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September 7, 1923.

Dear Sir:

Receipt is acknowledged of your letter of the 4th instant, enclosing for the confidential information of the Board, copy of a report of transactions in Government securities and bankers acceptances as reported to the Open Market Investment Committee for the Federal Reserve System for the period from August 23 to August 29, 1923 inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,

(Signed) W. W. H.

Wm. W. Hoxton,
General Secretary.

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

FEDERAL RESERVE BANK
OF NEW YORK

E.F.

Open Market Investment Committee
for the Federal Reserve System

CONFIDENTIAL

September 4, 1923

S i r :

Enclosed is a report of transactions in Govern-
ment securities and bankers acceptances as reported to the
Open Market Investment Committee for the Federal Reserve
System for the period from August 23 to August 29, 1923
inclusive, together with data received by the Committee
from the Federal reserve banks.

Respectfully,



W. B. Matteson
Secretary of the Committee

Honorable D. R. Crissinger,
Governor, Federal Reserve Board,
Washington, D. C.

Enclosure

Noted
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WEEKLY REPORT OF OPEN MARKET INVESTMENT COMMITTEE COVERING PERIOD
AUGUST 23 to AUGUST 29, 1923 (INCLUSIVE)

Comparison of Holdings of Earning Assets by Federal Reserve Banks
from March 28 to August 29, 1923

(000 Omitted)

	TOTAL EARNING ASSETS	DISTRIBUTED AS FOLLOWS:		
		*Government Securities	*Bankers Acceptances	Bills Discounted
Mar. 28	\$1,203,720	\$249,409	\$254,251	\$700,060
Apr. 25	1,104,489	193,810	274,041	636,638
May 29	1,178,156	189,288	257,818	731,050
June 27	1,114,219	134,976	204,225	774,963
July 25	1,033,697	96,284	176,864	760,539
Aug. 1	1,082,870	93,793	182,630	806,447
" 8	1,090,727	90,206	177,409	823,112
" 15	1,064,489	89,841	173,189	801,439
" 22	1,041,985	84,759	176,610	780,596
" 29	1,082,553	93,530	173,485	815,518
Net change (Mar. 28 to Aug. 29)	\$ 121,167-	\$155,879-	\$ 80,766-	\$115,458+

*Including sales contracts

Changes in Holdings of Government Securities and Bankers Acceptances
by Federal Reserve Banks (Exclusive of Sales Contracts)

During the Week Ending August 29, 1923

(000 Omitted)

	Government Securities			Bankers Acceptances		
	Balance Aug. 29	Balance Aug. 22	Net Change	Balance Aug. 29	Balance Aug. 22	Net Change
Boston	\$ 3,560	\$ 3,560	-0-	\$ 8,114	\$ 8,809	\$ 695-
New York	1,149	1,149	-0-	16,290	14,454	1,836+
Philadelphia	17,382	17,382	-0-	20,212	20,306	94-
Cleveland	10,234	10,202	32+	42,600	41,582	1,018+
Richmond	1,341	1,341	-0-	954	1,273	319-
Atlanta	208	197	11+	7,780	8,209	429-
Chicago	6,257	6,257	-0-	41,422	41,441	19-
St. Louis	3,669	3,669	-0-	390	882	492-
Minneapolis	7,364	7,364	-0-	-0-	-0-	-0-
Kansas City	10,240	10,037	203+	2,012	2,012	-0-
Dallas	1,779	1,779	-0-	464	619	155-
San Francisco	9,185	9,185	-0-	11,857	12,610	753-
T O T A L	\$72,368	\$72,122	\$246+	\$152,095	\$152,197	\$102-

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DIGEST OF REPORTS RECEIVED FROM ALL FEDERAL RESERVE BANKS
SHOWING DATA REGARDING GOVERNMENT SECURITIES AND OPEN
BILL MARKET CONDITIONS IN ALL DISTRICTS

Government Securities

Government security holdings of all Federal reserve banks have shown a net increase of \$246,000 during the week.

Liberty Loan issues continued dull with losses ranging from 1/32 to 3/32 in practically all the issues. Trading was confined almost exclusively to the Third 4 1/4% issue, volume in which exceeded on two successive days that of all other issues combined. Price in this issue held firm and closed fractionally higher as did the 1947-52 Treasury bonds. Treasury purchases for retirement took up all available September certificates while there has been a fairly steady outside demand for certificates of the other issues. New York dealers report heavy offerings of the 5 1/2% Treasury Notes maturing September 15, 1924, as well as considerable selling of the various issues of notes bearing the 4 3/4% coupon.

Call money, which held at 5% during the early part of the period, displayed a firmer tone toward the close with rates ruling from 5 1/4% to 5 1/2%. This was undoubtedly influenced by preparation for usual month end requirements for all classes of business and seasonal movement of funds to the interior.

Bankers Acceptances

A net reduction of \$102,000 in bill holdings of all Federal reserve banks occurred during the week.

The Committee received an inquiry from the Federal Reserve Bank of Chicago with regard to the investment of about \$5,000,000 and, in accordance with established policy not to increase the holdings of Government securities in the System, the purchase of bankers acceptances was suggested. Chicago thereupon authorized the New York bank to purchase for their account \$5,000,000 bankers acceptances, which order is now being executed.

Toward the close of the period the acceptance market in the East displayed more activity than has been evidenced for some time past. Chicago reports

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a fairly good supply with bills in some demand by country sources, the recent stiffening of money rates making financing by bankers acceptances more attractive to borrowers. The Boston market continues dull with bills moving slowly at offered rates. Supply was slightly increased over previous week although, as has been the case for the past three months, practically all bill making has been done by a few banks. Best demand was for 30 and 60 day bills. In New York there has been an active demand, particularly for prime names maturing within 60 to 90 days and reflected buying for foreign accounts in substantial amounts. The supply of bills, though limited is growing, influenced by storage of grain. Grain, cotton and sugar are the principal commodities against which bills are drawn. Demand remains somewhat better than supply.

Offering rates of indorsed and unindorsed bills continue at 4% for the 30s, 4 1/8% for the 60s, 90s and 120s. Dealers' bid rates remain unchanged with the exception of 120 day maturities for which some dealers are now bidding 4 1/4%, while others continue at 4 3/8%.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

Cumulative Sinking Fund

Additional purchases of \$1,078,600 notes have been made during the period on Treasury order of August 16 authorizing the purchase for Cumulative Sinking Fund of \$5,000,000 face amount 4 1/2% Treasury Notes, series A-1927, maturing December 15, 1927. Total purchases of \$4,643,600 have been made at a price of 99 15/16, \$356,400 balance of order being canceled by Treasury Department:

Boston	\$ 100,000
New York	4,015,000
Philadelphia	528,600
	<u>\$4,643,600</u>

Retirement

Treasury order of August 21, 1923, mentioned in previous report authorizing the purchase of \$10,000,000 face amount Treasury certificates of indebtedness of either series maturing September 15, 1923, for retirement, has now been completed.

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Purchases at par were made as follows:

Boston	\$ 1,000,000	September 3 3/4s
	500,000	" 4 1/4s
New York	1,405,000	" 3 3/4s
	931,500	" 4 1/4s
Philadelphia	1,100,000	" 3 3/4s
	500,000	" 4 1/4s
Richmond	783,000	" 3 3/4s
	50,000	" 4 1/4s
Atlanta	67,500	" 3 3/4s
	195,000	" 4 1/4s
Chicago	2,400,000	" 3 3/4s
	500,000	" 4 1/4s
Minneapolis	330,000	" 4 1/4s
Dallas	70,000	" 3 3/4s
	<u>168,000</u>	" 4 1/4s
	<u>\$10,000,000</u>	

Under dates of August 23 and 27 the Treasury authorized the purchase on the market at the market rate, but at not more than par, of a total amount of \$20,000,000 face amount Treasury certificates of indebtedness of either series maturing September 15, 1923 for retirement. The following purchases at par have been made thus far in the various districts:

Boston	\$ 505,000	September 4 1/4s
New York	2,150,500	" 3 3/4s
	6,704,500	" 4 1/4s
Atlanta	15,000	" 4 1/4s
Chicago	40,000	" 3 3/4s
	500,000	" 4 1/4s
St. Louis	20,000	" 3 3/4s
Dallas	50,000	" 3 3/4s
	<u>15,000</u>	" 4 1/4s
	<u>\$10,000,000</u>	
	<u>10,000,000</u>	Unexecuted balance
	<u>\$20,000,000</u>	

Foreign Obligations

Treasury orders of August 21 and 22 authorized the purchase of Third Liberty Loan 4 1/4% bonds from the proceeds of repayments by foreign governments. These purchases were to be made at the market on the Stock Exchange at a principal cost, including commissions but excluding accrued interest, not to exceed \$6,988,048.26. This order was executed on the New York Stock Exchange by the purchase of \$7,060,900 par value Third Liberty Loan bonds at prices ranging from 98 28/32 to 98 31/32.

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ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT
OF ALL FEDERAL RESERVE BANKS FROM AUGUST 23 to AUGUST 29, 1923

GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>	<u>Held Under Sales Contracts</u>
Boston	-0-	-	-0-	-	\$ 79,000
New York	-0-	-	-0-	-	11,261,400
Philadelphia	-0-	-	-0-	-	-0-
Cleveland	32,500	TD-1923 Ctfs	-0-	-	-0-
Richmond	-0-	-	-0-	-	-0-
Atlanta	15,000	TM-1924 Ctfs	15,000	TM-1924 Ctfs	-0-
	15,000	C-1925 Notes	15,000	C-1925 Notes	
	<u>22,650</u>	Misc. Bonds	<u>11,450</u>	Misc. Bonds	
	<u>\$52,650</u>		<u>\$41,450</u>		
Chicago	-0-	-	-0-	-	3,359,400
St. Louis	-0-	-	-0-	-	-0-
Minneapolis	6,500	TS2-1923 Ctfs	6,500	TS2-1923 Ctfs	5,462,000
	5,000	TD-1923 Ctfs	5,000	TD-1923 "	
	5,000	TD2-1923 "	5,000	TD2-1923 "	
	5,000	TM-1924 "	5,000	TM-1924 "	
	510,000	A-1924 Notes	510,000	A-1924 Notes	
	92,000	A-1926 "	92,000	A-1926 "	
	100	B-1926 "	100	B-1926 "	
	1,100	A-1927 "	1,100	A-1927 "	
	200	B-1927 "	200	B-1927 "	
	<u>10,000</u>	Misc. Bonds	<u>10,000</u>	Misc. Bonds	
	<u>\$634,900</u>		<u>\$634,900</u>		
Kansas City	150,000	TS-1923 Ctfs	-0-	-	1,000,000
	35,000	TS2-1923 "			
	8,000	B-1924 Notes			
	<u>10,000</u>	A-1925 "			
	<u>\$203,000</u>				
Dallas	-0-	-	-0-	-	-0-
San Francisco	-0-	-	-0-	-	-0-
T O T A L S	\$923,050		\$676,350		\$21,161,800

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BANKERS ACCEPTANCES PURCHASED

	<u>Maturity</u>	<u>PURCHASES</u> <u>Amount</u>	<u>Rate</u>	<u>MATURITIES</u> <u>Amount</u>	<u>Held Under</u> <u>Sales Contracts</u>
Boston	1-30 days	\$ 674,000	4% - 4 1/8%	\$ 2,441,000	\$ 2,012,000
	31-60 "	611,000	4 1/8% - 4 1/4%		
	61-90 "	461,000	4 1/8% - 4 1/4%		
		<u>\$1,746,000</u>			
New York	1-30 days	2,004,000	4% - 4 1/8%	1,882,205	16,621,373
	31-60 "	417,000	4 1/8% - 4 1/4%		
	61-90 "	358,000	4 1/8% - 4 1/4%		
	Over 90 days	939,000	4 1/8% - 4 1/4%		
		<u>\$3,718,000</u>			
Philadelphia	1-30 days	92,000	4 1/8%	3,024,411	-0-
	31-60 "	702,000	4 1/8%		
		<u>2,136,000</u>	4 1/8% - 4 1/4%		
		<u>\$2,930,000</u>			
Cleveland	1-30 days	10,000	4 1/2%	2,342,000	103,900
	31-60 "	15,329	4 1/8%		
	61-90 "	136,587	4 1/8%		
	In other dis- tricts	<u>3,198,138</u>			
		<u>\$3,360,054</u>			
Richmond	1-30 days	60,900	4 1/4%	380,000	-0-
Atlanta	-	501,647	-	930,862	-0-
Chicago	1-30 days	135,000	4 1/8%	4,118,000	1,659,000
	31-60 "	27,000	4 1/8%		
	61-90 "	1,015,000	4 1/8% - 4 1/4%		
	In other dis- tricts	<u>2,922,000</u>			
		<u>\$4,099,000</u>			
St. Louis	-	-0-	-	492,000	-0-
Minneapolis	-	-0-	-	-0-	-0-
Kansas City	-	-0-	-	-0-	-0-
Dallas	-	-0-	-	155,130	-0-
San Francisco	1-30 days	66,000	4 1/4% - 4 1/8%	2,072,000	464,000
	31-60 "	129,000	4 1/4% - 4 1/8%		
	61-90 "	401,000	4 1/4% - 4 1/8%		
	In other dis- tricts	<u>723,000</u>			
		<u>\$1,319,000</u>			
TOTALS		<u>\$17,734,601</u>		<u>\$17,837,608</u>	<u>\$20,860,273</u>

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FEDERAL RESERVE BANK
OF NEW YORK

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Open Market Investment Committee
for the Federal Reserve System

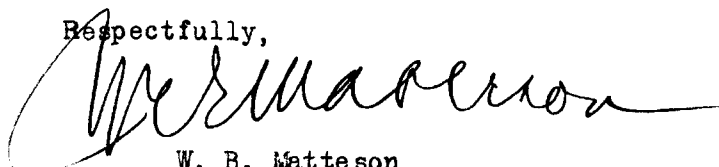
CONFIDENTIAL

August 28, 1923

S i r :

Enclosed is a report of transactions in Govern-
ment securities and bankers acceptances as reported to
the Open Market Investment Committee for the Federal Re-
serve System for the period from August 16 to August 22,
1923 inclusive, together with data received by the Com-
mittee from the Federal reserve banks.

Respectfully,



W. B. Matteson
Secretary of the Committee

Honorable D. R. Crissinger,
Governor, Federal Reserve Board,
Washington, D. C.

Enclosure

WEEKLY REPORT OF OPEN MARKET INVESTMENT COMMITTEE COVERING PERIOD
AUGUST 16 to AUGUST 22, 1923 (INCLUSIVE)

Comparison of Holdings of Earning Assets by Federal Reserve Banks
from March 28 to August 22, 1923
(000 Omitted)

	TOTAL EARNING ASSETS	* Government Securities	* Bankers Acceptances	Bills Discounted
Mar. 28	\$1,203,720	\$249,409	\$254,251	\$700,060
Apr. 25	1,104,489	193,810	274,041	636,638
May 29	1,178,156	189,288	257,818	731,050
June 27	1,114,219	134,976	204,225	774,963
July 25	1,033,697	96,284	176,864	760,539
Aug. 1	1,082,870	93,793	182,630	806,447
" 8	1,090,727	90,206	177,409	823,112
" 15	1,064,489	89,841	173,189	801,439
" 22	1,041,985	84,759	176,610	780,596
Net change \$ 161,735-		\$164,650-	\$ 77,641-	\$ 80,536 +
(Mar. 28 to Aug. 22)				

*Including sales contracts

Changes in Holdings of Government Securities and Bankers Acceptances
By Federal Reserve Banks (Exclusive of Sales Contracts)
During the Week Ending August 22, 1923
(000 Omitted)

	Government Securities			Bankers Acceptances		
	Balance Aug. 22	Balance Aug. 15	Net Change	Balance Aug. 22	Balance Aug. 15	Net Change
Boston	\$ 3,560	\$ 3,560	-0-	\$ 8,809	\$10,089	\$1,280-
New York	1,149	1,149	-0-	14,454	17,427	2,973-
Philadelphia	17,382	17,382	-0-	20,306	20,212	94+
Cleveland	10,202	10,202	-0-	41,582	38,066	3,516+
Richmond	1,341	1,341	-0-	1,273	1,318	45-
Atlanta	197	251	54-	8,209	8,542	333-
Chicago	6,257	6,257	-0-	41,441	43,556	2,115-
St. Louis	3,669	7,251	3,582-	882	1,111	229-
Minneapolis	7,364	7,364	-0-	-0-	-0-	-0-
Kansas City	10,037	10,185	148-	2,012	-0-	2,012+
Dallas	1,779	1,779	-0-	619	630	11-
San Francisco	9,185	9,185	-0-	12,610	13,010	400-
T O T A L	\$72,122	\$75,906	\$3,784-	\$152,197	\$153,961	\$1,764-

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DIGEST OF REPORTS RECEIVED FROM ALL FEDERAL RESERVE BANKS
SHOWING DATA REGARDING GOVERNMENT SECURITIES AND OPEN
BILL MARKET CONDITIONS IN ALL DISTRICTS

Government Securities

A net reduction of \$3,784,000 in the Government security holdings of all Federal reserve banks occurred during the week. Of this amount \$3,500,000 represented a sale by the Federal Reserve Bank of St. Louis from their own portfolio of Third Liberty Loan 4 1/4% bonds to apply on Treasury order of August 1.

There has been a slight increase in activity of Liberty Loan bonds during the week with the result that fractional increases have occurred in the prices of the Second and Fourth issues. Treasury operations have taken up whatever September certificates were overhanging in the various districts while the December 4's and March 4 1/2% issues have been in better demand than for some time. Series B-1926 4 1/4% Treasury Notes and Series B-1927 4 3/4% Notes have been active while one New York broker reports the sale to a large corporation of a substantial amount of 5 3/4% notes maturing June 15, 1924.

Stock exchange call money showed a firmer tendency than over the previous week; money rates ranging from 4 1/2% to 5 1/2% during the period. On Tuesday, August 21, call money opened at 5% this being the first time since August 2 that the renewal rate has been higher than 4 3/4%. Specialists in money explain the slightly higher rate as caused by an increase in demand for money, the result of a more active stock market and partly by the fact that money is flowing to the interior as it normally does at this time of year.

Bankers' Acceptances

Bill holdings of Federal reserve banks showed a net reduction of \$1,764,000 during the week.

The Committee received an inquiry from the Federal Reserve Bank of Kansas City with regard to the investment of from \$1,000,000 to \$2,000,000 and in view of the established policy not to increase the holdings of Government securities in the System the purchase of bankers acceptances was suggested, where-

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upon the New York bank supplied \$1,000,000 from its own portfolio and purchased the balance in the market.

What little activity there has been in the acceptances market during the period appears centered in the Boston, New York and Chicago districts. Cleveland reports that the only dealers there who have carried a portfolio are discontinuing their acceptance department. In Chicago some bills are moving to country banks but no particular tendencies prevail except those of a seasonal nature such as the appearance of grain bills. Supply of bills continues limited in Boston with few new bills coming out. Although some banks are beginning to show a little interest demand is light running mostly for 60-day bills. There was an increase in the supply of new bills which came into New York, particularly with regard to warehouse bills. Demand was spotty, in substantial measure for foreign account though not sufficient to absorb offerings. Future outlook in bill market conditions seems to indicate little change until after the turn of the month when heavier seasonal drawings and cotton syndicate bills are expected on the market.

Rates remain unchanged, indorsed and unindorsed bills offered at 4% for the 30s, 4 1/8% for the 60s and 90s and 4 1/8% for indorsed 120 day bills, 4 1/8% to 4 1/4% for unindorsed.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

Cumulative Sinking Fund

On August 16 the Federal Reserve Bank of St. Louis offered from their own portfolio \$3,500,000 Third Liberty Loan 4 1/4% bonds at 98 30/32 net. This offer was accepted by the Treasury and applied on their order of August 1 authorizing the purchase for account of the Cumulative Sinking Fund of \$10,000,000 face amount Third Liberty Loan 4 1/4% bonds at the market on the Stock Exchange.

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Aggregate purchases to date of \$9,099,000 have been made as follows:

		<u>Range of Prices</u>
New York	\$4,999,000	98 23/32 - 98 30/32
Philadelphia	600,000	98 30/32
St. Louis	<u>3,500,000*</u>	98 30/32
	<u>\$9,099,000</u>	

*From own holdings

As moderate amounts of 4 1/2% Treasury Notes, Series A-1927, maturing December 15, 1927, were offered in Eastern markets the Treasury authorized on August 16, 1923 the purchase for account Cumulative Sinking Fund of \$5,000,000 face amount of these notes at prevailing market prices, not exceeding par. The following purchases were made at a price of 99 15/16 taking only such notes as were offered in order not to artificially increase the market price:

	<u>Amount</u>	
Boston	\$ 100,000	
New York	2,965,000	
Philadelphia	<u>500,000</u>	
	\$3,565,000	
	<u>1,435,000</u>	Unexecuted balance
	<u>\$5,000,000</u>	

Retirement

Under the date of August 21, 1923 the Treasury authorized the purchase on the market at the market rate, but at not more than par, of \$10,000,000 face amount Treasury certificates of indebtedness of either series maturing September 15, 1923 for retirement. The following purchases at par have been made thus far in the various districts:

Boston	\$1,000,000	September 3 3/4s
	500,000	" 4 1/4s
New York	50,000	" 3 3/4s
Philadelphia	500,000	" 3 3/4s
Chicago	2,400,000	" 3 3/4s
	500,000	" 4 1/4s
Minneapolis	<u>330,000</u>	" 4 1/4s
	\$5,280,000	
	<u>4,720,000</u>	Unexecuted balance
	<u>\$10,000,000</u>	

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ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT
OF ALL FEDERAL RESERVE BANKS FROM AUGUST 16 to AUGUST 22, 1923

GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>	<u>Held Under Sales Contracts</u>
Boston	-0-	--	-0-	--	\$ 1,136,050
New York	-0-	--	-0-	--	2,697,000
Philadelphia	-0-	--	-0-	--	-0-
Cleveland	-0-	--	-0-	--	-0-
Richmond	-0-	--	-0-	--	-0-
Atlanta	20,000	TS2-1923 Ctfs	20,000	TS2-1923 Ctfs	-0-
	50,000	A-1927 Notes	5,000	C-1925 Notes	
	41,000	Misc. Bonds	50,000	A-1927 Notes	
			20,000	B-1927 "	
			70,350	Misc. Bonds	
	<u>\$111,000</u>		<u>\$165,350</u>		
Chicago	-0-	--	-0-		2,604,200
St. Louis	-0-	--	82,300	A-1925 Notes*	-0-
			<u>3,500,000</u>	Third L.L. bonds*	
			<u>\$3,582,300</u>		
*applied on Treasury order of Aug. 1, 1923					
Minneapolis	50,000	TS2-1923 Ctfs	50,000	TS2-1923 Ctfs	5,200,000
	1,000	TD-1923 "	1,000	TD-1923 "	
	10,000	TD2-1923 "	10,000	TD2-1923 "	
	48,000	TM-1924 "	48,000	TM-1924 "	
	190,000	B-1924 Notes	190,000	B-1924 Notes	
	26,000	A-1925 "	26,000	A-1925 "	
	35,000	A-1926 "	35,000	A-1926 "	
	1,000	A-1927 "	1,000	A-1927 "	
	<u>18,800</u>	B-1927 "	<u>18,800</u>	B-1927 "	
	<u>\$379,800</u>		<u>\$379,800</u>		
Kansas City	2,000	TS2-1923 Ctfs	150,000	Misc Bonds	1,000,000
Dallas	-0-	--	-0-	--	-0-
San Francisco	-0-	--	-0-	--	-0-
	<u>\$492,800</u>		<u>\$4,277,450</u>		<u>\$12,637,250</u>

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BANKERS ACCEPTANCES PURCHASED

	<u>Maturity</u>	<u>PURCHASES</u> <u>Amount</u>	<u>Rate</u>	<u>MATURITIES</u> <u>Amount</u>	<u>Held Under</u> <u>Sales Contracts</u>
Boston	1-30 days	\$ 252,000	4% - 4 1/8%	\$ 1,777,000	\$ 1,514,000
	31-60 "	119,000	4 1/8% - 4 1/4%		
	61-90 "	126,000	4 1/8% - 4 1/4%		
		<u>\$497,000</u>			
New York	1-30 days	136,000	4%	2,253,729	19,956,124
	31-60 "	5,000	4 1/8%	1,000,484	Sold
	61-90 "	136,000	4 1/8%	\$3,254,213	to F.R.B.
	Over 90"	4,000	4 1/8%		Kan. City
		<u>\$281,000</u>			
Philadelphia	1-30 days	308,000	4% - 4 1/8%	1,685,075	-0-
	31-60 "	81,000	4 1/8%		
	61-90 "	1,390,000	4 1/8% - 4 1/4%		
		<u>\$1,779,000</u>			
Cleveland	31-60 days	26,910	4 1/8%	2,900,000	118,900
	In other dis-	6,388,647			
	tricts	<u>\$6,415,557</u>			
Richmond	31-60 days	5,000	4 1/4%	175,000	-0-
	61-90 "	125,000	4 1/4%		
		<u>\$130,000</u>			
Atlanta		510,219		843,393	-0-
Chicago	1-30 days	49,000	4%	3,194,000	630,000
	61-90 "	104,000	4 1/8% - 4 1/4%		
	In other dis-	926,000			
	tricts	<u>\$1,079,000</u>			
St. Louis	-	-0-	-	229,000	-0-
Minneapolis	-	-0-	-	-0-	-0-
Kansas City	In other dis-	2,012,343	-	-0-	-0-
	tricts				
Dallas	-	-0-	-	11,193	-0-
San Francisco	1-30 days	355,000	4% - 4 1/8%	2,083,000	699,000
	31-60 "	97,000	4% - 4 1/8%		
	61-90 "	536,000	4 1/8%		
	In other dis-	695,000			
	tricts	<u>\$1,683,000</u>			
TOTALS		<u>\$14,387,119</u>		<u>\$16,151,874</u>	<u>\$22,918,024</u>

2
FEDERAL RESERVE BANK
OF NEW YORK

333
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Open Market Investment Committee
for the Federal Reserve System

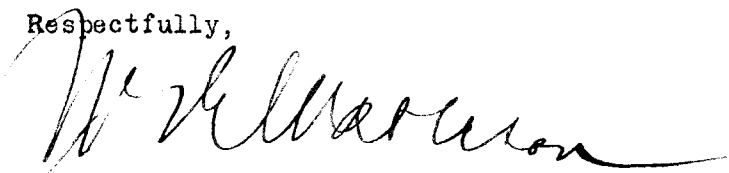
CONFIDENTIAL

August 20, 1923

S i r :

Enclosed is a report of transactions in Government securities and bankers acceptances as reported to the Open Market Investment Committee for the Federal Reserve System for the period from August 9 to August 15, 1923 inclusive, together with data received by the Committee from the Federal reserve banks.

Respectfully,



W. B. Matteson
Secretary of the Committee

Honorable D. R. Crissinger,
Governor, Federal Reserve Board,
Washington, D. C.

Enclosure

**WEEKLY REPORT OF OPEN MARKET INVESTMENT COMMITTEE COVERING PERIOD
AUGUST 9 TO AUGUST 15, 1923 (INCLUSIVE)**

**Comparison of Holdings of Earning Assets by Federal Reserve Banks
from March 28 to August 15, 1923**

(000 Omitted)

	<u>TOTAL EARNING ASSETS</u>	<u>*Government Securities</u>	<u>*Bankers Acceptances</u>	<u>Bills Discounted</u>
Mar. 28	\$1,203,720	\$249,409	\$254,251	\$700,060
Apr. 25	1,104,489	193,810	274,041	636,638
May 29	1,178,156	189,288	257,818	731,050
June 27	1,114,219	134,976	204,225	774,963
July 25	1,033,697	96,284	176,864	760,539
Aug. 1	1,082,870	93,793	182,630	806,447
" 8	1,090,727	90,206	177,409	823,112
" 15	1,064,489	89,841	173,189	801,439
Net change \$ 139,231-		\$159,568-	\$ 81,062-	\$101,379+
(Mar.28 to Aug. 15)				

*Including sales contracts

**Changes in Holdings of Government Securities and Bankers Acceptances
By Federal Reserve Banks (Exclusive of Sales Contracts)**

During the Week Ending August 15, 1923

(000 Omitted)

	<u>Government Securities</u>			<u>Bankers Acceptances</u>		
	<u>Balance</u>	<u>Balance</u>	<u>Net</u>	<u>Balance</u>	<u>Balance</u>	<u>Net</u>
	<u>Aug. 15</u>	<u>Aug. 8</u>	<u>Change</u>	<u>Aug. 15</u>	<u>Aug. 8</u>	<u>Change</u>
Boston	\$ 3,560	\$ 3,560	-0-	\$10,089	\$ 11,588	\$1,499-
New York	1,149	1,149	-0-	17,427	20,652	3,225-
Philadelphia	17,382	17,382	-0-	20,212	19,959	253+
Cleveland	10,202	10,202	-0-	38,066	34,254	3,812+
Richmond	1,341	1,341	-0-	1,318	1,718	400-
Atlanta	251	217	34+	8,542	8,886	344-
Chicago	6,257	6,257	-0-	43,556	43,809	253-
St. Louis	7,251	7,251	-0-	1,111	1,527	416-
Minneapolis	7,364	7,364	-0-	-0-	-0-	-0-
Kansas City	10,185	8,677	1,508+	-0-	-0-	-0-
Dallas	1,779	1,779	-0-	630	667	37-
San Francisco	9,185	9,185	-0-	13,010	13,628	618-
TOTAL	\$75,906	\$74,364	\$1,542+	\$153,961	\$156,688	\$2,727-

- 2 -

DIGEST OF REPORTS RECEIVED FROM ALL FEDERAL RESERVE BANKS
SHOWING DATA REGARDING GOVERNMENT SECURITIES AND OPEN
BILL MARKET CONDITIONS IN ALL DISTRICTS

Government Securities

Government security holdings of Federal reserve banks showed an increase of \$1,542,000 during the week; \$1,500,000 of this amount represented the taking up of a sale under repurchase agreement by the Federal Reserve Bank of Kansas City.

The general bond market during the early part of the period was extremely dull and devoid of any interesting features. On Wednesday, however, prices on the whole showed a slight improvement apparently in sympathy with the rally in stocks. Liberty Loan issues displayed the same firmness that has characterized their action during the past few weeks when the general list has been weak. Certificates of indebtedness continued dull except for a slight increased demand for the 4 1/2% issue maturing March 15, 1924. The trading in Treasury notes has been for the most part on the selling side with supply greater than demand as a result of which dealers' portfolios in Government securities was increased somewhat during the week. Prices of the various issues, however, held fairly steady, there being a net reduction of but one thirty-second in a few of the issues.

Money remains practically unchanged, continued small volume of trading on the Stock Exchange, with seasonable inactivity of credit demand for all commercial purposes, resulted in one of the quietest money markets in years. Call money ranged between 4 1/2% and 4 3/4% for the period.

Bankers Acceptances

A net reduction of \$2,727,000 in bill holdings of Federal reserve banks occurred during the week.

The supply of bills continues to be very limited with only a small variety of names to be had. Demand has been moderate with local banks the best buyers, 60-90 day bills having the call over other maturities. In New York dealers' purchases reached the lightest point in some time past and consisted

- 3 -

in considerable measure of salt water bills. Demand, however, held up fairly well and reflected moderately good buying for foreign accounts. In Chicago the supply of bills is increasing, due to the appearance of grain warehouse bills with a reasonable volume of purchases.

Rates remain unchanged at previous levels, indorsed and unindorsed bills offered at 4% for the 30's, 4 1/8% for 60s and 90s and 4 1/8% for indorsed 120-day bills, 4 1/8% to 4 1/4% for unindorsed.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

Cumulative Sinking Fund

Additional purchases of \$1,070,000 have been made during the period on Treasury order of August 1 authorizing the purchase for account of the Cumulative Sinking Fund of \$10,000,000 face amount of Third Liberty Loan 4 1/4% bonds at the market on the Stock Exchange, making an aggregate purchase to date of \$5,599,000. In view of the small offerings of bonds of this issue at nominal prices, and in order not to artificially increase the market price, the Treasury authorized on August 13 that purchases should be temporarily suspended. Total purchases to date have been made as follows:

		<u>Range of Prices</u>
New York	\$4,999,000	98 23/32 - 98 30/32
Philadelphia	<u>600,000</u>	98 30/32
	\$5,599,000	
	<u>4,401,000</u>	Unexecuted balance
	<u>\$10,000,000</u>	

- 4 -

ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT
OF ALL FEDERAL RESERVE BANKS FROM AUGUST 9 to AUGUST 15, 1923

GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>	<u>Held Under Sales Contracts</u>
Boston	-0-	-	-0-	-	\$ 715,500
New York	-0-	-	-0-	-	4,500,000
Philadelphia	-0-	-	-0-	-	-0-
Cleveland	-0-	-	-0-	-	-0-
Richmond	-0-	-	-0-	-	-0-
Atlanta	6,000 20,000 54,450 \$80,450	C-1925 Notes B-1927 " Misc. Bonds	45,750	Misc. Bonds	-0-
Chicago	-0-	-	-0-	-	3,268,700
St. Louis	-0-	-	-0-	-	-0-
Minneapolis	15,000 22,000 24,100 212,800 \$273,900	TM-1924 Ctfs A-1926 Notes B-1927 " Misc. Bonds	15,000 22,000 24,100 212,800 \$273,900	TM-1924 Ctfs A-1926 Notes B-1927 " Misc. Bonds	4,450,000
Kansas City	1,000 5,000 1,500 1,500,000 \$1,507,500	TS-1923 Ctfs TS2-1923 " TD2-1923 " A-1925 Notes	-0-		1,000,000
Dallas	-0-	-	-0-		-0-
San Francisco	-0-	-	-0-		-0-
TOTALS	\$1,861,850		\$319,650		\$13,934,200

- 5 -

BANKERS ACCEPTANCES PURCHASED

	<u>Maturity</u>	<u>PURCHASES</u> <u>Amount</u>	<u>Rate</u>	<u>MATURITIES</u> <u>Amount</u>	<u>Held Under</u> <u>Sales Contracts</u>
Boston	1-30 days	\$ 44,000	4% - 4 1/8%	\$ 1,733,000	\$ 1,682,000
	31-60 "	4,000	4 1/8%		
	61-90 "	186,000	4 1/8% - 4 1/4%		
		<u>\$234,000</u>			
New York	1-30 days	\$632,000	4%	4,013,705	12,146,998
	31-60 "	12,000	4 1/8%		
	61-90 "	100,000	4 1/8%		
	Over 90"	45,000	4 1/8 - 4 1/4%		
		<u>\$789,000</u>			
Philadelphia	1-30 days	\$244,000	4% - 4 1/8%	2,276,313	-0-
	31-60 "	192,000	4% - 4 1/8%		
	61-90 "	2,093,000	4 1/8% - 4 1/4%		
		<u>\$2,529,000</u>			
Cleveland	31-60 days	\$ 192,957	4 1/8%	3,367,000	43,900
	In other dis-	6,986,066			
	tricts	<u>\$7,179,023</u>			
Richmond	-	-0-	-	400,000	-0-
Atlanta	-	435,576	-	780,084	-0-
Chicago	1-30 days	\$ 376,000	4%	2,061,000	1,134,000
	61-90 "	430,000	4 1/8% - 4 1/4%		
	In other dis-	1,002,000			
	tricts	<u>\$1,808,000</u>			
St. Louis	-	-0-	-	416,000	-0-
Minneapolis	-	-0-	-	-0-	-0-
Kansas City	-	-0-	-	-0-	-0-
Dallas	-	-0-	-	37,123	-0-
San Francisco	1-30 days	\$ 150,000	4%	1,628,000	1,885,000
	61-90 "	126,000	4% - 4 1/8%		
	In other dis-	734,000			
	tricts	<u>\$1,010,000</u>			
T O T A L S		<u>\$13,984,599</u>		<u>\$16,712,225</u>	<u>\$16,891,898</u>

21
FEDERAL RESERVE BANK
OF NEW YORK

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Open Market Investment Committee
for the Federal Reserve System

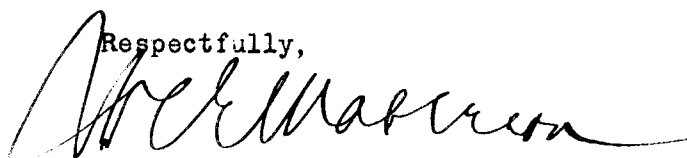
CONFIDENTIAL

August 14, 1923

S i r :

Enclosed is a report of transactions in Govern-
ment securities and bankers acceptances as reported to
the Open Market Investment Committee for the Federal Re-
serve System for the period from August 2 to August 8,
1923 inclusive, together with data received by the Com-
mittee from the Federal reserve banks.

Respectfully,



W. B. Matteson
Secretary of the Committee

Enclosure

Honorable D. R. Crissinger,
Governor, Federal Reserve Board,
Washington, D. C.

WEEKLY REPORT OF OPEN MARKET INVESTMENT COMMITTEE COVERING PERIOD
AUGUST 2 TO AUGUST 8, 1923 (INCLUSIVE)

Comparison of Holdings of Earning Assets by Federal Reserve Banks
from March 28 to August 8, 1923

(000 Omitted)

	TOTAL EARNING ASSETS	*Government Securities	*Bankers Acceptances	Bills Discounted
Mar. 28	\$1,203,720	\$249,409	\$254,251	\$700,060
Apr. 25	1,104,489	193,810	274,041	636,638
May 29	1,178,156	189,288	257,818	731,050
June 27	1,114,219	134,976	204,225	774,963
July 25	1,033,697	96,284	176,864	760,539
Aug. 1	1,082,870	93,793	182,630	806,447
" 8	1,090,727	90,206	177,409	823,112
Net change (Mar. 28 -- Aug. 8)	\$ 112,993-	\$159,203-	\$ 76,842-	\$123,052+

* Including sales contracts

Changes in Holdings of Government Securities and Bankers Acceptances
By Federal Reserve Banks (Exclusive of Sales Contracts)
During the Week Ending August 8, 1923

(000 Omitted)

	Government Securities			Bankers Acceptances		
	Balance Aug. 8	Balance Aug. 1	Net Change	Balance Aug. 8	Balance Aug. 1	Net Change
Boston	\$ 3,560	\$ 3,560	-0-	\$ 11,588	\$ 12,312	\$ 724-
New York	1,149	1,149	-0-	20,652	22,515	1,863-
Philadelphia	17,382	17,382	-0-	19,959	19,274	685+
Cleveland	10,202	10,202	-0-	34,254	31,251	3,003+
Richmond	1,341	1,341	-0-	1,718	1,786	68-
Atlanta	217	207	10+	8,886	8,938	52-
Chicago	6,257	6,257	-0-	43,809	44,606	797-
St. Louis	7,251	7,251	-0-	1,527	2,227	700-
Minneapolis	7,364	7,364	-0-	-0-	-0-	-0-
Kansas City	8,677	6,266	2,411+	-0-	-0-	-0-
Dallas	1,779	1,779	-0-	667	1,270	603-
San Francisco	9,185	9,185	-0-	13,628	13,712	84-
T O T A L	\$74,364	\$71,943	\$2,421+	\$156,688	\$157,891	\$1,203-

- 2 -

DIGEST OF REPORTS RECEIVED FROM ALL FEDERAL RESERVE BANKS
SHOWING DATA REGARDING GOVERNMENT SECURITIES AND OPEN
BILL MARKET CONDITIONS IN ALL DISTRICTS

Government Securities

An increase of \$2,421,000 in the Government security holdings of all Federal reserve banks occurred during the week.

While there has been a slight increase in activity in the Government security market reported by some districts, reports generally indicate a dull and inactive market no appreciable change being apparent from conditions which have existed for the past few weeks. All issues of Liberty bonds closed fractionally higher with some activity in the Third issue, due no doubt to Treasury operations. The market for Treasury certificates and notes has been quiet, although prices have remained steady. Cleveland reports that there has been a somewhat increased demand on the part of corporations for certificates of indebtedness and Treasury notes of various issues. Chicago reports considerable amounts of certificates in their market with some shortage in all issues of Treasury notes, except series B-1925, which have been available for some time. Large amounts of this issue, December 15, 1925 4 3/8% notes, have also been over-hanging in the New York market.

Call money which firmed up to 6% just before the first of the month eased off on August 2 in the face of light demand and good supply to 5%, 4 1/2% and 4%, which latter rate is 1% below what is considered the minimum at which banks are willing to supply accommodation in the present state of the money market. The rate for the balance of the period continued easy, ranging from 4 1/2% to 5%.

Bankers Acceptances

Reductions of \$1,203,000 in the bill holdings of Federal reserve banks occurred during the week.

Summary of reports received from the various districts indicate no marked tendency in the acceptance market during the period. The supply of bills remains only fair and moderate in the various districts, while Boston reports the lowest

- 3 -

supply of any week this year, with few city banks making bills and no country bills offered. Demand was routine, sufficient to take care of the supply, preference being given to short maturities. New York dealers reported a better demand for bills which, although not large, seemed to be better distributed. Purchases for future delivery increased slightly and indications point to an increase in the amount of bills in the near future.

Offerings to Federal reserve banks by dealers were small and portfolios were reduced.

Rates seem reasonably stabilized, indorsed and unindorsed bills offered at 4% for the 30s, 4 1/8% for 60s and 90s and 4 1/8% for indorsed 120 day bills, 4 1/8% to 4 1/4% for unindorsed.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

Cumulative Sinking Fund

Treasury order dated July 25, 1923, mentioned in previous report, authorizing the purchase for the Cumulative Sinking Fund of \$10,000,000 aggregate face amount of Treasury notes of series C-1925 and / or B-1926 has been completed. Purchases in the following districts were made at not over par for series C-1925 and not over 99 1/4 for series B-1926:

	<u>C-1925</u>	<u>B-1926</u>	<u>Total</u>
Boston	\$ 350,000	\$ 100,000	\$450,000
New York	3,805,200	1,019,000	4,824,200
Philadelphia	557,000	-0-	557,000
Chicago	1,200,000	800,000	2,000,000
St. Louis	892,000	-0-	892,000
Minneapolis	250,000	500,000	750,000
Dallas	526,800	-0-	526,800
T O T A L S	\$7,581,000	\$2,419,000	\$10,000,000

- 4 -

Under date of August 1, 1923 the Treasury authorized the purchase for account of the Cumulative Sinking Fund of \$10,000,000 face amount of Third Liberty Loan 4 1/4% bonds at the market on the Stock Exchange. The following purchases have been made thus far:

	<u>Amount</u>	<u>Range of Prices</u>
New York	\$4,029,000	98 23/32 - 98 30/32
Philadelphia	<u>500,000</u>	98 30/32
	\$4,529,000	
	<u>5,471,000</u>	Unexecuted balance
	<u>\$10,000,000</u>	

Retirement

On August 2 there were offered in markets a moderate amount of September 15, 1923 certificates of which the Treasury authorized the purchase at par of \$2,128,500 par value, which amount represented the balance which the Treasury could expend at the time for this purpose. Purchases under this authorization were made in Boston and New York as follows:

Boston	\$1,000,000	September	4 1/4s
New York	675,000	"	4 1/4s
" "	<u>453,500</u>	"	3 3/4s
	\$2,128,500		

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ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT
OF ALL FEDERAL RESERVE BANKS FROM AUGUST 2 TO AUGUST 8, 1923

GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>	<u>Held Under Sales Contracts</u>
Boston	-0-	--	-0-	--	\$ 1,076,550
New York	-0-	--	-0-	--	5,475,000
Philadelphia	-0-	--	-0-	--	-0-
Cleveland	-0-	--	-0-	--	-0-
Richmond	-0-	--	-0-	--	-0-
Atlanta	500 1,000 <u>25,850</u> \$27,350	B-1925 Notes B-1927 " Misc. Bonds	1,000 <u>16,100</u> \$17,100	B-1927 Notes Misc. Bonds	-0-
Chicago	-0-	--	-0-	--	3,808,400
St. Louis	-0-	--	-0-	--	-0-
Minneapolis	5,000 52,000 10,000 10,000 141,800 66,700 10,000 <u>\$295,500</u>	TD2-1923 Ctfs TM-1924 " C-1925 Notes A-1926 " B-1926 " B-1927 " Misc. Bonds	\$30,000 5,000 62,000 1,000 10,000 128,800 48,700 <u>\$295,500</u>	TS2-1923 Ctfs TD2-1923 " TM-1924 " A-1925 " A-1926 " B-1926 " B-1927 " Misc. Bonds	4,480,000
Kansas City	\$ 1,000 10,000 <u>2,500,000</u> \$2,511,000	TS-1923 Ctfs TS2-1923 " A-1925 Notes	\$100,000	Misc. Bonds	1,000,000
Dallas	-0-	--	-0-	--	-0-
San Francisco	-0-	--	-0-	--	-0-
T O T A L S	<u>\$2,833,850</u>		<u>\$412,600</u>		<u>\$15,839,950</u>

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BANKERS ACCEPTANCES PURCHASED

	<u>Maturity</u>	<u>PURCHASES</u> <u>Amount</u>	<u>Rate</u>	<u>MATURITIES</u> <u>Amount</u>	<u>Held Under</u> <u>Sales Contracts</u>
Boston	1-30 days	\$ 175,000	4%	\$ 1,115,000	\$ 1,283,000
	31-60 "	3,000	4 1/4%		
	61-90 "	213,000	4 1/8% - 4 1/4%		
		\$ 391,000			
New York	1-30 days	\$ 1,038,000	4%	4,147,113	15,094,000
	61-90 "	43,000	4 1/8% - 4 1/4%		
	Over 90 "	1,204,000	4 1/8% - 4 3/8%		
		\$ 2,285,000			
Philadelphia	1-30 days	\$ 67,000	4% - 4 1/8%	1,613,016	-0-
	31-60 "	237,000	4 1/8%		
	61-90 "	1,994,000	4 1/8% - 4 1/4%		
		\$ 2,298,000			
Cleveland	1-30 days	\$ 3,000		2,856,000	33,900
	31-60 "	200,000	4 1/8%		
	In other dis- tricts	5,656,096			
		\$ 5,859,096			
Richmond	31-60 days	60,000	4 1/4%	127,933	-0-
Atlanta		812,723		864,626	-0-
Chicago	1-30 days	97,000	4%	2,458,000	1,343,000
	31-60 "	44,000	4 1/8%		
	61-90 "	630,000	4 1/8% - 4 1/4%		
	In other dis- tricts	890,000			
		\$ 1,661,000			
St. Louis	31-60 days	32,000	4 1/8%	732,000	-0-
Minneapolis	-	-0-		-0-	-0-
Kansas City	-	-0-		-0-	-0-
Dallas	-	-0-		602,687	-0-
San Francisco	1-30 days	141,000		1,022,000	1,712,000
	61-90 "	102,000	4 1/4%		
	In other dis- tricts	695,000			
		\$ 938,000			
TOTALS		\$14,336,819		\$15,538,375	\$19,465,900

DECLASSIFIED

Authority E.O. 12958

1 #2 1
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August 1, 1922.

Dear Sir:

Receipt is acknowledged of your letter of
July 31st, enclosing report of the Committee of
Governors on centralized control of purchases and
sales of Government securities for the week ending
July 29, 1922.

Very truly yours,

G o v e r n o r .

Mr. W. B. Mattoon,
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

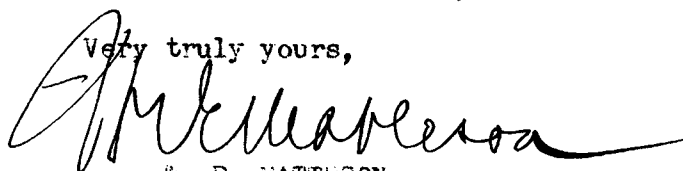
July 31, 1922.

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 July 29, 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 22, 1922, TO CLOSE OF BUSINESS JULY 29, 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 for the purchase of \$450,000. Liberty bonds of any issue at a cost not to exceed par, still remains unfilled.

Alien Property Custodian The Treasury has informed the Committee that on or about August 1, \$41,000,000. would be available for the purchase of Treasury certificates, preferably the 3 1/2% and 3 3/4% issues, for account of the Alien Property Custodian.

Federal reserve banks which had reported substantial holdings of these issues to the Committee were notified and were requested to advise the Committee if they wished to sell some certificates to the Treasury from their own holdings, and if not, to furnish some information as to the possibility of purchasing certificates in the several 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 \$394,700.

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 Transactions in Liberty bonds continued very active on the New York Stock Exchange, with prices in all issues showing great strength throughout the week. Uncalled Victory notes reached 101; while called notes went as low as 100.40.

Treasury certificates and notes were firm with an improvement in prices.

There were no purchases or sales made for the investment account.

Federal Reserve Bank of Philadelphia Reports that Liberty bonds for the past week have continued their upward movement, with all issues reaching higher prices. The activity in Liberty bonds was due mostly to buying on the part of large industrial concerns, insurance companies and savings banks.

The demand for certificates has increased, with prices fractionally higher, with very few certificates in the hands of dealers.

- 2 -

Federal Reserve Bank of Richmond Reported Government securities in active demand at steadily advancing prices. Individuals and small banks furnish the bulk of selling orders with the larger banks, trust companies and insurance companies doing the buying.

Treasury certificates were very quiet, with practically no buying except in New York.

The reserve bank of Richmond sold \$197,600. in Libertys and Victorys for member banks during the week.

Federal Reserve Bank of St. Louis The demand for Government bonds and notes were reported strong and in excess of the local supply, with the result that orders have been filled by purchases in the larger centers.

Treasury certificates have been stagnant, although prices continued strong.

Federal Reserve Bank of Minneapolis Reported purchases of Treasury certificates from member banks totaling \$615,500. and sales to dealers during the week amounting to \$1,239,500.

DECLASSIFIED

Authority E.O. 12958

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FEDERAL RESERVE BANK
OF NEW YORK

1
Open Market Investment Committee
for the Federal Reserve System

33
July 30, 1923

S i r :

Enclosed is a report of transactions in Government securities and bankers acceptances as reported to the Open Market Investment Committee for the Federal Reserve System for the period from July 19 to July 25, 1923 inclusive, together with data received by the Committee from the Federal reserve banks.

Respectfully,

W. B. Matteson

W. B. Matteson
Secretary of the Committee

Honorable D. R. Crissinger,
Governor, Federal Reserve Board,
Washington, D. C.

Encl.

WEEKLY REPORT OF OPEN MARKET INVESTMENT COMMITTEE COVERING PERIOD
JULY 19 TO JULY 25, 1923 (INCLUSIVE)

Comparison of Holdings of Earning Assets by Federal Reserve Banks
from March 28 to July 25, 1923

(000 Omitted)

	TOTAL EARNING ASSETS	DISTRIBUTED AS FOLLOWS:		
		<u>*Government Securities</u>	<u>*Bankers Acceptances</u>	<u>Bills Discounted</u>
Mar. 28	\$1,203,720	\$249,409	\$254,251	\$700,060
Apr. 25	1,104,489	193,810	274,041	636,638
May 29	1,178,156	189,288	257,818	731,050
June 27	1,114,219	134,976	204,225	774,963
July 3	1,223,477	94,701	198,912	929,839
" 11	1,133,916	101,238	186,284	846,369
" 18	1,086,915	97,955	183,121	805,829
" 25	1,033,697	96,284	176,864	760,539
Net change (Mar. 28 to July 25)	\$ 170,023 -	\$153,125 -	\$ 77,387 -	\$ 60,479 +

*Including sales contracts

Changes in Holdings of Government Securities and Bankers Acceptances
By Federal Reserve Banks (Exclusive of Sales Contracts)

During the Week Ending July 25, 1923

(000 Omitted)

	<u>Government Securities</u>			<u>Bankers Acceptances</u>		
	<u>Balance July 25</u>	<u>Balance July 18</u>	<u>Net Change</u>	<u>Balance July 25</u>	<u>Balance July 18</u>	<u>Net Change</u>
Boston	\$ 3,560	\$ 3,560	-0-	\$13,572	\$ 12,085	\$1,487 +
New York	1,149	1,149	-0-	25,567	27,569	2,002 -
Philadelphia	17,382	17,382	-0-	20,313	20,584	272 -
Cleveland	10,202	10,202	-0-	26,602	21,815	4,787 +
Richmond	1,341	1,341	-0-	1,881	1,937	56 -
Atlanta	194	277	83 -	4,640	4,462	178 +
Chicago	6,257	6,257	-0-	43,022	41,582	1,440 +
St. Louis	7,251	7,251	-0-	3,111	3,446	335 -
Minneapolis	7,364	7,364	-0-	-0-	-0-	-0-
Kansas City	10,356	10,286	70 +	26	26	-0-
Dallas	1,779	1,779	-0-	2,627	7,782	5,155 -
San Francisco	9,185	9,185	-0-	14,456	15,375	919 -
T O T A L	\$76,020	\$76,033	\$ 13 -	\$155,817	\$156,663	\$ 846 -

- 2 -

DIGEST OF REPORTS RECEIVED FROM ALL FEDERAL RESERVE BANKS
SHOWING DATA REGARDING GOVERNMENT SECURITIES AND OPEN
BILL MARKET CONDITIONS IN ALL DISTRICTS

Government Securities

Government security holdings of all Federal reserve banks showed a net reduction during the week of \$13,000.

According to reports received from the various districts the Liberty Loan market has remained quiet during the period with prices generally firm. Certificates of indebtedness and the several issues of Treasury notes which are quoted in the market at a premium, have been dull, while on the other hand there has been a somewhat active demand for the issues of notes which are selling at a discount.

The Cleveland and St. Louis districts state that there has been a strong demand for the Treasury notes of all issues as well as an unusual demand for Third Liberty Loan bonds during the latter part of the week.

Call money which held firm at 5% during the early part of the period displayed a slightly easier tone toward the close with rates ruling from $4\frac{1}{2}\%$ to $4\frac{3}{4}\%$. Commercial paper trading has been quiet, the ruling rate for prime names holding at 5% with $5\frac{1}{4}\%$ for others.

Bankers Acceptances

A net reduction of \$846,000 in the bill holdings of all Federal reserve banks occurred during the week.

With the exception of the Boston, New York and Chicago districts there was very little activity in bankers acceptances with few bills offered and very little demand. Chicago reports that the supply is increasing and demand fair for short maturities and that bills of six months' maturity move slowly. Boston reports that the supply of new bills was not large and consisted of sugar bills mostly of 90 day maturity. The demand was erratic but with continued improvement from country banks, 30 and 60 day maturities being in best demand.

- 3 -

The supply of new bills offered in the New York market during the week was small. Dealers reported that fairly substantial amounts of bills were sold to foreign accounts, this volume being sufficient to offset a substantial decrease in the amount of sales locally so that rates were maintained firmly at previous levels.

Bill rates remain unchanged at previous levels for both indorsed and unindorsed at 4% for the 30s and 4 1/8% for the 60s and 90s.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

Cumulative Sinking Fund

Treasury orders of July 11 and 13 authorizing the purchase for account of the Cumulative Sinking Fund of \$15,000,000 face amount Treasury notes of Series C-1925 and/or B-1926 has now been completed by the following purchases in the various districts:

	<u>C-1925</u>	<u>B-1926</u>	<u>Total</u>
Boston	\$ 3,192,500	\$ 450,000	\$ 3,642,500
Philadelphia	2,000,000	250,000	2,250,000
Atlanta	30,000	- 0 -	30,000
Chicago	1,450,000	100,000	1,550,000
St. Louis	107,500	350,000	457,500
Minneapolis	520,000	- 0 -	520,000
Kansas City	1,500,000 *	- 0 -	1,500,000
Dallas	900,000	225,000	1,125,000
San Francisco	<u>3,900,000</u>	<u>25,000</u>	<u>3,925,000</u>
	\$13,600,000	\$1,400,000	\$15,000,000

* from own holdings

- 4 -

Retirement

Treasury order of July 13 mentioned in previous report authorizing purchase at par for retirement of up to \$10,000,000 aggregate face amount of certificates of indebtedness of either series maturing September 15, 1923, subsequently increased to \$10,643,000 has now been completed with participation as follows:

Boston	\$ 250,000	September 4 1/4s
New York	10,089,000	" 3 3/4s
Richmond	26,000	" 3 3/4s
Chicago	<u>278,000</u>	" 3 3/4s
	\$10,643,000	

Under date of July 24, 1923 the Treasury authorized the purchase for retirement, on the market at prevailing market prices but not exceeding par, of up to \$5,000,000 aggregate face amount Treasury certificates of indebtedness of either series maturing December 15, 1923. The Committee immediately advised all banks of this order and purchases of \$2,310,000 have been made thus far:

Boston	\$ 500,000
Philadelphia	500,000
Chicago	500,000
St. Louis	410,000
Minneapolis	200,000
Dallas	<u>200,000</u>
	<u>\$2,310,000</u>

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ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT
OF ALL FEDERAL RESERVE BANKS FROM JULY 19 TO JULY 25, 1923

	<u>GOVERNMENT SECURITIES</u>				<u>Held Under</u>
	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>	<u>Sales Contracts</u>
Boston	- 0 -	-	- 0 -	-	\$ 331,450
New York	- 0 -	-	- 0 -	-	11,086,400
Philadelphia	- 0 -	-	- 0 -	-	- 0 -
Cleveland	- 0 -	-	- 0 -	-	- 0 -
Richmond	- 0 -	-	- 0 -	-	- 0 -
Atlanta	24,000	TD-2-1923 Ctfs	30,000	TD-1923 Ctfs	- 0 -
	200	B-1925 Notes	24,000	TD-2-1923 "	
	215,800	A-1927 "	200	B-1925 Notes	
	100,000	B-1927 "	30,000	C-1925 "	
	<u>23,100</u>	Misc. Bonds	215,800	A-1927 "	
	\$363,100		100,000	B-1927 "	
			<u>45,950</u>	Misc. Bonds	
			\$445,950		
Chicago	- 0 -	-	- 0 -	-	3,770,100
St. Louis	- 0 -	-	- 0 -	-	- 0 -
Minneapolis	5,000	TS-2-1923 Ctfs	5,000	TS-2-1923 Ctfs	3,940,000
	32,500	TD-2-1923 "	32,500	TD-2-1923 "	
	23,000	TM-1924 "	35,000	TM-1924 "	
	66,300	A-1925 Notes	36,000	A-1925 Notes	
	5,000	B-1925 "	541,500	C-1925 "	
	541,500	C-1925 "	10,000	A-1926 "	
	10,000	A-1926 "	24,000	A-1927 "	
	167,300	B-1927 "	176,600	B-1927 "	
	<u>16,500</u>	Misc. Bonds	<u>6,500</u>	Misc. Bonds	
	\$867,100		\$867,100		
Kansas City	\$ 70,000	B-1927 Notes	- 0 -	-	1,135,000
Dallas	- 0 -	-	- 0 -	-	- 0 -
San Francisco	<u>- 0 -</u>	-	<u>- 0 -</u>	-	<u>- 0 -</u>
T O T A L S	<u>\$1,300,200</u>		<u>\$1,313,050</u>		<u>\$20,262,950</u>

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FEDERAL RESERVE BANK
OF NEW YORK

4/21
Open Market Investment Committee
for the Federal Reserve System

7/23/23

333
W. B. Matteson
DIX

CONFIDENTIAL

S i r :

Enclosed is a report of transactions in Government securities and bankers acceptances as reported to the Open Market Investment Committee for the Federal Reserve System for the period from July 12 to July 18, 1923 inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,

W. B. Matteson
W. B. Matteson
Secretary of the Committee

Enclosure

Honorable D. R. Crissinger,
Governor, Federal Reserve Board,
Washington, D. C.

WEEKLY REPORT OF OPEN MARKET INVESTMENT COMMITTEE COVERING PERIOD
JULY 12 TO JULY 18, 1923 (INCLUSIVE)

Comparison of Holdings of Earning Assets by Federal Reserve Banks
from March 28 to July 18, 1923
(000 Omitted)

	TOTAL EARNING ASSETS	DISTRIBUTED AS FOLLOWS:		
		*Government Securities	*Bankers Acceptances	Bills Discounted
Mar. 28	\$1,203,720	\$249,409	\$254,251	\$700,060
Apr. 25	1,104,489	193,810	274,041	636,638
May 29	1,178,156	189,288	257,818	731,050
June 27	1,114,219	134,976	204,225	774,963
July 3	1,223,477	94,701	198,912	929,839
" 11	1,133,916	101,238	186,284	846,369
" 18	1,086,915	97,955	183,121	805,829
Net change (Mar. 28 to July 18)	\$ 116,805-	\$151,454-	\$ 71,130-	\$105,769+

*Including sales contracts

Changes in Holdings of Government Securities and Bankers Acceptances
By Federal Reserve Banks (Exclusive of Sales Contracts)
During the Week Ending July 18, 1923
(000 Omitted)

	Government Securities			Bankers Acceptances		
	Balance July 18	Balance July 11	Net Change	Balance July 18	Balance July 11	Net Change
Boston	\$ 3,560	\$ 3,560	-0-	\$12,085	\$ 13,821	\$1,736-
New York	1,149	1,149	-0-	27,569	22,690	4,879+
Philadelphia	17,382	17,382	-0-	20,584	19,879	705+
Cleveland	10,202	10,402	200-	21,815	22,477	662-
Richmond	1,341	1,341	-0-	1,937	1,932	5+
Atlanta	277	232	45+	4,462	6,800	2,338-
Chicago	6,257	6,257	-0-	41,582	38,348	3,234+
St. Louis	7,251	7,251	-0-	3,446	4,446	1,000-
Minneapolis	7,364	7,364	-0-	-0-	-0-	-0-
Kansas City	10,286	11,889	1,603-	26	26	-0-
Dallas	1,779	1,779	-0-	7,782	10,867	3,085-
San Francisco	9,185	9,185	-0-	15,375	17,017	1,642-
T O T A L	\$76,033	\$77,791	\$1,758-	\$156,663	\$158,303	\$1,640-

- 2 -

DIGEST OF REPORTS RECEIVED FROM ALL FEDERAL RESERVE BANKS
SHOWING DATA REGARDING GOVERNMENT SECURITIES AND OPEN
BILL MARKET CONDITIONS IN ALL DISTRICTS

Government Securities

A net reduction of \$1,758,000 in the Government security holdings of all Federal reserve banks occurred during the week.

Reports received from the various districts indicate that the market for Government securities has remained very quiet during the period with little fluctuation over the previous week. Certificates of indebtedness and Treasury notes have been dull except for stimulus in demand for Series C-1925 and B-1926 notes due to Government purchasing, and a slight outside demand for A-1927 notes.

The Cleveland district report a continued good market for all Government securities with prices holding firm and buying orders in district continuing to exceed selling orders by a wide margin. Atlanta reports a strong market for Liberty Loan bonds with purchases exceeding sales while holders of Treasury certificates and notes have been inclined to sell rather than buy.

Call money rates ranged from 4 1/2% to 5 1/2% during the week. The market was relatively firm throughout, most loans going at 5% which rate was stoutly maintained by lenders despite the lightness of demand.

Bankers Acceptances

Reductions of \$1,640,000 in the bill holdings of all Federal reserve banks occurred during the week.

Any improvement noticeable in bill market conditions seems centered around the Boston and New York districts, the other banks reporting dull inactive markets, with few bills offered and very little demand. Boston reports a decreased bill supply confined largely to sugar and packers' bills. Demand is spotty but seems to be improving with sales well distributed, out-of-town banks being better buyers than for sometime. Aggregate sales though not large were

- 3 -

much improved over previous week, 30 and 60 day bills finding a ready market with an unsatisfied demand. There was considerable improvement in the New York market during the past week with a substantial increase in the demand with a moderate supply, some dealers reporting an increase of salt water bills in the market. Sales were larger than in any one week since early in May and resulted in a reduction of about \$6,500,000 in dealers aggregate portfolios. Offerings to Federal reserve banks were light. Boston's portfolio decreased about \$3,000,000 while increase in New York's portfolio was due to purchases from the Federal Reserve Bank of Dallas and foreign correspondents.

Rates remain on previously current levels, endorsed and unendorsed bills offered at 4% for the 30s and 4 1/8% for the 60 and 90s.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

Cumulative Sinking Fund

Treasury order of July 6 authorizing the purchase, for account of the Cumulative Sinking Fund, of \$10,000,000 face amount Third Liberty Loan 4 1/4% bonds, at the market, on the Stock Exchange has been completed by the following purchases:

	<u>Amount</u>	<u>Range of Prices</u>
Boston	\$ 1,100,000	98 28/32 - 98 31/32
New York	7,570,000	98 22/32 - 98 31/32
Philadelphia	<u>1,330,000</u>	98 22/32 - 98 31/32
Total.....	<u>\$10,000,000</u>	

Treasury orders dated July 11 and 13 authorized the purchase for account of the Cumulative Sinking Fund of \$15,000,000 face amount of Treasury notes of Series C-1925 and/or B-1926, such purchases to be made at prevailing market prices not exceeding par, in the outside market or from holdings of Federal reserve banks or dealers.

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Kansas City applied on this order \$1,500,000 C-1925 notes from their own portfolio. Participation by the various districts has been made as follows at prices not exceeding par for the C-1925 notes and 99 1/16 for series B-1926:

	<u>C-1925</u>	<u>B-1926</u>	<u>Total</u>
Boston	\$1,095,000	\$ 200,000	\$ 1,295,000
Philadelphia	1,000,000	250,000	1,250,000
Atlanta	30,000	-0-	30,000
Chicago	1,450,000	100,000	1,550,000
St. Louis	107,500	350,000	457,500
Minneapolis	500,000	-0-	500,000
Kansas City	1,500,000 *	-0-	1,500,000
San Francisco	<u>400,000</u>	<u>-0-</u>	<u>400,000</u>
	\$6,082,500	\$900,000	\$6,982,500

* from own holdings

Retirement

Under date of July 13, 1923 the Treasury authorized the purchase at par for retirement of up to \$10,000,000 aggregate face amount of certificates of indebtedness of either series maturing September 15, 1923. The Committee immediately advised all banks of this order and replies received from the various districts indicated that there were very few September certificates available in local markets. Total purchases thus far reported are:

New York	\$ 1,887,000
Chicago	<u>278,000</u>
	<u>\$ 2,165,000</u>

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ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT
OF ALL FEDERAL RESERVE BANKS FROM JULY 12 TO JULY 18, 1923

GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>	<u>Held Under Sales Contracts</u>
Boston	-0-	-	-0-	-	\$ 1,114,050
New York	-0-	-	-0-	-	9,810,800
Philadelphia	-0-	-	-0-	-	-0-
Cleveland	-0-	-	100,000 <u>100,000</u> \$200,000	TS-1923 Ctfs TM-1924 "	-0-
Richmond	-0-	-	-0-	-	-0-
Atlanta	30,000 30,000 100,000 75,500 <u>53,600</u> \$289,100	TD-1923 Ctfs C-1925 Notes A-1927 " B-1927 " Misc. Bonds	15,000 1,000 100,000 75,500 <u>52,600</u> \$244,100	TM-1924 Ctfs B-1925 Notes A-1927 " B-1927 " Misc. Bonds	-0-
Chicago	-0-	-	-0-	-	6,210,500
St. Louis	-0-	-	-0-	-	-0-
Minneapolis	12,500 67,000 168,000 110,000 20,000 2,475,000 30,000 25,000 2,512,500 60,900 141,600 <u>\$5,622,500</u>	TS-1923 Ctfs TS2-1923 " TD2-1923 " TM-1924 " A-1924 Notes B-1924 " A-1925 " C-1925 " B-1926 " A-1927 " B-1927 " Misc. Bonds	22,500 67,000 10,000 168,000 75,000 20,000 2,475,000 30,000 25,000 2,512,800 36,900 130,300 <u>50,000</u> \$5,622,500	TS-1923 Ctfs TS2-1923 " TD-1923 " TD2-1923 " TM-1924 " A-1924 Notes B-1924 " A-1925 " C-1925 " B-1926 " A-1927 " B-1927 " Misc. Bonds	3,620,300
Kansas City	-0-	-	1,500,000 3,000 <u>100,000</u> \$1,603,000	C-1925 Notes B-1927 " Misc. Bonds	1,165,000
Dallas	-0-	-	-0-	-	-0-
San Francisco	-0-	-	-0-	-	-0-
T O T A L S	\$5,911,600		\$7,669,600		\$21,920,650

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BANKERS ACCEPTANCES PURCHASED

	<u>Maturity</u>	<u>PURCHASES</u> <u>Amount</u>	<u>Rate</u>	<u>MATURITIES</u> <u>Amount</u>	<u>Held under</u> <u>Sales Contracts</u>
Boston	1-30 days	\$ 179,000	4 - 4 1/8%	\$2,352,000	\$ 4,688,000
	31-60 "	96,000	4 1/8 - 4 1/4%		
	61-90 "	341,000	4 1/8 - 4 1/4%		
		<u>\$ 616,000</u>			
New York	1-30 days	4,709,000	4 - 4 1/8%	4,032,121	17,842,128
	31-60 "	1,132,000	4 1/8 - 4 1/4%		
	61-90 "	2,405,000	4 1/8 - 4 3/8%		
	Over 90 "	665,000	4 1/8 - 4 3/8%		
		<u>\$8,911,000</u>			
Philadelphia	1-30 days	248,000	4 - 4 1/8%	1,855,026	-0-
	31-60 "	119,000	4 1/8%		
	61-90 "	2,193,000	4 1/8 - 4 1/4%		
		<u>\$2,560,000</u>			
Cleveland	31-60 days	39,968	4 1/8%	2,168,000	37,900
	61-90 "	50,000	4 1/8%		
	In other dis- tricts	<u>1,416,000</u>			
		<u>\$1,505,968</u>			
Richmond	31-60 days	130,000	4 1/4%	150,000	-0-
	61-90 "	25,000	4 1/4%		
		<u>\$ 155,000</u>			
Atlanta		179,541		2,517,867	-0-
Chicago	1-30 days	313,000	4 - 4 1/8%	4,708,000	1,579,000
	31-60 "	428,000	4 1/8 - 4 1/4%		
	61-90 "	2,098,000	4 1/8 - 4 1/4%		
	In other dis- tricts	<u>5,103,000</u>			
		<u>\$7,942,000</u>			
St. Louis	-	-0-	-	1,000,000	-0-
Minneapolis	-	-0-	-	-0-	-0-
Kansas City	-	-0-	-	-0-	-0-

- 7 -

	<u>Maturity</u>	<u>PURCHASES</u> <u>Amount</u>	<u>Rate</u>	<u>MATURITIES</u> <u>Amount</u>	<u>Held Under</u> <u>Sales Contracts</u>
Dallas	In other districts	\$ 309,738		\$ 895,212 2,500,163 (Sold FRB.N.Y.) \$3,395,375	-0-
San Francisco	31-60 days	5,000	4 1/4%	2,900,000	\$ 1,266,000
	61-90 "	186,000	4 1/4%		
	In other districts	<u>1,067,000</u>	4 1/8 - 4 3/8		
		\$ 1,258,000			
TOTALS		<u>\$23,437,247</u>		<u>\$25,078,389</u>	<u>\$25,413,028</u>

DECLASSIFIED

Authority E.O. 12958

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July 18, 1923.

Dear Sir:

Receipt is acknowledged of your letter of the 16th instant, addressed to Governor Crissinger, enclosing a report of transactions in Government securities and bankers acceptances as reported to the Open Market Investment Committee for the Federal Reserve System for the period from July 5 to July 11, 1923 inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,

Walter L. Eddy,
Assistant Secretary.

Mr. W. B. Matteson, Secretary,
Open Market Investment Committee,
Federal Reserve Bank,
New York, N. Y.

FEDERAL RESERVE BANK
OF NEW YORK

*WBS
JAL*

Open Market Investment Committee
for the Federal Reserve System

CONFIDENTIAL

July 16, 1923

S i r :

Enclosed is a report of transactions in Government securities and bankers acceptances as reported to the Open Market Investment Committee for the Federal Reserve System for the period from July 5 to July 11, 1923 inclusive, together with data received by the Committee from the Federal reserve banks.

Respectfully,

W B Matteson

W. B. Matteson
Secretary of the Committee

Honorable D. R. Crissinger,
Governor, Federal Reserve Board,
Washington, D. C.

Enclosure

WEEKLY REPORT OF OPEN MARKET INVESTMENT COMMITTEE COVERING PERIOD
JULY 5 TO JULY 11, 1923 (INCLUSIVE)

Comparison of Holdings of Earning Assets by Federal Reserve Banks
from March 28 to July 11, 1923
(000 Omitted)

	TOTAL EARNING ASSETS	DISTRIBUTED AS FOLLOWS:		
		*Government Securities	*Bankers Acceptances	Bills Discounted
Mar. 28	\$1,203,720	\$249,409	\$254,251	\$700,060
Apr. 25	1,104,489	193,810	274,041	636,638
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June 27	1,114,219	134,976	204,225	774,963
July 3	1,223,477	94,701	198,912	929,839
" 11	1,133,916	101,238	186,284	846,369
Net change (Mar. 28 to July 11) \$	69,804-	\$148,171-	\$ 67,967-	\$146,309+

*Including sales contracts

Changes in Holdings of Government Securities and Bankers Acceptances
by Federal Reserve Banks (Exclusive of Sales Contracts)
During the Week Ending July 11, 1923
(000 Omitted)

	Government Securities			Bankers Acceptances		
	Balance July 11	Balance July 3	Net Change	Balance July 11	Balance July 3	Net Change
Boston	\$ 3,560	\$ 3,560	-0-	\$ 13,821	\$ 14,648	\$ 827-
New York	1,149	1,149	-0-	22,690	19,741	2,949+
Philadelphia	17,382	17,382	-0-	19,879	19,309	570+
Cleveland	10,402	10,402	-0-	22,477	25,103	2,626-
Richmond	1,341	1,341	-0-	1,932	2,253	321-
Atlanta	232	221	11+	6,800	8,144	1,344-
Chicago	6,257	6,257	-0-	38,348	42,460	4,112-
St. Louis	7,251	7,251	-0-	4,446	5,979	1,533-
Minneapolis	7,364	7,310	54+	-0-	-0-	-0-
Kansas City	11,889	11,887	2+	26	26	-0-
Dallas	1,779	1,779	-0-	10,867	12,071	1,204-
San Francisco	9,185	9,185	-0-	17,017	20,488	3,471-
T O T A L	\$77,791	\$77,724	\$67+	\$158,303	\$170,222	\$11,919-

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DIGEST OF REPORTS RECEIVED FROM ALL FEDERAL RESERVE BANKS
SHOWING DATA REGARDING GOVERNMENT SECURITIES AND OPEN
BILL MARKET CONDITIONS IN ALL DISTRICTS

Government Securities

An increase of \$67,000 in the Government security holdings of all Federal reserve banks occurred during the week.

Notwithstanding the decline in the general bond market, Liberty Loan bonds during the period have held extremely steady with net changes fractionally higher in practically all issues. Government buying of Thirds has strengthened that issue and this action has been reflected in the prices for Seconds and Fourths. Certificates of indebtedness have shown little change in price levels and Treasury notes, although offered in the market in considerable quantities in excess of demand, registered only slight declines from the previous week.

Philadelphia reports fractional advances in Treasury certificates and notes with a fair demand for investments of this character from corporations while Cleveland reports a continued good demand for all Government securities with prices firming and no indication of recession.

The week's rates in the call money market ranged from 4 1/2% to 6% as compared with 4% to 6% the previous week. Except for an early firmness, due to the calling of loans for redemption of large amounts of railway notes and Government withdrawal of funds, the market ruled easy and there appears to be ample funds available when the rate is 5% or better.

Bankers Acceptances

Reductions of \$11,919,000 in the bill holdings of all Federal reserve banks occurred during the week.

While Boston, New York and Chicago report slightly improved bill market conditions with increased activity, Philadelphia and Cleveland report an inactive dull market with very little demand and supply limited. In the East the supply was good as a result of offerings of dollar exchange and sugar bills in Boston and a

- 3 -

supply of three and four month bills coming into the New York market. Banks were considerable sellers to the market, induced by higher money rates during the first half of the week and reduced deposits. The market absorption of these offerings brought dealers portfolios to within the highest point of the year. The bill supply seems to be considerably better than the demand and dealers are unable to turn their portfolios on some names in less than 30 days. Distribution was a little more general and local sales exceeded out of town sales in New York while Chicago reports improved country buying, the best demand being for 60 and short 90-day bills.

Rates hold firm in expectation of easier money conditions during the balance of the month, indorsed and unindorsed bills offered at 4% for the 30s and 4 1/8% for the 60s and 90s.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

Retirement

Treasury order of June 16 authorizing the purchase at par, for retirement, of up to \$10,000,000 face amount of certificates of indebtedness of either series maturing September 15, 1923, subsequently increased to \$10,967,500, has now been completed by the following purchases:

Boston	\$ 50,000	September	3 3/4s
New York	10,630,500	"	3 3/4s
Richmond	44,000	"	3 3/4s
	30,000	"	4 1/4s
St. Louis	33,000	"	3 3/4s
Dallas	80,000	"	3 3/4s
	100,000	"	4 1/4s
Total	\$10,967,500		

Civil Service Retirement and Disability Fund

Treasury order of July 3 authorized the purchase for account Civil Service Retirement and Disability Fund of \$5,000,000 aggregate face amount Treasury notes of series A-1927 maturing December 15, 1927 and also \$5,000,000 face amount of Treasury certificates of indebtedness of either series maturing

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December 15, 1923, at the market but not more than par, for delivery July 5 or as soon as practicable thereafter. The Committee advised all banks of this order and the following purchases, completing the authorization, were made in the various districts:

	<u>A-1927</u> <u>Treas. Notes</u>	<u>Dec. 15, 1923</u> <u>Certificates</u>
Boston	\$1,000,000	\$ 750,000
New York	1,305,000	1,310,000
Philadelphia	1,000,000	750,000
Cleveland	157,000	902,500
Chicago	-0-	750,000
St. Louis	538,000	28,500
Minneapolis	500,000	109,000
Dallas	-0-	400,000
San Francisco	500,000	-0-
 Total	 \$5,000,000	 \$5,000,000

Cumulative Sinking Fund

Under date of July 6, 1923 the Treasury authorized the purchase for account of the Cumulative Sinking Fund of \$10,000,000 face amount Third Liberty Loan 4 1/4% bonds at the market on the Stock Exchange. The following purchases have been made thus far:

	<u>Amount</u>	<u>Range of Prices</u>
New York	\$ 2,033,000	98 22/32 - 98 28/32
Philadelphia	1,000,000	98 22/32 - 98 25/32
	<u>\$ 3,033,000</u>	
	<u>6,967,000</u>	Unexecuted balance
	<u>\$10,000,000</u>	

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ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT
OF ALL FEDERAL RESERVE BANKS FROM JULY 5 TO JULY 11, 1923

GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>	<u>Held Under Sales Contracts</u>
Boston	-0-	-	-0-	-	\$ 879,300
New York	-0-	-	-0-	-	8,823,500
Philadelphia	-0-	-	-0-	-	-0-
Cleveland	-0-	-	-0-	-	-0-
Richmond	-0-	-	-0-	-	-0-
Atlanta	25,000 TD2-1923 Ctfs		25,000 TD2-1923 Ctfs		-0-
	65,000 TM-1924 "		50,000 TM-1924 "		
	100,000 A-1924 Notes		100,000 A-1924 Notes		
	1,000 B-1925 "		1,900 B-1925 "		
	1,000 C-1925 "		1,000 C-1925 "		
	115,000 B-1927 "		100 A-1927 "		
	14,050 Misc. Bonds		115,000 B-1927 "		
			16,500 Misc. Bonds		
	<u>\$321,050</u>		<u>\$309,500</u>		
Chicago	-0-	-	-0-	-	5,720,300
St. Louis	-0-	-	-0-	-	-0-
Minneapolis	10,000 TS-1923 Ctfs		23,000 TS2-1923 Ctfs		6,020,300
	23,000 TS2-1923 "		424,000 TD2-1923 "		
	10,000 TD-1923 "		23,000 TM-1924 "		
	424,000 TD2-1923 "		6,000 A-1924 Notes		
	23,000 TM-1924 "		6,300 A-1925 "		
	300 A-1925 Notes		20,700 B-1925 "		
	20,700 B-1925 "		305,000 C-1925 "		
	305,000 C-1925 "		500 A-1926 "		
	5,000 A-1926 "		521,500 A-1927 "		
	300 B-1926 "		52,000 B-1927 "		
	521,500 A-1927 "				
	52,000 B-1927 "				
	41,000 Misc. Bonds				
	<u>\$1,435,800</u>		<u>\$1,382,000</u>		
Kansas City	2,000 TM-1924 Ctfs		-0-	-	2,000,000
Dallas	-0-	-	-0-	-	-0-
San Francisco	-0-	-	-0-	-	-0-
T O T A L S	<u>\$1,758,850</u>		<u>\$1,691,500</u>		<u>\$23,443,400</u>

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BANKERS ACCEPTANCES PURCHASED

	<u>Maturity</u>	<u>PURCHASES</u> <u>Amount</u>	<u>Rate</u>	<u>MATURITIES</u> <u>Amount</u>	<u>Held Under</u> <u>Sales Contracts</u>
Boston	1-30 days	\$ 741,000	4 - 4 1/8%	\$ 2,466,000	\$ 5,722,000
	31-60 "	180,000	4 1/8 - 4 1/2%		
	61-90 "	718,000	4 1/8 - 4 1/4%		
		<u>\$1,639,000</u>			
New York	1-30 days	4,236,000	4 - 4 1/8%	3,351,475	18,983,000
	31-60 "	391,000	4 1/8 - 4 1/4%	<u>1,338,982</u>	(sold
	61-90 "	795,000	4 1/8 - 4 1/4%		F.R.B.
	Over 90 "	<u>2,217,000</u>	4 1/8 - 4 3/8%	<u>\$4,690,457</u>	Chic-)
		<u>\$7,639,000</u>			
Philadelphia	1-30 days	\$ 619,000	4 - 4 1/8%	2,360,030	-0-
	31-60 "	535,000	4 1/8%		
	61-90 "	<u>1,776,000</u>	4 1/8 - 4 3/8%		
		<u>\$2,930,000</u>			
Cleveland	In other districts	\$ 888,320		3,514,000	-0-
Richmond	61-90 days	23,000	4 1/4%	343,649	-0-
Atlanta		683,917		2,028,013	-0-
Chicago	31-60 days	190,000	4 1/8%	12,311,000	793,000
	61-90 "	794,000	4 1/8%		
	In other districts	<u>7,215,000</u>			
		<u>\$8,199,000</u>			
St. Louis	-	-0-	-	1,533,000	-0-
Minneapolis	-	-0-	-	-0-	-0-
Kansas City	-	-0-	-	-0-	-0-
Dallas	In other districts	1,289,461		1,480,140	-0-
				<u>1,012,945</u>	(Sold
					F.R.B.
				<u>\$2,493,085</u>	N.Y.)
San Francisco	31-60 days	105,000	4 1/8%	4,281,000	1,812,000
	In other districts	<u>705,000</u>	4 - 4 3/8%		
		<u>\$810,000</u>			
TOTALS		<u>\$24,101,698</u>		<u>\$36,020,234</u>	<u>\$27,310,000</u>

E.F.

#21

333 /

July 11, 1923

Dear Mr. Matteson:

Receipt is acknowledged of your letter of the 10th instant, enclosing copy of report of transactions in Government securities and bankers acceptances, as reported to the Open Market Investment Committee for the Federal Reserve System for the period from June 28, 1923 to July 3, 1923, inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,

(Signed) W. L. Eddy

Walter L. Eddy,
Assistant Secretary.

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

FEDERAL RESERVE BANK
OF NEW YORK

Open Market Investment Committee
for the Federal Reserve System

E. F. H.
G. M. H.
one

CONFIDENTIAL

July 10, 1923

S i r :

Enclosed is a report of transactions in Government securities and bankers acceptances as reported to the Open Market Investment Committee for the Federal Reserve System for the period from June 28 to July 3, 1923 inclusive, together with data received by the Committee from the Federal reserve banks.

Respectfully,

W. B. Matteson

W. B. Matteson
Secretary of the Committee

Honorable D. R. Crissinger,
Governor, Federal Reserve Board,
Washington, D. C.

Enclosure

WEEKLY REPORT OF OPEN MARKET INVESTMENT COMMITTEE COVERING PERIOD
JUNE 28 TO JULY 3, 1923 (INCLUSIVE)

Comparison of Holdings of Earning Assets by Federal Reserve
Banks from March 28 to July 3, 1923
(000 Omitted)

	TOTAL EARNING ASSETS	DISTRIBUTED AS FOLLOWS:		
		*Government Securities	*Bankers Acceptances	Bills Discounted
Mar. 28	\$1,203,720	\$249,409	\$254,251	\$700,060
Apr. 25	1,104,489	193,810	274,041	636,638
May 29	1,178,156	189,288	257,818	731,050
June 6	1,165,961	182,751	248,234	734,976
" 13	1,084,638	158,100	218,618	707,920
" 20	1,058,401	121,529	205,716	731,101
" 27	1,114,219	134,976	204,225	774,963
July 3	1,223,477	94,701	198,912	929,839
Net change (March 28 to July 3)	19,757+	\$154,708-	\$ 55,339-	\$229,779+

*Including dealers' sales contracts

Changes in Holdings of Government Securities and Bankers Acceptances
by Federal Reserve Banks (Exclusive of Sales Contracts)
During the Week Ending July 3, 1923
(000 Omitted)

	Government Securities			Bankers Acceptances		
	Balance July 3	Balance June 27	Net Change	Balance July 3	Balance June 27	Net Change
Boston	\$ 3,560	\$ 3,560	-0-	\$ 14,648	\$ 14,059	\$ 589+
New York	1,149	1,149	-0-	19,741 ✓	20,745 ✓	1,004-
Philadelphia	17,382	17,682	300-	19,309	19,509	200-
Cleveland	10,402	10,301	101+	25,103	27,591	2,488-
Richmond	1,341	1,341	-0-	2,253	1,778	475+
Atlanta	221	323	102-	8,144	9,652	1,508-
Chicago	6,257	6,257	-0-	42,460	41,839 ✓	621+
St. Louis	7,251	8,403	1,152-	5,979	7,061	1,082-
Minneapolis	7,310	7,365	55-	-0-	-0-	-0-
Kansas City	11,887	24,183	12,296-	26	26	-0-
Dallas	1,779	1,779	-0-	12,071	12,638	567-
San Francisco	9,185	9,185	-0-	20,488	18,796	1,692+
T O T A L	\$77,724	\$91,528	\$13,804-	\$170,222	\$173,694	\$3,472-

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DIGEST OF REPORTS RECEIVED FROM ALL FEDERAL RESERVE BANKS
SHOWING DATA REGARDING GOVERNMENT SECURITIES AND OPEN
BILL MARKET CONDITIONS IN ALL DISTRICTS

Government Securities

Government security holdings of all Federal reserve banks have shown a reduction during the week of \$13,804,000.

Reports received from the various districts indicate that the Government security markets have not exhibited any marked amount of activity during this period. Although somewhat depressed, prior to the heavy July 1 money requirements, prices have improved considerably from the low levels of the previous week and at present show a firmer tendency. The market for certificates and notes was stimulated during the past week by a substantial amount of Government buying which has been the principal element in an otherwise quiet market.

With first of the month requirements for interest and dividend payments and the needs of commercial business out of the way the money market found itself again in large supply of funds with the result that call money rates broke sharply from 6% to 5% on July 2 and to 4% on July 3.

Cleveland reports that buying orders predominate in their district with very few sellers, while Minneapolis reports an active market all week with best demand for Third Liberty Loan bonds and B-1927 notes. Kansas City reports that the demand for Government securities has increased, exceeding the local supply.

Bankers Acceptances

There was a net reduction of \$3,472,000 in the bill holdings of Federal reserve banks during the week.

The banks in the various districts report very little activity during the past week in the volume of acceptance business done in their districts. Money conditions, due to the end of the half year, resulted in transactions in the New York bill market being principally directed to easier money conditions in July and most important sales were made for delivery after July 1. As a result, while dealers bought freely during the last days of June, their portfolios showed a net

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decline on July 3. Boston reports a good supply of sugar and cotton bills coming into the market in large blocks, with the best demand for 60s and short 90s. The demand for short bills exceeded the supply there, as well as in the New York market. The other districts report only fair and moderate supplies with the demand on the part of local banks and corporations being unimportant and merely routine from the interior.

Rates remain unchanged, indorsed and unindorsed bills being offered at 4% for the 30s and 4 1/8% for the 60s and 90s.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

Additional purchases of \$4,350,000 certificates have been made during the period on Treasury order of June 16 authorizing the purchase at par, for retirement, of up to \$10,000,000 face amount of certificates of indebtedness of either series maturing September 15, 1923, making an aggregate of \$6,673,000 as follows:

New York	\$6,429,000	September	3 3/4s
Richmond	44,000	"	3 3/4s
	30,000	"	4 1/4s
Dallas	100,000	"	4 1/4s
	<u>70,000</u>	"	3 3/4s
	\$6,673,000		

In anticipation of the closing of the Government's fiscal year the Treasury authorized purchases of various Government securities for delivery not later than June 30 as scheduled below.

Purchases from Proceeds of Treasury Notes

Treasury order of June 27 authorized the purchase of \$20,000,000 face amount of Treasury notes of various issues at not more than par and accrued interest, purchases to be made from the holdings of Federal reserve banks and in the market. The Federal Reserve Bank of St. Louis applied on this order, from their own holdings, \$850,600 C-1925 notes at par and Kansas City sold from their portfolio \$11,609,100 B-1925 and \$812,200 B-1926 notes at par.

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On June 28 an additional authorization was received for the purchase of \$5,000,000 aggregate face amount of Treasury notes at not more than par and accrued interest. With the exception of the two sales made at par, from the holdings of St. Louis and Kansas City, purchases on both of these orders were made at prices not to exceed par for the series C-1925, 99 11/16 for B-1925, 99 for B-1926 and 99 13/16 for A-1927, which were the dealers' current offering prices for these issues. The various districts participated in these purchases as follows:

	<u>B-1925</u>	<u>C-1925</u>	<u>B-1926</u>	<u>A-1927</u>	<u>Total</u>
Boston	\$ -0-	\$ 500,000	\$ -0-	\$ -0-	\$ 500,000
New York	649,500	3,743,600	-0-	1,665,000	6,058,100
Cleveland	-0-	2,000,000	-0-	-0-	2,000,000
Chicago	1,800,000	750,000	250,000	-0-	2,800,000
St. Louis	-0-	850,600*	-0-	370,000	1,220,600
Kansas City	<u>11,609,100*</u>	<u>-0-</u>	<u>812,200*</u>	<u>-0-</u>	<u>12,421,300</u>
Totals	<u>\$14,058,600</u>	<u>\$7,844,200</u>	<u>\$1,062,200</u>	<u>\$2,035,000</u>	<u>\$25,000,000</u>

*From own holdings

As Treasury order of June 29 authorizing the purchase of \$5,000,000 face amount of Treasury notes for immediate delivery was not received until 1:00 p. m. on that date, and inasmuch as all the notes available in other districts were absorbed through previous purchases, the order was executed in the New York market as follows:

\$3,500,000	Series B-1925
1,000,000	" B-1926
<u>500,000</u>	" C-1925
<u>\$5,000,000</u>	

Retirement

On June 28 and 29 the Treasury authorized the purchase for retirement of two lots of \$5,000,000 each face amount of certificates of indebtedness of either issue maturing December 15, 1923, at par. The second order was received too late for distribution and as indications showed that certificates of these issues were

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not available to any great extent in other districts, the purchases on this order were confined to the New York and Chicago markets.

The following purchases, at par, were made on these orders:

Boston	\$ 500,000
New York	5,049,000
Philadelphia	1,000,000
Richmond	99,500
Atlanta	450,000
Chicago	1,700,000
St. Louis	302,000*
	108,000
Minneapolis	500,000
Dallas	<u>291,500</u>
Total	<u><u>\$10,000,000</u></u>

*From own holdings.

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ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT
OF ALL FEDERAL RESERVE BANKS FROM JUNE 28, 1923 TO JULY 3, 1923

GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>	<u>Held Under Sales Contracts</u>
Boston	-0-	-	-0-	-	\$ 272,530
New York	-0-	-	-0-	-	3,678,500
Philadelphia	-0-	-	300,000	Fourth L.L.	-0-
Cleveland	100,000 1,000 <u>\$101,000</u>	TS-1923 Ctfs TS2-1923 "	-0-	-	-0-
Richmond	-0-	-	-0-	-	-0-
Atlanta	8,700 139,900 <u>\$148,600</u>	B-1927 Notes Misc. Bonds	100,000 8,700 <u>141,850</u> <u>\$250,550</u>	TM-1924 Ctfs B-1927 Notes Misc. Bonds	-0-
Chicago	-0-	-	-0-	-	4,958,600
St. Louis	-0-	-	302,000 850,600 <u>\$1,152,600</u>	TD-1923 Ctfs C-1925 Notes	-0-
Minneapolis	\$ 15,000 500,000 30,000 6,000 1,006,000 30,000 4,250,000 11,800 80,700 <u>\$5,929,500</u>	TS2-1923 Ctfs TD2-1923 " TM-1924 " A-1924 Notes A-1925 " C-1925 " B-1926 " A-1927 " B-1927 " Misc. Bonds	15,000 500,000 30,000 1,000,000 30,000 4,250,000 11,900 80,700 66,000 <u>\$5,983,600</u>	TS2-1923 Ctfs TD2-1923 " TM-1924 " A-1925 Notes C-1925 " B-1926 " A-1927 " B-1927 " Misc. Bonds	6,067,000
Kansas City	25,000 100,000 1,700,000 <u>\$1,825,000</u>	TM-1924 Ctfs A-1925 Notes B-1927 "	11,609,100 2,412,200 100,000 <u>\$14,121,300</u>	B-1925 Notes B-1926 " Misc. Bonds	2,000,000
Dallas	10,000 200,000 <u>\$210,000</u>	TS2-1923 Ctfs TM-1924 "	10,000 200,000 <u>\$210,000</u>	TS2-1923 Ctfs TM-1924 "	-0-
San Francisco	-0-	-	-0-	-	-0-
T O T A L S	<u>\$8,214,100</u>		<u>\$22,018,050</u>		<u>\$16,976,630</u>

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BANKERS ACCEPTANCES PURCHASED

	<u>Maturity</u>	<u>PURCHASES</u> <u>Amount</u>	<u>Rate</u>	<u>MATURITIES</u> <u>Amount</u>	<u>Held Under</u> <u>Sales Contracts</u>
Boston	1-30 days	\$ 561,000	4 - 4 1/8%	\$ 976,000	\$ 4,518,000
	31-60 "	164,000	4 1/8 - 4 1/4%		
	61-90 "	840,000	4 1/8 - 4 3/8%		
		<u>\$1,565,000</u>			
New York	1-30 "	3,774,000	4%	7,164,865	17,894,445
	31-60 "	1,303,000	4 1/8%		
	61-90 "	1,021,000	4 1/8% - 4 1/4%		
	Over 90 "	63,000	4 1/8% - 4 3/8%		
		<u>\$6,161,000</u>			
Philadelphia	1-30 "	40,000	4%	1,796,039	-0-
	31-60 "	323,000	4 1/8%		
	61-90 "	1,233,000	4 1/8% - 4 1/4%		
		<u>\$1,596,000</u>			
Cleveland	31-60 days	20,000	4 1/8%	3,259,333	-0-
	61-90 "	28,645	4 1/8%		
	In other dis- tricts	722,348			
		<u>\$770,993</u>			
Richmond	1-30 days	125,000	4 1/4%	225,000	-0-
	31-60 "	350,000	4 1/4%		
	61-90 "	225,000	4 1/4%		
		<u>\$700,000</u>			
Atlanta		512,001		2,019,784	-0-
Chicago	1-30 "	293,000	4%	3,747,000	1,684,000
	31-60 "	872,000	4 1/8%		
	61-90 "	2,425,000	4 1/8% - 4 1/4%		
	In other dis- tricts	778,000			
		<u>\$4,368,000</u>			
St. Louis		-0-		1,082,000	-0-
Minneapolis		-0-		-0-	-0-
Kansas City		-0-		-0-	-0-
Dallas	In other districts	233,242		800,368	-0-
San Francisco	1-30 days	1,047,000	4%	1,991,000	2,128,000
	31-60 "	2,026,000	4 1/8%		
	61-90 "	29,000	4 1/8%		
	In other dis- tricts	581,000	4 - 4 1/4%		
		<u>\$3,683,000</u>			
TOTALS		<u>\$19,589,236</u>		<u>\$23,061,389</u>	<u>\$26,224,445</u>

E.F.

2

July 5, 1928

333 /

E.F.

Dear Sir:

Receipt is acknowledged of your letter of the 2nd instant, enclosing report of transactions in Government securities and bankers acceptances as reported to the Open Market Investment Committee for the Federal Reserve System for the period from June 21 to June 27, 1928 inclusive, together with data received by the Committee from the Federal reserve banks, which will be brought to the attention of the members of the Board.

Very truly yours,

(Signed) W. W. Horton

W. W. Horton,
Secretary.

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

FEDERAL RESERVE BANK
OF NEW YORK

*Notes
SAR*

Open Market Investment Committee
for the Federal Reserve Committee

CONFIDENTIAL

July 2, 1923

S i r :

Enclosed is a report of transactions in Govern-
ment securities and bankers acceptances as reported to
the Open Market Investment Committee for the Federal Re-
serve System for the period from June 21 to June 27, 1923
inclusive, together with data received by the Committee
from the Federal reserve banks.

Respectfully,



W. B. Matteson
Secretary of the Committee

Honorable D. R. Crissinger,
Governor, Federal Reserve Board,
Washington, D. C.

Enclosure

WEEKLY REPORT OF OPEN MARKET INVESTMENT COMMITTEE COVERING PERIOD
JUNE 21 TO JUNE 27, 1923 (INCLUSIVE)

Comparison of Holdings of Earning Assets by Federal Reserve
Banks from March 28 to June 27, 1923
(000 Omitted)

	TOTAL EARNING ASSETS	DISTRIBUTED AS FOLLOWS:		
		*Government Securities	*Bankers Acceptances	Bills Discounted
Mar. 28	\$1,203,720	\$249,409	\$254,251	\$700,060
Apr. 25	1,104,489	193,810	274,041	636,638
May 29	1,178,156	189,288	257,818	731,050
June 6	1,165,961	182,751	248,234	734,976
" 13	1,084,638	158,100	218,618	707,920
" 20	1,058,401	121,529	205,716	731,101
" 27	1,114,219	134,976	204,225	774,963
Net changes (March 28 to June 27)	\$ 89,501-	\$114,433-	\$ 50,026-	\$ 74,903+

*Including dealers' sales contracts

Changes in Holdings of Government Securities and Bankers Acceptances
by Federal Reserve Banks (Exclusive of Sales Contracts)
During the Week Ending June 27, 1923
(000 Omitted)

	Government Securities			Bankers Acceptances		
	Balance June 20	Balance June 27	Net Change	Balance June 20	Balance June 27	Net Change
Boston	\$ 3,560	\$ 3,560	-0-	\$14,042	\$ 14,059	\$ 17+
New York	1,149	1,149	-0-	19,730	20,745	1,015+
Philadelphia	17,387	17,682	295+	19,859	19,509	350-
Cleveland	10,079	10,301	222+	30,580	27,591	2,989-
Richmond	1,341	1,341	-0-	1,750	1,778	28+
Atlanta	184	323	139+	12,840	9,652	3,188-
Chicago	6,257	6,257	-0-	41,106	41,839	733+
St. Louis	8,408	8,403	5-	7,359	7,061	298-
Minneapolis	7,365	7,365	-0-	-0-	-0-	-0-
Kansas City	24,191	24,183	8-	129	26	103-
Dallas	1,779	1,779	-0-	13,227	12,638	589-
San Francisco	9,185	9,185	-0-	20,181	18,796	1,385-
TOTAL	\$90,885	\$91,528	\$643+	\$180,803	\$173,694	\$7,109-

- 2 -

DIGEST OF REPORTS RECEIVED FROM ALL FEDERAL RESERVE BANKS
SHOWING DATA REGARDING GOVERNMENT SECURITIES AND OPEN
BILL MARKET CONDITIONS IN ALL DISTRICTS

Government Securities

A net increase of \$643,000 in Government security holdings of all Federal reserve banks occurred during the week.

Summary of reports from all districts show that the market for Government securities has remained quiet and inactive during the past week with a tendency toward weakness. Liberty loan bonds have been dull and listless with lower prices prevailing on all issues. Treasury certificates have shown no change and notes have been generally soft although there were no large amounts pressing on the market at any time.

The consensus of opinion seems to be that the present condition of the Government securities market is to some extent a reflection of general stock market liquidation and higher money rates. Preparation for July 1 bank and corporation requirements, as well as heavy withdrawals by interior banks, gave a firm tone to the market for stock exchange call funds, the rate moving up to 6%, the highest charged since April 30, 1923, and closing on three different days at that figure. Brokers regard this as simply a month end rate which should ease off when the July 1 dividends and disbursements find their way back to the banks.

Atlanta and Dallas report active markets while the Minneapolis market in Government securities has been active during the past week with a good demand and little coming out at present bid prices.

Boston and Philadelphia reports indicate that the brokers are still optimistic as to the future trend of prices with the outlook for Government securities for the remaining half of the year as being fairly bright.

Bankers Acceptances

Reductions of \$7,109,000 in bill holdings of Federal reserve banks occurred during the week.

While Boston reports their bill market as being more active during the past week than any other week during the month, reports received from the other Federal

- 3 -

reserve districts indicate that the bill market continued quiet throughout the week with only one or two days activity, this condition being affected to some extent by preparations for the heavy July disbursements, with the resulting high call money rate. However, the supply shows a substantial increase over the previous week owing to the large number of sugar bills accepted in the Boston district, giving a better variety of names in the market than for some time and the increase in the volume of salt water bills which came into the New York market. Boston dealers report most of their sales were to local banks with a fair out-of-town demand; while other districts report little inclination on the part of the local banks to increase their portfolios, the main demand coming from out-of-town and in some considerable measure from corporations and savings banks.

Rates seem stable at present levels, indorsed and unindorsed bills being offered at 4% for the 30s and 4 1/8% for the 60s and 90s.

Operations for Account of United States Treasury

Retirement

In addition to the amount previously reported on Treasury order of June 16 authorizing the purchase at par, for retirement, of up to \$10,000,000 face amount of certificates of indebtedness of either series maturing September 15, 1923, subsequent purchases have been reported making an aggregate of \$2,323,000 as follows:

New York	\$2,079,000	September	3 3/4s
Richmond	44,000	"	3 3/4s
	30,000	"	4 1/4s
Dallas	100,000	"	4 1/4s
	70,000	"	3 3/4s
Total	<u>\$2,323,000</u>		

Purchases From Proceeds of Treasury Notes

On June 26 the Treasury authorized the purchase, for delivery not later than June 30, of \$15,000,000 aggregate face amount of Treasury notes, at the market but not more than par and accrued interest, of series C-1925 maturing June 15, 1925, and/or series B-1926 maturing September 15, 1926 and/or series A-1927 maturing

- 4 -

All banks were advised of this order and were authorized to make purchases in their districts at prices not to exceed par for the C-1925, 99 for B-1926 and 99 13/16 for A-1927, which were the dealer's offering prices for these issues on June 26, the date when the order was received.

The following purchases were made in the various districts:

	<u>C-1925</u>	<u>B-1926</u>	<u>A-1927</u>	<u>TOTAL</u>
Boston	\$1,785,000	\$ 650,000	\$ 25,000	\$ 2,460,000
New York	3,000,000	2,000,000	156,600	5,156,600
Philadelphia	1,150,000	-0-	1,250,000	2,400,000
Cleveland	500,000	-0-	-0-	500,000
Richmond	500,000	-0-	-0-	500,000
Atlanta	233,400	-0-	-0-	233,400
Chicago	750,000	1,650,000	600,000	3,000,000
St. Louis	500,000	-0-	-0-	500,000
Dallas	250,000	-0-	-0-	250,000
	<u>\$8,668,400</u>	<u>\$4,300,000</u>	<u>\$2,031,600</u>	<u>\$15,000,000</u>

ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT
OF ALL FEDERAL RESERVE BANKS FROM JUNE 21, 1923 TO JUNE 27, 1923

GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>	<u>Held Under Sales Contracts</u>
Boston	-0-	-	-0-	-	\$ 601,650
New York	-0-	-	-0-	-	29,994,500
Philadelphia	300,000	4th L.L. 4 1/4s	5,000	TD-1923 Ctfs	-0-
Cleveland	15,500	TS-1923 Ctfs	3,500	B-1927 Notes	-0-
	10,500	TS2-1923 "			
	<u>200,000</u>	A-1924 Notes			
	<u>\$226,000</u>				
Richmond	-0-	-	-0-	-	-0-

- 5 -

GOVERNMENT SECURITIES (Continued)

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>	<u>Held Under Sales Contracts</u>
Atlanta	120,000	TM-1924 Ctfs	20,000	TM-1924 Ctfs	-0-
	5,000	C-1925 Notes	5,000	C-1925 Notes	
	100	A-1927 "	10,900	Misc. Bonds	
	<u>49,500</u>	Misc. Bonds			
	<u>\$174,600</u>		<u>\$35,900</u>		
Chicago	-0-	-	-0-		6,603,700
St. Louis	-0-	-	5,500	TD2-1923 Ctfs	-0-
Minneapolis	13,500	TS2-1923 Ctfs	15,500	TS2-1923 Ctfs	5,250,100
	475,000	TD2-1923 "	475,000	TD2-1923 "	
	5,000	TM-1924 "	5,000	TM-1924 "	
	5,000	A-1924 Notes	5,000	A-1924 Notes	
	275,000	A-1925 "	25,000	A-1925 "	
	110,000	C-1925 "	110,000	C-1925 "	
	409,300	A-1926 "	409,300	A-1926 "	
	50,300	A-1927 "	50,600	A-1927 "	
	293,400	B-1927 "	338,400	B-1927 "	
			<u>68,500</u>	Misc. Bonds"	
	<u>\$1,636,500</u>		<u>\$1,502,300</u>		
Kansas City	-0-	-	7,600	B-1927 Notes	500,000
Dallas	-0-	-	-0-	-	-0-
San Francisco	<u>-0-</u>	-	<u>-0-</u>	-	<u>-0-</u>
<u>T O T A L S</u>	<u>\$2,337,100</u>		<u>\$1,559,800</u>		<u>\$42,949,950</u>

BANKERS ACCEPTANCES PURCHASED

	<u>Maturity</u>	<u>PURCHASES Amount</u>	<u>Rate</u>	<u>MATURITIES Amount</u>	<u>Held Under Sales Contracts</u>
Boston	1-30 days	\$ 348,000	4 - 4 1/8%	\$ 2,300,000	\$ 4,505,000
	31-60 "	608,000	4 1/8 - 4 1/4%		
	61-90 "	1,337,000	4 1/8 - 4 1/4%		
	Over 90 days	<u>24,000</u>	4 3/8%		
		<u>\$2,317,000</u>			
New York	1-30 days	3,133,000	4 - 4 1/8%	5,163,529	22,265,229
	31-60 "	1,208,000	4 1/8		
	61-90 "	985,000	4 1/8 - 4 3/8%		
	Over 90 days	<u>853,000</u>	4 1/8 - 4 3/8%		
		<u>\$6,179,000</u>			

- 6 -

BANKERS ACCEPTANCES PURCHASED (Continued)

	Maturity	<u>PURCHASES</u> Amount	Rate	<u>MATURITIES</u> Amount	<u>Held Under</u> Sales Contracts
Philadelphia	1-30 days	121,000	4%	1,640,458	-0-
	31-60 "	15,000	4 1/8%		
	61-90 "	<u>1,154,000</u>	4 1/8 - 4 1/2%		
		<u>\$1,290,000</u>			
Cleveland	31-60 days	103,216	4 1/8%	4,031,374	-0-
	In other dis- tricts	<u>938,951</u>			
		<u>\$1,042,167</u>			
Richmond	1-30 days	25,000	4 1/4%	350,000	-0-
	31-60 "	333,000	4 1/4%		
	61-90 "	<u>20,000</u>	4 1/4%		
		<u>\$378,000</u>			
Atlanta		\$480,098		3,668,145	-0-
Chicago	1-30 days	229,000	4%	4,949,000	1,204,000
	31-60 "	371,000	4 1/8%		
	61-90 "	4,112,000	4 1/8 - 4 1/4%		
	In other dis- tricts	<u>970,000</u>			
		<u>\$5,682,000</u>			
St. Louis	In other districts				
	1-30 days	\$ 150,000		798,000	-0-
	61-90 "	<u>350,000</u>			
		<u>\$ 500,000</u>			
Minneapolis		-0-		-0-	-0-
Kansas City		-0-		103,272	-0-
Dallas	In other dis- tricts	\$ 373,905		963,304	-0-

- 7 -

BANKERS ACCEPTANCES PURCHASED (Continued)

	<u>Maturity</u>	<u>PURCHASES</u> <u>Amount</u>	<u>Rate</u>	<u>MATURITIES</u> <u>Amount</u>	<u>Held Under</u> <u>Sales Contracts</u>
San Francisco	1-30 days	\$ 337,000	4%	\$ 2,869,000	\$ 1,855,000
	31-60 "	170,000	4 1/8%		
	61-90 "	329,000	4 1/8%		
	In other dis-				
	tricts	648,000	4		
		<u>\$ 1,484,000</u>			
<u>T O T A L S</u>		<u>\$19,726,170</u>		<u>\$26,836,082</u>	<u>\$29,829,229</u>

~~1~~ # 2
333 /
June 20, 1932

~~1~~ # 2
333 /
My dear Sir:

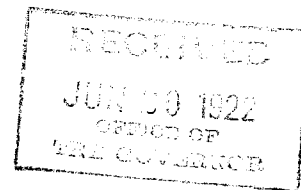
In the absence of Governor Harding, I acknowledge receipt of your letter to him of the 19th instant, enclosing a statement of transactions reported to the Committee of Governors on centralised control of purchases and sales of Government securities up to the end of last week, June 17th.

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.

June 19, 1922.

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 17, 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,

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

W. B. MATTESON
Secretary of the Committee

Honorable W. P. G. Harding,
Governor, Federal Reserve Board,
Washington, D.C.

APPROVED
JUN 27 1922

Enclosure.

TRANSACTIONS IN GOVERNMENT SECURITIES FOR ACCOUNT
OF THE TREASURY DEPARTMENT AND FEDERAL RESERVE BANKS FROM
CLOSE OF BUSINESS JUNE 10, 1922 TO CLOSE OF BUSINESS JUNE 17, 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
\$10,000,000.
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 bonds at par net or better on the Stock Exchange from dealers or otherwise in New York or elsewhere.

There is still a balance to be purchased on account of this order, the progress of which was reported as of the close of business June 10, 1922.

Summary of the purchases as at the close of business June 17 is as follows:

Boston	\$ 1,000,000.	
New York	723,500.	
Philadelphia	1,661,000.	
Atlanta	230,250.	
Chicago	3,550,000.	
St. Louis	428,750.	
San Francisco	1,000,000.	\$ 8,593,500.

Unexecuted balance \$ 1,406,500.

TOTAL ORDER..... \$10,000,000.

Practically all the purchases have been made at par net and accrued interest.

Purchase of
\$16,000,000.
Treas. ctf's.
for sale 5/15
to Treasury
Account Alien
Property
Custodian

Treasury Department 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.

As previously reported the Committee announced this order on June 8 and from advices received from the several reserve districts distribution of authority was made, resulting in the completion of the order on June 12 by purchases as follows:

Boston	\$ 2,000,000.
New York	5,363,000.
Cleveland	640,000.
Atlanta (N.O. Br.)	997,000.
Chicago	6,000,000.
St. Louis	1,000,000.

TOTAL ORDER \$16,000,000.

- 2 -

Purchase of \$2,000,000. Treasury certificates for Account Alien Property Custodian

Treasury Department order dated June 12 to the Federal Reserve Bank of New York to purchase at market prices \$2,000,000. Treasury certificates, giving preference to the 3 1/2% issue maturing December 15, 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.

This order was completed by purchases as follows:

From the Federal Reserve Bank of Atlanta	\$ 297,500.
In the New York market	<u>1,702,500.</u>
TOTAL ORDER	<u>\$2,000,000.</u>

Purchase of \$4,500,000. Third L.L. 4 1/4% Bonds for Account of Cumulative Sinking Fund

Treasury Department order dated June 14 to the Federal Reserve Bank of New York to purchase bonds at par net or better on the Stock Exchange from dealers or otherwise in New York or elsewhere.

The Committee announced this order on June 15 to all Federal Reserve Banks. On account of the fact that the previous Sinking Fund order dated June 3 has not yet been completed, there is no progress to be reported on this order.

Miscellaneous Transactions for Treas. Dept. Account various Govt. 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 \$975,500.

Suggestion of Treasury Dept. with respect to Sale of Victory Notes held by F. R. Banks

The Committee transmitted on June 12 to all Federal reserve banks a telegram from Under Secretary of the Treasury Gilbert, which telegram suggested that the Committee consider the advisability of sales of Victory notes by other reserve banks than those of Chicago and New York (these two banks had already sold some Victory notes) with a view to assisting present Government financing by stabilizing the price of Victory notes and by placing the banks in a position to purchase with the proceeds of the Victory notes 3 1/2% and 3 3/4% Treasury certificates. The sales referred to made by Chicago and New York were reported as follows:

Chicago's sale of \$5,000,000 in the Committee's previous report dated June 12.

New York's sale of a like amount in the Committee's previous report dated June 12 and on page 3 of this report.

Transactions by Federal Reserve Banks for Their Own Account

Federal Reserve Bank of New York

This bank purchased in the New York market for investment, during the period covered by this report:

\$10,237,000.	3 1/2%	Treas. ctfs. due 12/15/22	from dealers on 3.45 basis
1,000,000.	3 1/2%	" " " 12/15/22	from F.R. Bank of Chicago at 100 1/64
3,000,000.	3 3/4%	" " " 6/15/23	in the New York market on 3.66 basis
<u>3,000,000.</u>	<u>3 1/2%</u>	<u>" " " 12/15/22</u>	<u>from the F.R. Bank of Chicago on 3.45 basis</u>
<u>\$17,237,000.</u>		TOTAL PURCHASES	

The purchases noted above were made to replace sales of Victory notes and Treasury certificates of early maturities.

- 3 -

Federal
Reserve Bank
of New York
(continued)

Sales by this bank during the same period were as follows:

\$2,250,000.	4 3/4%	Victory L.L. notes on the New York Stock Exchange					
		at market prices (average about 100.62)					
500,000.	4 1/2%	Treas. Ctfs. due 9/15/22 to dealers on 3.30 basis					
250,000.	4 1/2%	" " " 9/15/22 " " " 3.25 basis					
6,450,000.	5 1/2%	" " " 8/1/22 " " " 3.25 basis					
5,850,000.	3 1/2%	" " " 10/16/22 " " " 3.40 basis					

\$15,300,000. TOTAL SALES

Federal
Reserve Bank
of Cleveland

This bank purchased for investment from the Federal Reserve Bank of Chicago:

\$2,000,000. 5 1/2% Treas. Ctfs. due 8/1/22 on a 3.25 basis.

No sales were reported.

Federal
Reserve Bank
of Chicago

No purchases were reported by this bank.

Sales were made as follows:

\$1,000,000.	3 1/2%	Treas. Ctfs. due 12/15/22 to Federal Reserve Bank of New York at 100 1/64
2,000,000.	5 1/2%	" " due 8/1/22 to member institutions on 3.25 basis
2,000,000.	5 1/2%	" " due 8/1/22 to Federal Reserve Bank of Cleveland on 3.25 basis
3,000,000.	3 1/2%	" " due 12/15/22 to Federal Reserve Bank of New York on 3.45 basis

\$8,000,000. TOTAL SALES

DECLASSIFIED

Authority E.O. 12958

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June 23, 1923.

Dear Sir:

In behalf of the Board, I acknowledge receipt of your letter of June 20th, addressed to Governor Crissinger, enclosing a report of transactions in government securities and bankers' acceptances as reported to the Open Market Investment Committee for the Federal Reserve System for the period from June 7th to June 13th, 1923, inclusive, together with data received by the Committee from the Federal Reserve banks. This matter will be brought to the attention of the Members of the Federal Reserve Board.

Very truly yours,

(Signed) W. W. Hoxton

Wm. W. Hoxton,
Secretary.

Mr. W. B. Matteson,
Secretary of the Committee,
Federal Reserve Bank,
New York, N.Y.

Ref'd
in E.F. 6-23
W.B.M.

DECLASSIFIED

Authority E.O. 12958

2
FEDERAL RESERVE BANK
OF NEW YORK

Open Market Investment Committee
for the Federal Reserve System

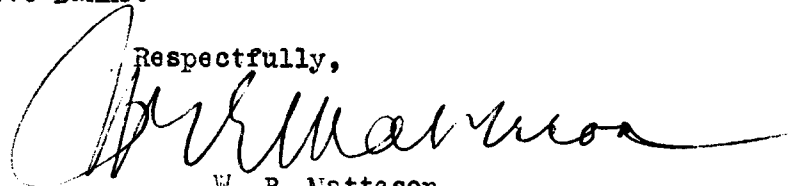
CONFIDENTIAL

333
DMG
June 20, 1923

S i r :

Enclosed is a report of transactions in Govern-
ment securities and bankers acceptances as reported to the
Open Market Investment Committee for the Federal Reserve
System for the period from June 7 to June 13, 1923 inclu-
sive, together with data received by the Committee from
the Federal Reserve Banks.

Respectfully,



W. B. Matteson
Secretary of the Committee

Enclosure

Honorable D. R. Crissinger,
Governor, Federal Reserve Board,
Washington, D. C.

WEEKLY REPORT OF OPEN MARKET INVESTMENT COMMITTEE COVERING PERIOD
JUNE 7 TO JUNE 13, 1923 (INCLUSIVE)

Comparison of Holdings of Earning Assets by Federal Reserve
Banks from March 28, 1923 to June 13, 1923
 (000 Omitted)

	TOTAL EARNING ASSETS	DISTRIBUTED AS FOLLOWS:		
		*Government Securities	*Bankers Acceptances	Bills Discounted
Mar. 28	\$1,203,720	\$249,409	\$254,251	\$700,060
Apr. 25	1,104,489	193,810	274,041	636,638
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" 13	1,084,638	158,100	218,618	707,920
Net change (Mar. 28 to June 13)	\$ 119,082-	\$ 91,309-	\$ 35,633-	\$ 7,860+

*Including dealers' sales contracts

Changes in Holdings of Government securities and Bankers
Acceptances by Federal Reserve Banks (Exclusive of Sales
Contracts) During the Week Ending June 13, 1923

(000 Omitted)

	<u>Government Securities</u>			<u>Bankers Acceptances</u>		
	<u>Balance</u> <u>June 6</u>	<u>Balance</u> <u>June 13</u>	<u>Net</u> <u>Change</u>	<u>Balance</u> <u>June 6</u>	<u>Balance</u> <u>June 13</u>	<u>Net</u> <u>Change</u>
Boston	\$ 3,560	\$ 3,560	\$ -0--	\$ 16,184	\$ 14,566	\$ 1,618-
New York	1,149	1,149	-0-	47,744	39,970	7,774-
Philadelphia	24,794	17,436	7,358-	20,462	20,119	343-
Cleveland	19,797	20,234	437+	35,167	30,760	4,407-
Richmond	1,341	1,341	-0-	1,945	1,900	45-
Atlanta	489	243	246-	20,573	17,057	3,516-
Chicago	24,049	24,047	2-	26,313	30,293	3,980+
St. Louis	11,552	11,512	40-	9,821	9,077	744-
Minneapolis	10,382	8,785	1,597-	-0-	-0-	-0-
Kansas City	27,539	24,670	2,869-	129	129	-0-
Dallas	1,779	1,779	-0-	12,642	12,969	327+
San Francisco	27,641	19,209	8,432-	23,359	23,307	52-
Total	\$154,072	\$133,965	\$20,107-	\$214,339	\$200,147	\$14,192-

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DIGEST OF REPORTS RECEIVED FROM ALL FEDERAL RESERVE BANKS
SHOWING DATA REGARDING GOVERNMENT SECURITIES AND OPEN
BILL MARKET CONDITIONS IN ALL DISTRICTS

Government Securities

A net reduction of \$20,107,000 in Government security holdings of all Federal reserve banks occurred during the week.

The market for Government securities has passed through another week of dull, listless trading, without material change in price levels, most of the buying being commercial with very few orders from individuals or banks. Liberty bonds maintaining a fairly firm tone during the early part of the period receded toward the close with slightly lower prices for all issues except the 3½s which continued to be the popular favorite among investors on account of their tax exempt features. The early maturities of Treasury certificates have been in good demand on a basis to yield about 3.60 to 4%. Treasury notes, especially those with long maturities, have shown greater strength, with prices fractionally higher.

Atlanta reports a constantly increasing interest in Government securities with a wider range of purchases in rather small amounts, the prevailing tendency being to buy rather than to sell.

Although there has been no change in the rates of money for commercial purposes and call funds on Stock Exchange collateral have moved within a narrow range during the past week there has been a somewhat easier tendency in the money market. It is the general belief that underlying conditions continue to make for cheaper money and after the June 15 interest payments there should be a better demand for Government securities.

Bankers Acceptances

Reductions of \$14,192,000 in bill holdings of Federal reserve banks occurred during the week.

Reports from the various districts indicate that the bill market has shown no new developments during the past week, little activity being displayed either by

- 3 -

local or inland banks, both from the standpoint of demand and supply. Large city banks have been practically out of the market, what demand there is coming from a few large commercial corporations, with a slight improvement in out of town sales.

Boston reports an ample supply of bills coming mostly from city banks with few non-member bills in the market, while other districts report fair supplies, with a tendency to decrease. Short 90-day bills were in best demand.

Offerings to Federal reserve banks by dealers were fairly light, while in New York, as a result of a smaller supply of bills and fairly substantial sales to the Federal reserve bank for foreign accounts, the dealers' portfolios decreased from \$46,000,000 to \$39,000,000.

Rates remained stable, indorsed and unindorsed bills being offered at 4% for the 30s and 4 1/8% for the 60s and 90s.

Operations for Account of United States Treasury

Redemption

On June 11 the Treasury authorized the purchase up to \$10,000,000 face amount of 3 $\frac{3}{4}$ % certificates of indebtedness due June 15, 1923 for prior redemption at par and accrued interest. Purchases were executed under this order amounting to \$6,553,500 by the following banks:

	<u>Amount</u>
Boston	\$ 123,000
New York	3,667,000
Philadelphia	1,390,000
Chicago	<u>1,373,500</u>
Total	<u>\$6,553,500</u>

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ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT
OF ALL FEDERAL RESERVE BANKS FROM JUNE 7, 1923 TO JUNE 13, 1923

GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>	<u>Held Under Sales Contracts</u>
Boston	-0-	-	-0-	-	\$ 378,860
New York	-0-	-	-0-	-	10,461,000
Philadelphia	14,800	B-1927 Notes	345,500 2,000 46,000 168,500 5,000,000 194,700 253,100 161,000 <u>1,202,300</u> \$7,373,100	TD-1923 Ctfs TM-1924 " A-1924 Notes B-1924 " A-1925 " C-1925 " A-1927 " B-1927 " Misc. Bonds	-0-
Cleveland	300,000 50,000 <u>90,000</u> \$440,000	TS-1923 Ctfs TM-1924 " C-1925 Notes	2,600	B-1927 Notes	-0-
Richmond	-0-	-	-0-	-	-0-
Atlanta	20,000 24,250 <u>\$44,250</u>	B-1926 Notes Misc. Bonds	215,000 10,000 58,300 500 <u>6,150</u> \$289,950	C-1925 Notes B-1926 " A-1927 " B-1927 " Misc. Bonds	-0-
Chicago	-0-	-	2,000	B-1927 Notes	2,826,200
St. Louis	360,000	TJ-1923 Ctfs	400,000	A-1925 Notes	-0-

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	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>	<u>Held Under Sales Contracts</u>
Minneapolis	\$ 5,000	TD-1923 Ctfs	\$ 5,000	TD-1923 Ctfs	\$ 4,750,000
	125,000	TS2-1923 "	25,000	TS2-1923 "	
	2,000	A-1924 Notes	2,000	A-1924 Notes	
	250,000	B-1924 "	250,000	B-1924 "	
	11,000	TM-1924 Ctfs	13,000	TM-1924 Ctfs	
	250,000	A-1925 Notes	237,900	A-1925 Notes	
	25,000	B-1925 "	1,667,500	B-1925 "	
	100,000	C-1925 "	100,000	C-1925 "	
	10,600	A-1927 "	100	B-1926 "	
	357,300	B-1927 "	10,600	A-1927 "	
			422,300	B-1927 "	
	<u>\$1,135,900</u>		<u>\$ 2,733,400</u>		
Kansas City	2,000	B-1927 Notes	2,615,000	A-1925 Notes	720,000
	100,000	Misc. Bonds	5,000	A-1926 "	
			500	B-1927 "	
			350,000	Misc. Bonds	
	<u>\$ 102,000</u>		<u>\$ 2,970,500</u>		
Dallas	-0-	-	-0-	-	-0-
San Francisco	-0-	-	2,764,600	B-1924 Notes	-0-
			12,400	A-1925 "	
			1,850,000	A-1926 "	
			3,712,000	B-1926 "	
			92,500	Misc. Bonds	
			<u>\$ 8,431,500</u>		
TOTALS	<u>\$2,096,950</u>		<u>\$22,203,050</u>		<u>\$19,136,060</u>

BANKERS ACCEPTANCES PURCHASED

	<u>Maturity</u>	<u>PURCHASES Amount</u>	<u>Rate</u>	<u>MATURITIES Amount</u>	<u>Held Under Sales Contracts</u>
Boston	1-30 days	35,000	4 - 4 1/2%	\$ 2,684,000	\$ 3,701,000
	31-60 "	668,000	4 1/8 - 4 1/2%		
	61-90 "	363,000	4 1/8 - 4 1/4%		
		<u>\$1,066,000</u>			
New York	1-30 days	1,978,000	4 - 4 1/8%		11,034,368
	31-60 "	616,000	4 1/8%	7,407,778	
	61-90 "	709,000	4 1/8 - 4 1/4%	4,209,222	Sold other
	Over 90 days	539,000		\$11,617,000	F.R.Bks.
		<u>\$3,842,000</u>			

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BANKERS ACCEPTANCES PURCHASED (Cont'd)

	<u>Maturity</u>	<u>PURCHASES</u> <u>Amount</u>	<u>Rate</u>	<u>MATURITIES</u> <u>Amount</u>	<u>Held Under</u> <u>Sales Contracts</u>
Philadelphia	1-30 days	\$ 124,000	4%	\$2,453,000	-0-
	31-60 "	445,000	4 1/8%		
	61-90 "	1,541,000	4 1/8 - 4 1/4%		
		<u>\$2,110,000</u>			
Cleveland	1-30 days	2,262		5,181,000	8,904
	31-60 "	120,000			
	In other dis-	652,067			
	tricts	<u>\$ 774,329</u>			
Richmond	31-60 days	100,000	4 1/4%	195,000	-0-
	61-90 "	50,000	4 1/4%		
		<u>\$ 150,000</u>			
Atlanta	1-30 days	453,049		3,968,668	-0-
Chicago	1-30 days	464,000	4 - 4 1/8%	3,146,000	762,000
	31-60 "	832,000	4 1/8%		
	61-90 "	5,144,000	4 1/8 - 4 3/8%		
	In other dis-	686,000			
	tricts	<u>\$7,126,000</u>			
St. Louis	In other dis-				
	tricts	844,000		1,588,000	-0-
Minneapolis		-0-	-	-0-	-0-
Kansas City		-0-	-	-0-	-0-
Dallas	In other dis-				
	tricts	2,194,000		1,867,000	-0-
San Francisco	1-30 days	30,000	4 1/8 - 4 1/4%	3,989,000	1,655,000
	31-60 "	107,000	4 1/8 - 4 1/4%		
	61-90 "	95,000	4 1/8 - 4 1/4%		
	In other dis-	3,705,000			
	tricts	<u>\$3,937,000</u>			
TOTAL \$		<u>\$22,496,378</u>		<u>\$36,688,668</u>	<u>\$17,161,272</u>

June 23, 1923.

Dear Sir:

In behalf of the Board, I acknowledge receipt of your letter of June 20th, addressed to Governor Oriesinger, enclosing a report of transactions in government securities and bankers' acceptances as reported to the Open Market Investment Committee for the Federal Reserve System for the period from June 7th to June 13th, 1923, inclusive, together with data received by the Committee from the Federal Reserve banks. This matter will be brought to the attention of the Members of the Federal Reserve Board.

Very truly yours,

Wm. W. Hoxton,
 Secretary.

Mr. W. B. Matteson,
 Secretary of the Committee,
 Federal Reserve Bank,
 New York, N.Y.

#2
FEDERAL RESERVE BANK
OF NEW YORK

EFH
Open Market Investment Committee
for the Federal Reserve System

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file
Notes
JRC
June 13, 1923.

CONFIDENTIAL

S i r :

Enclosed is a report of transactions in
Government securities and bankers acceptances as reported
to the Open Market Investment Committee for the Federal
Reserve System for the period from May 31 to June 6, 1923
inclusive, together with data received by the Committee
from the Federal reserve banks.

Respectfully,



W. B. Matteson
Secretary of the Committee

Honorable D. R. Crissinger,
Governor, Federal Reserve Board,
Washington, D. C.

Enclosure

WEEKLY REPORT OF OPEN MARKET INVESTMENT COMMITTEE COVERING PERIOD
MAY 31 TO JUNE 6, 1923 (INCLUSIVE)

Comparison of Holdings of Earning Assets by Federal Reserve
Banks from February 28, 1923 to June 6, 1923
 (000 Omitted)

	TOTAL EARNING ASSETS	DISTRIBUTED AS FOLLOWS:		
		*Government Securities	*Bankers Acceptances	Bills Discounted
Feb. 28	\$1,166,512	\$363,074	\$207,678	\$595,760
Mar. 28	1,203,720	249,409	254,251	700,060
Apr. 25	1,104,489	193,810	274,041	636,638
May 2	1,190,581	184,772	275,429	730,380
" 9	1,147,863	185,814	266,992	695,057
" 16	1,167,869	188,889	281,609	697,371
" 23	1,178,177	206,959	270,850	700,368
" 29	1,178,156	189,288	257,818	731,050
June 6	1,165,961	182,751	248,234	734,976
Net change (Feb. 28 to June 6)	\$ 551-	\$180,323-	\$ 40,556+	\$139,216+

*Including dealers' sales contracts

Changes in Holdings of Government securities and Bankers
Acceptances by Federal Reserve Banks (Exclusive of Sale
Contracts) During the Week Ending June 6, 1923

(000 Omitted)

	Government Securities			Bankers Acceptances		
	Balance May 29	Balance June 6	Net Change	Balance May 29	Balance June 6	Net Change
Boston	\$ 5,360	\$ 3,560	\$ 1,800-	\$ 17,674	\$ 16,184	\$ 1,490-
New York	1,149	1,149	-0-	54,011	47,744	6,267-
Philadelphia	24,819	24,794	25-	20,003	20,462	459+
Cleveland	19,470	19,797	327+	37,541	35,167	2,374-
Richmond	1,341	1,341	-0-	2,170	1,945	225-
Atlanta	560	489	71-	23,998	20,573	3,425-
Chicago	24,062	24,049	13-	29,331	26,313	3,018-
St. Louis	14,934	11,552	3,382-	9,719	9,821	102+
Minneapolis	14,995	15,082	147+	-0-	-0-	-0-
Kansas City	32,425	27,539	4,886-	129	129	-0-
Dallas	6,779	1,779	5,000-	9,522	12,642	3,120+
San Francisco	27,641	27,641	-0-	26,917	23,359	3,558-
Total	\$173,475	\$158,772	\$14,703-	\$231,015	\$214,339	\$16,676-

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DIGEST OF REPORTS RECEIVED FROM ALL FEDERAL RESERVE BANKS
SHOWING DATA REGARDING GOVERNMENT SECURITIES AND OPEN
BILL MARKET CONDITIONS IN ALL DISTRICTS

Government Securities

A net reduction of \$14,703,000 in Government security holdings of all Federal reserve banks occurred during the week.

Summary of reports from all districts show little change in market conditions over the previous week. Liberty bonds continued dull with demand slightly in excess of supply so that prices held fairly firm, closing with only fractional declines. Due to the heavy over-subscription of B-1927 notes a demand was created for other issues of notes to take up surplus investment funds and at present there is a strong demand for the longer issues, particularly those bearing 4 3/4% coupons, the period closing with the demand exceeding the supply and prices slightly up. A stronger tendency developed for certificates of the December and March maturities and these were offered on a basis to yield 4% to 4.25% respectively.

Kansas City report their market as remaining steady and firm with the demand necessitating outside buying in the East.

The money market remained practically unchanged from the trend of the past month. Call money displayed an easy undertone, except for the 5% and 5 1/2% range influenced by first of the month payments and the shifting of Government funds.

Bankers Acceptances

Reductions of \$16,676,000 in bill holdings of Federal reserve banks occurred during the week.

Reports from the different Federal reserve banks indicate that the bill market still continues quiet and inactive, although it seems to be the consensus of opinion that with easier money conditions during the middle of the month the probabilities are that there will be an increased demand, especially from the interior, for bills and that the tone of the market will show improvement.

There has been a substantial increase in the supply of bills, especially those maturing in 90 days. Large banks continue as principal makers, but the

- 3 -

variety of names is a trifle more extensive than last week. The demand has been spotty with little inclination on the part of local or inland banks to purchase bills, though the distribution seemed a little more toward buyers who had not been in the market for some time rather than the regular buyers, the 60s and 90s having the call over other maturities.

Offerings to Federal reserve banks of Boston and Chicago by dealers have been much heavier while New York dealers portfolios increased to about \$46,000,000, which is the highest amount they have held this year.

Rates continue at the same levels, indorsed and unindorsed bills being offered at 4% for the 30s and 4 1/8% for the 60s and 90s.

ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT
OF ALL FEDERAL RESERVE BANKS FROM MAY 31, 1923 TO JUNE 6, 1923

GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>	<u>Held Under Sales Contracts</u>
Boston	-0-	-	\$1,000,000 800,000 <u>\$1,800,000</u>	B-1925 Notes B-1926 "	\$ 203,280
New York	-0-	-	-0-	-	14,999,000
Philadelphia	\$193,500 15,000 44,100 <u>14,500</u> \$267,100 <u></u>	TM-1924 Ctfs A-1924 Notes A-1927 " B-1927 "	\$ 193,500 15,000 44,100 <u>39,500</u> \$ 292,100 <u></u>	TM-1924 Ctfs A-1924 Notes A-1927 " B-1927 "	-0-
Cleveland	\$ 3,000 <u>325,400</u> \$328,400 <u></u>	TM-1924 Ctfs B-1927 Notes	\$ 1,000 <u></u> \$ 1,000 <u></u>	B-1927 Notes	-0-

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GOVERNMENT SECURITIES (Cont.)

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>	<u>Held Under Sales Contracts</u>
Richmond	-0-	-	-0-	-	-0-
Atlanta	-0-	-	\$ 71,000	Misc. Bonds	-0-
Chicago	-0-	-	12,500	B-1927 Notes	1,407,500
St. Louis	-0-	-	55,500	TD-1923	-0-
			1,368,100	A-1924 Notes	
			1,154,000	B-1924 "	
			803,600	A-1925 "	
			1,100	B-1927 "	
			<u>\$ 3,382,300</u>		
Minneapolis	\$ 45,000	TS2-1923 Ctfs	\$ 45,000	TS2-1923 Ctfs	4,750,000
	9,000	TM-1924 "	50,000	TD-1923 "	
	412,200	A-1925 Notes	6,000	TM-1924 "	
	14,000	C-1925 "	162,200	A-1925 Notes	
	1,400	A-1926 "	14,000	C-1925 "	
	300	B-1926 "	1,400	A-1926 "	
	12,700	A-1927 "	200	B-1926 "	
	397,600	B-1927 "	12,700	A-1927 "	
			453,600	B-1927 "	
	<u>\$ 892,200</u>		<u>\$ 745,100</u>		
Kansas City	\$ 10,000	TS2-1923 Ctfs	\$ 3,000,000	A-1925 Notes	720,000
			100,000	B-1925 "	
			1,500,000	A-1926 "	
			71,000	B-1927 "	
			225,000	Misc. Bonds	
			<u>\$ 4,896,000</u>		
Dallas	-0-	-	\$ 5,000,000	TD-1923 Ctfs	1,600,000
San Francisco	-0-	-	-0-	-	-0-
TOTALS	<u>\$1,497,700</u>		<u>\$16,200,000</u>		<u>\$23,679,780</u>

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BANKERS ACCEPTANCES PURCHASED

	<u>Maturity</u>	<u>PURCHASES</u> <u>Amount</u>	<u>Rate</u>	<u>MATURITIES</u>	<u>Held Under</u> <u>Sales Contracts</u>
Boston	1-30 days	\$ 55,000	4 - 4 1/4%	\$ 2,964,000	\$ 3,634,000
	31-60 "	445,000	4 1/8-4 1/4%		
	61-90 "	974,000	4 1/8-4 1/4%		
		<u>\$1,474,000</u>			
New York	1-30 days	\$2,985,000	4%	\$ 6,837,000	25,062,711
	31-60 "	1,801,000	4 1/8%	5,972,000	Sold other
	61-90 "	1,316,000	4 1/8-4 1/4%		F.R. Banks
	Over 90 days	440,000	4 1/8-4 3/8%		
		<u>\$6,542,000</u>		<u>\$12,809,000</u>	
Philadelphia	1-30 days	\$ 446,000	4%	\$ 3,300,000	-0-
	31-60 "	294,000	4 1/8%		
	61-90 "	3,019,000	4 1/8-4 1/4%		
		<u>\$3,759,000</u>			
Cleveland	61-90 days	\$ 168,343	4 1/8%	3,642,000	14,262
	In other districts	<u>1,099,778</u>			
		<u>\$1,268,121</u>			
Richmond	31-60 days	\$ 100,000	4 1/4%	325,000	-0-
Atlanta		83,541		3,509,000	-0-
Chicago	61-90 days	500,000	4 1/8-4 1/4%	4,626,000	2,030,000
	In other districts	<u>1,108,000</u>			
		<u>\$1,608,000</u>			
St. Louis	In other districts	\$1,936,308		1,834,000	-0-
Minneapolis		-0-		-0-	-0-
Kansas City		-0-		-0-	-0-
Dallas	In other districts	\$5,369,694		2,250,000	-0-

DECLASSIFIED

Authority E.O. 12958

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FEDERAL RESERVE BOARD FILE
333 /

May 31, 1922.

My dear Sir:

I acknowledge receipt of your confidential letter of the 29th instant, enclosing a statement of transactions reported to the Committee of Governors on centralized control of purchases and sales of Government securities up to the end of last week, May 27th.

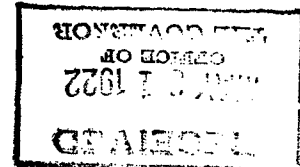
Very truly yours,

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.



CONFIDENTIAL

May 29, 1922.

My dear Governor Harding:

On May 24, 1922 there was sent to you a statement of United States Government security transactions of Federal reserve banks from May 16, 1922 to May 24, 1922 inclusive.

Enclosed is statement of transactions reported to the Committee of Governors on Centralized Control of Purchases and Sales of Government Securities for the balance of the week ending May 27, 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

MAY 31 1922

Governor's Office.

REPORT OF TRANSACTIONS IN GOVERNMENT SECURITIES FOR ACCOUNT OF THE TREASURY

DEPARTMENT AND FEDERAL RESERVE BANKS FROM MAY 24 TO MAY 27, BOTH

DATES INCLUSIVE.

May 25: Treasury Department authorization to the Federal Reserve Bank of New York under date of May 22 to purchase \$700 par amount four Liberty loan 4 1/4% bonds at the market for account of the Securities Trust Fund. Bonds purchased by the Federal Reserve Bank of New York May 25, at 100.04 and interest.

Treasury Department authorization to the Federal Reserve Bank of New York under date of May 23 to purchase \$10,000 par amount of fourth Liberty loan 4 1/4% bonds at the market for account of Securities Trust Fund, order executed May 25, at 99.94 and interest.

May 26: Treasury Department authorization to the Federal Reserve Bank of New York to purchase \$10,000,000 par amount third Liberty loan 4 1/4% bonds on the stock exchange from dealers or otherwise in New York or elsewhere for account of the Foreign Obligations Fund at par net or better and accrued interest.

Authorization delegated to Federal Reserve Bank of Chicago May 26 to purchase bonds at limit set up to \$2,000,000. Federal Reserve Bank of Chicago purchased \$1,000,000 par amount at 99.98 net and accrued interest.

Authorization delegated to Federal Reserve Bank of Minneapolis to purchase \$1,200,000 par amount of third Liberty loan bonds on the same Treasury Department order at par net or better and accrued interest.

May 27: Federal Reserve Bank of Chicago purchased an additional \$800,000 par amount of third Liberty Loan bonds on their authorization from the Federal Reserve Bank of New York on account of the above Treasury Department order of May 25 at 99.98 net and accrued interest.

The Federal Reserve Bank of Minneapolis purchased \$700,000 par amount of third Liberty loan 4 1/4% bonds on their authorization from the Federal Reserve Bank of New York on account of the above Treasury Department order of May 25 at par net and accrued interest.

Authorization delegated to the Federal Reserve Bank of Atlanta to purchase \$87,400 par amount of third 4 1/4s at par net or better and accrued interest on account of Treasury Department order of May 25. \$72,100 par amount of this order executed by the Federal Reserve Bank of Atlanta at par net and accrued interest.

NOTE: The Federal Reserve Bank of New York at the close of business May 27 had unexecuted outstanding orders with other Federal Reserve Banks for purchases of third Liberty loan bonds on account of the authority from the Treasury Department of May 25 as follows:

\$200,000	---	Federal Reserve Bank of Chicago
15,300	---	" " " " Atlanta
500,000	---	" " " " Minneapolis

No sales to report during this period.

DECLASSIFIED

Authority E.O. 12958

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F. F.

May 31, 1923.

Dear Sir:

In behalf of the Federal Reserve Board, I acknowledge receipt of your letter of May 29th, enclosing a report of transactions in Government securities and bankers acceptances as reported to the Open Market Investment Committee for the Federal Reserve System for the period from May 17 to May 23, 1923, inclusive, together with data received by the Committee from the Federal Reserve Bank.

Very truly yours,

Wm. W. Hoxton,
Secretary.

Mr. W. B. Matteson,
Secretary of the Committee,
Federal Reserve Bank,
New York, N.Y.

FEDERAL RESERVE BANK
OF NEW YORK

Open Market Investment Committee
For the Federal Reserve System

I.F.

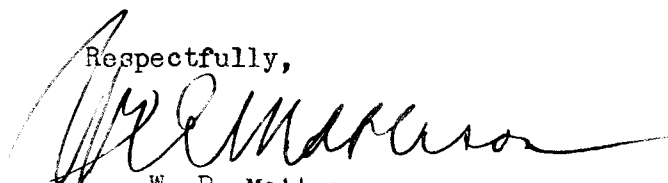
May 29, 1923.

CONFIDENTIAL

S i r :

Enclosed is a report of transactions in Government securities and bankers acceptances as reported to the Open Market Investment Committee for the Federal Reserve System for the period from May 17 to May 23, 1923 inclusive, together with data received by the Committee from the Federal reserve banks.

Respectfully,



W. B. Matteson
Secretary of the Committee

Honorable D. R. Crissinger,
Governor, Federal Reserve Board,
Washington, D. C.

Enclosure

**WEEKLY REPORT OF OPEN MARKET INVESTMENT COMMITTEE COVERING PERIOD
MAY 17 TO MAY 23, 1923, (INCLUSIVE)**

**Comparison of Holdings of Earning Assets by Federal Reserve
Banks from February 28, 1923 to May 23, 1923
(000 Omitted)**

	TOTAL EARNING ASSETS	DISTRIBUTED AS FOLLOWS:		
		*Government Securities	*Bankers Acceptances	Bills Discounted
Feb. 28	\$1,166,512	\$363,074	\$207,678	\$595,760
Mar. 28	1,203,720	249,409	254,251	700,060
Apr. 25	1,104,489	193,810	274,041	636,638
May 2	1,190,581	184,772	275,429	730,380
" 9	1,147,863	185,814	266,992	695,057
" 16	1,167,869	188,889	281,609	697,371
" 23	1,178,177	206,959	270,850	700,368
Net change (Feb. 28 to May 23)	\$ 11,665+	\$156,115-	\$ 63,172+	\$104,608+

*Including dealers' sales contracts.

**Changes in Holdings of Government Securities and Bankers
Acceptances by Federal Reserve Banks (Exclusive of Sale
Contracts) During the Week Ending May 23, 1923**

(000 Omitted)

	Government Securities			Bankers Acceptances		
	Balance May 16	Balance May 23	Net Change	Balance May 16	Balance May 23	Net Change
Boston	\$ 5,360	\$ 5,360	0	\$ 17,630	\$ 17,597	\$ 33-
New York	1,149	1,149	0	58,291	58,439	148+
Philadelphia	24,928	25,053	125+	22,273	21,125	1,148-
Cleveland	19,314	19,445	131+	42,023	41,426	597-
Richmond	1,341	1,341	0	2,209	2,277	68+
Atlanta	548	563	15+	30,317	27,179	3,138-
Chicago	24,128	24,073	55-	33,036	32,140	896-
St. Louis	17,433	14,933	2,500-	11,158	10,464	694-
Minneapolis	14,564	14,890	326+	81	2	79-
Kansas City	34,123	32,592	1,531-	129	129	0
Dallas	7,779	7,779	0	12,626	10,988	1,638-
San Francisco	27,596	27,596	0	30,162	28,711	1,451-
Total	\$178,263	\$174,774	\$3,489-	\$259,935	\$250,477	\$9,458-

- 2 -

DIGEST OF REPORTS RECEIVED FROM ALL FEDERAL RESERVE BANKS
SHOWING DATA REGARDING GOVERNMENT SECURITIES AND
OPEN BILL MARKET CONDITIONS IN ALL DISTRICTS

Government Securities

According to reports received from all districts the market for Government securities has shown more strength than for some time past, being due to fairly easy money conditions and to improved sentiment arising from the splendid support given the new issue of Treasury notes. There has been a noticeable demand for high-grade investment bonds, especially Government issues, in which there has been considerable activity extending to the new notes. There were fractional advances in practically all issues of certificates and Treasury notes, while prices on Liberty Loan bonds continued to advance during the entire week and toward the close of the period they stood at the highest for the year, the Fourth 4 1/4s having advanced more than one point over the price of the previous week. Reports from some of the western and southern banks indicate that the demand was considerably in excess of local offerings, necessitating fairly large outside purchases.

Other than a temporary firmness on Monday due to a heavy Government withdrawal, money continued plentiful at 4% to 4 1/2%, the further redemption of Victory notes and the lightness of new bond offerings being contributing factors.

Bankers Acceptances

There was no particular change during the week. There has been a fair amount of 60 day bills offered while there were practically no 30's available. Dealers' purchases consisted mostly of bills offered by small banks, offerings by large banks having been practically nil with the exception of the Boston district. Rates remained unchanged, indorsed and unindorsed bills being offered at 4% to 4 1/8%. Among those offered bills drawn against shipments of sugar, cotton and oil predominated. Bills moved very slowly, country banks, commercial corporations and savings banks having produced some demand for 90's, while in New York City a preference was shown for the shorter maturities.

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**ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT
OF ALL FEDERAL RESERVE BANKS FROM MAY 17, 1923 to MAY 23, 1923**

Government Securities

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>	<u>Sales Contract</u>
Boston	-0-	-	-0-	-	580,156
New York	-0-	-	-0-	-	20,001,300
Philadelphia	76,200 50,000	Tr.Nts.B-1927 2nd 4 1/4 L.L.	1,200	Tr.Nts.B-1927	-0-
Cleveland	100,000 31,000	TD-1923 Ctf s. TM-1924 "	-0-	-	-0-
Richmond	-0-	-	-0-	-	-0-
Atlanta	15,000	Misc. Bonds	-0-	-	-0-
Chicago	19,000	Tr.Nts.B-1927	73,700	Tr.Nts.B-1927	4,378,700
St. Louis	-0-	-	2,500,000	TD-1923 Ctf s.	-0-
Minneapolis	55,000 101,000 10,000 251,000 17,000 223,000 385,000 <u>1,042,000</u>	TS2-1923 Cert. TM-1924 Cert. B-1924 Tr.Nts. A-1925 " " A-1926 " " A-1927 " " B-1927 " "	45,000 95,000 1,000 17,000 223,000 <u>335,000</u> 716,000	TS2-1923 " TM-1924 " A-1925 Tr.Nts. A-1926 " " A-1927 " " B-1927 " "	-0-
Kansas City	198,200	B-1927 Tr.Nts.	1,719,200 9,400	TM-1924 Ctf s. B-1927 Tr.Nts.	-0-
Dallas	-0-	-	-0-	-	1,600,000
San Francisco	-0-	-	-0-	-	-0-

Bankers Acceptances

Purchases in Own Market Purchases in Other Districts Sales Contracts

	<u>Maturity</u>	<u>Amount</u>	<u>Rate</u>		
Boston	1-30 days	125,000	4-1/8%	-0-	2,721,000
	31-60 "	69,000	4-1/8 to 4 1/4		
	61-90	<u>505,000</u>	4-1/8		
		699,000			
New York	1-30 days	2,391,000	4%	-0-	13,567,000
	31-60 "	1,909,000	4 to 4-1/8		
	61-90 "	2,066,000	4-1/8		
	Over 90 "	<u>661,000</u>	4-1/8 to 4 3/8		
		7,027,000			

- 4 -

	<u>Purchases in Own Market</u>	<u>Purchases in Other Districts</u>	<u>Sales Contracts</u>
	<u>Maturity</u>	<u>Amount</u>	<u>Rate</u>
Philadelphia	1-30 days	175,000	4 to 4-1/8%
	31-60 "	385,000	"
	61-90 "	912,000	"
		<u>1,472,000</u>	
Cleveland	1-30 days	196,000	4 to 4 1/8%
	31-60 "	57,000	4
	61-90 "	<u>241,000</u>	4 1/8 to 4 3/8
		494,000	
Richmond	1-30 days	24,284	4 1/4%
	31-60 "	<u>175,000</u>	"
		199,284	
Atlanta		35,000	
Chicago		-0-	
St. Louis	61-90 days	150,000	4-1/8%
Minneapolis		-0-	
Kansas City		-0-	
Dallas		-0-	
San Francisco	1-30 days	181,000	4 to 4-1/8%
	31-60 "	67,000	4 1/8
	61-90 "	<u>225,000</u>	"
		473,000	

(Circular stamp with initials)
See Report

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May 23, 1923

Dear Sir:

Receipt is acknowledged of your letter of the 22nd instant, enclosing report of transactions in Government securities and bankers acceptances as reported to the Open Market Investment Committee for the Federal Reserve System for the period from May 10 to May 16, 1923 inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,

Governor.

Mr. W. B. Matteson, Secretary,
Open Market Investment Committee,
Federal Reserve Bank,
New York, N. Y.

Mr. Horton

FEDERAL RESERVE BANK
OF NEW YORK

*Noted
JTB*

Open Market Investment Committee
for the Federal Reserve System

May 22, 1923

CONFIDENTIAL

S i r :

Enclosed is a report of transactions in Government securities and bankers acceptances as reported to the Open Market Investment Committee for the Federal Reserve System for the period from May 10 to May 16, 1923 inclusive, together with data received by the Committee from the Federal reserve banks.

Respectfully,

W. B. Matteson

W. B. MATTESON
Secretary of the Committee

Honorable D. R. Crissinger,
Governor, Federal Reserve Board,
Washington, D. C.

Enclosure

WEEKLY REPORT OF OPEN MARKET INVESTMENT COMMITTEE COVERING PERIOD
MAY 10 TO MAY 16, 1923, (INCLUSIVE)

Comparison of Holdings of Earning Assets by Federal Reserve
Banks from February 28, 1923, to May 16, 1923
(000 Omitted)

	TOTAL EARNING ASSETS	DISTRIBUTED AS FOLLOWS:		
		<u>Government Securities</u>	<u>Bankers Acceptances</u>	<u>Bills Discounted</u>
Feb. 28	\$1,166,512	\$363,074	\$207,678	\$595,760
Mar. 28	1,203,720	249,409	254,251	700,060
Apr. 25	1,104,489	193,810	274,041	636,638
May 2	1,190,581	184,772	275,429	730,380
May 9	1,147,863	185,814	266,992	695,057
May 16	1,167,869	188,889	281,609	697,371
Net change \$	1,357+	\$174,185-	\$ 73,931+	\$101,611+
(Feb. 28 to May 16)				

Changes in Holdings of Government Securities and Bankers
Acceptances by Federal Reserve Banks (Exclusive of Sale
Contracts) During the Week Ending May 16, 1923
(000 Omitted)

	<u>Government Securities</u>			<u>Bankers Acceptances</u>		
	<u>Balance May 9</u>	<u>Balance May 16</u>	<u>Net Change</u>	<u>Balance May 9</u>	<u>Balance May 16</u>	<u>Net Change</u>
Boston	\$ 5,360	\$ 5,360	0	\$ 17,722	\$ 17,630	\$ 92-
New York	1,149	1,149	0	42,310	58,291	15,981+
Philadelphia	24,648	24,928	280+	23,107	22,273	834-
Cleveland	17,839	19,314	1,475+	42,257	42,023	234-
Richmond	1,341	1,341	0	2,272	2,209	63-
Atlanta	548	548	0	32,207	30,317	1,890-
Chicago	24,048	24,128	80+	33,217	33,036	181-
St. Louis	18,133	17,433	700-	11,796	11,158	638-
Minneapolis	14,564	14,564	0	271	81	190-
Kansas City	34,366	34,123	243-	129	129	0
Dallas	7,779	7,779	0	12,753	12,626	127-
San Francisco	27,596	27,596	0	30,732	30,162	570-
Total	\$177,371	\$178,263	\$ 892+	\$248,773	\$259,935	\$11,162+

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DATA REGARDING GOVERNMENT SECURITY AND OPEN BILL MARKET CONDITIONS
AS REPORTED BY FEDERAL RESERVE BANKS

Boston

Government Securities

The Liberty bond market has been dull and quiet with the usual tendency toward weakness in prices under such conditions. Notes and certificates, which fell off with the announcement of the new issue, have reacted to their former level. At present the demand for notes has been especially good, exceeding the current supply.

Bankers Acceptances

The supply of 90 day bills was slightly larger but there were less 60s offered and the demand for this maturity was good. This demand is probably due in some measure to banks having temporary funds received from the sale of Treasury notes for which they have paid by credit. Country banks are showing more interest than for some time. Bill making is confined principally to larger banks. Sales to us were extremely light and our combined portfolio remains stationary.

Prime bankers acceptances, indorsed and unindorsed, were offered 1-30 days at 4% and 31-90 days at 4 1/8%.

We purchased for our own account \$379,000 indorsed bankers acceptances maturing from 1-90 days at 4 1/8% to 4 1/4%, \$292,000 of these having 61-90 day maturities.

New York

Government Securities

Liberty bonds have been dull during the period with a tendency to slightly lower prices. Under easier money conditions certificates of indebtedness and Treasury notes have been somewhat firmer with a fairly active demand for practically all issues.

Bankers Acceptances.

The period has been fairly active with an increase in both the supply and demand, 60 day bills having the call over other maturities. Long bills moved rather slowly. We continued to buy sparingly from dealers, but our portfolio increased about \$18,000,000, due principally to substantial sales made to us by banks. Of dealers total sales the proportion distributed in the outside market showed a decided improvement.

Prime bankers acceptances were offered, indorsed 1-60 days at 4%, unindorsed at 4% to 4 1/8%; 61-90 days indorsed at 4% to 4 1/8%, unindorsed at 4 1/8%.

We purchased for our own account \$20,285,000, \$16,603,000 having 1-60 day maturities; for account of other Federal Reserve Banks \$8,083,000; for account of member banks \$184,000; for account of foreign correspondents \$1,679,000.

Philadelphia

Government Securities

The market in Liberty bonds was very quiet without much variation in prices. There was considerably more activity in the notes with prices firm, in some instances somewhat higher. The trading was comparatively heavy in the new Treasury 4 3/4% notes which closed the period at 100 1/32-5/32. We purchased for our investment account \$280,000 Treasury notes, Series B-1927 at par.

- 3 -

Philadelphia Bankers Acceptances
(Continued)

There has been little change in the bill market during the past week, conditions being more or less listless but the easing tendency in the money market has helped the acceptance market to some extent.

There continued to be a fair supply of bills coming into the market, although there is an apparent scarcity of shorter maturities. The supply of commercial paper has been comparatively small.

Prime bankers acceptances, indorsed and unindorsed, were offered 1-60 days at 4% and 61-90 days at 4 1/8%.

We purchased for our own account \$1,324,000 at 4% to 4 1/4%, \$829,000 of these having maturities of 61-90 days.

Cleveland Government Securities

During the past week there has been a good demand for both notes and certificates, the price being approximately one-quarter higher than the previous week. There have been more buyers than sellers in this market.

Transactions affecting the investment account were as follows:

PURCHASES

\$1,500,000 TJ-1923 3 3/4% certificates at 99 31/32 from members
15,000 TM-1924 4 1/2% " " par " "

SALES

\$ 40,000 A-1924 5 3/4% Treasury Notes at 101 1/4 to members

Bankers Acceptances

The acceptance market continues to be dull. Very few bills are offered and there is very little demand for them in this district. Prime bankers acceptances were offered from 1-90 days indorsed at 4%, unindorsed at 4 1/8%.

We purchased for our own account in our market, at 4% to 4 1/4%, \$197,000 and from other Federal reserve banks \$2,657,000.

Richmond Government Securities

The Federal Reserve Bank of Richmond purchased \$11,050 Liberty Loan bonds for members and sold \$11,300 for them.

Bankers Acceptances

We purchased for our account \$70,000 bankers acceptances at 4 1/4% having maturities from 61-90 days.

Atlanta Government Securities

The Liberty bond market is rather inactive although there is a large unsatisfied demand for the B-1927 Treasury Notes.

Bankers Acceptances

Acceptances made in the Sixth District, purchased from member banks in this district, for our account totaled \$361,000.

Chicago Government Securities

All Government securities have been active during the past week with outstanding issues of Treasury Notes in demand at prices to yield between 4.60% and 4.70%. There has been heavy selling of Liberty bonds, especially Thirds, generally for the purpose of reinvesting in

- 4 -

Chicago the new issue of Treasury Notes. We purchased at par \$100,000 B-1927
(continued) Treasury Notes to take care of small late subscriptions and have sold
of that amount \$19,600 at par.

Bankers Acceptances

The bill market was very quiet during the past week with some new foreign financing. The demand for bills maturing from 61-90 days was very good, with few bills being offered in this market.

Prime bankers acceptances were offered, indorsed and unin-dorsed, 1-60 days at 4%; 61-90 days at 4 1/8%.

We purchased for the account of member banks \$350,000 and for our own account from other Federal reserve banks \$2,703,000.

St. Louis Government Securities

There was considerable strengthening in the Liberty bond market during the period with very little change with regards to certificates of indebtedness.

We sold to dealers from our investment account \$500,000 series TD-1923 certificates at par less 1/64th, and \$200,000 at par.

Bankers Acceptances

There is little to report on Open Bill Market Conditions and Operations in this district for the past week. The two dealers in this market are not operating actively.

Minneapolis Government Securities

Dealers report a slightly increasing demand for Third and Fourth Liberty Loan bonds during the past week as well as a much better demand for Treasury certificates and notes, TM-1924 and C-1925 being especially sought by country banks.

Bankers Acceptances

No report was received on bill market conditions and operations.

Kansas City Government Securities

We purchased for our investment account \$7,000 June 3 3/4% certificates at par, \$5,000 December 1927 4 1/2% Treasury notes at 99 1/4 and sold \$255,000 United States 2% Consols at 102 1/2.

Bankers Acceptances

No report was received on bill market conditions and operations.

Dallas Government Securities

The market in Government securities was active in this district during the period.

Bankers Acceptances

We purchased for our own account, through other Federal reserve banks, \$792,000 bankers acceptances.

- 5 -

San Francisco Government Securities

The Government security market was exceedingly quiet during the period.

Bankers Acceptances

We purchased in our own market \$785,000 indorsed bankers acceptances having maturities from 1-90 days at 4% to 4 1/8%, and through other Federal reserve banks \$1,931,000.

Operations for Account of U. S. TreasuryForeign Obligations

Treasury orders authorizing the purchase on the Stock Exchange of Third Liberty Loan 4 1/4% bonds from the proceeds of repayments by foreign governments, which was increased from \$30,300,000 to \$30,780,000, have been completed as follows:

	<u>Par Value</u>	<u>Range of Prices</u>
Boston	\$ 1,750,000	98 10/32-19/32
New York	23,480,000	98 4/32-24/32
Philadelphia	<u>5,550,000</u>	98 9/32-19/32
	<u>\$30,780,000</u>	

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May 17, 1923

Dear Sir:

Receipt is acknowledged of your letter of the 16th instant, enclosing for the confidential information of the Federal Reserve Board a report of transactions in Government securities and bankers' acceptances as reported to the Open Market Investment Committee for the Federal Reserve System for the period from May 3 to May 9, 1923, inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,

Governor.

Mr. W. B. Motteson, Secretary,
Open Market Investment Committee,
Federal Reserve Bank,
New York, N. Y.

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**FEDERAL RESERVE BANK
OF NEW YORK**

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Open Market Investment Committee
for the Federal Reserve System

CONFIDENTIAL

May 16, 1923

S i r :

Enclosed is a report of transactions in Government securities and bankers acceptances as reported to the Open Market Investment Committee for the Federal Reserve System for the period from May 3 to May 9, 1923, inclusive, together with data received by the Committee from the Federal reserve banks.

Respectfully,



W. B. Matteson
Secretary of the Committee

Encl.

Honorable D. R. Crissinger,
Governor, Federal Reserve Board,
Washington, D. C.

WEEKLY REPORT OF OPEN MARKET INVESTMENT COMMITTEE COVERING PERIOD
MAY 3 TO MAY 9, 1923, (INCLUSIVE)

Comparison of Holdings of Earning Assets by Federal Reserve
Banks from February 28, 1923, to May 9, 1923
(000 Omitted)

	TOTAL EARNING ASSETS	DISTRIBUTED AS FOLLOWS:		
		Government Securities	Bankers Acceptances	Bills Discounted
Feb. 28	\$ 1,166,512	\$ 363,074	\$ 207,678	\$ 595,760
Mar. 28	1,203,720	249,409	254,251	700,060
Apr. 25	1,104,489	193,810	274,041	636,638
May 2	1,190,581	184,772	275,429	730,380
May 9	1,147,863	185,814	266,992	695,057
Net change \$	18,649 -	\$ 177,260 -	\$ 59,314 +	\$ 99,297 +
(Feb. 28 to May 9)				

Changes in Holdings of Government Securities and Bankers
Acceptances by Federal Reserve Banks (Exclusive of Sale
Contracts) During the Week Ending May 9, 1923
(000 Omitted)

	Government Securities			Bankers Acceptances		
	Balance	Balance	Net	Balance	Balance	Net
	May 2	May 9	Change	May 2	May 9	Change
Boston	\$ 5,360	\$ 5,360	\$ 0	\$ 19,315	\$ 17,722	\$ 1,593 -
New York	1,149	1,149	0	41,402	42,310	908 +
Philadelphia	24,696	24,648	48 -	23,634	23,107	527 -
Cleveland	17,835	17,839	4 +	43,360	42,257	1,103 -
Richmond	1,341	1,341	0	2,179	2,272	93 +
Atlanta	558	548	10 -	33,968	32,207	1,761 -
Chicago	24,048	24,048	0	34,602	33,217	1,385 -
St. Louis	18,144	18,133	11 -	12,686	11,796	890 -
Minneapolis	14,585	14,564	21 -	601	271	330 -
Kansas City	35,112	34,366	746 -	0	129	129 +
Dallas	7,779	7,779	0	13,023	12,753	270 -
San Francisco	27,641	27,596	45 -	32,993	30,732	2,261 -
Total	\$178,248	\$177,371	\$877 -	\$257,763	\$248,773	\$ 8,990 -

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DATA REGARDING GOVERNMENT SECURITY AND OPEN BILL MARKET CONDITIONS
AS REPORTED BY FEDERAL RESERVE BANKS

Boston

Government Securities

The market in Government securities has held well during the past week, Libertys and Treasury certificates being in fair demand.

Bankers Acceptances

Very few bills were made during the week, the bill market being extremely quiet, 60 day maturities having the call over other maturities.

Present rates for prime bills, both indorsed and unindorsed, are $4\frac{1}{4}\%$ bid and $4\frac{1}{8}\%$ offered for 31-90 days; $4\frac{1}{8}\%$ bid and 4% to $4\frac{1}{8}\%$ offered for 1-30 days.

New York

Government Securities

Liberty bonds after advancing in price during the early part of the period receded later upon announcement of the nature of the new Treasury financing.

Treasury certificates and notes have been firm and steady throughout the week.

Bankers Acceptances

The volume of new bills was not heavy but was somewhat in excess of the demand. With comparatively easy money bill rates remained unchanged at $4\frac{1}{4}\%$ bid and $4\frac{1}{8}\%$ offered on long bills and $4\frac{1}{8}\%$ bid, 4% offered, on 30s.

Philadelphia

Government Securities

The Liberty bond market has been very active. Call money is plentiful at 5%. Government issues should advance if the stock market decline is a true forecast of business conditions.

Bankers Acceptances

There was no particular change in the discount market during the week except a slight improvement toward the latter part, due to the softening of the money market. The demand has been very nominal and offerings to us have been comparatively heavy. Interior banks continued to be the principal buyers.

Rates remained at the previously current level of $4\frac{1}{4}\%$ bid, $4\frac{1}{8}\%$ offered for 61-90 days; $4\frac{1}{8}\%$ bid, 4% offered, for the 30s.

Cleveland

Government Securities

Transactions in Government security market have been nominal during the week.

Bankers Acceptances

The acceptance market in this district continued dull, with small supply and very little demand. Prime indorsed bankers acceptances maturing up to 90 days were offered at 4% , unindorsed at $4\frac{1}{8}\%$.

- 3 -

Richmond Government Securities

Dealers report that trading in Government securities during the week has been about normal.

Bankers Acceptances

Indorsed bankers acceptances, having a maturity of 31-90 days, were purchased in this district at 4 1/4%.

Atlanta Government Securities

Purchases exceeded sales in Government securities in this district during the week, with Thirds and Fourths leading all issues.

Bankers Acceptances

The acceptance market in this district has been very inactive, with light offerings.

Chicago Government Securities

There has been considerable selling of Liberty Loan bonds during the past week.

Treasury certificates maturing in September and December are in fair demand. Outstanding issues of notes have reacted slightly, but few are offered in this market.

Bankers Acceptances

Dealers report a quiet bill market, with practically no new offerings and that their portfolios are small.

Prime indorsed bankers acceptances are offered here from 1-60 days at 4% and 61-90 days at 4 1/8%. Unindorsed bills are not being offered.

St. Louis Government Securities

Dealers report market very inactive with very little buying and selling of short-term securities.

Bankers Acceptances

The market for bankers bills has been unusually quiet for the past few months. As far as we know no bills were created in this district during this period.

Minneapolis Government Securities

There has been very little trading in Government securities in the past week according to local dealers.

Bankers Acceptances

No report was received on bill market conditions and operations.

Kansas City Government Securities) No report was received giving comments on the
Bankers Acceptances) Government security or bill market conditions.

- 4 -

Dallas

Government Securities

The market in Government securities has been active during this period incident to the May 15 offering.

Bankers Acceptances

No comment was received concerning general bill market conditions in this district.

San Francisco

Government Securities

The market in Government securities continued quiet during the period.

Bankers Acceptances

Bankers acceptances maturing from 31-60 days were purchased at 4 1/8%.

Operations For Account of U. S. TreasuryForeign Obligations

Treasury orders were received authorizing the purchase of Third Liberty Loan 4 1/4% bonds from the proceeds of repayments by foreign governments. These purchases were to be made at the market on the Stock Exchange at a principal cost including commissions, but excluding accrued interest, not to exceed \$30,300,025.03. Upon receipt of these orders we communicated with the Federal Reserve Banks of Boston, Philadelphia and Chicago offering them an opportunity to participate, with the understanding that the executions were to be made on the Stock Exchange only, in accordance with the Treasury's instructions.

The Federal Reserve Bank of Chicago stated that they would be unable to participate as it would be impossible to make any purchases on their Exchange.

Purchases have been made thus far in the following amounts:

	<u>Par Value</u>	<u>Range of Prices</u>
Boston	\$ 800,000	98 10/32-19/32
New York	18,621,000	98 4/32-24/32
Philadelphia	4,250,000	98 9/32-19/32
	<u>\$23,671,000</u>	
	6,629,000	Unexecuted balance
	<u>\$30,300,000</u>	

*E. F.
Thick Report*

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May 9, 1923.

My dear Sir:

In behalf of Governor Crissinger,
I acknowledge receipt of your letter of May 8th,
enclosing the first report of transactions in
Government securities and bankers' acceptances
as reported to the Open Market Investment
Committee for the Federal Reserve System, for
the period from April 26 to May 2, 1923, in-
clusive, together with data received by the
Committee from Federal Reserve banks.

Very truly yours,

Wm. W. Hoxton,
Secretary.

Mr. W. B. Matteson, Secretary,
Open Market Investment Committee,
Federal Reserve Bank,
New York, N. Y.

E.F.

FEDERAL RESERVE BANK
OF NEW YORK

Open Market Investment Committee
for the Federal Reserve System

May 8, 1923

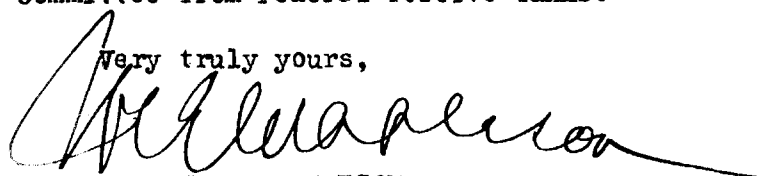
CONFIDENTIAL

Mr. D. R. Crissinger,
Governor, Federal Reserve Board,
Washington, D. C.

My dear Governor Crissinger:

Enclosed is the first report of transactions in Government securities and bankers' acceptances as reported to the Open Market Investment Committee for the Federal Reserve System for the period from April 26 to May 2, 1923 inclusive, together with data received by the Committee from Federal reserve banks.

Very truly yours,


W. B. MATIESON
Secretary of the Committee

Enclosure

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TRANSACTIONS IN GOVERNMENT SECURITIES FOR ACCOUNT OF THE TREASURY DEPARTMENT
ALSO TRANSACTIONS BY FEDERAL RESERVE BANKS AND DATA REGARDING MARKET
CONDITIONS IN GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES
FROM CLOSE OF BUSINESS APRIL 25, 1923, TO CLOSE OF BUSINESS MAY 2, 1923, AS
REPORTED TO THE OPEN MARKET INVESTMENT COMMITTEE FOR THE
FEDERAL RESERVE SYSTEM

Operations for Account of U. S. Treasury

There were no orders executed through the Committee for account of the Treasury during this period.

Miscellaneous
Orders

Government Life Insurance Fund

At the request of the Treasury the Federal Reserve Bank of New York purchased on the Stock Exchange \$201,600 face amount of 4 1/4% Treasury Bonds of 1947-52 for account of the Government Life Insurance Fund.

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

Boston

Government Securities

The Boston market in Liberty bonds showed little change during the period, although at the close there seems to be more optimism among the dealers with several potential buyers. The demand for notes was poorer than during the previous week, with supply in excess of demand. The market for certificates has shown little change, although there was an inclination toward weakness in anticipation of new issues. Government securities held under sale contract totaled \$210,650 at the close of this period.

There were no transactions affecting the investment account.

Bankers Acceptances

With respect to the bill market in this district dealers report that the supply of bills has been much more limited than in recent past and that positive scarcity of 30 day bills is in evidence. Unfilled orders exist in considerable volume for short bills, for which dealers are bidding 4 1/8%. Demand for long bills is fairly good, but not as active at end of week as earlier.

It is our observation that combined purchases of dealers, while limited, were heavy enough to increase dealers holdings. The bid rate of 4 1/4% is not bringing out all bills made. Banks are apparently holding back in anticipation of 4 1/8% bid. Offerings to us were not heavy and the increase in our portfolio was due solely to bills carried for dealers. Savings banks have been active buyers, both locally and in outside cities. Our rates 4 1/8% for 1-90 days.

Dealers are offering prime endorsed bankers acceptances in this market maturing from 1-30 days at from 4% to 4 1/8%; 31-90 days at 4 1/8% and unendorsed maturing from 1-30 days at from 4% to 4 1/8% and 31-90 days at 4 1/8%.

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Of bankers acceptances purchased from dealers under sale contract, at rates from 4% to 4 3/8%, we held \$2,596,000 at the close of this period.

Bills Purchased For Investment Account

<u>Maturity</u>	<u>Rate</u>	<u>This Market</u>
1-30 days	4 1/8% - 4 1/8%	\$102,000
31-60 "	4 1/8% - 4 1/8%	297,000
61-90 "	4 1/8% - 4 3/8%	408,000
180s	4 1/4% - 4 1/2%	-0-

New York Government Securities

The volume of transactions in Government issues on the Stock Exchange has been light throughout the week, with increased activity and with slightly improving prices at the close of the period. Call money, after touching 6% incidental to the first of the month payments, declined to 4% under the supply of interior funds attracted to this center by a 5% rate or better for this type of loans.

The time money market was quiet without change in rate at 5 1/4%.

The yield of Treasury certificates and notes has improved over that of a week ago, possibly in anticipation of the Treasury's new financing.

Loans to dealers in Government securities under sales contract agreements totaled \$2,590,000 at the close of this period.

Investment account transactions were as follows:

SALES

\$10,000,000 Treasury Notes 4 1/4% due September 15, 1926, on a 4% basis to dealers.

Bankers Acceptances

As a result to some extent of the increase in rates during the week which ended April 21, there was somewhat of a decrease in the supply of bills during the week under review. Some dealers reported difficulty in obtaining sufficient prime bills to meet their requirements. While bills did not move freely there was some improvement in the demand, with good sales reported on the Pacific coast. Short maturities continued to move well.

Our observation of market conditions is that the recent advance in rates was not long maintained as on April 25 dealers were again bidding 4 1/4% and offering at 4 1/8%. It is somewhat difficult to say whether the cause was technical or real as the market generally speaking was quiet and the outside demand and supply was fairly well balanced. Our purchases from dealers were considerably lighter as we are endeavoring to decrease our portfolio. This was more than offset, however, by larger offerings from the banks so that our holdings of bills purchased outright increased by about \$2,000,000.

Bankers acceptances which were purchased from dealers under sales contract at a rate of 4% amounted to \$11,434,000 at the close of this period.

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Dealers are offering prime bankers acceptances in this market, indorsed 1-60 days at 4%; 61-90 days at 4% to 4 1/8%; unindorsed 1-30 days at 4% to 4 1/8%; and 31-90 days at 4 1/8%.

Purchases of indorsed bankers acceptances were made as follows:

For Our Investment Account

<u>Maturity</u>	<u>Rate</u>	<u>Amount</u>
1-30 days	4%	\$ 4,831,000
31-60 "	4%	1,516,000
61-90 "	4% - 4 1/8%	416,000
91-120 "	4 1/8% - 4 1/4%	271,000
151-180 "	4 3/8%	124,000
For account of member banks		217,000
For account of foreign correspondents		2,250,000
For account of other Federal Reserve Banks		9,373,000

Philadelphia Government Securities

The market in Liberty bonds has been somewhat erratic, with considerable improvement in prices over the period, most of the active issues advancing 1-32 to 6-32's of a point, with the exception of the 3 1/2s and the 4 3/4s both of which remain practically unchanged. There has also been some activity in Treasury notes and certificates, with a slight upturn in prices. The street is undoubtedly marking time awaiting the announcement of the terms of the new issue. Although money tightened up somewhat over the month end period, due to preparation for May's interest and dividend payments, the money market as a whole has been easier, which is attributed to the slackening of demand for funds from commercial centers as indicated to some extent by the slight change in the high grade security market, also to the shrinkage in brokers' loans, which touched a new low for the year - \$1,750,000.

On July 2 certain tax exemption features will be eliminated, in other words after that date, interest from only \$55,000 par value of Liberty bonds, other than the 3 1/2s, will be wholly tax free. It is, therefore, fairly safe to prognosticate that during the coming months quite a few of these bonds will be offered in the market by certain holders, for the purpose of reinvesting the proceeds in tax free securities.

Investment account transactions were as follows:

SALES

\$90,000 Treasury Notes, 4 3/4%, due March 15, 1925, at par.

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Bankers Acceptances

Dealers have described the market for bills in this district as being quiet, supply moderate and demand light.

With regard to our own observations, there was practically no change in the bill market during the past week, conditions being more or less apathetic despite the slight easing in the money market. Rates for both call and time money closed at 5% and the street looks for no change in the immediate future. The turnover in bills was unusually light, local banks being out of the market almost entirely, with some little interest displayed from out of town. Dealers were bidding $4\frac{1}{4}\%$ for prime 90s and offering at $4\frac{1}{8}\%$. On long bills they were bidding $4\frac{3}{8}\%$ and $4\frac{1}{2}\%$, depending on the maturity. Offerings to us have been comparatively heavy, but since our maturities have been fairly light we have confined our purchases in conformity thereto. The demand for commercial paper has been particularly light, prime names of 3 to 6 months being offered at 5% and in a few instances at $4\frac{3}{4}\%$. Dealers are offering prime bankers acceptances in this market, both indorsed and unindorsed maturing from 1-90 days at 4% to $4\frac{1}{8}\%$.

Bills Purchased for Investment Account

<u>Maturity</u>	<u>Rate</u>	<u>This Market</u>
1-30 days	4%	\$ 173,000
31-60 "	4% - $4\frac{1}{4}\%$	718,000
61-90 "	4% - $4\frac{3}{8}\%$	1,085,000

Cleveland Government Securities

Market in Government securities has shown a stronger tendency this week, especially Liberty bonds which advanced materially. Transactions have been moderate.

Transactions affecting the investment account were as follows:

PURCHASES

\$ 1,000 $4\frac{1}{2}\%$ Treasury Notes due June 15, 1925
 120,000 September $4\frac{1}{4}\%$ certificates at par from members
 150,000 March $4\frac{1}{2}\%$ " " " " "

SALES

\$ 25,000 March $4\frac{1}{2}\%$ certificates at par 1/16
 500 " $4\frac{1}{2}\%$ " " "

Bankers Acceptances

Dealers have reported concerning the bills in this district that the acceptance market continues dull with very few bills offered and very little demand.

We confirm the opinion of various dealers that the market during the past week has been unusually dull, with the supply very limited and the demand practically nil.

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Of bankers acceptances purchased from dealers under sales contract, at rates from $4\frac{1}{8}\%$ to $4\frac{1}{2}\%$, we held \$91,843 at the close of this period.

Dealers are offering prime indorsed bankers bills in this market at 4% for all maturities up to 90 days and the same without indorsement at $4\frac{1}{8}\%$.

Purchases for our account in other districts have been made during the week amounting to \$999,920 and in this district \$60,000, maturing from 1-30 days at 4%.

Richmond Government Securities

The Federal Reserve Bank of Richmond sold Liberty bonds for members totaling \$10,450 and purchased for them Liberty bonds amounting to \$33,500.

There were no transactions affecting the investment account.

Bankers Acceptances

Transactions in the discount market during the week consist of \$250,000 61-90 day bills purchased for our investment account at $4\frac{1}{4}\%$ to $4\frac{3}{8}\%$.

Atlanta Government Securities

Government security market conditions in this district have been unchanged since the last report.

There were no transactions affecting the investment account.

Bankers Acceptances

The activities of this bank in the acceptance market during the week may be summarized as follows:

Purchases of bills from member banks in the Sixth district amounted to \$298,956; purchases made outside of this district through other Federal reserve banks amounted to \$3,502,897; total maturities during the week of acceptances made in the Sixth Federal Reserve District were \$307,739; total maturities during the week of acceptances made outside of this district were \$1,436,256.

Chicago Government Securities

All issues of United States securities during the past week have been in good demand, especially the Treasury Notes. Liberty bonds have been fairly active with Fourth $4\frac{1}{4}\%$ s in demand at a price to yield approximately $4\frac{1}{2}\%$. Advances to dealers in Government securities under repurchase agreements amounted to \$1,623,750 at the close of this period.

There were no transactions affecting the Investment Account.

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Bankers Acceptances

Concerning the bill market in this district, dealers have reported the supply small and a fair demand. Bills are moving, particularly to the country district.

Our observation is that the bill market seems still unsettled, although all brokers are offering at the same rate, namely $4\frac{1}{8}\%$ on prime 90s.

Of bankers acceptances purchased from dealers under sales contracts at rates from $4\frac{1}{8}\%$ to $4\frac{7}{16}\%$ we held \$415,000 at the close of the period.

Brokers are quoting prime bankers acceptances with and without indorsement at $4\frac{1}{8}\%$.

We purchased in this market for account of member banks \$75,000 bills during the week and none for other Federal reserve banks.

There were no purchases made in this district during the week for our investment account; while purchases through other Federal reserve banks for investment account totaled \$1,519,000.

St. Louis

Dealers report good demand for certificates and notes. Purchases exceed sales, especially in regard to Libertys. Market shows an advance on certificates and notes, against a decrease on bonds:

Investment account transactions were as follows:

SALES

\$186,500	December 4% certificates at 99 $\frac{31}{32}$ to dealers
300,000	Treasury Notes, Series A-1926, at 100 $\frac{1}{8}$ to dealers
2,000	" " " A-1926 at 100 $\frac{3}{16}$
25,000	" " " A-1927 at 99 $\frac{5}{8}$
<u>100</u>	" " " A-1927 at par

\$513,600

Bankers Acceptances

During this period we purchased from the portfolios of other Federal reserve banks indorsed bills amounting to \$736,000. Few acceptances were moving in this market and as far as we know there were no other transactions.

Minneapolis

Government bond dealers in the northwest report a better volume of sales in Libertys during the past week than for some time, principally in Fourth $4\frac{1}{4}$ s for individuals and Thirds for country banks. We have had an increased demand for short time certificates and notes. There seems to be a considerable amount of money waiting for the next issue of certificates expected May 15.

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Minneapolis Transactions affecting the Investment Account were as follows:
(continued.)

PURCHASED

\$ 70,000	June 3 3/4%	certificates	
10,000	Sept. 3 3/4%	"	
567,000	" 4 1/4%	"	
479,000	March 4 1/2%	"	
1,500	Treasury Notes, Series A-1924		
500	" "	"	B-1924
274,800	" "	"	A-1925
500	" "	"	B-1925
28,500	" "	"	C-1925
5,600	" "	"	A-1926
2,004,200	" "	"	B-1926
43,800	" "	"	A-1927
<hr/>			
\$ 3,485,400			
<hr/>			

SALES

\$ 70,000	June 3 3/4%	certificates	
10,000	Sept. 3 3/4%	"	
617,000	" 4 1/4%	"	
309,000	March 4 1/2%	"	
1,500	Treasury Notes, Series A-1924		
500	" "	"	B-1924
1,024,800	" "	"	A-1925
500	" "	"	B-1925
28,500	" "	"	C-1925
5,600	" "	"	A-1926
2,004,200	" "	"	B-1926
43,500	" "	"	A-1927
<hr/>			
\$4,115,100			
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Bankers Acceptances

No report was received on bill market conditions and operations.

Kansas City Brokers report about the same market situation, purchases exceed sales at Kansas City and Denver, while sales were in excess of purchases at Omaha. For account of member and nonmember banks we have made executions as follows:

Purchases \$6,800; sales \$31,100 in various issues of Liberty bonds, including Treasury Bonds of 1947-52.

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Kansas City
 (continued)

Investment account transactions were as follows:

PURCHASES

\$ 10,000 September 4 1/4% certificates at par

SALES

\$ 30,000 March 4 1/2% certificates at par

500,000 Dec. 4% " " " (under resale agreement)

Bankers Acceptances

No report was received on bill market conditions and operations.

Dallas

The market in Government securities has become more active. We have purchased from dealers under resale agreement \$1,600,000 4 1/4% Treasury Notes due September 15, 1926.

There were no transactions affecting the investment account.

Bankers Acceptances

The discount market for bankers bills in this district has been very quiet. We have purchased for our own account, through other Federal reserve banks, a total of \$291,889 in acceptances.

San Francisco

The market in Government securities has continued quiet during the period.

There were no transactions affecting the investment account.

Bankers Acceptances

Loans to dealers in bankers bills, at rates from 4 1/8% to 4 1/4%, were made totaling \$1,592,000 from Saturday, April 28 to the close of the period. We have purchased through other Federal reserve banks for investment account \$750,000 face amount of acceptances.

We have purchased in this district, for our own account, the following acceptances during this period:

<u>Maturity</u>	<u>Rate</u>	<u>This Market</u>
1-30 days	4% - 4 1/8%	\$203,000
31-60 "	4% - 4 1/8%	386,000
61-90 "	4% - 4 1/8%	29,000

N O T R E C E I V E D B Y F I L E S

DATE April 11, 1938

KIND OF MATERIAL

Reports for period from March 28, 1923 to April 25, 1923

NAME OR SUBJECT

Weekly Report, Open Market Investment Committee

Report of transactions in government securities and bankers acceptances
as reported to the open market investment committee for the FRSystem.

REMARKS

All files that might possibly contain these reports have been checked

Checked by J. N. Kiley, Jr.

Date April 11, 1938

1922
1923
Weekly Reports

2

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April 4, 1923.

Dear Sir:

This will acknowledge receipt of your letter of April 3rd, 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 March 28, 1923.

Yours very truly,

Acting Governor.

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

7 2 1 3 3 3
FEDERAL RESERVE BANK
OF NEW YORK

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

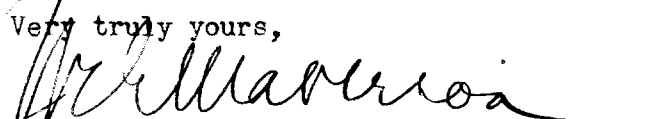
April 3, 1923.

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 March 28, 1923.

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 MARCH 21, 1923, TO CLOSE OF BUSINESS MARCH 28, 1923,
AS REPORTED TO THE COMMITTEE OF GOVERNORS ON CENTRALIZED EXECUTION
OF PURCHASES AND SALES OF GOVERNMENT SECURITIES BY FEDERAL RESERVE BANKS

Operations for Account of U. S. Treasury

Alien Property Custodian

Under date of March 21, 1923, the Treasury authorized the purchase of \$3,870,000 face amount of certificates of indebtedness of any series, preferably the issues dated March 15, 1923, at par and accrued interest, for account of the Alien Property Custodian. This order was completed by the following purchases at par:

Boston	\$ 350,000	March	4 1/2%	certificates
	250,000	September	4 1/4%	"
New York	506,000	March	4 1/2%	"
	664,000	September	4 1/4%	"
Philadelphia	500,000	"	"	"
Cleveland	500,000	"	"	"
Chicago	400,000	March	4 1/2%	"
	600,000	September	4 1/4%	"
	<u>\$ 3,870,000</u>			

Cumulative Sinking Fund

The Committee advised all banks of the Treasury's desire to retire as many outstanding Victory notes as possible at par and accrued interest, asking for local publicity to meet this end. As it was practically impossible to dislodge any Victory notes at this price, the Treasury, on March 26, 1923, authorized the purchase of \$10,000,000 Victory notes for account of the Sinking Fund at prices not exceeding 100 4/32. The participation by banks in this order is as follows:

New York	\$ 6,500,000	Victory notes at	100 2/32
	18,000	"	" 100 1/32
	1,294,750	"	" 100 3/32
Philadelphia	500,000	"	" 100 2/32
	100,000	"	" 100 3/32
Atlanta	36,850	"	" 100 2/32
	22,500	"	" 100 3/32
" N.O. Branch	14,950	"	" 100 3/32
Chicago	550,000	"	" 100 2/32
	250,000	"	" 100.04
St. Louis	165,000	"	" 100 1/32
	8,000	"	" 100.05
	164,450	"	" 100.2/32
Minneapolis	32,500	"	" 100 3/32
Kansas City	31,000	"	" 100 2/32
	112,000	"	" 100 1/32
San Francisco	200,000	"	" 100 3/32
	<u>\$10,000,000</u>		

Redemption

On March 27, 1923, the Treasury advised all reserve banks that in view of the large balances in the Treasurers account, it would be highly desirable to redeem the approximately \$54,000,000 June 3 3/4% certificates held by the System, totaling

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about \$54,000,000, and further that in line with the previous policy of the Board the Treasury suggested that the proceeds should not be reinvested in Government securities. All banks complied with the Treasury's request and June certificates were redeemed at par from the investment holdings in the following amounts:

Boston	\$ 3,850,000
Philadelphia	3,610,000
Cleveland	10,326,500
Atlanta	7,500,000
Chicago	15,525,000
St. Louis	1,343,000
Minneapolis	184,000
Kansas City	3,785,500
Dallas	1,034,500
San Francisco	7,125,500
	<u>\$54,284,000</u>

Federal Land Banks

For account of various Federal Land Banks the following certificates were sold during the week:

\$500,000 December 4% certificates at 99 5/8

Postal Savings System

The order dated March 15, 1923, requesting the Federal Reserve Bank of New York to sell on the Stock Exchange \$6,237,000 Second 4 1/4% Liberty Loan bonds at prevailing market prices for account of the Board of Trustees, Postal Savings System, has been completed. Sales of these bonds were executed at prices ranging from 96 31/32 to 97 13/32 and interest.

Miscellaneous Orders

At the request of the Treasury the Federal Reserve Bank of New York purchased on the Stock Exchange \$464,600 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 market for Government securities continued dull with a downward trend and carried all issues to lower levels at the end of the period, some of the Libertys to lowest points in over a year. Brokers report talk of increased rediscount rates and commercial banks' selling as principal depressing elements, which savings institutions and individual investment buying has been insufficient to offset. Dealers do not look for much increase in prices until seasonal demand for money has passed. Government securities held under Repurchase Agreements total \$351,575 at the close of this period.

Investment account transactions were as follows:

SALES

\$3,850,000 June 3 3/4% certificates redeemed at 100.

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New York

Selling continued in the week's trading in the investment list on the Stock Exchange, which resulted in a reaction in Liberty prices to a point inviting institutional investments since quotations became a shade higher at the close of the period. Financial markets remained firm with call money loaning at between 5% and 6%. Treasury certificates and notes have been active, although the trend of quotations is definitely downward. Loans to dealers in Government securities under Sales Contract agreements totaled \$13,589,600.

There were no transactions affecting the investment account.

Philadelphia

The pressure on the Government securities market continued, bonds selling down to new low prices for the year, with practically little or no demand. The Treasury Notes in particular were offered freely, and at a considerable concession in prices. Some little firmness, however, developed at the close of the period. The market is merely reflecting the industrial condition of the country, there being almost entirely an absence of buying on the part of financial institutions and industrial corporations, and we can look for no decided swing upward until money is cheaper. Call money continued firm throughout the period, closing on several occasions at the 6% peak. The time money market also tightened up, quite a few transactions reported at 5 1/2%, commercial paper, best names, discounted at 5%, other names at 5 1/4%. The scarcity of funds, at this particular time, is attributed to some extent, to new financing and to the heavy deposits carried by the Government in the various Federal reserve banks.

Transactions affecting the investment account were as follows:

PURCHASES

\$	53,000	March 4 1/2%	certificates	at	100
	100,000	4 1/4%	Treasury notes,	due	Sept. 15, 1926, at 98 3/8
	25,000	"	"	ctfs.	" " 15, 1923, " 100
\$	178,000				

SALES

\$	69,000	March 4 1/2%	certificates	at	100
	25,000	Sept. 4 1/4%	"	"	100
	100,000	4 1/4%	Treasury notes,	Series B-1926,	at 98 3/8
	3,610,000	June 3 3/4%	Certificates	redeemed	at 100.
\$	3,804,000				

Cleveland

Early in the week the demand was at a low ebb and the volume of transactions was very small with prices tending downward. There was some improvement in the last two days and a distinct advance in prices on the 28th. The usual buying of Liberty bonds which takes place every year at this time on account of the approach of Tax Day in Ohio is in evidence, although not as much as last year.

Investment account transactions were as follows:

SALES

\$10,326,500 June 3 3/4% certificates redeemed at 100.

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Richmond

The Reserve Bank of Richmond sold \$10,600 in securities for account of members and bought \$7,000 of various issues for them. There were no comments on market conditions received from brokers. There were no transactions affecting the investment account.

Atlanta

Market conditions in this district have been weak and unsettled. There have been very few sales and purchases of Government securities during the period.

Investment account transactions were as follows:

SALES

\$ 7,500,000 June 3 3/4% certificates redeemed at par.

Chicago

The market for U. S. securities has been much weaker this week than the week before, with Treasury notes and Third Liberty Loan bonds selling on a basis to yield better than 4.75 at the close of this period. Buyers in any quantity have been so scarce that brokers have been bidding from 1/4 to 3/8 less than the offered price for Libertys and Treasury Notes. Advances to dealers in Government Securities under sales contracts amounted to \$3,257,600.

Investment account transactions were as follows:

SALES

\$15,525,000 June 3 3/4% certificates redeemed at 100.

St. Louis

Dealers report market low in the beginning of the week, but gradually getting higher. Business in general has been a little better. Purchases exceed sales.

Investment account transactions were as follows:

SALES

\$	15,000	March 4 1/2%	certificates	at	100	
	12,000	4 1/2%	Treasury notes due Dec.	15, 1927,	at	100
	2,000	"	"	"	"	15, 1927, " 99 3/8
	25,000	5 1/2%	"	"	"	Sept. 15, 1924, " 101 1/8
	<u>1,343,000</u>	June 3 3/4%	certificates	redeemed	at	100
\$	1,397,000					

Minneapolis

The local market in Government securities continued very quiet, but with some little buying being done by small banks.

Investment account transactions were as follows:

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Minneapolis
(continued)PURCHASES

\$	44,000	March 4 1/2%	certificates	
	70,000	Sept. 4 1/4%	"	
	12,200	Treasury Notes, Series A-1927		
	502,000	"	"	B-1926
	125,000	"	"	A-1925
	200,000	"	"	A-1926
	3,000	"	"	C-1925
	25,000	4 1/4%	Treasury Bonds of 1947/52	
\$	981,200			

SALES

\$	219,000	March 4 1/2%	certificates	
	70,000	Sept. 4 1/4%	"	
	184,000	June 3 3/4%	"	redeemed at par
	12,200	Treasury Notes, Series A-1927		
	125,000	"	"	A-1925
	200,000	"	"	A-1926
	3,000	"	"	C-1925
	2,000	"	"	B-1926
	25,000	4 1/4%	Treasury Bonds of 1947/52	
\$	840,200			

Kansas City

Local brokers report a better demand than during previous week, the demand being slightly in excess of local supply. Reports from Oklahoma City and Omaha indicate that demand is in excess of the supply at both places, but that neither demand nor supply is large. Denver reports purchases \$148,950 against sales of \$142,550.

For account of member and non-member banks, we have made purchases \$3,250 and sales \$7,200 in Liberty and Treasury bonds.

Transactions affecting the investment account were as follows:

PURCHASES

\$	2,000,000	March 4 1/2%	certificates at 100 from member
	195,000	4 1/2%	Treasury notes due June 15, 1925 at 99 5/8 from member banks
	5,000	4 3/4%	Treasury notes due March 15, 1926, at 100 1/16 from member banks
	3,500	4 1/4%	Treasury notes due Sept. 15, 1926, at 98 3/16 from member banks
	96,000	4 1/2%	Treasury notes due Dec. 15, 1927, at 99 1/2 from member banks
	100,000	4 1/2%	Treasury notes due Dec. 15, 1927, at 98 13/16 from member banks
\$	2,399,500		

SALES

\$ 3,785,500 June 3 3/4% certificates redeemed at 100.

- 6 -

Dallas

The market in Government securities has been steady during the week.

Investment account transactions were as follows:

PURCHASES

\$ 100,000 4 1/4% Treasury notes, due September 15, 1926.

SALES

\$ 1,034,500 June 3 3/4% certificates redeemed at 100.

San Francisco

The market in Government securities has been quiet.

Investment account transactions were as follows:

SALES

\$ 7,125,500 June 3 3/4% certificates redeemed at 100.

2

330

March 28, 1923.

Dear Sir:

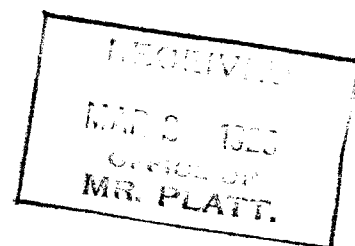
This will acknowledge receipt of your letter of March 26th, enclosing report of ~~transactions in~~ Government securities by the different Federal Reserve banks as reported to the Committee of Governors on centralized execution of purchases and sales of Government securities during the week ending March 21, 1923.

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

March 26, 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 March 21, 1923.

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 ALSO DATA REGARDING MARKET CONDITIONS
FROM CLOSE OF BUSINESS MARCH 14, 1923, TO CLOSE OF BUSINESS MARCH 21, 1923,
AS REPORTED TO THE COMMITTEE OF GOVERNORS ON CENTRALIZED EXECUTION
OF PURCHASES AND SALES OF GOVERNMENT SECURITIES BY FEDERAL RESERVE BANKS

Operations for Account of U. S. Treasury

Alien Property Custodian

As a partial reinvestment of funds derived from certificates of indebtedness, maturing on March 15, 1923, held for account of the Alien Property Custodian, the Treasury, as previously arranged, took over on that date from the New York market \$23,000,000 December 4% certificates, which were purchased at par and accrued interest.

The Treasury also gave definite authorization to purchase for this account \$20,000,000 Certificates of Indebtedness of any series, preferably the two new issues dated March 15, 1923, at par and accrued interest. All banks were advised of this order by the Committee and purchases were made in the several districts at par and accrued interest (with the one exception indicated), in the following amounts for delivery March 20, 1923.

Boston	\$	810,000	March	4 1/2%	certificates	
		1,150,000	September	4 1/4%	"	
New York		4,942,500	March	4 1/2%	"	
		1,808,000	September	4 1/4%	"	
		3,000,000	"	3 3/4%	"	on 4.25% basis
Philadelphia		2,600,000	March	4 1/2%	"	
		1,400,000	September	4 1/4%	"	
Richmond		50,000	March	4 1/2%	"	
Chicago		500,000	"	4 1/2%	"	
		2,100,000	September	4 1/4%	"	
Minneapolis		450,000	March	4 1/2%	"	
		100,000	September	4 1/4%	"	
Dallas		414,500	March	4 1/2%	"	
		675,000	September	4 1/4%	"	
	\$	20,000,000				

Upon the completion of the above purchases the banks were similarly advised of an additional order to purchase \$20,000,000 face amount of any certificates of indebtedness outstanding at prices not to exceed par and accrued interest for account of the Alien Property Custodian. Purchases were made in the following amounts at par:

Boston	\$	450,000	March	4 1/2%	certificates	
		500,000	September	4 1/4%	"	
New York		3,894,000	March	4 1/2%	"	
		3,250,000	September	4 1/4%	"	
Philadelphia		838,500	March	4 1/2%	"	
		1,283,500	September	4 1/4%	"	
Richmond		1,060,000	March	4 1/2%	"	
Atlanta		1,358,000	March	4 1/2%	"	
		550,000	September	4 1/4%	"	
Chicago		1,050,000	March	4 1/2%	"	
		850,000	September	4 1/4%	"	
Minneapolis		400,000	March	4 1/2%	"	
		500,000	September	4 1/4%	"	
Dallas		200,000	March	4 1/2%	"	
		200,000	September	4 1/4%	"	
San Francisco		2,616,000	March	4 1/2%	"	
		1,000,000	September	4 1/4%	"	
	\$	20,000,000				

- 2 -

Postal Savings System

Under date of March 15, 1923, the Federal Reserve Bank of New York was requested to sell on the New York Stock Exchange \$6,237,000 Second 4 1/4% Liberty Loan bonds at prevailing market prices for account of the Board of Trustees, Postal Savings System. Thus far sales have been executed in the following amounts:

\$ 60,000	Second 4 1/4% L. L. bonds at	97.70
98,000	" " " " " "	97.80
150,000	" " " " " "	97.84
51,000	" " " " " "	97 15/32
335,000	" " " " " "	97 16/32
<u>\$ 694,000</u>		
5,543,000	Unexecuted Balance	
<u>\$ 6,237,000</u>		

Federal Land Banks

For account of various Federal Land Banks the following certificates of indebtedness were sold in New York during the period:

\$ 250,000	December 4% certificates at	99 11/16
<u>1,000,000</u>	" " " " " "	" 100 to Treasury account
		Alien Property Custodian
<u>\$ 1,250,000</u>		

Miscellaneous Orders

At the request of the Treasury the Federal Reserve Bank of New York purchased \$976,550 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

Market conditions have remained very quiet during the week, with the period closing at lower levels, and the trend still downward. What demand existed has been for shorter maturities. Some institutions have been selling the longer maturities. Government securities held under repurchase agreements totaled \$277,200 at the close of this period.

Transactions affecting the investment account were as follows:

SALES

\$ 10,000,000	March 3 1/2% certificates redeemed at par
<u>3,525,000</u>	" 4 1/4% " " " "
<u>\$ 13,525,000</u>	

New York

Further liquidation of investment securities continued during the week in an uninteresting and dull market. All issues of Liberty bonds sought lower levels, four of which established new low records for the year. Financial markets remained firm with call money loaning at

- 3 -

New York 4 1/2% to 6%. Treasury certificates and notes were inactive, with
(continued) some outside demand in evidence for the new certificates. Loans to
dealers in Government securities totaled \$6,513,000.

Investment account transactions were as follows:

SALES

\$ 9,050,000 March 3 1/2% certificates redeemed at par.

Philadelphia The resumption of pressure against Liberty bonds was observed during this period, with new low levels for most of the 4 1/4s. The movement is automatic with the price of money as the ruling factor. There has been considerable selling, particularly on the part of industrial corporations needing additional funds for the extension of business and individuals also have been inclined to sell in order to avail themselves of the activities and greater strength in the stock market. The talk of another general increase in the rediscount rate, which has been more or less prevalent, has created some apprehension and has been one of the disturbing elements in the market. Further receding tendencies are in evidence and no marked improvement can be looked for in the Government Securities market until the peak of the Spring demand for money is past. The same condition practically prevails in the market for Treasury Certificates and notes, there being at all times considerable supply, without any sustaining buying power. The support on the part of the Alien Property Custodian has been helpful to a limited extent, especially in respect to the new issues.

Transactions affecting the investment account were as follows:

PURCHASES

\$	68,000	March	4 1/2%	certificates	at	par
	25,000	September	4 1/4%	"	"	"
\$	93,000					

SALES

\$	19,500	March	4 1/4%	certificates	redeemed	at	par
	100,000	"	3 1/2%	"	"	"	"
	119,500						

Cleveland The Liberty bond market continues to be weak and rather dull. The falling prices are no doubt caused by the tighter money market and the fear of further increase in the rediscount rate. The buying on the part of small investors in the fourth Federal District is fairly good.

Investment account transactions were as follows:

PURCHASES

\$ 500,000 June 3 3/4% certificates at 99 7/8 from member.

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Cleveland **SALES**
 (continued)

\$	6,497,000	March 4	1/4%	certificates	redeemed	at	par
	500,000	"	3 1/2%	"	"	"	"
	<u>6,997,000</u>						

Richmond

The market in Government securities has been quiet with Liberty prices declining. The Reserve Bank of Richmond sold \$44,700 in Liberty bonds and purchased \$171,300 of various issues for account of member banks during the period.

There were no transactions affecting the investment account.

Atlanta

There seems to be no apparent change in market conditions in this district during the last week; however, more purchases of Liberty bonds have been made than sales and several orders have been filled for the last issues of certificates for those banks which did not get in their applications in time for allotment.

Investment account transactions were as follows:

PURCHASES

\$ 350,000 March 4 1/2% certificates

SALES

\$	350,000	March 4	1/2%	certificates			
	5,000,000	"	3 1/2%	"	redeemed	at	par
	<u>30,000</u>	"	4 1/4%	"	"	"	"
	\$ 5,380,000						

Chicago

The market for Government securities continues very dull with a tendency toward lower levels. Dealers have been bidding slightly under par for certificates issued March 15, but offerings of these issues are very light. Advances to dealers in Government securities under repurchase agreements totaled \$1,352,000.

Investment account transactions were as follows:

SALES

\$ 14,865,500 March 15, 1923, certificates redeemed at par.

St. Louis

Dealers report market very weak. Purchases and sales about equal. Business in general has been poor.

Investment account transactions were as follows:

PURCHASES

\$	90,000	March 4	1/2%	certificates	at	par.
	<u>15,700</u>	Treasury notes, due 12/15/27 at par.				
	105,700					

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St. Louis
(continued) **SALES**

\$ 69,000	March	4 1/2%	certificates	at	par
9,700		4 1/2%	Treasury notes	due	12/15/27 at par
10,000	March	4 1/4%	certificates	redeemed	at par
<u>429,000</u>	"	3 1/2%	"	"	" "
\$ 517,700					

Minneapolis

Local dealers in Government securities report many offerings and almost no buying orders in Liberty bonds, Treasury notes and certificates.

Transactions affecting the investment account were as follows:

PURCHASES

\$ 1,034,500	March	4 1/2%	certificates
640,000	September	4 1/4%	"
5,100	Treasury notes, Series A-1927		
200	"	"	" A-1926
501,000	"	"	" B-1926
25,000	"	"	" A-1925
5,000	"	"	" B-1924
49,500	"	"	" C-1925
31,250	Second L. L. 4 1/4% bonds		
<u>601,000</u>	Fourth L. L. 4 1/4%		"
\$ 2,892,550			

SALES

\$ 859,500	March	4 1/2%	certificates
640,000	September	4 1/4%	"
7,100	Treasury notes, Series A-1927		
2,000	"	"	" A-1924
5,000	"	"	" B-1924
49,500	"	"	" C-1925
1,000	"	"	" B-1926
200	"	"	" A-1926
25,000	"	"	" A-1925
<u>35,000</u>	March	4 1/4%	certificates redeemed at par.
\$ 1,624,300			

Kansas City

One local broker reports that there is more nearly an equal amount of securities offered for sale locally than has been the case for the past two or three months, as compared with the local demand. Another states that while trading is light as compared with the volume of the last few weeks, he cannot see that the amounts offered for sale are equal to the local demand. Denver reports that purchases and sales of Liberty bonds during the week ending today were as follows: Purchases: \$899,250; Sales \$154,800. Omaha reports purchases exceeded sales.

- 6 -

Kansas City
(continued)

For account of member and non-member banks, we have purchased \$5,600 and sold \$1,350 in various Liberty bond issues. Transactions affecting the investment account were as follows:

PURCHASES

\$ 32,000	4 1/2% Treasury notes due 6/15/25 at par
<u>500,000</u>	December 4% certificates (under resale agreement at par)
\$ 532,000	

SALES

\$ 200,000	2% Consols at 102 1/2
464,500	March 3 1/2% certificates redeemed at par
<u>6,577,000</u>	" 4 1/4% " " " "
\$7,241,500	

Dallas

The market in Government securities for the past week has been active.

Transactions affecting the investment account were as follows:

PURCHASES

\$ 400,000	4 1/4% Treasury notes due 9/15/26
------------	-----------------------------------

SALES

\$ 98,000	March 3 1/2% certificates redeemed at par
<u>569,000</u>	" 4 1/4% " " " "
\$ 667,000	

San Francisco

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

2

333 /

March 21, 1923.

Dear Sir:

This will acknowledge receipt of your letter of March 20th, 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 for the week ending March 14, 1923, together with a brief outline of the activities of Federal Reserve banks with respect to their investment holdings as well as Treasury orders executed since February 21, 1923 to March 14, 1923, and a statement of the investment holdings of Federal Reserve banks as reported to the Committee of Governors at the close of business March 14, 1923.

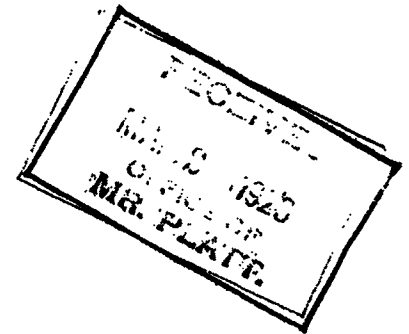
Yours very truly,

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.

CONFIDENTIAL

March 20, 1923.

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

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 for the week ending March 14, 1923, together with a brief outline of the activities of Federal reserve banks with respect to their investment holdings as well as Treasury orders executed since February 21, 1923, (the date of the report recently sent you for use at the Governors' Conference), to March 14, 1923.

There is also enclosed a statement of the investment holdings of Federal reserve banks as reported to the Committee of Governors at the close of business March 14, 1923.

Very truly yours,

W. B. MATTESON
Secretary of the Committee

Enclosures (3)

TRANSACTIONS IN GOVERNMENT SECURITIES FOR ACCOUNT OF THE TREASURY DEPARTMENT
AND FEDERAL RESERVE BANKS ALSO DATA REGARDING MARKET CONDITIONS
FROM CLOSE OF BUSINESS MARCH 7, 1923, TO CLOSE OF BUSINESS MARCH 14, 1923,
AS REPORTED TO THE COMMITTEE OF GOVERNORS ON CENTRALIZED EXECUTION
OF PURCHASES AND SALES OF GOVERNMENT SECURITIES BY FEDERAL RESERVE BANKS

Operations for Account of U. S. Treasury

Redemption

The Treasury on March 8 and 9 authorized the purchase of \$10,000,000 face amount of either series of certificates of indebtedness maturing March 15, 1923, for prior redemption at prices not exceeding par and accrued interest. All banks were immediately advised of these orders by the Committee, but as all of these certificates available in other districts were absorbed as shown by purchases reported last week, the order was executed at par and accrued interest in New York and Philadelphia:

New York	\$ 4,917,500	March 3 1/2s
	4,082,000	" 4 1/4s
Philadelphia	10,000	" 3 1/2s
	990,500	" 4 1/4s
	<u>\$ 10,000,000</u>	

Cumulative Sinking Fund

Under date of March 8 and 12 Treasury orders were received authorizing the purchase of \$10,000,000 uncalled Victory notes for account of the Cumulative Sinking Fund at prices not to exceed 100.16 and interest. The participation in these orders by the banks is as follows:

Boston	\$ 492,450	at 100.16
	50,000	" 100.14
New York	5,105,000	" 100.16
Philadelphia	1,181,000	" 100.16
	200,000	" 100.10
Chicago	2,150,000	" 100.16
St. Louis	14,200	" 100.08
	130,000	" 100.10
	25,000	" 100.14
Minneapolis	23,150	" 100.16
Kansas City	20,000	" 100.16
	3,000	" 100.12
	31,200	" 100.10
San Francisco	575,000	" 100.16
	<u>\$ 10,000,000</u>	

Miscellaneous Orders

At the request of the Treasury the Federal Reserve Bank of New York purchased \$512,000 face amount of Government securities for various accounts and funds.

- 2 -

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

Boston

There has been very little activity in Government issues during the past week. The period closed with slightly lower prices for Liberty bonds and practically no change for the certificates and notes. Interest has centered in the new Government issues. Government securities held under repurchase agreements totaled \$14,350.

There were no transactions affecting the investment account.

New York

The general impression is that the continued firmness in the money market, the decline in price values of investment securities, together with published indexes of higher commodity prices and increasing production are indicative of a future dull market for such securities. The call money rate is considered comparatively low at $4\frac{1}{2}\%$ and any approach to this figure results in refusal of out-of-town funds. Liberty bonds fell off slightly with but small volume in the week's trading. Treasury certificates and notes were inactive with fractional price reductions in some issues of notes. Loans to dealers in Government securities under sales contracts amounted to \$4,228,000.

Investment account transactions were as follows:

SALES

\$ 250,000 March 3 $1\frac{1}{2}\%$ certificates at par to Treasury.

Philadelphia

During the past week there has been little or no demand for Liberty bonds with prices seeking lower levels. The further recession in Liberty bonds is ascribed to selling to meet tax payments due on the fifteenth. This factor does not enter so prominently into the bond list as a whole, as individuals and corporations seeking an investment for funds to meet taxes usually select Liberties or other Government obligations as having the broadest market. The money market is growing steadily firmer, the rise in the tide of general business is gradually absorbing funds, which condition was clearly indicated by the fact that call money was quoted at $5\frac{1}{2}\%$ and time money at $5\frac{1}{4}\%$. The market for prime name commercial paper was reported at 5% and smaller and less well known names were selling at $5\frac{1}{4}\%$, although the local market is still rather narrow. With four months money bid at $5\frac{1}{4}\%$ the possibility of actual cheapness of lendable capital is out of the question at present, which condition will adversely affect the Government securities market. The market for Treasury certificates and notes has also been very inactive, with prices fractionally lower.

Transactions affecting the investment account were as follows:

PURCHASES

\$ 125,000 U. S. Consols of 1930 (2%) at 103 less \$625 and interest.

SALES

\$ 125,000 U. S. Consols of 1930 (2%) at 103 less \$625 and interest.

- 3 - (a)

Cleveland

One dealer reported as follows:

The Liberty bond market continued to be soft the past week. The trading has not been large and the downward tendency may be attributed almost wholly to the changed money market.

Another dealer states that the market here has been very inactive the past week with but few buyers and practically no sellers. He reports that Liberty bonds have receded in price but there appears to be buyers at present prices. He stated reports to him from markets outside of this district indicated that substantial offerings of notes, especially the 1927 issue, were available at 99 3/4.

Investment account transactions were as follows:

PURCHASES

\$ 10,000 June 3 3/4% certificates at 99 7/8 from member.

Richmond

The Reserve Bank of Richmond sold for members \$4,700 in Libertys during the week. No comments were received from brokers. There were no transactions affecting the investment account.

Atlanta

Market conditions in this district during the past week have been quiet and unchanged. There were no investment account transactions.

Chicago

There is a noticeable lack of buying interest in this market for all Government securities and the prices of all outstanding issues are somewhat lower than a week ago. Treasury certificates were offered freely here to yield from 4 1/4% to 4 1/2% and notes of all maturities are available to yield a little better than 4 5/8%. Advances to dealers under repurchase agreements totaled \$2,097,100 at the close of this period. There were no investment account transactions.

St. Louis

Dealers report market steady, but in general very quiet. Sales greater than purchases. There is very little demand for short-term securities.

Investment account transactions were as follows:

PURCHASES

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

SALES

\$ 3,700	4 1/2% Treasury notes due June 15, 1925,	at 100
22,800	" " " " " Dec. 15, 1927,	" 100
\$ 26,500		

- 4 -

Minneapolis

The market has been very quiet according to reports from local dealers in Government securities.

Investment account transactions were as follows:

PURCHASES

\$	2,000	5 3/4%	Treasury notes, Series A-1924
	183,200	4 1/2%	" " " A-1927
	750,000	4 1/4%	" " " B-1926
			50 First Liberty Loan bond
	3,950	Second 4 1/4%	Liberty Loan bonds
	254,250	Fourth " " " "	
\$	1,193,450		

SALES

\$ 181,200 4 1/2% Treasury notes, Series A-1927

Kansas City

Local brokers report that the demand for Government securities is decreasing somewhat and is more nearly offset by the local supply than has been the case for the last several months; the demand, however, still exceeds the local supply. Omaha reports sales in excess of purchases during the past week.

Investment account transactions were as follows:

SALES

\$ 200,000 2% Consols at 102 1/2

Transactions for account of member and non-member banks in various issues of Liberty bonds - purchases \$8,200 - sales \$3,650.

Dallas

The market in Government securities has been fairly active during the week.

Investment account transactions were as follows:

PURCHASES

\$ 98,000 March 3 1/2% certificates.

San Francisco

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

There were no investment account transactions.

SUPPLEMENTAL REPORT OF THE COMMITTEE OF GOVERNORS ON CENTRALIZED
EXECUTION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES
BY FEDERAL RESERVE BANKS SUBMITTED TO THE GOVERNORS' CONFERENCE ON
MARCH 26, 1923, COVERING ACTIVITIES FROM FEBRUARY 21 TO MARCH 14, 1923

Herewith is presented an outline of the activities and operations of the Committee covering the period from February 21, 1923, to March 14, 1923, as a supplement to the last report dated February 21, 1923, submitted to the Governors' conference.

Transactions in Government Securities by Federal Reserve Banks for Their Own Accounts	During these three weeks operations by Federal reserve banks covering transactions in Government securities for their own accounts have been small and a comparison of the System's holdings shows a net increase, exclusive of Sales Contracts of \$4,372,400.
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This does not take into consideration the certificates maturing March 15, 1923, amounting to \$57,213,000 which the Treasury desired to be allowed to run off without replacement, making total holdings of all Federal reserve banks in Government securities exclusive of Sales Contracts, \$281,100,000 after March 15, 1923.

In accordance with the recommendations of the Committee at the meeting in Boston February 5, 1923, the majority of purchases and sales of securities by the twelve reserve banks have been kept within the System without putting further Federal reserve funds into the market through open market operations.

- 2 -

A summary of transactions affecting the investment accounts during this period is as follows:

P U R C H A S E S

<u>Federal Reserve Bank of</u>	<u>Amount</u>	<u>Issue</u>
Atlanta	\$ 2,000,000	June 3 3/4% certificates (from Treas.A/C A.P.C.)
	1,000,000	" " " (" F. R. B. N. Y.)
	2,000,000	Sept. " " (" Treas.A/C A.P.C.)
Minneapolis	2,751,600	Misc.Tr. notes and ctfs. (" market)
Kansas City	690,000	March 4 1/4% ctfs. (" ")
	2,915,000	Tr. notes (" ")
Dallas	<u>1,000,000</u>	Dec. 4% certificates (" Treas.A/C A.P.C.)
	\$12,356,600	

S A L E S

<u>Federal Reserve Bank of</u>	<u>Amount</u>	<u>Issue</u>
New York	\$ 700,000	March 3 1/2% ctfs. (to FRB San Francisco A/C member bank)
	5,000,000	" " " (to Treas.A/C A.P.C.)
	1,000,000	June 3 3/4% " (" F.R.B. of Atlanta)
Minneapolis	524,200	Misc.Tr. notes and ctfs. (" market)
Kansas City	550,000	2% Consols (" ")
Dallas	<u>210,000</u>	2% " (" ")
	\$ 7,984,200	

R E C A P I T U L A T I O N

<u>DEDUCTIONS</u>	<u>ADDITIONS</u>
Purchases	\$ 12,356,600
Sales \$ 7,984,200	
Net Increase of	\$ 4,372,400
Holdings March 14, 1923, excluding Sales Contracts	\$ 338,376,000
Less March 15, 1923, maturities	<u>57,213,000</u>
Holdings March 16, 1923	\$ 281,163,000

- 3 -

Treasury
Orders

The following Treasury orders have been executed by Federal reserve banks during the period covered by this report:

(T O P U R C H A S E)

<u>Date of Order</u>	<u>Account</u>	<u>Issue</u>	<u>Price</u>	<u>Amount</u>
Feb. 26, 1923	Redemption	March 3 1/2% certificates	100	\$ 650,000
Mar. 5, 1923	Redemption	Certificates maturing 3/15/23	100	5,000,000
Mar. 6, 1923	Redemption	Certificates maturing 3/15/23	100	5,000,000
Mar. 5, 1923	Cumulative Sinking Fund	Victory Notes	100.10 to 100.16	5,000,000
Mar. 8, 1923	Redemption	Certificates maturing 3/15/23	100	5,000,000
Mar. 9, 1923	Redemption	Certificates maturing 3/15/23	100	5,000,000
Mar. 8, 1923	Cumulative Sinking Fund	Victory Notes	100.16	5,000,000
Mar. 12, 1923	Cumulative Sinking Fund	Victory Notes	100.16	5,000,000

(T O S E L L)

Feb. 28 to Mar. 14, 1923	Federal Land Banks	Certificates and Notes	Market	750,000
Feb. 28 to Mar. 7, 1923	Alien Property Custodian	Treasury Certificates	100	<u>5,000,000</u>
				\$ 41,410,000

The execution of the above Treasury orders was distributed among the Federal reserve banks in the following amounts:

Boston	\$ 3,873,950
New York	25,347,300
Philadelphia	3,111,500
Atlanta	4,000,000
Chicago	3,000,000
St. Louis	214,200
Minneapolis	118,150
Kansas City	169,900
Dallas	1,000,000
San Francisco	<u>575,000</u>
	\$41,410,000

GOVERNMENT SECURITY HOLDINGS OF FEDERAL RESERVE BANKS
AS REPORTED TO THE COMMITTEE OF GOVERNORS AT THE CLOSE OF BUSINESS MARCH 14, 1923

<u>Maturities</u>	<u>Boston</u>	<u>New York</u>	<u>Philadelphia</u>	<u>Cleveland</u>	<u>Richmond</u>	<u>Atlanta</u>	<u>Chicago</u>	<u>St. Louis</u>	<u>Minneapolis</u>	<u>Kansas City</u>	<u>Dallas</u>	<u>San Francisco</u>	<u>TOTAL</u>
March 15, 1923	\$13,525,000.	\$ 9,050,000.	\$ 119,500.	\$ 6,466,000.	-0-	\$ 5,030,000.	\$14,865,500.	\$ 414,000.	\$ 35,000.	\$ 7,041,500.	\$ 667,000.	-0-*	\$ 57,213,500.
Victory notes 5/20/23	-0-	-0-	-0-	-0-	-0-	17,350.	-0-	-0-	-0-	-0-	-0-	-0-	17,350.
June 15, 1923	3,850,000.	-0-	3,610,000.	9,826,500.	-0-	7,500,000.	15,525,000.	1,343,000.	184,000.	3,785,500.	994,500.	\$ 7,125,500.	53,744,000.
September 15, 1923	4,844,000.	-0-	557,000.	3,898,000.	-0-	2,000,000.	17,549,000.	2,994,000.	510,500.	1,414,500.	2,125,000.	-0-	35,892,000.
December 15, 1923	-0-	-0-	345,500.	5,047,000.	-0-	-0-	17,990,000.	5,957,000.	-0-	171,500.	6,000,000.	-0-	35,511,000.
Treas. Notes 1924/7	4,680,700.	10,000,000.	22,638,400.	11,436,700.	150,000.	514,650.	1,825,900.	10,817,900.	6,473,700.	30,151,400.	1,100,000.	17,459,100.	117,248,450.
Miscellaneous	<u>535,150.</u>	<u>1,148,750.</u>	<u>1,799,700.</u>	<u>949,400.</u>	<u>1,190,900.</u>	<u>-0-</u>	<u>4,425,600.</u>	<u>7,313,400.</u>	<u>6,462,160.</u>	<u>2,947,800.</u>	<u>1,819,500.</u>	<u>10,157,800.</u>	<u>38,750,160.</u>
<u>T O T A L</u>	\$27,434,850.	\$20,198,750.	\$29,070,100.	\$37,623,600.	\$ 1,340,900.	\$15,062,000.	\$72,181,000.	\$28,839,300.	\$13,665,360.	\$45,512,200.	\$12,706,000.	\$34,742,400.	\$338,376,460.
													* Less March 15, 1923 maturities..... <u>57,213,500.</u>
													Net Holdings as of March 16, 1923..... <u>\$281,162,960.</u>
Sales Contracts at close of business March 14, 1923, not included in above figures.	14,350.	4,228,000.	-0-	-0-	-0-	-0-	2,097,100.	-0-	-0-	-0-	-0-	-0-	\$ 6,339,450.

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*Copies sent to Messrs Miller, Franklin
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WWT
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TRANSACTIONS IN GOVERNMENT SECURITIES FOR ACCOUNT OF THE TREASURY DE-
PARTMENT AND FEDERAL RESERVE BANKS ALSO DATA REGARDING MARKET
CONDITIONS FROM CLOSE OF BUSINESS MARCH 7, 1923, TO CLOSE OF BUSINESS
MARCH 14, 1923, AS REPORTED TO THE COMMITTEE OF GOVERNORS ON
CENTRALIZED EXECUTION OF PURCHASES AND SALES OF GOVERNMENT
SECURITIES BY FEDERAL RESERVE BANKS

Operations for Account of U. S. Treasury

Redemption

The Treasury on March 8 and 9 authorized the purchase of \$10,000,000, face amount of either series of certificates of indebtedness maturing March 15, 1923, for prior redemption at prices not exceeding par and accrued interest. All banks were immediately advised of these orders by the Committee, but as all of these certificates available in other districts were absorbed as shown by purchases reported last week, the order was executed at par and accrued interest in New York and Philadelphia:

New York	\$	4,917,500	March 3 1/2s
		4,082,000	" 4 1/4s
Philadelphia		10,000	" 3 1/2s
		990,500	" 4 1/4s
	\$	10,000,000	

Cumulative Sinking Fund

Under date of March 8 and 12 Treasury orders were received authorizing the purchase of \$10,000,000 uncallable Victory notes for account of the Cumulative Sinking Fund at prices not to exceed 100.16 and interest. The participation in these orders by the banks is as follows:

Boston	\$	492,450	at 100.16
		50,000	" 100.14
New York		5,105,000	" 100.16
Philadelphia		1,181,000	" 100.16
		200,000	" 100.10
Chicago		2,150,000	" 100.16
St. Louis		14,200	" 100.08
		130,000	" 100.10
		25,000	" 100.14
Minneapolis		25,150	" 100.16
Kansas City		20,000	" 100.16
		8,000	" 100.12
		51,200	" 100.10
San Francisco		575,000	" 100.16
	\$	10,000,000	

Miscellaneous Orders

At the request of the Treasury the Federal Reserve Bank of New York purchased \$512,000 face amount of Government securities for various accounts and funds.

-2-

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

Boston There has been very little activity in Government issues during the past week. The period closed with slightly lower prices for Liberty bonds and practically no change for the certificates and notes. Interest has centered in the new Government issues. Government securities held under repurchase agreements totaled \$14,350. There were no transactions affecting the investment account.

New York The general impression is that the continued firmness in the money market, the decline in price values of investment securities, together with published indexes of higher commodity prices and increasing production are indicative of a future dull market for such securities. The call money rate is considered comparatively low at 4 1/2% and any approach to this figure results in refusal of out-of-town funds. Liberty bonds fell off slightly with but small volume in the week's trading. Treasury certificates and notes were inactive with fractional price reductions in some issues of notes. Loans to dealers in Government securities under sales contracts amounted to \$4,228,000. Investment account transactions were as follows:

SALES

\$ 250,000 March 3 1/2% certificates at par to Treasury.

Philadelphia During the past week there has been little or no demand for Liberty bonds with prices seeking lower levels. The further recession in Liberty bonds is ascribed to selling to meet tax payments due on the fifteenth. This factor does not enter so ~~prominently~~ into the bond list as a whole, as individuals and corporations seeking an investment for funds to meet taxes usually select Liberties or other Government obligations as having the broadest market. The money market is growing steadily firmer, the rise in the tide of general business is gradually absorbing funds, which condition was clearly indicated by the fact that call money was quoted at 5 1/2% and time money at 5 1/4%. The market for prime name commercial paper was reported at 5% and smaller and less well known names were selling at 5 1/4%, although the local market is still rather narrow. With four months money bid at 5 1/4% the possibility of actual cheapness of lendable capital is out of the question at present, which condition will adversely affect the Government securities market. The market for Treasury certificates and notes has also been very inactive, with prices fractionally lower. Transactions affecting the investment account were as follows:

PURCHASES

\$ 125,000 U. S. Consols of 1930 (2%) at 103 less \$625 and interest.

SALES

\$ 125,000 U. S. Consols of 1930 (2%) at 103 less \$625 and interest.

-3- (a)

Cleveland

One dealer reported as follows:

The Liberty bond market continued to be soft the past week. The trading has not been large and the downward tendency may be attributed almost wholly to the changed money market.

Another dealer states that the market here has been very inactive the past week with but few buyers and practically no sellers. He reports that Liberty bonds have receded in price but there appears to be buyers at present prices. He stated reports to him from markets outside of this district indicated that substantial offerings of notes, especially the 1927 issue, were available at 99 3/4.

Investment account transactions were as follows:

PURCHASES

\$ 10,000 June 3 3/4% certificates at 99 7/8 from member.

Richmond

The Reserve Bank of Richmond sold for members \$4,700 in Libertys during the week. No comments were received from brokers.

There were no transactions affecting the investment account.

Atlanta

Market conditions in this district during the past week have been quiet and unchanged.

There were no investment account transactions.

Chicago

There is a noticeable lack of buying interest in this market for all Government securities and the prices of all outstanding issues are somewhat lower than a week ago. Treasury certificates were offered freely here to yield from 4 1/4% to 4 1/2% and notes of all maturities are available to yield a little better than 4 5/8%. Advances to dealers under repurchase agreements totaled \$2,097,100 at the close of this period.

There were no investment account transactions.

St. Louis

Dealers report market steady, but in general very quiet. Sales greater than purchases. There is very little demand for short-term securities.

Investment account transactions were as follows:

PURCHASES

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

SALES

\$ 3,700	4 1/2%	Treasury notes due June 15, 1925,	at 100
<u>22,800</u>	"	"	" Dec. 15, 1927, " 100
\$ 26,500			

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Minneapolis

The market has been very quiet according to reports from local dealers in Government securities.

Investment account transactions were as follows:

PURCHASES

\$	2,000	5 3/4%	Treasury notes, Series A-1924
	183,200	4 1/2%	" " " A-1927
	750,000	4 1/4%	" " " B-1926
			50 First Liberty Loan bond
			3,950 Second 4 1/4% Liberty Loan bonds
	254,250	Fourth	" " " "
	\$1,193,450		

SALES

\$ 181,200 4 1/2% Treasury notes, Series A-1927

Kansas City

Local brokers report that the demand for Government securities is decreasing somewhat and is more nearly offset by the local supply than has been the case for the last several months, the demand, however, still exceeds the local supply. Omaha reports sales in excess of purchases during the past week.

Investment account transactions were as follows:

SALES

\$ 200,000 2% Consols at 102 1/2

Transactions for account of member and non-member banks in various issues of Liberty bonds - purchases \$8,200 - sales \$3,650.

Dallas

The market in Government securities has been fairly active during the week.

Investment account transactions were as follows:

PURCHASES

\$ 98,000 March 3 1/2% certificates.

San Francisco

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

There were no investment account transactions.

**SUPPLEMENTAL REPORT OF THE COMMITTEE OF GOVERNORS ON CENTRALIZED
EXECUTION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES
BY FEDERAL RESERVE BANKS SUBMITTED TO THE GOVERNORS' CONFERENCE ON
MARCH 24, 1923, COVERING ACTIVITIES FROM FEBRUARY 21 TO MARCH 14, 1923**

Herewith is presented an outline of the activities and operations of the Committee covering the period from February 21, 1923, to March 14, 1923, as a supplement to the last report dated February 21, 1923, submitted to the Governors' conference.

**Transactions
in Government
Securities
by Federal
Reserve Banks
for Their
Own Accounts**

During these three weeks operations by Federal reserve banks covering transactions in Government securities for their own accounts have been small and a comparison of the System's holdings shows a net increase, exclusive of Sales Contracts of \$4,572,400. This does not take into consideration the certificates maturing March 15, 1923, amounting to \$57,213,000 which the Treasury desired to be allowed to run off without replacement, making total holdings of all Federal reserve banks in Government securities exclusive of Sales Contracts, \$281,100,000 after March 15, 1923.

In accordance with the recommendations of the Committee at the meeting in Boston February 5, 1923, the majority of purchases and sales of securities by the twelve reserve banks have been kept within the System without putting further Federal reserve funds into the market through open market operations.

- 2 -

A summary of transactions affecting the investment accounts during this period is as follows:

PURCHASES

<u>Federal Reserve Bank of</u>	<u>Amount</u>	<u>Issue</u>
Atlanta	\$ 2,000,000	June 3 3/4% certificates (from Treas.A/C A.P.C)
	1,000,000	" " " (" F.R.B.N.Y.)
	2,000,000	Sept. " " (" Treas.A/C A.P.C)
Minneapolis	2,751,500	Misc.Tr.notes and ofts. (" market)
Kansas City	690,000	March 4 1/4% ofts. (" " †)
	2,915,000	Tr. notes (" ")
Dallas	<u>1,000,000</u>	Dec. 4% certificates (" Treas.A/C A.P.C)
	\$12,356,500	

SALES

<u>Federal Reserve Bank of</u>	<u>Amount</u>	<u>Issue</u>
New York	\$ 700,000	March 3 1/2% ofts. (to FRB San Francisco A/C member bank)
	5,000,000	" " " (to Treas.A/C A.P.C)
	1,000,000	June 3 3/4% " (" F.R.B. of Atlanta)
Minneapolis	524,200	Misc.Tr. Notes and ofts. (" market)
Kansas City	550,000	2% Consols (" ")
Dallas	<u>210,000</u>	2% " (" " †)
	\$ 7,984,200	

RECAPITULATIONDEDUCTIONSADDITIONS

Purchases	\$ 12,356,500
Sales	\$ 7,984,200
Net Increase of	\$ 4,372,400
Holdings March 14, 1923, excluding Sales Contracts	\$ 538,576,000
Less March 15, 1923, maturities	<u>57,213,000</u>
Holdings March 16, 1923	\$ 281,163,000

- 3 -

**Treasury
Orders**

The following Treasury orders have been executed by Federal reserve banks during the period covered by this report:

(TO PURCHASE)

<u>Date of Order</u>	<u>Account</u>	<u>Issue</u>	<u>Price</u>	<u>Amount</u>
Feb. 26, 1923	Redemption	March 3 1/2% certificates	100	\$ 660,000
Mar. 5, 1923	Redemption	Certificates maturing 3/15/23	100	5,000,000
Mar. 6, 1923	Redemption	Certificates maturing 3/15/23	100	5,000,000
Mar. 8, 1923	Cumulative Sinking Fund	Victory Notes	100.10 to 100.16	5,000,000
Mar. 8, 1923	Redemption	Certificates maturing 3/15/23	100	5,000,000
Mar. 9, 1923	Redemption	Certificates maturing 3/15/23	100	5,000,000
Mar. 8, 1923	Cumulative Sinking Fund	Victory Notes	100.16	5,000,000
Mar. 12, 1923	Cumulative Sinking Fund	Victory Notes	100.16	5,000,000

(TO SELL)

Feb. 28 to Mar. 14, 1923	Federal Land Banks	Certificates and Notes	Market	750,000
Feb. 28 to Mar. 7, 1923	Alien Property Custodian	Treasury Certificates	100	<u>5,000,000</u>
				\$ 41,410,000

The execution of the above Treasury orders was distributed among the Federal reserve banks in the following amounts:

Boston	\$5,873,950
New York	25,347,300
Philadelphia	3,111,500
Atlanta	4,000,000
Chicago	3,000,000
St. Louis	214,200
Minneapolis	118,150
Kansas City	189,800
Dallas	1,000,000
San Francisco	575,000
	<u>\$41,410,000</u>

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March 13, 1923.

Dear Sir:

This will acknowledge receipt of your letter of March 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 March 7, 1923.

Yours very truly,

Acting Governor.

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

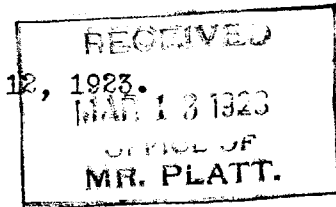
GOVERNMENT SECURITY HOLDINGS OF FEDERAL RESERVE BANKS
AS REPORTED TO THE COMMITTEE OF GOVERNORS AT THE CLOSE OF BUSINESS MARCH 14, 1923

<u>Maturities</u>	<u>Boston</u>	<u>New York</u>	<u>Philadelphia</u>	<u>Cleveland</u>	<u>Richmond</u>	<u>Atlanta</u>	<u>Chicago</u>	<u>St. Louis</u>	<u>Minneapolis</u>	<u>Kansas City</u>	<u>Dallas</u>	<u>San Francisco</u>	<u>TOTAL</u>
March 15, 1923	\$13,525,000.	\$9,050,000.	\$119,500.	\$6,466,000.	-0-	\$5,030,000.	\$14,865,500.	\$ 414,000.	\$ 35,000.	\$7,041,500.	\$ 667,000.	-0-	\$57,213,500.
Victory notes 5/20/23	-0-	-0-	-0-	-0-	-0-	17,350.	-0-	-0-	-0-	-0-	-0-	-0-	17,350.
June 15, 1923	3,650,000.	-0-	3,610,000.	9,826,500.	-0-	7,500,000.	15,525,000.	1,343,000.	184,000.	3,785,500.	994,500.	\$7,125,500.	53,744,000.
September 15, 1923	4,844,000.	-0-	557,000.	3,896,000.	-0-	2,000,000.	17,549,000.	2,994,000.	510,500.	1,414,500.	2,125,000.	-0-	35,892,000.
December 15, 1923	-0-	-0-	345,500.	5,047,000.	-0-	-0-	17,990,000.	5,957,000.	-0-	171,500.	6,000,000.	-0-	35,511,000.
Trans. Notes 1924-7	4,680,700.	10,000,000.	22,638,400.	11,436,700.	150,000.	514,650.	1,825,900.	10,817,900.	6,473,700.	30,151,400.	1,100,000.	17,459,100.	117,248,450.
Miscellaneous	<u>535,150.</u>	<u>1,148,750.</u>	<u>1,799,700.</u>	<u>949,400.</u>	<u>1,190,900.</u>	<u>-0-</u>	<u>4,425,600.</u>	<u>7,313,400.</u>	<u>6,462,160.</u>	<u>2,947,800.</u>	<u>1,819,500.</u>	<u>10,157,800.</u>	<u>36,750,160.</u>
<u>T O T A L</u>	\$27,434,850.	\$20,198,750.	\$29,070,100.	\$37,623,600.	\$1,340,900.	\$15,052,000.	\$72,181,000.	28,839,300.	\$13,665,360.	\$45,512,200.	\$12,706,000.	\$34,742,400.	\$336,376,460.
Less March 15, 1923 maturities.....													<u>57,213,500.</u>
Net Holdings as of March 16, 1923.....													<u>\$281,162,960.</u>
Sales Contracts at close of business March 14, 1923, not included in above figures.	14,350.	4,228,000.	-0-	-0-	-0-	-0-	2,097,100.	-0-	-0-	-0-	-0-	-0-	\$ 6,339,450.

FEDERAL RESERVE BANK
OF NEW YORK

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

March 12, 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 March 7, 1923.

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 ALSO DATA REGARDING MARKET CONDITIONS
FROM CLOSE OF BUSINESS FEBRUARY 28, 1923, TO CLOSE OF BUSINESS MARCH 7, 1923,
AS REPORTED TO THE COMMITTEE OF GOVERNORS ON CENTRALIZED EXECUTION
OF PURCHASES AND SALES OF GOVERNMENT SECURITIES BY FEDERAL RESERVE BANKS

Operations for Account of U. S. Treasury

Redemption

Treasury orders dated March 5 and 6 were received authorizing the purchase of \$10,000,000 face amount of either series of certificates of indebtedness maturing March 15, 1923, for redemption, at prices not to exceed par and accrued interest. These and subsequent orders were immediately transmitted to all banks by the Committee and after all certificates available in the other districts had been purchased the balance was filled in the New York market. Purchases of March certificates were made in the following amounts at par and accrued interest:

Boston	\$	450,000	March 3 1/2s
		2,881,500	" 4 1/4s
New York		3,025,500	" 3 1/2s
		250,000	" 3 1/2s (from investment account)
		3,168,000	" 4 1/4s
Philadelphia		130,000	" 4 1/4s
Minneapolis		95,000	" 3 1/2s
	\$	10,000,000	

In a similar manner all banks were advised of an additional order dated March 8 for the purchase of \$5,000,000 March certificates for redemption, at prices not exceeding par and interest, and thus far a total of \$1,369,000 March 4 1/4% certificates have been purchased at par in New York.

Cumulative Sinking Fund

Under date of March 5, 1923, the Treasury authorized the purchase of \$5,000,000 uncalled Victory notes for account of the Cumulative Sinking Fund at prices not exceeding 100.10 and accrued interest, which limit was later increased to 100.16. This order was completed by purchases first in the various districts and later in New York in the following amounts:

New York	\$	100,000	at 100.12
		500,000	" 100.14
		2,789,300	" 100.16
Philadelphia		600,000	" 100.10
Chicago		600,000	" 100.08
		250,000	" 100.14
St. Louis		10,000	" 100.10
		35,000	" 100.08
Kansas City		81,500	" 100.10
		34,200	" 100.08
	\$	5,000,000	

Alien Property Custodian

During the week the Federal Reserve Bank of Dallas purchased from the holdings of the Alien Property Custodian \$1,000,000 December 4% certificates at par and

- 2 -

the Atlanta Reserve Bank likewise purchased \$2,000,000 June 3 3/4% certificates and \$2,000,000 September 3 3/4s at par from this account, both for investment. In replacement of these certificates the Reserve Bank of New York sold to the Treasury for this account \$5,000,000 March 3 1/2% certificates at par from its portfolio.

Federal Land Banks

For account of the various Federal Land Banks the following Treasury notes and certificates were sold during the week in the market:

\$ 27,000	4 3/4% March 15, 1925, Treasury notes at 100	
223,000	December 4% certificates	" 99 13/16
250,000	" " "	" 99 7/8
<u>\$ 500,000</u>		

Miscellaneous Orders

At the request of the Treasury the Federal Reserve Bank of New York purchased \$320,600 face amount of 4 1/4% Treasury bonds of 1947/52 for account of the Government Life Insurance Fund.

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

Boston

There has been very little activity in the Government securities market during the past week; the supply and demand have been about equal. Some transactions were held up awaiting announcement of terms of Treasury's March 15 issue. Some brokers do not look for higher prices in Government securities - citing increase of commodity prices and stiffening of money rates - and hesitate to take on many bonds. Government securities held under repurchase agreements total \$18,310 at the close of this period.

There were no transactions affecting the investment account.

New York

The bond market was dull and quiet during the week with volume of transactions close to the low record of the year. Libertys, however, averaged only a slight loss in price in comparison with rails and industrials at the close of the period Wednesday, with some indications of strength. Money rates continued firm with commercial paper discounting at 5%, time loans at 5% and 5 1/4% and call money renewing at 5%. There was little activity in certificates of indebtedness and Treasury notes, but with quotations in the latter somewhat improved. Loans to dealers in Government securities under Sales Contracts declined \$16,042,000 totaling \$5,607,000 at the close of this period.

Investment account transactions were as follows:

SALES

\$ 700,000	March 3 1/2% certificates at 100 to San Francisco member
5,000,000	" 3 1/2% " " 100 " Treasury
1,000,000	June 3 3/4% " " 100 " Atlanta
<u>\$ 6,700,000</u>	

- 3 -

Philadelphia

A review of the Liberty bond market during the past week failed to show any items of particular importance. The market was somewhat irregular, with a general upward tendency, prices at the close showing a material increase. In the case of Victory Notes, which were offered at 100.16, Government support was in evidence. There has been some selling of Treasury Certificates and Notes on the part of institutions, and this is probably a desire to clear the shelves in preparation of the new Government financing anticipated March 15th. There was some divergence of views on the street as to the nature of the new Treasury issue of March 15th, but it was the consensus of opinion that it would be a short term proposition ranging from 4 1/4% to 4 1/2%, which would be about in line with the present money rates, although the 4% Treasury certificates of December 15, 1923, were selling on a 4% basis. The chimerical report which was circulated rather freely regarding another immediate rise in rediscount rate had somewhat of a disturbing effect and temporarily hardened the money market, although tighter money conditions undoubtedly will prevail until after March 15th, for concurrent with Government refunding financing, large income tax payments become due.

There were no transactions affecting the investment account.

Cleveland

One dealer reported as follows: "The Liberty Bond market for the past week has been steady and this indicates advancing prices. The volume of business, however, in this district has been small. With the approach of April 1st, there should be a very large increase in the buying of Liberty Bonds in Ohio."

Investment account transactions were as follows:

PURCHASES

\$ 32,000	December 4% certificates at 99 7/8	from members
3,000	June 3 3/4% "	" 99 13/16 " member
10,000	March 4 1/4% "	" 100 " "
\$ 45,000		

SALES

\$ 700 4 1/2% Treasury notes due Dec. 15, 1927, at 100 to member.

Richmond

The Reserve Bank of Richmond sold for members \$2,350 in Libertys and bought \$10,700 of various issues for them. Brokers report the market dull with both prices and demand showing declining tendencies.

There were no transactions affecting the investment account.

Atlanta

Market conditions in this district continue quiet with no appreciable change. There were no March 15 maturities of Treasury certificates available for purchase in connection with outstanding Treasury orders.

Transactions affecting the investment account were as follows:

- 4 -

Atlanta
(continued) PURCHASES

\$ 2,000,000	June 3	3 3/4%	certificates at 100	from Treasury
1,000,000	"	"	"	100 " New York
<u>2,000,000</u>	Sept. 3	3 3/4%	"	100 " Treasury
\$ 5,000,000				

Chicago

The market for Government securities during the past week has been very dull and inactive pending the announcement of the Treasury's program for March 15 financing. Advances to dealers under repurchase agreements total \$1,512,700.

There were no transactions affecting the investment account.

St. Louis

Dealers report the market steady but in general very quiet. Sales far greater than purchases. There has been little or no demand for certificates or notes.

Investment account transactions were as follows:

PURCHASES

\$ 5,000 4 1/2% Treasury notes due Dec. 15, 1927, at 100.

SALES

\$ 6,500	June 3	3 3/4%	certificates at 100
3,500	B-1925	Treasury notes	" 100
1,000	C-1925	"	" 100
30,000	A-1927	"	" 100
<u>1,000</u>	4 1/4%	Treasury bonds of 1947/52	at 100
\$42,000			

Minneapolis

According to local dealers there has been very little demand for Government securities during the past week. Banks have been waiting for the announcement of the March 15 offering and a good subscription is expected for the two new issues as announced.

Investment account transactions were as follows:

PURCHASES

\$ 50,000	A-1926	Treasury notes
250,000	B-1926	"
6,000	B-1924	"
41,200	A-1927	"
38,500	C-1925	"
100,000	September 3	3 3/4% certificates
95,000	March 3	1 1/2% "
150	Second L. L.	4 1/4% bonds
<u>3,200</u>	Fourth L. L.	4 1/4% "
\$584,050		

- 5 -

Minneapolis
(continued)SALES

\$ 95,000	March 3 1/2% certificates		
50,000	A-1926 Treasury notes		
200	A-1925	"	"
6,000	B-1924	"	"
41,000	A-1927	"	"
38,500	C-1925	"	"
<u>\$230,700</u>			

Kansas City

Miscellaneous Liberty bond purchases for account of member and non-member banks, \$15,000.

Local brokers report that trading in Government securities has slowed up somewhat during the last week, but that the demand still exceeds the local supply. Similar conditions obtain at Denver and Oklahoma City, while Omaha reports sales in excess of purchases.

Investment transactions were as follows:

PURCHASES

\$ 4,000 4 1/2% Treasury notes due Dec. 15, 1927, at 100.

SALES

\$350,000 2% Consols at 102 1/2

Dallas

The market in Government securities was active during this period.

Investment account transactions were as follows:

PURCHASES

\$ 1,000,000	December 4% certificates at 100 from Treasury
50,000	Sept. 3 3/4% "
50,000	June " "
<u>\$ 1,100,000</u>	

SALES

\$ 110,000 2% Consols

San Francisco

The market in Government securities has continued quiet during this period. A total of \$1,950,000 Treasury certificates of indebtedness were purchased in New York for account of members.

Investment account transactions were as follows:

PURCHASES

\$ 1,175,000 June 3 3/4% certificates at 99 7/8 in New York

SALES

\$ 4,200	Treasury notes, due June 15, 1925, at 100
<u>1,175,000</u>	June 3 3/4% certificates at 99 7/8 to members
<u>\$ 1,179,200</u>	

#21

333.1

March 7, 1923.

Dear Sir:

This will acknowledge receipt of your letter of March 6th, 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 February 28, 1923.

Yours very truly,

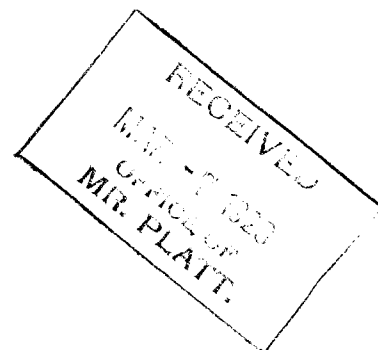
Acting Governor.

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

March 6, 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 February 28, 1923.

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 ALSO DATA REGARDING MARKET CONDITIONS
FROM CLOSE OF BUSINESS FEBRUARY 21, 1923, TO CLOSE OF BUSINESS FEBRUARY 28, 1923,
AS REPORTED TO THE COMMITTEE OF GOVERNORS ON CENTRALIZED EXECUTION
OF PURCHASES AND SALES OF GOVERNMENT SECURITIES BY FEDERAL RESERVE BANKS**

Operations for Account of U. S. Treasury

There were no orders executed through the Committee for account of the Treasury during this period.

Miscellaneous Orders Redemption

On February 26, 1923, the Federal Reserve Bank of New York was instructed by the Treasury to purchase \$660,000 face amount of March 3 1/2% certificates at par and accrued interest for redemption. These certificates constituted a "special offering" and were purchased on that day at the price mentioned.

Federal Land Banks

For account of various Federal Land Banks \$250,000 December 4% certificates were sold in the market at 99 13/16 and interest.

Government Life

At the request of the Treasury Department the Federal Reserve Bank of New York purchased \$147,900 face amount of 4 1/4% Treasury bonds of 1947/52 on the Stock Exchange for account of the Government Life Insurance Fund.

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

Boston

The Government securities market has been somewhat more active during the past week. The individual investment demand has remained about the same, while there has been more institutional selling, with a tendency to take on shorter maturities. Lower prices have resulted in all issues except the 1923 issues, in which there has been no change. Government securities held under repurchase agreements at the close of this period totaled \$763,753.

There were no transactions affecting the investment account.

New York

Liberty bonds again lost ground in the week's trading - six issues averaging a decline of 50 cents per \$100. The selling which has taken place in the last two weeks on account of the firmness in the money market was increased somewhat upon the announcement of the advance in the discount rate. Treasury certificates and notes both declined in price in sympathy with the Libertys. Call money fluctuated between 4 1/2% and 6% during the period. Loans to dealers in Government securities under Sales Contract Agreements amounted to \$21,649,000, (an increase of \$5,207,500).

There were no investment account transactions.

- 2 -

Philadelphia

Prices on Liberty bonds, Treasury Notes and Certificates decreased throughout the week, closing at what seems to be the lowest for the year, prices showing a recession over half a point. Few buying orders were in evidence to support the market. Decrease in prices was apparently a reflection of the increase in the rediscount rates, together with general high rates in the money market. Although the advance temporarily brought call money to a high level of 6%, due undoubtedly, to the fact that the financial community feared that accommodation for stock market purposes might be curtailed, this advance should be distinctly beneficial in its influence against concentrated borrowing in one particular center. With trade running close to pre-war levels in many lines, commodity prices the highest since 1920, heavy offerings of new securities, and the vast Government financing between now and July, any thought of cheap funds in the near future is apparently out of the question, and as the value of money in the open market has a direct influence upon the current-price of Government's credit, the market in Government securities will be more or less soft and listless for sometime to come unless there is substantial support from the Treasury Department and buying on the part of the British Government.

Transactions affecting the investment account were as follows:

PURCHASES

\$ 3,000 4 1/4% Certificates of Indebtedness due March 15, 1923,
at 100.

Cleveland

One dealer reports - "The Liberty Bond market has been slow the past week. The prices have been generally reactionary, the market still being influenced by the change in the rediscount rate in the Eastern Federal Reserve Banks. The prices reached their low on this movement this afternoon." Another dealer reported that the market has been very soft, with very little activity in this district. Selling orders have predominated. Demand for Government 4 1/2% notes has declined and they have sold from 1/8 to 1/4 under par.

Transactions affecting the investment account were as follows:

PURCHASES

\$ 17,200 4 1/2% Treasury notes due December 15, 1927, at 100. ✓

Richmond

The Reserve Bank of Richmond sold for members \$33,650 in Libertys, Victorys and Treasury Certificates, and bought \$9,150 in Libertys for them. Brokers report the market quiet, with prices showing a declining tendency. A noticeable decrease in buying orders is mentioned.

There were no transactions affecting the investment account.

Atlanta

Market conditions in this district during the past week have been unusually quiet due apparently to the declining prices in all issues. There have been very few purchases and no sales of any consequence.

- 3 -

Atlanta Transactions affecting the investment account were as fol-
(continued) lows:

PURCHASES

\$ 10,000 4 1/4% Treasury Notes due September 15, 1926
17,350 Victory 4 3/4% notes
 \$ 27,350

Chicago

The Government security market during the past week has softened materially with large offerings of certificates and notes made by dealers substantially under par. Treasury notes of all maturities can be purchased in round amounts to yield approximately 4 5/8%. Advances to dealers in Government securities under Sales Contract Agreements totaled \$2,313,100 at the close of this period.

Investment account transactions were as follows:

PURCHASES

\$200,000 4 1/2% Treasury notes, due December 15, 1927, (to be sold in small amounts to investors)

SALES

\$162,000 4 1/2% Treasury notes due December 15, 1927.

St. Louis

Market not very active. Purchases exceed sales. Little or no demand for Government securities.

Transactions affecting the investment account were as follows:

PURCHASES

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

SALES

\$ 52,000 December 4% certificates at 100
 34,900 4 1/2% Treasury notes, due December 15, 1927, at 100
25,900 4 1/2% " " " June 15, 1925, " 100
 \$112,800

Minneapolis

The local market has been very quiet. There have been practically no orders to sell at the present prices and only a few purchases.

Transactions affecting the investment account were as follows:

- 4 -

Minneapolis
(continued)PURCHASES

\$ 20,000	September	3 3/4%	certificates
100,000	June	3 3/4%	"
74,000	4 1/2%	Treasury notes	due June 15, 1925
750,000	4 1/4%	"	" Sept. 15, 1926
24,200	4 1/2%	"	" Dec. 15, 1927
4,050	Fourth	4 1/4%	Liberty Loan bonds
2,400	Second	4 1/4%	" " "
<u>\$974,650</u>			

SALES

\$ 20,000	September	3 3/4%	certificates
10,000	March	3 1/2%	"
5,000	"	4 1/4%	"
54,000	4 1/2%	Treasury notes	due June 15, 1925
24,200	4 1/2%	"	" Dec. 15, 1927
<u>\$113,200</u>			

Kansas City

Local brokers report that the demand for all issues is still good but that recently the local supply has somewhat increased, although they are still having to buy in the New York market; Omaha, sales in excess of purchases; Denver, purchases \$330,000 against sales \$210,000.

Purchases for account of member and non-member banks aggregated \$30,000.

Investment account transactions were as follows:

PURCHASES

\$ 790,000	March	4 1/4%	certificates at 100
1,790,000	4 1/2%	Treasury notes	due June 15, 1925, at 100 1/16
125,000	4 1/4%	"	" Sept. 15, 1926, " 100
1,000,000	4 3/4%	"	" Mar. 15, 1925, on 4.52 basis
<u>\$ 3,705,000</u>			

SALES

\$ 100,000	March	4 1/4%	certificates at 100.
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Dallas

There have been a number of inquiries regarding the next Treasury offering.

Transactions affecting the investment account were as follows:

SALES

\$ 100,000	2%	Consols of 1930.
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San Francisco

The market in Government securities has continued quiet during this period.

There were no transactions affecting the investment account.

#2
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3331

February 28, 1923.

Dear Sir:

This will acknowledge receipt of your letter of February 26th, 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 February 21, 1923.

Yours very truly,

Acting Governor.

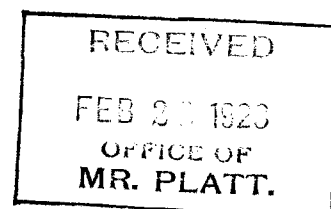
Mr. W. B. Matteson,
Federal Reserve Bank,
New York, N. Y.

FEDERAL RESERVE BANK
OF NEW YORK

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

February 26, 1923.

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 February 21, 1923.

Very truly yours,

A handwritten signature in dark ink, appearing to read "W. B. Matteson".

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 ALSO DATA REGARDING MARKET CONDITIONS
FROM CLOSE OF BUSINESS FEBRUARY 14, 1923, TO CLOSE OF BUSINESS FEBRUARY 21, 1923,
AS REPORTED TO THE COMMITTEE OF GOVERNORS ON CENTRALIZED EXECUTION
OF PURCHASES AND SALES OF GOVERNMENT SECURITIES BY FEDERAL RESERVE BANKS

Operations for Account of U. S. Treasury

Alien Property Custodian

On February 16, 1923, the Treasury authorized the sale from the holdings of the Alien Property Custodian, of \$1,000,000 September 3 3/4% certificates at par to the Colombian Government and invested the proceeds at the same time by purchasing a like amount of March 3 1/2% certificates at par from the investment account of the New York bank. This transaction represents a part of \$4,000,000 which the Colombian Government invested in short-term Treasury certificates of indebtedness, the balance, \$2,963,500, being placed in December 4% certificates purchased at par and accrued interest by the New York bank.

Redemption

Under date of February 21, 1923, the Federal Reserve Bank of New York was instructed by the Treasury to purchase \$10,000,000 par value of 3 1/2% Certificates due March 15, 1923, at par and accrued interest for redemption. That amount of certificates was accordingly purchased from holders with whom large amounts were placed in connection with the Treasury financing on December 15, 1922.

Miscellaneous Orders

At the request of the Treasury Department the Federal Reserve Bank of New York purchased \$492,700 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

The Reserve Bank of Atlanta informed the Committee that they would like to purchase for investment \$5,000,000 of short-term Government securities. As the Committee at the Boston meeting recently held recommended that such transactions be kept within the System at this time, the New York bank offered to sell from its portfolio \$2,500,000 March 3 1/2% certificates at par and \$2,500,000 June 3 3/4% certificates at par. This offer was accepted.

Similarly the Reserve Bank of Kansas City purchased from the holdings of New York \$1,500,000 4 1/4% Treasury notes due September 15, 1926, at par.

Boston

The market on all Government securities during the past week has been dull and inactive, with practically no demand and small offerings. The period closed with all bonds at lower prices. Certificates and notes were also fractionally lower, with the shorter issues showing the most strength. Government securities held under repurchase agreements totaled \$1,269,662 at the close of this period.

There were no transactions affecting the investment account.

- 2 -

New York

Liberty bonds on the Stock Exchange sustained fractional losses this week as compared with the gains recorded in the last fortnight. Expanding commercial requirements, coupled with the demands of an active stock market, are contributing factors to the firmness now apparent in the money market. This situation was not without effect on Treasury certificates and notes, all issues of which declined in small fractions with the exception of the earliest maturities. The call loan rate prevailed at about 5% during this period. Loans to dealers in Government securities under sales contracts amounted to \$16,441,500.

Investment account transactions were as follows:

SALES

\$1,000,000	March 3 1/2%	certificates at 100	to Treasury
2,500,000	" 3 1/2%	" " 100	" Atlanta
2,500,000	June 3 3/4%	" " 100	" "
1,500,000	4 1/4%	Treasury notes due Sept. 15, 1926,	to Kansas City

Philadelphia

The Liberty bond market has been very inactive without support, which resulted in lower prices throughout the week. The rise in call money rate has caused some hesitancy in the part of buyers in Government securities. The great activity in the stock market has brought great expansion in brokers' loans, which now stand at about two billion compared with seven hundred million one year ago. Liberty bonds are not apt to advance in a five per cent. market, however, the final ratification of the British indebtedness is a great argument for strength and sooner or later will bring buying in the Liberty market. The Third 4 1/4s closed at 98.80, which is practically on a 4 1/2% basis.

Investment account transactions were as follows:

PURCHASES

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

SALES

\$ 10,500	4 1/2%	Treasury notes due Dec. 15, 1927,	at 100
20,000	4 1/2%	" " " June 15, 1925,	" 100
\$ 30,500			

Cleveland

One dealer reports as follows: "The Liberty bond market has been rather dull and lifeless the past week. They declined in price and the transactions in this territory were neither numerous nor large in amount.

Investment account transactions were as follows:

PURCHASES

\$ 510,000	March 4 1/4%	certificates at 100	from members
596,000	June 3 3/4%	" " 100	" "
41,000	Sept. 3 3/4%	" " 100	" "
\$1,147,000			

- 3 -

Richmond The volume of transactions has been light, with a noticeable decline in buying orders.
 There were no transactions affecting the investment account.

Atlanta Market conditions in this district are apparently unchanged; however, there seems to be a tendency to invest idle funds in short-term securities.
 Investment account transactions during the period were as follows:

PURCHASES

\$ 2,500,000	March 3 1/2%	certificates at 100	from New York
<u>2,500,000</u>	June 3 3/4%	" " 100	" " "
\$ 5,000,000			

Chicago Government securities generally have moved over a narrow range during the past week with the market inactive during most of the period. The Treasury notes of the last two issues were offered for the first time at less than par. Advances to dealers in Government securities under repurchase agreements totaled \$2,254,600 at the close of this period.

Transactions affecting the investment account were as follows:

PURCHASES

\$ 230,000	December 4%	certificates at 100 less 1/32	
13,300	4 1/2%	Treasury notes, due Dec. 15, 1927, at 100.	To be sold in small amounts to investors
<u>11,800</u>	4 1/2%	Treasury notes, due June 15, 1925, at 100.	To be sold in small amounts to investors
\$ 255,100			

SALES

\$ 230,000	March 4 1/4%	certificates at 100 less 1/32	
<u>500,000</u>	June 3 3/4%	" " 100	(held temporarily account member)
\$ 730,000			

St. Louis The market in Government securities has been steady with a large demand for the short-term issues.

Investment account transactions were as follows:

PURCHASES

\$ 200,000	4 1/2%	Treasury notes due Dec. 15, 1927, from dealers
10,000	March 3 1/2%	certificates
20,000	4 1/2%	Treasury notes due June 15, 1925
<u>200,000</u>	4 1/2%	" " " Dec. 15, 1927
\$ 430,000		

- 4 -

St. Louis
(continued) SALES

\$ 50,000	4 1/2%	Treasury notes due Dec. 15, 1927, to dealers
25,000	September 3 3/4%	certificates
25,000	June 3 3/4%	"
10,000	March 3 1/2%	"
2,000	December 4 %	"
61,800	4 1/2%	Treasury notes, due June 15, 1925
44,000	4 1/2%	" " " Dec. 15, 1927
<u>\$ 217,800</u>		

Minneapolis

The local market in Government securities has been very quiet. There have been some small orders for the last two 4 1/2% issues of Treasury notes from country banks, but nothing very large. Transactions affecting the investment account were as follows:

PURCHASES

\$ 5,000	March 4 1/4%	certificates
10,000	" 3 1/2%	"
500,000	B-1926	Treasury Notes
4,000	B-1924	" "
45,400	A-1927	" "
6,000		Treasury bonds of 1947/52
<u>\$ 570,400</u>		

SALES

\$ 4,000	B-1924	Treasury notes
45,400	A-1927	" "
6,000		Treasury bonds of 1947/52
<u>\$ 55,400</u>		

Kansas City

Brokers report a greater demand than supply in local market but that offering of bonds has increased past few days, so that it is not now necessary to purchase as large amounts as heretofore on the New York market. Omaha reports sales somewhat in excess of purchases, while Denver reports purchases \$222,000 against sales of \$118,150. For account of member and non-member banks purchases were made during the week of \$4,000 Fourth 4 1/4% Liberty bonds and \$18,500. 4 1/2% Treasury notes due December 1927.

Transactions affecting the investment account were as follows:

PURCHASES

\$ 130,000	September 3 3/4%	certificates at 100
1,800,000	4 1/4%	Treasury notes, due Sept. 15, 1926, at 100
1,000,000	4 1/2%	" " " June 15, 1925, " 100
1,000,000	4 3/4%	" " " Mar. 15, 1926, " 100 5/8
<u>\$2,930,000</u>		

- 5 -

Dallas

The market in Government securities has continued quiet during this period.

Investment account transactions were as follows:

SALES

\$ 200,000 2% Consols of 1930

-

San Francisco

There has been no change in the market in Government securities during the week.

Transactions affecting the investment account were as follows:

PURCHASES

\$ 4,200 4 1/2% Treasury notes due June 15, 1925, at 100

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February 21, 1923.

Dear Sir:

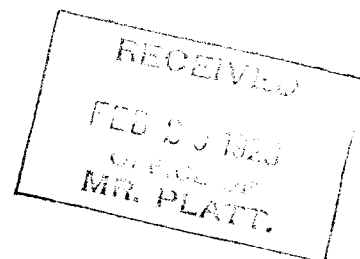
This will acknowledge receipt of your letter of February 19th, enclosing report of transactions in Government securities by the different Federal Reserve banks as reported to the Committee of Governors on centralized execution of purchases and sales of Government securities during the week ending February 14, 1923.

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

February 19, 1923.

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 February 14, 1923.

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 ALSO DATA REGARDING MARKET CONDITIONS
FROM CLOSE OF BUSINESS FEBRUARY 7, 1923, TO CLOSE OF BUSINESS FEBRUARY 14, 1923,
AS REPORTED TO THE COMMITTEE OF GOVERNORS ON CENTRALIZED EXECUTION
OF PURCHASES AND SALES OF GOVERNMENT SECURITIES BY FEDERAL RESERVE BANKS

Operations for Account of U. S. Treasury

There were no orders executed through the Committee for account of the Treasury during this period.

Miscellaneous Orders

For account of various Federal Land Banks the following certificates of indebtedness were sold in New York:

\$500,000 December 4% certificates at 99 7/8 plus 1/32 to dealers

At the request of the Treasury the Federal Reserve Bank of New York purchased on the Stock Exchange \$591,400 face amount of Treasury bonds of 1947/52 for account of the Government Life Insurance Fund.

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

Boston

The market in Government securities has been unusually quiet during the past week. Practically no institutional or outside buying and very few bonds coming into the market. There has been no change in prices of certificates and notes. All issues of Libertys have shown an upward trend attributed to the British debt settlement. Some brokers have expected higher prices for certificates and notes in sympathy with the upward movement of Libertys, but this has not materialized. Government securities held under repurchase agreements at the close of this period amounted to \$816,010.

There were no transactions affecting the investment account.

New York

Liberty bonds have been firm and steady throughout the period, advancing fractionally in continuation of last week's movement. Treasury certificates of indebtedness and notes were unchanged notwithstanding the prevailing higher money rates. The Stock market has been notably active, with a corresponding increase in the volume of business, reflecting to some extent the higher call money rates, which fluctuated between 4% and 6%. Loans to dealers in Government securities under Sales Contract Agreements amounted to \$18,585,500.

There were no investment account transactions.

Philadelphia

The Liberty bond market has been active and strong, with no outstanding feature. The market is apparently waiting for the actual ratification of the British debt and if this action is taken without objectionable riders attached to the bill, we should have a stronger market in Government securities. There was a slight advance in the general price level with increasing investment demand, especially for the First 3 1/2s, these bonds having sold as high as 101.90. Treasury

- 2 -

Philadelphia (continued) Certificates and Notes have been much stronger, with a demand for the 4 1/2% Treasury notes, several large orders having been executed during the week.

Investment account transactions were as follows:

PURCHASES

\$ 45,000	4 1/2%	Treasury notes,	due Dec. 15, 1927,	at 100
100	"	"	"	" June 15, 1925, " 100
\$ 45,100				

SALES

\$ 46,200	4 1/2%	Treasury notes,	due Dec. 15, 1927,	at 100
200	"	"	"	" June 15, 1925, " 100
46,400				

Cleveland

One dealer reports: "The market for Liberty Bonds continues to be active and can be attributed to prospect for the funding of the British war debt. The market has been strong with a decided upward tendency. The demand on the part of small investors continues good.

Another dealer reported that there has been a good demand for both notes and bonds, the demand for notes predominating. Buying orders have exceeded selling orders making recourse to other markets necessary. Some weakening was apparent at the close of this period on reports of resumption of hostilities in Near East.

Investment account transactions were as follows:

PURCHASES

\$ 54,000	March 4 1/4%	certificates at 100	from members
15,000	June 3 3/4%	" " 100	" member
72,700	4 1/2%	Treasury notes due June 15, 1925,	at 100
13,000	"	" " " Dec. 15, 1927, "	100
\$154,700			

SALES

\$ 35,000	4 3/4%	Treasury notes,	due Mar. 15, 1925,	at 100 3/8
				to member
3,500	4 1/2%	" " " June 15, 1925,	at 100 to	
\$ 38,500				member

Richmond

The Reserve Bank of Richmond sold for members \$55,450 in Liberty's and Victory's and bought \$11,300 in Liberty's for them. Brokers report the market as quiet with few bonds offered for sale. Purchases in the district exceed the sales.

There were no transactions affecting the investment account.

Atlanta

Market conditions were quiet and unchanged in this district in Government securities with very little demand and few offerings.

- 3 -

Atlanta
(continued) lows:

Transactions affecting the investment account were as fol-

PURCHASES

\$ 99,700	4 1/2%	Treasury notes, due June 15, 1925
34,150		Second Liberty Loan 4 1/4% bonds
<u>\$ 133,850</u>		

Chicago

Liberty bonds have been in good demand during the past week with prices slightly higher than a week ago. There has been a fairly good demand for certificates of indebtedness. This bank has purchased large blocks of certificates of all issues in the open market for account of one of their member banks, with purchases of June, September and December certificates at slightly less than par. The recent issues of Treasury notes are in good demand at the moment at par. Advances to dealers under repurchase agreements totaled \$2,553,200 at the close of this period.

Investment account transactions were as follows:

PURCHASES

\$ 100,000	June 3 3/4%	certificates at 100
500,000	" "	" " 99 31/32
410,000	December 4%	" " 99 31/32
24,000	4 1/2%	Treasury notes, due Dec. 15, 1927, at 100
<u>\$1,034,000</u>		

SALES

\$ 20,000	Victory notes at 100
100,000	June 3 3/4% certificates at 100
410,000	March 4 1/4% " " 100 plus 1/32
44,000	4 1/2% Treasury notes, due Dec. 15, 1927, at 100
13,200	" " " " June 15, 1925, " 100
<u>\$ 587,200</u>	

St. Louis

Dealers report more purchases than sales in Liberty bonds and more sales than purchases in certificates. Market quiet; prices fluctuating.

Investment account transactions were as follows:

PURCHASES

\$ 150,000	4 1/2%	Treasury notes, due Dec. 15, 1927, at 100 1/16 from dealers
1,000	March 3 1/2%	certificates at 100
20,000	Sept. 3 3/4%	" " 100
1,000	Dec. 4%	" " 100
500	4 3/4%	Treasury notes, due March 15, 1926
10,000	4 1/4%	" bonds of 1947/52 at 99.94
<u>\$ 182,500</u>		

- 4 -

St. Louis
(continued)SALES

\$	900	4 1/2%	Treasury notes, due June 15, 1925, at 100	
	4,000	March 3 1/2%	certificates at 100	(to dealers
	39,500	4 1/2%	Treasury notes, due June 15, 1925, at 100	
	49,800	"	"	" Dec. 15, 1927, " 100
	150,000	"	"	" " 15, 1927, " 100 1/16
	<u>25,000</u>	December 4%	certificates at 100	
\$	269,200			

Minneapolis

Local Government bond dealers report a good demand for Government securities. Numerous requests have been received for the 4 1/2% Treasury notes of 1927 which are supplied through repurchase from country banks.

Investment account transactions during the period were as follows:

PURCHASES

\$	5,000	March 3 1/2%	certificates	
	4,000	Treasury notes, Series A-1924		
	250,000	"	"	B-1926
	388,400	"	"	A-1927
	2,000	4 1/4%	Treasury bonds of 1947/52	
	600	Fourth Liberty Loan 4 1/4%	bonds	
	50	Second	"	"
	<u>100</u>	First	"	"
\$	650,150			

SALES

\$	5,000	March 3 1/2%	certificates	
	4,000	Treasury notes, Series A-1924		
	588,400	"	"	A-1927
	<u>41,400</u>	4 1/4%	Treasury bonds of 1947/52	
\$	638,800			

Kansas City

Local brokers report that the demand continues good and that they are having to make purchases on the New York market. Denver brokers report the week's purchases aggregated \$371,950 against sales of \$184,550 while Omaha reports not much activity with purchases and sales about equal. At Oklahoma City the demand exceeds the supply. For account of member and non-member banks \$6,000 in purchases and \$25,000 in sales of various issues of Liberty bonds were executed.

There were no transactions affecting the investment account.

Dallas

The market in Government securities has continued inactive during this period.

Investment account transactions were as follows:

SALES

\$	240,000	2% Consols of 1930 to dealers
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- 5 -

San Francisco The market in Government securities has remained quiet
 during this period.
 There were no transactions affecting the investment account.

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February 14, 1923.

Dear Sir:

This will acknowledge receipt of your letter of February 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 February 7, 1923.

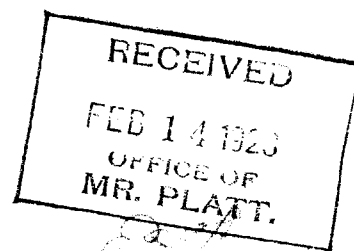
Yours very truly,

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



February 13, 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 February 7, 1923.

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,
Acting 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 JANUARY 31, 1923, TO CLOSE OF BUSINESS FEBRUARY 7, 1923,
AS REPORTED TO THE COMMITTEE OF GOVERNORS ON CENTRALIZED EXECUTION
OF PURCHASES AND SALES OF GOVERNMENT SECURITIES BY FEDERAL RESERVE BANKS

Operations for Account of U. S. Treasury

During this period purchases of Treasury certificates of indebtedness by the Federal Reserve Banks of Cleveland, Atlanta, Chicago and Dallas were arranged by the Committee within the System and hence without recourse to the offerings in the open market. These transactions for the most part were carried out in conjunction with the Treasury's reinvestment of the Alien Property Custodian holdings of securities and were effected as follows:

The Federal Reserve Bank of Cleveland purchased from the Treasury \$5,000,000 June 3 3/4% certificates at 100 and \$5,000,000 December 4% certificates at 100, held for account of Alien Property Custodian. In replacement the Federal Reserve Bank of New York sold to the Treasury from its holdings \$10,000,000 March 3 1/2% certificates at 100.

The Federal Reserve Bank of Atlanta notified the Committee that they were offered March certificates on a 3.60 basis in sizable amounts, and that they were inclined to take up these offerings unless the Committee cared to execute the orders for them. In reply it was stated that in order to avoid placing fresh funds in the market at this time it would, in the opinion of the Committee, be more desirable if the purchases were made from within the System. Accordingly \$1,500,000 March 3 1/2% certificates were sold at 100 by the New York Bank to Atlanta.

The Reserve Bank of Chicago purchased from the Treasury from the holdings of the Alien Property Custodian \$5,000,000 December 4% certificates at 100 and a like amount was purchased in the market for account of the Treasury in replacement.

Likewise the Dallas bank has increased its holdings of securities by purchasing \$5,000,000 December 4% certificates at 100 from the Treasury, account of the Alien Property Custodian, the New York bank selling \$5,000,000 March 3 1/2% certificates from its investment account to the Treasury as a reinvestment of the funds.

Federal Land Banks

For account of various Federal Land Banks the following Treasury certificates and notes were sold in New York during the period:

\$ 500,000	December 4% certificates at 99 7/8 plus 1/32
250,000	4 1/4% Treasury notes due Sept. 15, 1926, at 99 1/32
\$ 750,000	

Miscellaneous Orders

At the request of the Treasury the Federal Reserve Bank of New York purchased on the Stock Exchange \$345,400 face amount of Treasury bonds of 1947/52 for account of the Government Life Insurance Fund.

- 2 -

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

The period closed with all issues of Liberty bonds at higher prices. This rise is attributed to the British debt settlement situation as the local market has been largely a professional one with few outside orders. Certificates and notes have been stronger with demand slightly exceeding supply. Government securities held under repurchase agreements totaled \$683,450 at the close of this period.

There were no transactions affecting the investment account.

Philadelphia

Liberty bonds for the past week have shown considerable strength and activity. There has been practically no change in the money rates to warrant the advance, but the announcement of a plan for the funding of the British debt has brought with it an argument for better prices. The theory is that Great Britain will use her credit to the fullest extent to purchase U. S. Government securities to tender in payment to us, from time to time, at par in lieu of cash, so that in addition to our own Treasury Sinking Fund purchases, we may have British buying. The market has been mostly professional with few investment orders and prices ranging about one-half point higher. Treasury certificates and notes still remain inactive with little or no change in prices.

Investment account transactions were as follows:

PURCHASES

\$ 15,000	March	4 1/4%	certificates	at	100
10,000	June	3 3/4%	"	"	100
10,000	September	3 3/4%	"	"	100
<u>\$ 35,000</u>					

SALES

\$ 120,700 4 1/2% Treasury notes, due December 15, 1927, at 100.

New York

Trading in Liberty bonds on the Stock Exchange this week reflected the announcement of the proposed British debt refunding measures by all issues advancing appreciably under an increase in buying orders. At the close of this period a slight reaction set in which reduced the advance to 31¢ per \$100 for an average of six issues over last week's quotations. Treasury certificates and notes were firm under a moderately active demand. The money market has developed slightly firmer rates although call money closed at 4% on Wednesday as against a 4 3/4% prevailing rate at the beginning of the period. Loans to dealers in Government securities under Sales Contract Agreements amounted to \$17,656,600 at the close of this period.

- 3 -

New York
(continued)

Investment account transactions were as follows:

SALES

\$ 15,000,000	March 3 1/2%	certificates at 100	to Treasury
1,500,000	" "	" " 100	" Atlanta
5,000,000	" "	" " 100	" market
<u>\$ 21,500,000</u>			

Cleveland

One dealer described the Government security market as follows:

"With the announcement last week of the acceptance by the British Government of the proposed terms for funding of the debt owed to America by England, Liberty Bonds advanced decidedly in price. This was due to the provision in the settlement which provides that England may purchase Government obligations issued since 1917 at the market and turn them in at par. This, in effect, will stabilize the price of the bonds and bring them at least to par, when the English operations are underway.

"The upward trend of the market, Saturday and Monday, was due to buying by speculators and when they started profitaking, the market decidedly reacted.

"The market for bonds in the fourth district has been dull this week."

Investment account transactions were as follows:

PURCHASES

\$ 5,000,000	June	3 3/4%	certificates at 100	from Treasury
5,000,000	December	4%	" " 100	" Treasury
10,000	September	3 3/4%	" " 100	" member
<u>\$10,010,000</u>				

SALES

\$ 10,000	March	4 1/4%	certificates at 100	1/16 to members
35,000	4 1/2%	Treasury notes, due June 15, 1925,	at 100	
<u>\$ 45,000</u>				

Richmond

The Reserve Bank of Richmond sold for account of member banks \$17,950 in securities and purchased \$41,000 for their account during this period. Brokers report that there are more Libertys being bought than sold in the fifth district.

There were no transactions affecting the investment account.

Atlanta

The market for Government securities in this district is in good condition and practically unchanged since the last report.

Transactions affecting the investment account were as follows:

PURCHASES

\$ 1,500,000	March 3 1/2%	certificates at 100	from New York
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SALES

\$ 49,600	First 3 1/2%	Liberty Loan bonds.
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- 4 -

Chicago

The market has been very active in all Liberty issues, with considerable fluctuations in prices. The general trend is strong with quotations higher than a week ago in spite of the softness during the last few days. There has been a good demand for Treasury certificates and Treasury notes, which have slightly increased in price. Advances to dealers under repurchase agreements amounted to \$2,769,650.

Investment account transactions were as follows:

PURCHASES

\$5,000,000	December 4% certificates at 100 from Treasury
1,000	4 1/2% Treasury notes, due Dec. 15, 1927, at 100
20,000	Victory notes at 100.24 (Temporary a/c Member)
<u>\$5,021,000</u>	

SALES

\$ 73,800	4 1/2% Treasury notes, due Dec. 15, 1927, at 100
2,200	" " " " June 15, 1925, " 100
<u>\$ 76,000</u>	

St. Louis

Market more active than last week. Prices fluctuating. Liberty bonds, purchases and sales about equal. Certificates, more sales than purchases.

Transactions affecting the investment account were as follows:

PURCHASES

\$ 50,000	December 4% certificates at 100
100,000	" " " " 100 less 1/32
7,000	March 3 1/2% " " 100
400,000	" " " " 100 less 1/64
1,010,000	September 3 3/4% " " 100 " 1/16
925,000	" " " " 100 " 1/32
63,000	June " " " 100
5,000	" " " " 100 less 1/32
43,500	4 1/2% Treasury notes, due Dec. 15, 1927, at 100
4,100	4 1/4% " bonds of 1947/52 at 100
<u>\$2,607,600</u>	

SALES

\$ 125,000	December 4% certificates at 100
57,000	March 3 1/2% " " 100
50,000	June 3 3/4% " " 100
50,000	September 3 3/4% " " 100
35,900	4 1/2% Treasury notes, due June 15, 1925, at 100
163,300	" " " " Dec. 15, 1927, " 100
4,100	4 1/4% " bonds of 1947/52 at 100
<u>\$ 485,300</u>	

Minneapolis

Twin City Government bond dealers reported a good demand for Government securities February 3, 5 and 6 and a considerable falling off in demand on the 7th. We still have inquiries from small country banks for the 4 1/2% Treasury notes of 1927 which we are endeavoring to supply

- 5 -

Minneapolis through purchases from holders in this district. There is also a
(continued) good demand locally for the 4 1/2% series of 1925 and the March 4 1/4%
issue of certificates of indebtedness.

Investment account transactions were as follows:

PURCHASES

\$	20,000	March 4 1/4% certificates
	21,100	4 1/2% Treasury notes due June 15, 1925
	750,000	4 1/4% " " " Sept. 15, 1926
	582,100	4 1/2% " " " Dec. 15, 1927
	247,500	4 1/4% " bonds of 1947/52
	600	Fourth 4 1/4% Liberty Loan bonds
	250	Second " " " "
	<u>\$1,621,550</u>	

SALES

\$	20,000	March 4 1/4% certificates
	21,100	4 1/2% Treasury notes due June 15, 1925
	382,100	" " " " Dec. 15, 1927
	<u>207,500</u>	Treasury bonds of 1947/52
\$	630,700	

Kansas City The Kansas City bank purchased for account of member and non-member banks Second, Third and Fourth Liberty Loan bonds amounting to \$15,000 and made sales during the period of \$5,000 of the same securities for them. Local brokers report that the demand for Government issues still continues good and that they are having to buy in New York to supply the local demand. One concern reports a number of inquiries for Treasury notes, particularly for the last issue, namely Series A-1927. Denver brokers report purchases for the past week of \$502,550 against sales of \$152,850.

Investment account transactions were as follows:

PURCHASES

\$ 1,800 4 1/2% Treasury notes due December 15, 1927, at 100

Dallas The market in Government securities has been inactive during this period.

Investment account transactions were as follows:

PURCHASES

\$5,000,000 December 4% certificates at 100 from Treasury

SALES

\$ 100,000 2% Consols of 1930

San Francisco The market in Government securities has been quiet during this period.

Investment account transactions were as follows:

SALES

\$ 24,000 June 3 3/4% certificates at 100

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February 5, 1923.

Dear Sir:

This will acknowledge receipt of your letter of the 3rd 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 January 31, 1923.

Yours very truly,

Acting Governor.

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

February 5, 1933.

Dear Sir:

This will acknowledge receipt of your letter of the 3rd 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 January 31, 1933.

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 Control of Purchases
and Sales of Government Securities
by Federal Reserve Banks.

February 3, 1923.

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 January 31, 1923.

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 ALSO DATA REGARDING MARKET CONDITIONS
FROM CLOSE OF BUSINESS JANUARY 24, 1923 TO CLOSE OF BUSINESS JANUARY 31, 1923,
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

There were no orders executed through the Committee for account of the Treasury Department during this period.

Miscellaneous Orders

At the request of the Treasury Department the Federal Reserve Bank of New York purchased on the Stock Exchange \$320,900 face amount of 4 1/4% Treasury Bonds of 1947/52 for account of the Government Life Insurance Fund.

For account of various Federal Land Banks, the following Treasury notes were sold in New York during the period:

\$250,000 4 3/4% Treas. notes due March 15, 1925 @ 100 5/16
250,000 4 3/4% Treas. notes due March 15, 1925 @ 100 5/16 plus 1/32
 \$500,000

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

Boston

The period closed with all issues of bonds at lower prices. Brokers reported an increase of selling by commercial banks and also state that there has been but a small public demand. During the week Treasury notes and certificates of indebtedness were fairly steady but not active, the supply exceeding the demand. Government securities held under repurchase agreements amounted to \$1,640,150 at the close of this period.

There were no investment account transactions.

New York

The volume of business in investment securities on the Stock Exchange has fallen off during this period, in which the interest of the investors seemed to have slackened in the Stock market as well as in bonds. Municipals and First 3 1/2s still enjoy a fairly active demand, receiving impetus from the tax exemption buyers. Liberty bonds were inactive and declined during the period 25¢ per \$100 for an average of six issues. The call money market has been firm, the prevailing rate being at 4 1/2%. Treasury certificates of indebtedness and notes were more active, but without change in prices. Loans to dealers in Government securities under Sales Contract agreements amounted to \$22,919,900 at the close of this period.

Investment account transactions were as follows:

PURCHASES

\$ 5,000,000 December 4% certificates @ 100 from dealers.

SALES

\$ 5,000,000 December 4% Certificates @ 100 to Chicago

10,000,000 June 3 3/4% " " 100 " "

\$15,000,000

- 2 -

Philadelphia

The market for Liberty bonds has been very quiet, with prices reactionary, there being little or no demand for bonds. The rather heavy withdrawals by the Government had a tendency, temporarily, to create a firmness in the money market, which was reflected in the somewhat sluggish condition of Liberty Bonds. Price recessions at the close of each day resulted in a lower level of prices at the end of this period. The rather heavy selling of the Second 4 1/4s and the sharp advance of the tax free 3 1/2s were the outstanding features. The new Treasury notes of 1927 are quoted at 100 to 100 1/16, which shows a yield practically the same as the Third 4 1/4s, with purchases rather favoring the latter as they are selling at a discount. The market in Treasury certificates and notes was more active with a slight increase in the demand for all issues of notes.

Investment account transactions were as follows:

PURCHASES

\$ 53,300 4 1/2% Treasury notes, due December 15, 1927 @ 100

SALES

\$ 236,400 4 1/2% Treasury notes, due December 15, 1927 @ 100

25,000 " " " " June 15, 1925 @ 100

\$ 261,400

Cleveland

The market in Government securities was described by one dealer as follows: "The demand from investors for Libertys in this district has not abated. The market, however, shows some weakness with an apparent downward tendency. The amount of bonds sold during the period in this district is comparatively small. Local dealers are compelled to fill orders by buying in New York."

Transactions affecting the investment account were as follows:

PURCHASES

\$ 500 March 4 1/4% certificates @ 100 (from Frisco agent)

SALES

\$10,000 March 4 1/4% certificates @ 100 to members

Richmond

The Reserve Bank of Richmond sold for account of members \$13,650 face amount of bonds and purchased \$4,800 for them during the period. Brokers in Government securities report that there have been no particular developments in the market during the past week.

There were no transactions affecting the investment account.

Atlanta

The market conditions in this district appear to be unchanged as compared with the preceding week. The demand for Second, Third and Fourth Liberty Loan bonds continues good, with very few offered for sale. Of the Treasury notes the new 4 1/2% issue due December 15, 1927 appears to be the most attractive to the small investors.

Investment account transactions were as follows:

- 3 -

Atlanta
(continued)

<u>PURCHASES</u>	
\$ 58,600	4 1/2% Treasury notes, due December 15, 1927
215,000	" " " " June 15, 1925
1,000,000	March 3 1/2% certificates
<u>\$1,273,600</u>	

Chicago

The market for Government securities continues very dull with further recession in prices of all issues of Libertys except the First 3 1/2s. The December 4% certificates of indebtedness are offered in large amounts at par less 1/32. There has been no change in Treasury notes during the period. Advances to dealers in Government securities amounted to \$741,000.

Transactions affecting the investment account were as follows:

<u>PURCHASES</u>	
\$ 25,000	4 1/2% Treasury notes, due December 15, 1927 @ 100
2,000,000	June 3 3/4% certificates @ 100 from Dallas
10,000,000	" " " " 100 " New York
5,000,000	December 4% " " 100 " New York
3,000,000	September 3 3/4% " " 100 " Dallas
<u>\$20,025,000</u>	

<u>SALES</u>	
\$ 159,500	4 1/2% Treasury notes, due December 15, 1927 @ 100
108,000	" " " " June 15, 1925 @ 100
<u>\$ 267,500</u>	

St. Louis

Prices in Government securities in this market have been steady and business has been quiet.

Transactions affecting the investment account were as follows:

<u>PURCHASES</u>	
\$ 579,000	4 1/2% Treasury notes, due June 15, 1925 @ 100
500,000	December 4% certificates @ 100 less 1/64
1,750,000	" " " " 100 " 1/32
250,000	" " " " 100 " 1/16
15,000	" " " " 100
40,000	March 3 1/2% " " 100
218,900	4 1/2% Treasury notes, due December 15, 1927 @ 100
700	4 1/4% " bonds of 1947/52 @ 100
<u>\$3,353,600</u>	

<u>SALES</u>	
\$ 515,700	4 1/2% Treasury notes, due June 15, 1925 @ 100
52,000	December 4% certificates @ 100
700	4 1/4% Treasury bonds of 1947/52
272,400	4 1/2% " notes, due December 15, 1927 @ 100
<u>\$ 840,800</u>	

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Minneapolis

There has been a very good demand for short time Government securities during the past week. The small country banks are showing a renewed interest in Liberty Bonds, Treasury Notes and Treasury certificates. Local Government bond dealers say that their demand has fallen off a little from the previous week.

Transactions affecting the investment account are as follows:

PURCHASES

\$ 37,000	December	4%	certificates
5,000	March	3 1/2%	"
35,000	"	4 1/4%	"
1,300	Treasury notes,	Series B-1926	
231,000	"	"	C-1925
1,107,800	"	"	A-1927
75,100	4 1/4% Treasury bonds of 1947/52		
450	First Liberty Loan Bonds		
501,350	Second	"	"
2,150	Third	"	"
607,600	Fourth	"	"
<u>\$2,603,750</u>			

SALES

\$ 37,000	December	4%	certificates
5,000	March	3 1/2%	"
1,300	Treasury notes,	Series B-1926	
231,000	"	"	C-1925
1,106,800	"	"	A-1927
75,100	4 1/4% Treasury bonds of 1947/52		
<u>\$1,456,200</u>			

Kansas City

Local brokers report that the same condition has prevailed as for the last two months, namely a larger demand for all issues of Liberty bonds than the supply. They also report a few sales of Treasury bonds of 1947/52 and some inquiry for the last two issues of 4 1/2% Treasury notes.

Investment account transactions were as follows:

SALES

\$ 2,000	4 1/2% Treasury notes, due December 15, 1927
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Dallas

The market has continued inactive in Government securities. Investment account transactions were as follows:

SALES

\$2,000,000	June	3 3/4% certificates @ 100 to Chicago
3,000,000	September	3 3/4% " @ 100 " "
<u>100,000</u>	2% Consols of 1930	
<u>\$5,100,000</u>		

San Francisco

The market in Government securities has been quiet during this period.

There were no investment account transactions.

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January 31, 1923.

Dear Sir:

This will acknowledge receipt of your letter of the 29th 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 January 24, 1923.

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

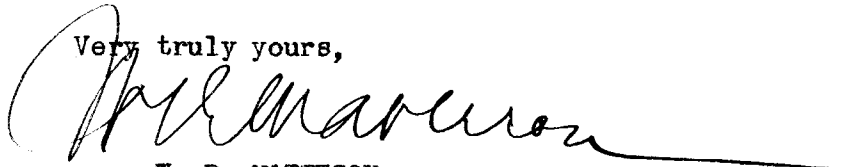
January 29, 1923.

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 January 24, 1923.

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 JANUARY 17, 1923, TO CLOSE OF BUSINESS JANUARY 24, 1923,
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

Under instructions dated January 22, 1923, the Treasury has taken over those certificates and notes indicated below which were purchased recently in the open market at the request of the Treasury and held temporarily in the investment account of the Federal Reserve Bank of New York:

Alien Property Custodian

For investment of the Alien Property Custodian account \$10,000,000 December 4% certificates were purchased at par and interest from the New York bank, and, at the same time \$8,000,000 June 3 3/4% certificates held for the Alien Property Custodian account were redeemed by the Treasury in order to place the account in funds.

Purchases from Proceeds of Treasury Notes

For the account "Purchases from Proceeds of Treasury Notes" \$1,100,000 4 1/4% Treasury notes, maturing September 15, 1926, were taken over from the holdings of the New York bank at the price paid, 99.13 and interest.

Civil Service Retirement and Disability Fund

The balance of the notes in the temporary investment holdings was charged to the Treasury for account of the Civil Service Retirement and Disability Fund. This amounted to \$2,050,000 4 3/4% Treasury Notes due March 15, 1926, and was charged at the price paid of approximately 100.74 and accrued interest. From the holdings of this fund \$1,000,000 June 3 3/4% and \$1,080,000 March 4 1/4% certificates were redeemed at par to provide for this reinvestment.

Miscellaneous Orders

At the request of the Treasury Department the Federal Reserve Bank of New York purchased \$617,900 face amount of Government securities for various accounts and funds.

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

Boston

Market for Government securities during past week has remained quiet and very narrow. Practically no change in prices of bonds, certificates, or notes, with exception of First 3 1/2s which closed the period 66¢ up. Last Government issue absorbed January investment funds. Government securities held under Repurchase Agreements at the close of this period amounted to \$1,749,590.

There were no investment account transactions.

- 2 -

New York

The initial success of tax exemption legislation this week has not been without effect in the security markets in New York. Municipals developed a somewhat firmer tone, while the First 3 1/2% Liberty bonds advanced 66¢ per \$100 over last week's quotations. Trading in Libertys on the Stock Exchange was dull without appreciable change from the previous week's prices. Generally, the bond and stock markets have been inactive awaiting further developments in news from abroad. There was no change in Treasury certificates, while fractional losses were sustained in quotations in the notes. Call money rates prevailed at 4%, closing at 4 1/2%. Loans to dealers in Government securities under Sales Contracts amounted to \$30,700,000.

Transactions affecting the investment account were as follows:

PURCHASES

\$ 5,075,000	March	3 1/2%	certificates at 100
10,000,000	December	4%	" " 100
<u>\$15,075,000</u>			

SALES

\$15,000,000	December	4%	certificates at 100	to dealers
10,000,000	"	"	" " 100	account Alien
				Property Custodian
1,100,000	4 1/4%	Treasury notes, due Sept. 15, 1926,	at 99.13	
				Account Treasury
2,050,000	4 3/4%	Treasury notes, due Mar. 15, 1926,	at 100.74	
				Account Treasury
95,000	June 3	3 3/4%	certificates at 100	to dealers
<u>\$28,245,000</u>				

Philadelphia

During the past week Liberty Bonds and notes have been very inactive with prices moving within a narrow range, with the exception of the 3 1/2s, which advanced to 101.86, this move reflecting the agitation directed toward a further issuance of tax exempt bonds. The demand for the other issues was more or less unimportant, the market assuming an almost entirely professional aspect, but if money rates should rule around 4%, we can expect to see all issues advance automatically to premium price levels. The foreign situation is fraught with danger, but if money rates are not affected our market prices will not change materially, as the value of money in the open market has a direct influence upon the current-price of the Government's credit. The Certificates of Indebtedness and the Treasury Notes were also inactive, with little demand and prices reactionary.

Investment account transactions were as follows:

PURCHASES

\$ 13,500	December	4%	certificates at 100 less 1/32
506,000	4 1/2%	Treasury notes, due December 15, 1927,	at 100
100	"	"	" June 15, 1925, " 100
<u>\$ 519,600</u>			

- 3 -

Philadelphia
(continued) SALES

\$ 27,000	December 4%	certificates at 100 less 1/32	
164,300	4 1/2%	Treasury Notes, due December 15, 1927, at 100	
<u>150,500</u>	"	" " " " June 15, 1925, " 100	
\$ 341,800			

Cleveland

Market conditions in Government securities have been reported by one dealer as follows: "The Liberty Bond market continues to hold up very well indeed considering the fact that there is a considerable let up in the investment demand growing out of the demand which always prevails during the first fifteen or twenty days of the year. The splendid way in which the bonds maintain their recent high is due no doubt, to the easier money market. Business in Liberty Bonds in the 4th District is somewhat dull at the present time.

Another dealer reports that there has been considerable inquiry for certificates of indebtedness maturing in June as well as some demand for the last two 4 1/2% Treasury note issues. The demand for Liberty bonds has been strong with very few selling orders. There appears to be a considerable amount of idle funds seeking investment in Government securities.

Investment account transactions were as follows:

PURCHASES

\$ 6,000	March 3 1/2%	certificates at 100	
15,000	December 4%	" " 100	
60,000	June 3 3/4%	" " 100	
33,000	March 4 1/4%	" " 100	
10,000	September 3 3/4%	" " 100	
<u>463,900</u>	4 1/2%	Treasury notes due June 15, 1925, at 100	
\$ 587,900			

SALES

\$ 6,000	March 3 1/2%	certificates at 100	
<u>4,000</u>	" 4 1/4%	" " 100	
\$ 10,000			

Richmond

The Reserve Bank of Richmond bought for account of member banks \$6,550 face amount of Third and Fourth 4 1/4% Liberty bonds and sold during the week \$28,700 Liberty bonds and Treasury notes.

There were no investment account transactions.

Atlanta

Market conditions in this district seem to be good with rather a strong tendency on the part of small investors to purchase in moderate amounts. At the same time there is a somewhat active demand for short-term securities for the larger investors.

Transactions affecting the investment account were as follows:

- 4 -

Atlanta
(continued)PURCHASES

\$ 215,000	4 1/2%	Treasury notes, due June 15, 1925
<u>14,400</u>	"	" " " " December 15, 1927
\$ 219,400		

Chicago

The market for Government securities during the past week has been dull and inactive with price movement over a very narrow spread. Treasury certificates were offered at 3 3/4% for short maturities. Large amounts of the December 4% issue were offered at prices under par. Advances to dealers in Government securities under Sales Contract Agreements amounted to \$1,147,300 at the close of this period.

Investment account transactions were as follows:

PURCHASES

\$ 217,900	4 1/2%	Treasury notes, due December 15, 1927, at 100
<u>150,000</u>		December 4% certificates at 100
\$ 367,900		

SALES

\$ 70,900	4 1/2%	Treasury notes, due December 15, 1927
<u>18,700</u>	"	" " " " June 15, 1925
5,000		March 4 1/4% certificates
\$ 94,600		

St. Louis

Dealers report sales heavier than purchases on Liberty bonds and certificates. Prices steady and business quiet. Transactions affecting the investment account were as follows:

PURCHASES

\$ 4,000	4 1/2%	Treasury notes, due June 15, 1925, at 100
<u>479,600</u>	"	" " " " Dec. 15, 1927, " 100
1,597,000		December 4% certificates at 100
<u>950,000</u>	"	" " " " 100 less 1/64
3,300		Treasury bonds of 1947/52 at 100
\$3,033,900		

SALES

\$ 500,000		June 3 3/4% certificates at 100
<u>7,800</u>	4 1/2%	Treasury notes, due June 15, 1925, at 100
228,000	"	" " " " Dec. 15, 1927, " 100
<u>6,300</u>		Treasury bonds of 1947/52 at 100
\$ 742,100		

Minneapolis

Local Government bond dealers reported greater activity during the past week than for many months. There have been a large number of inquiries for Treasury Notes, especially of the new series C-1925 and A-1927.

- 5 -

Minneapolis
(continued)

Investment account transactions were as follows:

PURCHASES

\$ 100,000	December 4% certificates
200,000	Victory 4 3/4% Notes
4,300	Treasury Notes, Series A-1924
269,000	" " " C-1925
10,000	" " " B-1926
5,000	" " " A-1926
1,002,800	" " " A-1927
600	" Bonds of 1947/52
700,250	Second Liberty Loan 4 1/4% Bonds
11,600	Third " " " "
17,350	Fourth " " " "
<u>\$2,320,900</u>	

SALES

\$ 100,000	4% December certificates
600	Treasury bonds of 1947/52
4,300	" Notes, Series A-1924
344,000	" " " C-1925
3,510,000	" " " B-1926
5,000	" " " A-1926
924,800	" " " A-1927
750,000	" " " A-1925
<u>200,000</u>	Victory 4 3/4% Notes
<u>\$5,838,700</u>	

Kansas City

For account of member and non-member banks purchases of Liberty bonds and Treasury notes were made during the week aggregating \$13,400. Local brokers report a continued strong demand for all issues of Liberty bonds and also some inquiry for the last two issues of Treasury Notes. They all report that the local supply is not sufficient to meet the demand and that they are having to purchase on the New York market.

The following transactions were made affecting the investment account:

PURCHASES

\$ 5,000 4 1/2% Treasury notes, due Dec. 15, 1927, at 100

SALES

\$ 500 December 4% certificates at 100

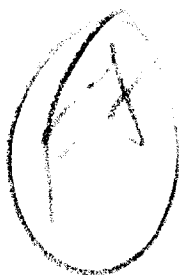
Dallas

There were no transactions affecting the investment account of the Federal Reserve Bank of Dallas during the week.

San Francisco

The market in Government securities continued quiet during this period.

There were no transactions affecting the investment account.



January 24, 1923.

333 /

Dear Sir:

This will acknowledge receipt of your letter of January 23rd, 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 January 17, 1923.

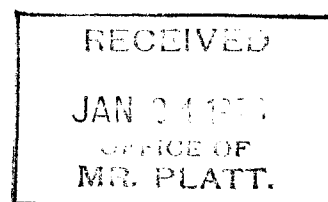
Yours very truly,

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



January 23, 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 January 17, 1923.

Very truly yours,

A handwritten signature in dark ink, 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.

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TRANSACTIONS IN GOVERNMENT SECURITIES FOR ACCOUNT OF THE TREASURY DEPARTMENT
AND FEDERAL RESERVE BANKS ALSO DATA REGARDING MARKET CONDITIONS
FROM CLOSE OF BUSINESS JANUARY 10, 1923, TO CLOSE OF BUSINESS JANUARY 17, 1923,
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 Treasury order dated January 8, 1923, for the purchase, for account of the Sinking Fund, of \$8,000,000 Third Liberty Loan 4 1/4% bonds at the market on recognized Stock Exchanges has been completed by the following banks:

Boston	\$	40,450	at	98.84	to	99.02
New York		6,659,550	"	98.82	"	99.06
Philadelphia		1,300,000	"	98.90	"	99.02
		<u>\$8,000,000</u>				

Federal Land Banks

In connection with the investment of the funds of Federal Land Banks, a total of \$14,400,000 December 4% certificates of indebtedness was purchased at par and accrued interest by the following reserve banks:

Boston	\$	400,000
New York		8,900,000
Philadelphia		1,000,000
Chicago		3,000,000
Minneapolis		100,000
Kansas City		<u>1,000,000</u>
		\$14,400,000

Miscellaneous Orders

At the request of the Treasury Department the Federal Reserve Bank of New York purchased \$845,900 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 market for Government securities during the period just closed has been practically the same as during the previous week - dull and quiet. The prices of bonds have declined slightly, while there has been no change in the price of certificates and the notes. Of the Libertys the best demand has been for the Third 4 1/4s. Brokers report a fair demand for certificates and a moderate demand for notes. Government securities held under repurchase agreements amounted to \$670,500 at the close of this period.

There were no investment account transactions.

New York

The volume of business in Government securities on the Stock Exchange has fallen off during this period although the prices of a week ago

- 2 -

New York
(continued)

were maintained. The attention of investors seemed to have turned temporarily to the new bond offerings in view of the irregularity in the general market. Treasury certificates of indebtedness and notes were inactive without change in prices. Call money has been easy at 4% closing the period at 3 1/2%. Loans to dealers in Government securities under Sales Contracts were reduced to \$5,730,000.

Investment account transactions were as follows:

PURCHASES

\$ 2,400,000 June 3 3/4% certificates at 100

SALES

\$ 2,000,000	December 4%	certificates at 100	account Federal Land
<u>4,125,000</u>	March 3 1/2%	" " "	100 to dealers. Banks
\$ 6,125,000			

Philadelphia

The market was fairly active during the first few days of this period, but toward the close the activity slackened with a considerable ease in the general level of prices. There was a fair demand for the Third 4 1/4s and Refunding 4 1/4s of 1952, the Fourth 4 1/4s and Second 4 1/4s sold off with a narrow market in all issues. The market in Certificates of Indebtedness and Treasury Notes was more or less apathetic, with a tendency for lower prices. The disquieting news from abroad has made the big investor cautious and tended to keep prices down in spite of the ease of money. Any sort of agreement that would relieve the foreign tension would bring advancing prices in Government securities, with the rate for funds at the present figure.

Transactions affecting the investment account were as follows:

PURCHASES

\$ 350,000	December 4%	certificates at 100
36,900	4 1/2%	Treasury notes, due June 15, 1925, at 100
<u>378,000</u>	" " "	" " Dec. 15, 1927, " 100
\$ 764,900		

SALES

\$1,000,000	December 4%	certificates at 100
<u>151,100</u>	4 1/2%	Treasury notes, due Dec. 15, 1927, at 100
\$1,151,100		

Cleveland

One dealer reported on the market in Government securities as follows: "The Liberty Bond market has been active in the past week and the prices have been fairly well sustained. The buying on the part of small investors throughout the 4th district continues to be the main feature."

Another dealer reported very little buying or selling and states it appears that the banks here have plenty of demand for their funds which is keeping them out of the market.

- 3 -

Cleveland Transactions affecting the investment account were as follows:
(continued)

PURCHASES

\$ 1,000	June	3 3/4%	certificates at 100
10,000	September	3 3/4%	" " 100
<u>\$ 11,000</u>			

SALES

\$ 20,000 March 4 1/4% certificates at 100 1/16

Richmond The Federal Reserve Bank of Richmond sold for account of member banks \$42,450 face amount of Libertys and Victory notes and purchased during this period \$5,400 Liberty Bonds. Brokers report that buying orders are heavy and are largely in excess of bonds offered for sale in the district.

There were no investment account transactions.

Atlanta The market has been rather quiet in Libertys during the past week with very few sales and practically no purchases as compared with transactions of the previous week, probably due to the attractive issue of the new 4 1/2% Treasury offering.

There were no investment account transactions.

Chicago The market for Government bonds during the past week has moved over a rather narrow margin with very little demand for any of the old issues of certificates or notes. A heavy over-subscription for the new 4 1/2% Treasury notes has caused considerable activity in this issue. Advances to dealers in Government securities under Repurchase Agreements amounted to \$1,708,800 at the close of this period.

Transactions affecting the investment account were as follows:

PURCHASES

\$ 175,000	4 1/2% Treasury notes, due June 15, 1925
435,000	March certificates
<u>1,200,000</u>	4 1/2% Treasury notes, due December 15, 1927
\$1,810,000	

SALES

\$ 31,500	4 1/2% Treasury notes, due June 15, 1925
1,119,900	" " " " " December 15, 1927
575,000	March certificates
<u>3,000,000</u>	December 4% certificates to Federal Farm Loan Board
\$4,726,400	

St. Louis Sales by dealers exceed purchases. Market steady; business very poor.

- 4 -

St. Louis
(continued)

Investment account transactions were as follows:

PURCHASES

\$ 1,017,000	4 1/2%	Treasury notes due June 15, 1925,	at 100
100,000	" "	" " December 15, 1927,	" 100
1,000,000	December 4%	certificates	at 100
100,000	September 3 3/4%	" "	100
7,000	March 3 1/2%	" "	100
25,000	June 3 3/4%	" "	100
<u>\$ 2,249,000</u>			

SALES

\$ 9,800	4 1/2%	Treasury notes, due June 15, 1925,	at 100
<u>500</u>		Treasury bonds of 1947/52	
10,300			

Minneapolis

There is a noticeable increase in the volume of transactions in Government securities for account of member banks as compared with a week ago. Local investment dealers report an increased demand from their customers and many state that they have a number of unfilled orders for the new 4 1/2% Treasury notes due December 15, 1927.

Transactions affecting the investment account were as follows:

PURCHASES

\$ 100,000	December 4%	certificates	
500		Treasury notes, Series B-1924	
34,100	" "	" " A-1927	
250,000	" "	" " C-1925	
250,000	" "	" " A-1925	
<u>13,500</u>		bonds of 1947/52	
\$ 648,100			

SALES

\$ 100,000	December 4%	certificates	
500		Treasury notes, Series B-1924	
34,100	" "	" " A-1927	
1,750,000	" "	" " B-1926	
250,500	" "	" " C-1925	
<u>13,500</u>		bonds of 1947/52	
\$2,148,600			

Kansas City

For account of member and non-member banks the Reserve Bank of Kansas City purchased during the week Second, Third and Fourth Liberty Loan bonds aggregating \$36,000. Local brokers report that the demand continues greatly in excess of the local supply, necessitating constant purchases in the New York market, and that the majority of inquiries concern Second Converted, Third and Fourth Liberty Bonds with very little inquiry for 4 1/2% Treasury bonds of 1947/52 and Treasury notes. Sales contracts were reduced by the sale of \$400,000 Thirds at 98.72 and \$200,000 Thirds at 99.11.

- 5 -

Kansas City Transactions affecting the investment account were as fol-
(continued) lows:

SALES

\$ 2,000 December 4% certificates at 100
 200,000 4 1/2% Treasury notes due June 15, 1925, at 100
\$ 202,000

Dallas The market in Government securities has turned rather
 active during this period.
 Transactions affecting the investment account were as
follows:

PURCHASES

\$1,100,000 4 1/4% Treasury notes due September 15, 1926

San Francisco The market in Government securities continued quiet during
this period.
 There were no transactions affecting the investment account
other than in special certificates of indebtedness to secure the
Treasurer's overdraft.

2

333 /

January 17, 1933.

Dear Sir:

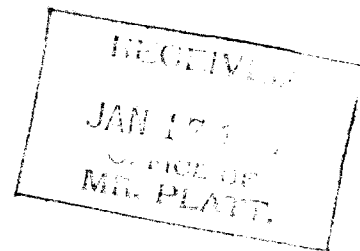
This will acknowledge receipt of your letter of January 16th enclosing report of transactions in Government securities by the different Federal reserve banks as reported to the Committee of Governors on Centralized Execution of Purchases and Sales of Government Securities during the week ended January 10, 1933.

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

January 16, 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 January 10, 1923.

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 JANUARY 3, 1923, TO CLOSE OF BUSINESS JANUARY 10, 1923,
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

Under date of January 8, 1923, the Reserve Bank of New York at the request of the Treasury executed a special order for the purchase of \$2,000,000 Victory notes due May 20, 1923, for account of the Cumulative Sinking Fund. This order was filled by the purchase of \$326,000 at 100.28 and \$1,674,000 at 100.30.

A Treasury order dated January 8, 1923, was received authorizing the purchase of \$8,000,000 Third Liberty Loan 4 1/4% bonds at the market on the Stock Exchange for the account of the Sinking Fund. Purchases have been made thus far in the following amounts:

New York	\$ 628,000	at 99.00	
	1,575,000	" 99.02	
	183,000	" 99.04	
	682,000	" 99.06	
	10,000	" 99.08	
Philadelphia	300,000	" 99.00	
	200,000	" 99.02	
	<u>\$ 3,578,000</u>		
	4,422,000	Unexecuted Balance	
	<u>\$ 8,000,000</u>		

NOTE: Upon receipt of this order, we communicated with the Federal Reserve Banks of Chicago, Boston and Philadelphia, offering them a participation in the order with the understanding that it was to be executed, in accordance with the Treasury's instructions, on the Stock Exchanges only. The Federal Reserve Bank of Chicago said it would be impossible to make any purchases on their Exchange and for that reason they would not care to participate.

Indian Funds

In accordance with a Treasury order dated January 8, 1923, the Federal Reserve Bank of New York purchased on the Exchange \$250,000 Third Liberty Loan 4 1/4% bonds for the account "Individual Indian Moneys." Purchases were made at the following prices:

\$ 38,000	at 99.02
212,000	" 99.06
<u>\$ 250,000</u>	

Federal Land Banks

The Farm Loan Commissioner advised the Treasury that on January 17, 18 and 19 there will be \$12,900,000 available for investment in 4% certificates of indebtedness due December 1923. This amount represents a partial investment of the proceeds of the recent offering of Federal Land Bank Bonds payable on the dates mentioned. The other Federal reserve banks will be given an opportunity to participate in this and the balance will be furnished from the holdings of this issue of the Federal Reserve Bank of New York, which, subject to instructions from the Treasury, were recently acquired from certain holders with whom large amounts were "placed" on December 15.

- 2 -

At the request of the Farm Loan Commissioner the following Treasury notes were sold in New York for account of the Federal Land Banks:

\$500,000 Treasury notes (4 1/4%) due Sept. 15, 1926, at 99 1/8 and interest.

Miscellaneous Orders

At the request of the Treasury Department the Federal Reserve Bank of New York purchased for various accounts \$1,035,000 face amount of Treasury bonds during the period.

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

Boston

The market in all Government securities has been largely a professional one during the past week - quiet with slight price changes - Liberty First 3 1/2s and Third 4 1/4s and longer maturity notes showing only strength noticeable.

Dealers report that the new Government issue resulted in cancellation of some buying orders for Liberty bonds.

Government securities held under repurchase agreement at the close of this period amounted to \$2,267,304.

There were no investment account transactions.

New York

Quiet trading in Government securities on the Stock Exchange was carried on during the week at unchanged prices. The general market was firm in all classes at improving quotations. Holiday settlements having been effected, an increased supply of funds has been released for investment accompanied by a reduction of \$115,600,000 in discounts at the reserve banks. Large offerings of new and many refunding issues have been absorbed without disturbance in the financial markets. Call money has been plentiful, ranging between 3 1/2% and 5%. Treasury certificates made fractional gains during the period, while the notes remained at the same level as a week ago. Loans to dealers in Government securities under Sales Contracts amounted to \$34,435,200 at the close of this period.

Investment account transactions were as follows:

PURCHASES

\$ 5,000,000	March 3 1/2% certificates at 100	
7,000,000	December 4% " " 100	(Account order Farm Loan Commissioner)
<u>\$12,000,000</u>		

SALES

\$ 1,000,000	4 3/8% Treas. notes due Dec. 15, 1925, at 99 5/8 plus 1/32
350,000	4 1/4% " " " Sept. 15, 1926, at 99 5/32
3,250,000	4 3/4% " " " Mar. 15, 1926, at 100 3/4
1,434,700	4 3/4% " " " Mar. 15, 1925, at 100 17/32
<u>\$ 6,034,700</u>	

- 3 -

Philadelphia

The market for Government securities during the past week has been steady and without feature. Money has been slightly easier and Liberty bonds are selling in conformity with the present rates for funds. The new Treasury 4 1/2s are attractive and should be in demand, the best comparison as to their value being the Third 4 1/4s due in 1928, which show a yield of 4.45% on their selling price of 99.00. There has been a very good demand for the tax exempt 3 1/2s. The refunding 4 1/4s of 1952 crossed par during the week. This issue seems to be pretty well cleaned up and there is a demand for the bonds at 100. There has been a growing demand for the Certificates of Indebtedness and the Treasury Notes with little being offered, especially the early maturities. During the latter part of the week the market eased off, with a slight decline in prices.

Investment account transactions were as follows:

PURCHASES

\$ 8,000	December 4% certificates at 100
500,000	" " " " 100 less 1/32
<u>11,200</u>	4 1/2% Treasury notes, due June 15, 1925, at 100
\$519,200	

SALES

\$ 17,100	4 1/2% Treasury notes, due June 15, 1925, at 100
<u>1,500</u>	December 4% certificates at 100
\$ 18,600	

Cleveland

One dealer reports: "The Liberty Bond market has been very active and fairly strong during the past week. There was a very large demand for Liberty Bonds during the first ten days of the month on the part of small investors throughout the district. This demand has not been fully satisfied and there are very few bonds offering for sale in this territory at the present time."

Another dealer reported that the market has been somewhat flat with little buying and selling, and buying orders in excess of selling orders. The Liberty Bond market has at least been temporarily affected by the number of new and attractive issues of other securities which have been and are being offered.

Investment account transactions were as follows:

PURCHASES

\$ 9,500	March 4 1/4% certificates at 100
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SALES

\$35,000	4 3/4% Treasury Notes due March 15, 1925, at 100.50
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Richmond

The Reserve Bank of Richmond purchased for account of member banks \$88,600 par amount of Second, Third and Fourth Liberty Loan bonds. Sales of Government securities for members totaled \$141,350 during the week.

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Atlanta

The market in this district continued strong with a good demand for investment of the proceeds from redemptions of Victorys and War Savings Stamps. Bonds are scarce and local brokers are unable to supply the demand from their own stock.

There were no transactions affecting the investment account.

Chicago

Liberty Loan bonds and Treasury notes have been in good demand during the past week. The 4 1/2% Treasury notes maturing June 15, 1925, were especially active, while there was very little demand for any of the short-term certificates, with large amounts available at par. Advances to dealers in Government securities amounted to \$2,634,000 at the close of this period.

Investment account transactions were as follows:

PURCHASES

\$ 150,000 March certificates on a % basis

SALES

\$ 38,500 4 1/2% Treasury notes due June 15, 1925, at 100 (in small amounts)

St. Louis

Market steady. Dealers sold more Liberty bonds than they bought. Very little demand for certificates. Business very poor. Investment account transactions were as follows:

PURCHASES

\$ 106,000 4 1/2% Treasury notes due June 15, 1925, at 100
 65,000 June 3 3/4% certificates at 100
 \$ 171,000

SALES

\$ 5,400 4 1/2% Treasury notes due June 15, 1925, at 100

Minneapolis

The local market in Government securities has been a little less active this week. Dealers report fair business, however, and state that numerous inquiries have been received concerning the new 4 1/2% issue of Treasury notes dated January 15, 1923.

Investment account transactions were as follows:

PURCHASES

\$ 441,000 December 4% certificates
 300,000 June 3 3/4% "
 300 Treasury notes, Series A-1926
 500,000 " " " A-1925
 1,664,000 4 1/2% " " " C-1925
 13,100 Treasury bonds of 1947/52
 \$2,918,400

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Minneapolis SALES
(continued)

\$ 441,000	December 4% certificates
300,000	June 3 3/4% "
300	Treasury notes, Series A-1926
1,664,100	" " " C-1925
5,100	" bonds of 1947/52
<u>\$2,410,500</u>	

Kansas City

Local brokers report that the demand for all issues of Liberty and Treasury bonds continues good, with the local supply insufficient to take care of the demand.

Investment account transactions were as follows:

PURCHASES

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

SALES (made to take care of late applicants)

\$ 4,000	March 3 1/2% certificates at 100
33,500	December 4% "
9,700	4 1/2% Treasury notes, due June 15, 1925 at 100
<u>\$47,200</u>	

Dallas

The market in Government securities continued steady. Subscriptions to the January 15 offering are coming in slowly.

Transactions affecting the investment account were as follows:

SALES

\$ 50,000 March 4 1/4% certificates

San Francisco

Market in Government securities continued quiet during this period.

There were no investment account transactions.

Sp. *#7* *333 /*

January 10, 1923.

Dear Sir:

This will acknowledge receipt of your letter of the 9th 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 January 5, 1923.

Yours very truly,

Acting Governor.

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

FEDERAL RESERVE BANK
OF NEW YORK

E. J.

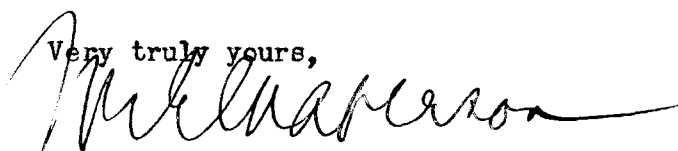
Committee of Governors on
Centralized Execution of Purchases
and Sales of Government Securities
by Federal Reserve Banks

January 9, 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 January 3, 1923.

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 27, 1922, TO CLOSE OF BUSINESS JANUARY 3, 1923,
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 Franchise Tax Receipts

Under date of January 2, 1923, authorization was received to sell at the price paid, from the \$16,500,000 notes held temporarily in the investment account of the Federal Reserve Bank of New York, to the Treasury for the account "Purchases from Franchise Tax Receipts" \$10,815,300 face amount of Treasury notes previously purchased. These notes were purchased at the request of the Treasury Department, with instructions that they would be taken over later by them unless sold in the meantime to the market. In addition to the above, the Federal Reserve Bank of New York sold to dealers \$1,000,000 4 3/8% Treasury notes due December 15, 1925, leaving a balance still held of \$4,684,700.

Pittman Act Certificates

During this period the Treasury redeemed the \$12,000,000 Pittman Act Certificates outstanding. This amount represents the complete retirement of these certificates issued to secure Federal Reserve Bank Note circulation.

Federal Land Banks

At the request of the Farm Loan Commissioner, the following Treasury notes were sold in New York for account of the Federal Land Banks:

\$250,000	4 3/4%	Treasury notes, due March 15, 1925 at 100 3/8
500,000	4 1/4%	" " " September 15, 1926 at 99
\$750,000		

Miscellaneous Orders

The Reserve Bank of New York has purchased \$10,000,000 December 4% certificates, which will be carried in the investment account and later applied on an order for one of the Treasury accounts.

At the request of the Treasury Department the Federal Reserve Bank of New York purchased \$386,000 Third Liberty Loan 4 1/4% bonds at 98.96 and interest for the Foreign Obligations Fund.

For the Government Life Insurance Fund \$272,300 face amount of new Treasury bonds of 1947/52 were purchased during this period.

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

Boston

There has been very little activity in the Government security market during the past week. Short maturities have been particularly dull. Prices of Liberty bonds were fractionally up at the close of the period. Brokers report the supply and demand about equal with very little institutional trading. The sentiment toward the late issue of Government bonds appears quite favorable. Government securities held under repurchase agreements at the close of this period amounted to \$1,377,620.

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Boston (continued) There were no transactions affecting the investment account except in special certificates issued to cover the Treasurer's overdraft.

New York The seasonal investment demand has developed firmer prices from day to day in bonds on the Stock Exchange during this period and there has been a noticeable increase in volume of transactions, (especially in rails and industrials.) There has been practically no change in the listed Government securities from last week, all of which, with the exception of the First 3 1/2s and 4s, are now selling at prices yielding 4 1/4% or better. The supply of bank funds for loaning purposes on the Exchange has increased in the face of large Government withdrawals; call money closed on Wednesday at 3 1/2% in contrast with last week's 5% prevailing rate. Treasury certificates and notes became more active at the latter part of the period, but without appreciable change in price over last week. Loans to dealers in Government securities under Sales Contract agreements amounted to \$34,290,000. Investment account transactions were as follows:

PURCHASES

\$10,000,000 4% December certificates at 100 (Temporary Investment)
against Treasury orders for Jan. 15 and Jan. 18

SALES

\$10,815,300 Miscellaneous Treasury notes to Treasury
1,000,000 4 3/8% Treas. notes due 12/15/25 at 99 5/8 plus 1/32 to dealers
500,000 3 3/4% June certificates at 100 to foreign correspondents
55,000 June 3 3/4% certificates at 100 to dealers
\$12,370,300

Philadelphia The market during the past week has been quiet with a firm undertone. The trend of prices has been upward, but with no material change at the close. There has been some selling of Liberty bonds, no doubt, for the purpose of taking tax losses, though the prices yesterday advanced one-half point over the low of last week. The 3 1/2s sold up to 101.26 and should show further improvement, as there apparently seems to be large funds seeking tax free investments. There was quite a demand for reinvestment of funds in Government securities. Dealers look for continued improvement in prices and expect money to be cheaper temporarily. Under repurchase agreements \$145,000 4 1/2% Treasury notes, due June 15, 1925, were purchased at par and accrued interest. Investment account transactions were as follows:

PURCHASES

\$ 180,000 4 1/2% Treasury notes, due June 15, 1925 at 100
250,000 March 3 1/2% certificates at 100
\$ 430,000

SALES

\$ 250,000 March 3 1/2% certificates at 100
155,600 4 1/2% Treasury notes, due June 15, 1925 at 100
\$ 405,600

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Cleveland

One dealer reported as follows concerning Government securities "Investment buying the past week has steadied the Liberty bond market. Prices have shown an upward trend and the buying has been quite large. The demand for Liberty Bonds in this district is still heavy." Another dealer reports that generally speaking the market looks much stronger. There have been quite a few buying orders for Liberties in substantial amounts as well as a volume of orders for Liberties in small amounts, perhaps indicating that some holders of the called Victorys are reinvesting in Liberties. Very few sellers in this market. There has also been a considerable demand for the 4 1/2% notes, series C-1925 at par. A few of these notes were also dealt in at par and one-sixteenth.

Investment account transactions were as follows:

PURCHASES

\$ 15,000 March 4 1/4% certificates at 100
1,100 Treasury bonds of 1947-52 at 100
20,000 September 3 3/4% certificates at 100
\$ 36,100

Richmond

The Federal Reserve Bank of Richmond sold \$8,150 in Libertys and uncalled Victorys for member banks and bought \$1,600 Third 4 1/4% and \$15,700 Fourth 4 1/4% Libertys for other members. No reports received from brokers.

Investment account transactions were as follows:

PURCHASES

\$ 50,000 4 1/4% Treasury notes due September 15, 1926

Atlanta

There appears to be some tendency toward the selling of bonds for reinvestment in the shorter maturities of Treasury notes. A strong demand has developed in rather small orders for the new 4 1/2% notes maturing June 15, 1925, and for Libertys due to the reinvestment of funds received from the redemption of Victorys and War Savings Stamps.

There were no investment account transactions.

Chicago

The market for Liberty bonds and Treasury notes during the past week has been very active. The heavy year-end selling on December 28, caused a rather severe drop in prices on that day, which proved to be only temporary. There has been very little activity in certificates of indebtedness, with large amounts available at par. Loans to dealers in Government securities under repurchase agreements amounted to \$2,794,900 at the close of this period.

Investment account transactions were as follows:

PURCHASES

\$ 32,000 4 1/2% Treasury notes, due June 15, 1925 at 100

SALES

\$ 60,000 4 1/2% Treasury notes, due June 15, 1925 in small amounts to investors.

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St. Louis

Bond dealers report sales exceed purchases. Market very dull.

Investment account transactions were as follows:

SALES

\$ 5,800 4 1/2% Treasury Notes, due June 15, 1925 at 100.

Minneapolis

Local investment dealers report a good demand for all Government long time issues. In the past few days we have had more inquiries from banks and trust companies for certificates of indebtedness and Treasury notes than for many weeks. There is a strong preference for the new 4 1/2% notes due June 15, 1925.

Investment account transactions were as follows:

PURCHASES

\$	31,500	December 4% certificates			
	5,000	March 4 1/4%	"		
	4,000	June 3 3/4%	"		
	862,000	4 1/2% Treasury notes due June 15, 1925			
	750,000	4 1/4%	"	"	September 15, 1926
	5,000	5 1/2%	"	"	September 15, 1924
	500	5 3/4%	"	"	June 15, 1924
	<u>\$1,658,000</u>				

SALES

\$	234,500	Treasury bonds of 1947/52			
	5,500	March 4 1/4% certificates			
	31,500	December 4% certificates			
	8,000	June 3 3/4% certificates			
	934,400	4 1/2% Treasury notes due June 15, 1925			
	5,000	5 1/2%	"	"	September 15, 1924
	500	5 3/4%	"	"	" 15, 1924
	<u>207,400</u>	Treasury bonds of 1947/52			
	<u>\$1,426,800</u>				

Kansas City

Brokers report a larger demand than they can supply locally, principally for Liberty Bonds of the Second Converted, Third and Fourth loans. Under Repurchase Agreements \$200,000 Third Liberty Loan bonds were purchased.

Investment account transactions were as follows:

PURCHASES

\$	8,000	March 4 1/4% certificates at 100 1/32
	2,000	September 3 3/4% " " 99 7/8
\$	<u>10,000</u>	

SALES

\$	27,000	December 4% certificates at 100
	83,100	4 1/2% Treasury notes, due June 15, 1925 at 100
\$	<u>110,100</u>	

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Dallas

The market in Government securities has been steady during this period.

Investment account transactions were as follows:

PURCHASES

\$ 369,000 March 4 1/4% certificates

San Francisco

The market in Government securities has remained quiet during this period.

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