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FEDERAL RESERVE BANK  
OF NEW YORK

For CIRCULATION  
Gov. Meyer   
Mr. Hamilton   
Mr. James   
Mr. Hooper   
Mr. Miller

CONFIDENTIAL

Mr.  
Mr.  
Please note - Initial and  
May 5 1933 Secretary's Office  
*File*

Dear Governor Meyer:

Enclosed is a report of open market operations for the period from April 27, 1933 to May 3, 1933 inclusive, together with data received from Federal Reserve Banks.

Very truly yours,

W. B. Matteson  
Assistant Deputy Governor

Honorable Eugene Meyer, Governor,  
Federal Reserve Board,  
Washington, D. C.

Encl.

RECEIVED  
MAY 6 1933  
OFFICE OF THE GOVERNOR  
FEDERAL RESERVE BOARD

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CONFIDENTIAL

## REPORT OF OPEN MARKET OPERATIONS FOR WEEK ENDED MAY 3, 1933

Holdings of Earning Assets of Federal Reserve Banks from May 4, 1932 to Date  
(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS
		Outright Purchases	Sales Contracts	Outright Purchases	Sales Contracts	DISCOUNTED
-1932-						
May 4	\$1,842,133	\$1,286,881	\$ 0	\$ 44,522	\$ 0	\$505,801
" 25	2,040,056	1,524,896	300	38,373	0	471,267
June 29	2,340,262*	1,795,219*	5,752	47,787	15,732	469,828
July 27	2,412,232	1,841,191	0	38,210	1,490	525,390
Aug. 31	2,324,484	1,851,315	400	34,098	0	432,756
Sept. 28	2,231,806	1,851,025	2,658	33,203	401	339,647
Oct. 26	2,212,391	1,850,949	0	33,965	0	322,322
Nov. 30	2,200,030	1,850,766	0	34,800	0	308,973
Dec. 28	2,157,075	1,850,737	0	33,307	0	267,382
-1933-						
Jan. 25	2,064,031	1,763,311	0	31,496	0	264,698
Feb. 22	2,345,660	1,834,233	0	174,410	5,182	327,138
Mar. 29	2,699,117	1,836,445	1,925	310,235	0	545,110
Apr. 26	2,404,974	1,836,422	650	177,450	0	385,001
May 3	2,387,173	1,836,478	800	144,152	0	400,102

\*Includes \$24,000,000 Treasury special 1-day certificate of indebtedness issued to Federal Reserve Bank of Chicago.

CHANGES IN EARNING ASSET HOLDINGS (EXCLUSIVE OF SALES CONTRACTS)  
DURING WEEK ENDED MAY 3, 1933  
(000 Omitted)

	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS DISCOUNTED	
	Balance	Net	Balance	Net	Balance	Net
	May 3	Change	May 3	Change	May 3	Change
Boston	\$ 93,112	\$ 0	\$ 30,295	\$ 7,194-	\$ 15,993	\$ 746-
New York	730,373	5,000+	20,646	4,214-	91,326	3,359+
Philadelphia	137,141	0	3,210	1,595-	47,459	2,868-
Cleveland	176,540	0	2,837	78-	79,106	14,940+
Richmond	48,149	0	1,756	1,174-	20,175	685-
Atlanta	48,635	35-	7,742	1,715-	22,142	2,458-
Chicago	256,551	0	37,039	11,394-	16,782	421-
St. Louis	65,832	0	5,707	1,461-	3,693	179-
Minneapolis	54,862	91+	6,558	659-	8,489	924-
Kansas City	56,420	0	3,266	1,444-	15,174	1,314-
Dallas	43,940	5,000-	320	2-	7,554	464-
San Francisco	124,923	0	17,596	2,358-	72,209	6,881+
N. Y. holdovers and other bills			7,180	10-		
Totals	\$1,836,478	\$ 56+	\$144,152	\$33,298-	\$400,102	\$15,101+

COMMENT ON CHANGES WEEK ENDED MAY 3, 1933

Total earning assets of the System declined \$17,801,000 during the current statement week. The principal changes by classification consisted of a decrease of \$33,298,000 in outright holdings of bankers acceptances and an increase of \$15,101,000 in bills discounted.

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Money  
Market

Member bank reserve balances were reduced \$102,000,000 during the week ended May 3, due principally to a temporary increase of \$107,000,000 in Treasury balances at the Reserve Banks. This large increase in Treasury balances reflects exceptionally large cash payments for the May 2nd Treasury note issue exceeding estimates on the basis of which \$96,000,000 had been called from Government depositaries, and in addition a \$60,000,000 Treasury bill issue had been offered, payment to be made on May 3. Part of the new funds received by the Treasury were disbursed in the form of security purchases for various accounts and Reconstruction Finance Corporation payments, but the major part went to increase balances held at the Reserve Banks. The resulting net loss to the national money market and small losses through an increase in other deposits at the Reserve Banks, reduction in outstanding Reserve Bank credit through bill maturities, and miscellaneous transactions were only partly offset by a further return of \$40,000,000 of currency to the Reserve Banks.

The entire loss to the national money market fell on the New York City banks and in fact there was an additional loss of \$58,000,000 from New York City to other parts of the country, as is indicated by a total drop of \$140,000,000 in the reserve balances of the New York City banks. In addition to the direct loss in New York as a result of net Treasury withdrawals of funds, other centers drew on New York at least partly to obtain funds to replace those withdrawn by the Treasury. There was also a substantial movement of funds from New York on May 2, representing payments to other districts for Government securities sold and delivered in the New York market. These losses, together with Federal Reserve bill maturities payable in New York, considerably exceeded the gain to member bank reserves arising from currency and coin deposits at the Reserve Bank and miscellaneous transactions. Largely as a consequence of the reduction in reserve balances, excess reserves of the New York City banks dropped from \$167,000,000 on April 26 to only \$16,000,000 on May 3.

Slight changes have occurred in money rates during the past week. Commercial paper of late has been sold at a range of 2 - 2 1/4 per cent, as compared with 2 - 2 1/2 per cent a week ago, and yields on short-term United States Government securities likewise have declined somewhat. Ninety day time money, in a largely nominal market, has remained at 1 per cent, which is also the rate for Stock Exchange call loans. Federal funds today (May 4), however, have been slightly higher at 1/4 - 1/2 per cent, reflecting the reduction in excess reserves of the City banks.

Government  
Security  
Market

The greater strength which developed in the market for United States Government securities during the previous statement week, was extended through the greater part of the current reporting period. Except for a slight ease in prices in a quiet market on April 28 and April 29, prices advanced fractionally each day with the volume of trading increasing considerably towards the end of the week. Prices in most cases advanced from 1/32nd to 1.11/32nds for the week with the long-term Treasury bonds selling at a discount recording the largest gains. At the close of the current reporting period the average yield on the short-term issues at dealers' offering prices (exclusive of the Treasury certificates maturing on June 15, 1933, which continued to show no yield at current prices) was about 1.02% as compared with 1.00% at the close of the previous week, and the average closing sale price for the Liberty Loan bonds was 102.08 and for Treasury bonds 101.49 as compared with the previous week's average closing sale price of 101.74 and 100.99 respectively. The average yield of 1.02% on the short-term issues takes into consideration the inclusion of the new 2 7/8% T/N and one Treasury bill issue which were issued during the week.

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Dealers' Offering Prices at the Close of the Current Statement Week  
and Net Change from the Close of the Previous Statement Week

	<u>Issue</u>	<u>Price</u>	<u>Net Change</u>	<u>Approx. Yield</u>
1	1/2% Cert. of Ind. due June 15, 1933	100 7/32	- - - -	- - - -
4	% " " " " Aug. 15, 1933	101 3/32	- 1/32	0.08%
1	1/4% " " " " Sept. 15, 1933	100 10/32	- - - -	0.38%
	3/4% " " " " Dec. 15, 1933	100 4/32	- - - -	0.54%
4	1/4% " " " " " 15, 1933	102 11/32	+ 1/32	0.42%
3	% Treasury Notes " May 2, 1934	102 6/32	+ 2/32	0.78%
2	1/8% " " " " Aug. 1, 1934	101 6/32	+ 4/32	1.16%
3	% " " " " June 15, 1935	102 4/32	+ 2/32	1.97%
2	7/8% " " " " Apr. 15, 1936	100 7/32	- - - -	2.79%
3	1/4% " " " " Aug. 1, 1936	101 16/32	- 4/32	2.76%
2	3/4% " " " " Dec. 15, 1936	100 6/32	+ 6/32	2.69%
3	% " " " " Apr. 15, 1937	100 20/32	+ 8/32	2.83%
3	1/4% " " " " Sept. 15, 1937	101 16/32	+ 18/32	2.88%
2	5/8% " " " " Feb. 1, 1938	99	- 2/32	2.85%

Treasury Bills 0.625% discount bid for all maturities, 0.25% asked for maturities up to June 28, 1933 inclusive and 0.35% for July and August maturities.

Closing Sale Prices on the New York Stock Exchange at the Close  
of the Current Statement Week and Net Changes from  
Close of the Previous Statement Week

<u>Issue</u>	<u>Price</u>	<u>Net Change</u>	<u>Issue</u>	<u>Price</u>	<u>Net Change</u>
First 3 1/2s	101 19/32	+ 23/32	Treasury 4 1/4s 1947-52	107 20/32	+ 5/32
First 4 1/4s	101 31/32	+ 2/32	" 4s 1944-54	104 15/32	+ 5/32
Fourth 4 1/4s	102 22/32	+ 8/32	" 3 3/4s 1946-56	102 20/32	+ 18/32
			" 3 3/8s 1943-47	100 15/32	+ 7/32
			" 3 3/8s 1940-43	100 20/32	+ 6/32
			" 3 3/8s 1941-43	100 18/32	+ 13/32
			" 3 1/8s 1946-49	98 14/32	+ 1.11/32
			" 3s 1951-55	97 4/32	+ 1.

BankersAcceptances

Dealers' offerings of unendorsed bankers acceptances continued at the following rates during the current statement week: 1/2 per cent for 30s, 60s and 90s; 3/4 per cent for 120s and 1 per cent for 180-day bills.

ReportsweekendedMay 3

Boston reported that although the local supply of bills was small, it was in excess of the demand, and dealers were obliged to forward their excess bills to their offices in other cities. In New York, during the first half of the week, bill dealers' sales exceeded their purchases and their aggregate portfolios declined to \$33,000,000. Conditions were reversed, however, the second half of the week as local banks were not inclined to buy bills in view of reduction in their excess reserve funds. Consequently dealers' purchases moderately exceeded their sales. At the close of the week aggregate portfolios had risen again to \$44,000,000, an increase of \$3,500,000 for the week. Philadelphia reported that offerings during the week, which consisted principally of cotton bills, were not particularly heavy. The demand was good but again highly selective and dealers' portfolios were up slightly. Dallas reported that the demand for bills in its district was small. There were no offerings to the Reserve Bank.

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OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

Transactions consummated under Treasury authorization during the current statement week were as follows:

Purchases in								
the market of	\$8,750,000	- 2	7/8%	T/N due Apr. 15, 1936,	a/c	Postal Savings System		
	1,500,000	- 3	1/4%	" " Aug. 1, 1936	"	"	"	"
	1,000,000	- 2	3/4%	" " Dec. 15, 1936	"	"	"	"
	4,000,000	- 3	%	" " Apr. 15, 1937	"	"	"	"
	5,100,000	- 3	1/4%	" " Sept. 15, 1937	"	"	"	"
	1,050,000	- 2	5/8%	" " Feb. 1, 1938	"	"	"	"
	<u>114,000</u>	- 3	%	Treasury Bds. of 1951-55,	a/c	Sinking Fund		
	<u>\$21,514,000</u>							

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

The transactions consummated in the System Account during the week consisted of

(1) <u>Sales in the market</u>	<u>Replacement purchases in the market</u>
\$32,500,000-1 1/2% C/I due June 15, 1933 at 100 6/32	\$25,000,000-Treas. Bills due July 26, 1933 at 0.50% disc.
2,000,000-3 % T/N due May 2, 1934 at 102	2,500,000-2 3/4% T/N due Dec. 15, 1936 at 99 30/32
	3,000,000-2 3/4% T/N due Dec. 15, 1936 at 99 31/32
	100,000-2 3/4% T/N due Dec. 15, 1936 at 100
	3,900,000-2 3/4% T/N due Dec. 15, 1936 at 100 1/32
<u>\$34,500,000</u>	<u>\$34,500,000</u>

(2) Exchange by subscription of new Treasury issue dated May 2, 1933, pursuant to Treasury offering dated April 24, 1933.

By F.R.B. New York -			
\$16,837,500-2% C/I due May 2, 1933	for	\$16,837,500-	2 7/8% T/N due Apr. 15, 1936
By F.R.B. Chicago -			
<u>8,500,000-2% C/I due May 2, 1933</u>		<u>8,500,000-</u>	2 7/8% " " Apr. 15, 1936
<u>\$25,337,500</u>		<u>\$25,337,500</u>	

(3) Redemption of Treasury certificates matured May 2, 1933, and replacement by purchases in the market

<u>Redeemed</u>	<u>Purchased in the market</u>
\$50,000,000 - 2% C/I due May 2, 1933	\$50,000,000-2 7/8% T/N due Apr. 15, 1936 at 100

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(4) On April 28, owing to the low reserve ratio of the Federal Reserve Bank of Dallas, \$5,000,000 of its participation in United States Government securities was taken over temporarily into the participation of the Federal Reserve Bank of New York.

These transactions did not affect the amount of total holdings in the Account which remained at \$1,629,399,500. The participations by Federal Reserve Banks and the classification of issues held in the Account at the close of business Wednesday, May 3, 1933, were as follows:

<u>PARTICIPATIONS BY FEDERAL RESERVE BANKS</u>		<u>RECAPITULATION OF HOLDINGS BY MATURITIES</u>	
Boston	\$ 92,405,000	May 10, 1933-Treas. Bills	\$ 16,100,000
New York	608,510,000	" 17, 1933- " "	36,300,000
Philadelphia	133,788,500	" 24, 1933- " "	41,000,000
Cleveland	176,540,000	" 31, 1933- " "	17,500,000
Richmond	48,149,000	June 7, 1933- " "	33,150,000
Atlanta	48,625,000	" 21, 1933- " "	11,000,000
Chicago	193,715,500	" 28, 1933- " "	23,550,000
St. Louis	65,331,500	July 12, 1933- " "	31,000,000
Minneapolis	47,224,000	" 26, 1933- " "	25,000,000
Kansas City	56,248,500	June 15, 1933- 1 1/2% C/I	85,925,000
Dallas	33,959,500	Aug. 15, 1933- 4 % "	51,655,000
San Francisco	124,925,000	Sept. 15, 1933- 1 1/4% "	200,533,000
		Dec. 15, 1933- 3/4% "	78,454,000
		" 15, 1933- 4 1/4% "	75,770,000
		May 2, 1934- 3 % T/N	95,525,000
		Aug. 1, 1934- 2 1/8% "	137,527,000
		June 15, 1935- 3 % "	91,277,000
		Apr. 15, 1936- 2 7/8% "	75,337,500
		Aug. 1, 1936- 3 1/4% "	25,892,000
		Dec. 15, 1936- 2 3/4% "	61,743,000
		Apr. 15, 1937- 3 % "	25,225,000
		Sept. 15, 1937- 3 1/4% "	36,750,000
		Feb. 1, 1938- 2 5/8% "	19,570,000
		June 15, 1932/47-3 1/2% 1st L/L	25,025,000
		" 15, 1932/47-4 1/4% 1st "	29,000,000
		Oct. 15, 1933/38-4 1/4% 4th "	281,591,000
Totals	<u>\$1,629,399,500</u>		<u>\$1,629,399,500</u>

STATEMENT OF TRANSACTIONS IN GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES  
AFFECTING THE INVESTMENT ACCOUNT OF ALL FEDERAL RESERVE BANKS  
FROM APRIL 27 TO MAY 3, 1933, INCLUSIVE

<u>GOVERNMENT SECURITIES - SYSTEM INVESTMENT ACCOUNT</u>			
	<u>Purchases</u>	<u>Sales, Redemptions and Exchanges</u>	<u>Adjustments in Participations</u>
Boston	\$ 6,228,500	\$ 6,228,500	\$ 0
New York	40,914,000	40,914,000	5,000,000+
Philadelphia	9,019,000	9,019,000	0
Cleveland	11,900,000	11,900,000	0
Richmond	3,246,000	3,246,000	0
Atlanta	3,277,500	3,277,500	0
Chicago	13,058,000	13,058,000	0
St. Louis	4,404,500	4,404,500	0
Minneapolis	3,183,500	3,183,500	0
Kansas City	3,792,000	3,792,000	0
Dallas	2,393,500	2,393,500	5,000,000-
San Francisco	8,421,000	8,421,000	0
Totals	<u>\$109,837,500</u>	<u>\$109,837,500</u>	<u>\$5,000,000 Adj.</u>

<u>HOLDINGS IN GOVERNMENT SECURITIES - SALES CONTRACTS</u>		
		<u>Net Change From Previous Week</u>
Kansas City	\$800,000	\$150,000+

<u>OTHER HOLDINGS IN GOVERNMENT SECURITIES</u>					
	<u>Purchases</u>		<u>Issue</u>	<u>Sales</u>	<u>Issue</u>
		Misc. Gov't Sec.			Misc. Gov't Sec.
Atlanta	\$282,700			\$317,650	
Minneapolis	640,850	"	"	549,500	"
Totals	<u>\$923,550</u>			<u>\$867,150</u>	

<u>BANKERS ACCEPTANCES</u>								
(000 Omitted)								
				<u>Maturities and Sales</u>		<u>Other Holdings Close May 3/33</u>		
	<u>Holdings Apr. 26</u>	<u>Purchased Own Mkt.</u>	<u>By Allot- ment from New York</u>	<u>Held in N. Y.</u>	<u>Held Else- where</u>	<u>Holdings May 3</u>	<u>Con- tracts</u>	<u>Other Bills</u>
Boston	\$ 37,489	\$ 0	0	\$ 0	\$ 7,194	\$ 30,295	0	\$ 528
New York	24,860	0	0	4,214	0	20,646	0	2,438
Phila.	4,805	0	0	1,595	0	3,210	0	760
Cleve.	2,915	0	0	0	78	2,837	0	711
Richmond	2,930	0	0	934	240	1,756	0	280
Atlanta	9,457	0	0	1,699	16	7,742	0	251
Chicago	48,433	0	0	6,596	4,798	37,039	0	941
St. Louis	7,168	0	0	1,461	0	5,707	0	210
Minn.	7,217	0	0	659	0	6,558	0	142
Kan. City	4,710	0	0	1,444	0	3,266	0	208
Dallas	322	0	0	2	0	320	0	208
San Fran.	19,954	22 R	0	2,076	304	17,596	0	503
Totals	<u>\$170,260</u>	<u>\$22</u>	<u>0</u>	<u>\$20,680</u>	<u>\$12,630</u>	<u>\$136,972</u>	<u>0</u>	<u>\$7,180</u>

NOTE: R. indicates Retained in above statement.

MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDED MAY 3, 1933  
(000 Omitted)

	<u>1-30 days</u>	<u>31-60 days</u>	<u>61-90 days</u>	<u>Over 90-days</u>	<u>Total</u>
	-	2%	-	-	
San Francisco	0	\$22	0	0	\$22

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES WEEK ENDED MAY 3, 1933  
(000 Omitted)

(Excluding Sales Contracts)

	<u>Government Securities</u>	<u>Bankers Acceptances</u>	<u>Totals</u>
Purchased	\$85,423	\$ 22	\$85,445
Sold	35,367	0	35,367
Matured	50,000	33,310	83,310
Exchange *	25,338	0	25,338
		<u>\$33,288-</u>	<u>\$33,232-</u>
		10-(Net Change 1-day holdover & other bills)	10-(Net Change 1-day holdover & other bills)
Totals	<u>\$ 56+</u>	<u>\$33,298-</u>	<u>\$33,242-</u>

\* 2% C/I due 5/2/33 for 2 7/8% T/N due 4/15/36, under Treasury offering dated April 24, 1933.

MATURITY DISTRIBUTION OF HOLDINGS OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES WEEK ENDED MAY 3, 1933  
(000 Omitted)

(Including Sales Contracts)

	<u>Within 15-days</u>	<u>16-30 days</u>	<u>31-60 days</u>	<u>61-90 days</u>	<u>91 days-6 months</u>	<u>Over 6 months</u>	<u>Totals</u>
Gov't Securities	\$ 53,200	\$ 86,600	\$164,325	\$56,000	\$297,426	\$1,179,727	\$1,837,278
Bills Purchased	73,716	60,400	4,252	5,734	50	0	144,152
Totals	<u>\$126,916</u>	<u>\$147,000</u>	<u>\$168,577</u>	<u>\$61,734</u>	<u>\$297,476</u>	<u>\$1,179,727</u>	<u>\$1,981,430</u>



FEDERAL RESERVE BANK  
OF NEW YORK

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May 5, 1933.

Mr. E. L. Smead, Chief,  
Division of Research and Statistics,  
Federal Reserve Board,  
Washington, D. C.

Dear Mr. Smead:

Enclosed is a report of open market operations  
for the period from April 27, 1933 to May 3, 1933 inclusive,  
together with data received from Federal Reserve Banks.

Very truly yours,



W. B. Matteson  
Assistant Deputy Governor

Encl.

*Mr. Thompson*  
*Mr. Riefler*  
*Mr. Thompson*

RECEIVED  
MAY 11 1933  
DIVISION OF RESEARCH  
AND STATISTICS

FEDERAL RESERVE BANK  
OF NEW YORK

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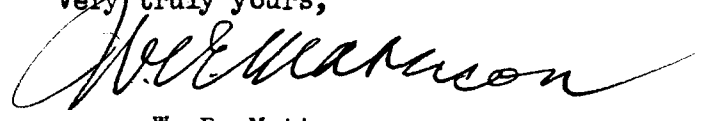
May 5, 1933.

Dr. E. A. Goldenweiser, Director,  
Division of Research and Statistics,  
Federal Reserve Board,  
Washington, D. C.

Dear Dr. Goldenweiser:

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W. B. Matteson  
Assistant Deputy Governor

Encl.

FEDERAL RESERVE BANK  
OF NEW YORK

For CIRCULAR

Gov. Meyer

Mr. Hamlin

Mr. James

Mr. Magee

Mr. Miller

Mr. \_\_\_\_\_

Mr. \_\_\_\_\_

Please note - initial and  
Return to Secretary's Office

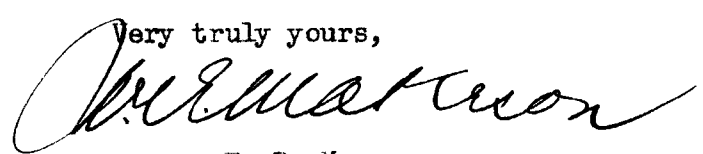
April 28, 1933.

CONFIDENTIAL

Dear Governor Meyer:

Enclosed is a report of open market operations for  
the period from April 20, 1933 to April 26, 1933 inclusive,  
together with data received from Federal Reserve Banks.

Very truly yours,



W. B. Matteson  
Assistant Deputy Governor

Honorable Eugene Meyer, Governor,  
Federal Reserve Board,  
Washington, D. C.

Encl.

## CONFIDENTIAL

## REPORT OF OPEN MARKET OPERATIONS FOR WEEK ENDED APRIL 26, 1933

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(000 Omitted)

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Feb. 22	2,345,660	1,834,233	0	174,410	5,182	327,138
Mar. 29	2,699,117	1,836,445	1,925	310,235	0	545,110
Apr. 19	2,465,376	1,836,454	650	208,443	0	414,270
" 26	2,404,974	1,836,422	650	177,450	0	385,001

\*Includes \$24,000,000 Treasury special 1-day certificate of indebtedness issued to Federal Reserve Bank of Chicago.

CHANGES IN EARNING ASSET HOLDINGS (EXCLUSIVE OF SALES CONTRACTS)  
DURING WEEK ENDED APRIL 26, 1933  
(000 Omitted)

	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS DISCOUNTED	
	Balance Apr. 26	Net Change	Balance Apr. 26	Net Change	Balance Apr. 26	Net Change
Boston	\$ 93,112	\$ 0	\$ 37,489	\$ 5,045-	\$ 16,739	\$ 768-
New York	725,373	0	24,860	2,159-	87,967	22,436-
Philadelphia	137,141	0	4,805	690-	50,347	2,821-
Cleveland	176,540	0	2,915	112-	64,166	10,919+
Richmond	48,149	0	2,950	1,148-	20,860	557-
Atlanta	48,670	37-	9,457	816-	24,600	671-
Chicago	256,551	0	48,433	16,014-	17,203	854-
St. Louis	65,832	0	7,168	2,270-	3,872	461-
Minneapolis	54,771	5+	7,217	1,043-	9,413	131-
Kansas City	56,420	0	4,710	1,068-	16,488	4,698-
Dallas	48,940	0	322	7-	8,018	1,087+
San Francisco	124,923	0	19,954	742-	65,328	7,878-
N. Y. holdovers and other bills			7,190	121+		
Totals	\$1,836,422	\$32-	\$177,450	\$30,993-	\$585,001	\$29,269-

## COMMENT ON CHANGES WEEK ENDED APRIL 26, 1933

Total earning assets of the System declined \$60,402,000 during the current statement week. The principal changes by classification consisted of decreases of \$30,993,000 in outright holdings of bankers acceptances and \$29,269,000 in bills discounted.

Money  
Market

Following an increase of \$183,000,000 in the two preceding weeks, member bank reserve balances were reduced \$23,000,000 during the week ended April 26. The gain to reserve balances resulting from the return to the Reserve Banks of an additional \$74,000,000 of currency was exceeded by losses due to an increase of \$16,000,000 in foreign bank deposits at the Reserve Banks, a decline of \$3,000,000 in the monetary gold stock, and a reduction of \$78,000,000 in the amount of Federal Reserve credit outstanding. Discounts accounted for \$29,000,000 of the drop in Reserve Bank credit, bill maturities for \$31,000,000, and a decline in Federal Reserve float for the balance.

In New York City, reserve balances of the member banks declined \$7,000,000, while the reserve requirements of these banks were increasing \$26,000,000. The increase in reserve requirements reflected a rise of \$236,000,000 in net demand deposits of the New York City banks which accompanied an increase of \$188,000,000 in their total loans and investments.

The decline of \$7,000,000 in the reserve balances of the New York City banks was the result of the repayment of \$23,000,000 of discounts at the Reserve Bank, bill maturities of \$27,000,000 in the New York market from Federal Reserve holdings, withdrawal by the Treasury of \$37,000,000 of funds which were disbursed in other markets, and losses through foreign account and gold transactions, the aggregate of which exceeded a continued large inflow of funds to New York from other parts of the country and further return of currency and coin to the Reserve Bank.

Bill rates were reduced 1/8 per cent on Tuesday, April 25, following the 1/8 per cent increase which took effect on Thursday, April 20. Time money rates also tended lower after showing some signs of firming during the previous week. Today (Thursday) 90 day loans were arranged at 1 per cent, compared with 1 1/2 per cent a week ago. Yields on short-term United States Government securities likewise receded part way from last week's advance. No change was reported again in call money, open market commercial paper, and Federal funds.

Government  
Security  
Market

The market for United States Government securities, which had been extremely weak at the close of the previous statement week, was quite active with a much better undertone for the current reporting period as a whole. Aside from some irregular price changes on several days during the week quotations for all issues, except Treasury certificates maturing up to and including September 15 of this year, advanced from 2/32nds to 1.18/32nds for the week. At the close of the current reporting period the average yield on the short-term issues, at dealers' offering prices (exclusive of the Treasury certificates maturing on May 2 and June 15, 1933, which continued to show no yield at current prices) was about 1.00% as compared with 1.12% at the close of the previous week and the average closing sale price for the Liberty Loan bonds was 101.74 and for Treasury bonds 100.99 as compared with the previous week's average closing sale price of 101.40 and 100.26 respectively.

**Dealers' Offering Prices at the Close of the Current Statement Week  
and Net Changes from the close of the Previous Statement Week**

Issue		Price	Net Change	Approx. Yield
2	% Cert. of Ind. due May 2, 1933	100 3/32	- 7/32	- - - -
1	1/2% " " " June 15, 1933	100 7/32	- 1/32	- - - -
4	% " " " Aug. 15, 1933	101 4/32	- - - -	0.23%
1	1/4% " " " Sept. 15, 1933	100 10/32	- - - -	0.43%
	3/4% " " " Dec. 15, 1933	100 4/32	+ 2/32	0.55%
4	1/4% " " " " 15, 1933	102 10/32	+ 10/32	0.59%
3	% Treasury Notes " May 2, 1934	102 4/32	+ 4/32	0.88%
2	1/8% " " " Aug. 1, 1934	101 2/32	+ 2/32	1.27%
3	% " " " June 15, 1935	102 2/32	+ 6/32	2.01%
3	1/4% " " " Aug. 1, 1936	101 20/32	+ 20/32	2.72%
2	3/4% " " " Dec. 15, 1936	100	+1. 8/32	2.75%
3	% " " " Apr. 15, 1937	100 12/32	+ 20/32	2.89%
3	1/4% " " " Sept. 15, 1937	100 30/32	+ 30/32	3.01%
2	5/8% " " " Feb. 1, 1938	99 2/32	+1.18/32	2.83%

Treasury Bills 0.625% discount bid for all maturities, 0.25% asked for maturities up to June 28, 1933 inclusive, and 0.35% for July maturities.

**Closing Sale Prices on the New York Stock Exchange at the Close  
of the Current Statement Week and Net Changes from  
Close of the Previous Statement Week**

Issue	Price	Net Change	Issue	Price	Net Change
First 3 1/2s	100 28/32	+22/32	Treasury 4 1/4s 1947-52	107 15/32	+1.17/32
First 4 1/4s	101 29/32	+ 5/32	" 4s 1944-54	104 10/32	+1.16/32
Fourth 4 1/4s	102 14/32	+ 6/32	" 3 3/4s 1946-56	102 2/32	+1. 2/32
			" 3 3/8s 1943-47	100 8/32	+ 8/32
			" 3 3/8s 1940-43	100 14/32	+ 4/32
			" 3 3/8s 1941-43	100 5/32	+ 4/32
			" 3 1/8s 1946-49	97 3/32	+ 3/32
			" 3s 1951-55	96 4/32	+1. 4/32

**Bankers  
Acceptances**

Dealers' offerings of unendorsed bankers acceptances continued at the following rates during the current statement week: 1/2 per cent for 30s, 60s and 90s, 3/4 per cent for 120s and 1 per cent for 180-day bills.

**Reports  
week  
ended  
April 26**

Boston reported that there was little activity in the local bill market during the past period. Both the supply and the demand continued small. In New York, as a result of the executive order relative to foreign exchange and gold exports on April 20, some apprehension was felt as to the stability of bill rates and accordingly there was a substantial increase in the amount of new bills to the market. Portfolios rose from \$18,000,000 on Apr. 19 to \$42,000,000 on April 21. On the strength of this increase dealers raised their rate 1/8% but the situation reversed itself after a few days and investors were again in the market. Anticipating an improved demand, dealers reduced rates to the level prevailing prior to April 20. The supply of bills continued in fair volume and portfolios at the close of the week stood at \$40,000,000. There were no purchases by the Reserve Bank for System Account and reinvestments for foreign account were negligible. Philadelphia reported that its acceptance market was spotty. Offerings increased somewhat during the week, while the demand which was negligible at the beginning of the period improved and was good although highly selective at the close.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

There were no purchases or sales of United States Government securities during the current statement week for Treasury accounts.

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

The transactions consummated in the System Account during the week consisted of

<u>(1) Sales in the market of</u>	<u>Replacement purchases in the market</u>
\$4,059,500-2% C/I due May 2/33 @ \$	3,500,000-4 % C/I due Aug.15/33 @ 101 3/32
minus .10% basis	2,000,000-4 % " " " 15/33 " 101 5/32
17,500,000-2% C/I due May 2/33*	2,600,000-4 1/4% " " Dec.15/33 " 102
7,500,000-4% " " Aug.15/33*	500,000-4 1/4% " " " 15/33 " 102 1/32
	1,000,000-4 1/4% " " " 15/33 " 102 8/32
	2,000,000-4 1/4% " " " 15/33 " 102 9/32
	500,000-3 % T/N " May 2/34 " 102 8/32
	500,000-3 % " " June 16/35 " 102
	50,000-3 % " " " 15/35 " 102 4/32
*Acquired temporarily on	250,000-3 % " " " 15/35 " 102 6/32
April 19 at a price to yield	342,000-3 1/4% " " Aug. 1/36 " 101 24/32
0.25% pending permanent	100,000-3 1/4% " " " 1/36 " 101 28/32
replacement.	1,215,000-3 1/4% " " " 1/36 " 101 30/32
	500,000-3 1/4% " " " 1/36 " 102
	500,000-2 3/4% " " Dec.15/36 " 98
	500,000-2 3/4% " " " 15/36 " 98 8/32
	1,000,000-2 3/4% " " " 15/36 " 100 9/32
	400,000-2 3/4% " " " 15/36 " 100 10/32
	2,800,000-2 3/4% " " " 15/36 " 100 12/32
	200,000-2 3/4% " " " 15/36 " 100 13/32
	1,130,000-2 3/4% " " " 15/36 " 100 14/32
	1,588,000-2 3/4% " " " 15/36 " 100 16/32
	700,000-3 % " " Apr.15/37 " 100 16/32
	125,000-3 % " " " 15/37 " 100 20/32
	1,000,000-3 1/4% " " Sept.15/37 " 100 28/32
	3,000,000-3 1/4% " " " 15/37 " 100 26/32
	1,059,500-2 5/8% " " Feb. 1/38 " 99 6/32
\$29,059,500	\$29,059,500

(2) Redemption of April 26, 1933 Treasury Bills and replacement by purchases in the market

<u>Redeemed</u>	<u>Purchased in the market</u>
\$31,100,000-Treasury Bills due	\$ 350,000- 3/4%-C/I due Dec.15/33 @ 100 2/32
April 26, 1933	3,650,000-3 1/4%-T/N " Aug. 1/36 " 101 25/32
	650,000-3 1/4% " " " 1/36 " 101 26/32
	3,050,000-3 1/4% " " " 1/36 " 101 28/32
	4,335,000-3 1/4% " " " 1/36 " 101 30/32
	7,000,000-2 3/4% " " Dec.15/36 " 100 6/32
	3,530,000-2 3/4% " " " 15/36 " 100 7/32
	500,000-2 3/4% " " " 15/36 " 100 10/32
	2,350,000-2 3/4% " " " 15/36 " 100 12/32
	2,000,000-2 3/4% " " " 15/36 " 100 13/32
	1,365,000-2 3/4% " " " 15/36 " 100 14/32
	250,000-3 % " " Apr.15/37 " 100 16/32
	2,070,000-2 5/8% " " Feb. 1/38 " 99 4/32
\$31,100,000	\$31,100,000

These transactions did not affect the amount of total holdings in the Account, which remained at \$1,629,399,500. The participations by Federal Reserve Banks and the classification of issues held in the Account at the close of business Wednesday, April 26, 1933, were as follows:

PARTICIPATIONS BY FEDERAL RESERVE BANKS	RECAPITULATION OF HOLDINGS BY MATURITIES			
Boston	\$ 92,405,000	May 10, 1933	- Treas. Bills	\$ 16,100,000
New York	603,510,000	" 17, 1933	- " "	36,300,000
Philadelphia	133,788,500	" 24, 1933	- " "	41,000,000
Cleveland	176,540,000	" 31, 1933	- " "	17,500,000
Richmond	48,149,000	June 7, 1933	- " "	33,150,000
Atlanta	48,625,000	" 21, 1933	- " "	11,000,000
Chicago	193,715,500	" 28, 1933	- " "	23,550,000
St. Louis	65,331,500	July 12, 1933	- " "	31,000,000
Minneapolis	47,224,000	May 2, 1933	- 2 % C/I	75,337,500
Kansas City	56,248,500	June 15, 1933	- 1 1/2% "	116,425,000
Dallas	38,939,500	Aug. 15, 1933	- 4 % "	51,655,000
San Francisco	124,923,000	Sept. 15, 1933	- 1 1/4% "	200,533,000
		Dec. 15, 1933	- 3/4% "	78,454,000
		" 15, 1933	- 4 1/4% "	75,770,000
		May 2, 1934	- 3 % T/N	97,525,000
		Aug. 1, 1934	- 2 1/8% "	137,527,000
		June 15, 1935	- 3 % "	91,277,000
		Aug. 1, 1936	- 3 1/4% "	25,892,000
		Dec. 15, 1936	- 2 3/4% "	52,243,000
		Apr. 15, 1937	- 3 % "	25,225,000
		Sept. 15, 1937	- 3 1/4% "	36,750,000
		Feb. 1, 1938	- 2 5/8% "	19,570,000
		June 15, 1932/47-3	1/2% 1st L/L	25,025,000
		" 15, 1932/47-4	1/4% 1st "	29,000,000
		Oct. 15, 1933/38-4	1/4% 4th "	281,591,000
Totals	\$1,629,399,500			\$1,629,399,500



STATEMENT OF TRANSACTIONS IN GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES  
AFFECTING THE INVESTMENT ACCOUNT OF ALL FEDERAL RESERVE BANKS  
FROM APRIL 20 TO APRIL 26, 1933, INCLUSIVE

GOVERNMENT SECURITIES - SYSTEM INVESTMENT ACCOUNT

	<u>Purchases</u>	<u>Redemption and Sales</u>
Boston	\$ 3,412,500	\$ 3,412,500
New York	22,282,000	22,282,000
Philadelphia	4,940,000	4,940,000
Cleveland	6,518,000	6,518,000
Richmond	1,778,000	1,778,000
Atlanta	1,795,000	1,795,000
Chicago	7,152,500	7,152,500
St. Louis	2,412,000	2,412,000
Minneapolis	1,743,000	1,743,000
Kansas City	2,076,500	2,076,500
Dallas	1,437,500	1,437,500
San Francisco	4,612,500	4,612,500
<b>Totals</b>	<b>\$60,159,500</b>	<b>\$60,159,500</b>

HOLDINGS OF GOVERNMENT SECURITIES - SALES CONTRACTS

	<u>Net Changes From Previous Week</u>
Kansas City	\$650,000
	-

OTHER HOLDINGS IN GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>
Atlanta	\$ 76,600	Misc. Gov't Sec.	\$115,500	Misc. Gov't Sec.
Minneapolis	512,650	" " "	507,350	" " "
<b>Totals</b>	<b>\$589,250</b>		<b>\$620,850</b>	

BANKERS ACCEPTANCES

(000 Omitted)

	<u>Holdings Apr. 19</u>	<u>Purchased Own Mkt.</u>	<u>By Allotment from New York</u>	<u>Maturities and Sales</u>		<u>Holdings Apr. 26</u>	<u>Other Holdings Close Apr. 26/33</u>		
				<u>Held in N. Y.</u>	<u>Held Elsewhere</u>		<u>Con-tracts</u>	<u>Other Bills</u>	
Boston	\$ 42,534	\$ 0	0	\$ 0	\$5,045	\$ 37,489	0	\$ 529	
New York	27,019	0	0	2,159	0	24,860	0	2,457	
Phila.	5,495	0	0	690	0	4,805	0	760	
Cleveland	3,027	0	0	0	112	2,915	0	711	
Richmond	4,078	0	0	1,148	0	2,930	0	280	
Atlanta	10,273	0	0	816	0	9,457	0	251	
Chicago	64,447	0	0	15,104	910	48,433	0	941	
St. Louis	9,438	0	0	2,270	0	7,168	0	210	
Minn.	8,260	0	0	1,043	0	7,217	0	142	
Kan. City	5,778	0	0	1,068	0	4,710	0	208	
Dallas	329	0	0	7	0	322	0	208	
San Fran.	20,696	104 R	0	706	140	19,954	0	503	
<b>Totals</b>	<b>\$201,374</b>	<b>\$104</b>	<b>0</b>	<b>\$25,011</b>	<b>\$6,207</b>	<b>\$170,260</b>	<b>0</b>	<b>\$7,180</b>	
Bills held over night by New York for distribution to other Federal Reserve Bks. 10									
								<b>Total - - - - -</b>	<b>\$7,190</b>

NOTE: R. indicates Retained in above statement.

15

MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDED APRIL 26, 1933  
 (000 Omitted)

	<u>1-30 days</u>	<u>31-60 days</u>	<u>61-90 days</u>	<u>Over 90-days</u>	<u>Total</u>
	-	-	2%	-	
San Francisco	0	0	\$104	0	\$104

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES WEEK ENDED APRIL 26, 1933  
 (000 Omitted)

(Excluding Sales Contracts)

	<u>Government Securities</u>	<u>Bankers Acceptances</u>	<u>Totals</u>
Purchased	\$60,748	\$ 104	\$60,852
Sold	29,680	0	29,680
Matured	31,100	31,218	62,318
		<u>\$31,114-</u>	<u>\$31,146-</u>
		121+(Net Change 1-day holdover & other bills)	121+(Net Change 1-day holdover & other bills)
Totals	<u>\$ 32-</u>	<u>\$30,993-</u>	<u>\$31,025-</u>

MATURITY DISTRIBUTION OF HOLDINGS OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES WEEK ENDED APRIL 26, 1933  
 (000 Omitted)

(Including Sales Contracts)

	<u>Within 15-days</u>	<u>16-30 days</u>	<u>31-60 days</u>	<u>61-90 days</u>	<u>91 days-6 months</u>	<u>Over 6 months</u>	<u>Totals</u>
Gov't Securities	\$ 92,088	\$ 85,300	\$210,875	\$54,550	\$297,372	\$1,096,887	\$1,837,072
Bills Purchased	71,214	74,240	26,022	5,923	51	0	177,450
Totals	<u>\$163,302</u>	<u>\$159,540</u>	<u>\$236,897</u>	<u>\$60,473</u>	<u>\$297,423</u>	<u>\$1,096,887</u>	<u>\$2,014,522</u>

DECLASSIFIED  
Authority E.O. 10501

*van* ✓

FEDERAL RESERVE BANK  
OF NEW YORK



CONFIDENTIAL

April 28, 1933.

Mr. E. L. Smead, Chief,  
Division of Bank Operations,  
Federal Reserve Board,  
Washington, D. C.

Dear Mr. Smead:

Enclosed is a report of open market operations  
for the period from April 20, 1933 to April 26, 1933 inclu-  
sive, together with data received from Federal Reserve Banks.

Very truly yours,

W. B. Matteson  
Assistant Deputy Governor

Encl.

*Mr. Thompson*  
*Mr. Bayler* ✓  
*Mr. Thompson*

RECEIVED  
APR 28 1933  
DIVISION OF RESEARCH  
AND STATISTICS.

FEDERAL RESERVE BANK  
OF NEW YORK

CONFIDENTIAL

April 28, 1933.

Dr. E. A. Goldenweiser, Director,  
Division of Research and Statistics,  
Federal Reserve Board,  
Washington, D. C.

Dear Dr. Goldenweiser:

Enclosed is a report of open market operations  
for the period from April 20, 1933 to April 26, 1933 inclu-  
sive, together with data received from Federal Reserve  
Banks.

Very truly yours,  
*W. B. Matteson*

W. B. Matteson  
Assistant Deputy Governor

Encl.

*Mr. Ruffin ✓*  
*Mr. Thompson*  
*Mr.*

FEDERAL RESERVE BANK  
OF NEW YORK

CONFIDENTIAL

April 21, 1933.

Dr. E. A. Goldenweiser, Director,  
Division of Research and Statistics,  
Federal Reserve Board,  
Washington, D. C.

Dear Dr. Goldenweiser:

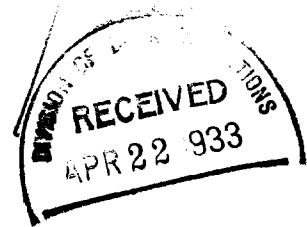
Enclosed is a report of open market operations for  
the period from April 13, 1933 to April 19, 1933 inclusive,  
together with data received from Federal Reserve Banks.

Very truly yours,



W. B. Matteson  
Assistant Deputy Governor

Encl.



FEDERAL RESERVE BANK  
OF NEW YORK

CONFIDENTIAL

April 21, 1933.

Mr. E. L. Smead, Chief,  
Division of Bank Operations,  
Federal Reserve Board,  
Washington, D. C.

Dear Mr. Smead:

Enclosed is a report of open market operations for  
the period from April 13, 1933 to April 19, 1933 inclusive,  
together with data received from Federal Reserve Banks.

Very truly yours,

W. B. Matteson  
Assistant Deputy Governor

Encl.

Form 37

FEDERAL RESERVE BANK  
OF NEW YORK

For CIRCULATION  
Gov. Meyer ✓  
Mr. Hamilton ✓  
Mr. James ✓  
Mr. Egan ✓  
Mr. Miller ✓  
Mr. \_\_\_\_\_  
Mr. \_\_\_\_\_  
Please note - Initial and  
Return to Secretary's Office  
*[Signature]*

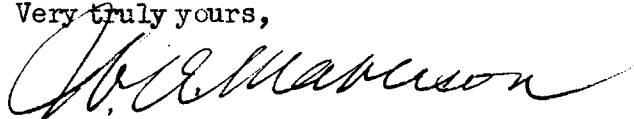
CONFIDENTIAL

April 21, 1933.

Dear Governor Meyer:

Enclosed is a report of open market operations for the period from April 13, 1933 to April 19, 1933 inclusive, together with data received from Federal Reserve Banks.

Very truly yours,



W. B. Matteson  
Assistant Deputy Governor

Honorable Eugene Meyer, Governor,  
Federal Reserve Board,  
Washington, D. C.

Encl.

**CONFIDENTIAL**

**REPORT OF OPEN MARKET OPERATIONS FOR WEEK ENDED APRIL 19, 1933**

**Holdings of Earning Assets of Federal Reserve Banks from April 20, 1932 to Date**  
(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES			BANKERS ACCEPTANCES		BILLS
		Outright Purchases	Sales Contracts		Outright Purchases	Sales Contracts	DISCOUNTED
-1932-							
Apr. 20	\$1,695,701	\$1,078,130	\$ 0	\$ 48,042	\$ 505	\$564,523	
" 27	1,773,745	1,191,232	0	45,874	0	531,824	
May 25	2,040,056	1,524,896	300	38,373	0	471,267	
June 29	2,340,262*	1,795,219*	5,752	47,787	15,732	469,828	
July 27	2,412,232	1,841,191	0	38,210	1,490	525,390	
Aug. 31	2,324,484	1,851,315	400	34,098	0	432,756	
Sept. 28	2,231,806	1,851,025	2,658	33,203	401	339,647	
Oct. 26	2,212,391	1,850,949	0	33,965	0	322,322	
Nov. 30	2,200,030	1,850,766	0	34,800	0	308,973	
Dec. 28	2,157,075	1,850,737	0	33,307	0	267,382	
-1933-							
Jan. 25	2,064,031	1,763,311	0	31,496	0	264,698	
Feb. 22	2,345,660	1,834,233	0	174,410	5,182	327,138	
Mar. 29	2,699,117	1,836,445	1,925	310,235	0	545,110	
Apr. 12	2,518,144	1,836,383	800	246,964	0	428,456	
" 19	2,465,376	1,836,454	650	208,443	0	414,270	

\*Includes \$24,000,000 Treasury special 1-day certificate of indebtedness issued to Federal Reserve Bank of Chicago.

**CHANGES IN EARNING ASSET HOLDINGS (EXCLUSIVE OF SALES CONTRACTS)**  
**DURING WEEK ENDED APRIL 19, 1933**  
(000 Omitted)

	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS DISCOUNTED	
	Balance	Net	Balance	Net	Balance	Net
	Apr. 19	Change	Apr. 19	Change	Apr. 19	Change
Boston	\$ 93,112	\$ 0	\$ 42,534	\$ 3,439-	\$ 17,507	\$ 355-
New York	725,373	0	27,019	4,746-	110,403	11,180-
Philadelphia	137,141	0	5,495	442-	53,168	2,412-
Cleveland	176,540	0	3,027	4-	53,247	661-
Richmond	48,149	0	4,078	1,559-	21,417	368+
Atlanta	48,707	64+	10,273	1,304-	25,271	402-
Chicago	256,551	0	64,447	6,163-	18,057	803-
St. Louis	65,832	0	9,438	1,403-	4,333	19+
Minneapolis	54,766	7+	8,260	786-	9,544	269-
Kansas City	56,420	0	5,778	372-	21,186	709-
Dallas	48,940	0	329	0	6,931	1,443+
San Francisco	124,923	0	20,696	672-	73,206	775+
N. Y. holdovers and other bills			7,069	17,631-		
<b>Totals</b>	<b>\$1,836,454</b>	<b>\$71+</b>	<b>\$208,443</b>	<b>\$38,521-</b>	<b>\$414,270</b>	<b>\$14,186-</b>

**COMMENT ON CHANGES WEEK ENDED APRIL 19, 1933**

Total earning assets of the System declined \$52,768,000 during the current statement week. The principal changes by classification consisted of decreases of \$14,186,000 in bills discounted and \$38,521,000 in outright holdings of bankers acceptances. The latter figure includes a reduction of \$17,631,000 in investments through foreign banks.



2

Money  
Market

Member bank reserve balances increased \$63,000,000 further during the week ended April 19. There was a further return of \$79,000,000 of currency to the Reserve Banks, the monetary gold stock increased \$20,000,000, Treasury payments exceeded receipts by \$22,000,000, and there were moderate additional issues of national bank notes. These gains of funds to the national money market were only partly absorbed by a reduction of \$38,000,000 in outstanding Reserve Bank credit and by an increase of \$20,000,000 in miscellaneous deposits at the Federal Reserve Banks. A repayment of member bank discounts accounted for \$14,000,000 of the reduction in total Reserve Bank credit; Federal Reserve bill holdings dropped \$38,000,000, of which \$17,500,000 represented investments through foreign banks which were retired by release of gold from earmark.

Reserve balances of the New York City banks increased \$52,000,000 during the period while their reserve requirements rose only \$13,000,000, so that excess reserves of these banks showed a net increase to \$200,000,000. The principal factor in the increase in reserve balances in New York continued to be an inflow of funds from other parts of the country and there was a moderate amount of currency and coin returned to the Reserve Bank. Federal Reserve bill maturities and net Treasury withdrawals from this market partly offset the effect of the aforementioned gains.

In the last few days money rates have shown a slight tendency to advance. Ninety day time loans were quoted (Thursday) at 1 1/2 per cent, as compared with a recent low of 1 per cent and there was a general increase of 1/8 per cent in bankers bill rates late this afternoon. Yields on short-term Government's in the last few days have also moved up. In other divisions of the money market, however, no change has occurred. Call money is 1 per cent on the Exchange and freely available in the outside market at 3/4 of one per cent. Federal funds continue in heavy supply at 1/8 per cent, and prime commercial paper holds at the 2 - 2 1/2 per cent level reached on Monday.

Government  
Security  
Market

The market for United States Government securities, which had been strong and active during the previous statement week, was quiet with price changes somewhat irregular during the two days in which the market was open in the first half of the current reporting period. On the two succeeding business days, the market was more active and slightly weak, prices declining fractionally each day and on the last day of the statement week the market turned extremely weak with the volume of trading heavy, especially for the Liberty Loan and Treasury bonds, and prices declined for the day from 2/32nds to 1,28/32nds for the short-term issues and from 4/32nds to 2.12/32nds for the Liberty Loan and Treasury bonds. At the close of the current reporting period the average yield on the short-term issues at dealers' offering prices (exclusive of the Treasury certificates maturing on May 2 and June 15, 1933, which continued to show no yield at current prices) was about 1.12% as compared with 0.90% at the close of the previous week, and the average closing sale price for the Liberty Loan bonds was 101.40 and for Treasury bonds 100.26 as compared with the previous week's average closing sale price of 102.05 and 101.73 respectively.

Dealers' Offering Prices at the Close of the Current Statement Week  
and Net Changes from the Close of the Previous Statement Week

Issue		Price	Net Change	Approx. Yield
2	% Cert. of Ind. due May 2, 1933	100 10/32	- 3/32	- - - -
1	1/2% " " " " June 15, 1933	100 8/32	- 5/32	- - - -
4	% " " " " Aug. 15, 1933	101 4/32	- 5/32	0.45%
1	1/4% " " " " Sept. 15, 1933	100 10/32	- 5/32	0.46%
	3/4% " " " " Dec. 15, 1933	100 2/32	- 6/32	0.65%
4	1/4% " " " " " 15, 1933	102	- 18/32	1.16%
3	% Treasury Notes " May 2, 1934	102	- 12/32	1.04%
2	1/8% " " " " Aug. 1, 1934	101	- 22/32	1.33%
3	% " " " " June 15, 1935	101 28/32	- 24/32	2.10%
3	1/4% " " " " Aug. 1, 1936	101	-1.12/32	2.93%
2	3/4% " " " " Dec. 15, 1936	98 24/32	-2.8/32	3.11%
3	% " " " " Apr. 15, 1937	99 24/32	-1.10/32	3.06%
3	1/4% " " " " Sept. 15, 1937	100	-1.18/32	3.24%
2	5/8% " " " " Feb. 1, 1938	97 16/32	-1.34/32	3.19%

Treasury Bills 0.625% discount bid for all maturities, 0.25% asked for maturities up to June 28, 1933 inclusive, and 0.35% for July maturities.

Closing Sale Prices on the New York Stock Exchange at the Close  
of the Current Statement Week and Net Changes from  
Close of the Previous Statement Week

Issue	Price	Net Change	Issue	Price	Net Change
First 3 1/2s	100 6/32	-1.15/32	Treasury 4 1/4s 1947-52	105 30/32	-2.18/32
First 4 1/4s	101 24/32	- 13/32	" 4s 1944-54	102 26/32	-1.19/32
Fourth 4 1/4s	102 8/32	- 3/32	" 3 3/4s 1946-56	101	-2. 1/32
			" 3 3/8s 1943-47	100	-1.
			" 3 3/8s 1940-43	100 10/32	- 30/32
			" 3 3/8s 1941-43	100 1/32	- 31/32
			" 3 1/8s 1946-49	97	-1. 6/32
			" 3s 1951-55	95	-1.15/32

Bankers Acceptances Dealers' offerings of unendorsed bankers acceptances continued at the following rates during the current statement week: 1/2 per cent for 30s, 60s and 90s, 3/4 per cent for 120s and 1 per cent for 180-day bills.

Reports week ended Apr. 19 Boston reported that there was little change in its local market during the past period. The supply and demand continued small and dealers were obliged to forward their excess bills to their offices in other cities. In New York bill dealers' operations, while not large, showed a moderate increase as compared with the past two weeks. The greater proportion of their business was done locally with purchases slightly in excess of sales and aggregate portfolios increased \$3,000,000 to \$18,000,000. The demand was good but continued to be selective as to names. Rates unchanged. Philadelphia reported that its acceptance market was rather quiet. Offerings were light. Buying selective and in excess of the supply.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

The only transaction consummated under Treasury authorization during the current statement week was a purchase of \$200,000 - 3 1/4% Treasury notes due September 15, 1937, for account Alien Property Custodian.

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

The transactions consummated in the System Account during the week consisted of

Redemption of April 19, 1933 Treasury Bills and replacement by purchase in the market

<u>Redeemed</u>	<u>Purchased in the market</u>	
\$29,000,000 - Treasury Bills due April 19, 1933	\$ 3,000,000 - 4	% C/I due August 15, 1933 at 101 5/32
	1,000,000 - 4 1/4%	C/I due December 15, 1933 at 102 10/32
	7,500,000*- 4	% C/I due August 15, 1933
	17,500,000*- 2	% " " May 2, 1933
<hr/> <u>\$29,000,000</u>	<hr/> <u>\$29,000,000</u>	

\* Purchased temporarily at price to yield 0.25% pending permanent replacement.

These transactions did not affect the amount of total holdings in the Account which remained at \$1,629,399,500. The participations by Federal Reserve Banks and the classification of issues held in the Account at the close of business April 19, 1933, were as follows:

<u>PARTICIPATIONS BY FEDERAL RESERVE BANKS</u>		<u>RECAPITULATION OF HOLDINGS BY MATURITIES</u>	
Boston	\$ 92,405,000	Apr. 26, 1933 - Treas. Bills	\$ 31,100,000
New York	603,510,000	May 10, 1933 - " "	16,100,000
Philadelphia	133,788,500	" 17, 1933 - " "	36,300,000
Cleveland	176,540,000	" 24, 1933 - " "	41,000,000
Richmond	48,149,000	" 31, 1933 - " "	17,500,000
Atlanta	48,625,000	June 7, 1933 - " "	33,150,000
Chicago	193,715,500	" 21, 1933 - " "	11,000,000
St. Louis	65,331,500	" 28, 1933 - " "	23,550,000
Minneapolis	47,224,000	July 12, 1933 - " "	31,000,000
Kansas City	56,248,500	May 2, 1933 - 2 % C/I	96,897,000
Dallas	38,939,500	" 15, 1933 - 1 1/2% "	116,425,000
San Francisco	124,923,000	Aug. 15, 1933 - 4 % "	53,655,000
		Sept. 15, 1933 - 1 1/4% "	200,533,000
		Dec. 15, 1933 - 3/4% "	78,104,000
		" 15, 1933 - 4 1/4% "	69,670,000
		May 2, 1934 - 3 % T/N	97,025,000
		Aug. 1, 1934 - 2 1/8% "	137,527,000
		June 15, 1935 - 3 % "	90,477,000
		Aug. 1, 1936 - 3 1/4% "	12,050,000
		Dec. 15, 1936 - 2 3/4% "	27,380,000
		Apr. 15, 1937 - 3 % "	24,150,000
		Sept. 15, 1937 - 3 1/4% "	32,750,000
		Feb. 1, 1938 - 2 5/8% "	16,440,500
		June 15, 1932/47-3 1/2% 1st L/L	25,025,000
		" 15, 1932/47-1st 4 1/4% "	29,000,000
		Oct. 15, 1933/38-4th 4 1/4% "	281,591,000
 <b>Totals</b>	 <u>\$1,629,399,500</u>		 <u>\$1,629,399,500</u>

5

STATEMENT OF TRANSACTIONS IN GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES  
AFFECTING THE INVESTMENT ACCOUNT OF ALL FEDERAL RESERVE BANKS  
FROM APRIL 13 TO APRIL 19, 1933, INCLUSIVE

GOVERNMENT SECURITIES - SYSTEM INVESTMENT ACCOUNT

	<u>Purchases</u>	<u>Redemption</u>
Boston	\$ 1,644,500	\$ 1,644,500
New York	10,741,000	10,741,000
Philadelphia	2,381,000	2,381,000
Cleveland	3,142,000	3,142,000
Richmond	857,000	857,000
Atlanta	865,500	865,500
Chicago	3,448,000	3,448,000
St. Louis	1,163,000	1,163,000
Minneapolis	840,500	840,500
Kansas City	1,001,000	1,001,000
Dallas	693,000	693,000
San Francisco	2,223,500	2,223,500
Totals	\$29,000,000	\$29,000,000

HOLDINGS OF GOVERNMENT SECURITIES - SALES CONTRACTS

		<u>Net Change From Previous Week</u>
Kansas City	\$650,000	\$150,000-

OTHER HOLDINGS IN GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>
Atlanta	\$279,600	Misc. Gov't Sec.	\$215,300	Misc. Gov't Sec.
Minneapolis	610,300	" " "	603,500	" " "
Totals	\$889,900		\$818,800	

BANKERS ACCEPTANCES

(000 Omitted)

	Holdings Apr. 12	Purchased Own Mkt.	By Allot- ment from New York	Maturities and Sales		Holdings Apr. 19	Other Holdings Close Apr. 19/33	
				Held in N.Y.	Held Else- where		Con- tracts	Other Bills
Boston	\$ 45,973	\$ 0	0	\$ 0	\$ 3,439	\$ 42,534	0	\$ 528
New York	31,765	0	0	4,746	0	27,019	0	2,326
Phila.	5,937	0	0	442	0	5,495	0	760
Cleve.	3,031	0	0	0	4	3,027	0	711
Richmond	5,637	0	0	1,559	0	4,078	0	280
Atlanta	11,577	0	0	1,181	123	10,273	0	251
Chicago	70,610	0	0	5,655	508	64,447	0	941
St. Louis	10,841	0	0	1,403	0	9,438	0	210
Minn.	9,046	0	0	786	0	8,260	0	142
Kan. City	6,150	0	0	372	0	5,778	0	208
Dallas	329	0	0	0	0	329	0	209
San Fran.	21,368	59 R.	0	645	86	20,696	0	503
Totals	\$222,264	\$59	0	\$16,789	\$4,160	\$201,374	0	\$7,069

NOTE: R. indicates Retained in above statement.

MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDED APRIL 19, 1933  
(000 Omitted)

	<u>1-30 days</u>	<u>31-60 days</u>	<u>61-90 days</u>	<u>Over 90-days</u>	<u>Total</u>
	-	2%	2%	-	
San Francisco	-	\$58	\$1	-	\$59

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES WEEK ENDED APRIL 19, 1933  
(000 Omitted)

(Excluding Sales Contracts)

	<u>Government Securities</u>	<u>Bankers Acceptances</u>		<u>Totals</u>
Purchased	\$29,889	\$ 59		\$29,948
Sold	818	0		818
Matured	29,000	20,949		29,949
		\$20,890-		\$20,819-
		17,631-(Net Change		17,631-(Net Change
		1-day holdover		1-day holdover
		& other bills)		& other bills)
Totals	\$ 71+	\$38,521-		\$38,450-

MATURITY DISTRIBUTION OF HOLDINGS OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES WEEK ENDED APRIL 19, 1933  
(000 Omitted)

(Including Sales Contracts)

	<u>Within 15-days</u>	<u>16-30 days</u>	<u>31-60 days</u>	<u>61-90 days</u>	<u>91 days- 6 months</u>	<u>Over 6 months</u>	<u>Total</u>
Gov't Securities	\$128,647	\$ 52,400	\$246,975	\$67,450	\$299,375	\$1,042,257	\$1,837,104
Bills Purchased	68,531	73,052	59,024	7,715	121	-	208,443
Totals	\$197,178	\$125,452	\$305,999	\$75,165	\$299,496	\$1,042,257	\$2,045,547

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Authority E.O. 10501

*Mr. Thompson*  
*Mr. Riffle*  
*Mr. Thompson*

**FEDERAL RESERVE BANK  
OF NEW YORK**

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APR 15 1933  
DIVISION OF RESEARCH  
AND STATISTICS.

CONFIDENTIAL

April 14, 1933.

Dr. E. A. Goldenweiser, Director,  
Division of Research and Statistics,  
Federal Reserve Board,  
Washington, D. C.

Dear Dr. Goldenweiser:

Enclosed is a report of open market operations  
for the period from April 6, 1933 to April 12, 1933 inclu-  
sive, together with data received from Federal Reserve  
Banks.

Very truly yours,  
*W. B. Matteson*

W. B. Matteson  
Assistant Deputy Governor

Encl.

FEDERAL RESERVE BANK  
OF NEW YORK



CONFIDENTIAL

April 14, 1933.

Mr. E. L. Smead, Chief,  
Division of Bank Operations,  
Federal Reserve Board,  
Washington, D. C.

Dear Mr. Smead:

Enclosed is a report of open market operations for  
the period from April 6, 1933 to April 12, 1933 inclusive,  
together with data received from Federal Reserve Banks.

Very truly yours,

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

W. B. Matteson  
Assistant Deputy Governor

Encl.

*Open Market Policy  
Conference Weekly*

FEDERAL RESERVE BANK  
OF NEW YORK

FOR CIRCULATION  
Gov. Meyer ✓  
Mr. Hamilton ✓  
Mr. Jackson ✓  
Mr. McGoey ✓  
Mr. Miller ✓

CONFIDENTIAL

April 14, 1933  
Please note - initial and sign to Secretary's Office

Dear Governor Meyer:

Enclosed is a report of open market operations for the period from April 6, 1933 to April 12, 1933 inclusive, together with data received from Federal Reserve Banks.

Very truly yours,

W. B. Matteson  
Assistant Deputy Governor

Honorable Eugene Meyer, Governor,  
Federal Reserve Board,  
Washington, D. C.

Encl.

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**CONFIDENTIAL**

**REPORT OF OPEN MARKET OPERATIONS FOR WEEK ENDED APRIL 12, 1933**

**Holdings of Earning Assets of Federal Reserve Banks from April 13, 1932 to Date  
(000 Omitted)**

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS
		Outright Purchases	Sales Contracts	Outright Purchases	Sales Contracts	DISCOUNTED
-1932-						
Apr. 13	\$1,669,911	\$ 985,024	\$ 0	\$ 51,809	\$ 0	\$628,602
" 27	1,773,745	1,191,232	0	45,874	0	531,824
May 25	2,040,056	1,524,896	300	38,373	0	471,267
June 29	2,340,262*	1,795,219*	5,752	47,787	15,732	469,828
July 27	2,412,232	1,841,191	0	38,210	1,490	525,390
Aug. 31	2,324,484	1,851,515	400	34,098	0	432,756
Sept. 28	2,231,806	1,851,025	2,658	33,203	401	339,647
Oct. 26	2,212,391	1,850,949	0	35,965	0	322,522
Nov. 30	2,200,030	1,850,766	0	34,800	0	308,973
Dec. 28	2,157,075	1,850,737	0	33,507	0	267,382
-1933-						
Jan. 25	2,064,031	1,765,511	0	31,496	0	264,698
Feb. 22	2,345,660	1,834,233	0	174,410	5,182	327,138
Mar. 29	2,699,117	1,836,445	1,925	310,235	0	545,110
Apr. 5	2,565,059	1,856,443	925	285,973	0	436,177
" 12	2,518,144	1,836,383	800	246,964	0	428,456

\*Includes \$24,000,000 Treasury special 1-day certificate of indebtedness issued to Federal Reserve Bank of Chicago.

**CHANGES IN EARNING ASSET HOLDINGS (EXCLUSIVE OF SALES CONTRACTS)  
DURING WEEK ENDED APRIL 12, 1933  
(000 Omitted)**

	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS DISCOUNTED	
	Balance Apr. 12	Net Change	Balance Apr. 12	Net Change	Balance Apr. 12	Net Change
Boston	\$ 93,112	\$ 0	\$ 45,973	\$ 6,176-	\$ 17,862	\$1,159-
New York	725,373	38-	31,765	19,871-	121,583	5,968+
Philadelphia	137,141	0	5,937	742-	55,580	7,115-
Cleveland	176,540	0	3,031	467-	53,908	223+
Richmond	48,149	0	5,637	1,996-	21,049	2,338+
Atlanta	48,643	7+	11,577	168-	25,673	669-
Chicago	256,551	0	70,610	5,232-	18,860	38+
St. Louis	65,832	0	10,841	1,545-	4,514	791-
Minneapolis	54,759	29-	9,046	773-	9,813	231-
Kansas City	56,420	0	6,150	713-	21,895	75+
Dallas	48,940	0	329	0	5,488	186-
San Francisco	124,923	0	21,368	1,239-	72,431	6,212-
N. Y. holdovers and other bills			24,700	87-		
Totals	\$1,836,383	\$60-	\$246,964	\$39,009-	\$428,456	\$7,721-

**COMMENT ON CHANGES WEEK ENDED APRIL 12, 1933**

Total earning assets of the System declined \$46,915,000 during the current statement week. The principal changes by classification consisted of decreases in outright holdings of bankers acceptances and bills discounted amounting to \$39,009,000 and \$7,721,000 respectively.

2

Money  
Market

The reserve balances of all member banks in the country increased \$120,000,000 during the week ended April 12. The principal elements tending to increase member bank reserves were a return of \$114,000,000 of currency to the Reserve Banks and a reduction of about \$50,000,000 in Treasury balances at the Reserve Banks; smaller gains occurred through an increase of \$10,000,000 in the monetary gold stock and additional issues of national bank notes. The gains of funds from these sources considerably exceeded the retirement of Federal Reserve credit during the week which amounted to \$46,000,000, of which only \$8,000,000 was in discounts for member banks and \$39,000,000 in the purchased bill holdings of the Reserve Banks. The fact that member bank borrowings showed only a small decrease during the past week in spite of the large reduction in outstanding currency seems to indicate that currency is being deposited in the banks which are at present out of debt at the Federal Reserve. This is further borne out by the continued inflow of funds to the New York market from other parts of the country.

In New York City, reserve balances of the money market institutions rose \$95,000,000, and as reserve requirements of these banks rose only \$14,000,000 further, the excess reserves in the possession of the City banks were increased from \$80,000,000 to \$161,000,000 on April 12. By far the largest influence raising reserve balances was the favorable balance of wire transfers and check settlements with other parts of the country, in addition to which there was a net deposit of about \$25,000,000 of currency and coin at the Reserve Bank by New York City banks and a gain of about \$10,000,000 through gold and foreign account operations. Only a small part of these gains were absorbed by a net withdrawal of funds from this market by the Treasury and by a retirement of Federal Reserve credit, representing maturities of purchased bills.

Money rates in the New York market continued to decline rapidly during the past week. Call money on the Stock Exchange was 1 per cent for both renewals and new loans on April 13, compared with 2 per cent a week earlier. The return to the 1 per cent rate places the call money quotation at the same level as prevailed just prior to the banking holiday. Outside money was available as low as  $\frac{3}{4}$  of one per cent by the close of the week. Time money quotations declined to  $\frac{3}{4}$  of one per cent for maturities up to 60 days and 1 per cent for 3 to 6 month loans. Federal funds were in heavy supply at  $\frac{1}{8}$  -  $\frac{1}{4}$  of one per cent. Bankers bill rates declined a total of  $\frac{3}{4}$  of one per cent to new lows since the middle of February and open market rates for prime commercial paper were quoted at 2  $\frac{1}{2}$  - 2  $\frac{3}{4}$  per cent toward the close of the week, with some offerings reported at 2  $\frac{1}{4}$  per cent. Yields on outstanding short term Government securities showed large declines during the week and the Treasury bill issue dated April 12 was brought out at an average rate of 0.77 per cent, compared with 1.35 per cent for the issue dated April 5.

Government  
Security  
Market

Accompanying the ease in money rates during the current statement week the market for United States Government securities was fairly active and strong and prices advanced fractionally each day with the exception of the last day of the reporting period, when prices for some issues lost a small part of the gains recorded earlier in the week. Prices showed net gains for the week ranging from  $\frac{4}{32}$ nds to  $\frac{1.20}{32}$ nds for the short term issues, and from  $\frac{6}{32}$ nds to  $\frac{1.2}{32}$ nds for the Liberty Loan and Treasury bonds. At the close of the current reporting period the average yield on the short term issues (exclusive of the Treasury certificates maturing on May 2 and June 15, 1933, which showed no yield at current prices) was about 0.90% as compared with 1.28% at the close of the previous week, and the average closing sale price for the Liberty Loan bonds was 102.05 and for Treasury bonds 101.73 as compared with the previous week's average closing sale price of 101.52 and 101.27 respectively.

Dealers' Offering Prices at the Close of the Current Statement Week  
and Net Changes from the Close of the Previous Statement Week

	<u>Issue</u>	<u>Price</u>	<u>Net Change</u>	<u>Approx. Yield</u>
2	% Cert. of Ind. due May 2, 1933	100 13/32	+ 5/32	- - - -
1	1 1/2% " " " June 15, 1933	100 13/32	+ 5/32	- - - -
4	% " " " Aug. 15, 1933	101 9/32	+ 4/32	0.10%
1	1 1/4% " " " Sept. 15, 1933	100 15/32	+ 9/32	0.10%
	3/4% " " " Dec. 15, 1933	100 8/32	+ 8/32	0.57%
4	1 1/4% " " " " 15, 1933	102 18/32	+ 14/32	0.38%
3	% Treasury Notes " May 2, 1934	102 12/32	+ 26/32	0.71%
2	1 1/8% " " " Aug. 1, 1934	101 22/32	+1.18/32	0.81%
3	% " " " June 15, 1935	102 20/32	+1.20/32	1.75%
3	1 1/4% " " " Aug. 1, 1936	102 12/32	+1.20/32	2.49%
2	3/4% " " " Dec. 15, 1936	101	+1.16/32	2.46%
3	% " " " Apr. 15, 1937	101 2/32	+1. 8/32	2.71%
3	1 1/4% " " " Sept. 15, 1937	101 18/32	+1.10/32	2.86%
2	5/8% " " " Feb. 1, 1938	99 8/32	+1. 4/32	2.79%

Treasury Bills 0.625% discount bid for all maturities, 0.25% asked for maturities up to June 28, 1933, inclusive, 0.35% for July maturities.

Closing Sale Prices on the New York Stock Exchange at the Close  
of the Current Statement Week and Net Changes from  
Close of the Previous Statement Week

<u>Issue</u>	<u>Price</u>	<u>Net Change</u>	<u>Issue</u>	<u>Price</u>	<u>Net Change</u>
First 3 1/2s	101 21/32	+26/32	Treasury 4 1/4s 1947-52	108 16/32	+1. 2/32
First 4 1/4s	102 5/32	+ 9/32	" 4 s 1944-54	104 13/32	+ 6/32
Fourth 4 1/4s	102 11/32	+16/32	" 3 3/4s 1946-56	103 1/32	+ 17/32
			" 3 3/8s 1943-47	101	+ 12/32
			" 3 3/8s 1940-43	101 8/32	+ 17/32
			" 3 3/8s 1941-43	101	+ 11/32
			" 3 1/8s 1946-49	98 6/32	+ 8/32
			" 3 s 1951-55	96 15/32	+ 13/32

Bankers  
Acceptances

Dealers' offerings of unendorsed bankers acceptances were at the following rates at the close of the current statement week: 1/2 per cent for 30s, 60s and 90s, 3/4 per cent for 120s and 1 per cent for 180-day bills. These rates represent a reduction of 3/4 per cent from the previous week's offered rates.

Reports  
week  
ended  
April 12

Boston reported that with the continuance of easy money, dealers reduced their rates 3/4 of 1 per cent for the period to bid 5/8, asked 1/2 for 90-day bills. Both the demand and supply decreased and bills moved slowly at offered rates. In New York trading in the bill market was very light this week. Dealers' purchases were small as local banks, whose excess reserves rose very substantially during the week, were withholding their own acceptances from the market and seeking to buy other prime bills. There was a good demand especially for choice names and during the first part of the week several transactions were reported to have been made below quoted rates. Indorsed bills were also scarce and the Reserve Bank was unable to complete the reinvestment of foreign maturities on the 12th being about \$2,000,000 short of requirements. Following the reduction in interest rates on deposits by Clearing House banks on the 11th, bill dealers reduced their quoted bid and asked rates for all maturities by 5/8 per cent and again on the following day by 1/8 per cent, making a total reduction during

the week on  $\frac{1}{4}$  per cent. Quoted rates at close of the week for unindorsed bills maturing up to 90 days were  $\frac{5}{8}$  bid,  $\frac{1}{2}$  asked; 4 months  $\frac{7}{8}$  bid,  $\frac{3}{4}$  asked; 5 and 6 months  $1\frac{1}{8}$  bid, 1 per cent asked. Indorsed bills  $\frac{1}{8}$  per cent less. Philadelphia reported that the demand for bills continued unabated. The supply was again limited, resulting in a still further reduction in rates.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

There were no purchases or sales of United States Government securities during the statement week for United States Treasury accounts.

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

The transactions consummated in the System Account during the week consisted of

- |  |   |                 |                                |   |   |
|--|---|-----------------|--------------------------------|---|---|
| <p>(1) <u>Sale in the market of</u></p> <p>\$1,750,000 - <math>2\%</math> C/I due May 2, 1933<br/>at 100 <math>\frac{6}{32}</math></p>   | <p style="text-align: center;"><u>Replacement in the market</u></p> <p>\$1,750,000 - Treas. Bills due June 28, 1933<br/>at <math>1\frac{1}{8}\%</math> discount</p> |                 |                                |   |   |
| <p>(2) <u>Redemption of April 12, 1933 Treasury Bills and replacement by</u></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;"><u>Redeemed</u></td> <td style="width: 50%; text-align: center;"><u>Purchased in the market</u></td> </tr> <tr> <td style="vertical-align: top;"> <p>\$31,000,000 - Treas. Bills due<br/>April 12, 1933</p> </td> <td style="vertical-align: top;"> <p>\$31,000,000 - Treas. Bills due<br/>July 12, 1933 at 0.60% disc.</p> </td> </tr> </table> |   | <u>Redeemed</u> | <u>Purchased in the market</u> | <p>\$31,000,000 - Treas. Bills due<br/>April 12, 1933</p> | <p>\$31,000,000 - Treas. Bills due<br/>July 12, 1933 at 0.60% disc.</p> |
| <u>Redeemed</u>  | <u>Purchased in the market</u>  |                 |                                |   |   |
| <p>\$31,000,000 - Treas. Bills due<br/>April 12, 1933</p>  | <p>\$31,000,000 - Treas. Bills due<br/>July 12, 1933 at 0.60% disc.</p>   |                 |                                |   |   |

These transactions did not affect the amount of total holdings in the Account, which remained at \$1,629,399,500. The participations by Federal Reserve Banks and the classification of issues held in the Account at the close of business April 12, 1933, were as follows:

<u>PARTICIPATIONS BY FEDERAL RESERVE BANKS</u>	<u>RECAPITULATION OF HOLDINGS BY MATURITIES</u>
Boston	\$ 92,405,000
New York	603,510,000
Philadelphia	133,788,500
Cleveland	176,540,000
Richmond	48,149,000
Atlanta	48,625,000
Chicago	193,715,500
St. Louis	65,331,500
Minneapolis	47,224,000
Kansas City	56,248,500
Dallas	38,939,500
San Francisco	124,923,000
	Apr. 19, 1933-Treas. Bills \$ 29,000,000
	" 26, 1933 " " 31,100,000
	May 10, 1933 " " 16,100,000
	" 17, 1933 " " 36,300,000
	" 24, 1933 " " 41,000,000
	" 31, 1933 " " 17,500,000
	June 7, 1933 " " 33,150,000
	" 21, 1933 " " 11,000,000
	" 28, 1933 " " 23,550,000
	July 12, 1933 " " 31,000,000
	May 2, 1933 - $2\%$ C/I 79,397,000
	June 15, 1933 - $1\frac{1}{2}\%$ " 116,425,000
	Aug. 15, 1933 - $4\%$ " 43,155,000
	Sept. 15, 1933 - $1\frac{1}{4}\%$ " 200,533,000
	Dec. 15, 1933 - $3\frac{1}{4}\%$ " 78,104,000
	" 15, 1933 - $4\frac{1}{4}\%$ " 68,670,000
	May 2, 1934 - $3\%$ T/N 97,025,000
	Aug. 1, 1934 - $2\frac{1}{8}\%$ " 137,527,000
	June 15, 1935 - $3\%$ " 90,477,000
	Aug. 1, 1936 - $3\frac{1}{4}\%$ " 12,050,000
	Dec. 15, 1936 - $2\frac{3}{4}\%$ " 27,380,000
	Apr. 15, 1937 - $3\%$ " 24,150,000
	Sept. 15, 1937 - $3\frac{1}{4}\%$ " 32,750,000
	Feb. 1, 1938 - $2\frac{5}{8}\%$ " 16,440,500
	June 15, 1932/47-1st L/L $3\frac{1}{2}s$ 25,025,000
	" 15, 1932/47-1st $4\frac{1}{4}s$ 29,000,000
	Oct. 15, 1933/38-4th $4\frac{1}{4}s$ 281,591,000
<b>Totals</b>	<b>\$1,629,399,500</b>

STATEMENT OF TRANSACTIONS IN GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES  
AFFECTING THE INVESTMENT ACCOUNT OF ALL FEDERAL RESERVE BANKS  
FROM APRIL 6 TO APRIL 12, 1933, INCLUSIVE

GOVERNMENT SECURITIES - SYSTEM INVESTMENT ACCOUNT

	<u>Purchases</u>	<u>Sale and Redemption</u>
Boston	\$ 1,857,500	\$ 1,857,500
New York	12,130,000	12,130,000
Philadelphia	2,688,500	2,688,500
Cleveland	3,548,500	3,548,500
Richmond	967,500	967,500
Atlanta	977,500	977,500
Chicago	3,894,000	3,894,000
St. Louis	1,313,000	1,313,000
Minneapolis	949,000	949,000
Kansas City	1,130,500	1,130,500
Dallas	783,000	783,000
San Francisco	2,511,000	2,511,000
Totals	<u>\$32,750,000</u>	<u>\$32,750,000</u>

HOLDINGS OF GOVERNMENT SECURITIES - SALES CONTRACTS

		<u>Net Change From Previous Week</u>
Atlanta		\$125,000-
Kansas City	\$800,000	-
Totals	<u>\$800,000</u>	<u>\$125,000-</u>

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>
New York	\$ 462,500*	Tr. Bds. 1947-52 4 1/4%	\$ 500,000*	Fourth L/L Bds.
Atlanta	69,400	Misc. Gov't Sec.	63,050	Misc. Gov't Sec.
Minneapolis	584,000	" " "	612,650	" " "
Totals	<u>\$1,115,900</u>		<u>\$1,175,700</u>	

\*Acct. Self-Insurance Reserve Fund.

BANKERS ACCEPTANCES

(000 Omitted)

	<u>Holdings Apr. 5</u>	<u>Purchased Own Mkt.</u>	<u>By Allotment from New York</u>	<u>Maturities and Sales</u>		<u>Holdings Apr. 12</u>	<u>Other Holdings Close Apr. 12/33</u>	
				<u>Held in N.Y.</u>	<u>Held Elsewhere</u>		<u>Con-tracts</u>	<u>Other Bills</u>
Boston	\$ 52,149	0	0	\$ 0	\$6,176	\$ 45,973	0	\$ 1,814
New York	51,636	12* R.	0	19,883	0	31,765	0	8,215
Phila.	6,679	0	0	742	0	5,937	0	2,609
Cleve.	3,498	0	0	0	467	3,031	0	2,454
Richmond	7,633	0	0	1,996	0	5,637	0	967
Atlanta	11,745	0	0	168	0	11,577	0	867
Chicago	75,842	13* "	0	4,287	958	70,610	0	3,230
St. Louis	12,386	0	0	1,545	0	10,841	0	808
Minn.	9,819	0	0	773	0	9,046	0	547
Kan. City	6,863	0	0	713	0	6,150	0	719
Dallas	329	0	0	0	0	329	0	719
San Fran.	22,607	107 "	0	967**	379	21,368	0	1,735
Totals	<u>\$261,186</u>	<u>\$132</u>	<u>0</u>	<u>\$31,074</u>	<u>\$7,980</u>	<u>\$222,264</u>	<u>0</u>	<u>\$24,684</u>

Bills held overnight by New York for distribution to other F.R.Bks. - - - 16

NOTE: R. indicates Retained in above statement. Total - - - • \$24,700

\*Purchased from F. R. Bank San Francisco portfolio.

\*\*Includes \$12,000 and \$13,000 sold to F. R. Banks of New York and Chicago, respectively, completing April 5 transactions.

MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDED APRIL 12, 1933  
(000 Omitted)

	1-30 days	31-60 days	61-90 days	Over 90-days	<u>Total</u>
	-	-	<u>8%</u>	-	
San Francisco	-	-	\$107	-	\$107

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES WEEK ENDED APRIL 12, 1933  
(000 Omitted)

(Excluding Sales Contracts)

	<u>Government Securities</u>	<u>Bankers Acceptances</u>		<u>Totals</u>
Purchased	\$33,866	\$ 107		\$33,973
Sold	2,926	0		2,926
Matured	31,000	39,029		70,029
		<u>\$38,922-</u>		<u>\$38,982-</u>
		87-(Net Change 1-day holdover & other bills)		87-(Net Change 1-day holdover & other bills)
Totals	<u>\$ 60-</u>	<u>\$39,009-</u>		<u>\$39,069-</u>

MATURITY DISTRIBUTION OF HOLDINGS OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES WEEK ENDED APRIL 12, 1933  
(000 Omitted)

(Including Sales Contracts)

	Within 15-days	16-30 days	31-60 days	61-90 days	91 days- 6 months	Over 6 months	<u>Totals</u>
Gov't Securities	\$ 60,900	\$ 95,497	\$156,050	\$163,675	\$319,869	\$1,041,192	\$1,837,183
Bills Purchased	60,566	76,618	100,380	9,198	202	0	246,964
Totals	<u>\$121,466</u>	<u>\$172,115</u>	<u>\$256,430</u>	<u>\$172,873</u>	<u>\$320,071</u>	<u>\$1,041,192</u>	<u>\$2,084,147</u>

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Authority F.O. 10501

*Open Market Policy  
Conference Meeting*  
✓  
✓  
✓

FEDERAL RESERVE BANK  
OF NEW YORK

CONFIDENTIAL

April 7, 1933. *File*

Dear Governor Meyer:

Enclosed is a report of open market operations for the period from March 30, 1933 to April 5, 1933 inclusive, together with data received from Federal Reserve Banks.

Very truly yours,  
*W. B. Matteson*  
W. B. Matteson  
Assistant Deputy Governor

Honorable Eugene Meyer, Governor,  
Federal Reserve Board,  
Washington, D. C.

Encl.

RECEIVED  
APR 8 1933

*10/11/33*

CONFIDENTIAL

## REPORT OF OPEN MARKET OPERATIONS FOR WEEK ENDED APRIL 5, 1933

Holdings of Earning Assets of Federal Reserve Banks from April 6, 1932 to Date  
(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS
		Outright Purchases	Sales Contracts	Outright Purchases	Sales Contracts	DISCOUNTED
-1932-						
Apr. 6	\$1,582,555	\$ 885,014	\$ 0	\$ 56,832	\$ 1,114	\$635,274
" 27	1,773,745	1,191,232	0	45,874	0	531,824
May 25	2,040,056	1,524,896	300	38,373	0	471,267
June 29	2,340,262*	1,795,219*	5,752	47,787	15,732	469,828
July 27	2,412,232	1,841,191	0	38,210	1,490	525,390
Aug. 31	2,324,484	1,851,315	400	34,098	0	432,756
Sept. 28	2,231,806	1,851,025	2,658	33,203	401	339,647
Oct. 26	2,212,391	1,850,949	0	33,965	0	322,322
Nov. 30	2,200,030	1,850,766	0	34,800	0	308,973
Dec. 28	2,157,075	1,850,737	0	33,307	0	267,382
-1933-						
Jan. 25	2,064,031	1,763,311	0	31,496	0	264,698
Feb. 22	2,345,660	1,834,233	0	174,410	5,182	327,138
Mar. 29	2,699,117	1,836,445	1,925	310,235	0	545,110
Apr. 5	2,565,059	1,836,443	925	285,973	0	436,177

\*Includes \$24,000,000 Treasury special 1-day certificate of indebtedness issued to Federal Reserve Bank of Chicago

CHANGES IN EARNING ASSET HOLDINGS (EXCLUSIVE OF SALES CONTRACTS)  
DURING WEEK ENDED APRIL 5, 1933  
(000 Omitted)

	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS DISCOUNTED	
	Balance Apr. 5	Net Change	Balance Apr. 5	Net Change	Balance Apr. 5	Net Change
Boston	\$ 93,112	\$10,000-	\$52,149	\$ 946-	\$ 19,021	\$ 1,365-
New York	725,411	25,000+	51,636	7,845+	115,615	54,941-
Philadelphia	137,141	10,000+	6,679	204-	62,695	38,969-
Cleveland	176,540	0	3,498	899-	53,685	8,638-
Richmond	48,149	0	7,633	4,449-	18,711	2,004-
Atlanta	48,636	4-	11,745	2,257-	26,342	265+
Chicago	256,551	25,000-	75,842	1,909+	18,822	4,182-
St. Louis	65,832	0	12,386	652-	5,105	715-
Minneapolis	54,788	2+	9,819	381-	10,044	663-
Kansas City	56,420	0	6,863	224-	21,820	392+
Dallas	48,940	0	329	1,459-	5,674	148-
San Francisco	124,923	0	22,607	22,564-	78,643	2,035+
N. Y. holdovers and other bills			24,787	19+		
Totals	\$1,836,443	\$ 2-	\$285,973	\$24,262-	\$436,177	\$108,933-

COMMENT ON CHANGES WEEK ENDED APRIL 5, 1933

Total earning assets of the System declined \$134,058,000 during the current statement week. The principal changes by classification consisted of the following decreases: Government securities held under sales contract \$1,000,000, outright holdings of bankers acceptances \$24,262,000 and bills discounted \$108,933,000.

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Money  
Market

During the week ended April 5, there was little net change in the reserve balances of all member banks of the country; the actual change amounted to a decline of only \$8,000,000. The return of currency and coin to the Reserve Banks during this period totaled \$92,000,000, a considerably smaller return than in the previous week, doubtless due in part to the influence of the month-end. Other gains to reserve balances of the member banks occurred as a result of an increase in the monetary gold stock and new issues of national bank notes. A small part of these gains was offset by Treasury transactions and there was a reduction of \$114,000,000 in the total amount of Reserve Bank credit outstanding. Member bank discounts dropped \$109,000,000 to \$436,000,000, which compares with \$248,000,000 at the January 11 low.

Reserve balances of the New York City banks showed little change but reserve requirements increased \$12,000,000, accompanying an increase in deposits of these banks, and consequently excess reserves of the City banks amounted to \$80,000,000 on April 5, as compared with \$95,000,000 a week earlier. The movement of funds between New York and other parts of the country continued to be strongly in favor of this market and gains occurred through deposits of currency at the Reserve Bank and foreign account operations. The New York market did, however, lose a considerable amount of funds in Treasury transactions, due to the sale in the New York market of \$93,000,000 of Treasury bills on April 5, out of a total issue of \$100,000,000. The net gain to the New York market in commercial and agency transactions was absorbed by the retirement of about \$85,000,000 of Reserve Bank credit in this market, of which \$65,000,000 represented member bank borrowings. As a result of this retirement of member bank indebtedness, the New York City banks on April 5 owed only \$19,000,000.

Further declines occurred in money rates during the past week. The Stock Exchange rate for call loans declined to 2 per cent and the outside market rate for call loans to 1 1/4 - 1 1/2 per cent. Time loans dropped to 1 1/2 per cent for all maturities, with a sizable aggregate amount of money loaned for three and four month periods. Bill rates were reduced 3/4 of one per cent during the week to an offering rate of 1 1/4 per cent for 90 day bills, which is the lowest level since last February. Federal funds, for the most part, have been available at 1/2 to 3/4 of one per cent. Yields on United States Government securities declined considerably, the Treasury bill issue dated April 5 going at 1.35 per cent, compared with 1.72 per cent on the March 29 issue. Commercial paper has generally remained at 2 3/4 - 3 1/4 per cent, although some transactions were reported at 2 1/2 per cent.

Government  
Security  
Market

The market for United States Government securities for the current statement week showed a little more activity than during the preceding week and with the exception of April 3, on which day prices declined from 1/32nd to 16/32nds, prices in general recorded small fractional gains each day, advancing in most cases to levels at the close of the week from 1/32nd to 16/32nds higher than at the close of the previous week. While the demand was fairly good for the short-term issues, it was only fair for the long-term Treasury bonds. At the close of the current reporting period the average yield on the short-term issues at dealers' offering prices (exclusive of the Treasury certificates maturing May 2, 1933, which showed no yield at current prices) was about 1.28% as compared with 1.64% at the close of the previous week, and the average closing sale price for the Liberty Loan bonds was 101.52 and for Treasury bonds 101.27 as compared with the previous week's average closing sale price of 101.22 and 101.20 respectively.

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Dealers' Offering Prices at the Close of the Current Statement Week  
and Net Changes from the Close of the Previous Statement Week

		<u>Issue</u>			<u>Price</u>	<u>Net</u> <u>Change</u>	<u>Approx.</u> <u>Yield</u>
2	%	Cert. of Ind.	due	May 2, 1933	100 8/32	+ 1/32	- - - -
1	1/2%	"	"	June 15, 1933	100 8/32	+ 2/32	0.18%
4	%	"	"	Aug. 15, 1933	101 5/32	+ 4/32	0.74%
1	1/4%	"	"	Sept. 15, 1933	100 6/32	+ 4/32	0.82%
	3/4%	"	"	Dec. 15, 1933	100	+ 4/32	0.75%
4	1/4%	"	"	" 15, 1933	102 4/32	+ 9/32	1.15%
3	%	Treasury Notes	"	May 2, 1934	101 18/32	+14/32	1.53%
2	1/8%	"	"	Aug. 1, 1934	100 4/32	- - -	2.03%
3	%	"	"	June 15, 1935	101	+ 8/32	2.52%
3	1/4%	"	"	Aug. 1, 1936	100 24/32	+ 8/32	3.01%
2	3/4%	"	"	Dec. 15, 1936	99 16/32	+16/32	2.89%
3	%	"	"	Apr. 15, 1937	99 26/32	+ 2/32	3.05%
3	1/4%	"	"	Sept. 15, 1937	100 8/32	- 4/32	3.18%
2	5/8%	"	"	Feb. 1, 1938	98 4/32	- 8/32	3.04%

Treasury Bills - 1 1/4% discount bid for all maturities, 0.10% asked for April 12 bills, 0.25% asked for April 19 and 26, 0.50% asked for May maturities, 0.75% asked for June maturities and 1% asked for July 5 bills.

Closing Sale Prices on the New York Stock Exchange at the Close  
of the Current Statement Week and Net Changes from  
Close of the Previous Statement Week

		<u>Issue</u>	<u>Price</u>	<u>Approx.</u> <u>Yield</u>			<u>Issue</u>	<u>Price</u>	<u>Approx.</u> <u>Yield</u>
First	3	1/2s	100 27/32	+10/32	Treasury	4	1/4s 1947-52	107 14/32	+ 5/32
First	4	1/4s	101 28/32	+ 8/32	"	4s	1944-54	104 7/32	+ 1/32
Fourth	4	1/4s	101 27/32	+11/32	"	3	3/4s 1946-56	102 16/32	+ 6/32
					"	3	3/8s 1943-47	100 20/32	+15/32
					"	3	3/8s 1940-43	100 23/32	+ 5/32
					"	3	3/8s 1941-43	100 21/32	+ 9/32
					"	3	1/8s 1946-49	97 30/32	- 7/32
					"	3s	1951-55	96 2/32	-16/32

Bankers  
Acceptances

Dealers' offerings of unendorsed bankers acceptances were at the following rates at the close of the current statement week: 1 1/4 per cent for 30s, 60s and 90s, 1 1/2 per cent 120s and 1 3/4 per cent for 180-day bills. This represents a reduction of 3/4 per cent from the previous week's offering rates on all maturities.

Reports  
week  
ended  
April 5

Boston reported that both the supply and demand for bills increased with short bills moving best at offered rates. In view of easier conditions in the money market, local dealers reduced their acceptance rates to 1 3/8 bid, 1 1/4 asked for 90-day maturities. In New York the volume of bills handled by dealers during the week was considerably smaller than for the past several weeks. As excess reserves became more general and larger in amount, most of the local banks withheld their own bills from the market and sought to buy other prime names. Dealers' sales exceeded their purchases substantially and aggregate portfolios declined by about \$14,000,000 to \$17,000,000. Dealers made two reductions in their rates during the week, 1/4 per cent on April 4, and 1/2 per cent on April 5, and at the close of the week were quoting the following rates: for unendorsed bills maturing up to 90 days, 1 3/8 bid, 1 1/4 asked; 4 months, 1 5/8 bid, 1 1/2 asked; 5 and 6 months, 1 7/8 bid, 1 3/4 asked; endorsed bills 1/8 less. Philadelphia reported that the demand for bills continued good, which, coupled with a small supply, resulted in a further reduction of rates. Portfolios showed a further substantial reduction.

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OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

The only transaction consummated under Treasury authorization during the current statement week was a purchase of \$750,000 - 3 1/4% Treasury Notes due September 15, 1937, for account of German Special Deposit Account.

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

The transactions consummated in the System Account during the week consisted of

- |  |   |
|--|---|
| <p>(1) <u>Sale in the market of</u><br/>\$800,000 - 2% C/I due May 2, 1933<br/>at 100 7/32</p> | <p style="text-align: center;"><u>Replacement in the market</u><br/>\$800,000 - Treas. Bills due June 28, 1933<br/>at 1% discount</p> |
|--|---|

(2) On March 30, the Federal Reserve Bank of New York repurchased from the Federal Reserve Bank of Chicago the balance of \$25,000,000 participation in the System Account, which the Federal Reserve Bank of Chicago recently took over temporarily, as mentioned in last week's report.

(3) On April 3, the Federal Reserve Bank of Philadelphia repurchased from the Federal Reserve Bank of Boston \$10,000,000 participation in the System Account, which the latter bank took over temporarily on March 1, 1933.

These transactions did not affect the amount of total holdings in the Account, which remained at \$1,629,399,500. The participations by Federal Reserve Banks and the classification of issues held in the Account at the close of business April 5, 1933, were as follows:

PARTICIPATIONS BY FEDERAL RESERVE BANKS

RECAPITULATION OF HOLDINGS BY MATURITIES

Boston	\$ 92,405,000		Apr. 12, 1933-Treas. Bills		\$ 31,000,000
New York	603,510,000		" 19, 1933- "	" "	29,000,000
Philadelphia	133,788,500		" 26, 1933- "	" "	31,100,000
Cleveland	176,540,000		May 10, 1933- "	" "	16,100,000
Richmond	48,149,000		" 17, 1933- "	" "	36,300,000
Atlanta	48,625,000		" 24, 1933- "	" "	41,000,000
Chicago	193,715,500		" 31, 1933- "	" "	17,500,000
St. Louis	65,331,500		June 7, 1933- "	" "	33,150,000
Minneapolis	47,224,000		" 21, 1933- "	" "	11,000,000
Kansas City	56,248,500		" 28, 1933- "	" "	21,800,000
Dallas	38,939,500		May 2, 1933- 2	% C/I	81,147,000
San Francisco	124,923,000		June 15, 1933- 1	1 1/2% "	116,425,000
			Aug. 15, 1933- 4	% "	45,155,000
			Sept. 15, 1933- 1	1 1/4% "	200,533,000
			Dec. 15, 1933- 3	3/4% "	78,104,000
			" 15, 1933- 4	1 1/4% "	68,670,000
			May 2, 1934- 3	% T/N	97,025,000
			Aug. 1, 1934- 2	1 1/8% "	137,527,000
			June 15, 1935- 3	% "	<u>90,477,000</u>
			Aug. 1, 1936- 3	1 1/4% "	12,050,000
			Dec. 15, 1936- 2	3/4% "	27,380,000
			Apr. 15, 1937- 3	% "	24,150,000
			Sept. 15, 1937- 3	1 1/4% "	32,750,000
			Feb. 1, 1938- 2	5/8% "	16,440,500
			June 15, 1932/47-1st	L/L 3 1/2s	25,025,000
			" 15, 1932/47-1st	" 4 1/4s	29,000,000
			Oct. 15, 1933/38-4th	" 4 1/4s	<u>281,591,000</u>
<b>Totals</b>	<u><u>\$1,629,399,500</u></u>				<u><u>\$1,629,399,500</u></u>

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ITEMIZED STATEMENT OF TRANSACTIONS IN GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES AFFECTING THE INVESTMENT ACCOUNT OF ALL FEDERAL RESERVE BANKS FROM MARCH 30 TO APRIL 5, 1933, INCLUSIVE

GOVERNMENT SECURITIES - SYSTEM INVESTMENT ACCOUNT

	<u>Purchases</u>	<u>Sales</u>	<u>Adjustments in Participations</u>
Boston	\$ 50,500	\$ 50,500	\$10,000,000-
New York	296,500	296,500	25,000,000+
Philadelphia	61,000	61,000	10,000,000+
Cleveland	86,500	86,500	-
Richmond	23,500	23,500	-
Atlanta	24,000	24,000	-
Chicago	95,000	95,000	25,000,000-
St. Louis	32,000	32,000	-
Minneapolis	23,000	23,000	-
Kansas City	27,500	27,500	-
Dallas	19,000	19,000	-
San Francisco	61,500	61,500	-
<b>Totals</b>	<b>\$800,000</b>	<b>\$800,000</b>	<b>\$35,000,000 Adj.</b>

HOLDINGS OF GOVERNMENT SECURITIES - SALES CONTRACTS

		<u>Net Change From Previous Week</u>
Philadelphia	-	\$1,000,000-
Atlanta	\$125,000	-
Kansas City	800,000	-
<b>Totals</b>	<b>\$925,000</b>	<b>\$1,000,000-</b>

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>
New York	\$1,000,000	- 4 1/4% C/T 12/15/33	\$1,000,000	- 3/4% C/T 12/15/33
Atlanta	32,500	Misc. Gov't Sec.	35,750	Misc. Gov't Sec.
Minneapolis	1,194,350	" " "	1,193,000	" " "
<b>Totals</b>	<b>\$2,226,850</b>		<b>\$2,228,750</b>	

BANKERS ACCEPTANCES

(000 Omitted)

	<u>Holdings Mar. 29</u>	<u>Purchased Own Mkt.</u>	<u>By Allotment from New York</u>	<u>Maturities and Sales</u>		<u>Holdings Apr. 5</u>	<u>Other Holdings Close Apr. 5/33</u>	
				<u>Held in N.Y.</u>	<u>Held Elsewhere</u>		<u>Sales Contracts</u>	<u>Other Bills</u>
Boston	\$ 53,095	\$ 0	\$ 44	\$ 0	\$ 990	\$ 52,149	0	\$ 1,814
New York	43,791	10,156*R 450 A	0	2,311	0	51,656	0	8,318
Phila.	6,883	0	44	248	0	6,679	0	2,609
Cleve.	4,397	0	0	0	899	3,498	0	2,454
Richmond	12,082	0	41	4,490	0	7,633	0	967
Atlanta	14,002	0	43	2,087	213	11,745	0	867
Chicago	73,933	10,000**R	73	6,787	1,377	75,842	0	3,230
St. Louis	13,038	0	37	689	0	12,386	0	808
Minn.	10,200	0	35	416	0	9,819	0	547
Kan. City	7,087	0	44	268	0	6,863	0	719
Dallas	1,788	10 "	30	1,495	4	329	0	719
San Fran.	45,171	25 "	59	21,537***	1,111	22,607	0	1,735
<b>Totals</b>	<b>\$285,467</b>	<b>\$20,641</b>	<b>\$450</b>	<b>\$40,328</b>	<b>\$4,594</b>	<b>\$261,186</b>	<b>0</b>	<b>\$24,787</b>
Bills held over night by New York for distribution to other F. R. Banks - - - 0								
							Total - - - - - \$24,787	

\*Includes \$10,000 purchased from F.R.B. San Francisco portfolio.

\*\*Purchased from F.R.B. San Francisco portfolio.

\*\*\*Includes \$10,000 each sold to F.R.Banks of New York and Chicago, owing to low reserve ratio.

NOTE: R. indicates Retained in above statement and A. indicates Allotted.

MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDED APRIL 5, 1933  
(000 Omitted)

	<u>1-30 days</u> <u>2 1/2%</u>	<u>31-60 days</u> <u>2%</u>	<u>61-90 days</u> <u>2%</u>	<u>Over 90-days</u> <u>-</u>	<u>Totals</u>
New York	\$ 0	\$ 34	\$ 572	0	\$606
Dallas	0	10	0	0	10
San Francisco	<u>5</u>	<u>20*</u>	<u>0</u>	<u>0</u>	<u>25</u>
<b>Totals</b>	<u>\$ 5</u>	<u>\$ 64</u>	<u>\$ 572</u>	<u>0</u>	<u>\$641</u>

\*Purchased at 3 1/2%.

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES WEEK ENDED APRIL 5, 1933  
(000 Omitted)

(Excluding Sales Contracts)

	<u>Government</u> <u>Securities</u>	<u>Bankers</u> <u>Acceptances</u>	<u>Totals</u>
Purchased	\$3,027	\$ 641	\$ 3,668
Sold	3,029	0	3,029
Matured	0	24,922	24,922
		<u>\$24,281-</u>	<u>\$24,283-</u>
		19+ (Net Change 1-day holdover & other bills)	19+ (Net Change 1-day holdover & other bills)
<b>Totals</b>	<u>\$ 2-</u>	<u>\$24,262-</u>	<u>\$24,264-</u>

MATURITY DISTRIBUTION OF HOLDINGS OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES WEEK ENDED APRIL 5, 1933  
(000 Omitted)

(Including Sales Contracts)

	<u>Within</u> <u>15-days</u>	<u>16-30</u> <u>days</u>	<u>31-60</u> <u>days</u>	<u>61-90</u> <u>days</u>	<u>91 days-</u> <u>6 months</u>	<u>Over 6</u> <u>months</u>	<u>Totals</u>
Gov't Securities	\$ 60,925	\$112,247	\$139,000	\$195,075	\$288,871	\$1,041,250	\$1,837,368
Bills Purchased	<u>78,144</u>	<u>72,677</u>	<u>119,424</u>	<u>15,520</u>	<u>208</u>	<u>0</u>	<u>285,973</u>
<b>Totals</b>	<u>\$139,069</u>	<u>\$184,924</u>	<u>\$258,424</u>	<u>\$210,595</u>	<u>\$289,079</u>	<u>\$1,041,250</u>	<u>\$2,123,341</u>

FOIA  
35

*Mr. Thompson*  
*Mr. Gaffney*  
*Mr. Thompson*

**RECEIVED**  
APR - 8 1933  
DIVISION OF RESEARCH  
AND STATISTICS.

**FEDERAL RESERVE BANK  
OF NEW YORK**

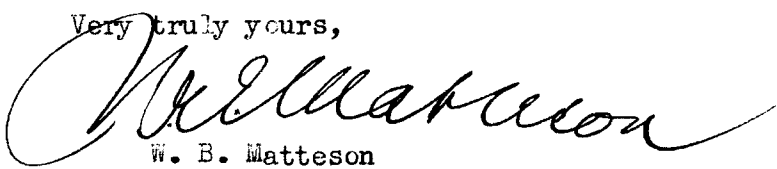
CONFIDENTIAL

April 7, 1933.

Dr. E. A. Goldenweiser, Director,  
Division of Research and Statistics,  
Federal Reserve Board,  
Washington, D. C.

Dear Dr. Goldenweiser:

Enclosed is a report of open market operations  
for the period from March 30, 1933 to April 5, 1933 inclu-  
sive, together with data received from Federal Reserve  
Banks.

Very truly yours,  
  
W. B. Matteson  
Assistant Deputy Governor

Encl.

*Yell  
HW*

FEDERAL RESERVE BANK  
OF NEW YORK

RECEIVED  
APR - 8 1933

CONFIDENTIAL

April 7, 1933.

Mr. E. L. Smead, Chief,  
Division of Bank Operations,  
Federal Reserve Board,  
Washington, D. C.

Dear Mr. Smead:

Enclosed is a report of open market operations  
for the period from March 30, 1933 to April 5, 1933 inclu-  
sive, together with data received from Federal Reserve  
Banks.

Very truly yours,  
*W. B. Matteson*

W. B. Matteson  
Assistant Deputy Governor

Encl.

*Man* ✓

✓

FEDERAL RESERVE BANK  
OF NEW YORK

RECEIVED  
APR - 1 1933  
OPERATIONS

CONFIDENTIAL

March 31, 1933.

Mr. E. L. Smead, Chief,  
Division of Bank Operations,  
Federal Reserve Board,  
Washington, D. C.

Dear Mr. Smead:

Enclosed is a report of open market operations  
for the period from March 23, 1933 to March 29, 1933 inclusive,  
together with data received from Federal Reserve Banks.

Very truly yours,



W. B. Matteson  
Assistant Deputy Governor

Encl.



*Mr. Phoyson*  
*Mr. Ruffin*  
*Mr. Thompson*

FEDERAL RESERVE BANK  
OF NEW YORK

RECEIVED  
APR - 1 1933  
DIVISION OF RESEARCH  
AND STATISTICS.

CONFIDENTIAL

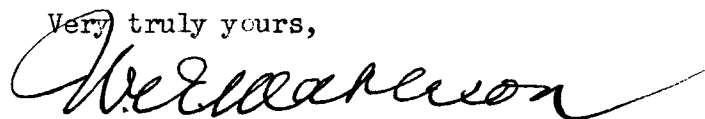
March 31, 1933.

Dr. E. A. Goldenweiser, Director,  
Division of Research and Statistics,  
Federal Reserve Board,  
Washington, D. C.

Dear Dr. Goldenweiser:

Enclosed is a report of open market operations for  
the period from March 23, 1933 to March 29, 1933 inclusive,  
together with data received from Federal Reserve Banks.

Very truly yours,



W. B. Matteson  
Assistant Deputy Governor

Encl.

*Mr. Money*  
*Mr. [unclear]*

FEDERAL RESERVE BANK  
OF NEW YORK

For Distribution  
Gov. Meyer ✓  
Mr. Hamlin ✓  
Mr. James ✓  
Mr. Mapp ✓  
Mr. Miller ✓

Mr.  
Mr.  
Special Agent in Charge  
Assistant  
*File*

CONFIDENTIAL

March 31, 1933.

Dear Governor Meyer:

Enclosed is a report of open market operations for the period from March 23, 1933 to March 29, 1933 inclusive, together with data received from Federal Reserve Banks.

Very truly yours,  
*W. B. Matteson*

W. B. Matteson  
Assistant Deputy Governor

Honorable Eugene Meyer, Governor,  
Federal Reserve Board,  
Washington, D. C.

Encl.

RECEIVED  
APR 1 1933  
OFFICE OF THE GOVERNOR  
FEDERAL RESERVE BOARD

CONFIDENTIAL

REPORT OF OPEN MARKET OPERATIONS FOR WEEK ENDED MARCH 29, 1933

Holdings of Earning Assets of Federal Reserve Banks from March 30, 1932 to Date  
(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS
		Outright Purchases	Sales Contracts	Outright Purchases	Sales Contracts	DISCOUNTED
-1932-						
Mar. 30	\$1,578,146	\$ 860,056	\$11,562	\$ 62,281	\$ 4,081	\$633,255
Apr. 27	1,773,745	1,191,232	0	45,874	0	531,824
May 25	2,040,056	1,524,896	300	38,373	0	471,267
June 29	2,340,262*	1,795,219*	5,752	47,787	15,732	469,828
July 27	2,412,232	1,841,191	0	38,210	1,490	525,390
Aug. 31	2,324,484	1,851,315	400	34,098	0	432,756
Sept. 28	2,231,806	1,851,025	2,658	33,203	401	339,647
Oct. 26	2,212,391	1,850,949	0	33,965	0	322,322
Nov. 30	2,200,030	1,850,766	0	34,800	0	308,973
Dec. 28	2,157,075	1,850,737	0	33,307	0	267,382
-1933-						
Jan. 25	2,064,031	1,763,311	0	31,496	0	264,698
Feb. 22	2,345,660	1,834,233	0	174,410	5,182	327,138
Mar. 22	2,892,959	1,862,587	1,800	343,339	8,970	670,869
" 29	2,699,117	1,836,445	1,925	310,235	0	545,110

\*Includes \$24,000,000 Treasury special 1-day certificate of indebtedness issued to Federal Reserve Bank of Chicago.

CHANGES IN EARNING ASSET HOLDINGS (EXCLUSIVE OF SALES CONTRACTS)  
DURING WEEK ENDED MARCH 29, 1933  
(000 Omitted)

	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS DISCOUNTED	
	Balance	Net	Balance	Net	Balance	Net
	Mar. 29	Change	Mar. 29	Change	Mar. 29	Change
Boston	\$ 103,112	\$ 0	\$ 53,095	\$ 2,715-	\$ 20,386	\$ 1,651-
New York	700,411	75,000+	43,791	2,268-	170,556	77,967-
Philadelphia	127,141	0	6,883	1,143-	101,664	21,596-
Cleveland	176,540	0	4,397	202-	62,323	2,290+
Richmond	48,149	0	12,082	5,168-	20,715	3,485-
Atlanta	48,640	15,004-	14,002	1,665-	26,077	6,595-
Chicago	281,551	86,166-	73,933	9,428-	23,004	14,738-
St. Louis	65,332	0	13,038	1,782-	5,820	801-
Minneapolis	54,786	28+	10,200	2,211-	10,707	806-
Kansas City	56,420	0	7,087	863-	21,428	1,207+
Dallas	48,940	0	1,788	978-	5,822	381-
San Francisco	124,923	0	45,171	3,743-	76,608	1,236-
N. Y. holdovers and other bills			24,768	938-		
<b>Totals</b>	<b>\$1,836,445</b>	<b>\$26,142-</b>	<b>\$310,235</b>	<b>\$33,104-</b>	<b>\$545,110</b>	<b>\$125,759-</b>

COMMENT ON CHANGES WEEK ENDED MARCH 29, 1933

Total earning assets of the System declined \$193,842,000 during the current statement week. The principal changes by classification consisted of an increase of \$125,000 in government securities held under sales contracts and the following decreases: outright holdings of government securities \$26,142,000 (of this reduction, \$15,000,000 is represented by the payment of a special 30-day United States Certificate of Indebtedness held by the Federal Reserve Bank of Atlanta, and \$11,000,000 represents a partial offset to securities taken over by the Federal Reserve Bank of Chicago from its member banks early in the month); outright holdings of bankers acceptances \$33,104,000; bankers acceptances held under sales contracts \$8,970,000, and bills discounted \$125,759,000.

2

Money  
Market

An additional \$255,000,000 of currency was returned to the Reserve banks during the week ended March 29, and small gains to member bank reserve accounts occurred through new issues of national bank notes, an increase in the monetary gold stock of the country, and net Treasury transactions. Accompanying these gains of funds to the national money market, discounts at the Federal reserve banks were reduced \$126,000,000 further, purchased bill holdings of the Reserve banks declined \$42,000,000, and security holdings dropped \$26,000,000. Since the retirement of Federal reserve credit during this week was somewhat less rapid than the acquisition of funds by member banks, the reserve balances of all member banks of the country were increased \$69,000,000, thereby offsetting the reduction of \$46,000,000 which occurred in the previous week. Discounts at the Federal reserve banks on March 29 amounted to \$545,000,000, as compared with \$1,449,000,000 at the March 13 peak.

The reserve balances of the New York City banks were greatly increased by a continued large inflow of funds to New York from other parts of the country during the past week. Additional gains also resulted from currency deposits at the Reserve Bank and a net disbursement of Treasury funds here. These gains exceeded the repayment of \$63,000,000 of member bank discounts and a \$38,000,000 loss to the market through a reduction in Federal reserve bill holdings, and consequently reserve balances of the New York City banks rose about \$130,000,000. Reserve requirements at the same time advanced \$16,000,000, so that the reserve position of the New York City banks was converted from a deficit of \$20,000,000 on March 22 to a surplus of \$95,000,000 on March 29. Borrowings of New York City banks on March 29 amounted to \$85,000,000, compared with \$669,000,000 at the March 13 peak.

Some further decline in money rates has occurred during the past week. Call money has been freely available in the outside market at 2 per cent, although the Stock Exchange official rate has held at 3 per cent. Time loans have been arranged as low as 2 per cent and open market commercial paper is now being offered and sold at a range of 2 3/4 - 3 1/4 per cent. Federal funds have declined to 1/2 - 3/4 per cent. The Treasury bill issue dated March 29 was sold at an average yield of 1.72 per cent, compared with 1.83 per cent on last week's sale, and yields on United States Government securities maturing within the current year have declined. Yields on Treasury notes maturing from 1935 to 1938, however, have shown some increase.

Government  
Security  
Market

The market for United States Government securities as a whole, for the current statement week, was very dull with the price trend fractionally lower. However, on the last day of the period there was some improvement in the demand for practically all issues and prices advanced from 1/32nd to 16/32nds for the day. At the close of the current reporting period the average yield on the short term issues, at dealers' offering prices, (exclusive of the Treasury certificates maturing May 2, 1933, which showed no yield at current prices) was about 1.64% unchanged from the previous week, and the average closing price for the Liberty Loan bonds was 101.22 and the Treasury bonds 101.20 as compared with the previous week's average closing price of 101.29 and 101.53 respectively.

Dealers' Offering Prices at the Close of the Current Statement Week and Net Changes from the Close of the Previous Statement Week

<u>Issue</u>				<u>Price</u>	<u>Net Change</u>	<u>Approx. Yield</u>
2	%	Cert. of Ind.	due May 2, 1933	100 7/32	+ 1/32	- - -
1	1/2%	" " "	" June 15, 1933	100 6/32	+ 2/32	0.60%
4	%	" " "	" Aug. 15, 1933	101 1/32	+ 3/32	1.25%
1	1/4%	" " "	" Sept. 15, 1933	100 2/32	+ 6/32	1.11%
	3/4%	" " "	" Dec. 15, 1933	99 28/32	+20/32	0.92%
4	1/4%	" " "	" " 15, 1933	101 27/32	+ 7/32	1.62%
3	%	Treasury Notes	" May 2, 1934	101 4/32	- - -	1.95%
2	1/8%	" " "	" Aug. 1, 1934	100 4/32	+ 4/32	2.03%
3	%	" " "	" June 15, 1935	100 24/32	- 4/32	2.65%
3	1/4%	" " "	" Aug. 1, 1936	100 16/32	-16/32	3.09%
2	3/4%	" " "	" Dec. 15, 1936	99	-20/32	3.03%
3	%	" " "	" Apr. 15, 1937	99 24/32	-12/32	3.07%
3	1/4%	" " "	" Sept. 15, 1937	100 12/32	-16/32	3.15%
2	5/8%	" " "	" Feb. 1, 1938	98 12/32	-20/32	2.99%

Treasury Bills - all maturities - 2% discount bid - 1% asked for maturities up to June 21, 1933, and 1 1/4% for June 28, 1933.

Closing Sale Prices on the New York Stock Exchange at the Close of the Current Statement Week and Net Changes from Close of the Previous Statement Week

<u>Issue</u>	<u>Price</u>	<u>Net Change</u>	<u>Issue</u>	<u>Price</u>	<u>Net Change</u>
First 3 1/2s	100 17/32	-17/32	Treasury 4 1/4s 1947-52	107 9/32	-11/32
First 4 1/4s	101 20/32	+ 6/32	" 4 s 1944-54	104 6/32	-15/32
Fourth 4 1/4s	101 16/32	+ 4/32	" 3 3/4s 1946-56	102 10/32	-18/32
			" 3 3/8s 1943-47	100 5/32	- 5/32
			" 3 3/8s 1940-43	100 18/32	+ 6/32
			" 3 3/8s 1941-43	100 12/32	- 6/32
			" 3 1/8s 1946-49	98 5/32	-14/32
			" 3 s 1951-55	96 18/32	-29/32

Bankers Acceptances Dealers' offerings of unendorsed bankers acceptances continued at the following rates during the current statement week: 2 per cent for 30s, 60s and 90s, 2 1/4 per cent for 120s and 2 1/2 per cent for 180-day bills.

Reports week ended March 29 Boston reported that there was very little change in the local bill market during the past week; the supply continued inadequate for the light local demand which was chiefly for the short maturities. In New York the bill market was moderately active this week with dealers' purchases exceeding their sales slightly. There was a good demand for bills throughout the week which was very selective as to names and while one dealer reported selling several millions of special names, principally to out-of-town banks at 1/8 below quoted market rates, other dealers were reluctant to sell out special names only when money conditions were becoming easier and they could carry the greater proportion of their portfolio at 1 1/2 per cent. Philadelphia reported that its acceptance market continued fairly active. There was some increase in the amount of new bills with the demand particularly for selective names exceeding the supply.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

The only transaction consummated under Treasury authorization during the current statement week was a sale of \$200,000 Fourth 4 1/4% Liberty Loan bonds from holdings account Alien Property Custodian.

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

The transactions consummated in the System Account during the week consisted of

<u>(1) Sales in the market of</u>	<u>Replacement purchases in the market</u>
\$2,500,000 - 2% C/I due May 2, 1933 at 100 4/32	\$3,000,000 - Treas. Bills due June 21, 1933 at 1.75% disc.
1,500,000 - 4% C/I due Aug. 15, 1933 at 100 26/32	1,000,000 - Treas. Bills due June 28, 1933 at 1.50% disc.
<hr/>	<hr/>
\$4,000,000	\$4,000,000
<hr/>	<hr/>

(2) Redemption of March 29, 1933 Treasury Bills and replacement by purchases in the market

<u>Redeemed</u>	<u>Purchased in the market</u>
\$25,500,000 - Treas. Bills due March 29, 1933	\$ 5,500,000 - Treas. Bills due June 21, 1933 at 1 3/4% disc.
	10,000,000 - " " " June 28, 1933 at 1 5/8% disc.
	10,000,000 - " " " June 28, 1933 at 1.70% disc.
<hr/>	<hr/>
\$25,500,000	\$25,500,000
<hr/>	<hr/>

(3) The Federal Reserve Bank of New York repurchased from the Federal Reserve Bank of Chicago, \$75,000,000 of the balance of \$100,000,000 sold the latter temporarily from the New York bank's participation in the System Account, \$25,000,000 each on March 23, 28 and 29. (The remaining \$25,000,000 of government securities was taken over from the participation of the Federal Reserve Bank of Chicago to that of the Federal Reserve Bank of New York on March 30.)

These transactions did not affect the amount of total holdings in the Account, which remained at \$1,629,399,500. The participations by Federal Reserve Banks and the classification of issues held in the Account at the close of business March 29, 1933, were as follows:

PARTICIPATIONS BY FEDERAL RESERVE BANKS

RECAPITULATION OF HOLDINGS BY MATURITIES

Boston	\$ 102,405,000
New York	578,510,000
Philadelphia	123,788,500
Cleveland	176,540,000
Richmond	48,149,000
Atlanta	48,625,000
Chicago	218,715,500
St. Louis	65,331,500
Minneapolis	47,224,000
Kansas City	56,248,500
Dallas	38,939,500
San Francisco	124,923,000

Apr. 12, 1933	-	Treas. Bills	\$ 31,000,000
" 19, 1933	-	" "	29,000,000
" 26, 1933	-	" "	31,100,000
May 10, 1933	-	" "	16,100,000
" 17, 1933	-	" "	36,300,000
" 24, 1933	-	" "	41,000,000
" 31, 1933	-	" "	17,500,000
June 7, 1933	-	" "	33,150,000
" 21, 1933	-	" "	11,000,000
" 28, 1933	-	" "	21,000,000
May 2, 1933	-	2 % C/I	81,947,000
June 15, 1933	-	1 1/2% "	116,425,000
Aug. 15, 1933	-	4 % "	43,155,000
Sept. 15, 1933	-	1 1/4% "	200,533,000
Dec. 15, 1933	-	3/4% "	78,104,000
" 15, 1933	-	4 1/4% "	68,670,000
May 2, 1934	-	3 % T/N	97,025,000
Aug. 1, 1934	-	2 1/8% "	137,527,000
June 15, 1935	-	3 % "	90,477,000
Aug. 1, 1936	-	3 1/4% "	12,050,000
Dec. 15, 1936	-	2 3/4% "	27,380,000
Apr. 15, 1937	-	3 % "	24,150,000
Sept. 15, 1937	-	3 1/4% "	32,750,000
Feb. 1, 1938	-	2 5/8% "	16,440,500
June 15, 1932/47-1st	3	1 1/2% L/L	25,025,000
" 15, 1932/47-1st	4	1 1/4% "	29,000,000
Oct. 15, 1933/38-4th	4	1 1/4% "	281,591,000

Totals \$1,629,399,500

\$1,629,399,500

ITEMIZED STATEMENT OF TRANSACTIONS IN GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES AFFECTING THE INVESTMENT ACCOUNT OF ALL FEDERAL RESERVE BANKS FROM MARCH 23 TO MARCH 29, 1933, INCLUSIVE

GOVERNMENT SECURITIES - SYSTEM INVESTMENT ACCOUNT

	<u>Purchases</u>	<u>Sales</u>	<u>Adjustments in Participations</u>
Boston	\$ 1,853,500	\$ 1,853,500	-
New York	9,952,000	9,952,000	75,000,000+
Philadelphia	2,241,500	2,241,500	-
Cleveland	3,196,000	3,196,000	-
Richmond	872,000	872,000	-
Atlanta	880,000	880,000	-
Chicago	4,481,500	4,481,500	75,000,000-
St. Louis	1,182,500	1,182,500	-
Minneapolis	855,000	855,000	-
Kansas City	1,019,000	1,019,000	-
Dallas	705,500	705,500	-
San Francisco	2,261,500	2,261,500	-
Totals	<u>\$29,500,000</u>	<u>\$29,500,000</u>	<u>\$75,000,000 Adj.</u>

HOLDINGS OF GOVERNMENT SECURITIES - SALES CONTRACTS

		<u>Net Change From Previous Week</u>
Philadelphia	\$1,000,000	-
Atlanta	125,000	125,000+
Kansas City	800,000	-
<b>Totals</b>	<b>\$1,925,000</b>	<b>\$125,000+</b>

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Redemption and Sales</u>	<u>Issue</u>
New York	\$1,900,000	June 21/33 Tr. Bills	\$1,900,000	March 29/33 Tr. Bills
Atlanta	85,450	Misc. Gov't Sec.	88,250	Misc. Gov't Sec.
Chicago	0	-	15,000,000	Spec. 30-day C/I
Minneapolis	898,950	Misc. Gov't Sec.	871,700	" " "
<b>Totals</b>	<b>\$2,882,400</b>		<b>\$29,024,950</b>	

BANKERS ACCEPTANCES  
(000 Omitted)

	<u>Holdings Mar. 22</u>	<u>Purchased Own Mkt.</u>	<u>By Allot- ment from New York</u>	<u>Maturities and sales</u>		<u>Holdings Mar. 29</u>	<u>Other Holdings Close Mar, 29/33</u>	
				<u>Held in N. Y.</u>	<u>Held Else- where</u>		<u>Con- tracts</u>	<u>Other Bills</u>
Boston	\$ 55,810	\$ 0	\$ 70	\$ 0	\$ 2,785	\$ 53,095	0	\$ 1,829
New York	46,059	630 R. 654 A.	0	2,898	0	43,791	0	8,152
Phila.	8,026	0	75	1,216	2	6,883	0	2,631
Cleve.	4,599	0	0	0	202	4,397	0	2,475
Richmond	17,250	0	53	5,221	0	12,082	0	975
Atlanta	15,667	0	53	1,520	198	14,002	0	875
Chicago	83,361	0	115	7,968	1,575	73,933	0	3,258
St. Louis	14,820	0	50	1,832	0	13,038	0	812
Minn.	12,411	0	50	2,261	0	10,200	0	549
Kan. City	7,950	0	53	916	0	7,087	0	725
Dallas	2,766	0	43	1,018	3	1,788	0	725
San Fran.	48,914	0	92	3,515	320	45,171	0	1,750
<b>Totals</b>	<b>\$317,633</b>	<b>\$1,284</b>	<b>\$654</b>	<b>\$28,365</b>	<b>\$5,085</b>	<b>\$285,467</b>	<b>0</b>	<b>\$24,756</b>
Bills held overnight by New York for distribution to other F.R. Banks - - -							12	
Total - - - - -							\$24,768	

NOTE: R. indicates Retained and A. indicates Allotted in above statement.

MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDED MARCH 29, 1933  
(000 Omitted)

	<u>1-30 days 2%</u>	<u>31-60 days 2%</u>	<u>61-90 days 2%</u>	<u>Over 90 days -</u>	<u>Total</u>
New York	\$30	\$130	\$1,124	-	\$1,284



RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES  
 AND BANKERS ACCEPTANCES WEEK ENDED MARCH 29, 1933  
 (000 Omitted)

(Excluding Sales Contracts)

	<u>Government Securities</u>	<u>Bankers Acceptances</u>	<u>Totals</u>
Purchased	\$32,382	\$ 1,284	\$33,666
Sold	8,624	0	8,624
Matured	49,900	33,450	83,350
		<u>\$32,166-</u>	<u>\$58,308-</u>
		938-	938-
		(Net Change 1-day holdover & other bills)	(Net Change 1-day holdover & other bills)
<b>TOTALS</b>	<u>\$26,142-</u>	<u>\$33,104-</u>	<u>\$59,246-</u>

MATURITY DISTRIBUTION OF HOLDINGS OF GOVERNMENT SECURITIES  
 AND BANKERS ACCEPTANCES WEEK ENDED MARCH 29, 1933  
 (000 Omitted)

(Including Sales Contracts)

	<u>Within 15-days</u>	<u>16-30 days</u>	<u>31-60 days</u>	<u>61-90 days</u>	<u>91 days- 6 months</u>	<u>Over 6 months</u>	<u>Totals</u>
Gov't Securities	\$ 32,925	\$ 60,100	\$183,347	\$210,875	\$309,872	\$1,041,251	\$1,838,370
Bills Purchased	72,471	60,165	145,905	31,481	213	0	310,235
<b>TOTALS</b>	<u>\$105,396</u>	<u>\$120,265</u>	<u>\$329,252</u>	<u>\$242,356</u>	<u>\$310,085</u>	<u>\$1,041,251</u>	<u>\$2,148,605</u>

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Authority F.O. 10501

*Mr. Thompson*  
*Mr. Riefler*  
*Mr. Thompson*

FEDERAL RESERVE BANK  
OF NEW YORK

RECEIVED  
MAR 25 1933  
DIVISION OF RESEARCH  
AND STATISTICS.

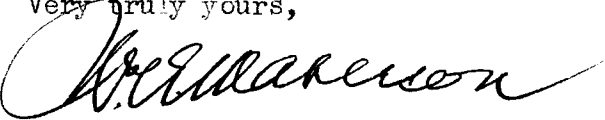
CONFIDENTIAL

March 24, 1933.

Dr. E. A. Goldenweiser, Director,  
Division of Research and Statistics,  
Federal Reserve Board,  
Washington, D. C.

Dear Dr. Goldenweiser:

Enclosed is a report of open market operations for  
the period from March 16, 1933 to March 22, 1933 inclusive,  
together with data received from Federal Reserve Banks.

Very truly yours,  
  
W. B. Matteson  
Assistant Deputy Governor

Encl.

DECLASSIFIED  
Authority E.O. 10501

FEDERAL RESERVE BANK  
OF NEW YORK

MAR 25 1933

CONFIDENTIAL

March 24, 1933.

Mr. E. L. Smead, Chief,  
Division of Bank Operations,  
Federal Reserve Board,  
Washington, D. C.

Dear Mr. Smead:

Enclosed is a report of open market operations for  
the period from March 16, 1933 to March 22, 1933 inclusive,  
together with data received from Federal Reserve Banks.

Very truly yours,



W. B. Matteson  
Assistant Deputy Governor

Encl.

DECLASSIFIED  
Authority E.O. 10501

SEARCHED ✓  
SERIALIZED ✓  
INDEXED ✓  
FILED ✓  
MAR 24 1933  
Harrison ✓  
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FEDERAL RESERVE BANK  
OF NEW YORK

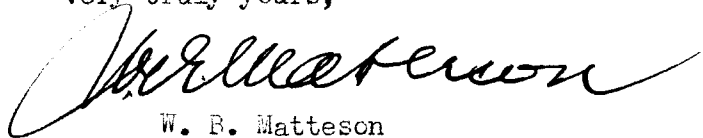
CONFIDENTIAL

March 24, 1933.

Dear Governor Meyer:

Enclosed is a report of open market operations for the period from March 16, 1933 to March 22, 1933 inclusive, together with data received from Federal Reserve Banks.

Very truly yours,



W. B. Matteson  
Assistant Deputy Governor

Honorable Eugene Meyer, Governor,  
Federal Reserve Board,  
Washington, D. C.

Encl.

RECEIVED  
MAR 25 1933

CONFIDENTIAL

REPORT OF OPEN MARKET OPERATIONS FOR WEEK ENDED MARCH 22, 1933

Holdings of Earning Assets of Federal Reserve Banks from March 23, 1932 to Date

(\$000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS
		Outright Purchases	Sales Contracts	Outright Purchases	Sales Contracts	DISCOUNTED
-1932-						
Mar. 23	\$1,589,268	\$ 834,998	\$ 0	\$ 80,122	\$ 1,574	\$665,583
" 30	1,578,146	860,056	11,562	62,281	4,081	633,255
Apr. 27	1,773,745	1,191,232	0	45,874	0	531,824
May 25	2,040,056	1,524,896	300	38,373	0	471,267
June 29	2,340,262(a)	1,795,219(a)	5,752	47,787	15,732	469,828
July 27	2,412,232	1,841,191	0	38,210	1,490	525,390
Aug. 31	2,324,484	1,851,315	400	34,098	0	432,756
Sept. 28	2,231,806	1,851,025	2,658	33,203	401	339,647
Oct. 26	2,212,391	1,850,949	0	33,965	0	322,322
Nov. 30	2,200,030	1,850,766	0	34,800	0	308,973
Dec. 28	2,157,075	1,850,737	0	33,307	0	267,382
-1933-						
Jan. 25	2,064,031	1,763,311	0	31,496	0	264,698
Feb. 22	2,345,660	1,834,233	0	174,410	5,182	327,138
Mar. 15	3,540,310(b)	1,884,409(b)	14,625	376,270	27,046	1,232,316
" 22	2,892,959	1,862,587	1,800	343,339	8,970	670,869

(a) Includes \$24,000,000 Treasury special 1-day certificate of indebtedness issued to Federal Reserve Bank of Chicago.

(b) Includes \$9,000,000 unsold balance of \$19,000,000 Treasury special 1-day certificate of indebtedness issued to Federal Reserve Bank of Boston.

CHANGES IN EARNING ASSET HOLDINGS (EXCLUSIVE OF SALES CONTRACTS)

DURING WEEK ENDED MARCH 22, 1933

	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS DISCOUNTED	
	Balance	Net	Balance	Net	Balance	Net
	Mar. 22	Change	Mar. 22	Change	Mar. 22	Change
Boston	\$ 103,112	*\$19,000-	\$ 55,810	\$ 6,556-	\$ 22,037	\$ 12,033-
New York	625,411	80,000+	46,059	3,951-	248,523	365,699-
Philadelphia	127,141	0	8,026	2,850-	123,260	33,094-
Cleveland	176,540	25,000-	4,599	2,001-	60,033	54,054-
Richmond	48,149	0	17,250	2,317-	24,200	22,812-
Atlanta	63,644	9,986-	15,667	1,423-	32,672	19,389-
Chicago	367,717	47,500-	83,361	6,491-	37,742	24,478-
St. Louis	65,832	0	14,820	1,872-	6,621	6,361-
Minneapolis	54,758	336-	12,411	1,811-	11,513	2,668-
Kansas City	56,420	0	7,950	204-	20,221	10,631-
Dallas	48,940	0	2,766	42+	6,203	1,050-
San Francisco	124,923	0	48,914	3,618-	77,844	9,178-
N. Y. holdovers and other bills			25,706	121+		
Totals	\$1,862,587	*\$21,822-	\$343,339	\$32,931-	\$670,869	\$561,447-

\*Includes redemption of \$9,000,000 Treasury special 1-day certificate of indebtedness.

COMMENT ON CHANGES WEEK ENDED MARCH 22, 1933

Total earning assets of the System, exclusive of the \$9,000,000 unsold balance of the Treasury special 1-day certificate of indebtedness which, with the \$10,000,000 participation sold to a member bank March 15, was redeemed at Boston on March 16, declined \$638,351,000 during the current statement week. The principal changes by classification consisted of the following decreases: outright holdings of government securities \$12,822,000, government securities held under sales contract \$12,825,000, outright holdings of bankers acceptances \$32,931,000, bankers acceptances held under sales contract \$18,076,000, and bills discounted \$561,447,000.

Money  
Market

The return to the Reserve Banks of an additional \$661,000,000 of currency and coin during the week ended March 22 was the dominant factor affecting reserve balances of the member banks. The gain from this source was reduced somewhat by losses through other transactions in the aggregate, the principal factor being a temporary rise in Treasury balances at the Reserve Banks to \$111,000,000, occasioned by the \$100,000,000 bill sale of March 22. The nearly \$600,000,000 of funds received from the aforementioned transactions were used in the retirement of outstanding Federal Reserve credit. Member bank discounts dropped \$561,000,000 further and the bill and security holdings of the Reserve Banks together showed a reduction of \$86,000,000. Since the retirement of Federal Reserve credit proceeded at a somewhat faster rate than the receipt of funds, member bank reserve balances showed a net reduction of nearly \$50,000,000 for the week.

During the week ended March 22, the New York money market gained a large volume of reserve funds as a result of further currency and coin deposits at the Reserve Bank and of a very large inflow of funds to New York from other parts of the country. The only substantial offset to these gains was a loss to the market in Treasury transactions, which resulted from the Treasury bill sale of March 22 and income tax collections after the quarterly tax date. Reflecting the net gain of nearly \$350,000,000 to the New York market during the week and also the \$60,000,000 of surplus reserves with which the banks entered the period, the New York City banks retired approximately \$350,000,000 more of their indebtedness at the Reserve Bank and nearly \$60,000,000 of other forms of Reserve Bank credit was retired, including bill maturities and a reduction in repurchase agreement holdings of bills and securities. At the close of the week, however, the reserve balances held by the New York banks were some \$20,000,000 below the required level. On the following day, March 23, a continuance of the inflow of funds from other districts and currency deposits at the Reserve Bank restored the reserves of the City banks.

Further declines in money rates were reported during the week just closed. Call money on the Stock Exchange has been 3 per cent, compared with the recent high of 5 per cent, and in the outside market call money has been freely available at 2 and 2 1/2 per cent. The nominal quotation for time loans has dropped to 2 1/2 per cent, as compared with a high of 5 per cent, and the 90 day bill rate has fallen to 2 per cent, as against a high of 3 5/8 per cent. Federal funds have been variously traded in at from 2 to 3 per cent, and open market commercial paper, insofar as any activity exists, is now quoted at about 3 to 3 1/2 per cent, a reduction of about 1 per cent from the high. Yields on short-term Government securities likewise have declined and the Treasury bill issue dated March 22 was sold at an average rate of 1.83 per cent.

Government  
Security  
Market

The market for United States Government securities, which was very strong and active on the last day of the previous statement week, (the day on which trading was resumed on the New York Stock Exchange) continued strong during the first two days of the current reporting period and prices advanced from fractionally to about 2 1/2 points. On the following two days, the market showed a tendency towards easing off, with prices irregular, and on Tuesday, March 21, the market turned weak and prices declined from fractionally to about 1 1/4 points. However, on Wednesday, March 22, the market again turned about and reflected a fair demand, preferably for the short-term issues, and prices advanced fractionally. At the close of the current reporting period the average yield on the short-term issues, at dealers' offering prices, was about 1.64% as compared with 1.90% at the close of the previous

week, and the average closing price for the Liberty Loan bonds was 101.29 and for Treasury bonds 101.56 as compared with the previous week's average closing price of 101.45 and 100.95 respectively.

Dealers' Offering Prices at the Close of the Current Statement Week and Net Changes from the Close of the Previous Statement Week

Issue		Price	Net Change	Approx. Yield
2	% Cert. of Ind. due May 2, 1933	100 6/32	+ 2/32	0.26%
1	1/2% " " " " June 15, 1933	100 4/32	+ 4/32	0.93%
4	% " " " " Aug. 15, 1933	100 30/32	+ 8/32	1.60%
1	1/4% " " " " Sept. 15, 1933	99 28/32	- - -	1.52%
	3/4% " " " " Dec. 15, 1933	99 8/32	- - -	1.77%
4	1/4% " " " " " 15, 1933	101 20/32	+14/32	1.99%
3	% Treasury Notes " May 2, 1934	101 4/32	+20/32	1.96%
2	1/8% " " " " Aug. 1, 1934	100	+16/32	2.12%
3	% " " " " June 15, 1935	100 28/32	+12/32	2.59%
3	1/4% " " " " Aug. 1, 1936	101	+ 8/32	2.93%
2	3/4% " " " " Dec. 15, 1936	99 20/32	- 4/32	2.84%
3	% " " " " Apr. 15, 1937	100 4/32	+ 4/32	2.95%
3	1/4% " " " " Sept. 15, 1937	100 28/32	+ 4/32	3.04%
2	5/8% " " " " Feb. 1, 1938	99	- - -	2.85%

Treasury Bills - all maturities - 2% discount bid, 1% asked.

Closing Sale Prices on the New York Stock Exchange at the Close of the Current Statement Week and Net Changes from Close of the Previous Statement Week

Issue	Price	Net Change	Issue	Price	Net Change
First 3 1/2s	101 2/32	- 6/32	Treasury 4 1/4s 1947-52	107 20/32	+1. 4/32
First 4 1/4s	101 14/32	+ 9/32	" 4s 1944-54	104 21/32	+1. 9/32
Fourth 4 1/4s	101 12/32	-18/32	" 3 3/4s 1946-56	102 28/32	+1.12/32
			" 3 3/8s 1943-47	100 10/32	+ 12/32
			" 3 3/8s 1940-43	100 12/32	- 1/32
			" 3 3/8s 1941-43	100 18/32	+ 9/32
			" 3 1/8s 1946-49	98 19/32	+ 9/32
			" 3s 1951-55	97 15/32	+ 5/32

Bankers Acceptances

Dealers' offerings of unendorsed bankers acceptances were at the following rates at the close of the current statement week: 2 per cent for 30s, 60s and 90s, 2 1/4 per cent for 120s and 2 1/2 per cent for 180-day bills. This represents a decrease of 1 5/8 per cent from the previous week's offering rates.

Reports week ending March 22

Boston reported that the dealers' asked rate of 2 per cent for 90-day bills created a good demand. The supply, however, was inadequate to fill orders from local buyers. Dealers were obliged to call on their offices in other cities for about one-half of their supply. In New York the bill market was considerably more active this week. As banks' cash positions continued to improve a good investment demand developed which together with the reluctance on the part of banks to sell their own bills resulted in dealers in an endeavor to find a level of rates at which they could buy and sell, to make four reductions in their rates during the week for a total reduction of 1 5/8 per cent to 2 1/8 bid for maturities up to 90 days, 2 per cent asked, 4 months 2 3/8 bid, 2 1/4 asked, 5 and 6 months 2 5/8 bid, 2 1/2 asked. At the lower rate levels, the supply and demand seemed to run a little closer together although at the close

4

of the week dealers' aggregate portfolios were still \$7,500,000 below last week's total. The Reserve Bank also reduced its currently effective minimum buying rates by 1/2 per cent on three occasions during the week for a total reduction of 1 1/2 per cent. Rates now are 2 per cent up to 90 days, 4 months 2 1/8, 5 and 6 months 2 1/2. Sales contracts 2 per cent. Philadelphia reported that its acceptance market was more active. Offerings increased during the week due principally to the lowering of the bill rates. The demand was moderate.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

There were no purchases or sales of United States Government securities consummated under Treasury authorization during the current statement week.

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

The transactions consummated in the System Account during the week consisted of:

<u>(1) Sales in the market</u>	<u>Replacement purchases in the market</u>
\$ 500,000-Treas. Bills due Apr. 12, 1933 at 1 1/4% disc.	\$1,000,000-Treas. Bills due Mar. 29, 1933 at 1 3/4% disc.
25,650,000-2% C/I due May 2, 1933 at 100 4/32	150,000- " " due Mar. 29, 1933 at 1 1/2% disc.
2,000,000-1 1/2% C/I due June 15, 1933 at 100 3/32	2,000,000- " " due Apr. 12, 1933 at 1 5/8% disc.
1,000,000-4 1/4% C/I due Dec. 15, 1933 at 101 24/32	20,000,000- " " due June 7, 1933 at 2 1/4% disc.
	3,500,000- " " due June 7, 1933 at 2.71% disc.
	2,500,000- " " due June 21, 1933 at 1 3/4% disc.
<hr/>	<hr/>
\$29,150,000	\$29,150,000
<hr/>	<hr/>

(2) On March 21 the Federal Reserve Bank of New York repurchased \$25,000,000 of the \$125,000,000 participation in United States Government securities in the System Account, which was temporarily taken over recently by the Federal Reserve Bank of Chicago, and \$25,000,000 which was temporarily taken over on March 8 by the Federal Reserve Bank of Cleveland.

These transactions did not affect the amount of total holdings in the Account, which remained at \$1,629,399,500. The participations by Federal Reserve Banks and the classification of issues held in the Account at the close of business March 22, 1933, were as follows:



PARTICIPATIONS BY FEDERAL RESERVE BANKS

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Minneapolis	47,224,000
Kansas City	56,248,500
Dallas	38,939,500
San Francisco	124,923,000
<b>Totals</b>	<b>\$1,629,399,500</b>

RECAPITULATION OF HOLDINGS BY MATURITIES

Mar. 29, 1933-Treas. Bills	\$ 25,500,000
Apr. 12, 1933- " "	51,000,000
" 19, 1933- " "	29,000,000
" 26, 1933- " "	51,100,000
May 10, 1933- " "	16,100,000
" 17, 1933- " "	36,300,000
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June 15, 1935- 3 % "	90,477,000
Aug. 1, 1936- 3 1/4% "	12,050,000
Dec. 15, 1936- 2 5/4% "	27,580,000
Apr. 15, 1937- 5 % "	24,150,000
Sept. 15, 1937- 5 1/4% "	52,750,000
Feb. 1, 1938- 2 5/8% "	16,440,500
June 15, 1932/47-3 1/2% 1st L/L	25,025,000
" 15, 1932/47-4 1/4% 1st "	29,000,000
Oct. 15, 1933/38-4 1/4% 4th "	281,591,000
<b>Totals</b>	<b>\$1,629,399,500</b>

ITEMIZED STATEMENT OF TRANSACTIONS IN GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES AFFECTING THE INVESTMENT ACCOUNT OF ALL FEDERAL RESERVE BANKS FROM MARCH 16 TO MARCH 22, 1933, INCLUSIVE

GOVERNMENT SECURITIES - SYSTEM INVESTMENT ACCOUNT

	<u>Purchases</u>	<u>Sales</u>	<u>Adjustments in Participations</u>
Boston	\$ 1,832,000	\$ 1,832,000	\$ -
New York	8,220,500	8,220,500	50,000,000+
Philadelphia	2,215,000	2,215,000	-
Cleveland	3,551,500	3,551,500	25,000,000-
Richmond	861,500	861,500	-
Atlanta	870,500	870,500	-
Chicago	5,648,000	5,648,000	25,000,000-
St. Louis	1,169,000	1,169,000	-
Minneapolis	845,000	845,000	-
Kansas City	1,006,500	1,006,500	-
Dallas	696,500	696,500	-
San Francisco	2,234,000	2,234,000	-
<b>Totals</b>	<b>\$29,150,000</b>	<b>\$29,150,000</b>	<b>\$50,000,000 Adj.</b>

HOLDINGS OF GOVERNMENT SECURITIES - SALES CONTRACTS

		Net Change From Previous Week
New York	\$ -	\$ 9,825,000-
Philadelphia	1,000,000	1,000,000+
Kansas City	800,000	4,000,000-
Totals	\$1,800,000	\$12,825,000-

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	Purchases	Issue	Sales	Issue
Boston	\$10,000,000 (b) Spec. 1-day C/I		\$10,000,000 (a) Misc. Gov't Sec.	
			19,000,000 (b) Spec. 1-day C/I	
New York	33,500,000 (c) Misc. Gov't Sec.		3,500,000 (d) June 7/33 Tr. Bills	
Atlanta	15,000,000 Spec. Treas. 1/2% C/I due 4/6/33		25,000,000 Spec. Treas. 1/2% C/I due 4/6/33	
	160,950 Misc. Gov't Sec.		146,850 Misc. Gov't Sec.	
Chicago	-	-	22,500,000 (e) Misc. Gov't Sec.	
Minneapolis	1,545,400 Misc. Gov't Sec.		1,880,700 " " "	
Totals	\$60,206,350		\$82,027,550	

- (a) Represents resale to Investment Account F. R. B. New York of issues purchased temporarily on February 28.
- (b) Reflects repurchase from member bank of \$10,000,000 participation and redemption of this amount and unsold balance held on March 15.
- (c) Includes repurchase of \$10,000,000 and \$20,000,000 from F. R. Banks of Boston and Chicago respectively, sold temporarily on February 28, owing to low reserve ratio of F. R. B. New York.
- (d) Sold to System Investment Account.
- (e) Includes \$20,000,000 resale to Investment Account F. R. B. N. Y. of issues purchased temporarily on February 28.

BANKERS ACCEPTANCES

(000 Omitted)

	Holdings Mar. 15	Purchased Own Mkt.	By Allot- ment from New York	Maturities and Sales		Holdings Mar. 22	Other Holdings Close March 22/33	
				Held in N.Y.	Held Else- where		Sales Con- tracts	Other Bills
Boston	\$ 62,366	\$ 0	\$ 85	\$ 0	\$ 6,641	\$ 55,810	\$ 0	\$ 1,830
New York	50,010	363 R. 736 A.	0	4,314	0	46,059	8,970	8,244
Phila.	10,876	0	82	2,862	70	8,026	0	2,631
Cleve.	6,600	0	0	0	2,001	4,599	0	2,475
Richmond	19,567	0	75	2,267	123	17,250	0	975
Atlanta	17,090	0	62	1,165	320	15,667	0	875
Chicago	89,852	0	135	4,413	2,213	83,361	0	3,258
St. Louis	16,692	0	49	1,921	0	14,820	0	812
Minn.	14,222	0	40	1,851	0	12,411	0	549
Kan. City	8,154	0	59	263	0	7,950	0	725
Dallas	2,724	0	42	0	0	2,766	0	725
San Fran.	52,532	0	109	3,700	27	48,914	0	1,750
Totals	\$350,685	\$1,099	\$736	\$22,756	\$11,395	\$317,633	\$8,970	\$24,849

Bills held over night by New York for distribution to other F. R. Banks - - - 857  
 Total - - - - - \$25,706

NOTE: R. indicates Retained and A. indicates Allotted in above statement.

MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDED MARCH 22, 1953  
 (OOO Omitted)

	<u>1-30 days</u> 3 1/2%	<u>31-60 days</u> 3 1/2%	<u>61-90 days</u> 2 - 3 1/2%	<u>Over 90-days</u> 3 3/4%	<u>Total</u>
New York	\$10	\$43	\$1,015	\$31	\$1,099

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES WEEK ENDED MARCH 22, 1953  
 (OOO Omitted)

(Excluding Sales Contracts and Special 1-day C/I)

	<u>Government Securities</u>	<u>Bankers Acceptances</u>	<u>Totals</u>
Purchased	\$79,356	\$ 1,099	\$80,455
Sold	92,178	0	92,178
Matured	0	<u>34,151</u>	<u>34,151</u>
		<u>\$33,052-</u>	<u>\$45,874-</u>
		121+ (Net Change 1-day holdover & other bills)	121+ (Net Change 1-day holdover & other bills)
Totals	<u>\$12,822-</u>	<u>\$32,931-</u>	<u>\$45,753-</u>

MATURITY DISTRIBUTION OF HOLDINGS OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES WEEK ENDED MARCH 22, 1953  
 (OOO Omitted)

(Including Sales Contracts)

	<u>Within 15-days</u>	<u>16-30 days</u>	<u>31-60 days</u>	<u>61-90 days</u>	<u>91 days- 6 months</u>	<u>Over 6 months</u>	<u>Totals</u>
Gov't Securities	\$ 50,120	\$ 60,000	\$170,227	\$248,140	\$292,872	\$1,043,028	\$1,864,387
Bills Purchased	<u>75,421</u>	<u>68,151</u>	<u>136,775</u>	<u>71,456</u>	<u>506</u>	<u>0</u>	<u>352,309</u>
Totals	<u>\$125,541</u>	<u>\$128,151</u>	<u>\$307,002</u>	<u>\$319,596</u>	<u>\$293,378</u>	<u>\$1,043,028</u>	<u>\$2,216,696</u>

*Mr. Thompson*  
*Mr. Riefler*  
*Mr. [unclear]*

RECORDED  
MAR 20 1933  
DIVISION OF RESEARCH  
AND STATISTICS.

FEDERAL RESERVE BANK  
OF NEW YORK

CONFIDENTIAL

March 18, 1933.

Dr. E. A. Goldenweiser, Director,  
Division of Research and Statistics,  
Federal Reserve Board,  
Washington, D. C.

Dear Dr. Goldenweiser:

Enclosed is a report of open market operation for  
the period from March 9, 1933 to March 15, 1933 inclusive,  
together with data received from Federal Reserve Banks.

Very truly yours,



W. B. Matteson  
Assistant Deputy Governor

Encl.

*Handwritten mark: a checkmark and some illegible scribbles.*

*Handwritten mark: a checkmark and some illegible scribbles.*

FEDERAL RESERVE BANK  
OF NEW YORK



CONFIDENTIAL

March 18, 1933.

Mr. E. L. Smead, Chief,  
Division of Bank Operations,  
Federal Reserve Board,  
Washington, D. C.

Dear Mr. Smead:

Enclosed is a report of open market operations for  
the period from March 9, 1933 to March 15, 1933 inclusive,  
together with data received from Federal Reserve Banks.

Very truly yours,

*Handwritten signature: W. B. Matteson*

W. B. Matteson  
Assistant Deputy Governor

Encl.

FEDERAL RESERVE BANK  
OF NEW YORK

For CIRCULATION

Gov. Meyer \_\_\_\_\_  
Mr. Harlan ✓ \_\_\_\_\_  
Mr. James ✓ \_\_\_\_\_  
Mr. Miller ✓ \_\_\_\_\_

Mr. \_\_\_\_\_  
Mr. \_\_\_\_\_  
Please note - initial and  
return to ~~Secretary's Office~~

CONFIDENTIAL

March 18, 1933.

Dear Governor Meyer:

Enclosed is a report of open market operations for the period from March 9, 1933 to March 15, 1933 inclusive, together with data received from Federal Reserve Banks.

Very truly yours,



W. B. Matteson  
Assistant Deputy Governor

Honorable Eugene Meyer, Governor,  
Federal Reserve Board,  
Washington, D. C.

Encl.

RECEIVED  
MAR 20 1933  
OFFICE OF THE GOVERNOR  
FEDERAL RESERVE BOARD

**CONFIDENTIAL**

**REPORT OF OPEN MARKET OPERATIONS FOR WEEK ENDED MARCH 15, 1933**

**Holdings of Earning Assets of Federal Reserve Banks from March 16, 1932 to Date**  
(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS DISCOUNTED
		Outright Purchases	Sales Contracts	Outright Purchases	Sales Contracts	
-1932-						
Mar. 16	\$1,615,622 (a)	\$ 842,162 (a)	\$ 0	\$ 97,142	\$ 8,572	\$ 660,792
" 30	1,578,146	860,056	11,562	62,281	4,081	633,255
Apr. 27	1,773,745	1,191,232	0	45,874	0	531,824
May 25	2,040,056	1,524,896	300	38,373	0	471,267
June 29	2,340,262 (b)	1,795,219 (b)	5,752	47,787	15,732	469,828
July 27	2,412,232	1,841,191	0	38,210	1,490	525,390
Aug. 31	2,324,484	1,851,315	400	34,098	0	432,756
Sept. 28	2,231,806	1,851,025	2,658	33,205	401	339,647
Oct. 26	2,212,391	1,850,949	0	33,965	0	322,322
Nov. 30	2,200,030	1,850,766	0	34,800	0	308,973
Dec. 28	2,157,075	1,850,737	0	33,507	0	267,382
-1933-						
Jan. 25	2,064,031	1,763,311	0	31,496	0	264,698
Feb. 22	2,345,660	1,834,233	0	174,410	5,182	327,158
Mar. 8	3,717,850	1,875,340	5,454	406,762	10,527	1,413,936
" 15	3,540,310 (c)	1,884,409 (c)	14,625	376,270	27,046	1,232,316

- (a) Includes \$32,000,000 unsold balance of \$52,000,000 Treasury special 1-day certificate of indebtedness issued to Federal Reserve Bank of New York.
- (b) Includes \$24,000,000 Treasury special 1-day certificate of indebtedness issued to Federal Reserve Bank of Chicago.
- (c) Includes \$9,000,000 unsold balance of \$19,000,000 Treasury special 1-day certificate of indebtedness issued to Federal Reserve Bank of Boston.

**CHANGES IN EARNING ASSET HOLDINGS (EXCLUSIVE OF SALES CONTRACTS)**  
DURING WEEK ENDED MARCH 15, 1933

	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS DISCOUNTED	
	Balance Mar. 15	Net Change	Balance Mar. 15	Net Change	Balance Mar. 15	Net Change
Boston	\$ 122,112*	\$ 6,000-	\$ 62,366	\$ 1,149+	\$ 34,070	\$ 15,393+
New York	545,411	30,000+	50,010	11,170-	614,222	158,540-
Philadelphia	127,141	0	10,876	764-	156,354	13,426+
Cleveland	201,540	15,000-	6,600	1,509-	114,087	5,064-
Richmond	48,149	0	19,567	1,503-	47,012	8,618-
Atlanta	73,630	122-	17,090	1,411-	52,061	11,396+
Chicago	415,217	23-	89,852	5,258-	62,220	51,297-
St. Louis	65,832	0	16,692	2,017-	12,982	2,321-
Minneapolis	55,094	214+	14,222	2,909-	14,181	654-
Kansas City	56,420	0	8,154	148-	30,852	31-
Dallas	48,940	0	2,724	205+	7,253	1,227+
San Francisco	124,923	0	52,532	5,391-	87,022	3,463+
N. Y. holdovers and other bills			25,585	234+		
Totals	<u>\$1,884,409*</u>	<u>\$ 9,069+</u>	<u>\$376,270</u>	<u>\$30,492-</u>	<u>\$1,232,316</u>	<u>\$181,620-</u>

\*Includes \$9,000,000 unsold balance of Treasury special 1-day certificate of indebtedness.

**COMMENT ON CHANGES WEEK ENDED MARCH 15, 1933**

Exclusive of \$9,000,000 unsold balance of Treasury special 1-day certificate of indebtedness, total earning assets of the System showed a decrease of \$186,540,000 during the current statement week. The changes by classification consisted of decreases of \$30,492,000 in outright holdings of bankers acceptances and \$181,620,000 in bills discounted, and the following increases: outright holdings of government securities \$69,000, government securities held under sales contract \$9,171,000 and bankers acceptances held under sales contract \$16,519,000.

Money  
Market

During the week ended March 15, there was a net reduction in the amount of currency and coin outstanding which totaled \$269,000,000. Other transactions which placed funds at the disposal of the national money market were a small increase in the monetary gold stock, new issues of national bank notes, a reduction in foreign bank deposits at the Reserve Banks, and Treasury disbursements over the tax date which represented a temporary excess of redemptions and interest payments over tax collections and cash sales of the new issues. However, the net Treasury payment on the 15th was comparatively small, there being an overdraft as a result of tax period operations of only \$19,000,000, which was entirely concentrated at the Boston Reserve Bank and completely eliminated on the 16th. Another factor which tended to increase member bank reserves considerably was a reduction during the week in the extent to which Federal Reserve float was adverse to member banks.

Accompanying these gains of funds, the amount of discounts at the Federal Reserve Banks dropped \$182,000,000 during the week, in addition to which purchased bill holdings declined somewhat. The balance of the funds gained by the market during the week were used to increase member bank reserve balances, which rose \$191,000,000.

In New York, a large return of currency and coin to the Reserve Bank during the week ended March 15, a reversal in the movement of funds between New York and other parts of the country, and foreign account disbursements placed a large volume of funds at the disposal of the New York City banks. Only a small part of these funds were absorbed by Treasury transactions for the period and despite the repayment of \$150,000,000 of indebtedness at the Reserve Bank the reserve balances of the New York City banks showed a net increase of \$53,000,000 for the week.

On the reopening of the money desk on the New York Stock Exchange, on March 14, the call loan renewal rate was set at 5 per cent but, following the granting of concessions on call loans in the outside market, the rate for new loans on the Exchange was reduced to 4 per cent in the afternoon of March 16, and 3% on March 17. Other divisions of the money market showed similar tendencies. Nominal quotations for time money, after going as high as 5 per cent, receded to 4 per cent on the 16th; bill rates declined 1/4 per cent on March 16, thereby canceling the 1/4 per cent increase effected on March 15, and dropped 1/4 per cent further on the 17th. Federal funds likewise showed signs of easing somewhat from the 3 1/2 per cent level which has been in effect for some days. Yields on short term Government securities have declined markedly in the last few days, as is indicated by the fact that the 4 per cent Treasury certificate issue dated March 15 is now quoted on a 2.15 per cent yield basis and the 4 1/4 per cent certificate issue of March 15 is quoted at about 2.53 per cent. Commercial paper in the open market appears to have become established at a level of 4 to 4 1/2 per cent. All of these rates, however, are considerably higher than those prevailing just prior to the banking holiday.

Government  
Security  
Market

On Wednesday, March 15, the day on which trading in United States Government securities was fully resumed, the market was very strong and active, reflecting a complete reversal of conditions which existed on March 3, the last day of trading prior to the bank holiday. The new issues of 4 per cent Treasury certificates, dated March 15, sold slightly below a one point premium and the 4 1/4 per cent sold fractionally above a one point premium, and prices for Treasury notes and Treasury bonds advanced from 12/32nds to 3.24/32nds. The average yield on the short term issues at dealers' offering prices was about 1.90% as compared with 1.75% at the close of business March 3, and the average closing price for the Liberty Loan bonds was 101.45 and for Treasury bonds 100.95 as compared with the average closing prices on March 3 of 100.36 and 98.20 respectively. The average gain in prices for all the Liberty Loan and Treasury bonds offset approximately one-half of the average loss sustained between February 2 and March 3, 1933.



Dealers' Offering Prices at the Close of the Current Statement Week  
and Net Changes from the Close of Business March 3, (the last day  
on which business was transacted in the Government Security Market  
During the Previous Statement Week)

	Issue	Price	Net Change	Approx. Yield
2	% Cert. of Ind. due May 2, 1933	100 4/32	- 4/32	1.00%
1	1/2% " " " " June 15, 1933	100	- 4/32	1.47%
4	% " " " " Aug. 15, 1933(new issue)	100 22/32	- - - -	2.31%
1	1/4% " " " " Sept. 15, 1933	99 28/32	- - - -	1.50%
	3/4% " " " " Dec. 15, 1933	99 8/32	- - - -	1.76%
4	1/4% " " " " Dec. 15, 1933(new issue)	101 6/32	- - - -	2.63%
3	% Treasury Notes " May 2, 1934	100 16/32	+ 12/32	2.53%
2	1/8% " " " " Aug. 1, 1934	99 16/32	+ 24/32	2.47%
3	% " " " " June 15, 1935	100 16/32	+1.16/32	2.75%
3	1/4% " " " " Aug. 1, 1936	100 24/32	+2.	3.01%
2	3/4% " " " " Dec. 15, 1936	99 24/32	+2. 8/32	2.80%
3	% " " " " Apr. 15, 1937	100	+2.16/32	2.99%
3	1/4% " " " " Sept. 15, 1937	100 24/32	+2.12/32	3.06%
2	5/8% " " " " Feb. 1, 1938	99	+3.24/32	2.84%

Treasury Bills - all maturities 3% discount bid, 1% asked for maturities up to May 24, 1933; 1 1/2% for May 31, 1933 and 2% for June 7, 1933.

Closing Sale Prices on the New York Stock Exchange at the  
Close of the Current Statement Week and Net Changes from  
Close of Business March 3.

Issue	Price	Net Change	Issue	Price	Net Change
First 3 1/2s	101 8/32	+1. 2/32	Treasury 4 1/4s 1947-52	106 16/32	+2.24/32
First 4 1/4s	101 5/32	+ 27/32	" 4s 1944-54	103 12/32	+3.10/32
Fourth 4 1/4s	101 30/32	+1.12/32	" 3 3/4s 1946-56	101 16/32	+2.26/32
			" 3 3/8s 1943-47	99 30/32	+2.24/32
			" 3 3/8s 1940-43	100 13/32	+2.13/32
			" 3 3/8s 1941-43	100 9/32	+2.31/32
			" 3 1/8s 1946-49	98 10/32	+2.10/32
			" 3s 1951-55	97 10/32	+2.24/32

Bankers Acceptances

Dealers' offerings of unendorsed bankers acceptances were at the following rates at the close of the current statement week: 3 5/8 per cent for 30s, 60s and 90s, 3 7/8 per cent for 120s and 4 1/8 per cent for 180-day bills. This represents an increase of 1/4 per cent on all maturities from offering rates at the close of business March 3, the last day on which trading in the bill market was transacted.

Reports week ended March 15

Boston reported that the supply and demand for bills during the three business days of this reporting period was about equal. Most of the supply came from acceptors, while the demand was from local banks. In New York, trading in the bill market was resumed on Monday, March 13, with dealers bidding 3 3/4 per cent for bills maturing up to 90 days, 3 5/8 asked, 4 months 4 per cent bid, 3 7/8 asked, 5 and 6 months 4 1/4 bid, 4 1/8 asked. Indorsed bills 1/8 less. Coincident with the advance in dealers' rates, the Reserve Bank increased its currently effective minimum buying rates to 3 1/2 per cent for maturities up to 90 days, 4 months 3 5/8, 5 and 6 months 4 per cent. There was very little demand on Monday and Tuesday, but on Wednesday there was a much better inquiry for bills and some of the dealers felt that bill rates were too high and would

be reduced. Banks were not such heavy sellers of bills as was reflected in the fact that the Reserve Bank presented for payment during the past three days approximately \$42,000,000, while during the same time dealers' aggregate portfolios only increased by approximately \$19,000,000 and the Reserve Banks' purchases only amounted to \$6,000,000. Philadelphia reported that the acceptance market in its district was fairly active. Offerings were moderate with the demand good. There was some uncertainty as to rates at the beginning of the period with easier tendency at the close.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

The only transaction consummated under Treasury authorization during the current statement week consisted of a sale of \$350,000 - Fourth 4 1/4% Liberty Loan Bonds for account Alien Property Custodian.

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

There were no purchases of government securities made for System Account during the current statement week. The transactions consummated in the System Account during the week consisted of

<u>(1) Sales in the market</u>	<u>Replacement purchases in the market</u>
<p>\$17,450,000* - 3 3/4% C/I due March 15, 1933</p> <p>*Balance of block of \$19,950,000 acquired temporarily, as mentioned in report week ended March 1, 1933</p>	<p>\$1,650,000-Treas. Bills due June 7, 1933 at 2.75% disc.</p> <p>6,800,000-4 % C/I due Aug. 15, 1933 at 100 23/32</p> <p>9,000,000-4 1/4% C/I due Dec. 15, 1933 at 101 4/32</p> <hr style="width: 50%; margin: 0 auto;"/> <p>\$17,450,000</p>
<p>\$20,000,000-3 3/4% C/I due Mar. 15, 1933 at 100</p> <p>4,200,000-2 % " due May 2, 1933 at 99 30/32</p> <p>1,300,000-1 1/2% " due June 15, 1933 at 2 1/2% basis</p> <hr style="width: 50%; margin: 0 auto;"/> <p>\$42,950,000</p>	<p>2,500,000-Tr. Bills due June 7, 1933 @ 3% disc.</p> <p>5,500,000- " " " " 7, 1933 " 3 1/2 "</p> <p>12,000,000-4 % C/I " Aug. 15, 1933 " 100</p> <p>5,500,000-4 1/4% " " Dec. 15, 1933 " 100</p> <hr style="width: 50%; margin: 0 auto;"/> <p>\$42,950,000</p>

(2) Exchange by subscription to new Treasury issues dated March 15, 1933 pursuant to Treasury offering dated March 12, 1933

<p>By F.R.Bk. of New York \$60,170,000-3 3/4% C/I due Mar. 15, 1933 )</p>	<p>\$55,170,000-4 1/4% C/I due Dec. 15, 1933</p>
<p>" " " " Phila. 3,205,000-3 3/4% C/I due Mar. 15, 1933</p>	<p>5,000,000-4% C/I due Aug. 15, '33</p> <p>3,205,000-4% " " " 15, '33</p>
<p>" " " " Chicago 17,650,000-3 3/4% C/I due Mar. 15, 1933</p>	<p>17,650,000-4% " " " 15, '33</p>
<p>\$81,025,000</p>	<p>\$81,025,000</p>

These transactions did not affect the amount of total holdings in the Account which remained at \$1,629,399,500. The participations by Federal Reserve Banks and the classification of issues held in the Account at the close of business Wednesday, March 15, 1933, were as follows:

PARTICIPATIONS BY FEDERAL RESERVE BANKS		RECAPITULATION OF HOLDINGS BY MATURITIES	
Boston	\$ 102,405,000	Mar. 29, 1933-Treas. Bills	\$ 24,350,000
New York	455,510,000	Apr. 12, 1933-- " "	29,500,000
Philadelphia	125,768,500	" 19, 1933-- " "	29,000,000
Cleveland	201,540,000	" 26, 1933-- " "	31,100,000
Richmond	48,149,000	May 10, 1933-- " "	16,100,000
Atlanta	48,625,000	" 17, 1933-- " "	36,300,000
Chicago	318,715,500	" 24, 1933-- " "	41,000,000
St. Louis	65,351,500	" 31, 1933-- " "	17,500,000
Minneapolis	47,224,000	June 7, 1933-- " "	9,650,000
Kansas City	56,248,500	May 2, 1933-- 2 % C/I	110,097,000
Dallas	38,939,500	June 15, 1933-- 1 1/2% "	118,425,000
San Francisco	124,923,000	Aug. 15, 1933-- 4 % "	44,655,000
		Sept. 15, 1933-- 1 1/4% "	200,533,000
		Dec. 15, 1933-- 3/4% "	78,104,000
		" 15, 1933-- 4 1/4% "	69,670,000
		May 2, 1934-- 3 % T/N	97,025,000
		Aug. 1, 1934-- 2 1/8% "	137,527,000
		June 15, 1935-- 3 % "	90,477,000
		Aug. 1, 1936-- 3 1/4% "	12,050,000
		Dec. 15, 1936-- 2 3/4% "	27,380,000
		Apr. 15, 1937-- 3 % "	24,150,000
		Sept. 15, 1937-- 5 1/4% "	32,750,000
		Feb. 1, 1938-- 2 5/8% "	16,440,500
		June 15, 1932/47--3 1/2% 1st L/L	25,025,000
		" 15, 1932/47--4 1/4% 1st "	29,000,000
		Oct. 15, 1933/38--4 1/4% 4th "	281,591,000
<b>Totals</b>	<b>\$1,629,399,500</b>		<b>\$1,629,399,500</b>

ITEMIZED STATEMENT OF TRANSACTIONS IN GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES AFFECTING THE INVESTMENT ACCOUNT OF ALL FEDERAL RESERVE BANKS FROM MARCH 9 TO MARCH 15, 1933, INCLUSIVE

GOVERNMENT SECURITIES - SYSTEM INVESTMENT ACCOUNT

	Purchases	Sales
Boston	\$ 7,791,500	\$ 7,791,500
New York	34,506,000	34,506,000
Philadelphia	9,418,500	9,418,500
Cleveland	15,334,500	15,334,500
Richmond	3,663,500	3,663,500
Atlanta	3,699,500	3,699,500
Chicago	24,250,000	24,250,000
St. Louis	4,971,000	4,971,000
Minneapolis	3,593,000	3,593,000
Kansas City	4,279,500	4,279,500
Dallas	2,963,000	2,963,000
San Francisco	9,505,000	9,505,000
<b>Totals</b>	<b>\$123,975,000</b>	<b>\$123,975,000</b>

HOLDINGS OF GOVERNMENT SECURITIES - SALES CONTRACTS

		Net Change From Previous Week
New York	\$ 9,825,000	\$ 9,825,000+
Chicago	0	154,000--
Kansas City	4,800,000	500,000--
<b>Total</b>	<b>\$14,625,000</b>	<b>\$ 9,171,000+</b>

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	<u>Purchases &amp; allotments on exchange subscriptions</u>	<u>Issue</u>	<u>Exchanges and Sales</u>	<u>Issue</u>
Boston	\$19,000,000	Spec. 1-day C/I	\$15,000,000	(a) 4th L/L Bds.
			10,000,000	(b) Spec. 1-day C/I
	5,000,000	Aug. 15/33 C/I	5,000,000	(c) Mar. 15/33-3 3/4's
New York	30,000,000	(a) 4th L/L Bds.	755,500	(c) " 15/33-3 3/4's
	755,500	Aug. 15/33 C/I		
Cleveland	0	-	15,000,000	(a) 4th L/L Bds.
Atlanta	8,750	Misc. Gov't Sec.	130,700	Misc. Gov't Sec.
Chicago	17,800,000	Aug. 15/33 C/I	22,800,000	(d) Mar. 15/33-3 3/4's
	5,000,000	Dec. 15/33 4 1/4% C/I	23,000	Misc. Gov't Sec.
Minneapolis	651,550	Misc. Gov't Sec.	437,350	" " "
<b>Totals</b>	<b>\$78,215,800</b>		<b>\$69,146,550</b>	

- (a) Reflects repurchase by Inv. Acct. F.R.B., N.Y. of 4th 4 1/4% L/L Bonds sold temporarily to F.R. Banks of Boston and Cleveland on March 8, owing to low reserve position of New York bank.
- (b) Participation in Treasury overdraft sold to member bank in first district.
- (c) Entered for exchange in New York.
- (d) \$5,100,000 of this amount entered for exchange in New York and balance in Chicago.

BANKERS ACCEPTANCES  
(000 Omitted)

	<u>Holdings Mar. 8</u>	<u>Purchased Own Mkt.</u>	<u>By Allotment from New York</u>	<u>Maturities and Sales</u>		<u>Holdings Mar. 15</u>	<u>Other Holdings Close Mar. 15/33</u>	
				<u>Held in N.Y.</u>	<u>Held Elsewhere</u>		<u>Sales</u>	<u>Other Bills</u>
Boston	\$ 61,217	\$ 8,306 R	\$ 427	\$ 0	\$ 7,584	\$ 62,366	\$ 0	\$ 1,829
New York	61,180	2,220 " 3,537 A.	0	13,390	0	50,010	27,046	8,241
Phila.	11,640	211 R.	407	1,335	47	10,876	0	2,631
Cleve.	8,109	0	0	0	1,509	6,600	0	2,475
Rich.	21,070	0	265	1,762	6	19,567	0	975
Atlanta	18,501	0	296	1,603	104	17,090	0	875
Chicago	95,110	1,140	644	4,619	2,423	89,852	0	3,258
St. Louis	18,709	0	253	2,270	0	16,692	0	812
Minn.	17,131	0	212	3,121	0	14,222	0	549
Kan. City	8,302	0	304	452	0	8,154	0	725
Dallas	2,519	0	205	0	0	2,724	0	725
San Fran.	57,923	0	524	5,779	136	52,532	0	1,750
<b>Totals</b>	<b>\$381,411</b>	<b>\$15,414</b>	<b>\$3,537</b>	<b>\$34,331</b>	<b>\$11,809</b>	<b>\$350,685</b>	<b>\$27,046</b>	<b>\$24,845</b>

Bills held over night by New York for distribution to other F.R. Banks - - - 740  
Total - - - - - \$25,585

R. indicates Retained and A. indicates Allotted in above statement.

7

MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDED MARCH 15, 1933

	1-30 days <u>3 1/2%</u>	31-60 days <u>3 1/2%</u>	61-90 days <u>3 1/2%</u>	Over 90-days <u>-</u>	Totals
Boston	\$ 127	\$5,447	\$2,732	0	\$ 8,306
New York	314	2,613	2,830	0	5,757
Philadelphia	26	36	149	0	211
Chicago	<u>1,140*</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,140</u>
Totals	<u>\$1,607</u>	<u>\$8,096</u>	<u>\$5,711</u>	<u>0</u>	<u>\$15,414</u>

\*Purchased at 2%.

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES WEEK ENDED MARCH 15, 1933  
(000 Omitted)

(Excluding Sales Contracts and Spec. 1-day C/I)

	<u>Government Securities</u>	<u>Bankers Acceptances</u>	<u>Totals</u>
Purchased	\$73,611	\$15,414	\$89,025
Sold	73,542	0	73,542
*Matured	109,580	46,140	155,720
*By allotment	109,580	0	109,580
		<u>\$30,726-</u>	<u>\$ 30,659-</u>
		234+ (Net Change 1-day holdover & other bills)	234+ (Net Change 1-day holdover & other bills)
Totals	<u>\$ 69+</u>	<u>\$30,492-</u>	<u>\$ 30,423-</u>

\*3 3/4% C/I due 3/15/33 exchanged for 4% C/I due 8/15/33 and 4 1/4% C/I due 12/15/33 under Treasury offering dated March 13, 1933.

MATURITY DISTRIBUTION OF HOLDINGS OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES WEEK ENDED MARCH 15, 1933  
(000 Omitted)

(Including Sales Contracts and Spec. 1-day C/I)

	<u>Within 15-days</u>	<u>16-30 days</u>	<u>31-60 days</u>	<u>61-90 days</u>	<u>91 days- 6 months</u>	<u>Over 6 months</u>	<u>Totals</u>
Gov't Securities	\$ 52,750	\$ 58,050	\$193,337	\$133,715	\$391,298	\$1,069,884	\$1,899,034
Bills Purchased	<u>106,316</u>	<u>62,351</u>	<u>128,316</u>	<u>105,730</u>	<u>603</u>	<u>0</u>	<u>403,316</u>
Totals	<u>\$159,066</u>	<u>\$120,401</u>	<u>\$321,653</u>	<u>\$239,445</u>	<u>\$391,901</u>	<u>\$1,069,884</u>	<u>\$2,302,350</u>

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MAR 13 1933

FEDERAL RESERVE BANK  
OF NEW YORK

CONFIDENTIAL

March 11, 1933.

Mr. E. L. Smead, Chief,  
Division of Bank Operations,  
Federal Reserve Board,  
Washington, D. C.

Dear Mr. Smead:

Enclosed is a report of open market operations  
for the period from March 2, 1933 to March 8, 1933 inclu-  
sive, together with data received from Federal Reserve  
Banks.

Very truly yours,

W. B. Matteson  
Assistant Deputy Governor

Encl.

*Mrs. Thompson*  
*Mrs. Kieffer*  
*Mrs. Thompson*

RECEIVED  
MAR 13 1933  
DIVISION OF RESEARCH  
AND STATISTICS.

FEDERAL RESERVE BANK  
OF NEW YORK

CONFIDENTIAL

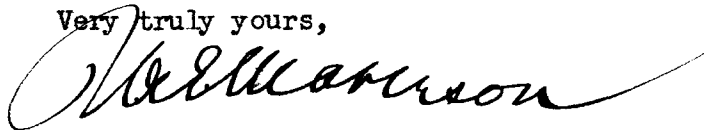
March 11, 1933.

Dr. E. A. Goldenweiser, Director,  
Division of Research and Statistics,  
Federal Reserve Board,  
Washington, D. C.

Dear Dr. Goldenweiser:

Enclosed is a report of open market operations  
for the period from March 2, 1933 to March 8, 1933 inclu-  
sive, together with data received from Federal Reserve  
Banks.

Very truly yours,



W. B. Matteson  
Assistant Deputy Governor

Encl.

FEDERAL RESERVE BANK  
OF NEW YORK

For CIRCULATION

Mr. Meyer  
 Mr. Boardman  
 Mr. Ladd  
 Mr. Nichols  
 Mr. Rosen  
 Mr. Tracy  
 Mr. Egan  
 Mr. Gurnea  
 Mr. Harbo  
 Mr. Hendon  
 Mr. Jones  
 Mr. Quinn  
 Mr. Nease  
 Mr. Tamm  
 Mr. Clegg  
 Mr. Glavin  
 Mr. Ladd  
 Mr. Nichols  
 Mr. Rosen  
 Mr. Tracy  
 Mr. Egan  
 Mr. Gurnea  
 Mr. Harbo  
 Mr. Hendon  
 Mr. Jones  
 Mr. Quinn  
 Mr. Nease  
 Mr. Tamm  
 Mr. Clegg  
 Mr. Glavin

Mr.  
Mr.  
Please note - Initial and  
copy to Secretary's office  
*File*

CONFIDENTIAL

March 11, 1933.

Dear Governor Meyer:

Enclosed is a report of open market operations for the period from March 2, 1933 to March 8, 1933 inclusive, together with data received from Federal Reserve Banks.

Very truly yours,  
*W. B. Matteson*

W. B. Matteson  
Assistant Deputy Governor

Honorable Eugene Meyer, Governor,  
Federal Reserve Board,  
Washington, D. C.

Encl.



CONFIDENTIAL

## REPORT OF OPEN MARKET OPERATIONS FOR WEEK ENDED MARCH 8, 1933

Holdings of Earning Assets of Federal Reserve Banks from March 9, 1932 to Date  
(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS
		Outright Purchases	Sales Contracts	Outright Purchases	Sales Contracts	DISCOUNTED
-1932-						
Mar. 9	\$1,680,183	\$ 785,123	\$ 0	\$117,855	\$19,729	\$747,979
" 30	1,578,146	860,056	11,562	62,281	4,081	633,255
Apr. 27	1,773,745	1,191,232	0	45,874	0	531,824
May 25	2,040,056	1,524,896	300	38,373	0	471,267
June 29	2,340,262*	1,795,219*	5,752	47,787	15,732	469,828
July 27	2,412,232	1,841,191	0	38,210	1,490	525,390
Aug. 31	2,324,484	1,851,315	400	34,098	0	432,756
Sept. 28	2,231,806	1,851,025	2,658	33,203	401	339,647
Oct. 26	2,212,391	1,850,949	0	33,965	0	322,322
Nov. 30	2,200,030	1,850,766	0	34,800	0	308,973
Dec. 28	2,157,075	1,850,737	0	33,307	0	267,382
-1933-						
Jan. 25	2,064,031	1,763,311	0	31,496	0	264,698
Feb. 22	2,345,660	1,834,233	0	174,410	5,182	327,138
Mar. 1	2,936,739	1,835,963	0	372,468	11,198	712,391
" 8	3,717,850	1,875,340	5,454	406,762	10,527	1,413,936

\*Includes \$24,000,000 special one-day Treasury certificate of indebtedness issued to Federal Reserve Bank of Chicago on June 29.

CHANGES IN EARNING ASSET HOLDINGS (EXCLUSIVE OF SALES CONTRACTS)  
DURING WEEK ENDED MARCH 8, 1933  
(000 Omitted)

	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS DISCOUNTED	
	Balance	Net	Balance	Net	Balance	Net
	March 8	Change	March 8	Change	March 8	Change
Boston	\$ 128,112	\$ 15,000+	\$ 61,217	\$16,511+	\$ 18,677	\$ 2,946+
New York	515,411	105,000-	61,180	7,640-	772,762	492,145+
Philadelphia	127,141	0	11,640	5,025-	142,928	15,932+
Cleveland	216,540	40,000+	8,109	3,020+	119,151	39,515+
Richmond	48,149	0	21,070	9,996+	55,630	13,922+
Atlanta	73,752	25,095+	18,501	79-	40,665	15,582+
Chicago	415,240	64,165+	95,110	3,414+	113,517	69,841+
St. Louis	65,832	0	18,709	1,670+	15,303	8,312+
Minneapolis	54,880	117+	17,131	1,671+	14,835	4,103+
Kansas City	56,420	0	8,302	456-	30,883	14,432+
Dallas	48,940	0	2,519	0	6,026	605+
San Francisco	124,923	0	57,923	4,858+	83,559	24,210+
N. Y. holdovers and other bills			25,351	3,646-		
Totals	\$1,875,340	\$39,377+	\$406,762	\$34,294+	\$1,413,936	\$701,545+

COMMENT ON CHANGES WEEK ENDED MARCH 8, 1933

Total earning assets of the System increased \$781,111,000 during the current statement week. The changes by classification consisted of a decrease of \$671,000 in bankers acceptances held under sales contract, and the following increases: outright holdings of government securities \$39,377,000, government securities held under sales contract \$5,454,000, outright holdings of bankers acceptances \$34,294,000, bills discounted \$701,545,000 and holdings of other assets \$1,112,000.

Money  
Market

In the period from the last statement date, March 1, through March 4, there was a further increase of \$765,000,000 in the amount of currency outstanding and an additional loss of \$102,000,000 to the monetary gold stock of the country. These and small losses through Treasury operations and an increase in miscellaneous deposits at the Reserve Banks were not entirely offset by an increase in the amount of Reserve Bank credit outstanding, so that the reserve balances of all member banks in the country declined \$132,000,000. At the same time there was a large drop in the reserve requirements of the member banks. Most of the Reserve Bank credit called into use during this period was through the medium of member bank discounts, although bill and security purchases furnished a comparatively small amount.

In succeeding days of the reporting week ended March 8, member bank balances dropped considerably further, reflecting chiefly the restricted currency payments by the Reserve Banks which amounted to \$53,000,000, some retirement of borrowings by New York City banks, and the establishment of a large adverse Reserve Bank float due to the suspension of clearing operations.

The New York City money market banks continued to be under a severe strain during the two days prior to the declaration of the banking holiday. Approximately \$250,000,000 of currency and coin was paid out by the Reserve Bank, \$100,000,000 of gold was lost through earmarking and export transactions, and nearly \$150,000,000 of funds were transferred from New York to other parts of the country. As a result of the huge withdrawals of funds from New York in recent weeks, the balances of out-of-town banks held by the principal New York City banks have been reduced to \$491,000,000, as compared with \$1,306,000,000 on February 2. The demands for funds during these days the New York money market met by discounting to the extent of \$475,000,000 and by selling about \$20,000,000 of bills to the Reserve Bank. There was a very large decrease in reserve requirements, which somewhat exceeded the drop in reserve balances of New York City banks during this period.

In the period of the banking holiday through March 8, additional currency requirements and a net withdrawal of Treasury funds from member banks occurred, in addition to which the New York City banks retired a sufficient amount of Federal Reserve indebtedness to bring their reserve balances down to about the required level.

Money rates in New York advanced considerably further in the period prior to the declaration of the banking holiday. The official Stock Exchange rate for call money advanced to 4 per cent on March 3, and after the close bidding was reported in the outside market at 5 and 6 per cent. Time money rose to 3 1/2 per cent bid, Federal funds to 3 1/2 - 3 3/4 per cent, and 90 day bills to 3 3/8 per cent offered. Yields on Government securities likewise advanced considerably, with the latest Treasury bill sale going at 4.26 per cent, compared with 0.99 per cent for the March 1 issue. A nominal quote of 3 per cent was reported for commercial paper.

Government  
Security  
Market

On March 2 and 3, the only days during the current statement week on which there was any trading in the market for United States Government securities, the market continued weak for all issues except the issues of Treasury certificates of indebtedness maturing up to September 15, 1933. Offerings continued in large volume and dealers reported it was difficult to dispose of any substantial amount of bonds at the prices quoted. In the two days that the market was open, prices for all issues maturing after September 15, 1933, declined from 12/32nds to 2.4/32nds. At the close of business March 3, the average yield on the short-term issues at dealers' offering prices (exclusive of the Treasury certificates maturing March 15, 1933, which showed no yield at current prices) was about 1.75% as compared with 1.60% on Wednesday, March 1, and the average selling price for the Liberty Loan bonds was 100.36 and for Treasury bonds 98.20 as compared with the average closing prices on March 1 of 100.86 and 99.56 respectively.

Dealers' Offering Prices at the Close of Business March 3,  
(the last day of the current statement week on which business was transacted  
in the Government security market) and Net Changes from the  
Close of the Previous Statement Week

Issue		Price	Net Change	Approx. Yield
3 3/4%	Cert. of Ind. due March 15, 1933	100 8/32	+ 2/32	- - -
2 %	" " " " May 2, 1933	100 8/32	+ 4/32	0.41%
1 1/2%	" " " " June 15, 1933	100 4/32	- - -	1.03%
1 1/4%	" " " " Sept. 15, 1933	99 28/32	- 4/32	1.49%
3/4%	" " " " Dec. 15, 1933	99 8/32	- 20/32	1.72%
3 %	Treasury Notes " May 2, 1934	100 4/32	- 12/32	2.88%
2 1/8%	" " " " Aug. 1, 1934	98 24/32	- 24/32	3.02%
3 %	" " " " June 15, 1935	99	- 20/32	3.42%
3 1/4%	" " " " Aug. 1, 1936	98 24/32	-1. 8/32	3.59%
2 3/4%	" " " " Dec. 15, 1936	97 16/32	-1.24/32	3.42%
3 %	" " " " Apr. 15, 1937	97 16/32	-1. 4/32	3.60%
3 1/4%	" " " " Sept. 15, 1937	98 12/32	-1. 4/32	3.60%
2 5/8%	" " " " Feb. 1, 1938	95 8/32	-2. 4/32	3.64%

Treasury Bills - all maturities - 3.50% discount bid, 0.15% asked for maturities up to April 26, 1933; 0.50% up to May 24, 1933, and 1% for May 31, 1933 bills

Closing Sale Prices on the New York Stock Exchange at the  
Close of Business March 3, 1933, (the last day of the cur-  
rent statement week the New York Stock Exchange was open)  
and Net Changes from Close of the Previous Statement Week

Issue	Price	Net Change	Issue	Price	Net Change
First 3 1/2s	100 6/32	-10/32	Treasury 4 1/4s 1947-52	103 24/32	-1. 8/32
First 4 1/4s	100 10/32	-22/32	" 4 s 1944-54	100 2/32	-1.22/32
Fourth 4 1/4s	100 18/32	-17/32	" 3 3/4s 1946-56	98 22/32	-1.14/32
			" 3 3/8s 1943-47	97 6/32	-1.26/32
			" 3 3/8s 1940-43	98	-1. 4/32
			" 3 3/8s 1941-43	97 10/32	-1.22/32
			" 3 1/8s 1946-49	96	-1.10/32
			" 3 s 1951-55	94 18/32	- 19/32

Bankers  
Acceptances

Dealers' offerings of unendorsed bankers acceptances were at the following rates at the close of business March 3, the last day on which business in the market was transacted: 3 3/8 per cent for 30s, 60s and 90s, 3 5/8 per cent for 120s and 3 7/8 per cent for 180-day bills. These rates represent an increase of 1 1/4 per cent for 30s, 60s and 90s, and 1 3/8 per cent for 120s and 180s over the previous week's offering rates.

Reports  
week  
ended  
March 8

Boston reported that during the first two days of the past week the supply and demand for bills was about equal. In New York trading in the bill market was very restricted the two days it was operating during the past week previous to the banking holiday with the Reserve Bank being practically the only buyer of bills. On March 3 following the advance in the Reserve Bank's discount rate to 3 1/2 per cent on March 2, dealers advanced their bill rates to 3 1/2 per cent bid for maturities up to 90 days, 3 3/8 per cent asked, 4 months 3 3/4 bid, 3 5/8 asked, 5 and 6 months 4 per cent bid, 3 7/8 asked. Indorsed bills 1/8 less. The Reserve Bank advanced their minimum effective buying rates on the same day to 3 1/4 per cent up to 90 days, 4 months 3 3/8, 5 and 6 months 3 3/4 per cent. Sales contracts 3 1/4, and trade bills 3 1/2.

4  
OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

Transactions consummated under Treasury authorization during the current statement week, prior to March 4, consisted of purchases in the market for account Postal Savings System as follows:

\$ 550,000	- 2 3/4%	Treasury Notes due Dec. 15, 1936
4,450,000	- 3 1/4%	" " " Sept. 15, 1937
<u>1,000,000</u>	- 2 5/8%	" " " Feb. 1, 1938
<u>\$6,000,000</u>		

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

There were no purchases of government securities made for System Account during the current statement week. The transactions consummated in the System Account during the week consisted of

- (1) Sale in the market on March 3 of                      Replacement purchase in the market
- |  |   |
|--|---|
| \$2,500,000*- 3 3/4% C/I due<br>March 15, 1933 | \$2,500,000 - Treasury Bills due May 31, 1933<br>at 1 1/4% discount |
|--|---|

\* Part of \$19,950,000 block acquired temporarily, as mentioned in last week's report.

(2) Owing to the low reserve position of the Federal Reserve Bank of New York, temporary sales were made from its participation in United States Government securities in the System Account to the participations of the Federal Reserve Banks of Chicago and Cleveland as follows:

March 2 - Federal Reserve Bank of Chicago	\$50,000,000
" 8 - " " " " Cleveland	25,000,000

These transactions did not affect the amount of total holdings in the Account which remained at \$1,629,399,500. The participations by Federal Reserve Banks and the classification of issues held in the Account at the close of business Wednesday, March 8, 1933, were as follows:

<u>PARTICIPATIONS BY FEDERAL RESERVE BANKS</u>	<u>RECAPITULATION OF HOLDINGS BY MATURITIES</u>																																																																																																																																																																																																									
<table style="width: 100%; border: none;"> <tr><td style="width: 20%;">Boston</td><td style="text-align: right;">\$ 102,405,000</td></tr> <tr><td>New York</td><td style="text-align: right;">453,510,000</td></tr> <tr><td>Philadelphia</td><td style="text-align: right;">123,788,500</td></tr> <tr><td>Cleveland</td><td style="text-align: right;">201,540,000</td></tr> <tr><td>Richmond</td><td style="text-align: right;">48,149,000</td></tr> <tr><td>Atlanta</td><td style="text-align: right;">48,625,000</td></tr> <tr><td>Chicago</td><td style="text-align: right;">318,715,500</td></tr> <tr><td>St. Louis</td><td style="text-align: right;">65,331,500</td></tr> <tr><td>Minneapolis</td><td style="text-align: right;">47,224,000</td></tr> <tr><td>Kansas City</td><td style="text-align: right;">56,248,500</td></tr> <tr><td>Dallas</td><td style="text-align: right;">38,959,500</td></tr> <tr><td>San Francisco</td><td style="text-align: right;">124,925,000</td></tr> <tr><td><b>Totals</b></td><td style="text-align: right;"><b><u>\$1,629,399,500</u></b></td></tr> </table>	Boston	\$ 102,405,000	New York	453,510,000	Philadelphia	123,788,500	Cleveland	201,540,000	Richmond	48,149,000	Atlanta	48,625,000	Chicago	318,715,500	St. Louis	65,331,500	Minneapolis	47,224,000	Kansas City	56,248,500	Dallas	38,959,500	San Francisco	124,925,000	<b>Totals</b>	<b><u>\$1,629,399,500</u></b>	<table style="width: 100%; border: none;"> <tr><td style="width: 10%;">Mar.</td><td style="width: 10%;">29,</td><td style="width: 10%;">1933-</td><td style="width: 10%;">Treas.</td><td style="width: 10%;">Bills</td><td style="width: 10%;">\$</td><td style="width: 10%;">24,350,000</td></tr> <tr><td>Apr.</td><td>12,</td><td>1933-</td><td>"</td><td>"</td><td></td><td>29,500,000</td></tr> <tr><td>"</td><td>19,</td><td>1933-</td><td>"</td><td>"</td><td></td><td>29,000,000</td></tr> <tr><td>"</td><td>26,</td><td>1933-</td><td>"</td><td>"</td><td></td><td>31,100,000</td></tr> <tr><td>May</td><td>10,</td><td>1933-</td><td>"</td><td>"</td><td></td><td>16,100,000</td></tr> <tr><td>"</td><td>17,</td><td>1933-</td><td>"</td><td>"</td><td></td><td>36,300,000</td></tr> <tr><td>"</td><td>24,</td><td>1933-</td><td>"</td><td>"</td><td></td><td>41,000,000</td></tr> <tr><td>"</td><td>31,</td><td>1933-</td><td>"</td><td>"</td><td></td><td>17,500,000</td></tr> <tr><td>Mar.</td><td>15,</td><td>1933-</td><td>3 3/4%</td><td>C/I</td><td></td><td>118,475,000</td></tr> <tr><td>May</td><td>2,</td><td>1933-</td><td>2 %</td><td>"</td><td></td><td>114,297,000</td></tr> <tr><td>June</td><td>15,</td><td>1933-</td><td>1 1/2%</td><td>"</td><td></td><td>119,725,000</td></tr> <tr><td>Sept.</td><td>15,</td><td>1933-</td><td>1 1/4%</td><td>"</td><td></td><td>200,533,000</td></tr> <tr><td>Dec.</td><td>15,</td><td>1933-</td><td>3/4%</td><td>"</td><td></td><td>78,104,000</td></tr> <tr><td>May</td><td>2,</td><td>1934-</td><td>3 %</td><td>T/N</td><td></td><td>97,025,000</td></tr> <tr><td>Aug.</td><td>1,</td><td>1934-</td><td>2 1/8%</td><td>"</td><td></td><td>137,527,000</td></tr> <tr><td>June</td><td>15,</td><td>1935-</td><td>3 %</td><td>"</td><td></td><td>90,477,000</td></tr> <tr><td>Aug.</td><td>1,</td><td>1936-</td><td>3 1/4%</td><td>"</td><td></td><td>12,050,000</td></tr> <tr><td>Dec.</td><td>15,</td><td>1936-</td><td>2 5/4%</td><td>"</td><td></td><td>27,380,000</td></tr> <tr><td>Apr.</td><td>15,</td><td>1937-</td><td>3 %</td><td>"</td><td></td><td>24,150,000</td></tr> <tr><td>Sept.</td><td>15,</td><td>1937-</td><td>3 1/4%</td><td>"</td><td></td><td>32,750,000</td></tr> <tr><td>Feb.</td><td>1,</td><td>1938-</td><td>2 5/8%</td><td>"</td><td></td><td>16,440,500</td></tr> <tr><td>June</td><td>15,</td><td>1932/47-</td><td>3 1/2%</td><td>1st L</td><td></td><td>25,025,000</td></tr> <tr><td>"</td><td>15,</td><td>1932/47-</td><td>4 1/4%</td><td>1st "</td><td></td><td>29,000,000</td></tr> <tr><td>Oct.</td><td>15,</td><td>1933/38-</td><td>4 1/4%</td><td>4th "</td><td></td><td>281,591,000</td></tr> <tr><td></td><td></td><td></td><td></td><td></td><td></td><td><b><u>\$1,629,399,500</u></b></td></tr> </table>	Mar.	29,	1933-	Treas.	Bills	\$	24,350,000	Apr.	12,	1933-	"	"		29,500,000	"	19,	1933-	"	"		29,000,000	"	26,	1933-	"	"		31,100,000	May	10,	1933-	"	"		16,100,000	"	17,	1933-	"	"		36,300,000	"	24,	1933-	"	"		41,000,000	"	31,	1933-	"	"		17,500,000	Mar.	15,	1933-	3 3/4%	C/I		118,475,000	May	2,	1933-	2 %	"		114,297,000	June	15,	1933-	1 1/2%	"		119,725,000	Sept.	15,	1933-	1 1/4%	"		200,533,000	Dec.	15,	1933-	3/4%	"		78,104,000	May	2,	1934-	3 %	T/N		97,025,000	Aug.	1,	1934-	2 1/8%	"		137,527,000	June	15,	1935-	3 %	"		90,477,000	Aug.	1,	1936-	3 1/4%	"		12,050,000	Dec.	15,	1936-	2 5/4%	"		27,380,000	Apr.	15,	1937-	3 %	"		24,150,000	Sept.	15,	1937-	3 1/4%	"		32,750,000	Feb.	1,	1938-	2 5/8%	"		16,440,500	June	15,	1932/47-	3 1/2%	1st L		25,025,000	"	15,	1932/47-	4 1/4%	1st "		29,000,000	Oct.	15,	1933/38-	4 1/4%	4th "		281,591,000							<b><u>\$1,629,399,500</u></b>
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Adjustments in Earning Asset Holdings of Federal Reserve Banks  
Owing to the Low Reserve Position of the Federal Reserve Bank of New York

In accordance with a resolution passed by the Federal Reserve Board requiring certain Federal Reserve Banks to rediscount, not later than March 8, 1933, for the Federal Reserve Bank of New York discounted paper of the Federal Reserve Bank of New York in stipulated amounts, providing that if any such banks purchased obligations of the United States Government and/or bankers acceptances and/or bills of exchange, from the Federal Reserve Bank of New York any such Federal Reserve Bank would be relieved of the requirement to rediscount for the Federal Reserve Bank of New York the latter bank's discounted paper to the extent of the amount of United States Government obligations and/or bankers acceptances and/or bills of exchange so purchased, the Federal Reserve Banks so requested rediscounted paper for the Federal Reserve Bank of New York and/or purchased from the Federal Reserve Bank of New York United States Government securities and/or bankers acceptances as indicated below:

Federal Reserve Bank of Boston	\$ 20,000,000	rediscounted
" " " " Cleveland	25,000,000	"
" " " " "	25,000,000	purchased participation
		U.S.Gov't securities*
" " " " Richmond	10,000,000	purchased bankers
		acceptances*
" " " " Chicago	150,000,000	rediscounted
" " " " St. Louis	<u>15,000,000</u>	"

Total - - - - - \$245,000,000

\*Also shown on pages 4 and 6.

ITEMIZED STATEMENT OF TRANSACTIONS IN GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES  
AFFECTING THE INVESTMENT ACCOUNT OF ALL FEDERAL RESERVE BANKS  
FROM MARCH 2 TO MARCH 8, 1933, INCLUSIVE

GOVERNMENT SECURITIES - SYSTEM INVESTMENT ACCOUNT

	<u>Purchases</u>	<u>Sales</u>	<u>Adjustments in</u> <u>Participations</u>
Boston	\$ 157,000	\$ 157,000	-
New York	734,000	734,000	\$75,000,000-
Philadelphia	190,000	190,000	-
Cleveland	271,000	271,000	25,000,000+
Richmond	74,000	74,000	-
Atlanta	74,500	74,500	-
Chicago	489,000	489,000	50,000,000+
St. Louis	100,000	100,000	-
Minneapolis	72,500	72,500	-
Kansas City	86,500	86,500	-
Dallas	60,000	60,000	-
San Francisco	<u>191,500</u>	<u>191,500</u>	<u>-</u>
Totals	<u>\$2,500,000</u>	<u>\$2,500,000</u>	<u>\$75,000,000 Adj.</u>

HOLDINGS OF GOVERNMENT SECURITIES - SALES CONTRACTS

		<u>Net Change from Previous Week</u>
Chicago	\$ 154,000	\$ 154,000+
Kansas City	5,300,000	<u>5,300,000+</u>
Total		<u>\$5,454,000+</u>

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>
Boston	\$15,000,000*	Fourth L/L Bds.	\$ 0	-
New York	0	-	30,000,000**	Fourth L/L Bds.
Cleveland	15,000,000*	Fourth L/L Bds.	0	-
Atlanta	***25,242,350	Misc. Gov't Sec.	146,500	Misc. Gov't Sec.
Chicago	14,165,000	" " "	0	-
Minneapolis	<u>446,500</u>	" " "	<u>329,850</u>	Misc. Gov't Sec.
Totals	<u>\$69,853,850</u>		<u>\$30,476,350</u>	

\* Purchased temporarily from Investment Account F. R. B. New York

\*\* Represents temporary sales to Federal Reserve Banks of Boston and Cleveland of \$15,000,000 each, owing to low reserve position of the New York bank.

\*\*\* Includes \$25,000,000 Treasury 30-day C/I maturing 4/6/33.

BANKERS ACCEPTANCES  
(000 Omitted)

	<u>Holdings Mar. 1</u>	<u>Purchased Own Mkt.</u>	<u>By Allot- ment from New York</u>	<u>Maturities and Sales</u>		<u>Holdings Mar. 8</u>	<u>Other Holdings Close Mar. 8/33</u>	
				<u>Held in N.Y.</u>	<u>Held Else- where</u>		<u>Con- tracts</u>	<u>Other Bills</u>
Boston	\$ 44,706	\$ 7,662*R.	\$ 8,849	\$ 0	\$ 0	\$ 61,217	\$ 0	\$ 1,866
New York	68,820	6,524 "	0	4,143	0	61,180	10,042	8,414
		19,996 A		10,021**				
Phila.	16,665	0	0	0	5,025***	11,640	0	2,683
Cleve.	5,089	0	3,020	0	0	8,109	0	2,525
Richmond	11,074	10,021**R.	0	25	0	21,070	0	994
Atlanta	18,580	14 "	0	83	10	18,501	0	893
Chicago	81,696	13,385 "	38	0	9	95,110	0	3,323
St. Louis	17,039	0	1,717	47	0	18,709	0	829
Minn.	15,460	0	1,803	132	0	17,131	0	561
Kan. City	8,758	0	0	456	0	8,302	0	739
Dallas	2,519	0	0	0	0	2,519	0	739
San Fran.	<u>53,065</u>	<u>342</u> "	<u>4,569</u>	<u>0</u>	<u>53</u>	<u>57,923</u>	<u>485</u>	<u>1,785</u>
Totals	<u>\$343,471</u>	<u>\$57,944</u>	<u>\$19,996</u>	<u>\$14,907</u>	<u>\$5,097</u>	<u>\$381,411</u>	<u>\$10,527</u>	<u>\$25,351</u>

\* Includes \$5,025 purchased from F. R. B. Philadelphia

\*\* Sold from portfolio F. R. B. New York to F. R. B. Richmond

\*\*\* Sold to F. R. B. Boston

NOTE: R. indicates Retained and A. indicates Allotted in above statement.

MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDED MARCH 8, 1933  
(000 Omitted)

	1-30 days <u>2 - 3 1/4%</u>	31-60 days <u>2 - 3 1/4%</u>	61-90 days <u>2 - 3 1/4%</u>	Over 90-days <u>2 1/8%</u>	Total
Boston	\$ 1,683	\$ 2,021	\$ 3,958	0	\$ 7,662
New York	7,055	4,373	14,997	95	26,520
Richmond	9,205*	816**	0	0	10,021
Atlanta	0	0	14	0	14
Chicago	2,536	5,506	5,343***	0	13,385
San Francisco	<u>30</u>	<u>145</u>	<u>136</u>	<u>31</u>	<u>342</u>
Totals	<u>\$20,509</u>	<u>\$12,861</u>	<u>\$24,448</u>	<u>\$126</u>	<u>\$57,944</u>

\*Purchased at 1/2 to 3 1/4%

\*\*Purchased at 1/2%

\*\*\*Purchased at 1 1/2 to 2 1/2%

NOTE: San Francisco's bills purchased at rates ranging from 1 to 3 1/2%

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES WEEK ENDED MARCH 8, 1933  
(000 Omitted)

(Excluding Sales Contracts)

	Government Securities	Bankers Acceptances	Totals
Purchased	\$72,353	\$57,944	\$130,297
Sold	32,976	15,046	48,022
Matured	0	4,958	4,958
		<u>\$37,940+</u>	<u>\$ 77,317+</u>
		3,646- (Net Change 1-day holdover and other bills)	3,646- (Net Change 1-day holdover and other bills)
Totals	<u>\$39,377+</u>	<u>\$34,294+</u>	<u>\$ 73,671+</u>

MATURITY DISTRIBUTION OF HOLDINGS OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES WEEK ENDED MARCH 8, 1933  
(000 Omitted)

(Including Sales Contracts)

	Within <u>15-days</u>	16-30 <u>days</u>	31-60 <u>days</u>	61-90 <u>days</u>	91 days- <u>6 months</u>	Over 6 <u>months</u>	Totals
Gov't Securities	\$152,188	\$58,750	\$204,397	\$144,665	\$130,525	\$1,190,269	\$1,880,794
Bills Purchased	<u>88,645</u>	<u>62,215</u>	<u>123,946</u>	<u>141,262</u>	<u>1,221</u>	<u>0</u>	<u>417,289</u>
Totals	<u>\$240,833</u>	<u>\$120,965</u>	<u>\$328,343</u>	<u>\$285,927</u>	<u>\$131,746</u>	<u>\$1,190,269</u>	<u>\$2,298,083</u>

*Mr. Thompson ✓*  
*Mr. [unclear] ✓*  
*Mr. Thompson*

FEDERAL RESERVE BANK  
OF NEW YORK

RECEIVED  
MAR 10 1933  
DIVISION OF RESEARCH  
AND STATISTICS.

CONFIDENTIAL

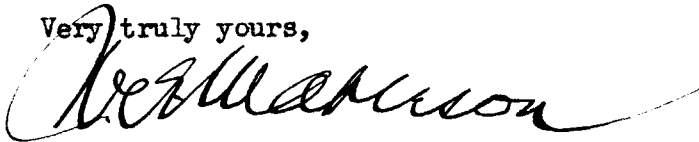
March 3, 1933.

Dr. E. L. Goldenweiser, Director,  
Division of Research and Statistics,  
Federal Reserve Board,  
Washington, D. C.

Dear Dr. Goldenweiser:

Enclosed is a report of open market operations  
for the period from February 23, 1933 to March 1, 1933 in-  
clusive, together with data received from Federal Reserve  
Banks.

Very truly yours,



W. B. Matteson  
Assistant Deputy Governor

Encl.



*jaw ✓* *H ✓*

FEDERAL RESERVE BANK  
OF NEW YORK

CONFIDENTIAL

March 3, 1933.

Mr. E. L. Smead, Chief,  
Division of Bank Operations,  
Federal Reserve Board,  
Washington, D. C.

Dear Mr. Smead:

Enclosed is a report of open market operations  
for the period from February 23, 1933 to March 1, 1933 in-  
clusive, together with data received from Federal Reserve  
Banks.

Very truly yours,



W. E. Matteson  
Assistant Deputy Governor

Encl.

*W. B. Matteson*  
*W. B. Matteson*

FEDERAL RESERVE BANK  
OF NEW YORK

For CIRCULATION  
~~Gov. Meyer .....~~  
~~Mr. Hamlin .....~~  
~~Mr. James .....~~  
~~Mr. Keefe .....~~  
~~Mr. Miller .....~~  
~~Mr. ....~~  
~~Mr. ....~~  
Please note - Initial and  
return to Secretary's Office

CONFIDENTIAL

March 3, 1933.

Dear Governor Meyer:

Enclosed is a report of open market operations  
for the period from February 23, 1933 to March 1, 1933  
inclusive, together with data received from Federal Re-  
serve Banks.

Very truly yours,

*W. B. Matteson*

W. B. Matteson  
Assistant Deputy Governor

Honorable Eugene Meyer, Governor,  
Federal Reserve Board,  
Washington, D. C.

Encl.

For CIRCULATION  
Gov. Meyer ✓  
Mr. Hamlin ✓  
Mr. James ✓  
Mr. Keefe ✓  
Mr. Miller ✓  
Mr. ....  
Mr. ....  
Please note - Initial and  
return to Secretary's Office

*Jub*

CONFIDENTIAL  
REPORT OF OPEN MARKET OPERATIONS FOR WEEK ENDED MARCH 1, 1933

Holdings of Earning Assets of Federal Reserve Banks from March 2, 1932 to Date  
(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS
		Outright Purchases	Sales Contracts	Outright Purchases	Sales Contracts	DISCOUNTED
-1932-						
Mar. 2	\$1,710,070	\$ 759,955	\$ 0	\$107,508	\$ 8,132	\$828,402
" 30	1,578,146	860,056	11,562	62,281	4,081	633,255
Apr. 27	1,773,745	1,191,232	0	45,874	0	531,824
May 25	2,040,056	1,524,896	300	38,373	0	471,267
June 29	2,340,262*	1,795,219*	5,752	47,787	15,732	469,828
July 27	2,412,232	1,841,191	0	38,210	1,490	525,390
Aug. 31	2,324,484	1,851,315	400	34,098	0	432,756
Sept. 28	2,231,806	1,851,025	2,658	33,203	401	339,647
Oct. 26	2,212,391	1,850,949	0	33,965	0	322,322
Nov. 30	2,200,030	1,850,766	0	34,800	0	308,973
Dec. 28	2,157,075	1,850,737	0	33,307	0	267,382
-1933-						
Jan. 25	2,064,031	1,763,311	0	31,496	0	264,698
Feb. 22	2,345,660	1,834,233	0	174,410	5,182	327,138
Mar. 1	2,936,739	1,835,963	0	372,468	11,198	712,391

\*Includes \$24,000,000 special one-day Treasury certificate of indebtedness issued to Federal Reserve Bank of Chicago on June 29.

CHANGES IN EARNING ASSET HOLDINGS (EXCLUSIVE OF SALES CONTRACTS)  
DURING WEEK ENDED MARCH 1, 1933  
(000 Omitted)

	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS DISCOUNTED	
	Balance	Net	Balance	Net	Balance	Net
	March 1	Change	March 1	Change	March 1	Change
Boston	\$ 113,112	\$ 20,000+	\$ 44,706	\$ 34,625+	\$ 15,731	\$ 3,308+
New York	620,411	105,000-	68,820	24,681+	280,617	216,921+
Philadelphia	127,141	9,998-	16,665	6,833+	126,996	71,414+
Cleveland	176,540	0	5,089	0	79,636	33,595+
Richmond	48,149	0	11,074	4,064+	41,708	23,256+
Atlanta	48,657	14-	18,580	10,578+	25,083	6,426+
Chicago	351,075	96,908+	81,696	60,175+	43,676	5,577+
St. Louis	65,832	0	17,039	11,399+	6,991	1,416+
Minneapolis	54,763	166-	15,460	10,768+	10,732	323+
Kansas City	56,420	0	8,758	1,527+	16,451	1,473+
Dallas	48,940	0	2,519	2,519+	5,421	1,255+
San Francisco	124,923	0	53,065	38,210+	59,349	20,289+
N. Y. holdovers and other bills			28,997	7,321-		
<b>Totals</b>	<b>\$1,835,963</b>	<b>\$ 1,730+</b>	<b>\$372,468</b>	<b>\$198,058+</b>	<b>\$712,391</b>	<b>\$385,253+</b>

COMMENT ON CHANGES WEEK ENDED MARCH 1, 1933

Total earning assets of the System increased \$591,079,000 during the current statement week. The principal changes by classification consisted of the following increases: outright holdings of government securities \$1,730,000, outright holdings of bankers acceptances \$198,058,000, bankers acceptances held under sales contracts \$6,016,000, and bills discounted \$385,253,000.

2

Money  
Market

During the week ended March 1, there was an increase of \$732,000,000 in the amount of money outstanding in the United States and the country's gold stock declined \$116,000,000. These large demands for reserve funds were provided for in the most part by the calling into use of an additional \$585,000,000 of Federal Reserve credit, including \$385,000,000 of member bank borrowings, and a \$204,000,000 increase in the Reserve Banks' purchased bill holdings. Other transactions which served to offset the currency and gold losses were decreases in Treasury and foreign bank deposits at the Reserve Bank, an increase of \$16,000,000 in issues of National bank notes, and a decrease of about \$55,000,000 in the reserve requirements of the member banks. Nevertheless, the estimated excess reserves of all member banks declined from \$399,000,000 to \$221,000,000 on March 1.

In New York City, reserve balances of the money market banks declined \$101,000,000 during the week ended March 1, while reserve requirements of these banks were reduced \$38,000,000. The net result of these changes was to convert the reserve position of the New York City banks from a surplus of \$60,000,000 on February 22 to a deficit of \$3,000,000 on March 1. The reduction in reserve balances of the New York City banks reflected large losses through an increase in currency and coin outstanding, an outflow of funds to other parts of the country, and gold earmarking, export, and foreign account operations. The aggregate of these losses of funds, which was nearly \$470,000,000, was not entirely offset by further sales of \$177,000,000 of bills to the Reserve Bank and by an increase of \$189,000,000 in member bank borrowings.

Money rates in the New York market firmed considerably further during the week just closed. The official Stock Exchange renewal rate rose to 2 1/2 per cent on March 2, following a rise to 2 per cent in the rate for new loans on March 1. On the 2nd, as high as 3 per cent was paid for call loans in the outside market. Time money was also quoted nominally at 3 per cent bid on Thursday, with no offerings of funds and no loans reported. The rate for Federal funds advanced to 2 1/2 per cent from the 1/4 - 1/2 per cent level a week ago.

Bill rates were advanced 1/2 of one per cent on February 27, and a further 1 per cent on March 1, bringing the offering level for 90 day unendorsed bills to 2 1/8 per cent. In the commercial paper market the rates were reported as meaningless, due to the fact that both the bank investment demand and the supply of paper were at very low levels. Yields on short term Government securities advanced considerably during the week, and the Treasury bill issue dated March 1 was sold at an average rate of 0.99 per cent compared with 0.55 per cent on the previous week's sale.

Government  
Security  
Market

The market for United States Government securities, which had been decidedly weak during the previous statement week, continued for the most part of the current reporting period to be active and very weak. Offerings continued in large volume with practically no demand and prices for the Treasury certificates maturing this year showed losses for the week ranging from 4/32nds to 17/32nds, while the longer term issues of Treasury notes and bonds showed much larger losses which ranged from 20/32nds to 3.5/32nds. At the close of the current reporting period the average yield on the short term issues at dealers' offering prices (exclusive of the Treasury certificates maturing March 15, 1933, which showed no yield at current prices) was about 1.60% as compared with 1% at the close of the previous week, and the average selling price for the Liberty Loan bonds was 100.86 and for Treasury bonds 99.56 as compared with the previous week's average closing prices of 101.41 and 101.01 respectively.

Dealers' Offering Prices at the Close of the Current Statement Week  
and Net Changes from the Close of the Previous Statement Week

	<u>Issue</u>	<u>Price</u>	<u>Net Change</u>	<u>Approx. Yield</u>
3 3/4%	Cert. of Ind. due March 15, 1933	100 6/32	- 4/32	- - - -
2 %	" " " " May 2, 1933	100 4/32	- 8/32	1.23%
1 1/2%	" " " " June 15, 1933	100 4/32	- 10/32	1.05%
1 1/4%	" " " " Sept. 15, 1933	100	- 15/32	1.25%
3/4%	" " " " Dec. 15, 1933	99 28/32	- 17/32	0.91%
3 %	Treasury Notes " May 2, 1934	100 16/32	-2. 8/32	2.54%
2 1/8%	" " " Aug. 1, 1934	99 16/32	-2. 8/32	2.47%
3 %	" " " June 15, 1935	99 20/32	-3. 5/32	3.16%
3 1/4%	" " " Aug. 1, 1936	100	-2.	3.24%
2 3/4%	" " " Dec. 15, 1936	99 8/32	-1. 8/32	3.24%
3 %	" " " Apr. 15, 1937	98 20/32	-1.28/32	3.37%
3 1/4%	" " " Sept. 15, 1937	99 16/32	-1.16/32	3.36%
2 5/8%	" " " Feb. 1, 1938	97 12/32	-2. 6/32	3.21%

Treasury Bills - all maturities - 1.50% discount bid, 0.15% asked for maturities up to April 26, 1933; 0.50% up to May 24, 1933, and 0.875% for May 31 bills

Closing Sale Prices on the New York Stock Exchange at the Close  
of the Current Statement Week and Net Changes from  
Close of the Previous Statement Week

<u>Issue</u>	<u>Price</u>	<u>Net Change</u>	<u>Issue</u>	<u>Price</u>	<u>Net Change</u>
First 3 1/2s	100 16/32	+ 1/32	Treasury 4 1/4s 1947-52	105	-2. 4/32
First 4 1/4s	101	- 20/32	" 4s 1944-54	101 24/32	-2.18/32
Fourth 4 1/4s	101 3/32	-1.1/32	" 3 3/4s 1946-56	100 4/32	-1.31/32
			" 3 3/8s 1943-47	99	-1.16/32
			" 3 3/8s 1940-43	99 4/32	- 31/32
			" 3 3/8s 1941-43	99	-1. 2/32
			" 3 1/8s 1946-49	97 10/32	- 21/32
			" 3s 1951-55	95 5/32	- 24/32

Bankers  
Acceptances

Dealers' offerings of unendorsed bankers acceptances were at the following rates at the close of the current statement week: 2 1/8 per cent for 30s, 60s and 90s, 2 1/4 per cent for 120s and 2 1/2 per cent for 180-day bills. These rates represent an increase of 1 1/2 percent for all maturities over the previous week's offering rates.

Reports  
Week  
ended  
March 1

Boston reported that with the unsettled conditions in the money market, dealers' rates on acceptances increased from a low of 3/8 to 2 1/4 bid for 90-day bills. While the supply showed a good increase for the period, the demand fell off sharply. The Reserve Bank purchased locally approximately \$4,370,000, the first offerings in several months. In New York the bill market was very unsteady throughout the week with the Reserve Bank being practically the only buyer of bills. There was a general firming of all short money rates and dealers' bill rates advanced during the week from 3/4 per cent bid for maturities up to 90 days, 5/8 asked, 4 months 7/8 bid, 3/4 asked; 5 and 6 months 1 1/8 bid, 1 per cent asked to 2 1/4 bid up to 90 days, 2 1/8 asked, 4 months 2 3/8 bid, 2 1/4 asked, at the close of the week. The Reserve Bank also advanced its currently effective minimum buying rates for bills on three occasions during the week and at the close of the week was taking bills with maturities up to 90 days at 2 per cent, 4 months 2 1/8, 5 and 6 months 2 1/2. Philadelphia reported that offerings of bills to dealers, while not heavy, were in fair amount. Offerings to the Reserve Bank showed an increase. Demand dried up.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

Transactions consummated under Treasury authorization during the current statement week consisted of

Sales of \$500,000 - Fourth 4 1/4% Liberty Loan Bonds  
5,700 - 2 1/8% Treasury Notes, due Aug. 1, 1934

from holdings account Alien Property Custodian.

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

There were no purchases of government securities made for System Account during the current statement week under authority granted at the meeting of the Open Market Policy Conference in January. The transactions consummated in the System Account during the week consisted of

(1) <u>Sale in the market</u>	and	<u>Replacement by purchases in the market</u>
of \$21,000,000 - U. S. Governments purchased temporarily as mentioned in last week's report		\$21,000,000 - Treasury Bills due May 24, 1933 at 0.50% disc.

(2) Redemption of February 23 and March 1, 1933 Treasury Bills and replacement by purchases in the market

<u>Redeemed</u>	<u>Purchased in the market</u>
\$39,950,000 - Treasury Bills due February 23, 1933	\$20,000,000 - Treas. Bills due May 24, 1933 at 0.50% discount
30,000,000 - Treasury Bills due March 1, 1933	19,950,000* - 3 3/4% C/I due Mar. 15, 1933 to yield 1/2%
	10,000,000 - Treas. Bills due May 31, 1933 at 1% discount
	5,000,000 - " " due May 31, 1933 at 0.78% discount
	10,000,000 - 2 1/8% T/N due Aug. 1, 1934 at 101
	2,500,000 - 2 1/8% " " Aug. 1, 1934 at 100 16/32
	2,500,000 - 3 % " due May 2, 1934 at 101 18/32
\$69,950,000	\$69,950,000

\*Purchased temporarily pending permanent replacement.

(3) Temporary sales of \$10,000,000 participation in United States Government securities held in System Account from the Federal Reserve Bank of Philadelphia's participation to the Federal Reserve Bank of Boston, and \$75,000,000 from the Federal Reserve Bank of New York's participation to the participation of the Federal Reserve Bank of Chicago. These adjustments were made due to the low reserve ratios of the Federal Reserve Banks of New York and Philadelphia.

These transactions did not affect the amount of total holdings in the Account which remained at \$1,629,399,500. The participations by Federal Reserve Banks and the classification of issues held in the Account at the close of business Wednesday, March 1, 1933, were as follows:

PARTICIPATIONS BY FEDERAL RESERVE BANKS

Boston	\$ 102,405,000
New York	528,510,000
Philadelphia	123,788,500
Cleveland	176,540,000
Richmond	48,149,000
Atlanta	48,625,000
Chicago	268,715,500
St. Louis	65,331,500
Minneapolis	47,224,000
Kansas City	56,248,500
Dallas	38,939,500
San Francisco	124,923,000

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Totals \$1,629,399,500

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RECAPITULATION OF HOLDINGS BY MATURITIES

Mar. 29, 1933-Treas. Bills	\$ 24,350,000
Apr. 12, 1933- " "	29,500,000
" 19, 1933- " "	29,000,000
" 26, 1933- " "	31,100,000
May 10, 1933- " "	16,100,000
" 17, 1933- " "	36,300,000
" 24, 1933- " "	41,000,000
" 31, 1933- " "	15,000,000
Mar. 15, 1933- 3 3/4% C/I	120,975,000
May 2, 1933- 2 % "	114,297,000
June 15, 1933- 1 1/2% "	119,725,000
Sept. 15, 1933- 1 1/4% "	200,533,000
Dec. 15, 1933- 3/4% "	78,104,000
May 2, 1934- 3 % T/N	97,025,000
Aug. 1, 1934- 2 1/8% "	137,527,000
June 15, 1935- 3 % "	90,477,000
Aug. 1, 1936- 3 1/4% "	12,050,000
Dec. 15, 1936- 2 5/4% "	27,380,000
Apr. 15, 1937- 3 % "	24,150,000
Sept. 15, 1937- 3 1/4% "	32,750,000
Feb. 1, 1938- 2 5/8% "	16,440,500
June 15, 1932/47-5 1/2% 1st L/L	25,025,000
" 15, 1932/47-4 1/4% 1st "	29,000,000
Oct. 15, 1933/38-4 1/4% 4th "	281,591,000

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\$1,629,399,500

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ITEMIZED STATEMENT OF TRANSACTIONS IN GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES  
AFFECTING THE INVESTMENT ACCOUNT OF ALL FEDERAL RESERVE BANKS  
FROM FEBRUARY 23 TO MARCH 1, 1933, INCLUSIVE

	<u>Purchases</u>	<u>Redemption and Sales</u>	<u>Adjustments in Participations</u>
Boston	\$ 5,158,000	\$ 5,158,000	\$10,000,000+
New York	33,686,500	33,686,500	75,000,000-
Philadelphia	7,468,000	7,468,000	10,000,000-
Cleveland	9,854,500	9,854,500	-
Richmond	2,687,500	2,687,500	-
Atlanta	2,714,000	2,714,000	-
Chicago	10,812,500	10,812,500	75,000,000+
St. Louis	3,647,000	3,647,000	-
Minneapolis	2,636,000	2,636,000	-
Kansas City	3,139,500	3,139,500	-
Dallas	2,173,500	2,173,500	-
San Francisco	6,973,000	6,973,000	-
Totals	\$90,950,000	\$90,950,000	\$85,000,000 Adj.

HOLDINGS OF GOVERNMENT SECURITIES - SALES CONTRACTS

Net Change from  
Previous Week

N O N E

-

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Redemption and Sales</u>	<u>Issue</u>
Boston	\$10,000,000*	Misc. Gov't Sec.	\$ 0	-
New York	40,500,000**	" " "	70,500,000***	Misc. Gov't Sec. Sold and Redeemed
Philadelphia	2,000	" " "	0	-
Atlanta	155,600	" " "	169,450	Misc. Gov't Sec.
Chicago	42,101,000****	" " "	20,193,000	Misc. Gov't Sec. Sold and Redeemed
Minneapolis	796,100	" " "	962,000	Misc. Gov't Sec.
<b>Totals</b>	<b>\$93,554,700</b>		<b>\$91,824,450</b>	

\*Purchased temporarily from Investment Acct. F. R. B. New York.

\*\*Consists of \$7,500,000 purchased in the market for System Account and held overnight in New York Investment Account, \$8,000,000 purchased in the market in exchange for like amount previously purchased temporarily in replacement of maturing Treasury Bills, and \$25,000,000 March 1, 1933, Treasury Bills taken over from a New York City bank one day prior to maturity.

\*\*\*Includes temporary sales of \$10,000,000 and \$20,000,000 to Federal Reserve Banks of Boston and Chicago respectively, owing to low reserve ratio of F. R. B. New York.

\*\*\*\*Includes \$20,000,000 purchased temporarily from Investment Account F. R. B. New York.

BANKERS ACCEPTANCES

(000 Omitted)

	<u>Holdings Feb. 22</u>	<u>Purchased Own Mkt.</u>	<u>By Allot- ment from New York</u>	<u>Maturities and Sales</u>		<u>Holdings Mar. 1</u>	<u>Other Holdings Close Mar. 1/33</u>	
				<u>Held in N.Y.</u>	<u>Held Else- where</u>		<u>Con- tracts</u>	<u>Other Bills</u>
Boston	\$ 10,081	\$ 4,370 R.	\$ 30,255	\$ 0	\$ 0	\$ 44,706	\$ 0	\$ 2,121
New York	44,139	47,991 *** 144,101 A.	0	23,310*	0	68,820	10,714	9,729
Phila.	9,832	601 R.	6,232	0	0	16,665	0	3,051
Cleve.	5,089	0	0	0	0	5,089	0	2,871
Rich.	7,010	0	4,089	0	25	11,074	0	1,131
Atlanta	8,002	695 "	10,327	0	444	18,580	0	1,015
Chicago	21,521	22,290 "	39,669	0	1,784	81,696	0	5,778
St. Louis	5,640	0	11,392	0	0	17,039	0	948
Minn.	4,692	0	10,768	0	0	15,460	0	641
Kan. City	7,231	0	1,527	0	0	8,758	0	841
Dallas	0	6 "	2,513	0	0	2,519	0	841
San Fran.	14,855	11,035 ****	27,322	0	147	53,065	485	2,030
<b>Totals</b>	<b>\$138,092</b>	<b>\$231,089</b>	<b>\$144,101</b>	<b>\$23,310</b>	<b>\$2,400</b>	<b>\$343,471</b>	<b>\$11,198</b>	<b>\$28,997</b>

\*Includes \$10,017 sold to F. R. B. San Francisco.

\*\*Includes \$ 70 purchased from foreign correspondent.

\*\*\*Includes \$10,017 purchased from F. R. B. New York portfolio.

NOTE: R. indicates Retained and A. indicates Allotted in above statement.



MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDED MARCH 1, 1933  
(000 Omitted)

	<u>1-30 days</u> <u>1/2 - 2%</u>	<u>31-60 days</u> <u>1/2 - 2%</u>	<u>61-90 days</u> <u>1/2 to 1 1/2%</u>	<u>Over 90-days</u> <u>1 1/8 - 1 1/2%</u>	<u>Totals</u>
Boston	\$ 768	\$ 1,548	\$ 2,054*	\$ 0	\$ 4,370
New York	61,295	62,567	67,740	490	192,092
Philadelphia	110	6	485**	0	601
Atlanta	429	250	16	0	695
Chicago	3,713	11,065	7,512	0	22,290
Dallas	3	3	0	0	6
San Francisco	<u>4,944***</u>	<u>5,270</u>	<u>456</u>	<u>365</u>	<u>11,035</u>
<b>Totals</b>	<b>\$71,262</b>	<b>\$80,709</b>	<b>\$78,263</b>	<b>\$855</b>	<b>\$231,089</b>

\*Purchased at 5/8 to 1 3/4%

\*\*Purchased at 1 to 2%

\*\*\*Purchased at 1 to 3 1/2%

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES WEEK ENDED MARCH 1, 1933  
(000 Omitted)

(Excluding Sales Contracts)

	<u>Government</u> <u>Securities</u>	<u>Bankers</u> <u>Acceptances</u>	<u>Total</u>
Purchased	\$184,504	\$231,089	\$415,593
Sold	67,824	10,017	77,841
Matured	114,950	15,693	130,643
		<u>\$205,379+</u>	<u>\$207,109+</u>
		7,321-(Net Change 1-day holdover & other bills)	7,321-(Net Change 1-day holdover & other bills)
<b>Totals</b>	<b>\$ 1,730+</b>	<b>\$198,058+</b>	<b>\$199,788+</b>

MATURITY DISTRIBUTION OF HOLDINGS OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES WEEK ENDED MARCH 1, 1933  
(000 Omitted)

(Including Sales Contracts)

	<u>Within</u> <u>15-days</u>	<u>16-30</u> <u>days</u>	<u>31-60</u> <u>days</u>	<u>61-90</u> <u>days</u>	<u>91 days-</u> <u>6 months</u>	<u>Over 6</u> <u>months</u>	<u>Total</u>
Gov't Securities	\$141,235	\$ 33,750	\$ 89,600	\$215,697	\$165,525	\$1,190,156	\$1,835,963
Bills Purchased	68,122	75,533	110,198	128,883	950	-	383,663
<b>Totals</b>	<b>\$209,357</b>	<b>\$109,283</b>	<b>\$199,798</b>	<b>\$344,580</b>	<b>\$166,455</b>	<b>\$1,190,156</b>	<b>\$2,219,629</b>

*Mr. Thompson*  
*Mr. Keefe*  
*Mr. Thompson*

FEDERAL RESERVE BANK  
OF NEW YORK

RECEIVED  
FEB 25 1933  
DIVISION OF RESEARCH  
AND STATISTICS

CONFIDENTIAL

February 24, 1933.

Dr. E. A. Goldenweiser, Director,  
Division of Research and Statistics,  
Federal Reserve Board,  
Washington, D. C.

Dear Dr. Goldenweiser:

Enclosed is a report of open market operations  
for the period from February 16, 1933 to February 22, 1933  
inclusive, together with data received from Federal Reserve  
Banks.

Very truly yours,  
*W. B. Matteson*

W. B. Matteson  
Assistant Deputy Governor

Encl.

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VFW

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FEDERAL RESERVE BANK  
OF NEW YORK

RECEIVED  
FEB 25 1933

CONFIDENTIAL

February 24, 1933.

Mr. E. L. Smead, Chief,  
Chief, Division of Bank Operations,  
Federal Reserve Board,  
Washington, D. C.

Dear Mr. Smead:

Enclosed is a report of open market operations  
for the period from February 16, 1933 to February 22, 1933  
inclusive, together with data received from Federal Reserve  
Banks.

Very truly yours,

W. B. Matteson  
Assistant Deputy Governor

Encl.

Division of Bank Operations  
File No. 132.1

**DECLASSIFIED**  
 Authority E.O. 10501

TO THE PRESIDENT  
 Gen. Den...  
 Mr. Hamlin...  
 Mr. ...  
 Mr. ...  
 Mr. ...  
 Mr. ...  
 Mr. ...  
 Mr. ...  
 Mr. ...  
 Please note - Initial and  
 return to Secretary's Office


**FEDERAL RESERVE BANK  
 OF NEW YORK**

CONFIDENTIAL

February 24, 1933.

Dear Governor Meyer:

Enclosed is a report of open market operations  
 for the period from February 16, 1933 to February 22, 1933  
 inclusive, together with data received from Federal Reserve  
 Banks.

Very truly yours,  
  
 W. B. Matteson  
 Assistant Deputy Governor

Honorable Eugene Meyer, Governor,  
 Federal Reserve Board,  
 Washington, D. C.

Encl.

CONFIDENTIAL

## REPORT OF OPEN MARKET OPERATIONS FOR WEEK ENDED FEBRUARY 22, 1935

Holdings of Earning Assets of Federal Reserve Banks from February 24, 1932 to Date  
(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS
		Outright Purchases	Sales Contracts	Outright Purchases	Sales Contracts	DISCOUNTED
-1932-						
Feb. 24	\$1,723,862	\$ 740,006	\$ 550	\$126,865	\$ 6,517	\$855,245
Mar. 30	1,578,146	860,056	11,562	62,281	4,081	633,255
Apr. 27	1,773,745	1,191,232	0	45,874	0	531,824
May 25	2,040,056	1,524,896	300	38,373	0	471,267
June 29	2,340,262*	1,795,219*	5,752	47,787	15,732	469,828
July 27	2,412,232	1,841,191	0	38,210	1,490	525,590
Aug. 31	2,324,484	1,851,315	400	34,098	0	432,756
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Oct. 26	2,212,391	1,850,949	0	33,965	0	322,322
Nov. 30	2,200,030	1,850,766	0	34,800	0	308,973
Dec. 28	2,157,075	1,850,737	0	33,307	0	267,382
-1933-						
Jan. 25	2,064,031	1,765,311	0	31,496	0	264,698
Feb. 15	2,131,262	1,809,308	0	30,784	0	286,375
" 22	2,345,660	1,834,233	0	174,410	5,182	327,138

\*Includes \$24,000,000 special one-day Treasury certificate of indebtedness issued to Federal Reserve Bank of Chicago on June 29.

CHANGES IN EARNING ASSET HOLDINGS (EXCLUSIVE OF SALES CONTRACTS)  
DURING WEEK ENDED FEBRUARY 22, 1935  
(000 Omitted)

	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS DISCOUNTED	
	Balance Feb. 22	Net Change	Balance Feb. 22	Net Change	Balance Feb. 22	Net Change
Boston	\$ 93,112	\$ 0	\$ 10,081	\$ 10,081+	\$ 12,423	\$ 729+
New York	725,411	7,343+	44,139	44,039+	65,696	5,509+
Philadelphia	137,139	1,813+	9,832	9,826+	55,582	6,346+
Cleveland	176,540	2,750+	5,089	4,999+	46,041	3,011+
Richmond	48,149	1,250+	7,010	6,500+	18,452	958+
Atlanta	48,671	2,076+	8,002	7,145+	18,657	46-
Chicago	254,167	274-	21,521	21,521+	38,099	19,274+
St. Louis	65,832	1,125+	5,640	5,640+	5,575	55+
Minneapolis	54,929	1,099+	4,692	4,692+	10,409	235+
Kansas City	56,420	750+	7,231	7,231+	14,978	83-
Dallas	48,940	938+	0	0	4,166	142+
San Francisco	124,923	6,055+	14,855	14,630+	39,060	4,635+
N. Y. holdovers and other bills			41,500	12,504+		
Totals	\$1,834,233	\$24,925+	\$179,592	\$148,808+	\$327,138	\$40,765+

COMMENT ON CHANGES WEEK ENDED FEBRUARY 22, 1935

Total earning assets of the System increased \$214,398,000 during the current statement week. The changes by classification consisted of a decline in holdings of other assets amounting to \$100,000, and the following increases: outright holdings of government securities \$24,925,000, outright holdings of bankers acceptances \$145,626,000, bankers acceptances held under sales contract \$5,182,000, and bills discounted \$40,765,000.

2

Money  
Market

During the week ended February 22, the amount of currency outstanding showed a further increase of \$134,000,000 and the monetary gold stock of the country dropped \$51,000,000 further. The resulting drain on member bank reserves, however, was more than offset by the placing into use of an additional \$215,000,000 of Federal Reserve credit, divided as follows: \$143,000,000 through outright and repurchase agreement purchases of bills, \$41,000,000 through member bank discounts, \$25,000,000 through Federal Reserve security purchases for the System Special Investment Account, and \$5,000,000 through an increase in Federal Reserve float. In fact, the increased use of Federal Reserve credit, together with a substantial reduction in the reserve requirements of the member banks, which amounted in the case of the New York City institutions to \$36,000,000, resulted in a net rise of \$70,000,000 in the estimated amount of excess reserves held by all member banks. The estimated excess amounted to \$399,000,000 on February 22, as compared with \$329,000,000 on February 15.

Excess reserves of the New York money market banks amounted to \$60,000,000 at the close of the past statement week, as against only \$14,000,000 on February 15. During this period reserve requirements of these banks declined \$36,000,000 and their reserve balances at the Reserve Bank rose \$10,000,000. Funds placed in the market through Federal Reserve bill and security transactions somewhat exceeded a continued large outflow of funds to other parts of the country, a large loss through gold operations, chiefly earmarkings for foreign central banks, an increase in currency outstanding, and a net loss through Treasury transactions in this market.

There was a general firming of money rates in the New York market during the past week, although the extent of the advance was quite moderate. The 1/8 per cent advance in bill rates instituted by some dealers in the previous week became general early on February 20, and a further 1/8 per cent increase was effected on the same day, making the offering rate for 90 day bills 5/8 of one per cent. The rate for call loans in the outside market advanced from 3/4 of one per cent to a high of 1 per cent on February 21st, or the same as the official Stock Exchange rate; on the 23rd, however, some loans were placed at 3/4 and others at 1 per cent. The rate for Federal funds rose as high as 3/4 - 1 per cent on the 21st, but closed on the 23rd at 1/4 - 1/2 per cent, the same as a week previous. In time money, nominal rates became somewhat higher toward the end of the week at 1 per cent bid, 1 1/4 per cent asked for maturities up to 4 months and 1 per cent bid, 1 1/2 per cent asked for 5 and 6 months maturities. A little 90 day money was placed at 1 1/4 per cent, as compared with 1/2 per cent on the last previous reported trade. A decided falling off in bank investment demand for open market commercial paper also was reported during the period. As supplies remained very limited, rates were unchanged at 1 1/4 - 1 1/2 per cent. A general rise in yields on short-term Government securities occurred, and the average rate on the Treasury bill issue dated February 23 was 0.55 per cent as compared with 0.23 per cent on last week's issue.

Government  
Security  
Market

The market for United States Government securities, which had been weak during the greater part of the previous statement week, became decidedly weaker during the current reporting period. Except for the issues of Treasury certificates maturing in 1933, offerings were in substantial volume while the demand was practically nil. Prices for Treasury certificates all maturing within a year showed small fractional losses for the week ranging from about 2/32nds to 7/32nds, while longer issues showed much larger losses, losses ranging from 1/2 to 3 or 4 points. At the close of the current reporting period the average yield on the short-term issues at dealers' offering prices (exclusive of two issues of Treasury certificates of indebtedness maturing March 15 and May 2, 1933, which continued to show no yield at current offering prices) was about 1% as compared with 0.82% at the close of the previous week, and the average selling price for the Liberty Loan bonds was 101.41 and for Treasury bonds 101.01 as compared with the previous week's average closing prices of 102.99 and 103.07 respectively. The combined average of all government bonds was the lowest since last August.

3

Approximate Offering Prices by Dealers at the Close of the  
Current Statement Week and Net Changes from the  
Close of the Previous Statement Week

Issue		Price	Net Change	Approx. Yield
3 3/4%	Cert. of Ind. due Mar. 15, 1933	100 10/32	- 7/32	- - - -
2 %	" " " " May 2, 1933	100 12/32	- 7/32	- - - -
1 1/2%	" " " " June 15, 1933	100 14/32	- 3/32	0.06%
1 1/4%	" " " " Sept. 15, 1933	100 15/32	- 6/32	0.40%
3/4%	" " " " Dec. 15, 1933	100 13/32	- 2/32	0.24%
3 %	Treasury Notes " May 2, 1934	102 24/32	- 15/32	0.51%
2 1/8%	" " " " Aug. 1, 1934	101 24/32	- 17/32	0.89%
3 %	" " " " June 15, 1935	102 25/32	- 18/32	1.76%
3 1/4%	" " " " Aug. 1, 1936	102	-1.19/32	2.56%
2 3/4%	" " " " Dec. 15, 1936	100 16/32	-1.14/32	2.61%
3 %	" " " " Apr. 15, 1937	100 16/32	-2.	2.86%
3 1/4%	" " " " Sept. 15, 1937	101	-2. 8/32	3.01%
2 5/8%	" " " " Feb. 1, 1938	99 18/32	-1.11/32	2.72%

Treasury Bills - all maturities - 0.45% discount bid. 0.15% asked

Closing Sale Prices on the New York Stock Exchange at the Close  
of the Current Statement Week and Net Changes from  
Close of the Previous Statement Week

Issue	Price	Net Change	Issue	Issue	Net Change
First 3 1/2s	100 15/32	-2.18/32	Treasury 4 1/4s 1947-52	107 4/32	-3. 2/32
First 4 1/4s	101 20/32	-1. 4/32	" 4s 1944-54	104 10/32	-1.26/32
Fourth 4 1/4s	102 4/32	-1. 2/32	" 3 3/4s 1946-56	102 3/32	-2. 7/32
			" 3 3/8s 1943-47	100 16/32	-1.19/32
			" 3 3/8s 1940-43	100 3/32	-2. 7/32
			" 3 3/8s 1941-43	100 2/32	-2. 4/32
			" 3 1/8s 1946-49	97 31/32	-1.21/32
			" 3s 1951-55	95 29/32	-1.27/32

Bankers  
Acceptances

Dealers' offerings of unendorsed bankers acceptances were at the following rates at the close of the current statement week: 5/8 per cent for 30s, 60s and 90s, 3/4 per cent for 120s and 1 per cent for 180-day bills. This represents an increase of 1/4 of 1 per cent over the previous week's offering rates.

Reports  
week  
ended  
Feb. 22

Boston reported that while there was little change in the local supply of bills during the past period, the demand fell off considerably. Dealers twice raised their rates to bid 3/4, asked 5/8 for 90-day maturities. In New York bill dealers' purchases continued heavy during the week with practically no demand. This resulted in dealers' portfolios increasing substantially and caused them to make two increases of 1/8 each in their rates on February 20, bringing their rates to 3/4 per cent bid for maturities up to 90 days, 5/8 asked, 4 months 7/8 bid, 3/4 asked, 5 and 6 months 1 1/8 bid, 1 per cent asked. The Reserve Bank made substantial purchases during the past few days from both banks and dealers at 1/2 per cent. This resulted in the case of dealers in a decrease in their portfolios of approximately \$3,200,000 for the week to \$23,000,000 from \$26,200,000. Philadelphia reported that its acceptance market was more active during the past week. Offerings were heavy and with the exception of the demand from a few corporations buying was limited to System. Rates unchanged.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

There were no transactions consummated under Treasury authorization during the current statement week.

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

In line with the policy adopted at the Open Market Policy Conference meeting held in Washington on January 4, 1933, and in view of the continued decline in excess reserves of all member banks this week, purchases of \$25,000,000 United States Government securities were made for System Account during the current statement week as follows:

(1) Purchases in the market

\$10,000,000	-	Treasury Bills due May 10, 1933	at 0.15% discount
10,000,000	-	" " " " 17, 1933	at 0.15% "
2,500,000	-	3 % T/N " " 2, 1934	at 103 5/32
<u>2,500,000</u>	-	2 1/8% " " Aug. 1, 1934	at 102 8/32
\$25,000,000			

Other transactions in the Account during the week consisted of

(2) Sales to a New York City bank, in lieu of purchase from them of a large block of bankers acceptances, of \$50,000,000 aggregate amount of Treasury certificates of indebtedness, (in two lots of \$25,000,000 each) which was replaced by purchase in the market of other short-term issues

	<u>Replacement purchases made in the market</u>
\$50,000,000 - 3 3/4% C/I due March 15, 1933 at 100 6/32	\$ 6,000,000-Tr. Bills due May 10, 1933 at 0.20% disc.
	11,000,000-" " " " 17, 1933 at 0.225% "
	10,000,000-1 1/4% C/I " Sept. 15, 1933 at 100 17/32
	2,000,000-1 1/2% " " June 15, 1933 at 100 12/32
	11,400,000-3 3/4% " " Mar. 15, 1933*
	3,900,000-3 % T/N " May 2, 1934*
	650,000-2 1/8% " " Aug. 1, 1934*
	1,250,000-3 % " " June 15, 1935*
	750,000-3 % " " Apr. 15, 1937*
	1,850,000-3 1/4% " " Sept. 15, 1937*
	<u>1,200,000-2 5/8% " " Feb. 1, 1938*</u>
<u>\$50,000,000</u>	<u>\$50,000,000</u>

\*Purchased temporarily at a yield of 1/2 of 1% pending permanent replacement.



The additional purchases of \$25,000,000 mentioned above increased the amount of total holdings in the Account to \$1,629,399,500. The participations by Federal Reserve Banks and the classification of issues held in the Account at the close of business Wednesday, February 22, 1933, were as follows:

<u>PARTICIPATIONS BY FEDERAL RESERVE BANKS</u>		<u>RECAPITULATION OF HOLDINGS BY MATURITIES</u>	
Boston	\$ 92,405,000	Feb. 23, 1933 - Treas. Bills	\$ 39,950,000
New York	603,510,000	Mar. 1, 1933 - " "	30,000,000
Philadelphia	133,788,500	" 29, 1933 - " "	24,350,000
Cleveland	176,540,000	Apr. 12, 1933 - " "	29,500,000
Richmond	48,149,000	" 19, 1933 - " "	29,000,000
Atlanta	48,625,000	" 26, 1933 - " "	31,100,000
Chicago	193,715,500	May 10, 1933 - " "	16,100,000
St. Louis	65,331,500	" 17, 1933 - " "	36,300,000
Minneapolis	47,224,000	Mar. 15, 1933 - 3 3/4% C/I	112,425,000
Kansas City	56,248,500	May 2, 1933 - 2 % "	114,297,000
Dallas	38,939,500	June 15, 1933 - 1 1/2% "	119,725,000
San Francisco	124,923,000	Sept. 15, 1933 - 1 1/4% "	200,533,000
		Dec. 15, 1933 - 3/4% "	78,104,000
		May 2, 1934 - 3 % T/N	98,425,000
		Aug. 1, 1934 - 2 1/8% "	125,677,000
		June 15, 1935 - 3 % "	91,727,000
		Aug. 1, 1936 - 3 1/4% "	12,050,000
		Dec. 15, 1936 - 2 3/4% "	27,380,000
		Apr. 15, 1937 - 3 % "	24,900,000
		Sept. 15, 1937 - 3 1/4% "	34,600,000
		Feb. 1, 1938 - 2 5/8% "	17,640,500
		June 15, 1932/47-3 1/2% 1st L/L	25,025,000
		" 15, 1932/47-4 1/4% 1st "	29,000,000
		Oct. 15, 1933/38-4 1/4% 4th "	281,591,000
<b>Totals</b>	<b><u>\$1,629,399,500</u></b>		<b><u>\$1,629,399,500</u></b>

ITEMIZED STATEMENT OF TRANSACTIONS IN GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES  
AFFECTING THE INVESTMENT ACCOUNT OF ALL FEDERAL RESERVE BANKS  
FROM FEBRUARY 16 TO FEBRUARY 22, 1933, INCLUSIVE

	Purchases	Sales	Adjustments in participations	Net Increase
Boston	\$ 2,836,000	\$ 2,836,000	\$ 0	\$ 0
New York	29,221,500	18,519,000	3,360,000-	7,342,500
Philadelphia	5,918,500	4,106,000	0	1,812,500
Cleveland	8,167,000	5,417,000	0	2,750,000
Richmond	2,728,000	1,478,000	0	1,250,000
Atlanta	3,199,500	1,492,000	332,500+	2,040,000
Chicago	5,944,000	5,944,000	0	0
St. Louis	3,130,000	2,005,000	0	1,125,000
Minneapolis	2,386,500	1,449,000	0	937,500
Kansas City	2,476,000	1,726,000	0	750,000
Dallas	2,132,500	1,195,000	0	937,500
San Francisco	6,860,500	3,833,000	3,027,500+	6,055,000
Totals	<u>\$75,000,000</u>	<u>\$50,000,000</u>	<u>\$3,360,000 Adj.</u>	<u>\$25,000,000</u>

HOLDINGS OF GOVERNMENT SECURITIES - SALES CONTRACTS  
Net Change From  
Previous Week

N O N E

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	Purchases	Issue	Sales	Issue
New York	\$8,000,000	Mar. 15/33 C/I	\$8,000,000*	Sept. 15, 1933 C/I
Atlanta	163,450	Misc. Gov't Sec.	128,350	Misc. Gov't Sec.
Chicago	193,000**	" " "	466,300	" " "
Minneapolis	915,050	" " "	752,350	" " "
Totals	<u>\$9,271,500</u>		<u>\$9,347,000</u>	

\*Sold to System Account, \*\*Held temporarily for sale on Feb. 23, 1933.

BANKERS ACCEPTANCES  
(000 Omitted)

	Holdings Feb. 15	Purchased Own Mkt.	By Allot- ment from New York	Maturities and Sales		Holdings Feb. 22	Other Holdings Close Feb. 22/32	
				Held in N. Y.	Held Else- where		Con- tracts	Other Bills
Boston	\$ 0	\$ 100 R.	\$ 9,981	\$ 0	\$ 0	\$ 10,081	\$ 0	\$ 2,124
New York	100	45,568* 85,003 A.	0	1,529	0	44,139	5,182	9,722
Phila.	6	0	9,826	0	0	9,832	0	3,056
Cleve.	90	0	4,999	0	0	5,089	0	2,875
Richmond	510	0	6,500	0	0	7,010	0	1,132
Atlanta	857	0	7,255	0	110	8,002	0	1,016
Chicago	0	5,414 R.	16,107	0	0	21,521	0	3,783
St. Louis	0	0	5,640	0	0	5,640	0	947
Minn.	0	0	4,692	0	0	4,692	0	640
Kan. City	0	0	7,231	0	0	7,231	0	842
Dallas	0	0	0	0	0	0	0	842
San Fran.	225	1,861 "	12,772	0	3	14,855	0	2,032
Totals	<u>\$1,788</u>	<u>\$137,946</u>	<u>\$85,003</u>	<u>\$1,529</u>	<u>\$113</u>	<u>\$138,092</u>	<u>\$5,182</u>	<u>\$29,011</u>
Bills held overnight by New York for distribution to other Fed. Res. Bks. - -								7,307
Total - -								<u>\$36,318</u>

\*Includes \$1,002 purchased from foreign correspondent.

NOTE: R. indicates RETAINED and A. indicates ALLOTTED in above statement.

7

MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDED FEBRUARY 22, 1933  
(000 Omitted)

	1-30 days <u>1/2%</u>	31-60 days <u>1/2%</u>	61-90 days <u>1/2%</u>	Over 90-days <u>-</u>	<u>Totals</u>
Boston	\$ 100	\$ 0	\$ 0	0	\$ 100
New York	51,124	35,149	44,298	0	130,571
Chicago	3,797	588	1,029	0	5,414
San Francisco	<u>255</u>	<u>1,397</u>	<u>209</u>	<u>0</u>	<u>1,861</u>
<b>Totals</b>	<u>\$55,276</u>	<u>\$37,134</u>	<u>\$45,536</u>	<u>0</u>	<u>\$137,946</u>

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES WEEK ENDED FEBRUARY 22, 1933  
(000 Omitted)

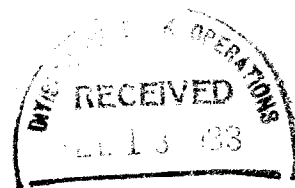
(Excluding Sales Contracts)

	<u>Government Securities</u>	<u>Bankers Acceptances</u>	<u>Total</u>
Purchased	\$84,272	\$137,946	\$222,218
Sold	59,347	0	59,347
Matured	0	1,642	1,642
		<u>\$136,304+</u>	<u>\$161,229+</u>
		12,504+(Net Change 1-day holdover & other bills)	12,504+(Net Change 1-day holdover & other bills)
<b>Totals</b>	<u>\$24,925+</u>	<u>\$148,808+</u>	<u>\$173,733+</u>

MATURITY DISTRIBUTION OF HOLDINGS OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES WEEK ENDED FEBRUARY 22, 1933  
(000 Omitted)

(Including Sales Contracts)

	<u>Within 15-days</u>	<u>16-30 days</u>	<u>31-60 days</u>	<u>61-90 days</u>	<u>91 days- 6 months</u>	<u>Over 6 months</u>	<u>Total</u>
Gov't Securities	\$ 89,950	\$138,690	\$ 92,250	\$197,797	\$130,525	\$1,185,021	\$1,834,235
Bills Purchased	<u>59,361</u>	<u>31,624</u>	<u>37,390</u>	<u>51,006</u>	<u>211</u>	<u>0</u>	<u>179,592</u>
<b>Totals</b>	<u>\$149,311</u>	<u>\$170,314</u>	<u>\$129,640</u>	<u>\$248,803</u>	<u>\$130,736</u>	<u>\$1,185,021</u>	<u>\$2,013,825</u>



FEDERAL RESERVE BANK  
OF NEW YORK

CONFIDENTIAL

February 17, 1933

Mr. E. L. Smead, Chief,  
Division of Bank Operations,  
Federal Reserve Board,  
Washington, D. C.

Dear Mr. Smead:

Enclosed is a report of open market operations  
for the period from February 9, 1933 to February 15, 1933  
inclusive, together with data received from Federal Reserve  
Banks.

Very truly yours,

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

W. B. Matteson  
Assistant Deputy Governor

Encl.

*Mr. [unclear]*  
*Mr. [unclear]*  
*Mr. [unclear]*

RECEIVED  
FEB 18 1933  
DIVISION OF RESEARCH AND STATISTICS  
FEDERAL RESERVE BANK

FEDERAL RESERVE BANK  
OF NEW YORK

CONFIDENTIAL

February 17, 1933.

Dr. E. A. Goldenweiser, Director,  
Division of Research and Statistics,  
Federal Reserve Board,  
Washington, D. C.

Dear Dr. Goldenweiser:

Enclosed is a report of open market operations  
for the period from February 9, 1933 to February 15, 1933  
inclusive, together with data received from Federal Reserve  
Banks.

Very truly yours,

*W. B. Matteson*  
W. B. Matteson  
Assistant Deputy Governor

Encl.

For CIRCULATION

- Gov. Meyer
- Mr. Hamlin
- Mr. James
- Mr. Maceo
- Mr. Miller

FEDERAL RESERVE BANK  
OF NEW YORK


Mr.  
Mr.  
Please note - initial and  
Return to ~~Secretary's Office~~  
*Allen*

CONFIDENTIAL

February 17, 1933.

Dear Governor Meyer:

Enclosed is a report of open market operations for the period from February 9, 1933 to February 15, 1933 inclusive, together with data received from Federal Reserve Banks.

Very truly yours,  
  
W. B. Matteson  
Assistant Deputy Governor

Honorable Eugene Meyer, Governor,  
Federal Reserve Board,  
Washington, D. C.

Encl.

CONFIDENTIAL

## REPORT OF OPEN MARKET OPERATIONS FOR WEEK ENDED FEBRUARY 15, 1933

Holdings of Earning Assets of Federal Reserve Banks from February 17, 1932 to Date  
(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS
		Outright Purchases	Sales Contracts	Outright Purchases	Sales Contracts	DISCOUNTED
-1932-						
Feb. 17	\$1,763,500	\$ 740,092	\$ 1,250	\$138,779	\$ 7,603	\$845,781
" 24	1,723,862	740,006	550	126,865	6,517	835,243
Mar. 30	1,578,146	860,056	11,562	62,281	4,081	633,255
Apr. 27	1,773,745	1,191,232	0	45,874	0	531,824
May 25	2,040,056	1,524,896	300	38,373	0	471,267
June 29	2,340,262*	1,795,219*	5,752	47,787	15,732	469,828
July 27	2,412,232	1,841,191	0	38,210	1,490	525,390
Aug. 31	2,324,484	1,851,315	400	34,098	0	432,756
Sept. 28	2,231,806	1,851,025	2,658	33,203	401	339,647
Oct. 26	2,212,391	1,850,949	0	33,965	0	322,322
Nov. 30	2,200,030	1,850,766	0	34,800	0	308,973
Dec. 28	2,157,075	1,850,737	0	33,307	0	267,382
-1933-						
Jan. 25	2,064,031	1,763,311	0	31,496	0	264,698
Feb. 8	2,071,325	1,783,912	0	31,338	0	252,640
" 15	2,131,262	1,809,308	0	30,784	0	286,373

\*Includes \$24,000,000 special one-day Treasury certificate of indebtedness issued to Federal Reserve Bank of Chicago on June 29.

CHANGES IN EARNING ASSET HOLDINGS DURING WEEK ENDED FEBRUARY 15, 1933  
(000 Omitted)

	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS DISCOUNTED	
	Balance	Net	Balance	Net	Balance	Net
	Feb. 15	Change	Feb. 15	Change	Feb. 15	Change
Boston	\$ 93,112	\$ 0	\$ 0	\$ 0	\$ 11,694	\$ 312+
New York	718,068	14,062+	100	0	58,187	4,145+
Philadelphia	135,326	1,812+	6	0	49,236	3,095+
Cleveland	173,790	2,750+	90	0	43,030	16,047+
Richmond	46,899	1,250+	510	91-	17,494	1,498+
Atlanta	46,595	1,325+	857	420-	18,703	975+
Chicago	254,441	466+	0	0	18,825	1,069+
St. Louis	64,707	1,125+	0	0	5,520	35-
Minneapolis	53,830	919+	0	0	10,174	79-
Kansas City	55,670	750+	0	0	15,061	623+
Dallas	48,002	937+	0	0	4,024	99+
San Francisco	118,868	0	225	7-	34,425	5,985+
N. Y. holdovers and other bills			28,996	36-		
Totals	\$1,809,308	\$25,396+	\$30,784	\$554-	\$286,373	\$33,733+

COMMENT ON CHANGES WEEK ENDED FEBRUARY 15, 1933

Total earning assets of the System increased \$59,937,000 during the current statement week. The changes by classification consisted of a decrease in outright holdings of bankers acceptances amounting to \$554,000, and the following increases: outright holdings of government securities \$25,396,000, bills discounted \$33,733,000 and holdings of other assets \$1,362,000.

Money  
Market

Excess reserves of all member banks in the country declined \$161,000,000 further during the week ended February 15, and on that date are estimated to have amounted to \$329,000,000, the lowest since the middle of last September. The drop in surplus reserves was very largely accounted for by a further increase of \$149,000,000 in the amount of currency outstanding which accompanied the banking disturbances of the week. The loss of an additional \$24,000,000 to the monetary gold stock of the country, an increase of \$40,000,000 in Treasury balances at the Reserve Banks, increases in foreign bank and other deposits at the Reserve Banks, and a reduction in Federal Reserve float also reduced reserve balances of the member banks. On the other hand, member banks' discounts at the Reserve Banks increased \$33,000,000. Federal Reserve security holdings increased another \$25,000,000 and reserve requirements of the member banks were reduced by more than \$20,000,000.

In New York City, excess reserves of the money market banks dropped from \$152,000,000 on February 8, to only \$14,000,000 on February 15. Reserve balances were drawn down by a large outflow of funds to other parts of the country, an increase in currency circulation, a loss of monetary gold, a net withdrawal of Treasury funds from the market, and an increase in foreign balances at the Reserve Banks. These losses considerably exceeded funds put in the market through the purchase of \$25,000,000 of Government securities for the System Special Investment Account and a drop of \$15,000,000 in the reserve requirements of the City banks.

On February 16, a continued outflow of funds to other parts of the country, currency withdrawals in the New York market, and loss of monetary gold were provided for by special purchases of \$27,000,000 of bills in the New York market (\$22,000,000 from dealers under repurchase agreement) and by a purchase of another \$25,000,000 of Government securities for the System Special Investment Account.

Open market rates for bankers' bills were advanced  $1/8$  per cent on February 10 and a further  $1/8$  per cent increase was instituted by some dealers on February 16, so that the offering range for 90 day bills on that day became  $3/8 - 1/2$  per cent. Call money in the outside market also became somewhat firmer during the week, with an advance from  $1/2$  per cent to  $3/4$  per cent. The rate for Federal funds likewise advanced from  $1/8 - 1/4$  per cent to a high of  $3/4$  per cent, but on the 16th was quoted at  $1/4 - 1/2$  per cent. In the time money market offerings of funds were withdrawn on February 14th, but nominal rates remained the same as previously, namely  $1/2$  per cent up to 90 days and  $3/4$  per cent for 4 to 6 month maturities.

Government  
Security  
Market

The market for United States Government securities during the greater part of the current statement week was weak with offerings in substantial volume. Notwithstanding the purchases of short-term issues made for the System Account, prices for these issues declined from  $1/32$ nd to  $9/32$ nds for the week, and prices for the Liberty Loan and Treasury bonds declined from  $6/32$ nds to  $18/32$ nds, except for the price of First 4  $1/4$ s which advanced  $2/32$ nds. At the close of the current reporting period the average yield on the short-term issues at dealers' offering prices, (exclusive of three issues of Treasury certificates maturing up to and including June 15, 1933, which continued to show no yield at current prices) was about 0.82% as compared with 0.81% at the close of the previous week, and the average selling prices for the Liberty Loan bonds was 102.99 and for Treasury bonds 103.07 as compared with the previous week's average closing prices of 103.15 and 103.43 respectively.



Dealers' Offering Prices at the Close of the Current Statement Week  
and Net Changes from the Close of the Previous Statement Week

	<u>Issue</u>	<u>Price</u>	<u>Net Change</u>	<u>Approx. Yield</u>
3 3/4%	Cert. of Ind. due Mar, 15, 1933	100 17/32	- 4/32	- - - -
2 %	" " " " May 2, 1933	100 19/32	- - - -	- - - -
1 1/2%	" " " " June 15, 1933	100 17/32	- 2/32	- - - -
1 1/4%	" " " " Sept, 15, 1933	100 21/32	- - - -	0.10%
3/4%	" " " " Dec. 15, 1933	100 15/32	- - - -	0.18%
3 %	Treasury Notes " May 2, 1934	103 7/32	- 1/32	0.32%
2 1/8%	" " " Aug. 1, 1934	102 9/32	- 1/32	0.55%
3 %	" " " June 15, 1935	103 11/32	- 2/32	1.52%
3 1/4%	" " " Aug. 1, 1936	103 19/32	+ 7/32	2.16%
2 3/4%	" " " Dec. 15, 1936	101 30/32	- 4/32	2.22%
3 %	" " " Apr. 15, 1937	102 16/32	- 9/32	2.36%
3 1/4%	" " " Sept. 15, 1937	103 8/32	- 9/32	2.49%
2 5/8%	" " " Feb. 1, 1938	100 29/32	- 1/32	2.42%

Treasury Bills - all maturities - 0.25% discount bid, 0.05% asked

Closing Sale Prices on the New York Stock Exchange at the Close  
of the Current Statement Week and Net Changes from  
Close of the Previous Statement Week

<u>Issue</u>	<u>Price</u>	<u>Net Change</u>	<u>Issue</u>	<u>Price</u>	<u>Net Change</u>
First 3 1/2s	103 1/32	-11/32	Treasury 4 1/4s 1947-52	110 6/32	- 9/32
First 4 1/4s	102 24/32	+ 2/32	" 4s 1944-54	106 4/32	-12/32
Fourth 4 1/4s	103 6/32	- 6/32	" 3 3/4s 1946-56	104 10/32	-15/32
			" 3 3/8s 1943-47	102 3/32	-11/32
			" 3 3/8s 1940-43	102 10/32	- 8/32
			" 3 3/8s 1941-43	102 6/32	- 9/32
			" 3 1/8s 1946-49	99 20/32	- 8/32
			" 3s 1951-55	97 24/32	-18/32

Bankers  
Acceptances

Dealers' offerings of unendorsed bankers acceptances were at the following rates at the close of the current statement week: 3/8 per cent for 30s, 60s and 90s; 1/2 per cent for 120s and 3/4 per cent for 180-day bills. This represents an increase of 1/8 of 1 per cent over the previous week's offered rates.

Reports  
week  
ended  
Feb. 15

Boston reported that the demand for bills during the past period showed a good increase over the previous week. The continued inadequate local supply made it necessary for dealers to call on their offices in other cities for \$3,480,000. In line with dealers in other cities, local dealers raised their rates 1/8 of 1 per cent to 1/2 per cent bid, 3/8 per cent asked for 90-day maturities. In New York the bill market was considerably more active this week. The lack of demand for bills at 1/4 per cent and the gradual increase in dealers' portfolios caused dealers on the morning of Friday, February 10, to return to the higher rate level which had been in effect prior to January 23. Since the announcement on February 14 of a banking holiday in Michigan, dealers' turnover has been quite heavy representing sales by some banks of **their own** bills in exchange for other names, also sales by certain local banks to replenish reserves which have become somewhat depleted. At the close of the week the supply continued in excess of the demand and dealers whose portfolios increased from \$11,000,000 to \$26,000,000 during the week were somewhat uncertain as to whether there should not be a further increase in rates. Philadelphia reported that its acceptance market was quiet. Both the supply and demand was small, with some indication of a further rise in rates.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

The only transaction consummated under Treasury authorization during the current statement week was a sale of \$56,100 - 2 1/8% Treasury notes due August 1, 1934, account Alien Property Custodian.

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

In line with the policy adopted at the Open Market Policy Conference meeting held in Washington on January 4, 1933, and in view of the continued decline in excess reserves of all member banks this week, purchases of \$25,000,000 United States Government securities were made for System Account during the current statement week as follows:

(1) Purchases in the market

\$ 1,000,000	- 1	1/4%	C/I due	Sept. 15, 1953	at 100	18/32
6,000,000	- 3	%	T/N "	May 2, 1934	at 103	6/32
250,000	- 3	%	" "	June 15, 1935	at 103	11/32
2,000,000	- 3	%	" "	" 15, 1955	at 103	12/32
3,850,000	- 3	1/4%	" "	Aug. 1, 1936	at 103	21/32
500,000	- 2	5/4%	" "	Dec. 15, 1956	at 101	31/32
2,900,000	- 3	%	" "	Apr. 15, 1937	at 102	17/32
500,000	- 3	1/4%	" "	Sept. 15, 1957	at 103	9/32
7,000,000	- 3	1/4%	" "	" 15, 1937	at 103	10/32
<u>1,000,000</u>	- 2	5/8%	" "	Feb. 1, 1938	at 100	29/32
\$25,000,000						

Other transactions in the Account during the week consisted of the

(2) Redemption of February 15, 1933 Treasury Bills and replacement by purchases in the market

<u>Redeemed</u>		<u>Purchased in the market</u>			
\$28,100,000	- Tr. Bills due Feb. 15, 1933	\$10,000,000	- Tr. Bills due	May 17, 1933	at 0.15% disc.
		4,300,000	- " "	" 17, 1933	at 0.18% "
		1,000,000	- " "	" 17, 1933	at 0.19% "
		2,500,000	- 1	1/4% C/I " Sept. 15, 1933	at 100 20/32
		1,000,000	- 3/4%	" " Dec. 15, 1933	at 100 14/32
		800,000	- 3	% T/N " May 2, 1934	at 103 7/32
		1,000,000	- 3	1/4% " " Aug. 1, 1936	at 103 25/32
		2,500,000	- 3	% " " Apr. 15, 1937	at 102 22/32
		<u>5,000,000</u>	- 3	1/4% " " Sept. 15, 1937	at 103 17/32
<u>\$28,100,000</u>		<u>\$28,100,000</u>			

(3) Exchange in the market

<u>Sold</u>	<u>Purchased in the market</u>
\$5,500,000 - Treasury Bills due \$ 100,000 - Tr. Bills due May 10, 1933 at 0.15% disc.	
February 15, 1933 1,100,000 - 3 % T/N " June 15, 1935 at 103 14/32	
at 100 (maturity 200,000 - 3 1/4% " " Aug. 1, 1936 at 103 27/32	
value) 1,500,000 - 3 % " " Apr. 15, 1937 at 102 24/32	
1,000,000 - 3 % " " " 15, 1937 at 102 25/32	
250,000 - 3 % " " " 15, 1937 at 102 27/32	
1,000,000 - 3 1/4% " " Sept. 15, 1937 at 103 16/32	
250,000 - 3 1/4% " " " 15, 1937 at 103 18/32	
100,000 - 2 5/8% " " Feb. 1, 1938 at 101 1/32	
<hr/>	<hr/>
\$5,500,000	\$5,500,000
<hr/>	<hr/>

The additional purchases of \$25,000,000 mentioned above increased the amount of total holdings in the Account to \$1,604,399,500. The participations by Federal Reserve Banks and the classification of issues at the close of business Wednesday, February 15, 1933, were as follows:

PARTICIPATIONS BY FEDERAL RESERVE BANKS      RECAPITULATION OF HOLDINGS BY MATURITIES

Boston	\$ 92,405,000	Feb. 23, 1933 - Treas. Bills	\$ 39,950,000
New York	596,167,500	Mar. 1, 1933 - " "	30,000,000
Philadelphia	131,976,000	" 29, 1933 - " "	24,350,000
Cleveland	173,790,000	Apr. 12, 1933 - " "	29,500,000
Richmond	46,899,000	" 19, 1933 - " "	29,000,000
Atlanta	46,585,000	" 26, 1933 - " "	31,100,000
Chicago	193,715,500	May 10, 1933 - " "	100,000
St. Louis	64,206,500	" 17, 1933 - " "	15,300,000
Minneapolis	46,286,500	Mar. 15, 1933 - 3 3/4% C/I	151,025,000
Kansas City	55,498,500	May 2, 1933 - 2 % "	114,297,000
Dallas	38,002,000	June 15, 1933 - 1 1/2% "	117,725,000
San Francisco	118,868,000	Sept. 15, 1933 - 1 1/4% "	190,533,000
		Dec. 15, 1933 - 3/4% "	78,104,000
		May 2, 1934 - 3 % T/N	92,025,000
		Aug. 1, 1934 - 2 1/8% "	122,527,000
		June 15, 1935 - 3 % "	90,477,000
		Aug. 1, 1936 - 3 1/4% "	12,050,000
		Dec. 15, 1936 - 2 3/4% "	27,380,000
		Apr. 15, 1937 - 3 % "	24,150,000
		Sept. 15, 1937 - 3 1/4% "	32,750,000
		Feb. 1, 1938 - 2 5/8% "	16,440,500
		June 15, 1932/47-3 1/2% 1st L/L	25,025,000
		" 15, 1932/47-4 1/4% 1st "	29,000,000
		Oct. 15, 1933/38-4 1/4% 4th "	281,591,000
<hr/>	<hr/>		<hr/>
Totals	\$1,604,399,500		\$1,604,399,500
	<hr/>		<hr/>

**ITEMIZED STATEMENT OF TRANSACTIONS IN GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES  
AFFECTING THE INVESTMENT ACCOUNT OF ALL FEDERAL RESERVE BANKS  
FROM FEBRUARY 9 TO FEBRUARY 15, 1933, INCLUSIVE**

	<u>Purchases</u>	<u>Redemption and Sales</u>	<u>Net Increase</u>
Boston	\$ 1,965,500	\$ 1,965,500	\$ 0
New York	26,446,000	12,383,500	14,062,500
Philadelphia	4,582,000	2,769,500	1,812,500
Cleveland	6,388,500	5,638,500	2,750,000
Richmond	2,221,000	971,000	1,250,000
Atlanta	2,336,500	961,500	1,375,000
Chicago	4,121,000	4,121,000	0
St. Louis	2,467,000	1,342,000	1,125,000
Minneapolis	1,902,500	965,000	937,500
Kansas City	1,915,000	1,165,000	750,000
Dallas	1,726,000	788,500	937,500
San Francisco	2,529,000	2,529,000	0 *
<b>Totals</b>	<b>\$58,600,000</b>	<b>\$53,600,000</b>	<b>\$25,000,000</b>

\*Allotment of San Francisco's share amounting to \$2,437,500 was made on Feb. 16.

HOLDINGS IN GOVERNMENT SECURITIES - SALES CONTRACTS

	<u>Net Change From Previous Week</u>
N O N E	-

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>
		Misc. Gov't Sec.		Misc. Gov't Sec.
Atlanta	\$ 163,000		\$ 213,150	
Chicago	466,300*	" "	0	-
Minneapolis	938,000	" "	957,800	Misc. Gov't Sec.
<b>Totals</b>	<b>\$1,567,300</b>		<b>\$1,170,950</b>	

\*Held temporarily for sale on February 16, 1933.

BANKERS ACCEPTANCES

(OCC Omitted)

	<u>Holdings Feb. 8</u>	<u>Purchased Own Mkt.</u>	<u>By Allot- ment from New York</u>	<u>Maturities and Sales</u>		<u>Holdings Feb. 15</u>	<u>Other Holdings Close Feb. 15/33</u>	
				<u>Held in N.Y.</u>	<u>Held Else- where</u>		<u>Sales Con- tracts</u>	<u>Other Bills</u>
Boston	\$ 0	\$ 0	0	0	\$ 0	0	\$ 2,125	
New York	100	0	0	0	100	0	9,704	
Phila.	6	0	0	0	6	0	3,056	
Cleve.	90	0	0	0	90	0	2,875	
Richmond	601	100 R.	0	0	191	510	1,132	
Atlanta	1,277	0	0	0	420	857	1,016	
Chicago	0	0	0	0	0	0	3,784	
St. Louis	0	0	0	0	0	0	947	
Minn.	0	0	0	0	0	0	640	
Kan. City	0	0	0	0	0	0	842	
Dallas	0	0	0	0	0	0	842	
San Fran.	232	0	0	0	7	225	2,033	
<b>Totals</b>	<b>\$2,306</b>	<b>\$100</b>	<b>0</b>	<b>0</b>	<b>\$618</b>	<b>\$1,788</b>	<b>0</b>	<b>\$28,996</b>

NOTE: R. indicates Retained in above statement.

7

MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDED FEBRUARY 15, 1933  
(000 Omitted)

	<u>1-30 days</u> -	<u>31-60 days</u> -	<u>61-90 days</u> 1%	<u>Over 90-days</u> -	<u>Total</u>
Richmond	0	0	\$100	0	\$100

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES WEEK ENDED FEBRUARY 15, 1933  
(000 Omitted)

	<u>Government Securities</u>	<u>Bankers Acceptances</u>	<u>Total</u>
Purchased	\$60,167	\$100	\$60,267
Sold	6,671	0	6,671
Matured	28,100	618	28,718
		<u>\$518-</u>	<u>\$24,878+</u>
		36-(Net Change 1-day holdover & other bills)	36-(Net Change 1-day holdover & other bills)
Totals	<u>\$25,396+</u>	<u>\$554-</u>	<u>\$24,842+</u>

MATURITY DISTRIBUTION OF HOLDINGS OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES WEEK ENDED FEBRUARY 15, 1933  
(000 Omitted)

	<u>Within 15-days</u>	<u>16-30 days</u>	<u>31-60 days</u>	<u>61-90 days</u>	<u>91 days- 6 months</u>	<u>Over 6 months</u>	<u>Totals</u>
Gov't Securities	\$89,950	\$169,285	\$63,250	\$174,497	\$143,825	\$1,168,501	\$1,809,308
Bills Purchased	6,407	8,411	5,799	10,167	0	0	30,784
Totals	<u>\$96,357</u>	<u>\$177,696</u>	<u>\$69,049</u>	<u>\$184,664</u>	<u>\$143,825</u>	<u>\$1,168,501</u>	<u>\$1,840,092</u>

*Mrs. Plumb  
Mr. Riegle ✓  
Mr. Thompson*

RECEIVED  
FEB 11 1933  
DIVISION OF RESEARCH  
AND STATISTICS

FEDERAL RESERVE BANK  
OF NEW YORK

CONFIDENTIAL

February 10, 1933.

Dr. E. A. Goldenweiser, Director,  
Division of Research and Statistics,  
Federal Reserve Board,  
Washington, D. C.

Dear Dr. Goldenweiser:

Enclosed is a report of open market operations  
for the period from February 2, 1933 to February 8, 1933  
inclusive, together with data received from Federal  
Reserve banks.

Very truly yours,



W. B. Matteson  
Assistant Deputy Governor

Encl.

*Handwritten initials*

*Handwritten checkmark and scribble*

FEB 11 1933

FEDERAL RESERVE BANK  
OF NEW YORK

CONFIDENTIAL

February 10, 1933.

Mr. E. L. Smead, Chief,  
Division of Bank Operations,  
Federal Reserve Board,  
Washington, D. C.

Dear Mr. Smead:

Enclosed is a report of open market operations  
for the period from February 2, 1933 to February 8, 1933  
inclusive, together with data received from Federal  
Reserve banks.

Very truly yours,

W. B. Matteson  
Assistant Deputy Governor

Encl.

DECLASSIFIED  
Authority E.O. 10501

FEDERAL RESERVE BANK  
OF NEW YORK

Mr. Tolson ✓  
Mr. E. A. Tamm ✓  
Mr. Clegg ✓  
Mr. Glavin ✓  
Mr. Ladd ✓  
Mr. Nichols ✓  
Mr. Rosen ✓  
Mr. Tracy ✓  
Mr. Carson ✓  
Mr. Coffey ✓  
Mr. Hendon ✓  
Mr. Pennington ✓  
Mr. Quinn ✓  
Mr. Nease ✓  
Miss Gandy ✓

CONFIDENTIAL

February 10, 1933.

Dear Governor Meyer:

Enclosed is a report of open market operations for the period from February 2, 1933 to February 8, 1933 inclusive, together with data received from Federal Reserve Banks.

Very truly yours,  


W. B. Matteson  
Assistant Deputy Governor

Honorable Eugene Meyer, Governor,  
Federal Reserve Board,  
Washington, D. C.

Encl.



CONFIDENTIALREPORT OF OPEN MARKET OPERATIONS FOR WEEK ENDED FEBRUARY 8, 1933Holdings of Earning Assets of Federal Reserve Banks from February 10, 1932 to Date

(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS
		Outright Purchases	Sales Contracts	Outright Purchases	Sales Contracts	DISCOUNTED
-1932-						
Feb. 10	\$1,763,711	\$ 740,084	\$ 1,350	\$152,042	\$17,349	\$819,435
" 24	1,723,862	740,006	550	126,865	6,517	835,245
Mar. 30	1,578,146	860,056	11,562	62,281	4,081	633,255
Apr. 27	1,773,745	1,191,232	0	45,874	0	531,824
May 25	2,040,056	1,524,896	300	38,375	0	471,267
June 29	2,340,262*	1,795,219*	5,752	47,787	15,732	469,828
July 27	2,412,232	1,841,191	0	38,210	1,490	525,390
Aug. 31	2,324,484	1,851,315	400	34,098	0	432,756
Sept. 28	2,231,806	1,851,025	2,658	33,203	401	339,647
Oct. 26	2,212,391	1,850,949	0	33,965	0	322,322
Nov. 30	2,200,030	1,850,766	0	34,800	0	308,973
Dec. 28	2,157,075	1,850,737	0	33,307	0	267,382
-1933-						
Jan. 25	2,064,031	1,763,311	0	31,496	0	264,698
Feb. 1	2,067,058	1,763,615	0	31,338	0	268,690
" 8	2,071,325	1,783,912	0	31,338	0	252,640

\*Includes \$24,000,000 special one-day Treasury certificate of indebtedness issued to Federal Reserve Bank of Chicago on June 29.

CHANGES IN EARNING ASSET HOLDINGS DURING WEEK ENDED FEBRUARY 8, 1933

(000 Omitted)

	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS DISCOUNTED	
	Balance Feb. 8	Net Change	Balance Feb. 8	Net Change	Balance Feb. 8	Net Change
Boston	\$ 93,112	\$ 1,563+	\$ 0	\$ 0	\$ 11,382	\$ 546-
New York	704,006	5,562+	100	0	54,042	3,530-
Philadelphia	133,514	1,494+	6	0	46,141	1,018+
Cleveland	171,040	2,266+	90	90+	26,983	1,529+
Richmond	45,649	1,030+	601	101+	15,996	253-
Atlanta	45,270	1,059+	1,277	345-	17,728	1,964-
Chicago	253,975	2,473+	0	0	17,756	362-
St. Louis	63,582	927+	0	0	5,555	1,209-
Minneapolis	52,911	524+	0	0	10,253	45-
Kansas City	54,920	618+	0	0	14,438	1,715+
Dallas	47,065	773+	0	0	3,926	193-
San Francisco	118,868	2,008+	232	159+	28,440	12,210-
N. Y. holdovers and other bills			29,032	5-		
Totals	\$1,783,912	\$20,297+	\$31,338	\$ 0	\$252,640	\$16,050-

COMMENT ON CHANGES WEEK ENDED FEBRUARY 8, 1933

Total earning assets of the System increased \$4,267,000 during the current statement week. The principal changes by classification consisted of an increase of \$20,297,000 in outright holdings of government securities and a decline in bills discounted amounting to \$16,050,000.

2

Money  
Market

During the past week total reserves of all member banks have declined \$19,000,000 further, but the amount of excess reserves remained practically unchanged at about \$490,000,000 due to a reduction in reserve requirements during the week.

The further decline of member bank reserves during the past week was due chiefly to the increase of \$53,000,000 in the amount of currency outstanding, and a \$13,000,000 reduction in the gold stock, which were offset only in part by the purchase of \$20,000,000 of government securities for system account, together with an excess of Treasury disbursements over receipts, a considerable part of which was reflected in a reduction in Treasury balances with the Reserve Bank. Member bank borrowings at the Reserve Banks were reduced \$16,000,000 during the week but the Reserve Bank float increased \$10,000,000.

In New York the excess reserves of principal member banks were reduced \$26,000,000 further during the past week to \$152,000,000 on February 8. The actual reserves of these banks were reduced \$43,000,000, largely as a result of the outflow of funds to other districts, but this loss of reserves was offset in part by a \$17,000,000 reduction in reserve requirements.

During the past week offerings of call money in the outside market were somewhat less plentiful than in the preceding period and the small volume of loans actually made were at a range of 1/2 to 3/4 per cent, compared with the prevailing rate of 1/2 per cent a week ago. Federal funds also were somewhat firmer during the week; on Monday and Tuesday business was done at 1/4 and 1/2 per cent but subsequently the quotation returned to 1/8 - 1/4 per cent, or only a little above the 1/8 per cent level that had prevailed continuously from the latter part of October through the early days of February.

Actual placements of time money appeared to be confined to small volumes of three and four month money at 1/2 per cent, or about the same as a week ago. Bill rates, yields on short term government securities, quotations for commercial paper, and stock exchange call money, likewise, were unchanged.

Government  
Security  
Market

The market for United States Government securities for the current statement week as a whole, was active and slightly weaker. While offerings in the market of the earlier maturities of the short term issues were scarce, the four and five-year Treasury notes and the Treasury bonds were offered freely. Prices for the short term issues generally showed little net change for the week. Prices for Treasury bonds declined from 4/32nds to 20/32nds. At the close of the current reporting period the average yield on the short term issues at dealers' offering prices, (exclusive of three issues of Treasury certificates maturing up to and including June 15, 1933, which continued to show no yield at current prices) was about 0.81%, unchanged from the previous week, and the average selling price for the Liberty Loan bonds was 103.15 and for Treasury bonds 103.43 as compared with the previous week's average closing prices of 103.24 and 103.81 respectively.

Dealers' Offering Prices at the Close of the Current Statement Week  
and Net Changes from the Close of the Previous Statement Week

	<u>Issue</u>			<u>Price</u>	<u>Net Change</u>	<u>Approx. Yield</u>
3 3/4%	Cert. of Ind. due	Mar.	15, 1933	100 21/32	- 3/32	- - -
2 %	" " " "	May	2, 1933	100 19/32	- - -	- - -
1 1/2%	" " " "	June	15, 1933	100 19/32	- - -	- - -
1 1/4%	" " " "	Sept.	15, 1933	100 21/32	- 1/32	0.14%
3/4%	" " " "	Dec.	15, 1933	100 15/32	- - -	0.19%
3 %	Treasury Notes	May	2, 1934	103 8/32	+ 1/32	0.34%
2 1/8%	" " " "	Aug.	1, 1934	102 10/32	+ 1/32	0.55%
3 %	" " " "	June	15, 1935	103 13/32	+ 1/32	1.51%
3 1/4%	" " " "	Aug.	1, 1936	103 26/32	- - -	2.10%
2 3/4%	" " " "	Dec.	15, 1936	102 2/32	- - -	2.18%
3 %	" " " "	Apr.	15, 1937	102 25/32	- 5/32	2.29%
3 1/4%	" " " "	Sept.	15, 1937	103 17/32	- 5/32	2.43%
2 5/8%	" " " "	Feb.	1, 1938	100 30/32	- 7/32	2.42%

Treasury Bills - all maturities - 0.25% discount bid, 0.05% asked

Closing Sale Prices on the New York Stock Exchange at the Close  
of the Current Statement Week and Net Changes from  
Close of the Previous Statement Week

<u>Issue</u>	<u>Price</u>	<u>Net Change</u>	<u>Issue</u>	<u>Price</u>	<u>Net Change</u>
First 3 1/2s	103 12/32	-2/32	Treasury 4 1/4s 1947-52	110 15/32	-19/32
First 4 1/4s	102 22/32	-3/32	" 4s 1944-54	106 16/32	-17/32
Fourth 4 1/4s	103 12/32	-4/32	" 3 3/4s 1946-56	104 25/32	-20/32
			" 3 3/8s 1943-47	102 14/32	- 7/32
			" 3 3/8s 1940-43	102 18/32	-11/32
			" 3 3/8s 1941-43	102 15/32	- 6/32
			" 3 1/8s 1946-49	99 28/32	- 4/32
			" 3s 1951-55	98 10/32	-14/32

Bankers Acceptances

Dealers' offerings of unendorsed bankers acceptances continued at the following rates during the current statement week: 1/4 per cent for 30s, 60s and 90s, 3/8 per cent for 120s and 5/8 per cent for 180-day bills.

Reports week ended Feb. 8

Boston reported that there was little change in the local bill market during the past period. The supply of bills continued to be insufficient to meet the local demand. In New York, the trading in the bill market continued very dull this week. Dealers' purchases were light as banks preferred to hold in their own portfolios most of the new bills created. Their purchases, however, exceeded their sales slightly, as the demand was very light at the prevailing low rates. Aggregate portfolios increased to about \$11,000,000. Philadelphia reported that the bill market in its district was moderately active. There was some increase in the supply of bills during the first part of the week with a diminished buying. The demand improved toward the end of the week and portfolios showed little change.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

Transactions consummated under Treasury authorization during the current statement week were as follows:

Purchases of \$3,000,000-3 3/4%	Treas. Bonds of 1946-56,	account Postal Savings System
3,000,000-4 1/4%	" " " 1947-52,	" " " "
3,000,000-4 %	" " " 1944-54,	" " " "
<u>700,000-3 1/8%</u>	" " " 1946-49,	" Secretary of the Interior
 \$9,700,000		

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

In line with the policy adopted at the Open Market Policy Conference meeting held in Washington on January 4, 1933, and in view of the decline in excess reserves of member banks this week below \$500,000,000, purchases of \$20,600,000 United States Government securities were made for the System Account during the current statement week as follows:

(1) Purchases in the market:

\$1,000,000	- 1 1/4%	C/I due	Sept. 15, 1933
1,000,000	- 3/4%	" "	Dec. 15, 1933
1,000,000	- 3 %	T/N	" June 15, 1935
1,000,000	- 3 1/4%	" "	Aug. 1, 1936
600,000	- 2 3/4%	" "	Dec. 15, 1936
4,700,000	- 3 %	" "	Apr. 15, 1937
7,500,000	- 3 1/4%	" "	Sept. 15, 1937
<u>3,800,000</u>	- 2 5/8%	" "	Feb. 1, 1938
 \$20,600,000			

Other transactions in the account during the week consisted of the

(2) Redemption of February 8, 1933 Treasury Bills and replacement by purchases in the market

<u>Redeemed</u>	<u>Purchased in the market</u>
\$43,200,000 - Treasury Bills	\$2,500,000 - 1 1/4% C/I due Sept. 15, 1933
due Feb. 8, 1933	3,500,000 - 2 1/8% T/N " Aug. 1, 1934
	2,000,000 - 3 % " " June 15, 1935
	3,000,000 - 3 1/4% " " Aug. 1, 1936
	6,400,000 - 2 3/4% " " Dec. 15, 1936
	11,300,000 - 3 % " " Apr. 15, 1937
	11,500,000 - 3 1/4% " " Sept. 15, 1937
	<u>3,000,000</u> - 2 5/8% " " Feb. 1, 1938
 <u>\$43,200,000</u>	 <u>\$43,200,000</u>

5

The additional purchases of \$20,600,000 mentioned above increased the amount of total holdings in the Account to \$1,579,399,500. The participations by Federal Reserve Banks and the classification of issues at the close of business Wednesday, February 8, 1933, were as follows:

<u>PARTICIPATIONS BY FEDERAL RESERVE BANKS</u>		<u>RECAPITULATION OF HOLDINGS BY MATURITIES</u>	
Boston	\$ 92,405,000	Feb. 15, 1933 - Treas. Bills	\$ 33,600,000
New York	582,105,000	" 23, 1933 - " "	39,950,000
Philadelphia	130,163,500	Mar. 1, 1933 - " "	30,000,000
Cleveland	171,040,000	" 29, 1933 - " "	24,350,000
Richmond	45,649,000	Apr. 12, 1933 - " "	29,500,000
Atlanta	45,210,000	" 19, 1933 - " "	29,070,000
Chicago	193,715,500	" 26, 1933 - " "	31,100,000
St. Louis	63,081,500	Mar. 15, 1933 - 3 3/4% C/I	151,025,000
Minneapolis	45,349,000	May 2, 1933 - 2 % "	114,297,000
Kansas City	54,748,500	June 15, 1933 - 1 1/2% "	117,725,000
Dallas	37,064,500	Sept. 15, 1933 - 1 1/4% "	187,033,000
San Francisco	118,868,000	Dec. 15, 1933 - 3/4% "	77,104,000
		May 2, 1934 - 3 % T/N	85,225,000
		Aug. 1, 1934 - 2 1/8% "	122,527,000
		June 15, 1935 - 3 % "	87,127,000
		Aug. 1, 1936 - 3 1/4% "	7,000,000
		Dec. 15, 1936 - 2 3/4% "	26,880,000
		Apr. 15, 1937 - 3 % "	16,000,000
		Sept. 15, 1937 - 3 1/4% "	19,000,000
		Feb. 1, 1938 - 2 5/8% "	15,340,500
		June 15, 1932/47-3 1/2% 1st L.A.	25,025,000
		" 15, 1932/47-4 1/4% 1st "	29,000,000
		Oct. 15, 1933/38-4 1/4% 4th "	281,591,000
 Totals	 \$1,579,399,500		 \$1,579,399,500

6

ITEMIZED STATEMENT OF TRANSACTIONS IN GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES  
AFFECTING THE INVESTMENT ACCOUNT OF ALL FEDERAL RESERVE BANKS  
FROM FEBRUARY 2 TO FEBRUARY 8, 1953, INCLUSIVE

GOVERNMENT SECURITIES - SYSTEM INVESTMENT ACCOUNT

	<u>Purchases</u>	<u>Redemption and Sales</u>	<u>Net Increase</u>
Boston	\$ 4,063,000	\$ 2,518,000	\$ 1,545,000
New York	21,540,000	15,978,000	5,562,000
Philadelphia	5,059,500	3,566,000	1,493,500
Cleveland	6,943,500	4,677,500	2,266,000
Richmond	2,266,500	1,236,500	1,030,000
Atlanta	2,354,500	1,221,500	1,133,000
Chicago	7,772,000	5,300,000	2,472,000
St. Louis	2,649,500	1,722,500	927,000
Minneapolis	2,008,000	1,235,500	772,500
Kansas City	2,118,000	1,500,000	618,000
Dallas	1,778,500	1,006,000	772,500
San Francisco	5,247,000	3,238,500	2,008,500
Totals	<u>\$63,800,000</u>	<u>\$43,200,000</u>	<u>\$20,600,000</u>

HOLDINGS IN GOVERNMENT SECURITIES - SALES CONTRACTS

Net Change From  
Previous Week

N O N E

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Redemption and Sales</u>	<u>Issue</u>
Boston	\$ 18,000	Tr. Bds. 3 1/8%-1946-49	\$ 0	-
New York	6,000,000	Misc. Gov't Sec.	6,000,000	Feb. 8/33 Tr. Bills
Atlanta	108,100	" " "	181,800	Misc. Gov't Sec.
Minneapolis	683,450	" " "	932,050	" " "
Totals	<u>\$6,809,550</u>		<u>\$7,113,850</u>	

BANKERS ACCEPTANCES

(000 Omitted)

	Holdings Feb. 1	Purchased Own Mkt.	By Allot- ment from New York	Maturities and Sales		Holdings Feb. 8	Other Holdings Close Feb. 8/33	
				Held in N. Y.	Held Else- where		Con- tracts Sales	Other Bills
Boston	\$ 0	\$ 0	0	0	\$ 0	\$ 0	0	\$ 2,125
New York	100	0	0	0	0	100	0	9,705
Phila.	6	0	0	0	0	6	0	3,057
Cleve.	0	90 R.	0	0	0	90	0	2,875
Rich.	500	231 "	0	0	130	601	0	1,132
Atlanta	1,622	0	0	0	345	1,277	0	1,016
Chicago	0	0	0	0	0	0	0	3,783
St. Louis	0	0	0	0	0	0	0	947
Minn.	0	0	0	0	0	0	0	640
Kan. City	0	0	0	0	0	0	0	842
Dallas	0	0	0	0	0	0	0	842
San Fran.	73	161 "	0	0	2	232	0	2,033
Totals	\$2,301	\$482	0	0	\$477	\$2,306	0	\$28,997
Bills held <u>overnight</u> by New York for distribution to other Fed. Res. Bks.--								35
Total - - - -								<u>\$29,032</u>

NOTE: R. indicates RETAINED in above statement.

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MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDED FEBRUARY 8, 1933  
(000 Omitted)

	<u>1-30 days</u> -	<u>31-60 days</u> 1%	<u>61-90 days</u> 1%	<u>Over 90-days</u> -	<u>Total</u>
Cleveland	0	\$ 0	\$ 90*	0	\$ 90
Richmond	0	0	231	0	231
San Francisco	0	160	1	0	161
Totals	0	\$160	\$322	0	\$482

\*Purchased at 1 1/2%

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES WEEK ENDED FEBRUARY 8, 1933  
(000 Omitted)

	<u>Government Securities</u>	<u>Bankers Acceptances</u>	<u>Totals</u>
Purchased	\$70,610	\$482	\$71,092
Sold	1,113	0	1,113
Matured	49,200	477	49,677
		\$ 5+	\$20,502+
		5-(Net Change 1-day holdover & other bills)	5-(Net Change 1-day holdover & other bills)
Totals	\$20,297+	\$ 0	\$20,297+

MATURITY DISTRIBUTION OF HOLDINGS OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES WEEK ENDED FEBRUARY 8, 1933  
(000 Omitted)

	<u>Within 15-days</u>	<u>16-30 days</u>	<u>31-60 days</u>	<u>61-90 days</u>	<u>91 days- 6 months</u>	<u>Over 6 months</u>	<u>Totals</u>
Gov't Securities	\$73,550	\$50,000	\$203,035	\$203,897	\$128,525	\$1,124,905	\$1,783,912
Bills Purchased	7,581	8,733	5,148	9,876	0	0	31,338
Totals	\$81,131	\$58,733	\$208,183	\$213,773	\$128,525	\$1,124,905	\$1,815,250

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FEDERAL RESERVE BANK  
OF NEW YORK

CONFIDENTIAL

February 3, 1933.

Mr. E. L. Smead, Chief,  
Division of Bank Operations,  
Federal Reserve Board,  
Washington, D. C.

Dear Mr. Smead:

Enclosed is a report of open market operations  
for the period from January 26, 1933 to February 1, 1933  
inclusive, together with data received from Federal  
Reserve Banks.

Very truly yours,



W. B. Matteson  
Assistant Deputy Governor

Encl.



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FEB -4 1933

DIVISION OF RESEARCH AND STATISTICS. FEDERAL RESERVE BANK

OF NEW YORK

*Mr. Thompson*  
*Mr. Riefler*  
*Mr. Thompson*

CONFIDENTIAL

February 3, 1933.

Dr. E. A. Goldenweiser, Director,  
Division of Research and Statistics,  
Federal Reserve Board,  
Washington, D. C.

Dear Dr. Goldenweiser:

Enclosed is a report of open market operations  
for the period from January 26, 1933 to February 1, 1933  
inclusive, together with data received from Federal  
Reserve banks.

Very truly yours,



W. B. Matteson  
Assistant Deputy Governor

Encl.

FEDERAL RESERVE BANK  
OF NEW YORK

for CIRCULATION

Gov. Meyer ✓

Mr. Hamlin ✓

Mr. James ✓

Mr. Mapee *about*

Mr. Miller \_\_\_\_\_

\_\_\_\_\_

Mr. \_\_\_\_\_

Mr. \_\_\_\_\_

\_\_\_\_\_

February 3, 1933.

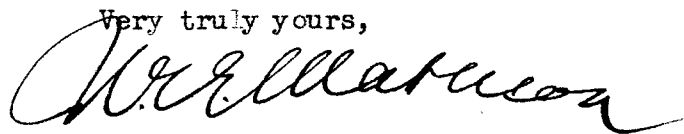
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CONFIDENTIAL

Dear Governor Meyer:

Enclosed is a report of open market operations for the period from January 26, 1933 to February 1, 1933 inclusive, together with data received from Federal Reserve banks.

Very truly yours,



W. B. Matteson  
Assistant Deputy Governor

Honorable Eugene Meyer,  
Governor, Federal Reserve Board,  
Washington, D. C.

Encl.

CONFIDENTIAL  
REPORT OF OPEN MARKET OPERATIONS FOR WEEK ENDED FEBRUARY 1, 1933

Holdings of Earning Assets of Federal Reserve Banks from February 3, 1932 to Date  
(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS
		Outright Purchases	Sales Contracts	Outright Purchases	Sales Contracts	DISCOUNTED
-1932-						
Feb. 3	\$1,796,215	\$ 747,495	\$ 1,500	\$141,659	\$14,461	\$855,168
" 24	1,723,862	740,006	550	126,865	6,517	835,243
Mar. 30	1,578,146	860,056	11,562	62,281	4,081	633,255
Apr. 27	1,773,745	1,191,232	0	45,874	0	531,824
May 25	2,040,056	1,524,896	300	38,573	0	471,267
June 29	2,340,262*	1,795,219*	5,752	47,787	15,732	469,828
July 27	2,412,232	1,841,191	0	38,210	1,490	525,390
Aug. 31	2,324,484	1,851,315	400	34,098	0	432,756
Sept. 28	2,231,806	1,851,025	2,658	33,203	401	339,647
Oct. 26	2,212,391	1,850,949	0	33,965	0	322,322
Nov. 30	2,200,030	1,850,766	0	34,800	0	308,973
Dec. 28	2,157,075	1,850,737	0	33,307	0	267,382
-1933-						
Jan. 25	2,064,031	1,763,311	0	31,496	0	264,698
Feb. 1	2,067,058	1,763,615	0	31,338	0	268,690

\*Includes \$24,000,000 special one-day Treasury certificate of indebtedness issued to Federal Reserve Bank of Chicago on June 29.

CHANGES IN EARNING ASSET HOLDINGS DURING WEEK ENDED FEBRUARY 1, 1933  
(000 Omitted)

	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS DISCOUNTED	
	Balance	Net	Balance	Net	Balance	Net
	Feb. 1	Change	Feb. 1	Change	Feb. 1	Change
Boston	\$ 91,549	\$ 0	\$ 0	\$ 0	\$ 11,928	\$ 49-
New York	698,444	0	100	0	57,572	1,109-
Philadelphia	132,020	0	6	0	45,123	2,492-
Cleveland	168,774	0	0	0	25,454	1,325-
Richmond	44,619	0	500	0	16,249	471+
Atlanta	44,211	44+	1,622	136-	19,692	2,174+
Chicago	251,502	0	0	0	18,118	2,226+
St. Louis	62,655	0	0	0	6,764	748-
Minneapolis	52,387	260+	0	0	10,298	264-
Kansas City	54,302	0	0	0	12,723	1,151+
Dallas	46,292	0	0	0	4,119	57+
San Francisco	116,860	0	73	14-	40,650	3,900+
N. Y. holdovers and other bills			29,037	8-		
Totals	\$1,763,615	\$304+	\$31,338	\$158-	\$268,690	\$3,992+

COMMENT ON CHANGES WEEK ENDED FEBRUARY 1, 1933

Total earning assets of the System showed an increase of \$3,027,000 for the current statement week. The principal changes by classification consisted of increases in outright holdings of government securities and in bills discounted of \$304,000 and \$3,992,000 respectively, and a decrease in holdings of other assets amounting to \$1,111,000.

Money  
Market

Excess reserves estimated to be held by all member banks in the country declined \$75,000,000 further during the week ended February 1, and on that date amounted to \$488,000,000. The average amount of excess reserves held during this week, however, was about \$511,000,000.

The largest loss of funds to member bank reserve accounts during the week was due to a more than seasonal increase of \$41,000,000 in the amount of currency outstanding. There was also a considerable loss of funds which resulted from an increase of \$24,000,000 in the Treasury balances at the Reserve Banks. Smaller losses of funds were occasioned by a decrease of \$8,000,000 in the monetary gold stock of the country and a net increase of \$4,000,000 in foreign bank deposits at the Reserve Banks. The effect of this aggregate loss was only offset to a slight extent by a rise of \$4,000,000 in member bank discounts.

During the current week it appears that excess reserves of the member banks will be maintained generally at a level somewhat below \$500,000,000.

During the week ended February 1, surplus reserves of the New York money market banks declined \$60,000,000 further to \$178,000,000. The largest loss of funds was through an outflow to other parts of the country, a movement which was supplemented by an increase in currency outstanding and a net loss through foreign account and gold transactions.

Yields on short-term Government securities declined slightly further. Aside from this easing, however, no quotable changes occurred in the rate structure of the New York money market.

Government  
Security  
Market

The market for United States Government securities continued generally firm during the current reporting period, though the market was more selective. Prices for the Treasury certificates, First and Fourth 4 1/4% Liberty Loan bonds and the 3% and 3 1/8% Treasury bonds declined from 1/32nd to 4/32nds for the week, while prices for the Treasury notes, First 3 1/2% Liberty Loan bonds and 3 3/8%, 3 3/4%, 4% and 4 1/4% Treasury bonds advanced from 1/32nd to 10/32nds. At the close of the current reporting period the average yield on the short-term issues at dealers' offering prices, (exclusive of three issues of Treasury certificates maturing up to and including June 15, 1933) was about 0.81% as compared with 0.83% at the close of the previous week, and the average selling price for the Liberty Loan bonds was 103.24 and for Treasury bonds 103.81 as compared with the previous week's average closing prices of 103.25 and 103.67 respectively.

Dealers' Offering Prices at the Close of the Current Statement Week  
and Net Changes from the Close of the Previous Statement Week

	<u>Issue</u>	<u>Price</u>	<u>Net Change</u>	<u>Approx. Yield</u>
3 3/4%	Cert. of Ind. due Mar. 15, 1933	100 24/32	- 3/32	- - -
2 %	" " " " May 2, 1933	100 19/32	- 2/32	- - -
1 1/2%	" " " " June 15, 1933	100 19/32	- 2/32	- - -
1 1/4%	" " " " Sept. 15, 1933	100 22/32	- 1/32	0.12%
3/4%	" " " " Dec. 15, 1933	100 15/32	- 1/32	0.21%
3 %	Treasury Notes " May 2, 1934	103 7/32	+ 3/32	0.40%
2 1/8%	" " " " Aug. 1, 1934	102 9/32	+ 5/32	0.59%
3 %	" " " " June 15, 1935	103 12/32	+ 5/32	1.54%
3 1/4%	" " " " Aug. 1, 1936	103 26/32	+ 2/32	2.11%
2 3/4%	" " " " Dec. 15, 1936	102 2/32	+ 5/32	2.19%
3 %	" " " " Apr. 15, 1937	102 30/32	+ 2/32	2.26%
3 1/4%	" " " " Sept. 15, 1937	103 22/32	+ 1/32	2.39%
2 5/8%	" " " " Feb. 1, 1938	101 5/32	+ 7/32	2.37%

Treasury Bills - all maturities - 0.20% discount bid, 0.05% asked

Closing Sale Prices on the New York Stock Exchange at the Close  
of the Current Statement Week and Net Changes from  
Close of the Previous Statement Week

<u>Issue</u>	<u>Price</u>	<u>Net Change</u>	<u>Issue</u>	<u>Price</u>	<u>Net Change</u>
First 3 1/2s	103 14/32	+6/32	Treasury 4 1/4s 1947-52	111 2/32	+ 9/32
First 4 1/4s	102 25/32	-4/32	" 4 s 1944-54	107 1/32	+ 4/32
Fourth 4 1/4s	103 16/32	-3/32	" 3 3/4s 1946-56	105 13/32	+ 5/32
			" 3 3/8s 1945-47	102 21/32	+ 2/32
			" 3 3/8s 1940-43	102 29/32	+10/32
			" 3 3/8s 1941-43	102 21/32	+ 4/32
			" 3 1/8s 1946-49	100	- 1/32
			" 3 s 1951-55	98 24/32	- 1/32

Bankers  
Acceptances

Dealers' offerings of unendorsed bankers acceptances continued at the following rates during the current statement week: 1/4 per cent for 30s, 60s and 90s, 3/8 per cent for 120s and 5/8 per cent for 180-day bills.

Reports  
week  
ended  
Feb. 1

Boston reported that the local bill market continued quiet during the past period. While dealers had few calls for bills, the local supply was inadequate to fill even these orders, making it necessary for dealers to import bills from their offices in other cities. In New York the dullness which has prevailed in the bill market recently continued this week, but as the week progressed the inactivity became more pronounced. Dealers' purchases exceeded their sales moderately and aggregate portfolios increased by \$2,400,000 to \$9,400,000. Philadelphia reported that activity was light in its bill market with less firmness in rates at 1/4 - 3/8 than at 3/8 - 1/2. Offerings were small with demand slackened.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

Transactions consummated under Treasury authorization during the current statement week were as follows:

Purchases of	\$2,000,000 - 4 1/4% Treasury Bonds of 1947-52, account Postal Savings System	
	1,000,000 - 3 3/4% Treasury Bonds of 1946-56, account Postal Savings System	
Total	\$3,000,000	

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

In view of the decrease in member bank excess reserves, mentioned on page 2 of this report, no reduction was made this week in System holdings of government securities. Transactions in the System Account during the current statement week consisted of:

- (1) Exchange by subscription to new Treasury issue dated February 1, 1933 pursuant to Treasury offering dated January 23, 1933:

\$8,540,500 - 3 3/4% C/I due Feb. 1, 1933 for \$8,540,500 - 2 5/8% T/N due Feb. 1, 1938

(\$930,000 of this exchange was effected by the Federal Reserve Bank of Chicago for maturing certificates of indebtedness held by it in safekeeping for System Account.)

- (2) Purchases in the market in replacement of the redemption of unallocated portion of February 1, 1933 certificates entered for exchange:

Redeemed	Purchased in the market
\$5,234,500 - 3 3/4% C/I due Feb. 1, 1933	\$3,000,000 - 1 1/4% C/I due Sept. 15, 1933
	2,234,500 - 3 1/4% T/N " Aug. 1, 1936
\$5,234,500	\$5,234,500

(\$570,000 of the \$5,234,500 redemption was effected at the Federal Reserve Bank of Chicago.)

- (3) Sales in the market of

\$10,000,000-3 3/4% C/I due Feb. 1, 1933\*  
30,000,000-3 3/4% " " Mar. 15, 1933\*  
8,940,500-2 % " " May 2, 1933

- Purchases in the market of

\$15,000,000-Treas. Bills due Apr. 12, 1933  
20,000,000- " " " " 19, 1933  
5,100,000- " " " " 26, 1933  
4,500,000-1 1/4% C/I " Sept. 15, 1933  
1,000,000- 3/4% " " Dec. 15, 1933  
1,075,000-2 1/8% T/N " Aug. 1, 1934  
1,500,000-3 % " " June 15, 1935  
765,500-3 1/4% " " Aug. 1, 1936

\$48,940,500

\$48,940,500

\* Held temporarily as mentioned in last week's report.

5

The total holdings of government securities in the Account remained at \$1,558,799,500. The participations by Federal Reserve Banks and the classification of issues held in the Account at the close of business Wednesday, February 1, 1933, were as follows:

<u>PARTICIPATIONS BY FEDERAL RESERVE BANKS</u>		<u>RECAPITULATION OF HOLDINGS BY MATURITIES</u>	
Boston	\$ 90,860,000	Feb. 8, 1933-Treasury Bills	\$ 43,200,000
New York	576,543,000	" 15, 1933-	" " 33,600,000
Philadelphia	128,670,000	" 23, 1933-	" " 39,950,000
Cleveland	168,774,000	Mar. 1, 1933-	" " 30,000,000
Richmond	44,619,000	" 29, 1933-	" " 24,350,000
Atlanta	44,077,000	Apr. 12, 1933-	" " 29,500,000
Chicago	191,243,500	" 19, 1933-	" " 29,000,000
St. Louis	62,154,500	" 26, 1933-	" " 31,100,000
Minneapolis	44,576,500	Mar. 15, 1933-	3 3/4% C/I 151,025,000
Kansas City	54,130,500	May 2, 1933-	2 % " 114,297,000
Dallas	36,292,000	June 15, 1933-	1 1/2% " 117,725,000
San Francisco	116,859,500	Sept. 15, 1933-	1 1/4% " 183,535,000
		Dec. 15, 1933-	3/4% " 76,104,000
		May 2, 1934-	3 % T/N 85,225,000
		Aug. 1, 1934-	2 1/8% " 119,027,000
		June 15, 1935-	3 % " 84,127,000
		Aug. 1, 1936-	3 1/4% " 3,000,000
		Dec. 15, 1936-	2 3/4% " 19,880,000
		Feb. 1, 1938-	2 5/8% " 8,540,500
		June 15, 1932/47-3	1/2% 1st I/L 25,025,000
		" 15, 1932/47-4	1/4% 1st " 281,591,000
		Oct. 15, 1933/38-4	1/4% 4th " 29,000,000
<b>Totals</b>	<b>\$1,558,799,500</b>		<b>\$1,558,799,500</b>

6

ITEMIZED STATEMENT OF TRANSACTIONS IN GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES  
AFFECTING THE INVESTMENT ACCOUNT OF ALL FEDERAL RESERVE BANKS  
FROM JANUARY 26 TO FEBRUARY 1, 1933, INCLUSIVE

GOVERNMENT SECURITIES - SYSTEM INVESTMENT ACCOUNT

	<u>Purchases and Exchanges</u>	<u>Sales, Redemptions and Exchanges</u>
Boston	\$ 3,655,500	\$ 3,655,500
New York	23,195,500	23,195,500
Philadelphia	5,177,000	5,177,000
Cleveland	6,790,000	6,790,000
Richmond	1,795,000	1,795,000
Atlanta	1,774,000	1,774,000
Chicago	7,694,500	7,694,500
St. Louis	2,500,500	2,500,500
Minneapolis	1,793,500	1,793,500
Kansas City	2,178,500	2,178,500
Dallas	1,459,500	1,459,500
San Francisco	4,702,000	4,702,000
Totals	<u>\$62,715,500</u>	<u>\$62,715,500</u>

HOLDINGS IN GOVERNMENT SECURITIES - SALES CONTRACTS

	<u>Net Change From Previous Week</u>
N O N E	-

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>
Atlanta	\$ 237,400	Misc. Gov't Sec.	\$ 192,750	Misc. Gov't Sec.
Minneapolis	1,131,400	" " "	871,150	" " "
Totals	<u>\$1,368,800</u>		<u>\$1,063,900</u>	

BANKERS ACCEPTANCES

(000 Omitted)

	<u>Holdings Jan. 25</u>	<u>Purchased Own Mkt.</u>	<u>By Allot- ment from New York</u>	<u>Maturities and Sales</u>		<u>Holdings Feb. 1</u>	<u>Other Holdings Close Feb. 1/33</u>	
				<u>Held in N.Y.</u>	<u>Held Else- where</u>		<u>Sales Con- tracts</u>	<u>Other Bills</u>
Boston	\$ 0	\$ 0	0	0	\$ 0	\$ 0	0	\$ 2,125
New York	100	0	0	0	0	100	0	9,746
Phila.	6	0	0	0	0	6	0	3,057
Cleve.	C	0	0	0	0	0	0	2,874
Rich.	500	0	0	0	0	500	0	1,153
Atlanta	1,758	123 R,	0	0	259	1,622	0	1,015
Chicago	0	0	0	0	0	0	0	3,783
St. Louis	0	0	0	0	0	0	0	947
Minn.	0	0	0	0	0	0	0	640
Kan. City	0	0	0	0	0	0	0	842
Dallas	0	0	0	0	0	0	0	842
San Fran.	87	0	0	0	14	73	0	2,033
Totals	<u>\$2,451</u>	<u>\$123</u>	<u>0</u>	<u>0</u>	<u>\$273</u>	<u>\$2,301</u>	<u>0</u>	<u>\$29,037</u>

NOTE: R. indicates RETAINED in above statement.



7

MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDED FEBRUARY 1, 1933  
(000 Omitted)

	<u>1-30 days</u> <u>1%</u>	<u>31-60 days</u> <u>1%</u>	<u>61-90 days</u> <u>1%</u>	<u>Over 90-days</u> <u>-</u>	<u>Total</u>
Atlanta	\$32	\$38	\$53	0	\$123

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES WEEK ENDED FEBRUARY 1, 1933  
(000 Omitted)

	<u>Government</u> <u>Securities</u>	<u>Bankers</u> <u>Acceptances</u>	<u>Totals</u>
Purchased	\$55,543	\$123	\$55,666
Sold	50,005	0	50,005
Matured	5,234	273	5,507
Exchanged*	8,540	0	8,540
		<u>\$150-</u>	<u>\$ 154+</u>
		8- (Net Change	8- (Net Change
		1-day holdover	1-day holdover
		and other bills)	and other bills)
Totals	<u>\$ 304+</u>	<u>\$158-</u>	<u>\$ 146+</u>

\*Maturing 3 3/4% certificates of indebtedness exchanged for 2 5/8% Treasury notes due February 1, 1938, issued under Treasury offering dated January 23, 1933.

MATURITY DISTRIBUTION OF HOLDINGS OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES WEEK ENDED FEBRUARY 1, 1933  
(000 Omitted)

	<u>Within</u> <u>15-days</u>	<u>16-30</u> <u>days</u>	<u>31-60</u> <u>days</u>	<u>61-90</u> <u>days</u>	<u>91 days-</u> <u>6 months</u>	<u>Over 6</u> <u>months</u>	<u>Totals</u>
Gov't Securities	\$82,800	\$89,950	\$203,035	\$203,897	\$128,525	\$1,055,408	\$1,763,615
Bills Purchased	<u>7,184</u>	<u>5,020</u>	<u>8,654</u>	<u>10,480</u>	<u>0</u>	<u>0</u>	<u>31,338</u>
Totals	<u>\$89,984</u>	<u>\$94,970</u>	<u>\$211,689</u>	<u>\$214,377</u>	<u>\$128,525</u>	<u>\$1,055,408</u>	<u>\$1,794,953</u>

*H. - keep charts on  
excess reserves  
up to date*

FEDERAL RESERVE BANK  
OF NEW YORK



CONFIDENTIAL

January 27, 1933.

Mr. E. L. Smead, Chief,  
Division of Bank Operations,  
Federal Reserve Board,  
Washington, D. C.

Dear Mr. Smead:

Enclosed is a report of open market operations  
for the period from January 19, 1933 to January 25, 1933  
inclusive, together with data received from Federal  
Reserve banks.

Very truly yours,  
*W. B. Matteson*  
W. B. Matteson  
Assistant Deputy Governor

Encl.

*Mr. Tolson ✓*  
*Mr. Miller ✓*  
*Mr. Thompson*

RECEIVED  
JAN 28 1933  
DIVISION OF RESEARCH  
AND STATISTICS  
FEDERAL RESERVE BANK  
OF ST. LOUIS

FEDERAL RESERVE BANK  
OF NEW YORK

CONFIDENTIAL

January 27, 1933.

Dr. E. A. Goldenweiser, Director,  
Division of Research and Statistics,  
Federal Reserve Board,  
Washington, D. C.

Dear Dr. Goldenweiser:

Enclosed is a report of open market operations for  
the period from January 19, 1933 to January 25, 1933 inclu-  
sive, together with data received from Federal Reserve banks.

Very truly yours,  
*W. B. Matteson*

W. B. Matteson  
Assistant Deputy Governor

Encl.

FEDERAL RESERVE BANK  
OF NEW YORK

For CIRCULATION  
Gov. Meyer   
Mr. Hamlin   
Mr. James   
Mr. Megee   
Mr. Miller   
-----

Mr.  
Mr.  
Please note - initial and  
return to ~~Secretary's office~~  
*Filer*

CONFIDENTIAL

January 27, 1933.

Dear Governor Meyer:

Enclosed is a report of open market operations for the period from January 19, 1933 to January 25, 1933 inclusive, together with data received from Federal Reserve banks.

Very truly yours,  


W. B. Matteson  
Assistant Deputy Governor

Honorable Eugene Meyer, Governor,  
Federal Reserve Board,  
Washington, D. C.

Encl.

## CONFIDENTIAL

## REPORT OF OPEN MARKET OPERATIONS FOR WEEK ENDED JANUARY 25, 1933

Holdings of Earning Assets of Federal Reserve Banks from January 27, 1932 to Date  
(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS
		Outright Purchases	Sales Contracts	Outright Purchases	Sales Contracts	DISCOUNTED
-1932-						
Jan. 27	\$1,787,912	\$ 750,216	\$ 1,500	\$153,671	\$ 8,590	\$837,639
Feb. 24	1,723,862	740,006	550	126,865	6,517	835,243
Mar. 30	1,578,146	860,056	11,562	62,281	4,081	633,255
Apr. 27	1,773,745	1,191,232	0	45,874	0	531,824
May 25	2,040,056	1,524,896	300	38,373	0	471,267
June 29	2,340,262*	1,795,219*	5,752	47,787	15,732	469,828
July 27	2,412,232	1,841,191	0	38,210	1,490	525,390
Aug. 31	2,324,484	1,851,315	400	34,098	0	432,756
Sept. 28	2,231,806	1,851,025	2,658	33,203	401	439,647
Oct. 26	2,212,391	1,850,949	0	33,965	0	322,322
Nov. 30	2,200,030	1,850,766	0	34,800	0	308,973
Dec. 28	2,157,075	1,850,737	0	33,307	0	267,382
-1933-						
Jan. 18	2,063,384	1,778,193	0	31,926	0	248,668
" 25	2,064,031	1,763,311	0	31,496	0	264,698

\*Includes \$24,000,000 special one-day Treasury certificate of indebtedness issued to Federal Reserve Bank of Chicago on June 29.

CHANGES IN EARNING ASSET HOLDINGS DURING WEEK ENDED JANUARY 25, 1933  
(000 Omitted)

	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS DISCOUNTED	
	Balance	Net	Balance	Net	Balance	Net
	Jan. 25	Change	Jan. 25	Change	Jan. 25	Change
Boston	\$ 91,549	\$ 875-	\$ 0	\$ 0	\$ 11,977	\$ 242-
New York	698,444	8,048-	100	0	58,681	2,335+
Philadelphia	132,020	1,238-	6	0	47,615	817+
Cleveland	168,774	1,624-	0	0	26,779	2,073+
Richmond	44,619	430-	500	76-	15,778	7+
Atlanta	44,167	353-	1,758	121-	17,518	200-
Chicago	251,502	1,841-	0	0	15,892	977+
St. Louis	62,655	598-	0	0	7,512	1,511-
Minneapolis	52,127	480-	0	0	10,562	198+
Kansas City	54,302	421-	0	0	11,572	134+
Dallas	46,292	2,151+	0	0	4,062	130-
San Francisco	116,860	1,125-	87	11-	36,750	11,574+
N. Y. holdovers and other bills			29,045	222-		
Totals	\$1,763,311	\$14,882-	\$31,496	\$430-	\$264,698	\$16,030+

## COMMENT ON CHANGES WEEK ENDED JANUARY 25, 1933

Total earning assets of the System showed an increase of \$647,000 during the current statement week. The principal changes by classification consisted of decreases in outright holdings of government securities and in outright holdings of bankers acceptances of \$14,882,000 and \$430,000 respectively, and an increase in bills discounted amounting to \$16,030,000.

Money  
Market

During the week ended January 25 estimated excess reserves of all member banks in the country declined from \$599,000,000 to \$563,000,000. Again this week there was an increase in the amount of money outstanding, the rise of \$9,000,000 in circulation contrasting with a usual seasonal reduction. The counter-seasonal movement of currency circulation reflected the continuance of banking disturbances in several sections of the country. In addition, a decrease of \$10,000,000 occurred in the monetary gold stock of the country as the net result of a sale of \$18,500,000 of gold from the amount held abroad for the Federal Reserve Bank of New York and of a net increase in earmarkings of gold for foreign correspondents, the aggregate of which exceeded further imports of gold from England, France, Holland, Canada, China, and India. Foreign bank balances at the Reserve Bank were also increased by a moderate net amount for the week, thereby taking funds out of the money market, and there was a further reduction of \$15,000,000 in security holdings of the System Special Investment Account. Other factors in the decrease in excess reserves were a rise in reserve requirements of New York City banks and an increase in miscellaneous deposits at the New York Reserve Bank. Only partial offsets to the above mentioned transactions were an increase of \$16,000,000 in member bank borrowings at the Reserve Banks and a small reduction in Treasury balances.

During the current week currency demands on the approach of the first of February may be expected to result in a further reduction in member bank excess reserves.

In New York City, excess reserves of the member banks declined \$77,000,000 to \$238,000,000 on January 25. Losses of funds to this market resulted from Treasury transactions, the decline in the System Special Investment Account, an outflow of commercial and banking funds to other parts of the country, and from foreign account and gold transactions. These losses of funds together with an increase in the reserve requirements of New York City banks considerably exceeded the gain to reserve balances which accompanied a decrease in the amount of currency outstanding in this market.

Open market bill rates were reduced 1/8 per cent during the past week to 1/4 per cent for the ninety day maturity, a new low in the history of the American acceptance market. Yields on short term United States Government securities declined between 1/8 and 1/4 per cent. The Treasury bill issue dated January 25 was sold at an average rate of 0.18 of one per cent; this compares with 0.24 of one per cent on the issue dated January 18th, 0.20 of one per cent on the January 11 issue, and 0.09 of one per cent on the issue dated December 28. Call money was freely available in the outside market at 1/2 per cent as against a range of 1/2 to 3/4 per cent in the previous week. Other money rates were unchanged during the week.

Government  
Security  
Market

The market for United States Government securities, which had been weak during the previous statement week, was strong and active throughout the entire list during the current reporting period with the demand exceptionally good for the Treasury notes due 1936 and 1937 and the Treasury bonds. The reduction in interest rates in New York and Chicago contributed to the strength of the market. The Treasury's offering during the week of five year 2 5/8% Treasury notes was quoted in the market at the close of the week at a premium of 30/32nds, and with the exception of the price for 3 3/4% Treasury certificates due March 15, 1933, which declined 2/32nds for the week, prices for the short-term issues gained from 4/32nds to 27/32nds for the week, while prices for the Liberty Loan and Treasury bonds gained from 10/32nds to 1.2/32nds. At the close of the current reporting period the average yield on the short-term issues, at dealers' offering prices, (exclusive of four issues of Treasury certificates maturing up to and including June 15, 1933, which showed no yield at current prices) was about 0.74% as compared with 0.82% at the close of the previous week, and the average selling price for the Liberty Loan bonds was 103.25 and for Treasury bonds 103.67 as compared with the previous week's average closing prices of 102.78 and 102.87 respectively.

Dealers' Offering Prices at the Close of the Current Statement Week  
and Net Changes from the Close of the Previous Statement Week

	<u>Issue</u>	<u>Price</u>	<u>Net Change</u>	<u>Approx. Yield</u>
3 3/4%	Cert. of Ind. due Feb. 1, 1933	- - -	- - -	- - -
3 3/4%	" " " " Mar. 15, 1933	100 27/32	- 2/32	- - -
2 %	" " " " May 2, 1933	100 21/32	+ 4/32	- - -
1 1/2%	" " " " June 15, 1933	100 21/32	+ 4/32	- - -
1 1/4%	" " " " Sept. 15, 1933	100 23/32	+ 5/32	0.11%
3/4%	" " " " Dec. 15, 1933	100 16/32	+ 6/32	0.18%
3 %	Treasury Notes " May 2, 1934	103 4/32	+ 9/32	0.51%
2 1/8%	" " " Aug. 1, 1934	102 4/32	+13/32	0.71%
3 %	" " " June 15, 1935	103 7/32	+14/32	1.61%
3 1/4%	" " " Aug. 1, 1936	103 24/32	+23/32	2.14%
2 3/4%	" " " Dec. 15, 1936	101 29/32	+18/32	2.23%
3 %	" " " Apr. 15, 1937	102 28/32	+27/32	2.28%
3 1/4%	" " " Sept. 15, 1937	103 21/32	+20/32	2.41%
2 5/8%	" " " Feb. 1, 1938*	100 30/32	+30/32	2.42%

\* when issued

Treasury Bills - all maturities - 0.20% discount bid, 0.05% asked

Closing Sale Prices on the New York Stock Exchange at the Close  
of the Current Statement Week and Net Changes from  
Close of the Previous Statement Week

<u>Issue</u>	<u>Price</u>	<u>Net Change</u>	<u>Issue</u>	<u>Price</u>	<u>Net Change</u>
First 3 1/2s	103 8/32	+14/32	Treasury 4 1/4s 1947-52	110 25/32	+ 25/32
" 4 1/4s	102 29/32	+21/32	" 4s 1944-54	106 29/32	+ 14/32
Fourth 4 1/4s	103 19/32	+10/32	" 3 3/4s 1946-56	105 8/32	+ 18/32
			" 3 3/8s 1943-47	102 19/32	+ 31/32
			" 3 3/8s 1940-43	102 19/32	+ 27/32
			" 3 3/8s 1941-43	102 17/32	+ 29/32
			" 3 1/8s 1946-49	100 1/32	+1. 2/32
			" 3s 1951-55	98 25/32	+ 31/32

Bankers  
Acceptances

Dealers' offerings of unendorsed bankers acceptances were at the following rates at the close of the current statement week: 1/4 per cent for 30s, 60s and 90s, 3/8 per cent for 120s and 5/8 per cent for 180-day bills. This represents a reduction of 1/8 per cent on all maturities from the previous week's offering rates.

Reports  
week  
ended  
Jan. 25

Boston reported that there was very little activity in the local bill market during the past period. The supply of bills was very small and the local demand also decreased. In line with the dealers in other cities, local dealers lowered their rates 1/8 per cent to 3/8 per cent bid, 1/4 per cent asked for 90-day bills. In New York there was not much activity in the bill market, the volume of bills handled by dealers being smaller than the week previous. The reduction in rates did not greatly increase the supply of new bills, but the low yield had a tendency to slow up the demand with the result that dealers' portfolios rose to \$7,000,000, an increase of \$2,000,000 over the week previous. Of the bills sold, a substantial amount went to an out-of-town investor. Philadelphia reported that its acceptance market was quiet. There was a slight increase reported in offerings but the demand fell off somewhat at the lower rate.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

The only transaction consummated under Treasury authorization during the current statement week was a sale of \$200,000 Fourth 4 1/4% Liberty Loan Bonds for account Alien Property Custodian.

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

In line with the policy adopted at the meeting of the Open Market Policy Conference held in Washington on January 4 and 5, 1933, a reduction of \$15,000,000 in the System Account holdings was effected by the replacement of only \$54,550,000 of the \$69,550,000 Treasury bills maturing January 25, 1933, held in the System Account. Following is a statement of the transactions effected in the System Account during the week:

(1) Redemption of January 25, 1933 Treasury Bills and replacement by purchases in the market

<u>Redeemed</u>	<u>Purchased in the market</u>
\$69,550,000 - Treas. Bills due Jan. 25, 1933	\$ 5,000,000 - Treas. Bills due Apr. 19, 1933
	36,000,000 - " " " " 26, 1933
	900,000 - 3/4% C/I " Dec. 15, 1933
	3,300,000 - 1 1/4% " " Sept. 15, 1933
	5,000,000 - 3 % T/N " May 2, 1934
	1,000,000 - 2 1/8% " " Aug. 1, 1934
	3,350,000 - 3 % " " June 15, 1935
\$69,550,000	\$54,550,000

(2) Sale to a foreign correspondent and replacement by purchases in the market

<u>Sold</u>	<u>Purchased</u>
\$ 5,000,000 - Treas. Bills due Feb. 15, 1933	\$30,000,000 - 3 3/4% C/I due Mar. 15, 1933
10,000,000 - " " " " 23, 1933	10,000,000 - 3 3/4% " " Feb. 1, 1933
5,000,000 - " " " Mar. 1, 1933	
10,000,000 - " " " " 29, 1933	
10,000,000 - " " " Apr. 26, 1933	
\$40,000,000	\$40,000,000*

\*Purchased temporarily until delivery is made of replacement purchases made for delivery January 26 and January 27.

(3) Exchanges in the market

<u>Sold</u>	<u>Purchased</u>
\$7,000,000 - 1 1/4% C/I due Sept. 15, 1933	\$4,000,000 - Treas. Bills due Apr. 12, 1933
1,000,000 - 1 1/2% " " June 15, 1933	4,000,000 - " " " " 19, 1933
\$8,000,000	\$8,000,000



5

(4) Sale on January 20, 1933, of \$2,500,000 United States Government Securities from Federal Reserve Bank of New York's participation to Federal Reserve Bank of Dallas' participation in the Account

This sale to the Federal Reserve Bank of Dallas represented part of its shortage in the holdings in the Account.

These transactions reduced the total holdings in the System Account from \$1,573,799,500 to \$1,558,799,500. The participations by Federal Reserve Banks and the classification of issues held in the Account at the close of business Wednesday, January 25, 1933, were as follows:

<u>PARTICIPATIONS BY FEDERAL RESERVE BANKS</u>		<u>RECAPITULATION OF HOLDINGS BY MATURITIES</u>	
Boston	\$ 90,860,000	Feb. 8, 1933-Treasury Bills	\$ 43,200,000
New York	576,543,000	" 15, 1933- "	33,600,000
Philadelphia	128,670,000	" 23, 1933- "	39,950,000
Cleveland	168,774,000	Mar. 1, 1933- "	30,000,000
Richmond	44,619,000	" 29, 1933- "	24,350,000
Atlanta	44,077,000	Apr. 12, 1933- "	14,500,000
Chicago	191,243,500	" 19, 1933- "	9,000,000
St. Louis	62,154,500	" 26, 1933- "	26,000,000
Minneapolis	44,576,500	Feb. 1, 1933- 3 3/4% C/I	23,775,000
Kansas City	54,130,500	Mar. 15, 1933- 3 3/4% "	181,025,000
Dallas	36,292,000	May 2, 1933- 2 % "	123,237,500
San Francisco	116,859,500	June 15, 1933- 1 1/2% "	117,725,000
		Sept. 15, 1933- 1 1/4% "	176,033,000
		Dec. 15, 1933- 3/4% "	75,104,000
		May 2, 1934- 3 % T/N	85,225,000
		Aug. 1, 1934- 2 1/8% "	117,952,000
		June 15, 1935- 3 % "	82,627,000
		Dec. 15, 1936- 2 3/4% "	19,880,000
		June 15, 1932/47-3 1/2% 1st L/L	25,025,000
		" 15, 1932/47-4 1/4% 1st "	29,000,000
		Oct. 15, 1933/38-4 1/4% 4th "	281,591,000
<b>Totals</b>	<b>\$1,558,799,500</b>		<b>\$1,558,799,500</b>

6

**ITEMIZED STATEMENT OF TRANSACTIONS IN GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES  
AFFECTING THE INVESTMENT ACCOUNT OF ALL FEDERAL RESERVE BANKS  
FROM JANUARY 19 TO JANUARY 25, 1933, INCLUSIVE**

<u>GOVERNMENT SECURITIES - SYSTEM INVESTMENT ACCOUNT</u>				
	<u>Purchases</u>	<u>Redemption and Sales</u>	<u>Adjustments in Participations</u>	<u>Net Decrease</u>
Boston	\$ 5,977,500	\$ 8,852,000	\$ 0	\$ 874,500
New York	37,929,500	43,477,500	2,500,000-	8,048,000
Philadelphia	8,465,000	9,703,000	0	1,238,000
Cleveland	11,103,000	12,727,000	0	1,624,000
Richmond	2,935,500	3,365,000	0	429,500
Atlanta	2,899,500	3,323,500	0	424,000
Chicago	12,581,500	14,422,000	0	1,840,500
St. Louis	4,089,000	4,687,000	0	598,000
Minneapolis	2,933,000	3,361,500	0	428,500
Kansas City	3,561,500	4,082,500	0	521,000
Dallas	2,387,500	2,736,500	2,500,000+	2,151,000*
San Francisco	7,687,500	8,812,500	0	1,125,000
<b>Totals</b>	<b>\$102,550,000</b>	<b>\$117,550,000</b>	<b>\$2,500,000 Adj.</b>	<b>\$15,000,000</b>

\*Net increase

HOLDINGS IN GOVERNMENT SECURITIES - SALES CONTRACTS  
Net Change from  
Previous Week

N O N E

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>
		Misc. Gov't Sec.		Misc. Gov't Sec.
Atlanta	\$ 174,150	" " "	\$104,850	" " "
Minneapolis	759,300	" " "	810,400	" " "
Kansas City	100,000	3 1/8% T/B 1946-49	0	-
<b>Totals</b>	<b>\$1,033,450</b>		<b>\$915,250</b>	

BANKERS ACCEPTANCES  
(000 Omitted)

	Holdings Jan.18	Purchased Own Mkt.	By Allot- ment from New York	Maturities and Sales		Holdings Jan.25	Other Holdings Close Jan.25/32	
				Held in N.Y.	Held Else- where		Sales Contracts	Other Bills
Boston	\$ 0	\$ 0	0	0	\$ 0	\$ 0	0	\$ 2,161
New York	100	0	0	0	0	100	0	9,461
Phila.	6	0	0	0	0	6	0	3,109
Cleve.	0	0	0	0	0	0	0	2,921
Richmond	576	0	0	0	76	500	0	1,151
Atlanta	1,879	81 R.	0	0	202	1,758	0	1,032
Chicago	0	0	0	0	0	0	0	3,848
St. Louis	0	0	0	0	0	0	0	946
Minn.	0	0	0	0	0	0	0	640
Kan. City	0	0	0	0	0	0	0	856
Dallas	0	0	0	0	0	0	0	856
San Fran.	98	10 R.	0	0	21	87	0	2,064
<b>Totals</b>	<b>\$2,659</b>	<b>\$91</b>	<b>0</b>	<b>0</b>	<b>\$299</b>	<b>\$2,451</b>	<b>0</b>	<b>\$29,045</b>

NOTE: R. indicates Retained in above statement.

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MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDED JANUARY 25, 1933  
(000 Omitted)

	<u>1-30 days</u> <u>1%</u>	<u>31-60 days</u> <u>1%</u>	<u>61-90 days</u> <u>1%</u>	<u>Over 90-days</u> <u>-</u>	<u>Total</u>
Atlanta	\$20	\$31	\$30	0	\$81
San Francisco	0	10	0	0	10
Totals	<u>\$20</u>	<u>\$41</u>	<u>\$30</u>	<u>0</u>	<u>\$91</u>

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES WEEK ENDED JANUARY 25, 1933  
(000 Omitted)

	<u>Government</u> <u>Securities</u>	<u>Bankers</u> <u>Acceptances</u>	<u>Total</u>
Purchased	\$106,083	\$ 91	\$106,174
Sold	51,415	0	51,415
Matured	69,550	299	69,849
		<del>\$208-</del>	<del>\$ 15,090-</del>
		222- (Net Change	222- (Net Change
		1-day holdover	1-day holdover
		and other bills)	and other bills)
Totals	<u>\$ 14,882-</u>	<u>\$430-</u>	<u>\$ 15,312-</u>

MATURITY DISTRIBUTION OF HOLDINGS OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES WEEK ENDED JANUARY 25, 1933  
(000 Omitted)

	<u>Within</u> <u>15-days</u>	<u>16-30</u> <u>days</u>	<u>31-60</u> <u>days</u>	<u>61-90</u> <u>days</u>	<u>91 days-</u> <u>6 months</u>	<u>Over 6</u> <u>months</u>	<u>Totals</u>
Gov't Securities	\$72,975	\$73,550	\$249,285	\$57,250	\$277,763	\$1,032,488	\$1,763,311
Bills Purchased	4,746	6,864	9,302	10,584	0	0	31,496
Totals	<u>\$77,721</u>	<u>\$80,414</u>	<u>\$258,587</u>	<u>\$67,834</u>	<u>\$277,763</u>	<u>\$1,032,488</u>	<u>\$1,794,807</u>

DECLASSIFIED  
Authority E.O. 10501

*Mr. Thompson*  
*Mr. Rafferty*  
*Mr. [unclear]*

FEDERAL RESERVE BANK  
OF NEW YORK

RECEIVED  
JAN 21 1933  
DIVISION OF RESEARCH  
AND STATISTICS

CONFIDENTIAL

January 20, 1933.

Dr. E. A. Goldenweiser, Director,  
Division of Research and Statistics,  
Federal Reserve Board,  
Washington, D. C.

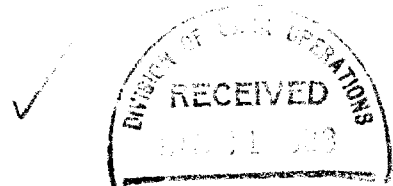
Dear Dr. Goldenweiser:

Enclosed is a report of open market operations  
for the period from January 12, 1933 to January 18, 1933  
inclusive, together with data received from Federal  
Reserve banks.

Very truly yours,  
*W. B. Matteson*

W. B. Matteson  
Assistant Deputy Governor

Encl.



FEDERAL RESERVE BANK  
OF NEW YORK

CONFIDENTIAL

January 20, 1933.

Mr. E. L. Smead, Chief,  
Division of Bank Operations,  
Federal Reserve Board,  
Washington, D. C.

Dear Mr. Smead:

Enclosed is a report of open market operations  
for the period from January 12, 1933 to January 18, 1933  
inclusive, together with data received from Federal  
Reserve banks.

Very truly yours,

W. B. Matteson  
Assistant Deputy Governor

Encl.

FEDERAL RESERVE BANK  
OF NEW YORK

For [unclear]

- ~~Gov. Meyer~~ .....
- Mr. Hamlin  .....
- Mr. James  .....
- Mr. Magee  .....
- Mr. Miller  .....

Mr.  
Mr.

Please note - initial and  
return to Secretary's Office  
*File*

CONFIDENTIAL

January 20, 1933.

Dear Governor Meyer:

Enclosed is a report of open market operations  
for the period from January 12, 1933 to January 18, 1933  
inclusive, together with data received from Federal  
Reserve banks.

Very truly yours,  
*W. B. Matteson*

W. B. Matteson  
Assistant Deputy Governor

Honorable Eugene Meyer, Governor,  
Federal Reserve Board,  
Washington, D. C.

Encl.

CONFIDENTIALREPORT OF OPEN MARKET OPERATIONS FOR WEEK ENDED JANUARY 18, 1933Holdings of Earning Assets of Federal Reserve Banks from January 20, 1932 to Date  
(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS DISCOUNTED
		Outright Purchases	Sales Contracts	Outright Purchases	Sales Contracts	
-1932-						
Jan. 20	\$1,795,341	\$ 749,968	\$ 1,500	\$181,454	\$ 6,587	\$818,986
Jan. 27	1,787,912	750,216	1,500	153,671	8,590	837,639
Feb. 24	1,723,862	740,006	550	126,865	6,517	835,243
Mar. 30	1,578,146	860,056	11,562	62,281	4,081	633,255
Apr. 27	1,773,745	1,191,232	0	45,874	0	531,824
May 25	2,040,056	1,524,896	300	38,373	0	471,267
June 29	2,340,262*	1,795,219*	5,752	47,787	15,732	469,828
July 27	2,412,232	1,841,191	0	38,210	1,490	525,390
Aug. 31	2,324,484	1,851,315	400	34,098	0	432,756
Sept. 28	2,231,806	1,851,025	2,658	33,203	401	339,647
Oct. 26	2,212,391	1,850,949	0	33,965	0	322,322
Nov. 30	2,200,030	1,850,766	0	34,800	0	308,973
Dec. 28	2,157,075	1,850,737	0	33,307	0	267,382
-1933-						
Jan. 11	2,098,003	1,812,388	0	32,362	0	248,151
Jan. 18	2,063,384	1,778,193	0	31,926	0	248,668

\*Includes \$24,000,000 special one-day Treasury certificate of indebtedness issued to Federal Reserve Bank of Chicago on June 29.

CHANGES IN EARNING ASSET HOLDINGS DURING WEEK ENDED JANUARY 18, 1933  
(000 Omitted)

	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS DISCOUNTED	
	Balance Jan. 18	Net Change	Balance Jan. 18	Net Change	Balance Jan. 18	Net Change
Boston	\$ 92,424	\$ 1,999-	\$ 0	\$ 0	\$ 12,219	\$ 280-
New York	706,492	12,652-	100	0	56,348	2,214-
Philadelphia	133,258	2,831-	6	0	46,798	182+
Cleveland	170,398	3,713-	0	0	24,706	2,392+
Richmond	45,049	982-	576	63-	15,771	47+
Atlanta	44,520	984-	1,879	129-	17,718	790+
Chicago	253,343	4,207-	0	0	14,915	1,042-
St. Louis	63,253	1,367-	0	0	9,023	689+
Minneapolis	52,607	954-	0	0	10,364	50+
Kansas City	54,723	1,191-	0	0	11,438	111+
Dallas	44,141	744-	0	0	4,192	312-
San Francisco	117,985	2,571-	98	0	25,176	104+
N. Y. holdovers and other bills			29,267	244-		
Totals	\$1,778,193	\$34,195-	\$31,926	\$436-	\$248,668	\$517+

Total earning assets of the System declined \$34,619,000 during the current statement week. The changes, by classification, consisted of decreases of \$34,195,000 in outright holdings of Government securities, \$436,000 in outright holdings of bankers acceptances, and \$505,000 in holdings of other assets, and an increase in bills discounted amounting to \$517,000.

2

Money  
Market

Reflecting principally the banking disturbances in the St. Louis Reserve District, the amount of money outstanding increased \$13,000,000 during the week ended January 18. The seasonal factor for this particular week, without other influences, would have led to a decrease in the amount of money outstanding of greater proportions than the increase that actually occurred. This loss of funds to the national money market together with other small losses were more than offset by gains resulting from a further net increase in the monetary gold stock, a reduction in reserve requirements, and a reduction in Treasury and other deposits at the Reserve Banks. Owing, however, to a further reduction of \$34,000,000 in the Federal Reserve Banks' holdings of Government securities, accomplished by replacing only part of the January 18th Treasury bills held by the Reserve Banks, the excess reserves of all member banks in the country declined \$23,000,000 to an estimated total of \$599,000,000 on January 18.

Excess reserves of the member banks were reduced about \$60,000,000 further on January 19 as a result of foreign account operations conducted at the New York Reserve Bank. While the usual seasonal movement in currency outstanding should result in a reduction in circulation during the current week it is questionable to what extent gains to member bank reserve accounts from this source will offset the loss in foreign account operations.

During the past statement week transactions in the New York market caused a decline of \$45,000,000 in excess reserves of the New York banks to \$315,000,000 on January 18. The largest factor was the excess of Treasury bill sales over maturities held by the market which resulted from the reduction in Federal Reserve security holdings. There was also a sizable loss of funds in other Treasury transactions and a moderate net outflow of commercial and banking funds to other parts of the country. Gold imports during the week partly offset by an increase in earmarkings for foreign banks, a small decrease in currency outstanding, and other gains somewhat reduced the amount of the aggregate loss through transactions mentioned above.

Yields on short-term Government securities showed a slight average rise for the week ended January 19; the Treasury bill issue dated January 18 was sold at an average rate of 0.24 of one per cent as compared with 0.20 of one per cent on the issue dated January 11. Call money was available in the outside market at 1/2 to 3/4 of one per cent as the week closed compared with 3/4 of one per cent on the preceding Thursday. Other divisions of the money market showed no variations.

Government  
Security  
Market

During the current statement week the market for United States Government securities was active and weak, especially for the long-term bonds. Offerings throughout almost the entire list were in large volume. Prices for the short-term issues declined from about 1/32nd to 9/32nds and prices for Treasury bonds declined from about 3/4 to 1 1/4 points. However, on Wednesday, January 18, the last day of the reporting period, the market had a distinct upturn, especially for the Treasury Bonds and prices recovered from 1/32nd to 12/32nds, the larger recoveries being made in the long-term bonds. At the close of the current reporting period the average yield on the short-term issues, at dealers' offering prices (exclusive of the two issues of certificates of indebtedness maturing up to and including March 15, 1933, which showed no yield at current prices) was about 0.82% as compared with 0.80% at the close of the previous week, and the average selling price for the Liberty Loan bonds was 102.78 and for Treasury Bonds 102.87, as compared with the previous week's average closing prices of 103.02 and 103.61, respectively.



Dealers' Offering Prices at the Close of the Current Statement Week  
and Net Changes from the Close of the Previous Statement Week

		<u>Issue</u>	<u>Price</u>	<u>Net Change</u>	<u>Approx. Yield</u>
3	3/4%	Cert. of Ind. due Feb. 1, 1933	100 17/32	+2/32	-
3	3/4%	" " " " Mar. 15, 1933	100 29/32	-1/32	-
2	%	" " " " May 2, 1933	100 17/32	-1/32	0.11%
1	1/2%	" " " " June 15, 1933	100 17/32	-	0.17%
1	1/4%	" " " " Sept. 15, 1933	100 18/32	-1/32	0.38%
	3/4%	" " " " Dec. 15, 1933	100 10/32	-1/32	0.40%
3	%	Treas. Notes " May 2, 1934	102 27/32	-5/32	0.76%
2	1/8%	" " " " Aug. 1, 1934	101 23/32	-5/32	0.99%
3	%	" " " " June 15, 1935	102 25/32	-6/32	1.80%
3	1/4%	" " " " Aug. 1, 1936	103 1/32	-6/32	2.35%
2	3/4%	" " " " Dec. 15, 1936	101 11/32	-5/32	2.38%
3	%	" " " " Apr. 15, 1937	102 1/32	-6/32	2.49%
3	1/4%	" " " " Sept. 15, 1937	103 1/32	+1/32	2.55%

Treasury Bills - all maturities - 0.30% discount bid, 0.15% asked

Closing Sale Prices on the New York Stock Exchange at the Close  
of the Current Statement Week and Net Changes from  
Close of the Previous Statement Week

<u>Issue</u>	<u>Price</u>	<u>Net Change</u>	<u>Issue</u>	<u>Price</u>	<u>Net Change</u>
1st 3 1/2s	102 26/32	+ 1/32	Treasury 4 1/4s 1947-52	110	- 16/32
1st 4 1/4s	102 8/32	-15/32	" 4s 1944-54	106 15/32	- 20/32
4th 4 1/4s	103 9/32	- 9/32	" 3 3/4s 1946-56	104 22/32	- 15/32
			" 3 3/8s 1943-47	101 20/32	- 25/32
			" 3 3/8s 1940-43	101 24/32	- 23/32
			" 3 3/8s 1941-43	101 20/32	- 27/32
			" 3 1/8s 1946-49	98 31/32	-1, 1/32
			" 3s 1951-55	97 26/32	-1.

Bankers  
Acceptances

Dealers' offerings of unindorsed bankers acceptances continued at the following rates at the close of the current statement week: 3/8 per cent for 30's, 60's and 90's; 1/2 per cent for 120-day bills; and 3/4 per cent for 180-day bills.

Reports  
Week  
Ended  
Jan. 18

Boston reported that there was little activity in the local bill market during the past period. The demand, although not great, continued to be in excess of the supply. Thirty and sixty day bills moved best. In New York the volume of bills purchased by the dealers last week was the smallest since the middle of December. Their sales, which were also small in volume, exceeded the purchases by a moderate amount, resulting in a further decrease in portfolios to \$5,000,000. Philadelphia reported that with the exception of a few short bills which came into the market acceptances were quiet and unchanged. The demand was good, with offerings light.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

Transactions consummated under Treasury authorization during the current statement week consisted of purchases of \$2,036,750 par amount 3% Treasury Bonds of 1951-55 for account Purchases of 3% Treasury Bonds 1951-55 from Federal Reserve Bank Franchise Tax Receipts.

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

Pursuant to the policy adopted at the meeting of the Open Market Policy Conference held in Washington on January 4 and 5, 1933, a total of \$34,208,000 of System's holdings of Treasury Bills due January 18, 1933, was redeemed at maturity without replacement. The reduction in the System's holdings was effected by the Federal Reserve Bank of New York letting \$4,000,000 of its outright holdings of January 18 Treasury Bills run off without replacement, and by replacement of only \$16,000,000 of the \$46,208,000 January 18 Treasury Bills held in the System Account as follows:

<u>Redeemed</u>	<u>Purchased in the market</u>
\$46,208,000 Treas. Bills due Jan. 18, 1933  <hr/> \$46,208,000  <hr/>	\$ 3,250,000 - 1 1/4% C/I due Sept. 15, 1933 3,750,000 - 3/4% " " Dec. 15, 1933 2,000,000 - 3 % T/N " May 2, 1934 7,000,000 - 2 1/8% " " Aug. 1, 1934  <hr/> \$16,000,000  <hr/>

These transactions reduced the total amount of holdings in the System Account from \$1,604,007,500 to \$1,573,799,500. The participations by Federal reserve banks and the classification of issues held in the Account at the close of business Wednesday, January 18, 1933, were as follows:

<u>PARTICIPATION BY FEDERAL RESERVE BANKS</u>		<u>RECAPITULATION OF HOLDINGS BY MATURITIES</u>		
Boston	\$ 91,734,500	Jan. 25, 1933	Treas. Bills	\$ 69,550,000
New York	584,591,000	Feb. 8, 1933	" "	43,200,000
Philadelphia	129,908,000	" 15, 1933	" "	38,600,000
Cleveland	170,398,000	" 23, 1933	" "	49,950,000
Richmond	45,048,500	Mar. 1, 1933	" "	35,000,000
Atlanta	44,501,000	" 29, 1933	" "	34,350,000
Chicago	193,084,000	Apr. 12, 1933	" "	10,500,000
St. Louis	62,752,500	Feb. 1, 1933	- 3 3/4% C/I	13,775,000
Minneapolis	45,005,000	Mar. 15, 1933	- 3 3/4% "	151,025,000
Kansas City	54,651,500	May 2, 1933	- 2 % "	123,237,500
Dallas	34,141,000	June 15, 1933	- 1 1/2% "	118,725,000
San Francisco	117,984,500	Sept. 15, 1933	- 1 1/4% "	179,733,000
		Dec. 15, 1933	- 3/4% "	74,204,000
		May 2, 1934	- 3 % T/N	80,225,000
		Aug. 1, 1934	- 2 1/8% "	116,952,000
		June 15, 1935	- 3 % "	79,277,000
		Dec. 15, 1936	- 2 3/4% "	19,880,000
		June 15, 1932/47-3	1/2% 1st L/L	25,025,000
		" 15, 1932/47-4	1/4% " "	29,000,000
		Oct. 15, 1933/38-4	1/4% 4th "	281,591,000
<b>Totals</b>	<b>\$1,573,799,500</b>			<b>\$1,573,799,500</b>

ITEMIZED STATEMENT OF TRANSACTIONS IN GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES  
AFFECTING THE INVESTMENT ACCOUNT OF ALL FEDERAL RESERVE BANKS  
FROM JANUARY 12 TO JANUARY 18, 1933, INCLUSIVE

GOVERNMENT SECURITIES - SYSTEM INVESTMENT ACCOUNT

	<u>Purchases</u>	<u>Redemptions</u>	<u>Net Decrease</u>
Boston	\$ 935,000	\$ 2,934,000	\$ 1,999,000
New York	5,917,000	14,569,000	8,652,000
Philadelphia	1,324,000	4,155,000	2,831,000
Cleveland	1,737,000	5,450,000	3,713,000
Richmond	459,000	1,441,000	982,000
Atlanta	453,000	1,423,000	970,000
Chicago	1,968,000	6,175,000	4,207,000
St. Louis	640,000	2,007,000	1,367,000
Minneapolis	459,000	1,440,000	981,000
Kansas City	557,000	1,748,000	1,191,000
Dallas	348,000	1,092,000	744,000
San Francisco	1,203,000	3,774,000	2,571,000
<b>Totals</b>	<b>\$16,000,000</b>	<b>\$46,208,000</b>	<b>\$30,208,000*</b>

\*Each Federal Reserve Bank's share of the reduction of \$30,208,000 in the System Account was based on its pro rata share of the total reduction of \$34,208,000 in the System's holdings referred to on the preceding page.

HOLDINGS OF GOVERNMENT SECURITIES - SALES CONTRACTS

	<u>Net Change From Previous Week</u>
N O N E	-

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Redemption and Sales</u>	<u>Issue</u>
New York	\$ 0	-	\$4,000,000	Jan. 18/33 Treas. Bills
Atlanta	227,600	Misc. Gov't Sec.	240,750	Misc. Gov't Sec.
Minneapolis	1,299,600	" " "	1,273,050	" " "
<b>Totals</b>	<b>\$1,527,200</b>		<b>\$5,513,800</b>	

BANKERS ACCEPTANCES

	(000 Omitted)					Other Holdings Close Jan. 18/32		
	Holdings Jan. 11	Purchased Own Mkt.	By Allotment from New York	Maturities and Sales		Holdings Jan. 18	Sales Contracts	Other Bills
				Held in N.Y.	Held Elsewhere			
Boston	0	0	0	0	0	0	\$ 2,161	
New York	100	0	0	0	0	100	0	9,684
Phila.	6	0	0	0	0	6	0	3,109
Cleve.	0	0	0	0	0	0	0	2,920
Richmond	639	0	0	0	63	576	0	1,151
Atlanta	2,008	350 R.	0	0	479	1,879	0	1,032
Chicago	0	0	0	0	0	0	0	3,848
St. Louis	0	0	0	0	0	0	0	946
Minn.	0	0	0	0	0	0	0	640
Kan. City	0	0	0	0	0	0	0	856
Dallas	0	0	0	0	0	0	0	856
San Fran.	98	0	0	0	0	98	0	2,064
<b>Totals</b>	<b>\$2,851</b>	<b>\$350</b>	<b>0</b>	<b>0</b>	<b>\$542</b>	<b>\$2,659</b>	<b>0</b>	<b>\$29,267</b>

NOTE: R. indicates Retained in above statement.

6

MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDED JANUARY 18, 1933  
(000 Omitted)

	<u>1-30 days</u> <u>1%</u>	<u>31-60 days</u> <u>1%</u>	<u>61-90 days</u> <u>1%</u>	<u>Over 90-days</u> <u>-</u>	<u>Total</u>
Atlanta	\$130	\$126	\$94	-	\$ 350

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES WEEK ENDED JANUARY 18, 1933  
(000 Omitted)

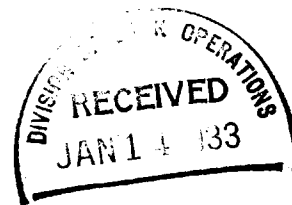
	<u>Government</u> <u>Securities</u>	<u>Bankers</u> <u>Acceptances</u>	<u>Totals</u>
Purchased	\$17,527	\$350	\$17,877
Sold	1,514	0	1,514
Matured	50,208	542	50,750
		<u>\$192-</u>	<u>\$34,387-</u>
		244- (Net Change	244- (Net Change
		1-day holdover	1-day holdover
		and other bills)	and other bills)
<b>Totals</b>	<u><u>\$34,195-</u></u>	<u><u>\$436-</u></u>	<u><u>\$34,631-</u></u>

MATURITY DISTRIBUTION OF HOLDINGS OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES WEEK ENDED JANUARY 18, 1933  
(000 Omitted)

	<u>Within</u> <u>15-days</u>	<u>16-30</u> <u>days</u>	<u>31-60</u> <u>days</u>	<u>61-90</u> <u>days</u>	<u>91 days-</u> <u>6 months</u>	<u>Over 6</u> <u>months</u>	<u>Total</u>
Gov't Securities	\$83,325	\$87,800	\$274,232	\$54,250	\$252,763	\$1,025,823	\$1,778,193
Bills Purchased	5,161	6,637	10,157	9,971	0	0	31,926
<b>Totals</b>	<u><u>\$88,486</u></u>	<u><u>\$94,437</u></u>	<u><u>\$284,389</u></u>	<u><u>\$64,221</u></u>	<u><u>\$252,763</u></u>	<u><u>\$1,025,823</u></u>	<u><u>\$1,810,119</u></u>

*Jan ✓  
A ✓*

FEDERAL RESERVE BANK  
OF NEW YORK



CONFIDENTIAL

January 13, 1933.

Mr. E. L. Smead, Chief,  
Division of Bank Operations,  
Federal Reserve Board,  
Washington, D. C.

Dear Mr. Smead:

Enclosed is a report of open market operations  
for the period from January 5, 1933 to January 11, 1933  
inclusive, together with data received from Federal  
Reserve banks.

Very truly yours, .

*W. B. Matteson*  
W. B. Matteson  
Assistant Deputy Governor

Encl.

*Mr. Thompson ✓*  
*Mr. Rieffer ✓*  
*Mr. Thompson*

FEDERAL RESERVE BANK  
OF NEW YORK

RECEIVED  
JAN 14 1933  
DIVISION OF RESEARCH  
AND STATISTICS.

CONFIDENTIAL

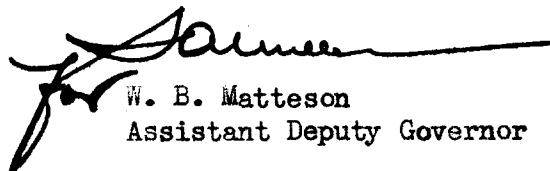
January 13, 1933.

Dr. E. A. Goldenweiser, Director,  
Division of Research and Statistics,  
Federal Reserve Board,  
Washington, D. C.

Dear Dr. Goldenweiser:

Enclosed is a report of open market operations  
for the period from January 5, 1933 to January 11, 1933  
inclusive, together with data received from Federal Reserve  
banks.

Very truly yours,

  
W. B. Matteson  
Assistant Deputy Governor

Encl.

For CIRCULATION

Gov. Meyer

Mr. Hamlin

Mr. James

Mr. Megee

Mr. Miller

FEDERAL RESERVE BANK  
OF NEW YORK

Mr.  
Mr.  
Please note - Initial and  
return to ~~Secretary's Office~~  
*JHE*

CONFIDENTIAL

January 13, 1933.

Dear Governor Meyer:

Enclosed is a report of open market operations  
for the period from January 5, 1933 to January 11, 1933  
inclusive, together with data received from Federal  
Reserve banks.

Very truly yours,

*for W. B. Matteson*  
W. B. Matteson  
Assistant Deputy Governor

Honorable Eugene Meyer, Governor,  
Federal Reserve Board,  
Washington, D. C.

Encl.

RECORDED  
JAN 14 1933  
OFFICE OF THE GOVERNOR  
FEDERAL RESERVE BOARD

CONFIDENTIAL

## REPORT OF OPEN MARKET OPERATIONS FOR WEEK ENDED JANUARY 11, 1933

Holdings of Earning Assets of Federal Reserve Banks from January 13, 1932 to Date  
(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS
		Outright Purchases	Sales Contracts	Outright Purchases	Sales Contracts	DISCOUNTED
-1932-						
Jan. 13	\$1,813,449	\$ 750,075	\$ 1,500	\$204,569	\$ 9,232	\$818,341
" 27	1,787,912	750,216	1,500	153,671	8,590	837,639
Feb. 24	1,723,862	740,006	550	126,865	6,517	835,243
Mar. 30	1,578,146	860,056	11,562	62,281	4,081	633,255
Apr. 27	1,773,745	1,191,232	0	45,874	0	531,824
May 25	2,040,056	1,524,896	300	38,373	0	471,267
June 29	2,340,262*	1,795,219*	5,752	47,787	15,732	469,828
July 27	2,412,232	1,841,191	0	38,210	1,490	525,390
Aug. 31	2,324,484	1,851,315	400	34,098	0	432,756
Sept. 28	2,231,806	1,851,025	2,658	33,203	401	339,647
Oct. 26	2,212,391	1,850,949	0	33,695	0	322,322
Nov. 30	2,200,030	1,850,766	0	34,800	0	308,973
Dec. 28	2,157,075	1,850,737	0	33,307	0	267,382
-1933-						
Jan. 4	2,139,847	1,850,910	0	32,617	0	251,102
" 11	2,098,003	1,812,388	0	32,362	0	248,151

\*Includes \$24,000,000 special one-day Treasury certificate of indebtedness issued to Federal Reserve Bank of Chicago on June 29.

CHANGES IN EARNING ASSET HOLDINGS DURING WEEK ENDED JANUARY 11, 1933  
(000 Omitted)

	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS DISCOUNTED	
	Balance Jan. 11	Net Change	Balance Jan. 11	Net Change	Balance Jan. 11	Net Change
Boston	\$ 94,423	\$ 2,245-	\$ 0	\$ 0	\$ 12,499	\$ 503+
New York	719,144	14,210-	100	0	58,562	112-
Philadelphia	136,089	3,180-	6	0	46,616	764-
Cleveland	174,111	4,171-	0	0	22,314	273+
Richmond	46,031	1,102-	639	40-	15,724	411-
Atlanta	45,504	1,211-	2,008	201-	16,928	647+
Chicago	257,550	4,660-	0	0	15,957	58-
St. Louis	64,620	1,536-	0	0	8,334	686+
Minneapolis	53,561	1,145-	0	0	10,314	774+
Kansas City	55,914	1,338-	0	0	11,327	132+
Dallas	44,885	836-	0	0	4,504	327-
San Francisco	120,556	2,888-	98	34-	25,072	4,294-
N. Y. holdovers and other bills			29,511	20+		
Totals	\$1,812,388	\$38,522-	\$32,362	\$255-	\$248,151	\$2,951-

COMMENT ON CHANGES WEEK ENDED JANUARY 11, 1933

Total earning assets of the System declined \$41,844,000 during the current statement week. The principal changes by classification consisted of the following decreases: outright holdings of government securities \$38,522,000, outright holdings of bankers acceptances \$255,000, and \$2,951,000 in bills discounted.



2

Money  
Market

During the week ended January 11, \$10,000,000 of currency was returned to the Reserve Banks and the monetary gold stock of the United States increased \$25,000,000 further. There were also small gains to the money market as a result of declines in Treasury and other deposits at the Reserve Banks. These gains were partly offset by a moderate increase in member bank reserve requirements, a decrease in Federal Reserve float, and a small reduction in member bank discounts, in addition to which a reduction of \$39,000,000 was effected in Federal Reserve security holdings as a result of only partial replacements being made of Treasury bills which matured from the Reserve Banks' portfolios on January 11. The net result of the week's operations was a further increase of \$44,000,000 in member bank excess reserves to \$622,000,000.

The reduction of \$80,000,000 in the amount of money in circulation, while somewhat smaller than has occurred in the corresponding period of most other recent years, appears to be about all that could be expected this year in view of the moderate outflow that occurred prior to Christmas.

During the week now in progress there should be a further moderate return of currency from circulation, probably considerably less than the return flow of last week, in addition to which further gold imports of moderate proportions are expected.

In New York City, excess reserves of the money market banks showed a net increase of \$86,000,000 to \$360,000,000 on January 11. The gain was principally the result of a large return flow of funds to this market from other parts of the country but there were also sizable credits to member bank reserve accounts resulting from a decrease in currency outstanding and gold imports. These gains considerably exceeded the reduction in the System's Special Investment Account that occurred in New York and also a net loss to the market in Treasury transactions.

Quoted yields on short term United States Government securities for January 12 were slightly higher than a week previous and the Treasury bill issue dated January 11 was sold at an average rate of 0.20 per cent compared with 0.09 per cent on the previous issue. Call money in the outside market was also slightly higher during the past week, with quotations chiefly at  $\frac{3}{4}$  of 1 per cent, as against  $\frac{1}{2}$  to  $\frac{3}{4}$  of 1 per cent in the previous week. The official rate for call money on the Stock Exchange remained at 1 per cent, time money and bill rates were unchanged, and the prevailing range for prime commercial paper was quoted at  $1\frac{1}{4}$  -  $1\frac{1}{2}$  per cent although a small amount of extra choice paper has moved as low as 1 and  $1\frac{1}{8}$  per cent.

Government  
Security  
Market

There was some decrease in the demand for United States Government securities during the current statement week, especially for the short term issues. Offerings in the market of the latter were in excess of the supply and prices declined from  $\frac{2}{32}$  to  $\frac{11}{32}$ nds for the week. The new issue of Treasury Bills dated January 11, was sold by the Treasury at an average rate of 0.20% discount as compared with the Treasury's previous issue on December 28 at an average rate of 0.09%. Offerings of the long term bonds, however, were not large, and the market reflected a firm undertone with prices in most cases showing gains for the week of from  $\frac{1}{32}$  to  $\frac{6}{32}$ nds. At the close of the current reporting period the average yield on the short term issues, at dealers' offering prices (exclusive of the two issues of Treasury certificates maturing up to and including March 15, 1933, which showed no yield at current prices), was about 0.80% as compared with 0.77% at the close of the previous week (excluding four issues which showed no yield), and the average selling price for the Liberty Loan bonds was 103.02% and for Treasury bonds 103.61 as compared with the previous week's average closing prices of 103.01 and 103.54 respectively. The market for all of the short term issues developed considerable weakness on Thursday, January 12, with quotations reflecting losses for the day of from  $\frac{1}{32}$  to  $\frac{5}{32}$ . This weakness has also spread to the longer issues, the quotations of the latter being from  $\frac{1}{32}$  to  $\frac{7}{32}$ nds below Wednesday's closing prices.

3

Dealers' Offering Prices at the Close of the Current Statement Week  
and Net Changes from the Close of the Previous Statement Week

<u>Issue</u>	<u>Price</u>	<u>Net Change</u>	<u>Approx. Yield</u>
3 3/4% Cert. of Ind. due Feb. 1, 1933	100 15/32	- 6/32	- - - -
3 3/4% " " " " Mar. 15, 1933	100 30/32	- 4/32	- - - -
2 % " " " " May 2, 1933	100 18/32	- 5/32	0.13%
1 1/2% " " " " June 15, 1933	100 17/32	- 4/32	0.23%
1 1/4% " " " " Sept. 15, 1933	100 19/32	- 7/32	0.36%
3/4% " " " " Dec. 15, 1933	100 11/32	- 5/32	0.37%
3 % Treasury Notes " May 2, 1934	103	- 8/32	0.68%
2 1/8% " " " Aug. 1, 1934	101 28/32	-10/32	0.90%
3 % " " " June 15, 1935	102 31/32	-11/32	1.74%
3 1/4% " " " Aug. 1, 1936	103 7/32	- 2/32	2.30%
2 3/4% " " " Dec. 15, 1936	101 16/32	- 3/32	2.34%
3 % " " " Apr. 15, 1937	102 7/32	- 4/32	2.44%
3 1/4% " " " Sept. 15, 1937	103	- - - -	2.56%

Treasury Bills - all maturities - 0.30% discount bid, 0.15% asked

Closing Sale Prices on the New York Stock Exchange at the Close  
of the Current Statement Week and Net Changes from  
Close of the Previous Statement Week

<u>Issue</u>	<u>Price</u>	<u>Net Change</u>	<u>Issue</u>	<u>Price</u>	<u>Net Change</u>
1st 3 1/2s	102 25/32	+8/32	Treasury 4 1/4s 1947-52	110 16/32	+6/32
1st 4 1/4s	102 23/32	+1/32	" 4 s 1944-54	107 3/32	+3/32
4th 4 1/4s	103 18/32	-8/32	" 3 3/4s 1946-56	105 5/32	+1/32
			" 3 3/8s 1943-47	102 13/32	+1/32
			" 3 3/8s 1940-43	102 15/32	- - -
			" 3 3/8s 1941-45	102 15/32	+1/32
			" 3 1/8s 1946-49	100	-2/32
			" 3 s 1951-55	98 26/32	+8/32

BankersAcceptances

Dealers' offerings of unendorsed bankers acceptances continued at the following rates at the close of the current statement week: 3/8 per cent for 30s, 60s and 90s, 1/2 per cent for 120s and 3/4 per cent for 180-day bills.

ReportsweekendedJan. 11

Boston reported that there was very little change in the local bill market during the past week. The supply continued small with the demand only fair. In New York the volume of bills handled by dealers during the week fell off considerably as compared with last week. Dealers' sales again exceeded their purchases and at the close of the week aggregate portfolios had declined to the extremely low figure of \$5,700,000. The greater proportion of the business during the week was done on one day, the 11th, when some cotton bills were sold to the dealers by two or three local banks. Philadelphia reported that its acceptance market continued quiet. The supply of new bills, which increased slightly, was readily absorbed. The demand for bills was fair.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

There were no purchases or sales of United States Government securities consummated under Treasury authorization during the current statement week.

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

In line with the policy adopted at the meeting of the Open Market Policy Conference held in Washington on January 4 and 5, 1933, a total of \$38,356,000 of the System's holdings of Treasury bills due January 11, 1933, was redeemed at maturity without replacement. This reduction in the System's holdings was effected by the Federal Reserve Bank of Chicago letting its outright holdings of \$2,756,000 January 11 Treasury bills run off and by replacement of only \$20,000,000 of the \$55,600,000 January 11 Treasury bills held in the System Account as follows:

<u>Redeemed</u>	<u>Purchased in the market</u>
\$55,600,000-Treas. bills due Jan.11,1933	\$10,500,000-Treas.bills due Apr.12,1933
	500,000-1 1/4% C/I due Sept.15,1933
	4,000,000- 3/4% " " Dec. 15,1933
	5,000,000-2 1/8% T/N " Aug. 1,1934
<hr/>	<hr/>
\$55,600,000	\$20,000,000
<hr/> <hr/>	<hr/> <hr/>

These transactions reduced the total amount of holdings in the System Account from \$1,639,607,500 to \$1,604,007,500. The participations by Federal Reserve banks and the classification of issues held in the Account at the close of business Wednesday, January 11, 1933, were as follows:

PARTICIPATIONS BY FEDERAL RESERVE BANKSRECAPITULATION OF HOLDINGS BY MATURITIES

Boston	\$ 93,733,500	Jan. 18,1933-Treasury Bills	\$ 46,208,000
New York	593,243,000	" 25,1933- " "	69,550,000
Philadelphia	132,739,000	Feb. 8,1933- " "	43,200,000
Cleveland	174,111,000	" 15,1933- " "	38,600,000
Richmond	46,030,500	" 23,1933- " "	49,950,000
Atlanta	45,471,000	Mar. 1,1933- " "	35,000,000
Chicago	197,291,000	" 29,1933- " "	34,350,000
St. Louis	64,119,500	Apr. 12,1933- " "	10,500,000
Minneapolis	45,986,000	Feb. 1,1933- 3 3/4% C/I	13,775,000
Kansas City	55,842,500	Mar. 15,1933- 3 3/4% "	151,025,000
Dallas	34,885,000	May 2,1933- 2 % "	123,237,500
San Francisco	120,555,500	June 15,1933- 1 1/2% "	118,725,000
		Sept.15,1933- 1 1/4% "	176,485,000
		Dec. 15,1933- 3/4% "	70,454,000
		May 2,1934- 3 % T/N	78,225,000
		Aug. 1,1934- 2 1/8% "	109,952,000
		June 15,1935- 3 % "	79,277,000
		Dec. 15,1936- 2 3/4% "	19,880,000
		June 15,1932/47-3 1/2% 1st L/L	25,025,000
		" 15,1932/47-4 1/4% 1st "	29,000,000
		Oct. 15,1933/38-4 1/4% 4th "	281,591,000
Totals	\$1,604,007,500		\$1,604,007,500

ITEMIZED STATEMENT OF TRANSACTIONS IN GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES  
AFFECTING THE INVESTMENT ACCOUNT OF ALL FEDERAL RESERVE BANKS  
FROM JANUARY 5 TO JANUARY 11, 1933, INCLUSIVE

GOVERNMENT SECURITIES - SYSTEM INVESTMENT ACCOUNT

	<u>Purchases</u>	<u>Redemptions</u>	<u>Net Decrease</u>
Boston	\$ 1,171,000	\$ 3,416,000	\$ 2,245,000
New York	7,410,000	21,620,000	14,210,000
Philadelphia	1,658,000	4,838,000	3,180,000
Cleveland	2,174,000	6,345,000	4,171,000
Richmond	575,000	1,677,000	1,102,000
Atlanta	568,000	1,657,000	1,089,000
Chicago	2,430,000	4,334,000	1,904,000
St. Louis	801,000	2,337,000	1,536,000
Minneapolis	574,000	1,675,000	1,101,000
Kansas City	697,000	2,035,000	1,338,000
Dallas	436,000	1,272,000	836,000
San Francisco	1,506,000	4,394,000	2,888,000
<b>Totals</b>	<b>\$20,000,000</b>	<b>\$55,600,000</b>	<b>\$35,600,000*</b>

\*Each Federal Reserve Bank's share of the reduction of \$35,600,000 in the System Account was based on its pro rata share of the total reduction of \$38,356,000 in the System's holdings referred to on the preceding page.

HOLDINGS IN GOVERNMENT SECURITIES - SALES CONTRACTS

	<u>Net Change From Previous Week</u>
N O N E	-

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Redemption and Sales</u>	<u>Issue</u>
Atlanta	\$ 224,950	Misc. Gov't Sec.	\$ 345,750	Misc. Gov't Sec.
Chicago	0	-	2,756,000	Jan. 11/33 Tr. Bills
Minneapolis	904,100	Misc. Gov't Sec.	949,700	Misc. Gov't Sec.
<b>Totals</b>	<b>\$1,129,050</b>		<b>\$4,051,450</b>	

BANKERS ACCEPTANCES

(000 Omitted)

	<u>Holdings</u>		<u>Purchased</u>	<u>By Allot- ment from New York</u>	<u>Maturities and Sales</u>		<u>Other Holdings Close Jan. 11/33</u>	
					<u>Held in N.Y.</u>	<u>Held Else- where</u>	<u>Holdings Jan. 11</u>	<u>Sales Contracts</u>
Boston	\$ 0	\$ 0	0	0	\$ 0	\$ 0	0	\$ 2,161
New York	100	0	0	0	0	100	0	9,921
Phila.	6	0	0	0	0	6	0	3,109
Cleve.	0	0	0	0	0	0	0	2,921
Richmond	679	0	0	0	40	639	0	1,151
Atlanta	2,209	324 R.	0	0	525	2,008	0	1,031
Chicago	0	0	0	0	0	0	0	3,848
St. Louis	0	0	0	0	0	0	0	946
Minn.	0	0	0	0	0	0	0	640
Kan. City	0	0	0	0	0	0	0	856
Dallas	0	0	0	0	0	0	0	856
San Fran.	132	0	0	0	34	98	0	2,065
<b>Totals</b>	<b>\$3,126</b>	<b>\$324</b>	<b>0</b>	<b>0</b>	<b>\$599</b>	<b>\$2,851</b>	<b>0</b>	<b>\$29,505</b>
Bills held over night by New York for distribution to other Fed. Res. Bks. - -								6
<b>Total - - - - -</b>								<b>\$29,511</b>

NOTE: R. indicates RETAINED in above statement.

MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDED JANUARY 11, 1933  
(000 Omitted)

	<u>1-30 days</u> <u>1%</u>	<u>31-60 days</u> <u>1%</u>	<u>61-90 days</u> <u>1%</u>	<u>Over 90-days</u> <u>-</u>	<u>Total</u>
Atlanta	\$253	\$35	\$36	0	\$324

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES WEEK ENDED JANUARY 11, 1933  
(000 Omitted)

	<u>Government</u> <u>Securities</u>	<u>Bankers</u> <u>Acceptances</u>		<u>Totals</u>
Purchased	\$21,129	\$324		\$21,453
Sold	1,295	0		1,295
Matured	58,556	599		58,955
		<u>\$275-</u>		<u>\$38,797-</u>
		20+(Net Change 1-day holdover & other bills)		20+(Net Change 1-day holdover & other bills)
Totals	<u>\$38,522-</u>	<u>\$255-</u>		<u>\$38,777-</u>

MATURITY DISTRIBUTION OF HOLDINGS OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES WEEK ENDED JANUARY 11, 1933  
(000 Omitted)

	<u>Within</u> <u>15-days</u>	<u>16-30</u> <u>days</u>	<u>31-60</u> <u>days</u>	<u>61-90</u> <u>days</u>	<u>91 days-</u> <u>6 months</u>	<u>Over 6</u> <u>months</u>	<u>Totals</u>
Gov't Securities	\$119,758	\$62,975	\$143,550	\$213,032	\$263,263	\$1,009,810	\$1,812,388
Bills Purchased	<u>6,064</u>	<u>6,489</u>	<u>11,818</u>	<u>7,991</u>	<u>0</u>	<u>0</u>	<u>32,362</u>
Totals	<u>\$125,822</u>	<u>\$69,464</u>	<u>\$155,368</u>	<u>\$221,023</u>	<u>\$263,263</u>	<u>\$1,009,810</u>	<u>\$1,844,750</u>

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OF NEW YORK

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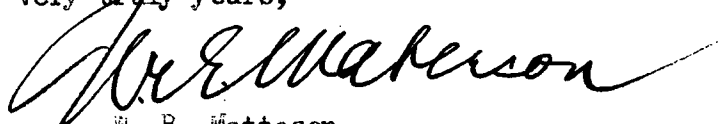
January 6, 1933.

Mr. E. L. Smead, Chief,  
Division of Bank Operations,  
Federal Reserve Board,  
Washington, D. C.

Dear Mr. Smead:

Enclosed is a report of open market operations  
for the period from December 29, 1932 to January 4, 1933  
inclusive, together with data received from Federal Reserve  
Banks.

Very truly yours,



W. B. Matteson  
Assistant Deputy Governor

Encl.

*Mr. Phelps*  
*Mr. Repley*  
*Mr. Thompson*

RECEIVED  
JAN 17 1933  
DIVISION OF RESEARCH  
AND STATISTICS.

FEDERAL RESERVE BANK  
OF NEW YORK

CONFIDENTIAL

January 6, 1933.

Dr. E. A. Goldenweiser, Director,  
Division of Research and Statistics,  
Federal Reserve Board,  
Washington, D. C.

Dear Dr. Goldenweiser:

Enclosed is a report of open market operations  
for the period from December 29, 1932 to January 4, 1933  
inclusive, together with data received from Federal Reserve  
Banks.

Very truly yours,



W. B. Matteson  
Assistant Deputy Governor

Encl.

FEDERAL RESERVE BANK  
OF NEW YORK

FOR CIRCULATION  
Gov. Meyer .....  
Mr. Hamlin .....  
Mr. James .....  
Mr. Magee .....  
Mr. Miller .....  
.....  
.....

Mr.  
Mr.  
Please note - Initial and  
Return to Secretary's Office

CONFIDENTIAL

January 6, 1933.

Dear Governor Meyer:

Enclosed is a report of open market operations  
for the period from December 29, 1932 to January 4, 1933  
inclusive, together with data received from Federal Reserve  
banks.

Very truly yours,



W. B. Matteson  
Assistant Deputy Governor

Honorable Eugene Meyer, Governor,  
Federal Reserve Board,  
Washington, D. C.

Encl.



CONFIDENTIAL

## REPORT OF OPEN MARKET OPERATIONS FOR WEEK ENDED JANUARY 4, 1933

Holdings of Earning Assets of Federal Reserve Banks from January 6, 1932 to Date  
(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS
		Outright Purchases	Sales Contracts	Outright Purchases	Sales Contracts	DISCOUNTED
-1932-						
Jan. 6	\$1,888,311	\$ 749,945	\$16,000	\$237,133	\$38,173	\$818,216
" 27	1,787,912	750,216	1,500	153,671	8,590	837,639
Feb. 24	1,723,862	740,006	550	126,865	6,517	835,243
Mar. 30	1,578,146	860,056	11,562	62,281	4,081	633,255
Apr. 27	1,773,745	1,191,232	0	45,874	0	531,824
May 25	2,040,056	1,524,896	300	38,373	0	471,267
June 29	2,340,262*	1,795,219*	5,752	47,787	15,732	469,828
July 27	2,412,232	1,841,191	0	38,210	1,490	525,390
Aug. 31	2,324,484	1,851,315	400	34,098	0	432,756
Sept. 28	2,231,806	1,851,025	2,658	33,203	401	339,647
Oct. 26	2,212,391	1,850,949	0	33,695	0	322,322
Nov. 30	2,200,030	1,850,766	0	34,800	0	308,973
Dec. 28	2,157,075	1,850,737	0	33,307	0	267,382
-1933-						
Jan. 4	2,139,847	1,850,910	0	32,617	0	251,102

\*Includes \$24,000,000 special one-day Treasury certificate of indebtedness issued to Federal Reserve Bank of Chicago on June 29.

CHANGES IN EARNING ASSET HOLDINGS DURING WEEK ENDED JANUARY 4, 1933  
(000 Omitted)

	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS DISCOUNTED	
	Balance Jan. 4	Net Change	Balance Jan. 4	Net Change	Balance Jan. 4	Net Change
Boston	\$ 96,668	\$ 0	\$ 0	\$ 0	\$ 11,996	\$ 1,387-
New York	733,354	62+	100	0	58,674	1,535-
Philadelphia	139,269	0	6	2+	47,380	2,375-
Cleveland	178,282	0	0	0	22,041	4,135-
Richmond	47,133	0	679	8-	16,135	393-
Atlanta	46,715	97+	2,209	343-	16,281	8,299-
Chicago	262,210	0	0	0	16,015	1,048-
St. Louis	66,156	0	0	0	7,648	632+
Minneapolis	54,706	14+	0	0	9,540	890-
Kansas City	57,252	0	0	0	11,195	665-
Dallas	45,721	0	0	0	4,831	434-
San Francisco	123,444	0	132	360-	29,366	4,249+
N. Y. holdovers and other bills			29,491	19+		
Totals	\$1,850,910	\$173+	\$32,617	\$690-	\$251,102	\$16,280-

COMMENT ON CHANGES WEEK ENDED JANUARY 4, 1933

Total earning assets of the System declined \$17,228,000 during the current statement week. The principal changes by classification consisted of an increase of \$173,000 in outright holdings of government securities, and the following decreases: outright holdings of bankers acceptances \$690,000, holdings of other assets \$431,000, and bills discounted \$16,280,000.

Money  
Market

Return of currency to the Reserve Banks amounted to only \$18,000,000 during the statement week ended January 4. This is a considerably smaller reduction in the amount of currency outstanding than was to be expected on the basis of seasonal factors alone. It now appears that currency movements are showing less than the usual seasonal variations both in the return after Christmas as well as in the outflow in the weeks prior to Christmas.

In addition to the increase in member bank reserve accounts arising from the currency return there were gains through a further increase of \$19,000,000 in the monetary gold stock of the country, an increase in Federal Reserve float, and a net decrease in Treasury balances. These gains to the money market, however, were largely absorbed by a reduction of \$16,000,000 in member bank discounts, an increase of \$10,000,000 in other deposits at the Reserve Banks (chiefly Federal Land Bank accounts), and by an increase in member bank reserve requirements over the year end. As a result of these transactions, chiefly the small currency return, the estimated excess reserves held by all member banks in the country rose only \$21,000,000 during the week to \$578,000,000 on January 4.

Moderate gold imports are scheduled for the forthcoming week but the extent to which member bank excess reserves will mount depends largely upon the amount of currency which will be returned to the Reserve Banks.

Excess reserves of the New York City money market banks dropped \$58,000,000 to \$274,000,000 during the week ended January 4. The reduction reflected chiefly the usual first of the month outflow of funds to other parts of the country. There was also an increase of about \$12,000,000 in reserve requirements over the turn of the year and the market lost funds through net Treasury transactions and an excess of withdrawals of currency from the Reserve Bank over deposits. The effect of these transactions was offset only in part by gold operations, chiefly imports of gold from France, India, Holland and Canada.

No change occurred over the turn of the year in the low rates which have prevailed for some time in various divisions of the money market.

Government  
Security  
Market

During the first two days of the current statement week the demand for United States Government securities, which had been very good for the two preceding weeks, fell off somewhat and the market became inactive with prices of most issues recording small fractional losses. However, on the succeeding two days the demand increased slightly with the supply small and prices recovering part of the losses recorded earlier in the week, while on Wednesday, January 4, the last day of the period, the market turned very strong especially for the long-term Treasury bonds and prices for most of the short-term issues and Liberty Loan bonds made small fractional gains, and prices of the Treasury bonds advanced from  $3/32$  to  $27/32$  for the day. Dealers reported an increase in the amount of offerings of Treasury bonds in the market at the high price levels. At the close of the week prices for the Treasury notes maturing after 1934, the First 4  $1/4$ s and all of the Treasury bonds, showed gains for the week ranging from  $1/32$  to  $29/32$ nds, and prices for the Treasury certificates and notes maturing up to 1934, the First 3  $1/2$ s and Fourth 4  $1/4$ s showed losses of from  $1/32$  to  $6/32$ nds. The average yield on the short-term issues, at dealers' offering prices (exclusive of the four issues of Treasury certificates maturing up to and including June 15, 1933, which showed no yield at current prices), was about 0.77%, unchanged from last week, and the average selling price for the Liberty Loan bonds was 103.01 and for Treasury bonds 103.54, as compared with the previous week's average closing price of 102.97 and 103.16, respectively.

Dealers' Offering Prices at the Close of the Current Statement Week  
and Net Changes from the Close of the Previous Statement Week

	<u>Issue</u>		<u>Price</u>	<u>Net Change</u>	<u>Approx. Yield</u>
3	3/4% Certs. of Ind.	due Feb. 1, 1933	100 21/32	-1/32	- - -
3	3/4%	" " " " Mar. 15, 1933	101 2/32	- - -	- - -
2	%	" " " " May 2, 1933	100 23/32	-5/32	- - -
1	1/2%	" " " " June 15, 1933	100 21/32	-3/32	- - -
1	1/4%	" " " " Sept. 15, 1933	100 26/32	- - -	0.07%
	3/4%	" " " " Dec. 15, 1933	100 16/32	-1/32	0.22%
3	% Treasury Notes	" May 2, 1934	103 8/32	-6/32	0.53%
2	1/8%	" " " Aug. 1, 1934	102 6/32	-3/32	0.72%
3	%	" " " June 15, 1935	103 10/32	+1/32	1.60%
3	1/4%	" " " Aug. 1, 1936	103 9/32	+2/32	2.29%
2	3/4%	" " " Dec. 15, 1936	101 19/32	- - -	2.32%
3	%	" " " Apr. 15, 1937	102 11/32	+5/32	2.41%
3	1/4%	" " " Sept. 15, 1937	103	+5/32	2.56%

Treasury Bills - all maturities - 0.20% discount bid, 0.05% asked  
except March 29, 1933 bills which were 0.20% " " , 0.10% "

Closing Sale Prices on the New York Stock Exchange at the Close  
of the Current Statement Week and Net Changes from  
Close of the Previous Statement Week

<u>Issue</u>	<u>Price</u>	<u>Net Change</u>	<u>Issue</u>	<u>Price</u>	<u>Net Change</u>
1st 3 1/2s	102 17/32	- 2/32	Treasury 4 1/4s 1947-52	110 10/32	+14/32
1st 4 1/4s	102 22/32	+12/32	" 4 s 1944-54	107	+ 9/32
4th 4 1/4s	103 26/32	- 6/32	" 3 3/4s 1946-56	105 4/32	+10/32
			" 3 3/8s 1943-47	102 12/32	+ 2/32
			" 3 3/8s 1940-43	102 15/32	+ 7/32
			" 3 3/8s 1941-43	102 14/32	+ 6/32
			" 3 1/8s 1946-49	100 2/32	+20/32
			" 3 s 1951-55	98 18/32	+29/32

Bankers  
Acceptances

Dealers' offerings of unendorsed bankers acceptances continued at the following rates during the current statement week: 3/8 per cent for 30s, 60s and 90s, 1/2 per cent for 120s and 3/4 per cent for 180-day bills.

Reports  
week  
ended  
Jan. 4

Boston reported that there was practically no change in the local bill market conditions in its district during the past period. The supply continued small with the demand only fair. In New York the bill market was more active this week due to a moderate amount of year-end selling by a few of the local banks. This brought dealers' portfolios up to about \$26,000,000 at the close of the year, but a resumption in the demand for prime bills after the turn of the year has reduced their holdings to \$10,000,000. Philadelphia reported that its acceptance market was very quiet. Practically no new bills came into the market with the demand light.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

The only transaction consummated under Treasury authorization during the current statement week was the delivery on December 29, 1932, of \$15,977,000 3% Treasury Bonds of 1951-55, representing the balance of the \$30,977,000 purchased for account of "Payment of Principal Obligations by Foreign Governments," referred to in the two preceding reports.

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

There were no transactions in the Account during the current statement week, the total holdings remaining unchanged at the close of business Wednesday, January 4, 1933, at \$1,639,607,500. The participations by Federal Reserve Banks and the classification of issues held in the Account were as follows:

<u>PARTICIPATIONS BY FEDERAL RESERVE BANKS</u>		<u>RECAPITULATION OF HOLDINGS BY MATURITIES</u>	
Boston	\$ 95,978,500	Jan. 11, 1933 - Treasury Bills	\$ 55,600,000
New York	607,453,000	" 18, 1933 - " "	46,208,000
Philadelphia	135,919,000	" 25, 1933 - " "	69,550,000
Cleveland	178,282,000	Feb. 8, 1933 - " "	43,200,000
Richmond	47,132,500	" 15, 1933 - " "	38,600,000
Atlanta	46,560,000	" 23, 1933 - " "	49,950,000
Chicago	199,195,000	Mar. 1, 1933 - " "	35,000,000
St. Louis	65,655,500	" 29, 1933 - " "	34,550,000
Minneapolis	47,087,000	Feb. 1, 1933 - 3 3/4% C/I	13,775,000
Kansas City	57,180,500	Mar. 15, 1933 - 3 3/4% "	151,025,000
Dallas	35,721,000	May 2, 1933 - 2 % "	123,237,500
San Francisco	123,443,500	June 15, 1933 - 1 1/2% "	118,725,000
		Sept. 15, 1933 - 1 1/4% "	175,983,000
		Dec. 15, 1933 - 3/4% "	66,454,000
		May 2, 1934 - 3 % T/N	78,225,000
		Aug. 1, 1934 - 2 1/8% "	104,952,000
		June 15, 1935 - 3 % "	79,277,000
		Dec. 15, 1936 - 2 3/4% "	19,880,000
		June 15, 1932/47-3 1/2% 1st L/L	25,025,000
		" 15, 1932/47-4 1/4% 1st "	29,000,000
		Oct. 15, 1933/38-4 1/4% 4th "	281,591,000
<b>Totals</b>	<b>\$1,639,607,500</b>		<b>\$1,639,607,500</b>

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ITEMIZED STATEMENT OF TRANSACTIONS IN GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES  
AFFECTING THE INVESTMENT ACCOUNT OF ALL FEDERAL RESERVE BANKS  
FROM DECEMBER 29, 1932 TO JANUARY 4, 1933, INCLUSIVE

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HOLDINGS IN GOVERNMENT SECURITIES - SALES CONTRACTS

	Net Change From <u>Previous Week</u>
N O N E	-

TRANSACTIONS IN GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>
New York	\$ 62,100 - 4 1/4% Tr. Bds. 1947-52		\$ 0	-
Atlanta	317,450 - Misc. Gov't Sec.		220,500 - Misc. Gov't Sec.	
Minneapolis	832,050 - " " "		817,200 - " " "	
Totals	<u>\$1,211,600</u>		<u>\$1,037,700</u>	

BANKERS ACCEPTANCES  
(000 Omitted)

	<u>Holdings Dec. 28</u>	<u>Purchased Own Mkt.</u>	<u>By Allot- ment from New York</u>	<u>Maturities and Sales</u>		<u>Holdings Jan. 4</u>	<u>Other Holdings Close Jan. 4/33</u>	
				<u>Held in N.Y.</u>	<u>Held Else- where</u>		<u>Sales Contracts</u>	<u>Other Bills</u>
Boston	\$ 0	\$ 0	0	0	\$ 0	\$ 0	0	\$ 2,249
New York	100	0	0	0	0	100	0	9,680
Phila.	4	2 R.	0	0	0	6	0	3,048
Cleve.	0	0	0	0	0	0	0	2,979
Richmond	687	0	0	0	8	679	0	1,180
Atlanta	2,552	53 "	0	0	396	2,209	0	1,091
Chicago	0	0	0	0	0	0	0	3,964
St. Louis	0	0	0	0	0	0	0	973
Minn.	0	0	0	0	0	0	0	612
Kan. City	0	0	0	0	0	0	0	855
Dallas	0	0	0	0	0	0	0	826
San Fran.	<u>492</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>360</u>	<u>132</u>	<u>0</u>	<u>2,034</u>
Totals	<u>\$3,835</u>	<u>\$55</u>	<u>0</u>	<u>0</u>	<u>\$764</u>	<u>\$3,126</u>	<u>0</u>	<u>\$29,491</u>

NOTE: R. indicates Retained in above statement.

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MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDED JANUARY 4, 1933  
(000 Omitted)

	<u>1-30 days</u> <u>1%</u>	<u>31-60 days</u> <u>1%</u>	<u>61-90 days</u> <u>2 1/2%</u>	<u>Over 90-days</u> <u>-</u>	<u>Total</u>
Philadelphia	\$ 0	\$ 0	\$ 2	0	\$ 2
Atlanta	<u>3</u>	<u>10</u>	<u>40*</u>	<u>0</u>	<u>53</u>
Totals	<u>\$3</u>	<u>\$10</u>	<u>\$42</u>	<u>0</u>	<u>\$55</u>

\*Purchased at 1%

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES WEEK ENDED JANUARY 4, 1933  
(000 Omitted)

	<u>Government</u> <u>Securities</u>	<u>Bankers</u> <u>Acceptances</u>	<u>Totals</u>
Purchased	\$1,211	\$ 55	\$1,266
Sold	1,038	0	1,038
Matured	0	764	764
		<u>\$709-</u>	<u>\$ 536-</u>
		19+ (Net Change	19+ (Net Change
		1-day holdover	1-day holdover
		& other bills)	& other bills)
Totals	<u>\$ 173+</u>	<u>\$690-</u>	<u>\$ 517-</u>

MATURITY DISTRIBUTION OF HOLDINGS OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES WEEK ENDED JANUARY 4, 1933  
(000 Omitted)

	<u>Within</u> <u>15-days</u>	<u>16-30</u> <u>days</u>	<u>31-60</u> <u>days</u>	<u>61-90</u> <u>days</u>	<u>91 days-</u> <u>6 months</u>	<u>Over 6</u> <u>months</u>	<u>Totals</u>
Gov't Securities	\$108,564	\$83,325	\$192,750	\$213,052	\$252,763	\$1,000,456	\$1,850,910
Bills Purchased	<u>5,111</u>	<u>5,857</u>	<u>10,242</u>	<u>11,407</u>	<u>0</u>	<u>0</u>	<u>32,617</u>
Totals	<u>\$113,675</u>	<u>\$89,182</u>	<u>\$202,992</u>	<u>\$224,459</u>	<u>\$252,763</u>	<u>\$1,000,456</u>	<u>\$1,883,527</u>