts for dealers at 4%, with plenty of money available at this rate. There were no transactions affecting the investment account other than operations for the Treasury reported elsewhere. Advances to dealers in Government securities amount to \$4,949,900.

St. Louis

There has been a slight demand for bonds, with little or no activity in certificates or notes. The market in general has been rather poor.

- 4 -

St. Louis Purchases and sales affecting the investment account are  
(continued) as follows:

PURCHASES

\$ 220,000 September 3 3/4s at 100

SALES

\$ 48,000 September 3 3/4s at 100  
36,500 December 3 1/2s " "

Minneapolis The local market in Government securities is very quiet.  
The following transactions were made affecting the investment account:

PURCHASES

\$ 70,000 September 3 3/4% certificates  
60,000 Treasury notes, B-1926  
100,000 December 3 1/2% certificates  
\$ 230,000

SALES

\$ 2,500 Treasury notes, A-1924  
125,000 September 3 3/4% certificates  
100,000 December 4 1/2% " "  
100,000 " 3 1/2% " "  
\$ 327,500

Kansas City Liberty bonds and Victory notes sold for account of member banks and others amounted to \$5,000. According to reports from brokers the demand slightly exceeds the supply in Kansas City, and in Omaha and Oklahoma City the supply is somewhat in excess of the demand.

There were no purchases or sales affecting the investment account other than \$500,000 Pittman Act certificates redeemed.

Dallas Government securities have been inactive. The following transactions have been made affecting the investment account:

PURCHASES

\$ 3,000,000 September 3 3/4% certificates in New York at 100.

SALES

\$ 150,000 September 3 3/4% certificates

San Francisco The market in Government securities has been described as quiet, without transactions for either the Treasury or for their own investment account for the period.

*(Handwritten initials)*

# 2

333 /

October 2, 1933

My dear Sir:

Receipt is acknowledged of your letter of the 2nd instant, enclosing report of transactions in Government securities by the different Federal Reserve banks, as reported to the Committee of Governors on Centralized Execution of Purchases and Sales of Government Securities, during the week ended September 27, 1933.

Yours very truly,

Vice Governor.

Mr. W. B. Matteson,  
Federal Reserve Bank,  
New York, N. Y.

FEDERAL RESERVE BANK  
OF NEW YORK

Committee of Governors on  
Centralized Execution of Purchases  
and Sales of Government Securities  
by Federal Reserve Banks

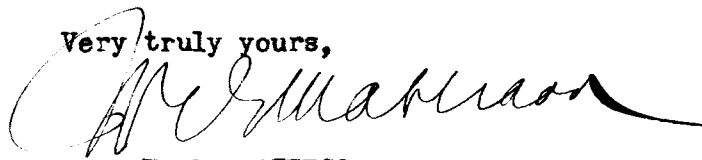
October 2, 1922.

CONFIDENTIAL

My dear Mr. Platt:

Enclosed is report of transactions in Government securities by the different Federal reserve banks as reported to the Committee of Governors on Centralized Execution of Purchases and Sales of Government Securities during the week ending September 27, 1922.

Very truly yours,



W. B. MATTESON  
Secretary of the Committee

Enclosure.

Honorable Edmund Platt,  
Vice Governor, Federal Reserve Board,  
Washington, D.C.

TRANSACTIONS IN GOVERNMENT SECURITIES FOR ACCOUNT  
 OF THE TREASURY DEPARTMENT AND FEDERAL RESERVE BANKS FROM  
 CLOSE OF BUSINESS SEPTEMBER 20, 1922, TO CLOSE OF BUSINESS SEPTEMBER 27, 1922,  
 AS REPORTED TO THE COMMITTEE OF GOVERNORS ON CENTRALIZED EXECUTION  
OF PURCHASES AND SALES OF GOVERNMENT SECURITIES BY FEDERAL RESERVE BANKS

Operations Account Treasury Department

Completed Treasury Orders      The following Treasury orders have been completed during this period:

- (1)      Order dated September 18, 1922, to purchase for account of the Cumulative Sinking Fund \$10,000,000 called Victory notes at prices, including commissions, not to exceed 100.50 and accrued interest:

Boston	\$ 1,333,850	at 100.32
	189,000	" 100.34
	1,450,000	" 100.36
New York	5,000	" 100.30
	1,500,000	" 100.32
Philadelphia	1,025,000	" 100.34
	1,975,000	" 100.36
Atlanta	3,150	" 100.30
	13,000	" 100.32
Chicago	2,000,000	" 100.34
St. Louis	143,000	" 100.36
* Minneapolis	128,200	
Kansas City	6,000	" 100.26
	50,500	" 100.32
	15,000	" 100.30
San Francisco	200,000	" 100.36
	50,000	" 100.34
	<u>\$10,086,700</u>	TOTAL

\* Overpurchase of \$86,700 to be authorized by Treasury.

- (2)      To purchase at the market rate for account of the Alien Property Custodian \$18,000,000 certificates of any series now outstanding for delivery on September 21 or as soon as practicable thereafter:

Boston	\$ 150,000	December 4 1/2s	at 100 1/4 less 1/32
	350,000	" "	on 3.30 basis
	750,000	March 4 1/4s	at 100 7/16
	750,000	June 3 3/4s	on 3.50 basis
New York	1,000,000	September 3 3/4s	on 3.67 "
	425,000	March 4 1/4s	at 100 3/8
	501,500	" "	" 100 13/32
	1,250,000	September 3 3/4s	" 100 1/32
	172,000	October 3 1/2s	" 100
	1,000,000	June 3 3/4s	on 3.50 basis
	1,181,500	September 3 3/4s	at 100
* Philadelphia	500,000	March 4 1/4s	on 3.35 basis
	2,000,000	June 3 3/4s	at 3.50 "
	500,000	September 3 3/4s	" 100
	500,000	" "	" 100 1/32
	500,000	" "	" 100 1/32
Atlanta	20,000	June "	" 100 1/16
	200,000	December 4 1/2s	" 100 3/16
Chicago	1,500,000	September 3 3/4s	" 100 1/32
	4,200,000	" "	" 100 1/16
	700,000	December	on 3.30 basis

- 2 -

Chicago				
(Continued)	\$	100,000	March	4 1/4s on 3.35 basis
St. Louis		<u>250,000</u>	September	3 3/4s at 100
		\$18,500,000	TOTAL	

\* Overpurchase of \$500,000 has been authorized by Treasury.

Completed (3) The Treasury Department authorized the Federal Reserve Bank of New York on September 21, 1922, to purchase \$2,000,000 December 3 1/2% certificates at the market rate for account of the Civil Service Retirement and Disability Fund. These purchases were made in New York as requested, in the following amounts:

\$	339,000	at 100
	<u>1,661,000</u>	on 3.40 basis
\$2,000,000	TOTAL ORDER	

(4) On September 22, 1922, due to the state of the money market in New York there were offered to the Federal Reserve Bank of New York by dealers \$6,000,000 par value 3 1/2% certificates due December 15, 1922, at par and accrued interest. The Federal Reserve Bank of New York advised the Treasury Department of this offer and was instructed by the latter to purchase this \$6,000,000 of certificates for the Treasury at par for retirement.

(5) The Treasury order dated July 8 for the purchase of \$450,000 Liberty bonds of any issue at a cost not exceeding par for account of the Foreign Obligations Fund was filled by purchases of the following issues at par:

\$	441,000	Second	4 1/4%	Liberty Loan Bonds (registered)
	6,000	"	4%	" " " "
	<u>3,000</u>	Third	4 1/4%	" " " "
\$	450,000	TOTAL ORDER		

(6) On September 26, 1922, there were offered to the Federal Reserve Bank of New York by dealers large blocks of 3 3/4% certificates due September 15, 1923, at par. On being advised of this condition the Treasury instructed the New York bank to purchase such certificates offered at par up to \$10,000,000. The Committee immediately communicated with Philadelphia and Chicago and learned that September certificates in those markets had been well absorbed and that there were no offerings as in New York; consequently, the entire \$10,000,000 was purchased in New York against this order at par and accrued interest. Instructions were later given to hold the certificates so purchased uncanceled subject to the order of the Secretary for account of the Alien Property Custodian.

At the same time the Treasury requested New York to redeem \$5,000,000 October 3 1/2% certificates held for account of the Alien Property Custodian in order to place that account in funds to handle this reinvestment. The Federal Reserve Bank of Chicago was similarly advised to redeem a like amount of October 3 1/2% certificates held for the Custodian.

(7) In view of the decline in Liberty bond prices on the New York Stock Exchange on Wednesday, the Treasury directed the Federal Reserve Bank of New York to purchase \$10,000,000 Liberty bonds of any issue for account of the Cumulative Sinking Fund. Accordingly \$10,000,000 par value of Liberty bonds of the Second, Third and

Completed  
 Treasury  
 Orders  
 (continued)

Fourth 4 1/4% issues were purchased on that day from banks and dealers at prevailing prices, which ranged from 99.80 to 100 in the course of the day's fluctuations,

Pending  
 Treasury  
 Orders

(1) Authorization was received under date of September 26, 1922 to purchase at the market rate \$8,500,000. face amount of Treasury notes, preferably the 4 1/4% issue due September 15, 1926, for account of the Federal Farm Loan Board. Instructions were given to the effect that the notes so purchased under this authorization were to be carried for the time being in the investment account of the purchasing bank, for sale on October 5 and 6, in accordance with instructions to be given by the Farm Loan Commissioner. This order was distributed among the banks and the following purchases have thus far been reported:

New York	\$1,500,000.	4 1/4% Treas. notes due 9/15/26 at 100.
Chicago	<u>2,000,000.</u>	" " " " " " 100 1/16
	\$3,500,000.	

Miscellaneous  
 Orders

At the request of the Treasury Department the Federal Reserve Bank of New York purchased \$342,150 Liberty bonds for various accounts.

Transactions by Federal Reserve Banks for Their Own Accounts

Boston

The outstanding feature of the week in the market for Government issues was the weakness which developed in Liberty bonds the last two days of the period, carrying prices to the lowest level for a number of weeks. Certificates and notes also closed the period at lower prices. Brokers reported some sales to institutions, although the market has been generally inactive. Government securities held under repurchase agreements amounted to \$3,769,100.

The reserve bank of Boston communicated with the Committee regarding their investment account, stating that their investments had been depleted of late due to sales and maturing certificates held in the account which they had allowed to run off without replacement. Also that in view of the present condition of the Government security market they considered it propitious to replenish their account by the purchase of about \$5,000,000. September 3 3/4% certificates at par. The Committee accordingly advised the banks and asked for information as to the condition of this issue in their respective districts, which resulted in the following purchases at par and accrued interest:

New York	\$2,487,500.
Philadelphia	1,500,000.
Cleveland	713,000.
Atlanta	50,500.
St. Louis	200,000.
San Francisco	<u>49,000.</u>
	\$5,000,000.

Transactions which have thus far affected the investment account are as follows:

PURCHASES

\$1,357,000. September 3 3/4% certificates at 100.  
100,000. Registered called Victory notes at 100.34 (account Treas.)  
 \$1,457,000.

SALES

\$ 180,000. Registered called Victory notes at 100.34 (to Treasury)



- 4 -

## New York

A general reduction in price levels of all Liberty issues developed in the week's trading on the New York Stock Exchange. Wednesday's closing prices for six issues show a yield to the investor of more than 4%, whereas a week ago there were only three yielding slightly more than that rate. Rumors of Treasury refinancing, news in general and an anticipation of improvement in industry are factors attributed by various brokers as bringing on this change in prices in the open market as a whole.

Treasury notes for the most part followed in sympathy with Libertys, with the last issue selling at par. Certificates of the more seasoned issues which have been out for some months suffered only a slight decline, while the new September 3 3/4s were dealt in actively at 100 1/16 and at par.

The following transactions affected the investment account:

SALES:

\$ 15,000 March 4 1/4% certificates on a 3.35 basis to dealers.

Government securities held under sales contracts amounted to \$33,948,100 at the close of business September 27, 1922, representing advances to dealers in view of tightened money conditions.

## Philadelphia

The market in all issues of Government securities has been weak during the past week, with considerable easing off in prices. This reaction was most in evidence at the close of this period, as a result of tight money conditions, the uncertainty regarding the issue of longer term Government bonds and the unfavorable conditions abroad. Certificates and Treasury notes were also heavy, with no demand, and considerable amounts in the hands of the dealers.

The following purchases and sales were made in the investment account:

PURCHASES

\$ 50,000	September 3 3/4% certificates	at 100
28,000	Treasury notes, B-1926,	" 100
110,000	October 3 1/2% certificates	" 100
30,000	September 3 3/4%	" 100
9,350	Victory notes	" 100
<u>\$ 227,350</u>		

SALES:

\$ 10,500	September 3 3/4% certificates	at 100
<u>500,000</u>	Pittman Act certificates	redeemed
\$ 510,500		

## Cleveland

One dealer reports that there has been increased selling in Liberty bonds in this district during the past week, with very little buying, prices having sagged all week, with a considerable slump on Wednesday. The lower prices for Liberty bonds are said to be due to the call money rate being higher and the rumor of a Government refunding issue.

- 5 -

Cleveland  
(continued)

Purchases and sales affecting the bank's investment account are as follows:

PURCHASES

\$ 25,000	December 3 1/2%	certificates at 100 3/8
2,500	5 3/4%	Treasury notes due June 15, 1924 at 102 3/4
10,100	4 3/8%	" " " December 15, 1925 at 100 9/16
5,000	September 3 3/4%	certificates at 100
<u>\$ 42,600</u>		

SALES

\$ 500,000 Pittman Act certificates redeemed.

Richmond

The Reserve Bank of Richmond sold during the week \$81,350 Liberty bonds and Treasury notes for account of member banks. There were no transactions affecting the investment account.

Atlanta

In this district the tendency to sell Government securities was rather strong during the past week.

\$216,150 purchases were made during the week on Treasury order.

There were no transactions affecting the investment account other than the redemption of \$500,000 Pittman Act certificates.

Chicago

During the past week unexpected weakness has developed in the market for all United States Government securities, there being very few buyers in large amounts and the heavy selling has resulted in further recessions in prices of practically all outstanding issues. A total of \$4,046,100 securities were held under repurchase agreements.

Transactions affecting the investment account are as follows:

SALES

\$ 1,500,000	September 3 3/4%	ctfs. at 100 1/16 to Treasury
300,000	December 4 1/2%	" on 3.30 basis to Alien Property Custodian.

The above certificates were held temporarily in the investment account and were sold to the Treasury on September 26 as indicated elsewhere.

St. Louis

Market conditions were very much the same as for the preceding week, with very little buying. Generally speaking, conditions are poor, with prices lower.

Investment account transactions are as follows:

PURCHASES

\$ 1,500 March 4 1/4% certificates at 100 5/16

SALES

\$ 548,500	September 3 3/4%	certificates at 100
<u>1,022,500</u>	October 3 1/2%	" redeemed
\$1,571,000		

- 6 -

**Minneapolis**

Condition of the local market in Government securities has been very quiet. No orders on hand for Treasury notes or certificates.

The following transactions affected the investment account during the period:

PURCHASES

\$ 8,300 Treasury notes  
902,000 September 3 3/4% certificates  
 \$ 910,300

SALES

\$ 266,300 Treasury notes  
415,000 September 3 3/4% certificates  
 \$ 681,300

**Kansas City**

Reported sold for account of member banks and others \$4,000 Liberty bonds and Victory notes and purchased \$26,000 bonds and \$30,000 September Treasury certificates.

Local brokers state that buying and selling orders have been about equal during the week.

The following are transactions affecting the investment account:

PURCHASES

\$ 25,000 December certificates at 100.

SALES

\$200,000 2% Consols at 103.

**Dallas**

Trading in Government securities has been very quiet in this district.

The following purchases were made affecting the investment account:

PURCHASES

\$ 150,000 September 3 3/4% certificates at 100 from members.

**San Francisco**

Trading in Government securities has been very quiet during the past week in this district. There were no purchases or sales affecting the investment account nor were there any advances made to dealers under sales contracts. \$250,000 Victorys were purchased for account of the Treasury.

84  
6

# 2

333-1

September 26, 1922

My dear Sir:

Receipt is acknowledged of your letter of the 25th instant, enclosing report of transactions in Government Securities by the different Federal Reserve banks, as reported to the Committee of Governors on Centralized Control of Purchase and Sale of Government Securities, for the period from September 15, 1922 to September 20, 1922 inclusive.

Yours very truly,

Vice Governor.

Mr. W. B. Matteson,  
Federal Reserve Bank,  
New York, N. Y.

FEDERAL RESERVE BANK  
OF NEW YORK

Committee of Governors on  
Centralized Control of Purchases  
and Sales of Government Securities  
by Federal Reserve Banks


September 25, 1922.

CONFIDENTIAL

My dear Mr. Platt:

Enclosed is report of transactions in  
Government securities by the different Federal reserve  
banks as reported to the Committee of Governors on  
Centralized Control of Purchases and Sales of Govern-  
ment Securities for the period from September 15, 1922  
to September 20, 1922 inclusive.

Very truly yours,



W. B. MATTESON  
Secretary of the Committee

Enclosure.

Honorable Edmund Platt,  
Acting Governor, Federal Reserve Board,  
Washington, D.C.

TRANSACTIONS IN GOVERNMENT SECURITIES FOR ACCOUNT  
OF THE TREASURY DEPARTMENT AND FEDERAL RESERVE BANKS FROM  
CLOSE OF BUSINESS SEPTEMBER 15, 1922, TO CLOSE OF BUSINESS SEPTEMBER 20, 1922,  
AS REPORTED TO THE COMMITTEE OF GOVERNORS ON CENTRALIZED CONTROL  
OF PURCHASES AND SALES OF GOVERNMENT SECURITIES BY FEDERAL RESERVE BANKS

Operations Account Treasury Department

Treasury  
Orders

The following are Treasury orders completed during this period:

- (1) Order dated September 7, 1922, to purchase for retirement \$5,000,000 face amount of 3 1/2% certificates of indebtedness maturing December 15, 1922, at not more than par and accrued interest. The status of this completed order is as follows:

Boston	\$ 2,165,500	
New York	2,450,000	
Philadelphia	80,000	
Atlanta	304,500	
	<u>\$ 5,000,000</u>	TOTAL ORDER

- (2) Treasury orders of August 30 and September 1, 1922, for \$5,000,000 each to purchase October 3 1/2% certificates at par and accrued interest for redemption. Participation in these purchases is as follows:

Boston	\$ 2,070,000	
New York	3,395,000	
Philadelphia	1,140,000	
Atlanta	95,000	
Chicago	2,300,000	
St. Louis	500,000	
Minneapolis	500,000	
	<u>\$10,000,000</u>	TOTAL ORDER

On September 14 an order was received to purchase \$10,000,000 called Victory notes at a price not exceeding 100.50 for account of the Cumulative Sinking Fund. This order has been completed by the following banks:

Boston	\$ 1,492,000	at 100.36
	388,000	" 100.34
	100,000	" 100.34 registered
	20,000	" 100.32
New York	4,000,000	" 100.34
Philadelphia	1,000,000	" 100.34 and 100.36
	480,000	" 100.36
Chicago	2,500,000	" 100.32 and 100.34
St. Louis	20,000	" 100.30
	<u>\$10,000,000</u>	TOTAL ORDER

The following additional orders dated September 18, 1922, have been received from the Treasury Department:

- (1) To purchase for account of the Cumulative Sinking Fund \$10,000,000 called Victory notes at prices, including commissions, not to exceed 100.50, the procedure being the same as indicated in former Sinking Fund orders for the purchase of Victory notes.

The following purchases have been reported up to the close of the periods:

New York	\$	5,000	at	100.30
Philadelphia		25,000	"	100.34
		1,975,000	"	100.36
Chicago		2,000,000	"	100.34
Kansas City		6,000	"	100.26
		3,500	"	100.32
		<u>4,014,500</u>		
		5,985,500	Unexecuted Balance	
		<u>\$10,000,000</u>	TOTAL ORDER	

- (2) To purchase at the market rate, for the account of the Alien Property Custodian, \$18,000,000 certificates of indebtedness of any series now outstanding, for delivery on September 21 or as soon as practicable thereafter; purchases made against this order to be charged directly to the Treasurer's account after that date and the certificates so purchased to be held uncanceled subject to the order of the Treasury for account of the Alien Property Custodian. Purchases reported against this order to be charged as instructed are as follows:

Boston	\$	150,000	December 4 1/2s	at	100 1/4	less	1/32
		350,000	"	"	"	on	3.30
		750,000	March 4 1/4s	at	100 7/16		
		750,000	June 3 3/4s	on	3.50	basis	
Chicago		4,200,000	September 3 3/4s	at	100 1/16		
		700,000	December	on	3.30	basis	
		100,000	March 4 1/4s	on	3.35	basis	
		<u>\$ 7,000,000</u>					
		11,000,000	Unexecuted Balance				
		<u>\$18,000,000</u>	TOTAL ORDER				

On September 20, 1922, the Treasury Department authorized the purchase of \$14,264,500 of certificates held in the investment account of the Federal Reserve Bank of Boston, with instructions to cancel the certificates and handle in the same manner as past redemptions. The following are the certificates sold under these instructions at par and accrued interest to the Treasury by the Reserve Bank of Boston:

\$ 7,930,000	October 3 1/2% certificates
4,000,000	December 4 1/2% "
<u>2,334,500</u>	" 3 1/2% "
<u>\$14,264,500</u>	

#### Miscellaneous Orders

At the request of the Treasury Department the Federal Reserve Bank of New York purchased \$195,400 Liberty bonds for various accounts.

#### Transactions by Federal Reserve Banks for Their Own Accounts

##### Boston

The Liberty bond and certificate markets have been inactive during the period with the demand and supply about equal. There has been practically no change in certificate prices but Libertys closed the period slightly lower with the exception of the First 3 1/2s which were quoted about 25¢ above the first quotations for the period.

- 2 -

New York	\$	5,000	at 100.30
Philadelphia		25,000	" 100.34
		1,975,000	" 100.36
Chicago		2,000,000	" 100.34
Kansas City		6,000	" 100.26
		3,500	" 100.32
		<u>\$ 4,014,500</u>	
		5,985,500	Unexecuted Balance
		<u>\$10,000,000</u>	TOTAL ORDER

- (2) To purchase at the market rate, for the account of the Alien Property Custodian, \$18,000,000 certificates of indebtedness of any series now outstanding, for delivery on September 21 or as soon as practicable thereafter; purchases made against this order to be charged directly to the Treasurer's account after that date and the certificates so purchased to be held uncanceled subject to the order of the Treasury for account of the Alien Property Custodian. Purchases reported against this order to be charged as instructed are as follows:

Boston	\$	150,000	December 4 1/2s at 100 1/4 less 1/32
		350,000	" " " on 3.30 basis
		750,000	March 4 1/4s at 100 7/16
		750,000	June 3 3/4s on 3.50 basis
Chicago		4,200,000	September 3 3/4s at 100 1/16
		700,000	December on 3.30 basis
		100,000	March 4 1/4s on 3.35 basis
		<u>\$ 7,000,000</u>	
		11,000,000	Unexecuted Balance
		<u>\$18,000,000</u>	TOTAL ORDER

On September 20, 1922, the Treasury Department authorized the purchase of \$14,264,500 of certificates held in the investment account of the Federal Reserve Bank of Boston, with instructions to cancel the certificates and handle in the same manner as past redemptions. The following are the certificates sold under these instructions at par and accrued interest to the Treasury by the Reserve Bank of Boston:

\$ 7,930,000	October 3 1/2% certificates
4,000,000	December 4 1/2% "
<u>2,334,500</u>	" 3 1/2% "
<u>\$14,264,500</u>	

Miscellaneous Orders At the request of the Treasury Department the Federal Reserve Bank of New York purchased \$195,400 Liberty bonds for various accounts.

#### Transactions by Federal Reserve Banks for Their Own Accounts

Boston The Liberty bond and certificate markets have been inactive during the period with the demand and supply about equal. There has been practically no change in certificate prices but Libertys closed the period slightly lower with the exception of the First 3 1/2s which were quoted about 25¢ above the first quotations for the period.



- 3 -

Advances to dealers in Government securities represented by repurchase agreements amounted to \$2,320,100 at the close of business September 20, 1921.

The following are purchases and sales affecting the investment account:

PURCHASES

\$ 150,000 (issue not stated)

SALES

\$ 1,500,000	December	4 1/2%	certificates at 100.25 to dealers
500,000	"	3 1/2%	" " 100 1/32 "
10,000,000	October	3 1/2%	" " 100 to Treasury
4,000,000	December	4 1/2%	" " 100 " "
<u>4,500,000</u>	"	3 1/2%	" " 100 " "
\$20,500,000			

New York

Liberty bonds at intervals showed perceptible advances in price and some strength at intermediate periods. Treasury certificates were fairly active and remained steady throughout, while the notes were traded in less actively, but prices nevertheless were firm. At the close of this period a total of \$16,257,000 Government securities were held under sales contracts.

The following are sales affecting the investment accounts:

SALES

\$ 4,000,000 4 3/4% Treasury notes due 3/15/25 on a 4.20 basis

Philadelphia

The market in Liberty bonds, during the past week, has been somewhat erratic, as a result of the unsettlement over the Bonus legislation. The elimination of this question should strengthen the market and clear the way for refunding operations on a large scale. Apparently there seemed to be no investment buying and it was a traders market entirely. There undoubtedly will be considerable bonds for sale when the market hardens. Victory notes have been steady, with a fair volume. Treasury notes and certificates have shown some improvement in price, with sales well distributed.

Transactions affecting the investment account are as follows:

PURCHASES

\$ 551,000	September	3 3/4s	at 100
<u>1,000</u>	December	4 1/2s	at 100 and interest.
\$ 552,000			

SALES

\$ 322,500 September 3 3/4s at par and interest.

- 4 -

**Cleveland**

One dealer reports "there has been a slight increase in Liberty bond transactions in this territory during the past week. The sale of bonds, however, still continues to be very much greater than the buying of bonds, with the result that a large number of bonds still continue to go to New York. A perceptible stiffening in prices immediately followed the President's veto of the Bonus bill and the feeling is quite general that bonds will continue to appreciate in price and that they should soon reach the high figures of a few months ago."

The following is a record of purchases and sales in the investment account:

PURCHASES

\$ 292,000 September 3 3/4s at 100  
 500,000 Victorys at 100.76

SALES

\$ 500,000 4 1/4% Treasury notes due 9/15/26 at 100 5/16.

**Richmond**

Reported sold during the week a total of \$140,300 Libertys, Victorys and Treasury notes for member banks, of which the greater part were 4 1/4% Treasury notes due 1926 and Second 4 1/4% bonds.

There were no transactions for the Treasury or for their own investment account.

**Atlanta**

There is very little activity in Government securities. During this period the Reserve Bank of Atlanta purchased \$95,000 October 3 1/2s at par for redemption, and also \$500,000 Pittman Act certificates were redeemed.

**Chicago**

A development of strength is noticeable in Liberty issues and Treasury notes, while certificates of the last issue (September 3 3/4s) are available in large amounts at a small premium; the shorter maturities are being offered only in small amounts. At the close of the period there was a total of \$2,714,700 Government securities held under Sales Contract.

A purchase of \$1,500,000 September 3 3/4% certificates was reported at 100 1/16 for the investment account.

**St. Louis**

Sales of Liberty bonds have exceeded purchases, the difference being made up by importations from the East. In the majority of instances the banks holding bonds bought at higher prices continue to retain them with the hope that they may be able to get out without a loss.

The market for certificates has been very dull, more being offered than could be absorbed locally. This is particularly true of the last issue.

Transactions in the investment account are as follows:

PURCHASES

\$ 820,000 September 3 3/4s at 100.

- 5 -

SALES

\$ 228,500	September	3 3/4s	at 100
590,000	December	4 1/2s	at 100.25
200,000	March	4 1/4s	at 100 23/64
<u>200,000</u>	"	4 1/4s	at 100 3/8
\$1,218,500			

## Minneapolis

There was a considerable local demand for the Second, Third and Fourth Liberty loan issues. Treasury notes and certificates were quiet, with the exception of one purchase order received by Minneapolis amounting to \$7,000,000 which is being held pending delivery to a local institution. There were no securities held under Sales Contract.

Transactions affecting the investment account are as follows:

PURCHASES

\$ 52,000	Treasury Notes,	A-1924	(5 3/4)	at 102 13/16
500,000	"	"	A-1925 (4 3/4)	" 101 3/8 less 1/32
250,000	"	"	A-1926 (4 3/4)	" 101 13/16
10,000	"	"	A-1926 (4 3/4)	" 101 3/4
150,000	"	"	B-1926 (4 1/4)	" 100 3/16
1,300,600	"	"	B-1926 (4 1/4)	" 100 1/4
6,100,000	"	"	B-1926 (4 1/4)	" 100 5/16
100,000	"	"	B-1925 (4 3/8)	" 100 9/16
280,000	3 1/2% certificates	(Oct.)	at 100	
75,000	3 3/4%	"	(June)	" 100 1/16
450,000	3 3/4%	"	(Sept.)	" 100 1/32
48,000	3 3/4%	"	(Sept.)	" 100

SALES

\$ 110,000	Treasury Notes,	A-1926	(4 3/4)	at 101 3/4
35,000	"	"	A-1925 (4 3/4)	" 101 5/16
50,000	"	"	A-1924 (5 3/4)	" 102 13/16
100	"	"	B-1926 (4 1/4)	" 100 1/4
7,000	"	"	B-1926 (4 1/4)	" 100 3/8
250,000	3 1/2% certificates	(Oct.)	at 100	
75,000	3 3/4%	"	(June)	" 100 1/16
50,000	3 3/4%	"	(Sept.)	" 100 1/32

## Kansas City

For account of member banks and others \$15,000 Liberty bonds and Victory notes were sold during the period. Local brokers described the demand for Government securities as being so much stronger than for several weeks past that it more than offset the local supply. This appears also to be the situation in Denver as well as in Omaha, while Oklahoma City reported that there is not sufficient demand to absorb the bonds offered.

The following are transactions affecting the investment account:

PURCHASES

\$ 1,000	September	3 3/4s	at 100
<u>405,000</u>	4 1/4%	Treasury notes,	due 9/15/26 at 100.25
\$ 406,000			

- 6 -

SALES

\$ 500,000 Pittman Act certificates redeemed.

Dallas                    The market in Government securities is reported as very quiet. There were no transactions affecting the investment account.

San Francisco           Trading in Government securities was reported by the Reserve Bank of San Francisco as very quiet.  
There were no purchases or sales in the investment account during the period.

609 / rhr

# 2

333 /

September 30, 1933

My dear Sir:

Receipt is acknowledged of your letter of the 18th instant, enclosing for the confidential information of the members of the Federal Reserve Board a copy of report of transactions in Government securities by the different Federal Reserve banks, as reported to the Committee of Governors on Centralized Control of Purchases and Sales of Government Securities, for the period from September 6 to September 15, 1933.

Yours very truly,

Vice Governor.

Mr. W. B. Matteson,  
Federal Reserve Bank,  
New York, N. Y.

FEDERAL RESERVE BANK  
OF NEW YORK

Committee of Governors on  
Centralized Control of Purchases  
and Sales of Government Securities  
by Federal Reserve Banks

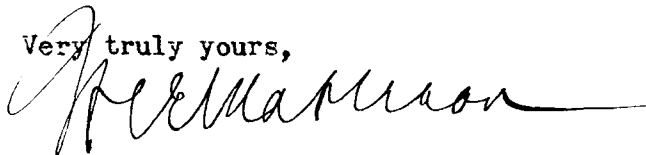
September 18, 1922.

CONFIDENTIAL

My dear Mr. Platt:

Enclosed is report of transactions in Government securities by the different Federal reserve banks as reported to the Committee of Governors on Centralized Control of Purchases and Sales of Government Securities for the period from September 6 to September 15, 1922 inclusive.

Very truly yours,



W. B. MATTESON  
Secretary of the Committee

Enclosure.

Honorable Edmund Platt,  
Acting Governor, Federal Reserve Board,  
Washington, D.C.

TRANSACTIONS IN GOVERNMENT SECURITIES FOR ACCOUNT  
 OF THE TREASURY DEPARTMENT AND FEDERAL RESERVE BANKS FROM  
 CLOSE OF BUSINESS SEPTEMBER 6, 1922, TO CLOSE OF BUSINESS SEPTEMBER 15, 1922  
 AS REPORTED TO THE COMMITTEE OF GOVERNORS ON CENTRALIZED CONTROL  
OF PURCHASES AND SALES OF GOVERNMENT SECURITIES BY FEDERAL RESERVE BANKS

Operations Account Treasury Department

Treasury Orders                      Under date of September 7, 1922, the following orders were received from the Treasury Department:

- (1)                      To purchase for retirement \$5,000,000 face amount of 3 1/2% Treasury certificates of indebtedness maturing December 15, 1922, at not more than par and accrued interest. Purchases made under this order to be handled as in cases of redemption by charging the Treasurer's account immediately and cancelling and forwarding the certificates to Washington scheduled under date of charge.

The progress on this order is as follows:

New York	\$ 2,450,000	
Philadelphia	80,000	
Atlanta	304,500	
	<u>\$ 2,834,500</u>	
	2,165,500	Unexecuted Balance
	<u>\$ 5,000,000</u>	TOTAL ORDER

- (2)                      To accumulate up to \$5,000,000 par value Treasury certificates of indebtedness of any series outstanding at prevailing market prices on the understanding that the certificates thus acquired will be taken over by the Treasury on or about September 15 for account of the Alien Property Custodian.

The status of this order which has been completed is as follows:

Boston	\$ 100,000	June 3 3/4s at 100 3/16
Philadelphia	240,000	December 4 1/2s at 100 9/32
	260,000	June 3 3/4s at 100 5/32
New York	462,500	December 4 1/2s on 3.35 basis
	1,170,500	" " " " 3.30 "
	1,467,000	March 4 1/4s on 3.35 basis
	300,000	June 3 3/4s on 3.47 basis
Chicago	500,000	December 4 1/2s on 3.35 basis
	<u>500,000</u>	June 3 3/4s on 3.50 basis
	<u>\$ 5,000,000</u>	TOTAL ORDER

- (3)                      To purchase for the Cumulative Sinking Fund \$10,000,000 face amount of called Victory 4 3/4% notes at the prevailing market prices, the total principal cost of any notes purchased, including commissions, not to exceed 100.50.

- 2 -

The following are purchases made against this order:

Boston	\$	650,000	- 100.34
		130,000	- 100.34 (registered)
		50,000	- 100.32
		170,000	- 100.36
New York		5,361,500	- 100.34
Philadelphia		950,000	- 100.34
		50,000	- 100.36
Atlanta		3,500	- 100.30
Chicago		2,500,000	- 100.34
St. Louis		35,000	- 100.30
San Francisco		<u>100,000</u>	- 100.34

\$10,000,000 TOTAL ORDER

In addition to the above Treasury orders, there still remains outstanding on Treasury orders of August 30 and September 1, of \$5,000,000 each, a balance of \$2,320,000 October 3 1/2% certificates to be purchased at par and accrued interest for redemption. The following is the status of these orders:

New York	\$	3,395,000	
Philadelphia		1,140,000	
Atlanta		95,000	
Chicago		2,050,000	
St. Louis		500,000	
Minneapolis		<u>500,000</u>	
	\$	7,680,000	
		<u>2,320,000</u>	Unexecuted Balance

\$10,000,000 TOTAL

An additional authorization was received on September 14 to purchase \$10,000,000 called Victory notes at a price not exceeding 100.50 for the account of the Cumulative Sinking Fund, with instructions to handle the notes in the same manner as the previous Sinking Fund order. The following purchases have thus far been made:

New York	\$	4,000,000	- 100.34
Chicago		1,100,000	- 100.32
		900,000	- 100.34
St. Louis		<u>20,000</u>	- 100.30
	\$	6,020,000	
		<u>3,980,000</u>	Unexecuted Balance

\$10,000,000 TOTAL ORDER

Instructions were received from the Treasury to sell at the price paid the \$15,000,000 certificates accumulated under order of August 21 and the \$5,000,000 certificates on the order of September 7 and to hold them uncanceled for the account of the Alien Property Custodian, subject to the order of the Treasury Department. These instructions were carried out by the Federal Reserve Banks of Boston, New York, Philadelphia, Chicago and San Francisco by charging the Treasury on September 15 in the amounts heretofore reported.



- 3 -

Miscellaneous  
Orders

At the request of the Treasury Department the Federal Reserve Bank of New York purchased \$1,164,400 Liberty bonds for various accounts.

Boston

The market in Liberty bonds, certificates and notes has been very quiet with supply and demand about equal, and with a very slight increase in prices during the week.

Advances made to dealers in Government securities represented by repurchase agreements at the close of business September 15 amounted to \$623,000.

The following purchases and sales affected the investment account:

PURCHASES.

\$	500,000	March 4 1/4s	on 3.50 basis	
	500,000	June 3 3/4s	" 3.55 "	
	165,000	Victory notes	(registered uncalled)	at 100.66
	*130,000	" "	" "	called) " 100.34
	<u>\$ 1,295,000</u>			

\* Purchased for Cumulative Sinking Fund to be exchanged for coupon notes.

SALES

\$	50,000	June 3 3/4s	at 100 3/16	to Treasury account Alien Property Custodian
	50,000	June 3 3/4s	at 100 5/32	to Treasury account Alien Property Custodian
	<u>5,975,500</u>	certificates	matured September 15, 1922.	
	\$ 6,075,500			

New York

Liberty bonds in New York were inactive with prices soft at the beginning of the week, but recovered with trading in greater volume with prices for the completed week at higher levels.

Treasury notes followed in sympathy with this movement and prices closed at fractionally higher levels over last week.

Treasury certificates were firm throughout the period increasing somewhat in activity towards the close.

Government securities held under sales contracts amounted to \$4,850,000.

The following purchases and sales affected the investment account:

PURCHASES

\$ 5,000,000 Victorys (uncalled) on 3.70 basis

- 4 -

SALES

\$ 1,445,000	5 1/2	Treas. notes due 9/15/24	on 4.10	basis
5,000,000	5 1/2%	" " " "	" 4.07	"
1,000,000	5 1/2%	" " " "	" 4.05	"
2,523,000	October 3 1/2s		" 3.30	"
7,878,500	Dec. March & June	ctfs. to Alien Property Custodian		
1,483,000	June 3 3/4s	to foreign correspondents	on 3.30	basis
300,000	June 3 3/4s	to Alien Property Custodian	on 3.47	basis
1,467,000	March 4 1/4s	on 3.35	basis	
1,170,500	Dec. 4 1/2s	on 3.30	basis to Alien Property Custodian	
<u>17,392,000</u>	Treasury certificates matured September 15, 1922			
\$39,659,000				

## Philadelphia

The announcement of the Treasury issue of 3 3/4% came as a surprise to the street and caused some buying of Liberty issues, which carried the Fourth 4 1/4s to 101. The rise attracted some selling on the part of the banks, and in conjunction with the 5% money rate in New York created by payments to the Treasury Department, general activity on the Stock Exchange and expanding of mercantile requirements, the advance did not hold, the Fourths declining to 100.54. Dealers have a considerable line and are anxious to sell on any rise.

Certificates of indebtedness have been slightly depressed in prices in anticipation of the necessity for absorbing the new issue of one year certificates.

The Reserve Bank of Philadelphia purchased \$500,000 December and June certificates as indicated above against the Alien Property Custodian order and made no other purchases affecting its investment account. The following are sales from investment holdings:

SALES

\$ 1,000,000	Special 1 year C. of I. (Pittman Act)	at 100
4,000	Certificates matured Sept. 15, 1922	
420,000	October 3 1/2% certificates	at 100.033) to the Treas.
700,000	March 4 1/4% certificates	at 100.453) for account of
1,500	December 3 1/2%	" " 100.041) the Alien
100,000	" 4 1/2%	" " 100.280) Property
100,000	June 3 3/4%	" " 100.139) Custodian
140,000	December 4 1/2%	" " 100 9/32)
<u>160,000</u>	June 3 3/4%	" " 100 5/32)
\$ 2,625,500		

## Cleveland

Buying of Government securities as reported by dealers has been very light, with very little selling by investors in the district. The prices show improvement of from 1/4 to 1/2 point on all issues except First 3 1/2s, which show an improvement of slightly better than 1/2 point. In spite of the fact that selling orders are in excess of buying orders, according to one dealer, bonds have advanced considerably in price, caused, no doubt, by the offering of Treasury certificates at 3 3/4%.

- 5 -

The following purchases and sales affected the investment account:

PURCHASES

\$	20,000	September 4	1 1/2%	certificates	at	100
	* 5,000	Treas. notes	Series B-1925	"		100
	*18,800	"	"	"	B-1926	" 100
	<u>210,000</u>	October 3	1 1/2%	certificates	"	100 1/32
\$	253,800					

SALES

\$	* 5,000	Victory 4	3 3/4%	notes	at	100
	16,200	1st 3	1 1/2%	L. L. bonds	at	101.34
	*18,800	Victory 4	3 3/4%	notes	at	100
	<u>11,648,500</u>	certificates	maturing	9/15/22		
\$	11,688,500					

\* Exchange transaction - Victories for Treasury Notes.

Richmond

The Reserve Bank of Richmond sold during the week for member banks Liberty bonds and Victory notes in the amount of \$5,750. There were no transactions affecting the investment account nor were any advances made to dealers under sales contracts.

Atlanta

No report received.

Chicago

Liberty bonds were more active than a week ago, at slightly higher levels. The market for certificates was very quiet, although more active during the last few days at the close of the period. Advances to dealers under repurchase agreements amounted to \$1,319,000. Transactions affecting the investment account were as follows:

PURCHASES

\$	100,000	December 3	1 1/2%	certificates	at	100
	500,000	"	4 1/2%	"	on	3.35 basis
	<u>500,000</u>	June	3 3/4%	"	"	3.50 "
\$	1,100,000					

SALES

\$	1,000,000	October 3	1 1/2%	certificates	on	3.20 basis)	to
	500,000	December 4	1 1/2%	"	"	3.35	) Treasury
	95,000	"	4 1/2%	"	"	3.30	) account
	1,905,000	"	3 1/2%	"	"	3.30	) Alien
	1,000,000	March 4	1 1/4%	"	"	3.40	) Property
	1,000,000	June 3	3 3/4%	"	"	3.55	) Custodia
	500,000	"	3 3/4%	"	"	3.50	)
	57,500	certificates	matured	September 15, 1922			
	<u>1,000,000</u>	Pittman Act	ctfs.	redeemed	by	Treasury Dept.	
\$	7,057,500						

- 6. -

## St. Louis

Dealers reported that there is more buying than selling, the demand being met by importations from other districts. The market, however, is not what might be termed real active.

The following are sales affecting the investment account:

SALES:

\$ 2,000	4 1/4% Treas. notes due 9/15/26 to members at 100 & int.
<u>112,500</u>	Treasury certificates maturing September 15, 1922
\$ 114,500	

## Minneapolis

Liberty bonds have been inactive during the past fortnight, but the market seems to have improved a little in the last few days, with trading at New York Stock Exchange quotations.

Treasury certificates and notes are still held in large amounts by local financial institutions, there being an unwillingness on the part of dealers to sell at present prices until the demand for money is more active than it has been for some weeks.

The Reserve Bank of Minneapolis purchased \$438,000 Treasury certificates and notes for their investment account, of which \$14,000 were sold. There was also a purchase of \$250,000 October 3 1/2s at 100 which was sold to the Treasury for redemption.

Treasury certificates maturing September 15, 1922 amounted to \$560,000.

## Kansas City

Purchases and sales of Government securities for the account of member banks or others have aggregated less than \$30,000. Reports from local brokers indicate that the movement in Government securities has been very slow during the week.

The following sales were reported as affecting the investment account:

SALES

\$ 300,000	2% consols at 102 7/8
250,000	" " " 103
<u>19,000</u>	certificates matured Sept. 15, 1922
\$ 569,000	

## Dallas

The market in Government securities has been lively with a large oversubscription to the current issue of Treasury certificates.

\$500,000 certificates maturing September 15, 1922, were redeemed, representing the only transactions affecting the investment account.

## San Francisco

Trading in Government securities was very quiet during the period. There were no purchases or sales affecting the investment account other than \$1,000 certificates maturing September 15, 1922, and \$1,000,000 October 3 1/2% certificates sold to the Treasury for account of the Alien Property Custodian.

604

# 2

333 /

September 12, 1922

Dear Mr. Matteson:

Receipt is acknowledged of your letter of the 11th instant, enclosing report of transactions in Government securities by the different Federal Reserve banks, as reported to the Committee of Governors on Centralized Control of Purchases and Sales of Government Securities, for the period September 2nd to September 6th, inclusive.

Yours very truly,

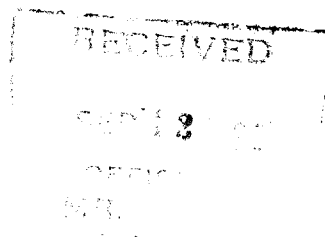
Vice Governor.

Mr. H. B. Matteson,  
Federal Reserve Bank,  
New York, N. Y.

FEDERAL RESERVE BANK  
OF NEW YORK

Committee of Governors on  
Centralized Control of Purchases  
and Sales of Government Securities  
by Federal Reserve Banks

September 11, 1922.



CONFIDENTIAL

My dear Mr. Platt:

Enclosed is report of transactions in Government securities by the different Federal reserve banks as reported to the Committee of Governors on Centralized Control of Purchases and Sales of Government Securities for the period September 2, 1922 to September 6, 1922 inclusive.

Very truly yours,

A handwritten signature in cursive script, appearing to read "W. B. Matteson".

W. B. MATTESON  
Secretary of the Committee

Enclosure.

Honorable Edmund Platt,  
Vice Governor, Federal Reserve Board,  
Washington, D.C.

**TRANSACTIONS IN GOVERNMENT SECURITIES FOR ACCOUNT  
 OF THE TREASURY DEPARTMENT AND FEDERAL RESERVE BANKS FROM  
 CLOSE OF BUSINESS SEPTEMBER 2, 1922 TO CLOSE OF BUSINESS SEPTEMBER 6, 1922  
 AS REPORTED TO THE COMMITTEE OF GOVERNORS ON CENTRALIZED CONTROL  
 OF PURCHASES AND SALES OF GOVERNMENT SECURITIES BY FEDERAL RESERVE BANKS**

Operations Account Treasury Department

Redemption  
 and Alien  
 Property  
 Custodian  
 Orders

On September 6, 1922 instructions were received that the Treasury Department would purchase for redemption those December 3 1/2% certificates which had been accumulated at par and accrued interest by order dated August 30 for sale to the Alien Property Custodian on or about September 15, 1922, in the amount of \$5,000,000. Those banks which had participated in this purchase for the Alien Property Custodian were immediately advised of the change in instructions and asked to comply with the Treasurer's request by cancelling these certificates and forwarding them to Washington as in cases of redemption. The unfilled portion of this order was immediately purchased by New York and Chicago and in accordance with the above the Treasurer's account was charged for redemption of the following certificates:

New York	\$ 2,325,000.
Philadelphia	1,075,000.
Chicago	1,100,000.
St. Louis	<u>500,000.</u>
	\$ 5,000,000.

On the order to purchase \$5,000,000. October 3 1/2% certificates at par and accrued interest for redemption with the additional authorization of September 1 in the same amount, there remains a balance of \$2,510,000. par value to be purchased. It is understood that these certificates are to be treated as in cases of ordinary redemption, namely, the certificates are to be cancelled and forwarded to the Treasury scheduled under date of charge.

The status of this order is as follows:

New York	\$ 3,300,000.
Philadelphia	1,140,000.
Chicago	2,050,000.
St. Louis	500,000.
Minneapolis	<u>500,000.</u>
	\$ 7,490,000.
	<u>2,510,000.</u> Unexecuted Balance
	<u>\$10,000,000. TOTAL ORDER</u>

Miscellaneous  
 Orders

At the request of the Treasury Department the Federal Reserve Bank of New York purchased \$97,900. in the aggregate of Liberty Bonds during the period for account of the Government Life Insurance Fund.

- 2 -

Transactions by Federal Reserve Banks for Their Own Accounts

## Boston

The market in Liberty bonds, certificates of indebtedness and notes continued to mark time early in the week, but bonds recovered at the close of the period with slightly higher prices for all issues of Libertys. Certificates and notes closed with slightly lower quotations due to lessened demand. Brokers reported that in several instances banks have been exchanging certificates and notes for Liberty bonds during the week.

No purchases or sales were made for investment account during the week, but a total of \$1,150,000 Government securities were held under repurchase agreements at the close of business for the period.

## New York

Liberty bonds were moderately firm with trading in small amounts and no particular activity. Certain dealers in Government securities in New York state that they are being offered Treasury notes in fairly large amounts and that the demand for them is quite limited. Generally speaking, Treasury certificates and notes remained at about the same price levels without a great deal of activity in either during the week. At the close of the period the total of Government securities held under Sales Contract amounted to \$14,595,400. There were no changes in the investment account holdings.

## Philadelphia

Liberty bonds have been rather active while Treasury certificates in spite of comparatively large sales have been weak with a slight shading of prices. Victory notes have continued steady at prevailing rates. There were no transactions effecting the investment account other than those sales from the Alien Property Custodian holdings to the Treasury for redemption as indicated elsewhere.

## Cleveland

Dealers reported quiet market in Libertys with selling slightly in excess of buying, with a resultant drop in prices. There was very little activity in certificates and notes. Generally speaking the market in all classes of Government securities has been very dull; the first two days of the present week showing slightly increasing prices for Libertys but no increase in buying.

The following purchases were made for the investment account:

\$10,000	September 5 1/4s at 100
<u>3,500</u>	December 4 1/2s at 100.25
\$13,500	

There were no Government securities held under Sales Contract Agreements.

## Richmond

Brokers in Richmond reported the market for Government securities very inactive.

## Atlanta

Reported purchases from August 31 to September 5 in an aggregate amount of \$121,200 par value Liberty bonds and Victory notes, and sold during this period \$216,350 Liberty bonds and Victory notes at prevailing prices.



- 3 -

## Chicago

Few certificates were offered in a very quiet market, but Treasury notes were quite plentiful at present prices.

There were no changes in the investment account other than the purchase and sale of December and October certificates for the Treasurer's account as indicated above. Advances to Government security dealers represented by Sales Contract Agreements amount to \$2,992,400.

## St. Louis

Reported that there was little activity in bonds the early part of this week as compared with rather an active market at the close of the previous week. Notwithstanding, the short-term certificates have been offered on a basis to yield 3 1/2% or better. The market has been extremely inactive.

## Minneapolis

No report received.

## Kansas City

The demand for Government securities in Kansas City is reported by the brokers as being small during the past week, the supply for securities being somewhat larger than the demand. The report from Denver however indicated that the demand there exceeded the supply about four-fold.

## Dallas

Government securities were quiet and inactive with some interest expressed in regard to the next Treasury offering.

## San Francisco

Trading in Government securities was inactive and quiet. The Reserve Bank of San Francisco reported no advances to dealers under Sales Contracts.

*(Handwritten initials)* # 2 333 /

August 29, 1922.

Dear Sir:

Receipt is acknowledged of your letter of August 28th, enclosing report of the Committee of Governors on centralized control of purchases and sales of Government securities for the week ending August 26, 1922.

Very truly yours,

Vice Governor.

Mr. W. B. Matteson,  
Federal Reserve Bank,  
New York, N. Y.

FEDERAL RESERVE BANK  
OF NEW YORK

Committee of Governors on  
Centralized Control of Purchases  
and Sales of Government Securities  
by Federal Reserve Banks

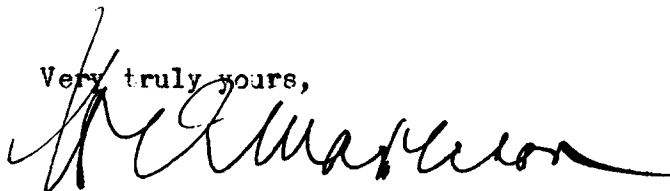
August 28, 1922.

CONFIDENTIAL

My dear Mr. Platt:

Enclosed is report of the transactions in  
Government securities by the different Federal reserve  
banks as reported to the Committee of Governors on  
Centralized Control of Purchases and Sales of Government  
Securities during the week ending August 26, 1922.

Very truly yours,



W. B. MATTESON  
Secretary of the Committee

Enclosure.

Mr. Edmund Platt,  
Acting Governor, Federal Reserve Board,  
Washington, D.C.

TRANSACTIONS IN GOVERNMENT SECURITIES FOR ACCOUNT  
OF THE TREASURY DEPARTMENT AND FEDERAL RESERVE BANKS FROM  
CLOSE OF BUSINESS AUGUST 19, 1922 TO CLOSE OF BUSINESS AUGUST 26, 1922  
AS REPORTED TO THE COMMITTEE OF GOVERNORS ON CENTRALIZED CONTROL  
OF PURCHASES AND SALES OF GOVERNMENT SECURITIES BY FEDERAL RESERVE BANKS

Operations Account Treasury Department

Alien Property Custodian            On August 21 all banks were advised by the Committee that the Treasury would have about \$37,000,000 available for investment in the shorter term certificates on or about September 15, due to the maturity of certificates of indebtedness on that date held for account of the Alien Property Custodian. As no definite authorization to purchase certificates in anticipation of the reinvestment of these funds was received, the banks were asked to give this information their attention in case they contemplated disposing of any of their holdings.

The Treasury Department, on August 23, gave authorization to accumulate certificates up to \$15,000,000 in anticipation of this Alien Property Custodian order. All banks were so advised by the Committee and were informed at the same time that inasmuch as Treasury certificates in New York were not then in great demand the Treasury suggested that a fair proportion of these certificates be purchased there.

The replies received from the several reserve banks showed fairly large offerings of Treasury certificates in New York and Chicago, and to a lesser extent in Philadelphia. Boston reported that offerings were made there from dealers having New York offices, which in their opinion, represented New York portfolios, and suggested that by buying solely in New York it would not complicate the situation there.

It is the understanding with the Treasury that the following certificates purchased by the reserve banks will be held by them subject to the Treasury's order, for sale on or about September 15, 1922 for account of the Alien Property Custodian. The status of this preliminary order, which was completed August 25, is as follows:

NEW YORK

\$ 250,000	December	3 1/2s	3.30	basis in New York
278,500	"	3 1/2s	3.37	" " " "
750,000	"	4 1/2s	3.30	" " " "
3,900,000	March	4 1/4s	3.40	" " " "
2,700,000	June	3 3/4s	3.55	" " " "

PHILADELPHIA

420,000	October	3 1/2s	3.20	basis in Philadelphia
700,000	March	4 1/4s	3.40	" " "
1,500	December	4 1/2s	3.30	" " "

CHICAGO

1,000,000	October	3 1/2s	3.20	basis in Chicago
1,000,000	March	4 1/4s	3.40	" " "
2,000,000	December		3.30	" " "
1,000,000	June	3 3/4s	3.55	" " "

SAN FRANCISCO

<u>1,000,000</u>	October	3 1/2s	3.20	basis in New York
------------------	---------	--------	------	-------------------

\$15,000,000 T o t a l

- 2 -

Sale of Liberty  
Bonds Account  
Board of Trus-  
tees Postal  
Savings System

There remains to be sold a balance of \$2,900,000 Fourth 4 1/4s for account of the Postal Savings System as reported last week.

Miscellaneous  
Treasury  
Orders

At the request of the Treasury Department, the Federal Reserve Bank of New York purchased an aggregate amount of \$317,800 par value of bonds.

Transactions by Federal Reserve Banks for Their Own Accounts

Boston

The Reserve Bank of Boston reported Government securities inactive throughout the week, with lower prices prevailing in Liberty bonds, Treasury certificates and notes. The following purchases were made for its Investment Account during the period:

PURCHASES

\$2,000,000	September	4 1/2%	certificates	3.15	basis
1,000,000	Victory	4 3/4%	notes (uncalled)	100.70	
1,250,000	June	3 3/4%	certificates	100 3/16	
700,000	March	4 1/4%	"	3.40	basis
<u>1,000,000</u>	Victory	4 3/4%	notes (uncalled)	100.72	
\$5,950,000					

New York

Liberty bonds were inactive during the week, with trading carried on at declining prices. Fairly large offerings of Treasury certificates and notes at slightly lower prices were made by dealers throughout the week.

Philadelphia

Reported little activity in Liberty bonds during the past week with practically no demand from banks, industrial concerns or individual investors, the tendency being for the small individual holder to sell his holdings. In direct contrast the investors have directed their attention to high-grade railroad and industrial bonds and other issues which broke to new high levels for the year whereas the Liberty issues have undergone another slight decline in price. United States Treasury notes and certificates also declined in sympathy with the Liberty issues.

Cleveland

The following purchases were made for their investment account during the week:

PURCHASES

\$1,000,000	December	3 1/2s	3.30	basis	in New York
1,000,000	"	4 1/2s	3.30	"	" " "
<u>2,000,000</u>	"	3 1/2s	100 1/32	(3.37)	in New York
\$4,000,000					

- 3 -

- Richmond** Government securities were active, but with relatively small sales predominating, with the price movement slightly downward. Treasury certificates of earlier maturities are reported in demand. The Reserve Bank of Richmond made fifty sales of Government securities for member banks during the week, totaling \$120,650, the greater part of which were Victory notes.
- Atlanta** In reply to the information concerning the anticipated Treasury purchase for account of the Alien Property Custodian, Atlanta reported conditions of Government securities in that district as good, with no offers of certificates.
- Chicago** Reported during the week that Treasury certificates were offered in fairly large amounts by dealers, and subsequently made purchases amounting to \$5,000,000 for account of the Alien Property Custodian.
- Minneapolis** Reported for the week ending August 18, \$656,200 Treasury certificates and notes bought from member banks and \$1,375,500 sales to dealers in their city.
- Kansas City** Government securities in this district are reported as weak, although Liberty bonds were sold on a basis to yield investors a higher rate than Bankers' Acceptances. Purchases among the banks and brokers in Denver amounted to \$733,300 against sales of \$564,650 for the week.
- Dallas** Trading in Government securities was very quiet throughout the week. Reported \$100,000 Treasury certificates and notes purchased and \$40,000 sold; also \$63,550 bonds sold and \$3,000 purchased during the week. Dallas brokers reported purchases amounting to \$340,000 and sales totaling \$121,000. The Second and Third issues were in demand.

*Eg*  
*Govt. Securities*

*1*  
*2*

*333-1*

September 7, 1933

My dear Sir:

Receipt is acknowledged of your letter of the 5th instant, enclosing copy of report of transactions in Government securities by the different Federal Reserve banks as reported, during the week ending September 2, 1933, to the Committee of Governors on Centralized Control of Purchases and Sales of Government Securities. This report will be brought to the attention of the Federal Reserve Board.

Yours very truly,

Vice Governor.

Mr. W. B. Matteson,  
Federal Reserve Bank,  
New York, N. Y.

FEDERAL RESERVE BANK  
OF NEW YORK

Committee of Governors on  
Centralized Control of Purchases  
and Sales of Government Securities  
by Federal Reserve Banks

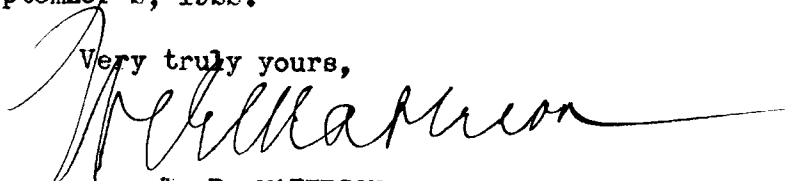
September 5, 1922.

CONFIDENTIAL

My dear Mr. Platt:

Enclosed is report of transactions in Government securities by the different Federal reserve banks as reported to the Committee of Governors on Centralized Control of Purchases and Sales of Government Securities during the week ending September 2, 1922.

Very truly yours,



W. B. MATTESON  
Secretary of the Committee

Enclosure.

Honorable Edmund Platt,  
Acting Governor, Federal Reserve Board,  
Washington, D.C.



TRANSACTIONS IN GOVERNMENT SECURITIES FOR ACCOUNT  
OF THE TREASURY DEPARTMENT AND FEDERAL RESERVE BANKS FROM  
CLOSE OF BUSINESS AUGUST 26, 1922 TO CLOSE OF BUSINESS SEPTEMBER 2, 1922  
AS REPORTED TO THE COMMITTEE OF GOVERNORS ON CENTRALIZED CONTROL  
OF PURCHASES AND SALES OF GOVERNMENT SECURITIES BY FEDERAL RESERVE BANKS

Operations Account Treasury Department

Redemption  
and Alien  
Property  
Custodian  
Orders

On August 31 the following orders were received from the Treasury Department:

To purchase \$5,000,000 October 3 1/2% certificates at par and accrued interest, to charge the Treasurer when purchased and to cancel and forward the certificates to the Treasury as in cases of redemption.

To purchase and hold \$5,000,000 December 3 1/2% certificates at par and accrued interest for sale to the Treasury on or about September 15 for account of the Alien Property Custodian.

These orders were distributed among all the Federal reserve banks.

An additional authorization was received on September 1, 1922 of \$5,000,000 for the purchase of October 3 1/2% certificates at par and accrued interest for redemption.

The replies thus far received from the several banks in response to the Committee's telegram are as follows:

<u>Boston:</u>	Trading quiet with no offerings at par.
<u>Philadelphia:</u>	Moderate offerings of certificates were taken up for these orders.
<u>Cleveland:</u>	Will canvass district for certificates. No offerings at present.
<u>Richmond:</u>	Reported market bare of certificates and unable to make purchases at par and accrued interest.
<u>Atlanta:</u>	No offerings.
<u>Chicago:</u>	Very few certificates in that district, with none offered at par.
<u>St. Louis:</u>	Both October and December certificates have been offered for past several days by New York dealers and in their opinion consider nothing would be accomplished by taking up such offers in St. Louis.
<u>Minneapolis:</u>	Market limited for desired issues.
<u>Kansas City:</u>	No certificates offered at prices mentioned.
<u>Dallas:</u>	Interest sluggish in Government issues.
<u>San Francisco:</u>	Conditions not favorable for purchasing these issues.

The following purchases of October 3 1/2% certificates have been made at par and accrued interest:

New York	\$ 2,500,000	
Philadelphia	500,000	
Chicago	2,000,000	
St. Louis	500,000	
Minneapolis	250,000	
	<u>\$ 5,750,000</u>	Total Purchased
	<u>4,250,000</u>	Unexecuted Balance
	<u>\$10,000,000</u>	TOTAL ORDER

The progress in the accumulation of \$5,000,000 December 3 1/2% certificates at par and accrued interest for account of the Alien Property Custodian is as follows:

New York	\$2,300,000	
Philadelphia	650,000	
Chicago	1,000,000	
St. Louis	500,000	
	\$4,450,000	Total Purchased
	550,000	Unexecuted Balance
	\$5,000,000	TOTAL ORDER

Miscellaneous Orders

At the request of the Treasury Department the Federal Reserve Bank of New York purchased \$368,050 in the aggregate of Liberty Bonds during the week for account of the Government Life Insurance Fund.

Transactions by Federal Reserve Banks for Their Own Accounts

Weekly Reports by Federal Reserve Banks

In order that reports of transactions in Government securities might be uniform, letters were sent by the Committee to all Federal reserve banks asking them to submit their reports to cover the week ending Wednesday rather than Friday and to include therein data covering the following subjects:

- (a) Records of purchases and sales for Investment Account.
- (b) Operations for account of the Treasury Department.
- (c) Total amount of Sales Contract Agreements.
- (d) Comments on market conditions.

These changes were proposed in order that the weekly report might be in agreement with similar reports on investment holdings to the Federal Reserve Board, and also in order to place their weekly statements on a uniform basis.

Boston

Liberty bonds during the past week have been very quiet, with slightly lower prices, although there have been no noticeable selling movements. Prices have gone slightly lower on Treasury certificates and notes, with trading also quiet.

PURCHASES

\$1,350,000	June	3 3/4%	certificates at 100 3/16
700,000	March	4 1/4%	" on 3.40 basis
1,000,000	Victory	4 3/4%	uncalled notes at 100.72
1,000,000	"	4 3/4%	" " " 100.70

New York

Trading in Government securities in New York during the past week has been very quiet, with a marked tendency toward a decline in prices of all issues of Liberty bonds. This is also true of Treasury notes and certificates, with offerings of certificates of earlier maturities made by dealers in moderately large amounts.

- 3 -

New York  
(continued)PURCHASES

\$1,000,000 December 3 1/2% certificates on 3.30 basis in New York.

SALES

\$1,000,000 March 4 1/4% ctfs. on 3.35 basis to members  
 986,500 October 3 1/2% " " 3.25 " " foreign  
 correspondents  
 975,500 September 5 1/4% ctfs. on 3.25 " " "  
 correspondents

Cleveland

PURCHASES

\$ 500,000 Victory 4 3/4% uncalled notes at 100.74 in New York.

SALES

\$ 500,000 4 1/4% Treas. notes due 9/15/26 at 100 1/4 in New York.

Richmond

Government securities were very dull during the past week. The Reserve Bank of Richmond sold for members a total of \$43,000 Liberty bonds and Treasury notes in small amounts during the week.

Atlanta

Trading in Government securities continued about normal throughout the week. Purchases and sales for member banks during the week were reported as follows:

PURCHASES

\$ 180,900 Liberty bonds  
 100 certificates of indebtedness

SALES

\$ 143,650 Liberty bonds

The greater part of the above purchases and sales were made for customers and did not arise from banks selling from their own holdings.

Chicago

Government securities were very weak, with all issues showing sharp declines over a week ago. During the month of August \$5,000,000 Liberty bonds, the greater part of which were sales in small amounts, were handled for account of member banks.

St. Louis

PURCHASES

\$ 400,000 Victory 4 3/4% called notes at 100.30 in New York.

- 4 -

Minneapolis                      For the week ending September 1, 1922 the Reserve Bank of Minneapolis reported \$1,632,600 Treasury notes and certificates purchased from member banks and \$985,600 sold to dealers.

Kansas City                      Brokers in Kansas City reported transactions in Government securities during the last week have been very quiet with offerings for sale exceeding purchases.

Dallas                              Reported \$4,000 Treasury certificates and notes sold for member banks and \$61,950 Liberty bonds sold. Dallas brokers handled \$210,000 purchases and \$87,000 sales during the week. Trading in all issues was very quiet.



FEDERAL RESERVE BANK  
OF NEW YORK

333 /

Committee of Governors on  
Centralized Control of Purchases  
and Sales of Government Securities  
by Federal Reserve Banks

August 21, 1922.

CONFIDENTIAL

My dear Mr. Platt:

Enclosed is report of the transactions in  
Government securities by the different Federal Reserve Banks  
as reported to the Committee of Governors on Centralized  
Control of Purchases and Sales of Government Securities dur-  
ing the week ending August 19, 1922.

Very truly yours,

W. B. MATTESON  
Secretary of the Committee

Encl.

Honorable Edmund Platt,  
Acting Governor, Federal Reserve Board,  
Washington, D.C.

TRANSACTIONS IN GOVERNMENT SECURITIES FOR  
 OF THE TREASURY DEPARTMENT AND FEDERAL RESERVE BANKS FROM  
 CLOSE OF BUSINESS AUGUST 12, 1922 TO CLOSE OF BUSINESS AUGUST 19, 1922  
 AS REPORTED TO THE COMMITTEE OF GOVERNORS ON CENTRALIZED CONTROL  
OF PURCHASES AND SALES OF GOVERNMENT SECURITIES BY FEDERAL RESERVE BANKS

Operations Account Treasury Department

Sale of Liberty Bonds Account Board of Trustees, Postal Savings System  
 On the order involving the sale of \$4,000,000 Third 4 1/4s and \$6,000,000 Fourth 4 1/4s, for account of the Postal Savings System, there remains a balance unsold of \$2,900,000 Fourth 4 1/4s.  
 The status of the order is as follows:

\$ 4,000,000	Third 4 1/4s	sold at average price of	100.52		
2,100,000	Fourth 4 1/4s	" " " "	101.29		
1,000,000	Fourth 4 1/4s	" " " "	101.26		
\$ 7,100,000					
2,900,000	Balance of Fourth 4 1/4s	to be sold.			
\$10,000,000	T O T A L				

Miscellaneous Treasury Orders  
 Miscellaneous orders executed by the Federal Reserve Bank of New York at the request of the Treasury Department during the period covered by this report aggregated \$491,500 par value of bonds.

Transactions by Federal Reserve Banks  
 for Their Own Accounts

Boston  
 Reported Government securities very quiet, indicating usual lack of demand for this season of the year, with lower prices on all issues of Liberty bonds.  
 Transactions for investment account of this bank are as follows:

PURCHASES

\$2,050,000 Victory notes, uncalled, at average price of 100.88

SALES

\$1,000,000 October 3 1/2s on 3.10 basis (Sold to Treasury Dept. account Civil Service Retirement and Disability Fund)

New York  
 Liberty bonds continued to decline in price with little activity. Treasury certificates and notes fell off in sympathy with bond prices.  
 The bank had the following transactions for its own account:

SALES

\$ 500,000 5 1/2% Treas. notes Series B-1924 at 102 7/8  
 500,000 " " " " " " " " 102 7/8 less  
 1/32

\$1,700,000 December 3 1/2s on 3.15 basis (to Treas. Dept. Ac-  
 \$2,700,000 count Civil Service Retirement and Disability Fund)

- 2 -

## Philadelphia

Reported practically no demand for Liberty bonds, with consequent falling off in price. Treasury certificates and notes were dull, although with scarcely any change in quotations over last week.

## Cleveland

This bank advised that due to substantial offerings of short term certificates in Chicago, they were inclined to purchase \$2,000,000 December certificates on a 3.05 basis providing such purchase would not conflict with any Treasury orders. In reply the Committee wired that their purchase would in no way interfere with Treasury orders and that the same certificates were offered in New York at from 3.15 to 3.20 basis. Upon instructions received later from Cleveland, \$2,000,000 December certificates were purchased in New York on a 3.30 basis.

PURCHASES

\$1,000,000 Victory notes, uncalled, at 100.88  
1,000,000 " " " " 100.90

SALES

\$2,000,000 4 1/4% Treas. notes, due 1926 at 100.50 (To Treasury)

## Richmond

Reported no development of interest in Government securities with trading dull at declining prices. The bank sold a total of \$397,050 Liberty bonds and Treasury notes for member banks to Richmond and New York brokers.

## Chicago

Government securities were reported as very quiet. Approximately \$1,200,000 Liberty Loan Bonds were sold during the period in small amounts for account of member banks.

## St. Louis

The following sales to the Treasury Department for account of the Civil Service Retirement and Disability Fund were made from the investment account during the week:

\$600,000 5 1/4% Treas. certificates due 9/15/22 on 3.10 basis  
700,000 4 1/2% " " " " 3.10 "

## Dallas

Reported \$332,000 Treasury certificates and notes sold and \$1,000 purchased; also \$3,000 bonds sold and \$135,000 purchased during the week.

Dallas brokers reported purchases amounting to \$575,000 and sales totaling \$200,000.

Second Liberty Loan bonds were reported in demand with some activity in the Second, Third and Fourth issues.

## San Francisco

The bank sold from its investment account to the Treasury for account of the Civil Service Retirement and Disability Fund \$4,000,000 4 1/4% Treasury notes, Series B-1926 at 100.50.

## Kansas City

The bank reported purchases aggregating \$2,100 Government securities and sales amounting to \$8,000 for account of member and nonmember banks. In Kansas City and Omaha brokers reported the demand about offsetting the supply. On information received from Denver there were purchases of \$1,500,000 against sales of about \$750,000 effected during the week.

TRANSACTIONS IN GOVERNMENT SECURITIES FOR ACCOUNTS  
OF THE TREASURY DEPARTMENT AND FEDERAL RESERVE BANKS FROM  
CLOSE OF BUSINESS AUGUST 12, 1922 TO CLOSE OF BUSINESS AUGUST 19, 1922  
AS REPORTED TO THE COMMITTEE OF GOVERNORS ON CENTRALIZED CONTROL  
OF PURCHASES AND SALES OF GOVERNMENT SECURITIES BY FEDERAL RESERVE BANKS

Operations Account Treasury Department

Sale of Liberty Bonds Account Board of Trustees, Postal Savings System  
On the order involving the sale of \$4,000,000 Third 4 1/4s and \$6,000,000 Fourth 4 1/4s, for account of the Postal Savings System, there remains a balance unsold of \$2,900,000 Fourth 4 1/4s.  
The status of the order is as follows:

\$ 4,000,000	Third 4 1/4s sold at average price of 100.52	
2,100,000	Fourth 4 1/4s " " " " " 101.29	
<u>1,000,000</u>	Fourth 4 1/4s " " " " " 101.26	
\$ 7,100,000		
<u>2,900,000</u>	Balance of Fourth 4 1/4s to be sold.	
<u>\$10,000,000</u>	<u>T O T A L</u>	

Miscellaneous Treasury Orders  
Miscellaneous orders executed by the Federal Reserve Bank of New York at the request of the Treasury Department during the period covered by this report aggregated \$491,500. par value of bonds.

Transactions by Federal Reserve Banks  
for Their Own Accounts

Boston  
Reported Government securities very quiet, indicating usual lack of demand for this season of the year, with lower prices on all issues of Liberty bonds.  
Transactions for investment account of this bank are as follows:

PURCHASES

\$2,050,000 Victory notes, uncalled, at average price of 100.88

SALES

\$1,000,000 October 3 1/2s on 3.10 basis (Sold to Treasury Dept. account Civil Service Retirement and Disability Fund)

New York  
Liberty bonds continued to decline in price with little activity. Treasury certificates and notes fell off in sympathy with bond prices.

The bank had the following transactions for its own account:

SALES

\$ 500,000 5 1/2% Treas. notes Series B-1924 at 102 7/8  
500,000 " " " " " " " " 102 7/8 less  
1/32

1,700,000 December 3 1/2s on 3.15 basis (to Treas. Dept. Account Civil Service Retirement and Disability Fund)  
\$2,700,000



FEDERAL RESERVE BANK  
OF NEW YORK

RECEIVED  
AUG 16 1922  
OFFICE OF  
THE GOVERNOR

Committee of Governors on  
Centralized Control of Purchases  
and Sales of Government Securities  
by Federal Reserve Banks

August 15, 1922.

CONFIDENTIAL

My dear Governor Harding:

Enclosed is report of the transactions in Government securities by the different Federal reserve banks as reported to the Committee of Governors on Centralized Control of Purchases and Sales of Government Securities during the week ending August 12, 1922.

Very truly yours,

*E. B. Matteson*  
E. B. Matteson  
Secretary of the Committee

Encl.

Honorable W. F. G. Harding,  
Governor, Federal Reserve Board,  
Washington, D. C.

ANSWERED  
AUG 16 1922  
Director's Office.

TRANSACTIONS IN GOVERNMENT SECURITIES FOR ACCOUNT  
OF THE TREASURY DEPARTMENT AND FEDERAL RESERVE BANKS FROM  
CLOSE OF BUSINESS AUGUST 5, 1922 TO CLOSE OF BUSINESS AUGUST 12, 1922  
AS REPORTED TO THE COMMITTEE OF GOVERNORS ON CENTRALIZED CONTROL  
OF PURCHASES AND SALES OF GOVERNMENT SECURITIES BY FEDERAL RESERVE BANKS

Operations Account Treasury Department

Sale of Liberty  
Bonds Account  
Board of Trustees,  
Postal Savings  
System

At the close of business August 12 the progress of this order, which involves the sale of \$4,000,000 Third 4 1/4s and \$6,000,000 Fourth 4 1/4s was as follows:

\$ 4,000,000	Third 4 1/4s sold at average price of 100.52
<u>2,100,000</u>	Fourth 4 1/4s " " " " " 101.29
\$ 6,100,000	
<u>3,900,000</u>	balance of Fourth 4 1/4s to be sold
\$10,000,000	Total

Purchase of  
Treasury Notes  
and Certificates  
for Account Civil  
Service Retirement  
and Disability  
Fund

The Federal Reserve Bank of New York under date of August 10, received an order from the Treasury Department to purchase \$6,000,000 Treasury notes, Series B, maturing September 15, 1926, and \$4,000,000 Treasury certificates giving preference to early maturities; all purchases to be taken up by the Treasury for account of the Civil Service Retirement and Disability Fund on Tuesday, August 15, 1922 or as soon as practicable thereafter.

Under Secretary Gilbert in transmitting this order suggested that sales of the notes and certificates might be made to the Treasury from the investment holdings of the New York bank at current prices.

The Committee at once notified all reserve banks of the order and stated that the Federal Reserve Bank of New York was prepared to offer the entire \$10,000,000 of notes and certificates to the Treasury from its own portfolio in line with the Treasury's suggestion, unless some of the other banks wished to participate. Several of the other reserve banks had no securities to offer at this time, but from offerings made to the Committee of \$8,300,000 in notes and certificates the order was completed as shown below:

<u>Bank</u>	<u>Amount</u>	<u>Issue</u>
Cleveland	\$2,000,000	4 1/4% Treas. notes due 1926 at 100 1/2
San Francisco	<u>4,000,000</u>	4 1/4% " " " 1926 at 100 1/2
	\$6,000,000	
Boston	\$1,000,000	3 1/2% Oct. certificates on a 3.10 basis
St. Louis	600,000	5 1/4% Sept. " " " 3.10 "
	700,000	4 1/2% " " " 3.10 "
New York	<u>1,700,000</u>	3 1/2% Dec. " " " 3.15 "
	\$4,000,000	

The above banks were instructed with respect to the closing of their transactions with the Treasury on August 15 and the disposition of the securities in accordance with Treasury's letter of August 10, 1922.

- 2 -

Miscellaneous  
Treasury Orders

Miscellaneous orders executed by the Federal Reserve Bank of New York at the request of the Treasury Department during the period covered by this report aggregated \$450,000 par value of bonds.

Transactions by Federal Reserve Banks for Their Own Accounts

## Boston

Reported Government securities inactive at slightly lower prices toward the close of the week.

Transactions affecting the bank's investment account are as follows:

PURCHASES

\$ 50,000 called Victory notes  
 2,000 uncalled Victory notes  
800,000 4 1/4% Treasury notes 1926 (acquired through exchange  
 of Victory notes)  
 \$852,000

SALES

\$ 2,600,000 June 3 3/4s at 100 3/16 (sold to Treasury for ac-  
 count Alien Property Custodian)  
800,000 called Victory notes (exchanged, as indicated  
 above, for new Treasury notes)  
 3,400,000

## New York

Liberty bonds declined in price and showed little ac-  
 tivity. Treasury certificates and notes were firm and inactive.  
 The bank had the following transactions for its own  
 account:

PURCHASES

\$ 194,500 called Victory notes at 100.52  
 28,000 December 4 1/2s on 3.15 basis  
 500,000 June 3 3/4s on 3.47 basis  
 750,000 September 4 1/2s on 3.10 basis  
 750,000 September 5 1/4s on 3.10 basis  
 250,000 March 4 1/4s on 3.40 basis  
 750,000 June 3 3/4s on 3.47 basis  
11,500,000 4 1/4% notes due 1926 (received in exchange for  
 \$14,722,500 (like amount of called Victory notes)

SALES

\$ 194,500 uncalled Victory notes at 100.88  
 55,000 5 1/2% notes due 1924 at 102 7/8 + 1/32  
 1,750,000 June 3 3/4s on approximately 3.47 basis (sold at  
 cost to Treasury for account of Alien  
 Property Custodian)  
 3,500,000 October 3 1/2s on approximately 3.05 basis (sold  
 at cost to Treasury for account of  
 Alien Property Custodian)  
 250,000 December 4 1/2s on 3.15 basis  
 750,000 December 4 1/2s on 3.15 basis  
11,500,000 called Victory notes (exchanged for new Treasury  
 \$17,999,500 notes as indicated in list of purchases)

- 3 -

## Philadelphia

Reported Liberty bonds inactive with slight decline in prices and a fair demand for Treasury notes.

The Bank sold from its investment account to the Treasury, certificates accumulated for account of the Alien Property Custodian as follows:

\$2,500,000	June 3 3/4%	on approximately a 3.47 basis
<u>750,000</u>	December 3 1/2s	" " 3.12 "
\$3,250,000		

## Cleveland

Reported the exchange of \$4,000,000 called "Victory notes for a like amount of 4 1/4% Treasury notes of 1926.

## Richmond

Reported Government securities very inactive. The bank sold \$188,250 par amount of Liberty bonds for member banks.

## Atlanta

Sold to the Treasury for account of the Alien Property Custodian, \$278,000 June 3 3/4s certificates on approximately a 3.47 basis, which had been accumulated in the bank's investment holdings for this purpose.

## Chicago

Reported Government securities dull with few large offerings. Brokers seem to be carrying fairly large portfolios.

The Bank's sales to the Treasury, for account of the Alien Property Custodian of certificates accumulated in its investment account for this purpose were as follows:

\$3,550,000	June 3 3/4s	at 100 3/16
3,100,000	June 3 3/4s	on approximately a 3.47 basis
1,250,000	June 3 3/4s	at 100 7/32
<u>400,000</u>	December 3 1/2s	on approximately a 3.15 basis
\$8,300,000		

## St. Louis

Sales to the Treasury for account of the Alien Property Custodian of certificates accumulated by the bank for such purpose were as follows:

\$ 400,000	December 3 1/2s	at 100 3/32
<u>1,000,000</u>	October 3 1/2s	at 100 1/16
\$1,400,000		

## Kansas City

Reported Government securities quiet with sales and purchases offsetting each other.

## Minneapolis

Reported purchases from member banks of

\$1,742,100	par amount Treasury notes
<u>2,001,000</u>	" " " certificates
\$3,743,100	

and sales from the bank's holdings of

\$2,245,000	Treasury notes and
<u>1,514,000</u>	" certificates
\$3,759,000	

68-1

HN

#2

333 /

August 8, 1932.

Dear Sir:

Receipt is acknowledged of your letter of the 7th instant, enclosing report of the Committee of Governors on centralized control of purchases and sales of Government securities for the week ending August 5, 1932.

Very truly yours,

G o v e r n o r .

Mr. W. E. Matteson,  
Federal Reserve Bank,  
New York, N. Y.

FEDERAL RESERVE BANK  
OF NEW YORK

Committee of Governors on  
Centralized Control of Purchases  
and Sales of Government Securities  
by Federal Reserve Banks.

RECEIVED  
AUG 8 - 1922  
OFFICE OF  
THE GOVERNOR

August 7, 1922.

CONFIDENTIAL

My dear Governor Harding:

Enclosed is report of the transactions in Government  
Securities by the different Federal reserve banks as reported to  
the Committee of Governors on Centralized Control of Purchases and  
Sales of Government Securities during the week ending August 5, 1922.

Very truly yours,

*W. B. Matteson*  
W. B. Matteson  
Secretary of the Committee

Encl.

Honorable W. F. G. Harding,  
Governor, Federal Reserve Board,  
Washington, D. C.

ANSWERED  
AUG 8 - 1922  
Governor's Office.

TRANSACTIONS IN GOVERNMENT SECURITIES FOR ACCOUNT  
 OF THE TREASURY DEPARTMENT AND FEDERAL RESERVE BANKS FROM  
 CLOSE OF BUSINESS JULY 29, 1922 TO CLOSE OF BUSINESS AUGUST 5, 1922  
 AS REPORTED TO THE COMMITTEE OF GOVERNORS ON CENTRALIZED CONTROL  
OF PURCHASES AND SALES OF GOVERNMENT SECURITIES BY FEDERAL RESERVE BANKS

Operations Account Treasury Department

Accumulation of  
Treasury Certif-  
icates for account  
Alien Property  
Custodian

On August 1 the Federal Reserve Bank of New York sold to the Treasury to fill a portion of the Treasury's order for the purchase of \$41,000,000 Treasury certificates, \$10,000,000 December 3 1/2s on a 3.12% basis and \$10,000,000 June 3 3/4s on a 3.47% basis.

The Committee notified all reserve banks and again asked them if they cared to participate in the balance of the order still to be filled which had been raised to \$23,000,000, making the final order \$43,000,000.

Progress of the order at the close of business August 5 is shown below. All the certificates purchased, with the exception of those sold to the Treasury on August 1 by the New York bank, as stated above, are to be taken up by the Treasury Department on August 8, 1922, in accordance with instructions to the banks.

<u>NAME</u>	<u>AMOUNT</u>	<u>DESCRIPTION</u>	<u>PRICE</u>	<u>BASIS</u>
Boston	\$2,600,000	June 3 3/4s	100 3/16	3.50 approx.
Chicago	3,550,000	June 3 3/4s	100 3/16	3.50 "
	3,100,000	June 3 3/4s		3.47
	1,250,000	June 3 3/4s	100 7/32	3.46 approx.
	400,000	Dec. 3 1/2s		3.12
	# 3,500,000	Oct. 3 1/2s		3.05
Atlanta	278,000	June 3 3/4s		3.47
Phila.	2,500,000	June 3 3/4s		3.47
	750,000	Dec. 3 1/2s		3.12
St. Louis	400,000	Dec. 3 1/2s	100 3/32	3.10 approx.
	1,000,000	Oct. 3 1/2s	100 1/16	3.05 "
New York	1,750,000	June 3 3/4s		3.47
	600,000	Oct. 3 1/2s		3.03
	750,000	Dec. 4 1/2s		3.15
	572,000	Dec. 4 1/2s		3.15
	\$23,000,000			
New York	10,000,000	Dec. 3 1/2s		3.12
	10,000,000	June 3 3/4s		3.47
	\$43,000,000			

# NOTE: These certificates were purchased for delivery in New York and taken up and held for resale to the Treasury by the New York bank.

Sale of Liberty  
Bonds for account  
of Board of Trustees,  
Postal Savings System

Under date of August 1, the Federal Reserve Bank of New York was instructed by the Treasury Department to sell at prevailing prices from time to time as conditions permitted, for account of the Board of Trustees, Postal Savings System, \$4,000,000 Third 4 1/4% Liberty Loan bonds and \$6,000,000 Fourth 4 1/4% Liberty Loan bonds.

- 2 -

Sale of Liberty  
Bonds for account  
of Board of Trustees,  
Postal Savings System

At the close of business August 5 sales had been made  
as follows:

August 4	\$250,000	Fourths	at 101.30
August 5	<u>789,000</u>	Fourths	at average price of
	\$1,039,000		101.29

Transactions by Federal Reserve Banks for Their Own Accounts

All Federal Reserve  
Banks

All banks were advised that the Treasury had suggested an exchange by the Reserve banks of their investment holdings of Victory notes for 4 1/4% Treasury notes, maturing in 1926, and further that this suggestion had been followed by the New York bank, its holdings of uncalled Victory notes having been sold and replaced by called notes, the latter to be exchanged for the new Treasury notes with a view, in case of need, to selling the Treasury notes later on as conditions permitted and reinvesting the proceeds in shorter term securities.

Replies to the Committee's notice indicated that many of the reserve banks had no substantial holdings of Victory notes. The Federal Reserve Bank of Cleveland had substantial Victory note holdings and is considering the matter of exchanging the notes before the books close on August 8. Some of the banks wired the Committee that they had purchased some called Victory notes for exchange purposes and left orders with the Committee for the purchase of additional notes to be used in the same way. No purchases of the Victory notes were made by the Committee.

Boston

Reported Liberty bonds, Treasury certificates, and Treasury notes quiet but firm. The bank purchased during the week \$589,000 uncalled Victory 4 3/4% notes.

New York

Liberty bonds were less active during the week with a slight decline in prices. Certificates and notes were firm and more active with a particular demand for the new 4 1/4% Treasury notes maturing 1926; bid and asked prices for the latter at the close of the week being 100 1/2 and 100 5/8, respectively.

Purchases and sales affecting the bank's investment account were as follows:

PURCHASES

\$6,000,000 4 3/4% Vic. notes uncalled at 100.52 (to replace  
sale of called)

SALES

\$ 6,000,000 4 3/4% Vic. notes called at 100.88  
4,000,000 4 3/4% Treas. " of 1925 " 101.9/16  
\$10,000,000

Philadelphia

Reported Liberty bonds quiet with prices firm at lower levels. Treasury certificates in good demand with very few certificates offered.



- 3 -

Richmond                      Reported moderate activity in Liberty bonds with declining tendency in prices. The new 4 1/4% Treasury notes stimulated activity in short term certificates and notes. Brokers report considerable sales of uncalled Victorys for reinvestment in 4 1/4% notes.

Kansas City                      Reported little activity in Liberty bonds, certificates and notes with the demand and supply about offsetting each other.

Minneapolis                      Reported the purchase from member banks of \$2,489,600 Treasury notes and \$2,249,000 certificates of indebtedness and sales in the market of \$1,939,400 Treasury notes and \$2,257,000 certificates of indebtedness, at current prices.

# 2

733 /

July 25, 1933.

Dear Sir:

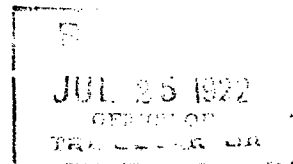
Receipt is acknowledged of your letter of the 24th instant, enclosing report of transactions in Government securities as reported to the Committee of Governors on centralized control of purchases and sales of Government securities during the week ending July 22, 1933.

Very truly yours,

G o v e r n o r .

Mr. W. B. Matteson,  
Federal Reserve Bank,  
New York, N. Y.

FEDERAL RESERVE BANK  
OF NEW YORK



Committee of Governors on  
Centralized Control of Purchases  
and Sales of Government Securities  
by Federal Reserve Banks

July 24, 1922.

CONFIDENTIAL

My dear Governor Harding:

Enclosed is report of transactions in Government securities as reported to the Committee of Governors on Centralized Control of Purchases and Sales of Government Securities during the week ending July 22, 1922.

Very truly yours,

W. B. MATTESON  
Secretary of the Committee

Enclosure.

Honorable W. P. G. Harding,  
Governor, Federal Reserve Board,  
Washington, D.C.

TRANSACTIONS IN GOVERNMENT SECURITIES FOR ACCOUNT  
OF THE TREASURY DEPARTMENT AND FEDERAL RESERVE BANKS FROM  
CLOSE OF BUSINESS JULY 15, 1922 TO CLOSE OF BUSINESS JULY 22, 1922  
AS REPORTED TO THE COMMITTEE OF GOVERNORS ON CENTRALIZED CONTROL  
OF PURCHASES AND SALES OF GOVERNMENT SECURITIES BY FEDERAL RESERVE BANKS

Operations Account Treasury Department

Purchases for Account Foreign Obligations Fund      The Treasury Department order received on July 8 by the Federal Reserve Bank of New York for the purchase of \$450,000. par value Liberty bonds of any issue at a cost not to exceed par, including commissions, still remains unfilled. Liberty bonds are reported as selling at prices well above par in all districts.

Miscellaneous Orders      Miscellaneous orders executed by the Federal Reserve Bank of New York during the period covered by this report for account of the various departments of the Treasury aggregated about \$1,025,900.

Transactions by Federal Reserve Banks for their Own  
Accounts and Data on Government Securities as Reported  
to the Committee

Federal Reserve Bank of New York      Liberty bonds on the New York Stock Exchange moved up in several instances to highest points on record, with all issues showing great strength throughout the week.

Treasury certificates and notes were firm, the latter showing a slight advance in price.

The Federal Reserve Bank of New York sold from its holdings during the week \$350,000. March 4 1/4s at 100.50 and accrued interest.

Federal Reserve Bank of Philadelphia      Reports Government bonds very strong. An unabated demand with a small supply indicated that dealers are carrying very few bonds. Purchases by banks are being made on a large scale.

Treasury certificates and notes are quoted at higher levels but without great demand, indicating that "dealers are apparently well stocked up with all issues."

Federal Reserve Bank of Richmond      Reports that institutional buying furnished the demand for Government securities during the past week. Certificates sold at slightly higher prices, brokers reporting that "largest selling orders have come from country and Southern banks and from individuals."

The Reserve Bank of Richmond sold \$202,600. of various securities for member banks, of which the greater part were Victorys.

- 2 -

Federal Reserve Bank of Chicago Reports the demand for United States bonds and notes as "fairly good" coming principally from corporations or banking institutions having funds available for a period of two to three year's investment.

Certificates, although quoted at firm prices, are not in very great demand, except by organizations having outlets in the Eastern centers.

Federal Reserve Bank of St. Louis Reports that liberty bonds are strong with no unusual activities.

Prices in certificates and notes continued strong, although fairly inactive.

Federal Reserve Bank of Minneapolis Reports \$427,000. Treasury certificates and notes purchased by them during the week from member banks and \$1,412,200. sold by them to dealers and buyers.

Federal Reserve Bank of Kansas City Reports Government securities very quiet during the past week. Offerings of securities have been offset by local orders and consequently brokers had no occasion either to buy or sell in Eastern markets.

Federal Reserve Bank of Dallas Reports \$241,000. certificates and notes sold and \$100,000. purchased; also \$7,250. bonds were purchased and \$5,100. were sold during the week.

Dallas brokers reported purchases amounting to \$400,000. and sales totaling \$325,000.

The Second and Fourth Liberty bonds were reported in great demand.

Federal Reserve Bank of San Francisco Reports the following sales from investment account, to member banks:

July 14	\$1,000,000.	Third 4 1/4s	at 100.30
" 18	<u>1,200,000.</u>	" " "	" 100.30
	\$2,200,000.		

SP  
(Handwritten initials)

# 2  
(Handwritten number)

333 /  
(Handwritten number)

July 18, 1922.

My dear Sir:

Receipt is acknowledged of your letter of the 17th instant, enclosing report of transactions by Federal Reserve banks in Government securities as reported to the Committee of Governors on centralized control of purchases and sales of Government securities for the week ending July 15, 1922.

Very truly yours,

G o v e r n o r .

Mr. W. B. Matteson,  
Federal Reserve Bank,  
New York, N. Y.

FEDERAL RESERVE BANK  
OF NEW YORK

RECEIVED  
JUL 18 1922  
OFFICE OF  
THE GOVERNOR

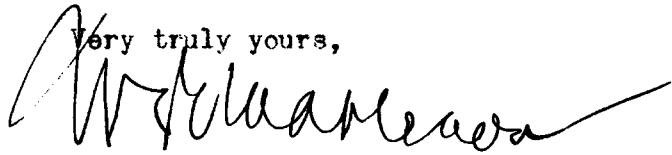
Committee of Governors on  
Centralized Control of Purchases  
and Sales of Government Securities  
by Federal Reserve Banks.

July 17, 1922.

My dear Governor Harding:

Enclosed is report of transactions in Government securities by Federal reserve banks together with data on the condition of Government securities as reported to the Committee of Governors on Centralized Control of Purchases and Sales of Government Securities for the week ending July 15, 1922.

Very truly yours,



W. B. Matteson  
Secretary of the Committee

Encl.

Honorable W. P. G. Harding,  
Governor, Federal Reserve Board,  
Washington, D. C.

RECEIVED  
JUL 19 1922  
COMMERCIAL OFFICE

TRANSACTIONS IN GOVERNMENT SECURITIES FOR ACCOUNT  
OF THE TREASURY DEPARTMENT AND FEDERAL RESERVE BANKS FROM  
CLOSE OF BUSINESS JULY 8, 1922 TO CLOSE OF BUSINESS JULY 15, 1922  
AS REPORTED TO THE COMMITTEE OF GOVERNORS ON CENTRALIZED CONTROL  
OF PURCHASES AND SALES OF GOVERNMENT SECURITIES BY FEDERAL RESERVE BANKS

Operations Account Treasury Department

Purchases for Account of Foreign Obligations Fund      The Federal Reserve Bank of New York received an order from the Treasury to purchase for account of the Foreign Obligations Fund \$450,000. par value Liberty bonds of any issue, coupon or registered, at a cost no to exceed par including commissions, in New York or through any of the other Federal reserve banks in their districts. The other Federal reserve banks were immediately advised of the receipt of the order and efforts have been made to make the purchases at the limit given but so far without success as all issues are selling at prices well above par.

Miscellaneous Transactions for Treasury Department      Miscellaneous orders executed by the Federal Reserve Bank of New York during the period covered by this report for account of the various departments of the Treasury aggregated about \$469,050.

Transactions by Federal Reserve Banks for Their Own Accounts and Data on Government Securities as Reported to the Committee

Boston      Liberty bonds have been stronger than for several weeks with a broad demand from individuals and institutions. Certificates and notes have been quiet but firm, with a slight increase in activity toward the latter part of the week.

New York      Liberty bonds in New York were strong throughout the week, with some issues reaching new highs. Treasury certificates and notes were firm but inactive, with a small advance in quotations on Treasury notes.

The following purchases and sales were made for the investment account:

PURCHASES

\$4,000,000.	In New York Victory	4 <sup>3</sup> / <sub>4</sub> %	notes due 5/20/23	100.52 & int.
1,000,000.	" " "	4 <sup>1</sup> / <sub>2</sub> %	C. of I. " 3/15/23	3.50 basis
1,000,000.	" " "	3 <sup>3</sup> / <sub>4</sub> %	" " " " 6/15/23	3.68 "
<u>\$6,000,000.</u>				

SALES

\$4,000,000.	In New York	4 3/8%	Tr. notes due 12/15/25	100 5/8 & int.
2,000,000.	" " "	3 <sup>1</sup> / <sub>2</sub> %	C. of I. " 12/15/22	3.35 basis
<u>\$6,000,000.</u>				

Philadelphia      All issues of Liberty bonds were strong, with increased activity during the latter part of the week.

The demand for Treasury certificates increased, the tendency apparently being to trade certificates for notes.



- 2 -

**Cleveland** The Federal Reserve Bank of Cleveland reported purchase on July 10 of \$500,000. Series B-1924 Treasury notes at 102 7/8 and accrued interest from one of their member banks.

**Richmond** Liberty bonds were strong and active, Treasury certificates and notes firm.

**Chicago** Liberty bonds active at advancing prices. Certificates and notes were quiet but firm during the first few days, with more activity at higher prices at the close of the week.

**St. Louis** Liberty bonds have been quiet, with purchases and sales about equal in volume. This is true in respect to certificates and notes, in which no unusual transactions were reported. This bank reported the purchase from one of their members of \$119,000. June 3 3/4% certificates at par and accrued interest.

**Minneapolis** Liberty bonds strong, largest demand being for Fourth 4 1/4s and First 4 1/4s. Treasury certificates and notes were firm but inactive. This bank reported the following transactions with member banks:

PURCHASES

\$1,214,000.	June 3 3/4s	at 100	1/32
303,000.	March 4 1/4s	at 100	13/32
250,000.	Oct. 3 1/2s	at 100	1/32
<u>\$1,767,000.</u>			

SALES

\$1,050,000.	Oct. 3 1/2s	at 100	1/32
303,000.	March 4 1/4s	at 100	13/32
<u>1,055,000.</u>	June 3 3/4s	at 100	1/32
\$2,408,000.			

**Kansas City** Liberty bonds in fair demand, with rise in prices during the last two days. No demand for Treasury certificates and notes.

**Dallas** This bank reported \$500,000. certificates of indebtedness sold and \$1,000. purchased; also \$5,100. bonds were sold and \$100,000. purchased all for account of members during the week. Dallas brokers reported \$35,000. sales and \$100,000. purchases for the week. The Second and Fourth Liberty bonds were reported in demand.

*Handwritten initials and scribbles*

*# 2*

*333 /*

July 12, 1922.

My dear Sir:

Receipt is acknowledged of your letter of the 11th instant, enclosing for the confidential information of the Board a report of the transactions in Government securities by the different Federal Reserve banks as reported to the Committee of Governors on Centralized Control of Purchases and Sales of Government Securities during the week ending July 8, 1922.

Very truly yours,

G o v e r n o r .

Mr. E. E. Matteson,  
Federal Reserve Bank,  
New York, N. Y.

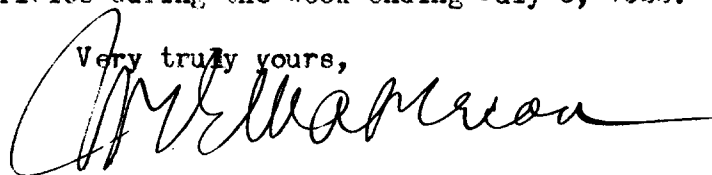
FEDERAL RESERVE BANK  
OF NEW YORK

Committee of Governors on  
Centralized Control of Purchases  
and Sales of Government Securities  
by Federal Reserve Banks.

My dear Governor Harding:

Enclosed is report of the transactions in Government securities by the different Federal Reserve Banks as reported to the Committee of Governors on Centralized Control of Purchases and Sales of Government Securities during the week ending July 8, 1922.

Very truly yours,



W. B. Matteson  
Secretary of the Committee

Encl.

Honorable W. F. G. Harding,  
Governor, Federal Reserve Board,  
Washington, D. C.

ANSWERED

JUL 19 1922

1/10/22

TRANSACTIONS IN GOVERNMENT SECURITIES FOR ACCOUNT  
OF THE TREASURY DEPARTMENT AND FEDERAL RESERVE BANKS FROM  
CLOSE OF BUSINESS JULY 1, 1922 TO CLOSE OF BUSINESS JULY 8, 1922  
AS REPORTED TO THE COMMITTEE OF GOVERNORS ON CENTRALIZED CONTROL  
OF PURCHASES AND SALES OF GOVERNMENT SECURITIES BY FEDERAL RESERVE BANKS

Operations Account Treasury Department

Purchases for  
Account of  
Foreign  
Obligations  
Fund

On July 8 the Federal Reserve Bank of New York received an order from the Treasury Department to purchase \$450,000. Libertys of any issue, giving preference to the Third 4 1/4s if possible, at a cost not to exceed par including commissions, exclusive of interest, on the Stock Exchange from dealers or otherwise in New York or elsewhere. The Committee transmitted this information to all Federal reserve banks.

Miscellaneous  
Transactions  
for Treasury  
Department  
Account of  
various  
Government  
Funds and  
Departments

Miscellaneous orders executed by the Federal Reserve Bank of New York during the period covered by this report for account of the various departments of the Treasury aggregated about \$255,150. Of this amount \$150,000. was a purchase of Fourth 4 1/4s for account of the Government Life Insurance Fund and was executed in the New York market at 100.38 and interest.

Transactions by Federal Reserve Banks for Their  
Own Accounts and Data Regarding Government Security  
Market Reported to the Committee

Purchases of  
Treasury  
Certificates  
by Federal  
Reserve Banks

On June 29 the Federal Reserve Bank of Chicago offered for sale from their investment account \$11,000,000. December 4 1/2s on a 3.35 basis, and \$7,500,000. of the September maturities on a 3.25 basis. All of these certificates were purchased by the Federal Reserve Bank of New York, except \$2,500,000. of the December 4 1/2s which the Federal Reserve Bank of San Francisco bought.

Federal  
Reserve Bank  
of Boston

The reserve bank of Boston reported the Liberty bond and certificate markets during the past week as very quiet, with the little activity which there has been in the Liberty issues resulting from continuance of exchanges from the short to the long maturities. No purchases and sales were reported for the period.

Federal  
Reserve Bank  
of New York

The market in Government bonds in New York for the past week has been very strong, with all issues selling at prices above par. The turnover of these securities has been of tremendous volume equaling that of corporate bonds on the Stock Exchange. The 1st 4% issue made a new high record during the week at 100.50.

The money market reflected a slight recovery from the July 1st payment period and the rates on call money eased off to some extent from the high at 5 1/2% of the previous week. The high for this week was 5%, with the low at 4%.

The market in Treasury certificates and notes showed indications of strength, with trading in a moderate volume.

The purchases for the week are reported as follows:

Federal Reserve Bank of New York (Continued)	<u>Amount</u>	<u>From</u>	<u>Description</u>	<u>Price</u>
	\$4,000,000	In market	Victory 4 3/4% notes	100.54 & Int.
	500,000	" "	5 1/2% C. of I. due 8/1/22	3.70 basis
	2,050,000	" "	3 3/4% " " " " 6/15/23	3.70 "
	1,300,000	" "	3 1/2% " " " " 12/15/22	3.40 "
	350,000	" "	4 1/2% " " " " "	3.40 "
	400,000	" "	4 1/4% " " " " 3/15/23	3.50 "
	3,400,000	" "	3 1/2% " " " " 10/16/22	3.30 "
	3,000,000	" Chicago	3 3/4% " " " " 6/15/23	3.70 "
	8,500,000	" "	4 1/2% " " " " 12/15/22	3.35 "
	6,400,000	" "	4 1/2% " " " " 9/15/22	3.25 "
	1,100,000	" "	5 1/4% " " " " 9/15/22	3.25 "
	2,500,000	In market	3 3/4% " " " " 6/15/23	3.70 "
	1,500,000	" "	Victory 4 3/4% notes	100.54 & int.
	500,000	" "	4 1/4% C. of I. due 3/15/23	3.50 basis
	<u>\$35,500,000</u>			

Sales for the week are reported as follows:

<u>Amount</u>	<u>To</u>	<u>Description</u>	<u>Price</u>
\$12,000,000	Market	4 3/8% Tr. notes due 12/15/25	100 5/8 & int.
3,000,000	"	3 1/2% C. of I. due 12/15/22	3.40 basis
<u>4,500,000</u>	"	4 3/8% Tr. notes due 12/15/25	100 5/8 & int.
\$19,500,000			

Federal Reserve Bank of Philadelphia: The Federal Reserve Bank of Philadelphia reported the demand for all issues of Liberty bonds as continuing strong, with prices in every case reaching new high levels for the year. The feature of the trading was heavy purchases of First 3 1/2s and Fourth 4 1/4s. A further rise in prices for all Government securities is anticipated during the next few weeks, as the trend of the Liberty bond market still seems to be upward and the demand exceeds the supply. There has been a steady demand for Treasury certificates, especially for the shorter maturities. The market for Treasury notes, on the other hand, has not been so active.

No purchases or sales in the investment account were reported.

Federal Reserve Bank of Richmond: The Federal Reserve Bank of Richmond reported the market for Liberty bonds and Victory notes during the week ending July 7, as fairly active, with no transactions in certificates or notes.

Brokerage firms in Baltimore and Richmond report that sales are far in excess of purchases with the greater part of the transactions in Third and Fourth 4 1/4% issues.

The Federal Reserve Bank of Richmond sold for members a total of \$558,700. in Liberty bonds and Victory notes during the past week.

No purchases or sales for the investment account were reported to the Committee.

Federal Reserve Bank of Chicago: PURCHASES No purchases reported.

Federal Reserve SALES

Bank of

Chicago

(continued)

<u>Amount</u>	<u>To</u>	<u>Description</u>	<u>Price</u>
\$3,000,000	New York	3 3/4% C. of I. due 6/15/23	3.70 basis
8,500,000	" "	4 1/2% " " " " 12/15/22	3.35 "
6,400,000	" "	4 1/2% " " " " 9/15/22	3.25 "
1,100,000	" "	5 1/4% " " " " 9/15/22	3.25 "
<u>2,500,000</u>	San Fran.	4 1/2% " " " " 12/15/22	3.35 "
\$21,500,000			

Federal Reserve  
Bank of  
St. Louis

The Federal Reserve Bank of St. Louis stated in their report that the Liberty bond market had continued strong throughout the week, with the demand exceeding the supply. Further that the short term certificate market had improved somewhat during the last week, with "prices however being slightly off."

No purchases or sales were reported.

Federal Reserve  
Bank of  
Kansas City

The Federal Reserve Bank of Kansas City wrote relative to market conditions in Government issues that the market for Liberty bonds remained firm, with buying orders in excess of selling orders by a good margin. The largest demand was for the Fourth 4 1/4% issue, with only a small demand for the First, Third and Victory loans. There was a very slight demand in that territory for the short term Government issues.

There were no purchases and sales reported for their investment account for the week.

Federal Reserve  
Bank of  
Dallas

The Federal Reserve Bank of Dallas reported the following transactions:

	<u>Purchases</u>	<u>Sales</u>
Certificates and notes	-0-	\$33,000
Liberty bonds	\$ 25,000	2,000
By brokers	<u>450,000</u>	<u>600,000</u>
	\$475,000	\$635,000

They also reported a great demand for Third 4 1/4s. There were no purchases and sales reported for the investment account of this bank.

Federal Reserve  
Bank of  
San Francisco

Purchases and sales for the investment account as reported to the Committee, for the past week, are as follows:

PURCHASES

<u>Amount</u>	<u>From</u>	<u>Description</u>	<u>Price</u>
\$2,500,000	Chicago	4 1/2% C. of I. due 12/15/22	3.35 basis

SALES

\$2,500,000 N.Y.-market 4 3/8% Tr. notes due 12/15/25 100 5/8 & inv.

*Handwritten mark, possibly initials or a signature, with a diagonal line through it.*

*Handwritten mark, possibly a number or symbol.*

*Handwritten number 333 with a diagonal line through it.*

July 8, 1932

Dear Sir:

Receipt is acknowledged of your letter of the 7th instant, enclosing copy of report covering the transactions in Government securities by the different Federal Reserve banks, as reported to the Committee of Governors on Centralized Control of Purchases and Sales, during the week ending July 1, 1932.

Very truly yours,

G O V E R N O R .

Mr. W. B. Mattson,  
Federal Reserve Bank,  
New York, N. Y.

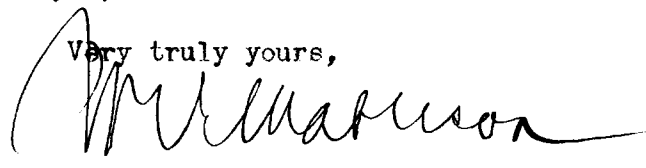
FEDERAL RESERVE BANK  
OF NEW YORK

Committee of Governors on  
Centralized Control of Purchases  
and Sales of Government Securities  
by Federal Reserve Banks.

July 7, 1922.

My dear Governor Harding:

I am sending you herewith report covering the transactions in Government securities by the different Federal reserve banks as reported to the Committee of Governors on Centralized Control of Purchases and Sales during the week ending July 1, 1922.

Very truly yours,  


W. B. Matteson  
Secretary of the Committee

Honorable W. P. G. Harding,  
Governor, Federal Reserve Board,  
Washington, D. C.

Encl.

RECEIVED  
JUL 9 1922  
General Office



TRANSACTIONS IN GOVERNMENT SECURITIES FOR ACCOUNT  
OF THE TREASURY DEPARTMENT AND FEDERAL RESERVE BANKS FROM  
CLOSE OF BUSINESS JUNE 24, 1922 TO CLOSE OF BUSINESS JULY 1, 1922,  
AS REPORTED TO THE COMMITTEE OF GOVERNORS ON CENTRALIZED CONTROL  
OF PURCHASES AND SALES OF GOVERNMENT SECURITIES BY FEDERAL RESERVE BANKS

Operations Account Treasury Department

Purchases  
For Account  
of Sinking  
Fund Orders

Treasury Department orders dated June 3, 14 and 21 covering the purchase of \$15,244,500. bonds in the aggregate, for account of the Cumulative Sinking Fund, were completed on June 28, 1922. These orders originally amounted to \$15,685,000. and the authorization stipulated the purchase of Third 4 1/4% bonds only, at par net or better, on the Stock Exchange, from dealers or otherwise, in New York or elsewhere.

In order to complete this purchase during the fiscal year ending June 30, 1922, the Treasury extended the authorization on June 24 to the purchase of any issues of Liberty bonds, either coupon or registered, at par net or better, and under the same provisions indicated above. The markets in Government bonds were reported to the Committee by the reserve banks as strong, with little indication of purchases at par in sizeable amounts. Consequently no appreciable progress was made until June 28, when the Federal Reserve Bank of San Francisco sold from its holdings \$6,590,600. Third 4 1/4s, representing the balance of these orders after a reduction had been made on the same day by the Treasury amounting to \$440,500.

Participation by the reserve banks in the completion of these Sinking Fund orders aggregated \$15,244,500. as follows:

Boston	3rd 4 1/4s	\$ 1,050,000.	100 net	
New York	" "	723,500.	100 net	
Philadelphia	" "	1,661,000.	100 net	
Cleveland	" "	25,000.	100 net	
Atlanta	" "	255,650.	100 net	
"	2nd "	10,000.	100 net	
Chicago	3rd "	500,000.	99.98 net	
"	" "	750,000.	99.96 net	
"	" "	2,250,000.	100 net	
St. Louis	" "	428,750.	99.98 net	
San Francisco	" "	<u>7,590,600.</u>	100 net	(\$6,590,600. sold from investment holdings.)
		\$15,244,500.		

Miscellaneous  
Transactions  
for Treasury  
Department  
Account of  
various  
Government  
Funds and  
Departments

Miscellaneous orders executed by the Federal Reserve Bank of New York during the period covered by this report, for account of the various departments of the Treasury, aggregate about \$302,550.

Reports by  
Federal Reserve  
Banks on Earn-  
ings, Expenses  
and Security  
Holdings

Due to the fact that the replies, which the Committee had received in response to its request for a statement of amounts and maturities of all Government securities, were incomplete and did not show investments as of a uniform date, a new request was sent out asking for this information as of June 30.

Statements giving the information as received by the Committee concerning earnings and expenses were sent to all reserve banks.

Transactions by Federal Reserve Banks for Their Own Accounts  
as Reported to the Committee

Purchases of  
Treasury  
Certificates  
by Federal  
Reserve Banks

The Committee received advices of large offerings of certificates in Boston and of the purchase by the Federal Reserve Bank of Boston of \$2,000,000. June 3 3/4s on a 3.70% basis. The Federal Reserve Bank of New York, due to tightening of money rates, purchased \$5,000,000. of the same issue on a 3.70% basis. Other purchases were made in New York throughout the week of March, June and September Treasury certificates, totaling \$18,700,000. allocated through the Committee as follows:

Treasury Dept.	\$ 2,000,000.	June	3 3/4s	3.70	basis
New York	5,500,000.	June	3 3/4s	3.70	"
	1,500,000.	March	4 1/4s	3.60	"
Philadelphia	500,000.	June	3 3/4s	3.70	"
Cleveland	2,000,000.	June	3 3/4s	3.70	"
	950,000.	Sept.	4 1/2s	3.25	"
	750,000.	March	4 1/4s	3.60	"
Kansas City	3,000,000.	June	3 3/4s	3.70	"
Dallas	500,000.	Sept.	4 1/2s	3.25	"
San Francisco	2,000,000.	June	3 3/4s	3.70	"
	<u>\$18,700,000.</u>				

Similar conditions developed in Chicago and on June 27 the Chicago bank purchased \$2,500,000. June 3 3/4s on a 3.70% basis. As a result of advices sent by the Committee, \$500,000. were taken by the Philadelphia bank, and \$2,000,000. by the Federal Reserve Bank of New York. The Federal Reserve Bank of Chicago later informed the Committee that they considered it advisable to make further purchases of June certificates in order to prevent the prices from dropping below par, as large offerings by dealers indicated that possibility.

After consultation with members of the Committee, the latter advised that their judgment would be to buy any certificates offered at par with the thought that this would relieve member banks who were having trouble with the certificates and would not borrow at this time. Upon receipt of further advice from Chicago that the certificates, which were unabsorbed, were in the hands of dealers and not the banks and that in the opinion of the Chicago bank it would be advisable to make purchases over the July 1 payment period at par plus a small commission to the dealers of 1/64, the Committee wired stating that they saw no objection to such purchases up to say \$5,000,000. at the discretion of the Chicago bank at par plus 1/64, if such action seemed expedient. The Committee further advised that the Federal Reserve Bank of New York would purchase all or any part which the other reserve banks did not wish to participate in. Thus far no purchases have been reported.

The Philadelphia bank reported that they had taken \$550,000. of the June certificates to relieve member institutions that had subscribed to this issue and whose Government deposits had been called quicker than usual.

Federal Reserve Bank of Boston

This bank described their Government security market for the past week as follows:

"The Liberty bond market has been quiet but firm. Bonds are still coming into the market in small lots from individual holders since par has been reached, and sales have been mostly to saving institutions. There has been considerable activity in shifting from the shorter to the longer maturities. "The certificate market has been very quiet with more of a demand developing the latter part of the week for the short maturities."

Purchases and sales for investment account for the week, as reported to the Committee, are given below:

PURCHASES:

<u>Date</u>	<u>From</u>	<u>Amount</u>	<u>Description</u>	<u>Price</u>
6/26/22	In market	\$2,000,000.	3 3/4% Treas. notes due 6/15/23	3.70 basis

SALES:

No sales reported.

Federal Reserve Bank of New York

Liberty Bond issues opened at the beginning of the week slightly below the levels of the previous week with a strong recovery. The Fourth 4 1/4% issues were prominent in this movement, selling around 100.14 on June 26, and closing at the end of the week at 100.30. In anticipation of July 1 payments, rates for money stiffened during the middle of the week, going from 4% on call to 5 and 5 1/2%. As a result, certificates were offered freely, particularly the June, 1923, issue, but at no time did any weakness develop in the certificate market. Purchases of round amounts of certificates by the Federal Reserve Bank of New York were helpful to the money situation.

Purchases and sales for investment account for the week, as reported to the Committee, are given below:

PURCHASES:

<u>Date</u>	<u>From</u>	<u>Amount</u>	<u>Description</u>	<u>Price</u>
6/27/22	In market	\$ 8,000,000.	3 3/4% C. of I. due 6/15/23	3.70 basis
"	" "	500,000.	" " " " " "	3.70 "
"	" "	2,250,000.	4 1/4% " " " " 3/15/23	3.60 "
6/28/22	" "	1,000,000.	3 3/4% " " " " 6/15/23	3.70 "
"	" "	100,000.	4 1/2% " " " " 12/15/22	3.40 "
"	" "	400,000.	3 1/2% " " " " 12/15/22	3.40 "
6/29/22	FRB Chicago	2,000,000.	3 3/4% " " " " 6/15/23	3.70 "
"	In market	2,000,000.	4 3/4% Victory notes	100.54 & int.
		<u>\$16,250,000.</u>		

SALES:

<u>Date</u>	<u>To</u>	<u>Amount</u>	<u>Description</u>	<u>Price</u>
6/27/22	In market	\$ 990,000.	4 3/4% Treas. notes due 3/15/26	102 1/16
6/28/22	FRB Cleve.	750,000.	4 1/4% C. of I. " 3/15/23	100.4768+ & int.
"	FRB "	2,000,000.	3 3/4% " " " " 6/15/23	100.055+ & int.
"	FRB Kan.C.	2,000,000.	" " " " " "	100.055+ & int.
6/29/22	In market	2,000,000.	4 3/8% Treas. notes 12/15/25	100.5/8 & int.
"	" "	500,000.	4 1/2% " " 9/15/22	3.25 basis
		<u>\$8,240,000.</u>		

Federal Reserve Bank of Philadelphia      The Reserve Bank of Philadelphia characterized their Liberty bond market as one of little activity, with fluctuations within very narrow ranges and prices of nearly all issues showing firmness. The Fourth 4 1/4s duplicated their recent high record of 100.24, with a low of 100.14.

Their comment on money conditions is as follows:

"The consensus of opinion seems to be that the rise in money is temporary and the end of easy money is not in sight, so the rise in Liberty issues may continue until they are on a 4% basis."

They further stated:

"During the past week there was little or no demand for Treasury certificates from investors, and an inclination on the part of banks to sell what certificates they had, taking advantage of the higher rates for money, which condition is usual over the first of July. There is a large amount of these certificates in the dealers hands awaiting the turn of the money market."

Purchases and sales for investment account for the week, as reported to the Committee, are given below:

PURCHASES:

<u>Date</u>	<u>From</u>	<u>Amount</u>	<u>Description</u>	<u>Price</u>
6/26/22	FRB New York	\$2,500,000.	3 3/4% C.of I.due 6/15/23	3.70 basis
6/28/22	FRB Chicago	500,000.	" " " " " "	3.70 "
6/29/22	Member Banks	550,000.	" " " " " "	100 & int.
		<u>\$3,550,000.</u>		

SALES:

No sales reported.

Federal Reserve Bank of Cleveland      The weekly report on market conditions has not been received to date from the Reserve Bank of Cleveland.

Purchases and sales for investment account for the week, as reported to the Committee, are given below:

PURCHASES:

<u>Date</u>	<u>From</u>	<u>Amount</u>	<u>Description</u>	<u>Price</u>
6/27/22	FRB New York	\$ 950,000.	4 1/2% C.of I.due 9/15/22	3.25 basis
"	" "	750,000.	4 1/4% " " " " 3/15/23	3.60 "
"	" "	<u>2,000,000.</u>	3 3/4% " " " " 6/15/23	3.70 "
		<u>\$3,700,000.</u>		

SALES:

No sales reported.

Federal Reserve Bank of Richmond Sales of Government securities by the Federal Reserve Bank of Richmond total only \$184,850. Liberty bonds for the week, representing one of the dullest weeks in the history of this bank. The market as described by dealers was inactive, with selling exceeding buying in the district.

Purchases and sales for investment account for the week, as reported to the Committee, are given below:

PURCHASES:

No purchases reported.

SALES:

No sales reported.

Federal Reserve Bank of Atlanta The weekly report on market conditions has not been received to date from the reserve bank of Atlanta.

Purchases and sales for investment account for the week, as reported to the Committee, are given below:

PURCHASES:

<u>Date</u>	<u>From</u>	<u>Amount</u>	<u>Description</u>	<u>Price</u>
6/26/22	FRB New York	\$2,000,000.	3 3/4% C. of I. due 6/15/23	3.70 basis

SALES:

No sales reported.

Federal Reserve Bank of Chicago The weekly report on market conditions has not been received to date from the reserve bank of Chicago.

On June 29, 1922, the Federal Reserve Bank of Chicago offered for sale \$11,000,000. December 3 1/2s on a 3.35 basis; \$7,500,000. September 4 1/2s on a 3.25 basis. This information was transmitted by the Committee to all the reserve banks but the banks that have so far been heard from state that they do not wish to purchase.

Purchases and sales for investment account for the week, as reported to the Committee, are given below:

PURCHASES:

<u>Date</u>	<u>From</u>	<u>Amount</u>	<u>Description</u>	<u>Price</u>
6/28/22	In market	\$2,500,000.	3 3/4% C. of I. due 6/15/23	3.70 basis

SALES:

<u>Date</u>	<u>To</u>	<u>Amount</u>	<u>Description</u>	<u>Price</u>
6/28/22	FRB New York	\$2,000,000.	3 3/4% C. of I. due 6/15/23	3.70 basis
"	" Phila.	500,000.	" " " " "	3.70 "
"	" San Fran.	1,500,000.	3 1/2% " " " " 9/15/22	3.35 "
		<u>\$4,000,000.</u>		

Federal Reserve Bank of St. Louis

The Liberty bond market was reported as continuing strong, with demand exceeding the supply.

The certificate market, however, was weak and inactive, with prices off on practically all issues, the inclination of buyers being to invest in Libertys rather than short-term certificates.

Purchases and sales for investment account for the week, as reported to the Committee, are given below:

PURCHASES:

<u>Date</u>	<u>From</u>	<u>Amount</u>	<u>Description</u>	<u>Price</u>
6/26/22	FRB New York	\$1,000,000.	3 3/4% C. of I. due 6/15/23	3.70 basis

SALES:

No sales reported.

Federal Reserve Bank of Minneapolis

The weekly report on market conditions has not been received to date from the reserve bank of Minneapolis.

Purchases and sales for investment account for the week, as reported to the Committee, are given below:

PURCHASES:

No purchases reported.

SALES:

No sales reported.

Federal Reserve Bank of Kansas City

Conditions were reported to be healthy, relative to the market in Government securities, with an improvement in demand. The demand somewhat exceeded the supply, the larger portion of the sales consisting of Second and Fourth Liberty Loan bonds, with a very moderate request for those of the Victory note issue.

Purchases and sales for investment account for the week, as reported to the Committee, are as follows:

PURCHASES:

<u>Date</u>	<u>From</u>	<u>Amount</u>	<u>Description</u>	<u>Price</u>
6/27/22	FRB New York	\$2,000,000.	3 3/4% C. of I. due 6/15/23	3.70 basis
6/28/22	" " "	<u>1,000,000.</u>	" " " " " "	3.70 "
		\$3,000,000.		

SALES:

No sales reported.

Federal Reserve Bank of Dallas

The Federal Reserve Bank of Dallas reported sales by them during the week outside of their district of \$281,000. of certificates and Treasury notes and the purchase of \$6,000,000. of certificates and notes; also a total sale of Liberty bonds of \$25,000. and purchases of Liberty of \$4,000. They further reported total sales during the week by them to dealers of \$400,000. certificates and notes, and the purchase of \$775,000. certificates and notes.

Purchases and sales for investment account for the week, as reported to the Committee, are as follows:

PURCHASES:

<u>Date</u>	<u>From</u>	<u>Amount</u>	<u>Description</u>	<u>Price</u>
6/27/22	FRB New York	\$ 500,000.	4 1/2% C. of I. due 9/15/22	3.25 basis

SALES:

No sales reported.

Federal Reserve Bank of San Francisco

The weekly report on market conditions from the reserve bank of San Francisco has not been received to date.

Purchases and sales for investment account for the week, as reported to the Committee, are as follows:

PURCHASES:

<u>Date</u>	<u>From</u>	<u>Amount</u>	<u>Description</u>	<u>Price</u>
6/28/22	FRB Chicago	\$1,500,000.	3 1/2% C. of I. due 12/15/22	3.35 basis
"	N.Y. market	5,090,500.	3 3/4% " " " "	6/15/23 3.70 "
		<u>\$6,590,500.</u>		

SALES:

<u>Date</u>	<u>To</u>	<u>Amount</u>	<u>Description</u>	<u>Price</u>
6/28/22	Treasury	\$6,590,600.	3rd - 4 1/4%	100 net.

6  
Sp

# 2

333 /

June 27, 1933.

My Dear Sir:

I acknowledge receipt of your letter of the 26th instant, enclosing copy of report of the Committee of Governors on centralized control of purchases and sales of Government securities by Federal Reserve banks for the week ending June 24, 1933. This report will be brought to the attention of the Federal Reserve Board.

Very truly yours,

G o v e r n o r .

Mr. W. P. Matteson,  
Federal Reserve Bank,  
New York, N. Y.



FEDERAL RESERVE BANK  
OF NEW YORK

Committee of Governors on  
Centralized Control of Purchases  
and Sales of Government Securities  
by Federal Reserve Banks

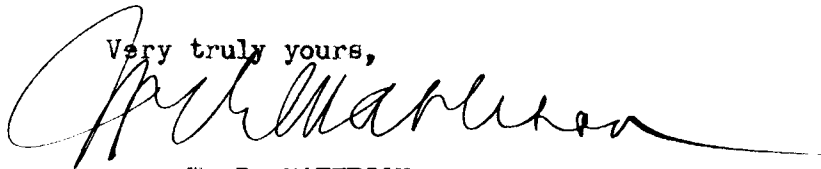
June 26, 1922.

CONFIDENTIAL

My dear Governor Harding:

I enclose report of the Committee of Governors on Centralized Control of Purchases and Sales of Government Securities by Federal Reserve Banks for the week ending June 24, 1922, summarizing transactions in Government securities (as reported to the Committee) by Federal Reserve Banks for their own accounts and for account of the Treasury Department.

Very truly yours,



W. B. MATTESON  
Secretary of the Committee

Honorable W. P. G. Harding,  
Governor, Federal Reserve Board,  
Washington, D.C.

ANSWERED

JUN 27 1922  
Enclosure.

Governor's Office.

TRANSACTIONS IN GOVERNMENT SECURITIES FOR ACCOUNT  
OF THE TREASURY DEPARTMENT AND FEDERAL RESERVE BANKS FROM  
CLOSE OF BUSINESS JUNE 17, 1922, TO CLOSE OF BUSINESS JUNE 24, 1922,  
AS REPORTED TO THE COMMITTEE OF GOVERNORS ON CENTRALIZED CONTROL  
OF PURCHASES AND SALES OF GOVERNMENT SECURITIES BY FEDERAL RESERVE BANKS

Operations Account Treasury Department

Purchase of  
Third Liberty  
Loan 4 1/4%  
Bonds for  
Account of  
Cumulative  
Sinking Fund

Treasury Department order dated June 3, 1922, to the Federal Reserve Bank of New York to buy \$10,000,000. Third 4 1/4% bonds at par net or better, on the Stock Exchange from dealers or otherwise, in New York or elsewhere.

Summary of the progress of this order as of the close of business June 24 is as follows:

Boston	\$ 1,050,000	par net
New York	723,500	par net
Philadelphia	1,661,000	par net
Cleveland	25,000	par net
Atlanta	255,650	par net
Chicago	750,000	99.96 net
"	500,000	99.98 net
"	2,250,000	par net
St. Louis	428,750	99.98 net
San Francisco	<u>1,000,000</u>	par net
	\$ 8,643,900	
Unexecuted balance . . . .	<u>1,356,100</u>	
<b>TOTAL ORDER</b>	<b><u>\$10,000,000</u></b>	

As previously reported the Federal Reserve Bank of New York received a second order, dated June 14, for an additional purchase of Third 4 1/4s at par net or better in the same way, in the amount of \$4,500,000 to cover which no purchases have as yet been made.

On June 21 the Federal Reserve Bank of New York received another Treasury Department order, dated June 21, for a further purchase of Third 4 1/4s for this account in the same manner, in the amount of \$1,185,000.

Total purchases yet to be made on account of these three orders at the close of business June 24, amounted to \$7,041,100.

The Treasury Department gave instructions under date of June 24 to the Federal Reserve Bank of New York to apply against the unexecuted balances of the orders of June 3, 14 and 21 mentioned above, purchases of any issues of Liberty bonds, coupon or registered, on the Stock Exchange from dealers or otherwise, in New York or elsewhere at not exceeding par and interest, inclusive of commissions.

This broadening of the scope of the orders was announced to the reserve banks by the Committee on June 24, with a request for information regarding the Liberty Bond market and the possibility of immediate purchases in the several districts. The banks were also advised that the Treasury was desirous of completing orders for the Sinking Fund account if possible during the fiscal year ending June 30, 1922.

Purchase of  
\$2,000,000  
Treasury  
Certificates  
Account

Treasury Department order dated June 23 to buy \$2,000,000 certificates at market prices, giving preference to the issue dated June 1, 1922, certificates to be held in safekeeping uncanceled, subject to the order of the Secretary of the Treasury for account of the Alien Property Custodian.

- 2 -

Account Alien Property Custodian Alien Property Custodian.  
 This order was filled by the Federal Reserve Bank of New York by the purchase of 3 3/4% certificates due June 15, 1923, on a 3.70 basis.

Miscellaneous Transactions for Treasury Department Account various Government Funds and Departments  
 Miscellaneous orders executed by the Federal Reserve Bank of New York during the period covered by this report for account of various departments of the Treasury aggregated about \$500,200.

Sales of Victory 4 3/4% notes by Federal Reserve Banks  
 On June 19 Committee advised all Federal reserve banks of the desire on the part of Chicago to make further sales of Victory notes from investment holdings, asking the banks to inform the Committee if they were in the market for the notes at current prices. This resulted in purchases from the Chicago bank by the Minneapolis bank of \$250,000. Victory notes at 100.56 and interest, and by the New York bank of \$12,500,000. notes at 100.58 and interest.

Sales of 4 3/8% Treasury notes due December 15, 1925 by Federal Reserve Banks  
 The Committee recommended to all reserve banks on June 21 that they refrain from selling 4 3/8% Treasury notes received in exchange for Victory notes held by them until a reasonable time after the close of the subscription books.

Exchange of Victory Note Holdings of Reserve Banks for 4 3/8% Treasury Notes due December 15, 1925  
 Committee wired all reserve banks on June 22 transmitting suggestion of the Treasury Department that it would be advantageous to the banks and to Treasury operations if the banks were to convert substantial amounts of their holdings of Victory notes into the new 4 3/8% Treasury notes on the theory that banks not wishing to carry notes of such long maturity could probably sell them later in the market at a satisfactory premium, and if necessary make replacement with shorter term securities.

The following banks holding Victory notes made exchanges in substantial amounts, as shown in the report of transactions by the individual banks:

Boston, New York, Chicago, Minneapolis, Kansas City and San Francisco.

Additional Data to be Included in Weekly Report  
 On suggestion of Chicago the Committee will include commencing with this report, prices and commissions paid by the Treasury Department for Liberty bonds and Treasury certificates or notes purchased on Government order by the various reserve banks.

Transactions by Federal reserve banks for their own accounts as reported to the Committee

Weakness in New York Market in 3 3/4% certificates dated June 15, 1922  
 Committee advised all reserve banks on June 23 that tightening of money rates (call rates at 5%) had brought about heavy offerings of 3 3/4% certificates due June 15, 1923. This resulted in purchases of that issue of certificates by New York and San Francisco in the respective amounts of \$8,000,000 and \$2,000,000. as shown under transactions by the individual banks.

- 3 -

Federal Reserve  
Bank of Boston

No purchases or sales reported by this bank.  
Exchanges of Victory notes for 4 3/8% Treasury notes due December 15, 1925 - \$1,008,100.

Federal Reserve  
Bank of New  
York

This bank made the following purchases:

\$12,500,000. Victory 4 3/4% notes at 100.58 from Federal Reserve Bank of Chicago.  
8,000,000. 3 3/4% Treasury certificates due June 15, 1923 on  
 \$20,500,000 3.70 basis in the New York market.

No sales were reported.

Exchanged \$22,500,000. Victory 4 3/4% notes for 4 3/8% Treasury notes due December 15, 1925.  
 Included in the exchanges in line with the Treasury Department's suggestions are the notes purchased from Chicago.  
 The \$8,000,000. 3 3/4% certificates were purchased on authorization from the Committee.

Federal Reserve  
Bank of Chicago

No purchases were reported by this bank.  
 The following sales were made:

\$ 250,000. Victory 4 3/4% notes at 100.56 to Federal Reserve Bank of Minneapolis  
 12,500,000. Victory 4 3/4% notes at 100.58 to New York  
 10,250,000. " 4 3/4% " " current prices, in the market  
 1,000,000. 4 3/8% Treasury notes due December 15, 1925 at 100 9/16 in the market.

Exchanges of Victory 4 3/4% notes for 4 3/8% Treasury notes due December 15, 1925, \$700,000.

Federal Reserve  
Bank of  
Minneapolis

Purchased \$250,000. Victory 4 3/4% notes at 100.56 from Federal Reserve Bank of Chicago.  
 No sales were reported.  
 All Victory note holdings exchanged for 4 3/8% notes.

Federal Reserve  
Bank of San  
Francisco

Purchased \$2,000,000. 3 3/4% Treasury certificates due June 15, 1923 on 3.70 basis as authorized by Committee.  
 No sales were reported by this bank.  
 Exchanges of Victory 4 3/4s for 4 3/8% notes due December 15, 1925, \$500,000.

Federal Reserve  
Bank of Kansas  
City.

Reported all Victory notes held for investment exchanged for 4 3/8% Treasury notes due December 15, 1925.

65

# 2

333 /

June 13, 1932.

My dear Sir:

I acknowledge receipt of your letter of the 12th instant, enclosing copy of report covering the activities of the Committee of Governors on centralized control of purchases and sales of Government securities by Federal Reserve banks during the week ending June 10, 1932. This report will be brought to the attention of the Federal Reserve Board.

Very truly yours,

G o v e r n o r .

Mr. W. B. Matteson,  
Federal Reserve Bank,  
New York, N. Y.

FEDERAL RESERVE BANK  
OF NEW YORK

RECEIVED  
JUN 13 1922  
OFFICE OF  
THE GOVERNOR

Committee of Governors on  
Centralized Control of Purchases  
and Sales of Government Securities  
by Federal Reserve Banks.

June 12, 1922 .

My dear Governor Harding:

I am sending you herewith report covering  
the activities of the Committee of Governors on  
Centralized Control of Purchases and Sales of  
Government Securities by Federal Reserve Banks  
during the week ending June 10, 1922.

Very truly yours,



W. B. MATTESON  
Secretary of the Committee

W. P. G. Harding, Esq.,  
Governor, Federal Reserve Board,  
Washington, D.C.

Enclosure.

ANSWERED

JUN 13 1922

Governor's Office.

TRANSACTIONS IN GOVERNMENT SECURITIES FOR ACCOUNT  
 OF THE TREASURY DEPARTMENT AND FEDERAL RESERVE BANKS FROM  
 CLOSE OF BUSINESS JUNE 3, 1922 TO CLOSE OF BUSINESS JUNE 10, 1922  
 AS REPORTED TO THE COMMITTEE OF GOVERNORS ON CENTRALIZED CONTROL  
OF PURCHASES AND SALE OF GOVERNMENT SECURITIES BY FEDERAL RESERVE BANKS

Operations Account Treasury Department

Purchase of \$10,000,000. Third Liberty Loan 4 1/4% Bonds for Account of Foreign Obligations Fund.

Treasury order dated May 25, 1922 to the Federal Reserve Bank of New York to buy bonds at par net or better on the Stock Exchange, from dealers or otherwise in New York or elsewhere. On the strength of advices received from the several Federal reserve banks as to the condition of the market in the various districts the order was distributed and finally completed on June 2, 1922 by purchases as follows:

Chicago	\$ 3,000,000.
Atlanta	291,050.
Cleveland	635,000.
Minneapolis	700,000.
New York	2,424,250.
Philadelphia	2,500,400.
Richmond	199,300.
San Francisco	<u>250,000.</u>

\$10,000,000.

Accumulation of about \$15,000,000. Treasury certificates account Alien Property Custodian

Treasury order dated June 2, 1922 to the Federal Reserve Bank of New York to accumulate in its investment account Treasury certificates of early maturities (giving preference to the 3 1/2% issues maturing October 16 and December 15, 1922) for resale at cost on June 15 to the Treasury for account of the Alien Property Custodian. Instructions were given to the effect that certificates might be purchased for this account by other reserve banks to be held in the investment accounts of the respective purchasing banks to be taken over by the Treasury on June 15.

On the strength of advices received from the several reserve banks regarding the condition of the market in the various districts the order was distributed and finally completed on June 7, 1922 by purchases as follows:

Boston	\$ 2,000,000.	Dec. 3 1/2%	3.45 basis
Chicago	3,824,000.	Oct. 3 1/2%	100 1/64
	1,250,000.	Dec. 3 1/2%	100 1/64
Philadelphia	1,525,000.	Dec. 3 1/2%	3.45 basis
	401,000.	Dec. 3 1/2%	100.
New York	5,000,000.	Dec. 3 1/2%	3.45 basis
St. Louis	<u>1,000,000.</u>	Dec. 3 1/2%	100.

\$15,000,000.

Purchase of \$10,000,000. Thirds for Account of Cumulative Sinking Fund.

Treasury Department order dated June 3, 1922 to the Federal Reserve Bank of New York to buy bonds at par net or better on the Stock Exchange, from dealers or otherwise, in New York or elsewhere. Summary of the progress of this order as at the close of business June 10, 1922 is as follows:

New York	\$ 723,500.
Atlanta	214,100.
Boston	1,000,000.
Chicago	<u>2,500,000.</u>

\$ 4,437,600. ( Brought forward)

Brought forward \$	4,437,600.
Philadelphia	736,000.
St. Louis	428,750.
San Francisco	500,000.
Total purchases \$	<u>\$6,102,350.</u>
Balance of authority undelegated by F.R. Bank of New York...	1,633,650.
Balance authority delegated by F. R. Bank but unexecuted	<u>2,264,000.</u>
Total unexecuted balance	<u>3,897,650.</u>
TOTAL	<u>\$10,000,000.</u>

Purchase of \$16,000,000. Treasury certificates of early maturities, preferably 3 1/2%, for resale June 15 to Treasury Account Alien Property Custodian.

Treasury order dated June 8 to the Federal Reserve Bank of New York to accumulate \$16,000,000. Treasury certificates of early maturities, giving preference to the 3 1/2% issues due October 16 and December 15, 1922, for sale on June 15 at cost to the Treasury for account of the Alien Property Custodian, purchases made on this order by any Federal Reserve Bank to be held in its investment account for resale as stated.

Summary of the progress of this order as at the close of business June 10 is as follows:

Atlanta (New Orleans branch) \$	997,000.
Cleveland	590,000.
Chicago	3,000,000.
New York	5,050,000.
St. Louis	1,000,000.
Total.....\$	<u>10,637,000.</u>
Balance unexecuted and undelegated by F. R. Bank of New York.....	2,313,000
Balance of authority delegated by F.R. Bank of N.Y. but unexecuted...	<u>3,050,000.</u>
Total unexecuted balance.....\$	<u>5,363,000.</u>
TOTAL.....\$	<u>16,000,000.</u>

Transactions by Federal Reserve Banks for their own Accounts.

Federal Reserve Bank of Boston The following purchases not previously reported were made for the bank's investment account between the close of business June 3 and the close of business June 10, 1922:

\$	100,000.	3 1/2%	certificates due Dec. 15, 1922	at 100 1/64
	550,000.	3 1/2%	" " " 15, 1922	" par
	2,000,000.	3 1/2%	" " " 15, 1922	on 3.45 basis
	2,000,000.	3 1/2%	" " " Oct. 16, 1922	on 3.35 basis
	100,000.	5 1/2%	Treas. Notes " June 15, 1924	at 103 1/16
\$	<u>4,750,000.</u>			

No sales were reported to the Committee.



(3)

Federal Reserve Bank of New York      This bank purchased for investment, between June 3 and June 10 \$11,187,000. 3½% Treasury certificates maturing December 15, 1922 on a 3.45 basis.

Sales by this bank from its investment holdings were as follows:

\$ 500,000. 5¼% Treasury cts. due August 1, 1922 on 3.30 basis  
5,000,000. 3½% " " " Oct. 16, 1922 " 3.40 basis  
2,750,000. 4¾% Victory notes at the market

Federal Reserve Bank of Cleveland      This bank purchased from the Federal Reserve Bank of Chicago on June 6, \$3,000,000. 5¼% Treasury certificates due September 15, 1922 on a 3.30 basis.

No sales were reported.

Federal Reserve Bank of Chicago      This bank made sales from its investment holdings as follows:

June 6 to Federal Reserve Bank of Cleveland \$3,000,000. 5¼% Treasury certificates due Sept. 15, 1922 on 3.30 basis.  
June 9 sold in the open market through Federal Reserve Bank of New York \$5,000,000. Victory 4¾% notes at the market

Federal Reserve Bank of St. Louis      This bank sold on June 7 to the Federal Reserve Bank of Boston \$350,000. 3½% Treasury certificates due December 15, 1922 at 100 and interest.

Federal Reserve Bank of San Francisco      This bank sold to the Federal Reserve Bank of Boston on June 6 \$100,000. 5¾% Treasury notes, Series "A" due June 15, 1924, at 103 1/16.

No purchases were reported.

Miscellaneous transactions for Treasury Department for Account of various Government funds and Departments.

Miscellaneous orders executed by the Federal Reserve Bank of New York during the period covered by this report for account of various departments of the Treasury aggregated about \$1,035,000.

# 2

333-1

June 6, 1922.

My dear Sir:

In the absence of Governor Harding, I acknowledge receipt of your letter of the 5th instant, enclosing, for the confidential information of the Board, summary of transactions as reported to the Committee of Governors on centralized control of purchases and sales of Government securities for the week ending June 3, 1922.

Very truly yours,

Vice Governor.

Mr. W. B. Matteson,  
Federal Reserve Bank,  
New York, N. Y.

**FEDERAL RESERVE BANK  
OF NEW YORK**

Committee on Centralized Control  
of Purchases and Sales of  
Government Securities by  
Federal Reserve Bank.

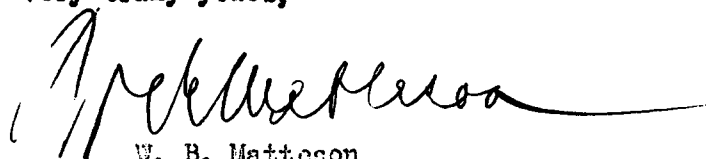
June 5, 1922.

CONFIDENTIAL

My dear Governor Harding:

Enclosed is a summary of transactions as reported  
to the Committee of Governors on Centralized Control of Purchases  
and Sales of Government Securities for the week ending June 3, 1922,  
by Federal Reserve Banks for their own accounts and for the account  
of the Treasury Department.

Very truly yours,



W. B. Matteson  
Secretary of the Committee.

W. P. G. Harding,  
Governor, Federal Reserve Board,  
Treasury Department,  
Washington, D. C.

Enclosure.

TRANSACTIONS IN GOVERNMENT SECURITIES FOR ACCOUNT OF  
THE TREASURY DEPARTMENT AND FEDERAL RESERVE BANKS FROM  
CLOSE OF BUSINESS MAY 27, 1922 to CLOSE OF BUSINESS JUNE  
3, 1922 REPORTED TO COMMITTEE OF GOVERNORS ON CENTRALIZED  
CONTROL OF PURCHASES AND SALES OF GOVERNMENT SECURITIES BY FEDERAL  
RESERVE BANKS

Sheet No. 1

<u>Date</u>	<u>Account of</u>	<u>Instructions</u>	<u>Disposition Of Order</u>	<u>By</u>	<u>Order Executed Amount</u>	<u>Price</u>
May 31, 1922	Treasury Dept.	Letter from the Honorable S. P. Gilbert, Jr., Under Secretary of the Treasury, dated May 26, 1922 to the Federal Reserve Bank of New York, to purchase \$10,000,000. Third 4½s at par net or better, account Foreign Obligations Fund.	Distributed among Federal Reserve Banks	F.R.B. New York	\$122,750.	Par net
		Letter from the Honorable S. P. Gilbert, Jr., Under Secretary of the Treasury, dated May 27, 1922, to Federal Reserve Bank of New York to purchase \$200. Fourth L. L. 4½s at the market account "Securities Trust Fund."		F.R.B. New York F.R.B. New York	200.	100.12
		Letter from the Honorable S. P. Gilbert, Jr., Under Secretary of the Treasury, dated May 31, 1922, to the Federal Reserve Bank of New York to purchase as many Third 4½s as possible with approximately \$10,700. fund remaining for us, account "Federal Reserve Bank Franchise Tax Receipts."		F.R.B. New York F.R.B. New York	10,700.	99.98
		Letter from Honorable S. P. Gilbert, Jr., Under Secretary of the Treasury, dated May 29, 1922, to Federal Reserve Bank of New York to buy approximately \$125,000. Second 4½s account "Gov't Life Insurance Fund."		F.R.B. New York " " " " "	1,000. 123,000. 700.	99.96 99.98 100.06
	Federal Reserve Bank of New York Investment Account	Purchase of 5½% Treasury certificates maturing June 15, 1922		Dealers	366,000.	3.25% Basis
June 1, 1922	Treasury Dept.	Letter from the Honorable S. P. Gilbert, Jr., Under Secretary of the Treasury, dated May 29, 1922, to the Federal Reserve Bank of New York to make very small purchases account "Securities Trust Fund."		F.R.B. New York " " " " "	1,000. 4th 4½s 500. 4th 4½s 100. 2nd 4½s	99.06 100.08 100.06
		Letter from the Honorable S. P. Gilbert, Jr., Under Secretary of the Treasury, dated May 31, 1922, to the Federal Reserve Bank of New York to buy approximately \$125,000. Fourth 4½s account "Gov't Life Ins. Fund."		F.R.B. New York " " " " "	20,000. 31,000. 73,000. 200.	99.96 99.98 Par 100.08
June 2, 1922	Treasury Dept.	Letter from the Honorable S. P. Gilbert, Jr., Under Secretary of the Treasury, dated May 26, 1922, to the Federal Reserve Bank of New York, to purchase \$10,000,000. Third 4½s at par net or better, account "Foreign Obligations."	Distributed among Federal Reserve Banks	F.R.B. New York	2,276,500.	Par net

DECLASSIFIED  
Authority E.O. 12958

Reproduced from the Unclassified/Declassified Holdings of the National Archives

TRANSACTIONS IN GOVERNMENT SECURITIES FOR ACCOUNT  
OF THE TREASURY DEPARTMENT AND FEDERAL RESERVE BANKS  
FROM CLOSE OF BUSINESS MAY 27, 1922 TO CLOSE OF BUSINESS  
JUNE 3, 1922 REPORTED TO COMMITTEE OF GOVERNORS ON  
CENTRALIZED CONTROL OF PURCHASES AND SALES OF GOVERNMENT  
SECURITIES BY FEDERAL RESERVE BANKS

<u>Date</u>	<u>Account Of</u>	<u>Instructions</u>	<u>Disposition of Order</u>	<u>By</u>	<u>Amount</u>	<u>Price</u>
June 2, 1922	Treasury Dept.	Letter from Honorable S. P. Gilbert, Jr., Under Secretary of the Treasury, dated June 1, 1922, to the Federal Reserve Bank of New York to purchase \$11,000,000. Treasury certificates, either 3½s or early maturities.	F.R.B. New York	F.R.B. New York	\$1,500,000.	5½% Treasury certificates due June 15, 1922 on 3.50% basis
			F.R.B. New York	F.R.B. New York	9,500,000.	3½% Treasury certificates due Dec. 15, 1922 on 3.45% basis
	F.R.B. Boston	Purchase of 3½% Treasury certificates due Dec. 15, 1922		F.R.B. Boston	2,200,000. 400,000.	100 1/64 Par
June 3, 1922	Treasury Dept.	Letter from the Honorable S. P. Gilbert, Jr., Under Secretary of the Treasury, dated June 3, 1922 to the Federal Reserve Bank of New York, to purchase \$10,000,000. Third 4½s at par net or better, account "Cumulative Sinking Fund." # Letter from the Honorable S.P. Gilbert, Jr., Under Secretary of the Treasury, dated June 2, 1922 to accumulate at market about \$15,000,000. Treasury certificates, preferably 3½% series dated April 15 and June 1, 1922, to be sold to Treasury Dept. on June 15 at cost for account Alien Property Custodian.	Distributed among Federal Reserve Banks	F.R.B. New York	723,500.	Par net
			Distributed among Federal Reserve Banks	F.R.B. New York " " " Chicago	5,000,000. 5,000,000.	Dec. 15th 3½s 3.45% basis Report not received
ay 31, 1922	F.R. Bank San Francisco	Sale of \$50,000. Treasury notes, Series A1926, at market.	F.R.B. New York	F.R.B. New York	50,000.	101 15/16
June 1, 1922	F.R. Bank Dallas	Sale of \$6,000. 4½% Treasury certificates, due December 15, 1922 at the market	F.R.B. New York	F.R.B. New York	6,000.	Par & 1/2 and interest

NOTE:

At the close of business June 3, 1922 the Committee has no unexecuted orders from other Federal Reserve Banks and no unexecuted outstanding orders with other Federal Reserve Banks for the purchase or sale of Government securities for the account of any Federal Reserve Banks.

The Federal Reserve Bank of New York, upon receipt of verbal authority from the Treasury Department to purchase \$10,000,000. Third 4½s at par net or better, for account of the Cumulative Sinking Fund, placed \$3,000,000. par amount of this order for execution with the Federal Reserve Bank of Chicago.

# In Treasury Department letter of instructions covering this order the statement is made by the Department that later they would probably wish to purchase an additional \$15,000,000. of certificates in this manner.

*EF*  
*mm*

*330*

May 27, 1932

Dear Mr. Case:

I acknowledge receipt of your letter of the 24th instant, enclosing for the confidential information of the Board a copy of letter addressed to the Governors of Federal Reserve banks, transmitting report of transactions in Government obligations for account of the Treasury Department by the Committee of Governors appointed by the recent conference. I shall bring the report to the attention of the other members of the Board and will be interested in receiving it regularly.

Very truly yours,

G o v e r n o r .

Mr. J. H. Case, Deputy Governor,  
Federal Reserve Bank,  
New York, N. Y.

FEDERAL RESERVE BANK  
OF NEW YORK

RECEIVED  
MAY 26 1922  
OFFICE OF  
THE GOVERNOR

May 24, 1922.

CONFIDENTIAL:

Dear Governor Harding:

With this I am enclosing a copy of a letter which we have to-day forwarded to the governors of the other Federal reserve banks and which is self-explanatory.

I have arranged to have reports covering future transactions regularly forwarded to you, for your information.

Very truly yours,



J. H. CASE,  
Deputy Governor.

Honorable W. P. G. Harding,  
Governor, Federal Reserve Board,  
Washington, D. C.

Encs. (2)

ANSWERED

MAY 27 1922

Governor's Office.

Similar letter sent to governors of Federal Reserve Banks of:

COPY

Boston	Atlanta	Kansas City
Cleveland	Chicago	Dallas
Richmond	St. Louis	San Francisco
	Minneapolis	

**CONFIDENTIAL**

May 24, 1922.

Dear Governor Morris:

Honorable S. P. Gilbert, Jr., Under Secretary of the Treasury, has expressed the wish that, pending the designation of a permanent secretary by the Chairman of the Committee of Governors which is to make all purchases and sales of Government securities for account of the Treasury, the Federal Reserve Bank of New York keep the other reserve banks informed of all transactions handled for the Treasury.

At the initial meeting of the Committee of Governors, held at the Federal Reserve Bank of New York on May 16, 1922, Mr. Strong was elected permanent chairman of the committee, and, in his absence, the writer was appointed chairman of the meeting held that day. I am, therefore, advising you of the transactions in Government securities since that date, which appear on the attached report, and, until further notice, will forward to you on Monday of each week a similar report covering transactions for the preceding week.

At the present time the Treasury has no orders with the committee or with the Federal Reserve Bank of New York for the purchase or sale of Government securities. The Federal Reserve Bank of New York has orders outstanding from other Federal reserve banks as follows:

Dallas - Sell \$ 48,400. Third L/L 4 $\frac{1}{2}$ % bonds,  
at 100 plus commission,  
Atlanta - Sell \$695,900. various L/L bonds,  
at 100.08 net.

Very truly yours,

George W. Morris, Esq.,  
Governor, Federal Reserve Bank,  
Philadelphia, Penn.

J. H. Case,  
Acting Chairman, Committee of Governors  
on Centralized Control of Purchases  
and Sales of Government Securities by  
Federal Reserve Banks.

Encl.



CONFIDENTIALCOPYTRANSACTIONS IN GOVERNMENT SECURITIES  
May 16, 1922 to May 24, 1922, inclusiveFor Account of TreasuryPURCHASES

May 17, 1922. Purchased by Federal Reserve Bank of New York, on authorization from Treasury Department, for account of the Federal Farm Loan Board \$2,810,000. par value Treasury notes, Series A-1926, at 101-3/16, the notes having been sold from the bank's investment holdings.

Purchased by Federal Reserve Bank of New York, on authorization from Treasury Department, at market prices for account of the Government Life Insurance Fund \$122,850. First Liberty Loan 4 $\frac{1}{4}$ % bonds.

May 18, 1922. Purchased by Federal Reserve Bank of New York, on authorization from Treasury Department, for account of the Federal Farm Loan Board, \$1,050,000. par value Treasury notes, Series A-1926, at 101-7/8.

Purchased by Federal Reserve Bank of New York, on authorization from Treasury Department, \$10,500. Fourth 4 $\frac{1}{4}$ % Liberty Loan bonds at market prices for account of the Government Life Insurance Fund.

Purchased by Federal Reserve Bank of New York, on authorization from Treasury Department, for account of the Alien Property Custodian, \$4,637,000. par value 4 $\frac{1}{4}$ % Treasury certificates due June 15, 1922 at 100-3/32. These certificates were sold from the portfolio of the Federal Reserve Bank of New York.

May 23, 1922. Purchased by Federal Reserve Bank of New York, on authorization from Treasury Department, \$973,000. par value Treasury notes, Series A-1926, at 102-1/16, from dealers for account of the Federal Farm Loan Board.

Purchased by the Federal Reserve Bank of New York, on authorization from Treasury Department, \$1,145,000. Treasury notes, Series A-1926 at 102-1/16 from dealers for account of the Federal Farm Loan Board.

SALE

May 17, 1922. Authorization received from Treasury by Federal Reserve Bank of New York to sell \$1,620,000. par value Second Converted 4 $\frac{1}{4}$ % Liberty Loan bonds for account of the Alien Property Custodian at 99.40 and interest, and reinvested the proceeds in early maturities of Treasury certificates. (The bonds were sold at 99.64 on this date and the proceeds reinvested on May 19, the date on which they became available, in \$1,583,000. par amount of Treasury certificates due June 15, 1922 from the portfolio of the Federal Reserve Bank of New York.)