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Authority EO 13958

# 2

FEDERAL RESERVE BOARD FILE  
333-1

October 17, 1924.

Executive Folder  
Date 10-17-24

Dear Mr. Matteson:

I acknowledge receipt of and shall bring to the attention of the members of the Board your letter of October 11th, enclosing report of transactions in Government securities and bankers acceptances as reported to the Open Market Investment Committee for the Federal Reserve System for the period from October 2, to October 8, 1924, inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,

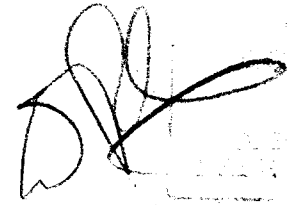
(Signed) Walter L. Eddy

Walter L. Eddy,  
Secretary.

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

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FEDERAL RESERVE BANK  
OF NEW YORK

 RECEIVED  
OCT 11 1924  
FEDERAL RESERVE BOARD

Open Market Investment Committee  
for the Federal Reserve System

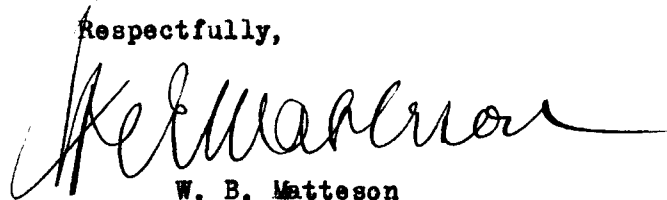
CONFIDENTIAL

October 11, 1924

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Open Market Investment Committee for the Federal Reserve  
System for the period from October 2 to October 8, 1924  
inclusive, together with data received by the Committee  
from the Federal reserve banks.

Respectfully,



W. B. Matteson  
Secretary of the Committee

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

Enclosure

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C O N F I D E N T I A L

REPORT OF OPEN MARKET INVESTMENT COMMITTEE  
 WEEK ENDED OCTOBER 8, 1924

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**COMPARISON OF HOLDINGS OF EARNING ASSETS OF FEDERAL RESERVE BANKS  
 FROM JANUARY 30 TO OCTOBER 8, 1924**  
 (000 Omitted)

	TOTAL EARNING ASSETS	*GOVERNMENT	BANKERS ACCEPTANCES		BILLS
		SECURITIES	Purchases	Sales Contracts	DISCOUNTED
-1924-					
Jan. 30	\$914,881	\$120,772	\$235,930	\$35,862	\$522,307
Feb. 27	950,801	155,801	205,022	58,282	531,690
Mar. 26	942,080	257,256	164,947	37,511	482,315
Apr. 30	873,381	301,660	102,800	21,685	447,185
May 28	850,193	333,282	49,869	36,891	429,600
June 25	826,260	429,794	44,065	969	350,131
July 30	824,867	505,281	23,244	1,197	293,895
Aug. 27	855,225	541,626	48,649	640	262,560
Sept. 24	928,355	574,596	90,431	1,470	259,863
Oct. 1	982,969	575,957	105,497	32,764	266,756
Oct. 8	1,024,751	581,221	126,126	49,039	266,388

\*Includes sales contracts

**CHANGES IN HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES  
 BY FEDERAL RESERVE BANKS (EXCLUSIVE OF SALES CONTRACTS)  
 DURING WEEK ENDING OCTOBER 8, 1924**  
 (000 Omitted)

	GOVERNMENT SECURITIES			BANKERS ACCEPTANCES		
	Balance Oct. 8	Balance Oct. 1	Net Change	Balance Oct. 8	Balance Oct. 1	Net Change
Boston	\$ 38,854	\$ 38,854	0	\$ 10,954	\$ 9,735	\$ 1,219+
New York	187,316	187,316	0	47,460	43,810	3,650+
Philadelphia	31,452	31,452	0	2,902	1,347	1,555+
Cleveland	64,748	61,742	3,006+	12,472	9,645	2,827+
Richmond	4,993	4,993	0	0	0	0
Atlanta	3,042	3,009	33+	2,411	2,208	203+
Chicago	82,517	81,548	969+	14,678	11,648	3,030+
St. Louis	16,769	16,769	0	5,851	4,378	1,473+
Minneapolis	28,226	27,780	446+	2,781	2,254	527+
Kansas City	35,159	34,350	809+	5,605	4,427	1,178+
Dallas	27,795	27,795	0	6,034	4,478	1,556+
San Francisco	60,340	60,340	0	14,978	11,567	3,411+
	<u>\$581,211</u>	<u>\$575,948</u>	<u>\$5,263+</u>	<u>\$126,126</u>	<u>\$105,497</u>	<u>\$20,629+</u>

**COMMENT ON CHANGES FOR WEEK ENDED OCTOBER 8.**

An increase in total earning assets of the System of \$41,782,000 during the week brought total to the highest point since the week ended January 9, 1924. The increase was chiefly accounted for by the further rise of \$36,904,000 in holdings of bankers acceptances of which \$16,275,000 represented bills held under sales contracts. Holdings of Government securities increased \$5,264,000 representing purchases of miscellaneous securities as there were no purchases made for the System's Special Account. A rise of \$21,000,000 in bills discounted in New York was offset by declines in all other districts so that the System's holdings declined \$368,000. By October 10 bills discounted in New York had declined \$42,000,000.

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MONEY MARKET

Following the loss of funds to this district for the usual first of the month settlements, money conditions in New York were somewhat firmer and on Monday, October 6, the closing rate for stock exchange call money advanced to 3 per cent. With the return of funds from the interior money opened at 2 1/2 per cent. on the following day and held unchanged at this rate throughout the balance of the week. Toward the end of the week considerable amounts remained unlent on the stock exchange. Time money was generally quiet with six months' maturities at 3 1/4 per cent.

At the close of the week commercial paper brokers report an active market especially in New York and in the Middle West but a quiet market in New England and Pacific Coast centers. The prevailing rate for prime 4 to 6 months' paper continues at 3 1/4 per cent. with shorter maturities at 3 per cent.

	<u>Last Period</u>	<u>Previous Period</u>
Call money, renewals, average	2.50	2.20
Call money, new loans, average	2.52	2.28
Time money, 60 to 90 days, offer	2 1/2 - 3	2 1/2 - 3
Commercial paper, 4 to 6 months	3 1/4	3 1/4

SECURITY MARKETSStock  
Market

Trading in stocks was exceedingly quiet during the week and on several days daily transactions were under 500,000 shares. On Wednesday, the closing day of the period, the Dow-Jones averages of industrials and rails showed declines of 2 points during the week. Compared with the high points of the year reached on August 20, industrial averages showed a loss of about 3 1/2 points and railroad averages a loss of 4 1/4 points.

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General  
Bond  
Market

With the temporary firmness in money conditions bond trading was quiet and transactions during the period totaled only \$58,000,000 against \$74,000,000 the week before. Both high grade and speculative railroad bonds declined but industrial and public utility bonds were higher so that representative averages declined only fractionally from the closing levels of the previous week. Foreign bonds were generally steady with a sharp advance in the new issue of Belgian 6 1/2's which temporarily reached 98 1/2, a gain of 4 1/2 points from their recent issue price.

Foreign  
Exchange

Following the defeat of the British Labor Government sterling advanced about 3 1/2 cents and on Friday, October 10, at \$4.49 3/8 was the highest since August 28. French and Belgian francs, however, continued to decline and on Friday at 5.21 and 4.78 cents respectively were 5 points lower than a week ago. With the rise in the price of bar silver to the highest point in over two years Indian rupees and Chinese currencies reached new high prices for the year but the Japanese yen declined to a new low point. Canadian funds were steady but quietly traded in at or around par.

New  
Financing

The volume of new financing continued large and new bond offerings for the week ended October 10 totaled about \$102 million. Foreign financing which aggregated \$72 million last week totaled only \$29 million while industrial and railroad issues totaled \$62 million. The principal offerings were \$15 million Wheeling Steel Corporation 5 1/2 per cent. mortgage bonds to yield 5.75 per cent. and a foreign issue of \$15 million Nord Railway Company 6 1/2 per cent. bonds offered to yield 7.50 per cent.

Liberty  
Bond  
Market

Trading in Government bonds was quiet and transactions during the period totaled only \$7,500,000, the smallest volume of trading in over a month. With slightly firmer money conditions there was a moderate

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amount of selling and prices on all Liberty bonds declined from 1/32 to 7/32 during the week but Treasury bonds of 1947 - 52 advanced 2/32. With easier money conditions toward the end of the month Liberty bonds recovered moderately.

<u>Amount in Thousands</u>	<u>Issue</u>	<u>Closing Prices</u>		<u>High for Period</u>	
		<u>Oct. 1</u>	<u>Oct. 8</u>		<u>1924</u>
1,158	First 3 1/2's	100.27	100.27	100.29	101.28
360	" 4 1/4's	102.16	102.9	102.16	*102.21
1,808	Second 4 1/4's	101.19	101.13	101.19	*102.00
1,401	Third 4 1/4's	102.3	102.2	102.3	*102.23
2,103	Fourth 4 1/4's	102.19	102.12	102.19	*103.00
604	Treasury 4 1/4's	106.00	106.2	106.2	*106.7

\*High since date of issuance

New York  
Market for  
Short-term  
Governments

The market for Treasury certificates and notes was generally quiet and inactive during the period. Offerings to dealers were increased somewhat and prices declined slightly. As indicated in the following table present yields on the short maturities are somewhat higher than those prevailing a week ago but longer term Treasury Notes remain practically unchanged:

	<u>Oct. 2</u>	<u>Oct. 9</u>
U. S. Ctfs. of Ind. maturing 4 to 6 months	2.30	2.35
U. S. Ctfs. of Ind. maturing 10 to 12 months	2.71	2.71
U. S. Treas. Notes maturing 1 to 2 years	3.09	3.12
U. S. Treas. Notes maturing 2 to 3 years	3.59	3.61
U. S. Treas. Notes maturing over 3 years	3.62	3.61

BANKERS ACCEPTANCES

Rates

Slightly firmer money conditions and the increased supply of bills coming into the market, together with the light demand, caused dealers to raise their rates 1/8 per cent. on 90-day bills to 2 3/8 per cent. bid, 2 1/4 per cent. offered. Rates on other maturities were increased correspondingly.

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Abstract  
of Reports  
from Banks

Boston reports a good supply of long bills in the market which were sold by banks in anticipation of a change in the bid rate. There was a good demand for all bills, especially for 30-day maturities. Dealers holdings were slightly larger than at the close of last week. In New York there was little activity throughout the week. With the increased supply of bills, dealers' portfolios at the close of the week were at the highest point since February. With the higher offering rates, however, bills moved fairly freely. Philadelphia reports little activity during the week and trading was confined generally to routine operations. In Chicago both supply and demand were smaller than in the previous week.

With slightly firmer money conditions offerings by dealers to the reserve banks were increased substantially.

SYSTEM SPECIAL INVESTMENT ACCOUNT

As noted in the previous report, a special exchange transaction was consummated on October 3, involving the sale from the System holdings of \$5,000,000 2 3/4% certificates of indebtedness maturing December 15, 1924 and the purchase in replacement of a like amount of 2 3/4% certificates due September 15, 1925.



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Government securities held in the Special Account at the close of business October 8 and their apportionment to all Federal reserve banks aggregated \$500,000,000 as follows:

	<u>Treasury Notes</u>	<u>Certificates of Indebtedness</u>	<u>Liberty Loan Bonds</u>	<u>Total</u>
Boston	\$ 25,867,200	\$ 8,927,000	\$ 500,000	\$ 35,294,200
New York	136,394,400	46,019,500	3,700,000	186,113,900
Philadelphia	8,608,100	5,054,500	200,000	13,862,600
Cleveland	36,740,500	12,350,000	1,200,000	50,290,500
Richmond	2,661,200	990,500	0	3,651,700
Atlanta	1,059,300	300,000	100,000	1,459,300
Chicago	51,310,500	17,748,000	1,200,000	70,258,500
St. Louis	12,715,000	3,454,000	600,000	16,769,000
Minneapolis	15,032,600	4,768,000	300,000	20,100,600
Kansas City	17,982,600	6,072,000	500,000	24,554,600
Dallas	19,469,200	6,442,500	600,000	26,511,700
San Francisco	<u>37,395,400</u>	<u>12,638,000</u>	<u>1,100,000</u>	<u>51,133,400</u>
<b>Totals</b>	<u>\$365,236,000</u>	<u>\$124,764,000</u>	<u>\$10,000,000</u>	<u>\$500,000,000</u>

RECAPITULATION OF PURCHASES

<u>Made by</u>	<u>Amount</u>
Boston	\$ 18,648,500
New York	401,107,700
Philadelphia	14,979,500
Cleveland	4,090,000
Richmond	600,000
Atlanta	1,944,400
Chicago	34,300,000
St. Louis	5,453,900
Minneapolis	3,128,000
Dallas	8,169,000
San Francisco	<u>7,579,000</u>
	<u>\$500,000,000</u>

RECAPITULATION OF PURCHASES BY MATURITIES

Dec. 15, 1924	\$ 64,944,000
March 15, 1925	117,500,000
June 15, 1925	46,697,700
Sept. 15, 1925	44,710,500
Dec. 15, 1925	43,917,000
Sept. 15, 1926	26,351,000
March 15, 1926	57,707,600
March 15, 1927	57,375,900
Dec. 15, 1927	30,796,300
Third Liberty Loan Bonds	10,000,000
Sept. 15, 1928	
	<u>\$500,000,000</u>

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ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF  
 ALL FEDERAL RESERVE BANKS FROM OCTOBER 2 TO OCTOBER 8, 1924

GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>	<u>Held Under Sales Contracts</u>
Boston	\$ 358,000	Part.Sys.Inv.C/I	\$ 358,000	Part.Sys.Inv.C/I	\$9,850
New York	1,844,500	Part.Sys.Inv.C/I	1,844,500	Part.Sys.Inv.C/I	0
Philadelphia	202,500	Part.Sys.Inv.C/I	202,500	Part.Sys.Inv.C/I	0
Cleveland	495,000	Part.Sys.Inv.C/I	495,000	Part.Sys.Inv.C/I	0
	<u>3,006,500</u>	Misc. Gov't. Sec.			
	<u>\$3,501,500</u>				
Richmond	39,500	Part.Sys.Inv.C/I	39,500	Part.Sys.Inv.C/I	0
Atlanta	12,000	Part.Sys.Inv.C/I	12,000	Part.Sys.Inv.C/I	0
	<u>40,800</u>	Misc. Gov't Sec.	<u>7,100</u>	Misc. Gov't Sec.	
	<u>\$52,800</u>		<u>\$19,100</u>		
Chicago	711,000	Part.Sys.Inv.C/I	711,000	Part.Sys.Inv.C/I	0
	<u>1,168,700</u>	Fourth L.L. Bonds	<u>200,000</u>	TS-1925 Ctf.s.	
	<u>\$1,879,700</u>		<u>\$911,000</u>		
St. Louis	138,500	Part.Sys.Inv.C/I	138,500	Part.Sys.Inv.C/I	0
Minneapolis	191,000	Part.Sys.Inv.C/I	191,000	Part.Sys.Inv.C/I	0
	<u>6,628,200</u>	Misc. Gov't Sec.	<u>6,182,300</u>	Misc. Gov't Sec.	
	<u>\$6,819,200</u>		<u>\$6,373,300</u>		
Kansas City	243,500	Part.Sys.Inv.C/I	243,500	Part.Sys.Inv.C/I	0
	<u>808,400</u>	Misc. Gov't Sec.			
	<u>\$1,051,900</u>				
Dallas	258,000	Part.Sys.Inv.C/I	258,000	Part.Sys.Inv.C/I	0
San Francisco	<u>506,500</u>	Part.Sys.Inv.C/I	<u>506,500</u>	Part.Sys.Inv.C/I	<u>0</u>
<b>Totals</b>	<u>\$16,652,600</u>		<u>\$28,042,000</u>		<u>\$9,850</u>

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<u>BANKERS ACCEPTANCES</u>					
	<u>Maturity</u>	<u>PURCHASES</u> Amount	<u>Rate</u>	<u>MATURITIES</u> Amount	<u>Held Under</u> <u>Sales</u> <u>Contracts</u>
Boston	1-30 days	\$1,304,000	2% - 2 1/4%	\$1,264,000	\$1,140,000
	31-60 "	533,000	2 1/8% - 2 1/2%		
	61-90 "	86,000	2 3/8% - 2 1/2%		
	Over 90"	175,000	2 1/4% - 2 1/2%		
	In other dists.	<u>385,000</u>	2% - 2 5/8%		
		<u>\$2,483,000</u>			
New York	1-30 days	7,313,000	2% - 2 1/4%	5,890,000	43,029,000 (1,279,000 one day holdover for distribution to F. R. Banks) (150,000 for- eign trade bills) (2,190,000 sterling bills)
	31-60 "	1,119,000	2% - 2 1/8%		
	61-90 "	747,000	2 1/4% - 2 1/2%		
	Over 90"	<u>361,000</u>	2 1/4% - 2 5/8%		
		<u>\$9,540,000</u>			
Philadelphia	1-30 days	808,000	2%	391,000	0
	31-60 "	186,000	2 1/8% - 2 1/4%		
	61-90 "	<u>952,000</u>	2 1/4%		
		<u>\$1,946,000</u>			
Cleveland	1-30 days	93,000	2%	660,000	.0
	31-60 "	58,000	2 1/8%		
	In other dists.	<u>3,336,000</u>	2% - 2 5/8%		
		<u>\$3,487,000</u>			
Richmond	-	0	-	.0	0
Atlanta	-	307,000	-	104,000	(1,081,000 Un- indorsed bills purchased from accepting banks)
Chicago	1-30 days	423,000	2%	693,000	170,000
	31-60 "	260,000	2%		
	In other dists.	<u>3,040,000</u>	2% - 2 5/8%		
		<u>\$3,723,000</u>			
St. Louis	In other dists.	1,752,000	2% - 2 5/8%	279,000	.0
Minneapolis	In other dists.	721,000	2% - 2 5/8%	194,000	0.

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BANKERS ACCEPTANCES - (Continued)

<u>Maturity</u>		<u>PURCHASES</u> <u>Amount</u>	<u>Rate</u>	<u>MATURITIES</u> <u>Amount</u>	<u>Held Under</u> <u>Sales</u> <u>Contracts</u>
Kansas City	In other dists.	\$1,926,000	2%	- 2 5/8% \$748,000	0
Dallas	1-30 days	77,000	2 1/8%	-	752,000
	31-60 "	425,000	2 1/8%		0
	In other dists.	<u>1,806,000</u>	2%	- 2 5/8%	
		<u>\$2,308,000</u>			
San Francisco	1-30 days	359,000	2%	- 2 1/8% 1,520,000	0
	31-60 "	303,000	2%	- 2 1/8%	
	In other dists.	<u>4,269,000</u>	2%	- 2 5/8%	
		<u>\$4,931,000</u>			
<b>Totals</b>		<u><u>\$33,124,000</u></u>		<u><u>\$12,495,000</u></u>	<u><u>\$49,039,000</u></u>

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October 6, 1924.

Executive Folder  
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Dear Mr. Matteson:

Receipt is acknowledged of your letter of the 4th instant, addressed to Governor Crissinger, enclosing report of transactions in Government securities and bankers acceptances as reported to the Open Market Investment Committee for the Federal Reserve System for the period from September 25 to October 1, 1924, inclusive, together with data received by the Committee from the Federal reserve banks.

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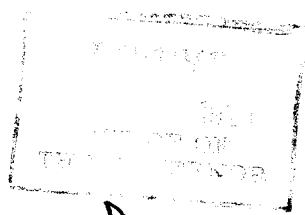
(Signed) Walter L. Eddy

Walter L. Eddy,  
Secretary.

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

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FEDERAL RESERVE BANK  
OF NEW YORK



*Handwritten signature or initials, possibly 'JAB'.*

Open Market Investment Committee  
for the Federal Reserve System

CONFIDENTIAL

October 4, 1924

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Enclosed is a report of transactions in Govern-  
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Very truly yours,

*Handwritten signature of W. B. Matteson.*

W. B. Matteson  
Secretary of the Committee

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

Enclosure

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C O N F I D E N T I A L

REPORT OF OPEN MARKET INVESTMENT COMMITTEE  
WEEK ENDED OCTOBER 1, 1924

C O N T E N T S

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**COMPARISON OF HOLDINGS OF EARNING ASSETS OF FEDERAL RESERVE BANKS  
 FROM JANUARY 30 TO OCTOBER 1, 1924**  
 (000 Omitted)

- 1924 -	TOTAL EARNING ASSETS	*GOVERNMENT SECURITIES	BANKERS ACCEPTANCES		BILLS DISCOUNTED
			Purchases	Sales Contracts	
Jan. 30	\$914,881	\$120,772	\$235,930	\$35,862	\$522,307
Feb. 27	950,801	155,801	205,022	58,238	531,690
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\* Includes sales contracts

**CHANGES IN HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES  
 BY FEDERAL RESERVE BANKS (EXCLUSIVE OF SALES CONTRACTS)  
 DURING WEEK ENDING OCTOBER 1, 1924**  
 (000 Omitted)

	GOVERNMENT SECURITIES			BANKERS ACCEPTANCES		
	Balance Oct. 1	Balance Sept. 24	Net Change	Balance Oct. 1	Balance Sept. 24	Net Change
Boston	\$ 38,854	\$ 38,854	0	\$ 9,735	\$ 8,376	\$ 1,359+
New York	187,316	187,316	0	43,810	39,375	4,435+
Philadelphia	31,452	31,452	0	1,347	1,801	454-
Cleveland	61,742	60,742	1,000+	9,645	8,301	1,344+
Richmond	4,993	4,993	0	0	0	0
Atlanta	3,009	2,886	123+	2,208	1,543	665+
Chicago	81,548	80,557	991+	11,648	8,889	2,759+
St. Louis	16,769	16,769	0	4,378	3,693	685+
Minneapolis	27,780	28,547	767-	2,254	1,674	580+
Kansas City	34,350	34,337	13+	4,427	3,626	801+
Dallas	27,795	27,795	0	4,478	3,862	616+
San Francisco	60,340	60,338	2+	11,567	9,291	2,276+
	<u>\$575,948</u>	<u>\$574,586</u>	<u>\$1,362+</u>	<u>\$105,497</u>	<u>\$90,431</u>	<u>\$15,066+</u>

**COMMENT ON CHANGES FOR WEEK ENDED OCTOBER 1**

Increases in all classes of earning assets during the week aggregating \$54,614,000 cancelled all of the decline of the previous week and brought total to the highest point since the week ended April 9, 1924. The increase was largely accounted for by the sharp rise in bills held under sales contract which advanced \$31,294,000; while bills purchased outright increased \$15,066,000. Bills discounted advanced \$6,893,000 and holdings of Government securities increased \$1,361,000, representing purchases of miscellaneous securities as there were no purchases made for the System's Special Investment Account.



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MONEY MARKET

Following the almost continuous loss of funds from this district money conditions in New York turned distinctly firmer towards the end of the month. On Monday, September 29, stock exchange call money advanced to 3 per cent. and the turnover of new loans was the largest since early in the month. With some return of funds from the interior money opened at 2 1/2 per cent. on Tuesday and continued at this rate throughout the balance of the week. Later in the week some money was reported lent outside the exchange under the prevailing rate. Time money was also temporarily firmer and rates on 90-day maturities were advanced 1/4 to 3 per cent.

The commercial paper market was generally quiet and the prevailing rate remained at 3 1/4 per cent. Late in the week one dealer reported greater activity and an increase in the supply of names discounting at 3 per cent.

	<u>Last</u> <u>Period</u>	<u>Previous</u> <u>Period</u>
Call money, renewals, average	2.20	2
Call money, new loans, average	2.28	2
Time money, 61-90 days, offer	2 1/2 - 3	2 1/2 - 2 3/4
Commercial paper, 4-6 months	3 1/4	3 1/4

SECURITY MARKETSStock  
Market

Stock trading was moderately active and transactions were slightly larger than in the previous week. Industrials were generally irregular and the Dow-Jones average of 20 issues declined more than 1 1/2 points but recovered nearly a point on Wednesday, October 1. Railroad averages declined fractionally. On Friday stocks were again irregular and both industrial and railroad averages declined over a point.

General  
Bond  
Market

Aided by the continued rise in bank investments trading in the bond market continued active and transactions for the period totaled \$74 million against \$69 million the week before. During the latter part of

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the period, due partly to the slight firming in money conditions, trading was somewhat slackened. Prices generally held steady and representative averages were practically unchanged during the week. A new offering of \$20 million Paris Lyone Mediterranean Railway 7 per cent. bonds immediately went to a slight premium and an average of 10 foreign bonds was close to the year's high level reached on August 14.

Foreign  
Exchange

In moderate trading leading European exchange rates were generally irregular with alternate gains and losses. Sterling declined about 2 cents to \$4.45, but subsequently recovered slightly and closed on Friday, October 3, at \$4.46 1/8. French and Belgian francs at 5.27 and 4.83 cents respectively were virtually unchanged. Canadian exchange held generally at par. Accompanying the higher prices for silver Chinese currencies reached new high prices for the year.

New  
Financing

Including an offering of \$50 million Mexican oil production tax bonds to yield 9 per cent., which were placed on the market by a Texas investment broker, the volume of new financing showed a substantial increase and new bond offerings for the week ended October 3 totaled \$174 million compared with only \$66 million offered last week. This was the largest week's total since February and has been exceeded in only one other week this year. Foreign offerings totaled \$74 million and railroad financing aggregated about \$60 million which made up the bulk of the week's total. The largest single offering was \$50 million Pennsylvania 5 per cent. refunding bonds, due 1964, to yield 5.10 per cent. The proceeds from this sale are to be used to retire a part of the 6 per cent. Pennsylvania notes held by the Director General of Railroads.

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Liberty  
 Bond  
 Market

Liberty bonds continued active and strong early in the period and on Friday, September 26, the Treasury bonds of 1947-52 reached a new high record price at 106.7, and Liberty 4 1/4's reached prices close to the record high levels. With temporary firmness in money conditions there was a moderate amount of selling on Monday, September 29, and prices declined fractionally but later in the period recovered and on Wednesday, closing day of the period, prices on all issues except the Third 4 1/4's were slightly higher than a week ago:

<u>Amount in Thousands</u>	<u>Issue</u>	<u>Closing Prices</u>		<u>High for</u>		
		<u>Sept. 24</u>	<u>Oct. 1</u>	<u>Period</u>	<u>1924</u>	
\$1,860	First	3 1/2's	100.27	100.27	100.31	101.28
315	"	4 1/4's	102.15	102.16	102.20	*102.21
2,351	Second	4 1/4's	101.17	101.19	101.23	*102.00
1,325	Third	4 1/4's	102.6	102.3	102.10	*102.23
4,704	Fourth	4 1/4's	102.18	102.19	102.24	*103.00
1,230	Treasury	4 1/4's	105.27	106.00	*106.7	106.4

\*High since date of issuance

New York  
 Market for  
 Short-term  
 Governments

With slightly firmer money conditions offerings of notes and certificates to dealers were increased moderately but any selling on the part of holders was immediately absorbed by other investors and prices generally remained unchanged. As indicated in the following table present yields on the various maturities are practically unchanged from those prevailing a week ago:

	<u>Sept. 25</u>	<u>Oct. 2</u>
U.S. Ctfs. of Ind. maturing 4 to 6 months	2.29	2.30
U.S. Ctfs. of Ind. maturing 10 to 12 months	2.68	2.71
U.S. Treas. Notes maturing 1 to 2 years	3.09	3.09
U.S. Treas. Notes maturing 2 to 3 years	3.60	3.59
U.S. Treas. Notes maturing over 3 years	3.61	3.62

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BANKERS ACCEPTANCESRates

Firmer money conditions resulting in a substantial increase in the supply of bills and a corresponding falling off in demand caused dealers temporarily to raise their rates  $1/8$  per cent. With the return of easier money conditions rates were again lowered to their former level and dealers again offered 90 day bills at  $2 \frac{1}{8}$  per cent. and other maturities varied correspondingly.

Abstract  
of Reports  
from Banks

Boston reports that the aggregate supply of bills in the market was slightly less than the demand. There was some buying for foreign account and also from the larger country banks and all maturities appeared to be in about equal demand. In New York the market was generally unsettled throughout the week. Following the higher rates bills moved freely but with the return of notes to their former level the demand became very light. At the close of the period dealers combined portfolios were substantially higher than in the previous week. In Philadelphia the market was generally inactive during the early part of the period but the slight advance in rates created an increased demand, especially for the shorter maturities. The larger supply of acceptances was due largely to the increase in cotton and grain bills. Chicago reports a good demand, especially for the short maturities, while the supply was somewhat limited.

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OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

At the request of the Treasury the Federal Reserve Bank of New York purchased during the period \$65,950 Third Liberty Loan 4 1/4% bonds for account of the Interstate Commerce Commission - General Railroad Contingent Fund.

SYSTEM SPECIAL INVESTMENT ACCOUNT

There has been no change during the period in Government security holdings in the Special Investment Account for the Federal Reserve System. The total purchases and their apportionment to all Federal reserve banks at the close of business October 1 aggregated \$500,000,000 as follows:

	<u>Treasury Notes</u>	<u>Certificates of Indebtedness</u>	<u>Liberty Loan Bonds</u>	<u>Total</u>
Boston	\$ 25,867,200	\$ 8,927,000	\$ 500,000	\$ 35,294,200
New York	136,394,400	46,019,500	3,700,000	186,113,900
Philadelphia	8,608,100	5,054,500	200,000	13,862,600
Cleveland	36,740,500	12,350,000	1,200,000	50,290,500
Richmond	2,661,200	990,500	-	3,651,700
Atlanta	1,059,300	300,000	100,000	1,459,300
Chicago	51,310,500	17,748,000	1,200,000	70,258,500
St. Louis	12,715,000	3,454,000	600,000	16,769,000
Minneapolis	15,032,600	4,768,000	300,000	20,100,600
Kansas City	17,982,600	6,072,000	500,000	24,554,600
Dallas	19,469,200	6,442,500	600,000	26,511,700
San Francisco	37,395,400	12,638,000	1,100,000	51,133,400
Totals	<u>\$365,236,000</u>	<u>\$124,764,000</u>	<u>\$10,000,000</u>	<u>\$500,000,000</u>

RECAPITULATION OF PURCHASES

<u>Made By</u>	<u>Amount</u>
Boston	\$ 18,648,500
New York	401,857,700
Philadelphia	14,979,500
Cleveland	4,090,000
Richmond	600,000
Atlanta	1,944,400
Chicago	33,550,000
St. Louis	5,453,900
Minneapolis	3,128,000
Dallas	8,169,000
San Francisco	7,579,000
	<u>\$500,000,000</u>

RECAPITULATION OF PURCHASES BY MATURITIES

Dec. 15, 1924	\$ 69,944,000
March 15, 1925	117,500,000
June 15, 1925	46,697,700
Sept. 15, 1925	39,710,500
Dec. 15, 1925	43,917,000
March 15, 1926	57,707,600
Sept. 15, 1926	26,351,000
March 15, 1927	57,375,900
Dec. 15, 1927	30,796,300
Third L. L. Bonds	
Sept. 15, 1928	10,000,000
	<u>\$500,000,000</u>

N. B. Since the period covered by this report a special exchange transaction was consummated on October 3, involving the sale from System holdings of \$5,000,000 2 3/4% certificates of indebtedness maturing December 15, 1924, on a 2.10% basis, and the purchase in replacement of a like amount of 2 3/4% certificates due September 15, 1925, at par.

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ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF  
 ALL FEDERAL RESERVE BANKS FROM SEPTEMBER 25 TO OCTOBER 1, 1924

GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>	<u>Held Under Sales Contracts</u>
Boston	0	-	0	-	\$ 9,500
New York	0	-	0	-	0
Philadelphia	0	-	0	-	0
Cleveland	1,000,000	TD2-1924 Ctfs.	0	-	0
Richmond	0	-	0	-	0
Atlanta	205,500	Misc. Gov't Sec.	82,500	Misc. Gov't Sec.	0
Chicago	812,100 <u>200,000</u>	Fourth L. L. Bds. TS-1925 Ctfs.	21,000	TS-1925 Ctfs.	0
	<u>\$1,012,100</u>				
St. Louis	0	-	0	-	0
Minneapolis	3,165,300	Misc. Gov't Sec.	3,933,050	Misc. Gov't Sec.	0
Kansas City	13,900	Misc. Gov't Sec.	0	-	0
Dallas	0	-	0	-	0
San Francisco	4,525,000 <u>2,000</u>	TS-1925 Ctfs. Misc. Gov't Sec.	4,525,000	TD2-1924 Ctfs.	0
	<u>4,527,000</u>				
<b>Totals</b>	<u>\$9,923,800</u>		<u>\$8,561,550</u>		<u>\$ 9,500</u>

BANKERS ACCEPTANCES

	<u>Maturity</u>	<u>PURCHASES Amount</u>	<u>Rate</u>	<u>MATURITIES Amount</u>	<u>Held Under Sales Contracts</u>
Boston	1-30 days	\$ 503,000	2 1/8% - 2 1/4%	\$ 776,000	\$ 914,000
	31-60 "	1,332,000	2 1/4% - 2 3/8%		
	Over 90 "	<u>300,000</u>	2 3/8%		
		<u>\$2,135,000</u>			
New York	1-30 days	5,396,000	2%	3,340,000	25,432,000
	31-60 "	409,000	2 1/8% - 2 3/8%		(3,157,000 one day hold-over for distribution to other F.R.Bks.)
	61-90 "	1,206,000	2 1/4% - 2 3/8%		(150,000 for- eign trade bills)
	Over 90 "	<u>764,000</u>	2 1/4% - 2 1/2%		(2,190,000 sterling bills)
		<u>\$7,775,000</u>			

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BANKERS ACCEPTANCES - (Continued)

	<u>Maturity</u>	<u>PURCHASES</u> <u>Amount</u>	<u>Rate</u>	<u>MATURITIES</u> <u>Amount</u>	<u>Held Under</u> <u>Sales Contracts</u>
Philadelphia	61-90 days	\$ 50,000	2 1/2%	\$ 504,000	-
Cleveland	In other districts	1,789,000	2% - 2 1/2%	445,000	-
Richmond	-	-	-	-	-
Atlanta	-	670,000	-	5,000	(851,000 Unindorsed bills purchased from accepting banks)
Chicago	1-30 days	712,000	2%	1,481,000	70,000
	31-60 "	1,916,000	2%		
	61-90 "	357,000	2 1/4%		
	In other districts	<u>1,255,000</u>	2% - 2 1/2%		
		<u>\$4,240,000</u>			
St. Louis	In other districts	1,093,000	2% - 2 1/2%	408,000	-
Minneapolis	In other districts	735,000	2% - 2 1/2%	155,000	-
Kansas City	In other districts	1,223,000	2% - 2 1/2%	422,000	-
Dallas	In other districts	1,052,000	2% - 2 1/2%	386,000	-
				50,000	Sold to Mem.Bks.
San Francisco	1-30 days	81,000	2%	1,283,000	-
	31-60 "	139,000	2 1/8%		
	61-90 "	631,000	2 1/8%		
	Over 90 "	23,000	2 1/4%		
	In other districts	<u>2,685,000</u>	2% - 2 1/2%		
		<u>\$3,559,000</u>			
<b>Totals</b>		<u>\$24,321,000</u>		<u>\$9,255,000</u>	<u>\$32,764,000</u>

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*# 2*

FEDERAL RESERVE BANK  
OF NEW YORK

333

RECEIVED  
1924  
GOVERNOR

Open Market Investment Committee  
for the Federal Reserve System

CONFIDENTIAL

September 27, 1924

S i r :

Enclosed is a report of transactions in Govern-  
ment securities and bankers acceptances as reported to the  
Open Market Investment Committee for the Federal Reserve  
System for the period from September 18 to September 24,  
1924 inclusive, together with data received by the Committee  
from the Federal reserve banks.

Respectfully,

*Handwritten signature of W. B. Matteson*

W. B. Matteson  
Secretary of the Committee

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

Enclosure



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C O N F I D E N T I A L

REPORT OF OPEN MARKET INVESTMENT COMMITTEE  
WEEK ENDED SEPTEMBER 24, 1924

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**COMPARISON OF HOLDINGS OF EARNING ASSETS OF FEDERAL RESERVE BANKS  
 FROM JANUARY 30 TO SEPTEMBER 24, 1924**  
 (000 Omitted)

	TOTAL EARNING ASSETS	*GOVERNMENT SECURITIES	BANKERS ACCEPTANCES		BILLS DISCOUNTED
			Purchases	Sales Contracts	
- 1924 -					
Jan. 30	\$914,881	\$120,772	\$235,930	\$35,862	\$522,307
Feb. 27	950,801	155,801	205,022	58,288	531,690
Mar. 26	942,080	257,256	164,947	37,511	482,315
Apr. 30	873,381	301,660	102,800	21,655	447,185
May 28	850,193	333,282	49,869	36,891	429,600
June 25	826,260	429,794	44,065	969	350,131
July 30	824,867	505,281	23,244	1,197	293,895
Aug. 27	855,225	541,626	48,649	640	262,560
Sept. 3	915,427	542,145	58,762	10,821	301,949
" 10	923,659	568,188	83,925	8,566	261,230
" 17	**982,858	**618,729	96,677	2,535	257,967
" 24	928,355	574,596	90,431	1,470	259,863

\* Includes sales contracts  
 \*\* Includes \$35,000,000 advance to Treasury on Special Certificates

**CHANGES IN HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES  
 BY FEDERAL RESERVE BANKS (EXCLUSIVE OF SALES CONTRACTS)  
 DURING WEEK ENDING SEPTEMBER 24, 1924**  
 (000 Omitted)

	GOVERNMENT SECURITIES			BANKERS ACCEPTANCES		
	Balance Sept. 24	Balance Sept. 17	Net Change	Balance Sept. 24	Balance Sept. 17	Net Change
Boston	\$ 38,854	\$ 43,747	\$ 4,893-	\$ 8,376	\$ 8,479	\$ 103-
New York	187,316	221,597	34,281-	39,375	44,155	4,780-
Philadelphia	31,452	31,890	438-	1,801	1,752	49+
Cleveland	60,742	61,744	1,002-	8,301	8,073	228+
Richmond	4,993	5,125	132-	0	0	0
Atlanta	2,886	2,852	34+	1,543	1,265	278+
Chicago	80,557	81,489	932-	8,889	10,211	1,322-
St. Louis	16,769	17,134	365-	3,693	3,758	65-
Minneapolis	28,547	28,379	168+	1,674	1,647	27+
Kansas City	34,337	34,827	490-	3,626	3,676	50-
Dallas	27,795	28,443	648-	3,862	3,889	27-
San Francisco	60,338	61,391	1,053-	9,291	9,772	481-
<b>Total</b>	<b>\$574,586</b>	<b>\$618,618</b>	<b>\$44,032-</b>	<b>\$90,431</b>	<b>\$96,677</b>	<b>\$6,246-</b>

**COMMENT ON CHANGES FOR WEEK ENDED SEPTEMBER 24**

Total earning assets of all reserve banks declined \$54,503,000 during the week, due chiefly to the decrease of \$44,133,000, in holdings of Government securities which represented the retirement by the Treasury of the temporary advance of \$35,000,000 on Special Certificate and the sale of securities from the System's Special Investment Account. Holdings of bills purchased outright declined \$6,246,000 and bills held under sales contracts declined \$1,065,000 but bills discounted increased \$1,896,000.

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MONEY MARKET

Notwithstanding the loss to this district in ordinary transactions through the settlement fund of \$77 million and the sale of \$11 million of securities from the open market account, which was only partly offset by Treasury transfers aggregating \$29 million, money conditions in New York continued easy. The call rate was unchanged at 2 per cent. on the exchange but outside of the exchange money was lent at 1 1/2 per cent. during the early part of the period. Later in the period the supply of money on offer was substantially decreased and with a somewhat more active demand the amount of money left unlent on the exchange was the smallest since early in the month. Time money continued quiet with moderate offerings and only a light demand at the lower rates established last week.

Commercial paper dealers report a continued dull market, due largely to the small amount of good names offered.

	<u>Last Period</u>	<u>Previous Period</u>
Call money, renewals, average	2	2
Call money, new loans, average	2	2
Time money, 60 - 90 days, offer	2 1/2 - 2 3/4	2 1/2 - 2 3/4
Commercial paper 4 - 6 months	3 1/4	3 1/4

SECURITY MARKETS

Stock  
Market

Trading in stocks was more active during the period and on Wednesday, September 24, transactions were again in excess of a million shares. The trend of prices continued upward and the Dow-Jones average of 20 industrials advanced nearly 1 1/4 points during the period and in the past two weeks has recovered 3 1/2 points of the loss from the year's high level reached on August 20. Railroad averages advanced over 1/2 a point but are about 2 points below the year's high. On Thursday and Friday stocks were slightly irregular and averages declined fractionally.

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General  
Bond  
Market

With continued ease in money conditions bond trading was active and transactions for the period totaled \$69 million, the largest volume of trading since the first week in August. The "Annalist" average of forty high grade corporation bonds advanced over 1/2 a point during the week and was only about 1/4 of a point lower than the year's high level reached on July 26. Foreign bonds were active, especially the recent issue of Belgian 6 1/2's which advanced to a new high at 97 3/8, over 3 3/8 points above the offering price. An average of ten foreign issues held close to the year's high level.

Foreign  
Exchange

In a moderately active market sterling advanced gradually during the week about 1 1/4 cents and closed at \$4.47 on Friday, September 26. On Friday, Canadian exchange regained par. French francs at 5.28 cents were two points lower during the week but Belgian francs declined about 10 points to 4.86 cents. Argentine and Brazilian rates continued to advance and Far Eastern currencies were generally steady.

New  
Financing

The volume of new financing showed a substantial decline and for the week ended September 26 new bond offerings totaled only \$66 million against \$164 million offered last week. Railroad offerings aggregating \$32 million and state and municipal issues totaling about \$17 million made up the bulk of the week's total. The principal offerings were \$16 million 4 1/2 per cent. Pennsylvania Railroad Equipment Trust Certificates to yield 4.70 per cent. and about \$12 million New York State 4 per cent. serial bonds offered to yield from 2.50 to 3.65 per cent. These bonds were sold on a cost basis to the State of 3.64 per cent., which compares with the 4.10 per cent. basis at which the last State bond issue was sold in April, and is reported to be the lowest cost on a New York State bond issue since 1910.

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Liberty  
 Bond  
 Market

Although the volume of trading in the Government bond market during the period was smaller, transactions totaling only \$11 million against \$19 million the week before, prices were substantially higher and several issues reached prices close to the high record levels. On Friday, September 26, Treasury bonds of 1947-52 reached a new record high at 106.7. Compared with prices early in the month Treasury bonds have advanced over 1 1/4 points and Liberty 4 1/4's have recovered about 1/2 to 3/4 of a point.

<u>Amount in Thousands</u>	<u>Issue</u>	<u>Closing Prices</u>		<u>High for</u>		
		<u>Sept. 17</u>	<u>Sept. 24</u>	<u>Period</u>	<u>1924</u>	
\$1,443	First	3 1/2's	100.27	100.27	100.30	101.28
443	"	4 1/4's	102.4	102.15	102.20	*102.21
2,825	Second	4 1/4's	101.9	101.17	101.22	*102.00
1,332	Third	4 1/4's	102.4	102.6	102.12	*102.23
4,433	Fourth	4 1/4's	102.11	102.18	102.26	*103.00
916	Treasury	4 1/4's	105.13	105.27	106.3	*106.4

\*High since date of issuance

New York  
 Market for  
 Short-term  
 Governments

The market for short term Government securities was dull during the period with only small offerings and a light demand. Prices held firm and yields were generally unchanged. Treasury Notes maturing in 1926 and 1927 appeared to be in the best demand. The following table compares yields on various maturities of short Governments, at present offering prices, with those prevailing a week ago:

	<u>Sept. 18</u>	<u>Sept. 25</u>
U. S. Ctfs of Ind. maturing 4 to 6 months	2.30	2.29
U. S. Ctfs of Ind. maturing 10 to 12 months	2.68	2.68
U. S. Treasury Notes maturing 1 to 2 years	3.13	3.09
U. S. Treasury Notes maturing 2 to 3 years	3.63	3.60
U. S. Treasury Notes maturing over 3 years	3.62	3.61

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BANKERS ACCEPTANCES

Rates

Easy money conditions early in the period led some dealers temporarily to lower their offering rate on 90-day bills to 2 per cent. The lower rates were only maintained for a few days and as the surplus funds caused by September 15 Treasury operations were absorbed the rate returned to 2 1/8 per cent. and in the case of some dealers to 2 1/4 per cent. Other maturities varied correspondingly.

Abstract  
 of Reports  
 from Banks

Boston reports a moderate supply of bills, especially of the longer maturities, while the demand was only fair and considerably slackened from a week ago. The demand for short bills, however, continued active. Dealers purchases of bills were slightly larger in amount than last week, but sales were much less. In New York the ease in money conditions early in the period resulted in an active demand for bills while the supply was very limited. With lower rates a few more bills came into the market but there was a substantial decrease in the demand. During the latter part of the period money became less plentiful, more bills came into the market in quantity, and dealers combined portfolios increased substantially. Chicago reports that the ease in money created an active demand for short bills.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

At the request of the Treasury the Federal Reserve Bank of New York purchased during the period \$434,500 2 3/4% certificates of indebtedness maturing September 15, 1925, for account of the Alien Property Custodian.

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SYSTEM SPECIAL INVESTMENT ACCOUNT

As noted in the previous report, exchange transactions were consummated on September 19 and 22 involving the sale from the System holdings of \$15,000,000 4 1/4% certificates maturing December 15, 1924, and the purchase in replacement of a like amount of 2 3/4% certificates maturing September 15, 1925. There was also sold outright from the System holdings \$11,450,000 4 1/4% December 15, 1924, certificates.

Government securities held in the Special Account at the close of business September 24, and their apportionment to all Federal reserve banks, aggregated \$500,000,000 as follows:

	<u>Treasury Notes</u>	<u>Certificates of Indebtedness</u>	<u>Liberty Loan Bonds</u>	<u>Total</u>
Boston	\$ 25,867,200	\$ 8,927,000	\$ 500,000	\$ 35,294,200
New York	136,394,400	46,019,500	3,700,000	186,113,900
Philadelphia	8,608,100	5,054,500	200,000	13,862,600
Cleveland	36,740,500	12,350,000	1,200,000	50,290,500
Richmond	2,661,200	990,500	-	3,651,700
Atlanta	1,059,300	300,000	100,000	1,459,300
Chicago	51,310,500	17,748,000	1,200,000	70,258,500
St. Louis	12,715,000	3,454,000	600,000	16,769,000
Minneapolis	15,032,600	4,768,000	300,000	20,100,600
Kansas City	17,982,600	6,072,000	500,000	24,554,600
Dallas	19,459,200	6,442,500	600,000	26,511,700
San Francisco	<u>37,395,400</u>	<u>12,638,000</u>	<u>1,100,000</u>	<u>51,133,400</u>
Totals	<u>\$365,236,000</u>	<u>\$124,764,000</u>	<u>\$10,000,000</u>	<u>\$500,000,000</u>

RECAPITULATION OF PURCHASES

<u>Made By</u>	<u>Amount</u>
Boston	\$ 18,648,500
New York	401,857,700
Philadelphia	14,979,500
Cleveland	4,090,000
Richmond	600,000
Atlanta	1,944,400
Chicago	33,550,000
St. Louis	5,453,900
Minneapolis	3,128,000
Dallas	8,169,000
San Francisco	<u>7,579,000</u>
	<u>\$500,000,000</u>

RECAPITULATION OF PURCHASES BY MATURITIES

Dec. 15, 1924	\$ 69,944,000
March 15, 1925	117,500,000
June 15, 1925	46,697,700
Sept. 15, 1925	39,710,500
Dec. 15, 1925	43,917,000
March 15, 1926	57,707,600
Sept. 15, 1926	26,351,000
March 15, 1927	57,375,900
Dec. 15, 1927	30,796,300
Third L. L. Bonds Sept. 15, 1928	<u>10,000,000</u>
	<u>\$500,000,000</u>

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 Authority EO 12958

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ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF  
ALL FEDERAL RESERVE BANKS FROM SEPTEMBER 18 TO SEPTEMBER 24, 1924

GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>	<u>Held Under Sales Contracts</u>
Boston	\$ 27,000	Part.Sys.Inv.C/I	\$ 920,000 <u>4,000,000</u>	Part.Sys.Inv.C/I Advance to Treas. on Spec. Ctfs.	\$9,850
			<u>\$4,920,000</u>		
New York	245,500	Part.Sys.Inv.C/I	3,526,500 <u>31,000,000</u>	Part.Sys.Inv.C/I Advance to Treas. on Spec.Ctfs.	0
			<u>\$34,526,500</u>		
Philadelphia	13,500	Part.Sys.Inv.C/I	451,000	Part.Sys.Inv.C/I	0
Cleveland	82,000 <u>150,000</u>	Part.Sys.Inv.C/I TM-1925 Ctfs.	1,234,000	Part.Sys.Inv.C/I	0
	<u>\$232,000</u>				
Richmond	0	-	132,500	Part.Sys.Inv.C/I	0
Atlanta	7,000 <u>209,000</u>	Part.Sys.Inv.C/I Misc. Gov't Sec.	27,000 <u>155,000</u>	Part.Sys.Inv.C/I Misc. Gov't Sec.	0
	<u>\$216,000</u>		<u>\$182,000</u>		
Chicago	75,000 <u>837,450</u>	Part.Sys.Inv.C/I Fourth L.L. Bds.	1,844,000	Part.Sys.Inv.C/I	0
	<u>\$912,450</u>				
St. Louis	41,000	Part.Sys.Inv.C/I	405,500	Part.Sys.Inv.C/I	0
Minneapolis	20,500 <u>3,041,650</u>	Part.Sys.Inv.C/I Misc. Gov't Sec.	535,500 <u>2,358,200</u>	Part.Sys.Inv.C/I Misc. Gov't Sec.	0
	<u>\$3,062,150</u>		<u>\$2,893,700</u>		
Kansas City	41,000 <u>12,000</u>	Part.Sys.Inv.C/I Misc. Gov't. Sec.	543,500	Part.Sys.Inv.C/I	0
	<u>\$53,000</u>				
Dallas	34,000	Part.Sys.Inv.C/I	682,000	Part.Sys.Inv.C/I	0
San Francisco	<u>95,500</u>	Part.Sys.Inv.C/I	<u>1,148,500</u>	Part.Sys.Inv.C/I	<u>0</u>
<b>Totals</b>	<u>\$4,932,100</u>		<u>\$48,963,200</u>		<u>\$9,850</u>



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BANKERS ACCEPTANCES

	<u>Maturity</u>	<u>PURCHASES</u>			<u>MATURITIES</u>	<u>Held Under</u>
		<u>Amount</u>	<u>Rate</u>		<u>Amount</u>	<u>Sales Contracts</u>
Boston	1 - 30 days	\$ 157,000	2% -- 2 1/8%		\$ 260,000	0
New York	1 - 30 days	559,000	2%		5,603,000	(559,000 one day hold-over for distribution to other F.R. Banks.) (150,000 foreign trade bills)
	31 - 60 "	125,000	2 1/8%			
	61 - 90 "	44,000	2 1/4%			
	Over 90 "	<u>95,000</u>	2 1/4%			
		<u>\$ 823,000</u>				
Philadelphia	31 - 60 days	\$ 10,000	2 1/4%		1,000	0
	61 - 90 "	<u>40,000</u>	2 1/4%			
		<u>\$ 50,000</u>				
Cleveland	61 - 90 days	\$ 450,000	2 1/8%		376,000	0
	In other districts	<u>154,000</u>	2% -- 2 1/4%			
		<u>\$ 604,000</u>				
Richmond	-	0	--		0	0
Atlanta	-	\$ 503,000	--		225,000	(761,000 unindorsed bills purchased from accepting bks.)
Chicago	-	0			1,322,000	0
St. Louis	In other districts	68,000	2% -- 2 1/4%		133,000	0
Minneapolis	In other districts	44,000	2% -- 2 1/4%		17,000	0
Kansas City	In other districts	128,000	2% -- 2 1/4%		178,000	0
Dallas	In other districts	115,000	2% -- 2 1/4%		142,000	0
San Francisco	In other districts	<u>197,000</u>	2% -- 2 1/4%		<u>678,000</u>	<u>0</u>
<b>Totals</b>		<u>\$2,689,000</u>			<u>\$8,935,000</u>	<u>\$1,470,000</u>

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~~Executive Folder~~

~~Date 9/23/24~~

September 23, 1924

Dear Sir:

Receipt is acknowledged of your letter of the 20th instant, enclosing report of transactions in Government securities and bankers acceptances as reported to the Open Market Investment Committee for the period from September 11 to September 17, 1924, inclusive, together with data received by your Committee from the Federal reserve banks.

Very truly yours,

(Signed) Walter L. Eddy

Walter L. Eddy,  
Secretary

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

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*File*

FEDERAL RESERVE BANK  
OF NEW YORK

RECEIVED  
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THE OFFICE OF  
THE GOVERNOR

Open Market Investment Committee  
for the Federal Reserve System

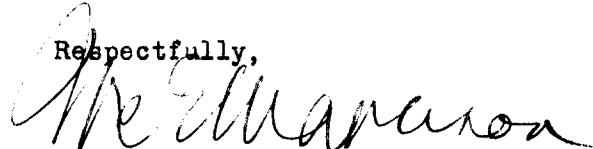
CONFIDENTIAL

September 20, 1924

S i r :

Enclosed is a report of transactions in Government securities and bankers acceptances as reported to the Open Market Investment Committee for the Federal Reserve System for the period from September 11 to September 17, 1924 inclusive, together with data received by the Committee from the Federal Reserve Banks.

Respectfully,



W. B. Matteson  
Secretary of the Committee

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

Enclosure

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C O N F I D E N T I A L

REPORT OF OPEN MARKET INVESTMENT COMMITTEE  
WEEK ENDED SEPTEMBER 17, 1924

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**COMPARISON OF HOLDINGS OF EARNING ASSETS OF FEDERAL RESERVE BANKS  
FROM JANUARY 30 TO SEPTEMBER 17, 1924**  
(000 Omitted)

- 1924 -	TOTAL EARNING ASSETS	*GOVERNMENT SECURITIES	BANKERS ACCEPTANCES		BILLS DISCOUNTED
			Purchases	Sales Contracts	
Jan. 30	\$914,881	\$120,772	\$235,930	\$35,862	\$522,307
Feb. 27	950,801	155,801	205,022	58,288	531,690
Mar. 26	942,080	257,256	164,947	37,511	482,315
Apr. 30	873,381	301,660	102,800	21,685	447,185
May 28	850,193	333,282	49,869	36,891	429,600
June 25	826,260	429,794	44,065	969	350,131
July 30	824,867	505,281	23,244	1,197	293,895
Aug. 27	855,225	541,626	48,649	640	262,560
Sept. 3	915,427	542,145	58,762	10,821	301,949
" 10	923,659	568,188	83,925	8,566	261,230
" 17	**982,858	**618,729	96,677	2,535	257,967

\*Includes sales contracts

\*\*Including \$35,000,000 advance to Treasury on Special Certificates

**CHANGES IN HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES  
BY FEDERAL RESERVE BANKS (EXCLUSIVE OF SALES CONTRACTS)  
DURING WEEK ENDING SEPTEMBER 17, 1924**  
(000 Omitted)

	GOVERNMENT SECURITIES			BANKERS ACCEPTANCES		
	Balance Sept. 17	Balance Sept. 10	Net Change	Balance Sept. 17	Balance Sept. 10	Net Change
Boston	\$ 43,747	\$ 39,223	\$ 4,524+	\$ 8,479	\$ 6,461	\$ 2,018+
New York	221,597	185,882	35,715+	44,155	43,762	393+
Philadelphia	31,890	31,628	262+	1,752	1,563	189+
Cleveland	61,744	59,168	2,576+	8,073	6,662	1,411+
Richmond	5,125	5,125	0	0	0	0
Atlanta	2,852	2,590	262+	1,265	946	319+
Chicago	81,489	79,198	2,291+	10,211	9,327	884+
St. Louis	17,134	16,348	786+	3,758	2,568	1,190+
Minneapolis	28,379	28,261	118+	1,647	908	739+
Kansas City	34,827	33,413	1,414+	3,676	2,138	1,538+
Dallas	28,443	27,788	655+	3,889	2,965	924+
San Francisco	61,391	59,554	1,837+	9,772	6,625	3,147+
<b>Totals</b>	<b>\$618,618</b>	<b>\$568,178</b>	<b>\$50,440+</b>	<b>\$96,677</b>	<b>\$83,925</b>	<b>\$12,752+</b>

**COMMENT ON CHANGES FOR WEEK ENDED SEPTEMBER 17**

Total earning assets of the System increased \$59,199,000 during the week of which \$35,000,000 represented a temporary advance to the Treasury on Special Certificate. A decline of \$3,263,000 in loans to member banks and the delivery of \$6,031,000 of acceptances held under sales contracts were more than offset by the increase in security holdings and the further rise in holdings of bills purchased outright of \$12,752,000. In addition to the temporary advance to the Treasury the increase in security holdings represented \$13,098,000 of securities purchased during the week for the System's Special account.

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MONEY MARKET

A gain to this district in ordinary transactions through the settlement fund of nearly \$10 million, together with a large excess of Treasury disbursements over receipts financed temporarily by a special certificate to the New York Reserve Bank contributed to the marked ease in money conditions following the tax period. There was only a light demand for call money so that the amount of money left over unlent on the Stock Exchange was in large excess of the total new loans placed. The official rate held unexchanged at 2 per cent. but outside of the exchange money was freely offered at 1 1/2 per cent. With large offerings of time money, rates were generally lowered an additional 1/4 per cent. Funds for 60 days were offered at 2 1/2 per cent. and 90-day maturities at 2 3/4 per cent.

A summary of the gains and losses to the New York money market by transactions through the Federal Reserve Bank of New York over the recent tax period discloses a temporary net gain of approximately \$124 million to the money market. On the succeeding days this gain was substantially reduced by the increased volume of tax collections and losses to other districts in ordinary commercial settlements. During this period reserve balances of member banks showed a net increase of about \$45 million, or about \$6 million less than the gain shown in the accompanying table:

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	Millions of Dollars				
	15th	16th	17th	18th	19th
<u>Gains to the market:</u>					
Treasury transactions:					
Notes redeemed (net) - - - - -	126	4	2	1	1
Interest paid - - - - -	43	4	3	1	1
Checks and warrants cashed - - - - -	0	11	4	4	3
Securities purchased - - - - -	2	4	0	0	0
Other transactions:					
Net transfers from other districts (ordinary) - - - -	0	23	0	0	0
*Net increase in F. R. B. earning assets - - - - - (exclusive special investment account)	2	0	0	2	0
System's special investment account purchase in N.Y.	0	0	1	0	0
<u>Total gains</u>	<u>173</u>	<u>46</u>	<u>10</u>	<u>8</u>	<u>5</u>
<u>Losses by the market:</u>					
Treasury transactions:					
Income tax checks collected - - - - -	11	40	17	12	6
Customs and other tax receipts - - - - -	2	4	2	3	3
Cash sales, new issues - - - - -	5	0	0	0	0
Withdrawal from depositaries - - - - -	9	0	0	0	0
Other transactions:					
Net transfers to other districts (ordinary) - - - -	22	0	2	22	21
*Net decrease in F. R. B. earning assets - - - - - (exclusive special investment account)	0	3	0	0	4
Securities sold account F. R. B. of Dallas - - - - -	0	0	3	0	0
<u>Total losses</u>	<u>49</u>	<u>47</u>	<u>24</u>	<u>37</u>	<u>34</u>
Net gain for day	124	0	0	0	0
Net loss for day	0	1	14	29	29
<u>Total Net Gain to Market beginning Sept. 15</u>	<u>124</u>	<u>123</u>	<u>109</u>	<u>80</u>	<u>51</u>
*Exclusive of loans to Treasury.					

SECURITY MARKETS

Stock Market

Early in the week trading was exceedingly quiet but later in the period activity was somewhat increased and the general tendency of stocks was upward. On Wednesday, closing day of the period, the Dow-Jones average of 20 industrials showed an advance of over 2 points during the week, while railroad averages gained a point. Compared with the high points of the year reached on August 20, however, industrial averages showed a loss of two points and railroad averages a loss of about 2 1/2 points. On Thursday a number of industrial specialties and some speculative rails made substantial gains but averages declined fractionally.

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General  
Bond  
Market

The further easing of money conditions and the renewed flow of funds into the security markets for employment was reflected in the increased activity in the bond market. Transactions for the period totaled \$63 million against \$47 million the week before. High grade railroad and public utility bonds were strong and representative bond averages advanced moderately. French, Belgian and certain Central European issues were active and the "Times" average of 10 foreign government bonds held steady at close to the year's high level.

Foreign  
Exchange

There was only a small volume of transactions in the foreign exchange market and leading European exchange rates held generally steady throughout the week. On Friday, September 19, sterling closed at \$4.46 1/4, unchanged from a week ago, and French and Belgian francs at 5.32 and 4.96 cents respectively declined only 3 points during the week. South American, especially Argentine rates, and Far Eastern exchanges were higher.

New  
Financing

The offering of \$90 million Canadian Government one-year 4 per cent. notes increased the total new financing for the week ended September 19, to about \$164 million against \$49 million offered last week. This week's total has been exceeded in only two other weeks this year. Public utility issues totaled about \$30 million and railroad offerings aggregated \$28 million, of which the largest issue was \$21 million 4 1/2 per cent. New York Central Equipment Trust certificates to yield 4.70 per cent.

Liberty  
Bond  
Market

With declining rates in virtually all classes of money there was increased activity in the Liberty bond market and transactions for the period totaled about \$19 million, the largest volume of trading in over a month. Prices on all issues advanced, particularly in the latter part of the period, and generally reached the highest levels since late in August. Activity and advancing prices continued on Friday, September



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19, when gains in the Liberty 4 1/4s ranged from 1/32 to 6/32nds. The Treasury 4 1/4s closed at 105.21, recovering over half of the loss from the year's high.

<u>Amount in Thousands</u>	<u>Issue</u>	<u>Closing Prices</u>		<u>High for</u>	
		<u>Sept. 10</u>	<u>Sept. 17</u>	<u>Period</u>	<u>1924</u>
\$1,459	First 3 1/2s	100.26	100.27	101.00	101.28
572	" 4 1/4s	101.29	102.4	102.6	*102.21
6,366	Second 4 1/4s	101.4	101.9	101.11	*102.00
4,876	Third 4 1/4s	102.1	102.4	102.8	*102.23
4,894	Fourth 4 1/4s	102.5	102.11	102.14	*103.00
963	Treasury 4 1/4s	105.1	105.13	105.16	*106.4

\*High since date of issuance

New York  
Market for  
Short-term  
Government

Early in the period there was a temporary dullness in the market for short-term Government securities with only small amounts coming into the market and a relatively light demand. Later in the period the investment demand appeared to come largely from banks seeking temporary employment for their surplus funds and was principally for issues maturing in December of this year and March 1925. Prices, however, remained virtually unchanged.

BANKERS ACCEPTANCES

Rates

The active demand for bills, together with the small supply, caused dealers late in the period to generally lower their rates 1/8 per cent., and dealers are now offering 90-day bills at 2 1/8 per cent., 60s at 2%, and 30-day bills at 1 7/8%.

Abstract  
of Reports  
from Banks

Boston reports that the amount of bills purchased increased slightly from over the previous week, but sales were very much heavier and nearly equalled the large volume of sales at about the middle of July. Dealers are selling bills as fast as they can be obtained, but the demand has been in large excess of the supply.

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There was a good demand from local banks and some from larger country banks but savings banks, corporations and individuals were not active buyers. In New York there was a fairly heavy demand for bills locally and some improvement in the out-of-town inquiries. The supply of bills offered in the market was very limited and dealers portfolios declined steadily. The reduction in rates brought out only a few more bills and had very little affect on the demand which continued to be good, especially for the short maturities. In Philadelphia conditions in the bill market showed some improvement over the previous week. The demand continued to increase but the supply showed little appreciable gain. In Chicago the demand was very good with only a fair supply.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

Cumulative  
Sinking  
Fund

Additional purchases of \$5,174,000 Third Liberty Loan 4 1/4% bonds have been made during the period against Treasury orders of August 26 and 28, mentioned in previous reports, authorizing the purchase of \$10,000,000 Third Liberty Loan 4 1/4% bonds on the Stock Exchange at the market, but not over 102 net and accrued interest. Total purchases to date aggregating \$8,374,000, have been made as

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follows at prices ranging from 101 29/32 to 101 31/32:

Boston	\$ 500,000
New York	5,574,000
Philadelphia	1,000,000
Chicago	<u>1,300,000</u>
	\$ 8,374,000
Unexecuted Balance	<u>1,626,000</u>
Total	<u>\$10,000,000</u>

Miscellaneous

At the request of the Treasury the Federal Reserve Bank of New York purchased during the period \$2,723,500 of the new 2 3/4% certificates of indebtedness due September 15, 1925 for account of the Alien Property Custodian; and \$26,150 Second Liberty Loan 4 1/4% bonds and \$90,800 Third Liberty Loan 4 1/4% bonds for account of the Interstate Commerce Commission - Railroad Contingent Fund.

Under Treasury authority the New York bank also purchased \$650,000 TM-1925 certificates and \$150,000 A-1925 Treasury Notes for a special account.

SYSTEM SPECIAL INVESTMENT ACCOUNT

As all New York Clearing House member banks, with but one exception, showed large debits at the Clearing House on the morning of September 15, it was not deemed necessary to make use of the plan previously adopted by the Open Market Investment Committee of dealing with money conditions over the tax period by the temporary sale to member banks of Government securities. Accordingly no sales were made to member banks in the Second District but the Committee, at the request of the Federal Reserve Bank of Chicago, sold under repurchase agreement on September 15 to member banks in that district \$10,000,000 of securities from the System's Special Account. These securities were repurchased on September 17.

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Apportionment of United States Government securities held in the Special Investment Account for the Federal Reserve System at the close of business

September 17, amounted to \$510,768,000 as follows:

	<u>Treasury</u> <u>Notes</u>	<u>Certificates of</u> <u>Indebtedness</u>	<u>Liberty Loan</u> <u>Bonds</u>	<u>Total</u>
Boston	\$ 25,867,200	\$ 9,820,000	\$ 500,000	\$ 36,187,200
New York	136,394,400	49,300,500	3,700,000	189,394,900
Philadelphia	8,608,100	5,492,000	200,000	14,300,100
Cleveland	36,740,500	13,502,000	1,200,000	51,442,500
Richmond	2,661,200	1,123,000	0	3,784,200
Atlanta	1,059,300	320,000	100,000	1,479,300
Chicago	51,310,500	19,517,000	1,200,000	72,027,500
St. Louis	12,715,000	3,818,500	600,000	17,133,500
Minneapolis	15,032,600	5,283,000	300,000	20,615,600
Kansas City	17,982,600	6,574,500	500,000	25,057,100
Dallas	19,469,200	7,090,500	600,000	27,159,700
San Francisco	<u>37,395,400</u>	<u>13,691,000</u>	<u>1,100,000</u>	<u>52,186,400</u>
<b>Totals</b>	<u><b>\$365,236,000</b></u>	<u><b>\$135,532,000</b></u>	<u><b>\$10,000,000</b></u>	<u><b>\$510,768,000</b></u>
Purchased for delivery September 18, 1924 - - - - -				<u>682,000</u>
Total - - - - -				<u>\$511,450,000</u>
Securities sold September 19, for delivery September 22, 1924 - - - - -				<u>11,450,000</u>
Net - - - - -				<u><u>\$500,000,000</u></u>

RECAPITULATION OF PURCHASES

<u>Made By</u>	<u>Amount</u>
Boston	\$ 18,648,500
New York	401,857,700
Philadelphia	14,979,500
Cleveland	4,090,000
Richmond	600,000
Atlanta	1,944,400
Chicago	33,550,000
St. Louis	5,453,900
Minneapolis	3,128,000
Dallas	8,169,000
San Francisco	<u>7,579,000</u>
	<u><u>\$500,000,000</u></u>

RECAPITULATION OF PURCHASES BY MATURITIES

Dec. 15, 1924	\$ 69,944,000
March 15, 1925	117,500,000
June 15, 1925	46,697,700
Sept. 15, 1925	39,710,500
Dec. 15, 1925	43,917,000
March 15, 1926	57,707,600
Sept. 15, 1926	26,351,000
March 15, 1927	57,375,900
Dec. 15, 1927	30,796,300
Third L. L. Bonds	
Sept. 15, 1928	<u>10,000,000</u>
	<u><u>\$500,000,000</u></u>

N. B. The above recapitulations take into account the exchange transactions for consummation on September 19 and 22, involving the sale of \$15,000,000 December 1924 certificates and the purchase in replacement of like amount of September 1925 certificates; also the sale of \$11,450,000 December 1924 certificates for delivery September 22, 1924.

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ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF  
 ALL FEDERAL RESERVE BANKS FROM SEPTEMBER 11 TO SEPTEMBER 17, 1924

GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>	<u>Held Under</u>
					<u>Sales</u>
					<u>Contracts</u>
Boston	\$ 1,465,000	Part.Sys.Inv.C/I	\$ 1,014,500	Part.Sys.Red.T/N	\$ 9,850
	73,200	" " " T/N	1,002,000	Own " " "	
	1,002,000	TS-1925 Ctfs.	1,100,000	TD2-1924 Ctfs.	
	1,100,000	TS-1925 "	11,000,000	Advance to Treas.	
	<u>15,000,000</u>	Advance to Treas- ury Spec. Ctfs.		Special Ctfs.	
	<u>\$18,640,200</u>		<u>\$14,116,500</u>		
New York	8,906,000	Part.Sys.Inv.C/I	4,849,500	Part.Sys.Red.T/N	(5,200,000
	658,800	" " " T/N	76,000,000	Advance to Treas.	Intermedi-
	<u>107,000,000</u>	Advance to Treas- ury Spec. Ctfs.		Special Ctfs.	ate Credit
	<u>\$116,564,800</u>		<u>\$80,849,500</u>		Bank De-
					bentures)
Philadelphia	607,000	Part.Sys.Inv.C/I	382,000	Part.Sys.Red.T/N	0
	<u>36,600</u>	" " " T/N			
	<u>\$643,600</u>				
Cleveland	2,529,500	Part.Sys.Inv.C/I	1,177,500	Part.Sys.Red.T/N	0
	219,600	" " " T/N	2,637,000	Own " " "	
	2,637,000	TS-1925 Ctfs.			
	5,000	TM-1925 Ctfs.			
	<u>1,000,000</u>	Third L.L.Bonds			
	<u>\$6,391,100</u>		<u>\$3,814,500</u>		
Richmond	127,500	Part.Sys.Inv.C/I	127,500	Part.Sys.Red.T/N	0
Atlanta	113,000	Part.Sys.Inv.C/I	3,500	B-1924 Notes Redeemed	0
	18,300	" " " T/N	196,550	Misc. Gov't Sec.	
	<u>330,150</u>	Misc.Gov't Sec.			
	<u>\$461,450</u>		<u>\$200,050</u>		
Chicago	3,134,000	Part.Sys.Inv.C/I	1,894,500	Part.Sys.Red.T/N	0
	201,300	" " " T/N			
	21,000	TS-1925 Ctfs.			
	<u>829,050</u>	Fourth L.L.Bonds			
	<u>\$4,185,350</u>				
St. Louis	954,000	Part.Sys.Inv.C/I	278,000	Part.Sys.Red.T/N	0
	<u>109,800</u>	" " " T/N			
	<u>\$1,063,800</u>				

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GOVERNMENT SECURITIES - (Continued)

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>	<u>Held Under Sales Contracts</u>
Minneapolis	\$ 905,000	Part.Sys.Inv.C/I	\$ 566,500	Part.Sys.Red.T/N	0
	54,900	" " " T/N	10,000	B-1924 Notes Redeemed	
	<u>1,382,100</u>	Misc. Gov't Sec.	<u>1,647,850</u>	Misc. Gov't Sec.	
	<u>\$2,342,000</u>		<u>\$2,224,350</u>		
Kansas City	1,285,000	Part.Sys.Inv.C/I	609,000	Part.Sys.Red.T/N	100,000
	109,800	" " " T/N	23,700	Own "	
	649,500	TS-1925 Ctfs.			
	<u>2,150</u>	Misc. Gov't Sec.			
	<u>\$2,046,450</u>		<u>\$632,700</u>		
Dallas	1,216,500	Part.Sys.Inv.C/I	653,000	Part.Sys.Red.T/N	0
	<u>91,500</u>	" " " T/N			
	<u>\$1,308,000</u>				
San Francisco	2,786,000	Part.Sys.Inv.C/I	1,208,500	Part.Sys.Red.T/N	0
	256,200	" " " T/N			
	<u>2,500</u>	Misc. Gov't Sec.			
	<u>\$3,044,700</u>				
<b>Totals</b>	<u>\$156,818,950</u>		<u>\$106,381,100</u>		<u>\$5,309,850</u>

BANKERS ACCEPTANCES

	<u>Maturity</u>	<u>PURCHASES</u> <u>Amount</u>	<u>Rate</u>	<u>MATURITIES</u> <u>Amount</u>	<u>Held Under Sales Contracts</u>
Boston	1-30 days	\$1,109,000	2% - 2 1/8%	\$ 156,000	0
	31-60 "	94,000	2 1/8% - 2 1/4%		
	61-90 "	11,000	2 1/4% - 2 3/8%		
	Over 90 "	460,000	2 1/4% - 2 3/8%		
	In other dis- tricts	<u>500,000</u>	2% - 2 1/4%		
		<u>\$2,174,000</u>			
New York	1-30 days	1,410,000	2% - 2 3/8%	4,590,000	1,459,000
	31-60 "	661,000	2 1/8% - 2 1/2%		(271,000 one-day
	61-90 "	1,050,000	2 1/4% - 2 3/8%		holdover for
	Over 90 "	<u>1,862,000</u>	2 1/4% - 2 1/2%		distribution
		<u>\$4,983,000</u>			to other F. R.
					Banks)
					(150,000 foreign
					trade bills)

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BANKERS ACCEPTANCES - (Continued)

	<u>Maturity</u>	<u>PURCHASES</u> <u>Amount</u>	<u>Rate</u>	<u>MATURITIES</u> <u>Amount</u>	<u>Held Under</u> <u>Sales Contracts</u>
Philadelphia	61-90 days	\$ 407,000	2 1/4% - 2 3/8%	\$ 218,000	0
Cleveland	In other districts	1,577,000	2% - 2 1/4%	166,000	0
Richmond	-	0	-	0	0
Atlanta	In other districts	162,000 <u>219,000</u> <u>\$381,000</u>	2% - 2 1/4%	62,000	(655,000 Un-indorsed bills purchased from accepting banks)
Chicago	In other districts	1,380,000	2% - 2 1/4%	496,000	0
St. Louis	In other districts	1,245,000	2% - 2 1/4%	55,000	0
Minneapolis	In other districts	744,000	2% - 2 1/4%	5,000	0
Kansas City	In other districts	48,000 <u>1,490,000</u> <u>\$1,538,000</u>	2% - 2 1/4%	0	0
Dallas	In other districts	1,110,000	2% - 2 1/4%	186,000	0
San Francisco	1-30 days	134,000	2 1/8%	207,000	0
	31-60 "	11,000	2 1/8%		
	In other districts	<u>3,209,000</u> <u>\$3,354,000</u>	2% - 2 1/4%		
<b>Totals</b>		<u>\$18,893,000</u>		<u>\$6,141,000</u>	<u>\$2,535,000</u>

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Executive Folder

Date ~~9/17/24~~

September 17, 1924

Dear Sir:

Receipt is acknowledged of your letter of the 15th instant, enclosing report of transactions in Government securities and bankers acceptances as reported to your Committee for the period from September 4 to September 10th, inclusive, together with data received from the Federal reserve banks.

Very truly yours,

(Signed) Walter L. Eddy

Walter L. Eddy,  
Secretary

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



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FEDERAL RESERVE BANK  
OF NEW YORK

RECEIVED  
SEP 15 1924

Open Market Investment Committee  
for the Federal Reserve System

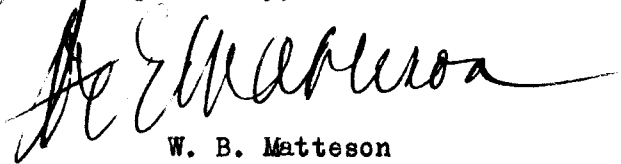
CONFIDENTIAL

September 13, 1924

S i r :

Enclosed is a report of transactions in Govern-  
ment securities and bankers acceptances as reported to the  
Open Market Investment Committee for the Federal Reserve  
System for the period from September 4 to September 10, 1924  
inclusive, together with data received by the Committee from  
the Federal reserve banks.

Respectfully,



W. B. Matteson  
Secretary of the Committee

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

Enclosure

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C O N F I D E N T I A L

REPORT OF OPEN MARKET INVESTMENT COMMITTEE  
WEEK ENDED SEPTEMBER 10, 1924

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**COMPARISON OF HOLDINGS OF EARNING ASSETS OF FEDERAL RESERVE BANKS  
FROM JANUARY 30 TO SEPTEMBER 10, 1924**  
(000 Omitted)

	TOTAL EARNING ASSETS	*GOVERNMENT SECURITIES	BANKERS ACCEPTANCES		BILLS DISCOUNTED
			Purchases	Sales Contracts	
-1924-					
Jan. 30	\$914,881	\$120,772	\$235,930	\$35,862	\$522,307
Feb. 27	950,801	155,801	205,022	58,288	531,690
Mar. 26	942,080	257,256	164,947	37,511	482,315
Apr. 30	873,381	301,660	102,800	21,685	447,185
May 28	850,193	333,282	49,869	36,891	429,600
June 25	826,260	429,794	44,065	969	350,131
July 30	824,867	505,281	23,244	1,197	293,895
Aug. 27	855,225	541,626	48,649	640	262,560
Sept. 3	915,427	542,145	53,762	10,821	301,949
" 10	923,659	568,188	83,925	8,566	261,230

\*Includes sales contracts

**CHANGES IN HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES  
BY FEDERAL RESERVE BANKS (EXCLUSIVE OF SALES CONTRACTS)  
DURING WEEK ENDING SEPTEMBER 10, 1924**  
(000 Omitted)

	GOVERNMENT SECURITIES			BANKERS ACCEPTANCES		
	Balance Sept. 10	Balance Sept. 3	Net Change	Balance Sept. 10	Balance Sept. 3	Net Change
Boston	\$ 39,223	\$ 38,241	\$ 982+	\$ 6,461	\$ 4,576	\$ 1,885+
New York	185,882	177,039	8,843+	43,762	36,802	6,960+
Philadelphia	31,628	31,137	491+	1,563	1,612	49-
Cleveland	59,168	56,216	2,952+	6,662	3,024	3,638+
Richmond	5,125	5,125	0	0	0	0
Atlanta	2,590	2,246	344+	946	732	214+
Chicago	79,198	75,546	3,652+	9,327	5,613	3,714+
St. Louis	16,348	14,874	1,474+	2,568	649	1,919+
Minneapolis	28,261	26,957	1,304+	908	273	635+
Kansas City	33,413	31,930	1,483+	2,138	534	1,604+
Dallas	27,788	26,510	1,278+	2,965	1,753	1,212+
San Francisco	59,554	56,114	3,440+	6,625	3,194	3,431+
Totals	<u>\$568,178</u>	<u>\$541,935</u>	<u>\$26,243+</u>	<u>\$83,925</u>	<u>\$58,762</u>	<u>\$25,163+</u>

**COMMENT ON CHANGES FOR WEEK ENDED SEPTEMBER 10**

Total earning assets of all reserve banks increased \$8,232,000 during the week and are at the highest point since April 1924. A decline of \$40,719,000 in holdings of bills discounted and the delivery of \$2,255,000 of acceptances held under sales contract were more than offset by the increase in security holdings of \$26,043,000 and the further rise in holdings of bills purchased outright of \$25,163,000. Of the increase in Government security holdings \$24,565,000 represented purchases made during the week for the System's Special Investment Account.

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### MONEY MARKET

Accompanying a return flow of funds to this district through the settlement fund amounting to about \$16 million and renewed purchasing for the open market account, money became easier in New York and the rate for stock exchange call loans again receded on Friday, September 5, to 2 per cent. and held unchanged throughout the period. The demand was light while the supply continued in excess and large amounts remained unlent. Time money continued dull and inactive. On Thursday, September 11, some 90-day money was lent at 3 per cent., 1/4 per cent. lower than the previous prevailing charge.

Commercial paper remained quiet and rates continued unchanged at 3 1/4 per cent. for 4 to 6 months prime names.

	<u>Last Period</u>	<u>Previous Period</u>
Call money, renewals, average	2.10	2.13
Call money, new loans, average	2.04	2.23
Time money, 61-90 days, offer	3 - 3 1/4	3 - 3 1/4
Commercial paper, 4-6 months	3 1/4	3 1/4

### SECURITY MARKETS

#### Stock Market

Transactions on the Stock Exchange were somewhat larger during the period than in the previous week. Substantial declines in all classes of stocks during the early part of the period were attributed to the influence of the Maine election on Monday, September 8, but after a moderate recovery on Tuesday, stock prices again became irregular. On Wednesday, closing day of the period, the "Times" average of 50 representative railroad and industrial stocks showed a decline of 2 1/2 points during the week and was five points lower than the high level for the year reached on August 20. On Thursday, the market in general was slightly firmer with gains in the steel, oil, equipment and mercantile groups.

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General  
Bond  
Market

Trading in bonds continued quiet. Transactions for the period totaled \$47 million against \$41 million last week when trading was also very quiet. An average of 40 domestic bonds on Wednesday, September 10, was fractionally higher than a week ago but approximately 1 point lower than the high for the year established on July 26, which was also the highest point for this group of bonds since November 1919. Foreign government bonds continued moderately active and prices generally held steady notwithstanding the continued downward trend of European exchange rates.

Foreign  
Exchange

The decline in European exchange rates continued early in the period and sterling at a low of \$4.42 canceled practically all of the early August rise. Sterling subsequently advanced to \$4.45 1/2 on Friday, and French and Belgian francs at 5.35 and 4.98 cents were practically unchanged from a week ago.

New  
Financing

Exclusive of the Treasury offering the volume of new financing showed a substantial decline and for the week ended September 12 new bond offerings totaled about \$49 million against \$77 million offered last week. State and municipal issues which have been comparatively small in the last two weeks totaled \$22 million while domestic corporation issues aggregated \$17 million and a foreign offering \$10 million. An issue of \$10 million for the City of Los Angeles and a like amount of 7 per cent. bonds for the Paris-Orleans Railroad to yield 7.60 per cent. were the principal offerings.

Liberty  
Bond  
Market

During the early part of the period trading in Liberty bonds continued in small volume with prices generally steady. Following the announcement of the Treasury offering, trading was more active and transactions for the period totaled about \$8,700,000 against only \$6,100,000 last week. Prices advanced moderately but subsequently declined and closed only fractionally higher than a week ago. On Thursday, September 11, prices continued to decline slightly. The Second and Fourth 4 1/4's continued to

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be the most active issues as indicated in the following summary of Liberty bond sales:

Amount in Thousands	Issue	Closing Prices		High for	
		Sept. 3	Sept. 10	Period	1924
907	First 3 1/2's	100.25	100.26	100.30	101.28
480	" 4 1/4's	101.27	101.29	102.1	*102.21
2,448	Second 4 1/4's	101.00	101.4	101.7	*102.00
1,077	Third 4 1/4's	102.00	102.1	102.4	*102.23
3,241	Fourth 4 1/4's	101.31	102.5	102.9	*103.00
529	Treasury 4 1/4's	104.27	105.1	105.4	*106.4

\*High since date of issuance

New York  
Market for  
Short-term  
Government

The Treasury offering of about \$350 million one year certificates of indebtedness bearing the same interest rate of 2 3/4 per cent. as the June offering of \$150 million six months certificates was considerably oversubscribed. The market for outstanding issues remained quiet and generally inactive. With slightly firmer money conditions early in the period, offerings to dealers were somewhat increased and on Thursday, September 4, purchases for the System's account were resumed in moderate volume on offerings. Losses of from 1/32 to 2/32 occurred in certificates maturing within the year while Treasury notes of 1925 and 1926 advanced from 1/32 to 5/32's. Yields on the longer maturities remained practically unchanged as indicated in the following table:

	September 11	September 4
U. S. Cdfs. of Ind. maturing 4 to 6 months	1.95	1.89
U. S. Cdfs. of Ind. maturing 10 to 12 months	2.56	2.65
U. S. Treas. Notes maturing 1 to 2 years	2.99	3.12
U. S. Treas. Notes maturing 2 to 3 years	3.50	3.55
U. S. Treas. Notes maturing over 3 years	3.62	3.64

BANKERS ACCEPTANCES

Rates

Rates in all districts remained unchanged throughout the period, dealers offering 90-day bills at 2 1/4 per cent., 60's at 2 1/8 per cent., and 30-day bills at 2 per cent.

Abstract  
of Reports  
from Banks

Boston reports a fairly good supply of bills early in the week, with some scarcity of 30 and 60-day maturities. The demand was generally good although it did not prevent dealers and banks

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from making substantial sales to the reserve bank. In New York the market generally was more active than during the previous week. There was a good demand for bills, particularly during the first few days of the period and several dealers reported the demand in excess of the available supply. While the supply of bills offered in the market was greatly increased, the supply still remains moderate. There was a noticeable increase in out-of-town demand. In Chicago the supply of bills increased with a fairly good demand. Dealers reported some sales to outside banks.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

Cumulative  
Sinking  
Fund

There have been further purchases made during the period against the Treasury orders of August 26 and August 28 authorizing the purchase of \$10,000,000 Third Liberty Loan 4 1/4% bonds on the Stock Exchange at the market, but at not over 102 net and accrued interest, against which purchases previously reported aggregated \$3,200,000.

Miscellaneous

Under Treasury authority the New York bank purchased during the period \$250,000 TM-1925 Certificates of Indebtedness and \$450,000 Treasury Notes maturing March 15, 1925, for a special account.

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SYSTEM SPECIAL INVESTMENT ACCOUNT

Purchases aggregating \$24,565,000 have been made during the period for the System's Special Investment Account, the purchases and their apportionment to all Federal reserve banks aggregating \$497,670,000 are shown in the following table:

	<u>Treasury Notes</u>	<u>Certificates of Indebtedness</u>	<u>Liberty Loan Bonds</u>	<u>Total</u>
Boston	\$26,808,500	\$ 8,355,000	\$ 500,000	\$ 35,663,500
New York	140,585,100	40,394,500	3,700,000	184,679,600
Philadelphia	8,953,500	4,885,000	200,000	14,038,500
Cleveland	37,698,400	10,972,500	1,200,000	49,870,900
Richmond	2,738,700	995,500	0	3,734,200
Atlanta	1,041,000	207,000	100,000	1,348,000
Chicago	53,003,700	16,383,000	1,200,000	70,586,700
St. Louis	12,883,200	2,864,500	600,000	16,347,700
Minneapolis	15,544,200	4,378,000	300,000	20,222,200
Kansas City	18,481,800	5,289,500	500,000	24,271,300
Dallas	20,030,700	5,874,000	600,000	26,504,700
San Francisco	38,347,700	10,905,000	1,100,000	50,352,700
	<u>\$376,166,500</u>	<u>\$111,503,500</u>	<u>\$10,000,000</u>	<u>\$497,670,000</u>

RECAPITULATION OF PURCHASES

<u>Made By</u>	<u>Amount</u>
Boston	\$ 16,648,500
New York	410,977,700
Philadelphia	13,479,500
Cleveland	3,340,000
Richmond	600,000
Atlanta	1,376,400
Chicago	31,250,000
St. Louis	5,271,900
Minneapolis	3,128,000
Dallas	7,069,000
San Francisco	4,529,000
	<u>\$497,670,000</u>

RECAPITULATION OF PURCHASES BY MATURITIES

Sept. 15, 1924	\$ 12,760,500
Dec. 15, 1924	96,394,000
March 15, 1925	117,170,000
June 15, 1925	46,697,700
Dec. 15, 1925	43,917,000
March 15, 1926	57,707,600
Sept. 15, 1926	26,351,000
March 15, 1927	57,375,900
Dec. 15, 1927	29,296,300
Third Liberty Loan Bonds	
Sept. 15, 1928	<u>10,000,000</u>
	<u>\$497,670,000</u>



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ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF  
ALL FEDERAL RESERVE BANKS FROM SEPTEMBER 4 TO SEPTEMBER 10, 1924

GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>	<u>Held Under Sales Contracts</u>
Boston	\$150,000	Part. System Inv. C/I	0	-	\$9,950
	<u>832,600</u>	" " " T/N			
	\$982,600				
	<hr/> <hr/>				
New York	1,350,000	Part. System Inv. C/I	0	-	0
	<u>7,493,400</u>	" " " T/N			0
	\$8,843,400				
	<hr/> <hr/>				
Philadelphia	75,000	Part. System Inv. C/I	0	-	0
	<u>416,300</u>	" " " T/N			
	\$491,300				
	<hr/> <hr/>				
Cleveland	450,000	Part. System Inv. C/I	0	-	0
	<u>2,497,800</u>	" " " T/N			
	<u>4,000</u>	C-1925 Notes			
	\$2,951,800				
	<hr/> <hr/>				
Richmond	0	-	0	-	0
Atlanta	116,650	Misc. Govt Sec.	18,350	-	0
	<u>37,500</u>	Part. System Inv. C/I			
	<u>208,100</u>	" " " T/N			
	\$362,200				
	<hr/> <hr/>				
Chicago	412,500	Part. System Inv. C/I	0	-	0
	<u>2,289,600</u>	" " " T/N			
	<u>950,500</u>	Fourth L. L. 4 1/4% bonds			
	\$3,652,600				
	<hr/> <hr/>				
St. Louis	225,000	Part. System Inv. C/I	0	-	0
	<u>1,243,900</u>	" " " T/N			
	\$1,473,900				
	<hr/> <hr/>				

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GOVERNMENT SECURITIES - (Continued)

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>	<u>Held Under Sales Contracts</u>
Minneapolis	\$1,666,100	Misc. Gov't Sec.	\$1,098,700	Misc. Gov't Sec.	0
	112,500	Part. System Inv. C/I			
	<u>624,500</u>	" " " T/N			
	<u>\$2,403,100</u>				
Kansas City	9,800	Misc. Gov't Sec.	0	-	0
	225,000	Part. System Inv. C/I			
	<u>1,248,900</u>	" " " T/N			
	<u>\$1,483,700</u>				
Dallas	50,000	TD2-1925 Cte.	0	-	0
	187,500	Part. System Inv. C/I			
	<u>1,040,800</u>	" " " T/N			
	<u>\$1,278,300</u>				
San Francisco	525,000	Part. System Inv. C/I	0	-	0
	<u>2,914,100</u>	" " " T/N			
	<u>\$3,439,100</u>				
<b>Totals</b>	<u>\$27,362,000</u>		<u>\$1,117,050</u>		<u>\$9,950</u>

BANKERS ACCEPTANCES

	<u>Maturity</u>	<u>PURCHASES</u> <u>Amount</u>	<u>Rate</u>	<u>MATURITIES</u> <u>Amount</u>	<u>Held Under Sales Contracts</u>
Boston	1-30 days	\$ 330,000	2% - 2 1/8%	\$1,249,000	479,000
	31-60 "	592,000	2 1/8 - 2 1/4%		
	61-90 "	308,000	2 1/4%		
	Over 90 "	768,000	2 1/4%		
	In other districts	<u>1,136,000</u>	2% - 2 1/2%		
		<u>\$3,134,000</u>			
New York	1-30 days	5,741,000	2% - 2 1/4%	3,282,000	3,038,000
	31-60 "	1,484,000	2% - 2 1/4%		(4,394,000 One
	61-90 "	2,585,000	2 1/4% - 2 3/8%		day holdover
	Over 90 "	<u>432,000</u>	2 3/8%		for distri-
		<u>\$10,242,000</u>			bution to
					F.R. Banks)

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BANKERS ACCEPTANCES - (Continued)

	<u>Maturity</u>	<u>PURCHASES</u> <u>Amount</u>	<u>Rate</u>	<u>MATURITIES</u> <u>Amount</u>	<u>Held</u> <u>Under Sales</u> <u>Contracts</u>
Philadelphia	31-60 days	\$100,000	2 1/8%	\$149,000	0
Cleveland	1-30 days	97,000	2%	379,000	0
	31-60 "	717,000	2 1/8%		
	61-90 "	750,000	2 1/8% -- 2 1/4%		
	In other districts	<u>2,453,000</u>	2% -- 2 1/2%		
		<u>\$4,017,000</u>			
Richmond	--	0	--	0	0
Atlanta	In other districts	<u>31,000</u> <u>288,000</u>	2% -- 2 1/2%	105,000	(655,000 Unin-dorsed bills purchased from accepting bks.)
		<u>\$319,000</u>			
Chicago	1-30 days	489,000	2%	845,000	0
	31-60 "	15,000	2 1/8%		
	61-90 "	978,000	2 1/4%		
	In other districts	<u>3,077,000</u>	2% -- 2 1/2%		
		<u>\$4,559,000</u>			
St. Louis	In other districts	1,919,000	2% -- 2 1/2%	0	0
Minneapolis	In other districts	709,000	2% -- 2 1/2%	74,000	0
Kansas City	In other districts	1,612,000	2% -- 2 1/2%	8,000	0
Dallas	In other districts	1,454,000	2% -- 2 1/2%	51,000	0
				191,000	Sold to Mem. Bks.
San Francisco	61-90 days	50,000	2 1/4%	476,000	0
	In other districts	<u>3,857,000</u>	2% -- 2 1/2%		
		<u>\$3,907,000</u>			
<b>Totals</b>		<u>\$31,972,000</u>		<u>\$6,809,000</u>	<u>\$8,566,000</u>

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333 /

*W. Eddy*

January 7, 1925.

**Executive Folder**

Date 1/2/5

Dear Mr. Matteson:

I acknowledge receipt of and shall bring to the attention of the members of the Board your letter of the 6th instant, enclosing a report of transactions in Government securities and bank acceptances as reported to the Open Market Investment Committee for the Federal Reserve System for the period from December 26 to December 31, 1924, inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,

(Signed) Walter L. Eddy

Walter L. Eddy,  
Secretary.

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

None

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*DoB*

FEDERAL RESERVE BANK  
OF NEW YORK

*Jan 7-1925*

Open Market Investment Committee  
for the Federal Reserve System

CONFIDENTIAL

January 6, 1925

S i r :

Enclosed is a report of transactions in Govern-  
ment securities and bankers acceptances as reported to the  
Open Market Investment Committee for the Federal Reserve  
System for the period from December 26 to December 31, 1924  
inclusive, together with data received by the Committee  
from the Federal reserve banks.

Respectfully,

W. B. Matteson  
Secretary of the Committee

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

Enclosure

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C O N F I D E N T I A L

REPORT OF OPEN MARKET INVESTMENT COMMITTEE  
WEEK ENDED DECEMBER 31, 1924.

C O N T E N T S

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**COMPARISON OF HOLDINGS OF EARNING ASSETS OF FEDERAL RESERVE BANKS  
 FROM JANUARY 30 TO DECEMBER 31, 1924**  
 (000 Omitted)

-1924-	TOTAL EARNING ASSETS	*GOVERNMENT SECURITIES	BANKERS ACCEPTANCES Purchases	Sales Contracts	BILLS DISCOUNTED
Jan. 30	\$ 914,881	\$120,772	\$235,930	\$35,862	\$522,307
Feb. 27	950,801	155,801	205,022	58,288	531,690
March 26	942,080	257,256	164,947	37,511	482,315
April 30	873,381	301,660	102,800	21,685	447,185
May 28	850,193	333,282	49,869	36,891	429,600
June 25	826,260	429,794	44,065	969	350,131
July 30	824,867	505,281	23,244	1,197	293,895
Aug. 27	855,225	541,626	48,649	640	262,560
Sept. 24	928,355	574,596	90,431	1,470	259,863
Oct. 29	1,024,176	584,200	179,746	35,658	222,565
Nov. 26	1,087,171	582,215	267,279	13,722	221,405
Dec. 3	1,186,527	574,943	315,129	39,477	248,928
" 10	1,167,040	551,896	318,230	34,608	254,256
" 17	**1,192,850	**564,162	311,193	25,634	283,811
" 24	1,331,932	537,879	353,777	35,797	396,429
" 31	1,249,438	540,160	341,969	45,318	314,128

\*Includes sales contracts

\*\*Includes \$40,000,000 advance to Treasury on Special Certificate

**CHANGES IN HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES  
 BY FEDERAL RESERVE BANKS (EXCLUSIVE OF SALES CONTRACTS)  
 DURING WEEK ENDING DECEMBER 31, 1924**  
 (000 Omitted)

	GOVERNMENT SECURITIES			BANKERS ACCEPTANCES		
	Balance Dec. 31	Balance Dec. 24	Net Change	Balance Dec. 31	Balance Dec. 24	Net Change
Boston	\$ 35,251	\$ 35,251	0	\$ 57,106	\$ 58,003	\$ 897--
New York	168,398	168,344	54+	68,996	75,522	6,526--
Philadelphia	29,889	29,889	0	18,276	18,722	446--
Cleveland	60,050	60,050	0	40,390	40,960	570--
Richmond	4,611	4,611	0	1,486	1,361	125+
Atlanta	3,785	3,805	20--	6,937	7,739	802--
Chicago	80,370	79,898	472+	32,263	34,869	2,606--
St. Louis	15,088	15,088	0	21,391	21,078	313+
Minneapolis	25,788	25,899	111--	8	15	7--
Kansas City	32,631	32,622	9+	15,661	16,165	504--
Dallas	25,372	25,374	2--	26,197	26,083	114+
San Francisco	55,143	55,140	3+	53,258	53,260	2--
<b>Totals</b>	<b>\$536,376</b>	<b>\$535,971</b>	<b>\$405+</b>	<b>\$341,969</b>	<b>\$353,777</b>	<b>\$11,808--</b>

**COMMENT ON CHANGES WEEK ENDED DECEMBER 31, 1924**

Total earning assets of all reserve banks declined \$82,494,000 during the week, due chiefly to a decrease of \$82,301,000 in bills discounted. A decline in holdings of acceptances purchased outright of \$11,808,000 was offset by an increase of \$9,521,000 in bills held under sales contracts and an increase of \$2,281,000 in holdings of Government securities.

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MONEY MARKET

Money conditions in New York continued firm. With an active demand for funds for year end requirements for interest and dividend payments stock exchange call money on three successive days renewed at 5 per cent., while new loans were placed at 5 1/2 per cent. The average renewal rate for the week ended January 3, was 4.75 per cent. compared with 5.44 per cent. in the corresponding week last year in which call money went to 6 per cent. Following the New Year's holiday and the return of year end disbursements with large offerings of funds the rate for call money declined to 3 per cent. on Tuesday, January 6. Time money was firm with trading on practically a 4 per cent. basis for all maturities.

Commercial paper dealers report a quiet market with the usual seasonal increase in the supply of paper during the past few days. Rates were slightly firmer over the year end ranging from 3 1/2 to 4 per cent., with the prevailing rate 3 3/4 per cent.

	<u>Week Ended</u> <u>December 27</u>	<u>Week Ended</u> <u>January 3</u>
Call money, renewals, average	3.88	4.75
Call money, new loans, average	4.36	4.82
Time money, 60 - 90 days, offer	3 3/4	4.00
Commercial paper, 4 - 6 months	3 1/2 - 3 3/4	3 3/4

SECURITY MARKETSStock  
Market

Stock trading was active and the Dow Jones average of industrials advanced 3 1/2 points during the week and on Saturday, January 3, reached a new high record point and showed an advance of over 2 1/2 points from the previous high record for this average reached on November 3, 1919. On Monday, January 5, with a turnover of over 2,300,000 shares, the largest since early in December, industrial stocks reacted sharply and the Dow Jones average declined about 3 points and canceled nearly all of the gain of the previous week. Railroad averages advanced 3/4's of a point to close to the year's high level reached December 18 and on Monday railroad securities held generally firm and averages declined only fractionally.



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General  
Bond  
Market

The bond market was moderately active and transactions during the week totaled \$69,000,000 compared with \$55,000,000 the week before. Accompanying easier money conditions after the year end settlements prices were somewhat higher and both the Dow Jones and "Annalist" averages advanced fractionally during the week but showed declines of about 1/2 a point from the year's high level. Foreign bonds were moderately active and prices higher. The "Times" average of 10 foreign issues recovered 1/2 a point from the recent low point. French and German bonds were firm and accompanying the sharp advance in sterling British 5 1/2 per cent. convertible sterling bonds reached a new record high price at 117.

Foreign  
Exchange

Heavy buying in British exchange during the week resulted in continued advances in the price of pound sterling, and on Monday, January 6, sterling advanced to a high point of \$4.76 5/8, within ten cents of its par value, and the highest quotation since January 1916. The Continental exchanges were dull. French and Belgian francs held virtually unchanged but Italian lire declined about 7 points to 4.21 cents, on reports of political unrest in Italy. Holland guilders and Swiss francs were strong at 28 and 19 points respectively above parity. Continued buying of Argentine exchange due to heavy exports of grain and other commodities was accompanied by an advance of nearly a cent in the past week to 40.22 cents, a new high since 1920.

New  
Financing

The intervening holiday again accounted for the small volume of new bond issues offered during the week ended January 3 which aggregated only \$25,000,000, bringing the total for the two holiday weeks to \$86,000,000 compared with \$133,000,000 in the week ended December 27.

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Two issues made up the bulk of the week's total; a foreign loan of \$10,000,000 5-year 7 per cent. bonds of the Fried, Krupp, Ltd. to yield 7.18 per cent. and a similar amount of 25-year 6 per cent. bonds for the West Virginia Coal and Coke Company. State and municipal issues totaled only \$3,500,000. According to the New York Bond Buyer the year 1924 set a new record in state and municipal borrowing. Bond issues floated by states, counties, cities, towns and districts aggregated \$1,400,000,000, in addition to temporary issues of \$854,500,000, making a total of \$2,254,500,000. The corresponding total for 1923 was \$1,608,600,000 and for 1921 which was heretofore the record year for municipal financing, \$2,145,400,000.

Liberty  
Bond  
Market

Liberty bonds continued moderately active and transactions during the week totaled \$14 million compared with \$11 million the preceding week. Prices were generally steady and showed advances of from 2/32nds to 10/32nds from the closing levels of the previous week, except the First 3 1/2's and Second 4 1/4 per cent. issues which remained unchanged. Activity continued principally in the Second and Fourth 4 1/4's, as indicated in the following table of Liberty bond sales in which decimals represent thirty-seconds:

<u>Amount in</u> <u>Thousands</u>	<u>Issue</u>	<u>Closing Prices</u>		<u>- 1924 -</u>	
		<u>Jan. 3</u>	<u>Dec. 27</u>	<u>Low</u>	<u>High</u>
\$1,766	First 3 1/2's	100.30	100.30	98.22	101.28
320	" 4 1/4's	101.21	101.15	98.8	*102.22
5,247	Second 4 1/4's	100.22	100.22	98.4	*102.00
1,298	Third 4 1/4's	101.4	101.2	99.8	*102.23
3,896	Fourth 4 1/4's	101.23	101.20	98.8	*103.00
520	Treasury 4 1/4's	105.	104.22	99.8	*107.7
816	" 4's	100.22	100.12	100.9	*100.20

\* High since date of issuance

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New York  
Market for  
Short-term  
Governments

The market for short-term Government securities was dull during the period with only small offerings and light demand. Prices held firm and yields were generally unchanged. The following table compares yields on various maturities of short-term Governments, at present offering prices, with those prevailing a week ago:

		Average Week Ended <u>Dec. 27</u>	Average Week Ended <u>Jan. 3</u>
Maturing June	1925 - yield	2.55	2.72
Maturing September	1925 - yield	2.79	2.78
Maturing December	1925 - yield	2.87	2.90
Maturing September	1926 - yield	3.63	3.66
Maturing March	1927 - yield	3.79	3.78
Maturing December	1927 - yield	3.79	3.78

BANKERS ACCEPTANCESRates

Rates in all districts remained generally unchanged from the previous week, dealers offering 60 and 90-day unindorsed bills at 3 per cent. and 30's at 2 7/8 per cent.

Abstract  
of Reports  
from Banks

Boston reports the usual increased supply at this period of the year although there did not appear to be any large excess of bills on hand. The local demand was fair with a somewhat increased demand from out-of-town banks. Bills did not move freely at offered rate but short bills were in the best demand. In New York the bill market was rather narrow during the week, due probably to year end requirements which were accompanied by firmer money conditions. Dealers' aggregate portfolios increased substantially with sales of large blocks of bills by several of the banks and only a light demand. In Philadelphia the bank acceptance market was quiet and inactive. The supply was moderate with only a routine demand for bills due to firmer money. Chicago reports a fair supply of bills while purchases decreased due to the high call money rate in New York and the disinclination of banks to increase their portfolios at the year end.

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OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

At the request of the Treasury the Federal Reserve Bank of New York sold for account of the Alien Property Custodian \$5,000,000 4% Treasury Bonds of 1944-54 and purchased in replacement a like amount of 4% certificates maturing March 15, 1925.

SYSTEM SPECIAL INVESTMENT ACCOUNT

A special exchange transaction was consummated during the period involving the sale to the market from System holdings of \$5,000,000 4% certificates of indebtedness maturing March 15, 1925 and the purchase in replacement of a like amount of 4 $\frac{1}{4}$ % Treasury Notes maturing March 15, 1925. This transaction was negotiated in order to make March 15, 1925 certificates available in the market for purchase by the Alien Property Custodian as outlined above.

The total holdings of Government securities in the System account at the close of business December 31 amounted to \$449,035,000, the apportionment of which to all Federal reserve banks was as follows:

	<u>Treasury Notes</u>	<u>Certificates of Indebtedness</u>	<u>Liberty Loan Bonds</u>	<u>Total</u>
Boston	\$ 22,549,000	\$ 7,199,500	\$ 1,927,000	\$ 31,675,500
New York	118,995,000	36,963,500	11,182,500	167,141,000
Philadelphia	7,309,500	4,371,000	760,500	12,441,000
Cleveland	32,057,500	9,912,500	3,213,500	45,183,500
Richmond	2,314,000	806,500	149,500	3,270,000
Atlanta	930,000	231,500	155,500	1,317,000
Chicago	44,724,000	14,319,500	4,033,000	63,076,500
St. Louis	11,171,000	2,653,000	1,263,500	15,087,500
Minneapolis	13,144,500	3,786,500	1,112,500	18,043,500
Kansas City	15,686,500	4,879,000	1,487,000	22,052,500
Dallas	16,998,000	5,155,500	1,663,000	23,816,500
San Francisco	32,622,000	10,156,000	3,152,500	45,930,500
	<u>\$318,501,000</u>	<u>\$100,434,000</u>	<u>\$30,100,000</u>	<u>\$449,035,000</u>

RECAPITULATION OF PURCHASES

<u>Made By</u>	<u>Amount</u>
Boston	\$ 20,871,500
New York	328,599,700
Philadelphia	17,534,500
Cleveland	7,930,000
Richmond	600,000
Atlanta	1,944,400
Chicago	47,225,000
St. Louis	5,453,900
Minneapolis	3,128,000
Dallas	8,169,000
San Francisco	7,579,000
	<u>\$449,035,000</u>

RECAPITULATION OF PURCHASES BY MATURITIES

March 15, 1925	\$ 65,350,000
June 15, 1925	57,932,700
Sept. 15, 1925	87,724,500
Dec. 15, 1925	62,617,000
March 15, 1926	48,237,600
Sept. 15, 1926	31,901,000
March 15, 1927	32,875,900
Dec. 15, 1927	32,296,300
Third L.L. Bonds Sept. 15, 1928	30,100,000
	<u>\$449,035,000</u>

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ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF  
 ALL FEDERAL RESERVE BANKS FROM DECEMBER 26 TO DECEMBER 31, 1924

GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>	<u>Held Under Sales Contracts</u>
Boston	\$ 355,000	Part.Sys.Inv.T/N	\$355,000	Part.Sys.Inv.C/I	\$1,409,555
New York	1,861,000	Part.Sys.Inv.T/N	1,861,000	Part.Sys.Inv.C/I	1,500,000
	<u>54,900</u>	Treasury 4% Bonds			
	<u>\$1,915,900</u>				
Philadelphia	139,500	Part.Sys.Inv.T/N	139,500	Part.Sys.Inv.C/I	0
Cleveland	501,000	Part.Sys.Inv.T/N	501,000	Part.Sys.Inv.C/I	0
Richmond	37,500	Part.Sys.Inv.T/N	37,500	Part.Sys.Inv.C/I	0
Atlanta	14,000	Part.Sys.Inv.T/N	14,000	Part.Sys.Inv.C/I	0
	<u>64,700</u>	Misc. Gov't Sec.	<u>85,350</u>	Misc. Gov't Sec.	
	<u>\$78,700</u>		<u>\$99,350</u>		
Chicago	704,500	Part.Sys.Inv.T/N	704,500	Part.Sys.Inv.C/I	0
	<u>472,600</u>	Fourth L.L. 4½'s			
	<u>\$1,177,100</u>				
St. Louis	165,000	Part.Sys.Inv.T/N	165,000	Part.Sys.Inv.C/I	0
Minneapolis	202,000	Part.Sys.Inv.T/N	202,000	Part.Sys.Inv.C/I	0
	<u>1,095,150</u>	Misc. Gov't Sec.	<u>1,205,550</u>	Misc. Gov't Sec.	
	<u>\$1,297,150</u>		<u>\$1,407,550</u>		
Kansas City	245,500	Part.Sys.Inv.T/N	245,500	Part.Sys.Inv.C/I	750,000
	<u>8,350</u>	Misc. Gov't Sec.			
	<u>\$253,850</u>				
Dallas	264,500	Part.Sys.Inv.T/N	264,500	Part.Sys.Inv.C/I	125,000
			<u>1,600</u>	Treasury 4% Bonds	
			<u>\$266,100</u>		
San Francisco	510,500	Part.Sys.Inv.T/N	510,500	Part.Sys.Inv.C/I	0
	<u>3,000</u>	Misc. Gov't Bds			
	<u>\$513,500</u>				
Totals	<u>\$6,698,700</u>		<u>\$6,292,500</u>		<u>\$3,784,555</u>

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BANKERS ACCEPTANCES

	<u>Maturity</u>	<u>PURCHASES</u> Amount	<u>Rate</u>	<u>MATURITIES</u> Amount	<u>Other</u> <u>Holdings</u>
Boston	1-30 days	\$ 73,000	2 3/4% - 2 7/8%	\$2,344,000	\$6,783,000 Sales Contracts
	31-60 "	140,000	2 7/8%		
	61-90 "	1,217,000	3% - 3 1/8%		
	Over 90 "	<u>17,000</u>	3 1/4%		
		<u>\$1,447,000</u>			

NEW YORK

MATURITIES AND RATES

	<u>1-15 days</u>	<u>16-30 days</u>	<u>31-60 days</u>	<u>61-90 days</u>	<u>Over 90-days</u>
<u>Dec. 24</u>					
Other banks	\$2,007,000 2 3/4%	\$1,669,000 2 3/4%	- -	\$522,000 3%	-
<u>Dec. 26</u>					
New York	-	-	-	-	-
Other banks	-	-	707,000 2 7/8%	556,000 3%	-
<u>Dec. 29</u>					
New York	1,185,000	7,000	-	50,000	-
Other banks	200,000 2 3/4%	1,389,000 2 3/4%-2 7/8%	836,000 2 7/8%-3%	1,634,000 3%	24,000 3 1/4%-3 3/8%
<u>Dec. 30</u>					
New York	1,198,000	53,000	-	-	45,000
Other banks	2,087,000 2 3/4%-2 7/8%	918,000 2 3/4%-2 7/8%	258,000 2 7/8%	260,000 3%-3 1/8%	202,000 3 1/4%
<u>Dec. 31</u>					
New York	1,116,000 2 3/4%-2 7/8%	707,000 2 3/4%-3%	54,000 3%	-	227,000 3 1/4%-3 1/2%
<u>Totals:</u>					
New York	\$3,499,000	\$ 767,000	\$ 54,000	\$ 50,000	\$272,000
Other banks	4,294,000	3,976,000	1,801,000	2,972,000	226,000

Totals:  
 New York \$4,642,000  
 Other banks 13,269,000

Aggregate \$17,911,000

Matured from New York holdings week ended December 31: \$11,168,000  
 Other holdings by New York: \$27,665,000 sales contracts; \$4,696,000 one-day hold-  
 over for distribution to Federal reserve banks; \$227,000 foreign trade bills;  
 \$239,000 foreign bills.

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BANKERS ACCEPTANCES -- (Continued)

	<u>Maturity</u>	<u>PURCHASES</u> <u>Amount</u>	<u>Rate</u>	<u>MATURITIES</u> <u>Amount</u>	<u>Other Holdings</u>
Philadelphia	1-30 days	\$ 19,000	2 7/8% - 3%	\$1,737,000	0
	31-60 "	124,000	2 7/8% - 3%		
	61-90 "	<u>1,148,000</u>	3% - 3 3/4%		
		<u>\$1,291,000</u>			
Cleveland	In other districts	2,373,000	2 3/4% - 3 3/8%	2,943,000	827,000 sterling bills
Richmond	-	125,000	-	0	0
Atlanta	-	0	-	802,000	2,265,000 Unindorsed bills purchased from accepting banks
Chicago	In other districts	1,357,000	2 3/4% - 3 3/8%	3,963,000	1,619,000 Sales Contracts
St. Louis	In other districts	2,035,000	2 3/4% - 3 3/8%	1,722,000	0
Minneapolis	-	0	-	7,000	0
Kansas City	In other districts	1,285,000	2 3/4% - 3 3/8%	1,789,000	0
Dallas	31-60 days	14,000	2 7/8%	2,261,000	187,000 Sales Contracts
	In other districts	<u>2,361,000</u>	2 3/4% - 3 3/8%		
		<u>\$2,375,000</u>			
San Francisco	1-30 days	359,000	2 3/4%	4,401,000	810,000 Sales Contracts
	31-60 "	27,000	2 7/8%		
	In other districts	<u>4,013,000</u>	2 3/4% - 3 3/8%		
		<u>\$4,399,000</u>			
<b>Totals</b>		<u>\$21,329,000</u>		<u>\$33,137,000</u>	<u>\$45,318,000</u>

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FEDERAL RESERVE BOARD FAX  
33301

Executive Folder  
Date 12-31-24

December 31, 1924.

Dear Mr. Matteson:

I acknowledge receipt of and shall bring to the attention of the members of the Board your letter of December 29th, enclosing a report of transactions in Government securities and bankers acceptances as reported to the Open Market Investment Committee for the Federal Reserve System for the period from December 18 to December 24, 1924, inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,

(Signed) Walter L. Eddy

Walter L. Eddy,  
Secretary.

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



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**FEDERAL RESERVE BANK  
OF NEW YORK**

*DOB*  
*Dec 31*


Open Market Investment Committee  
for the Federal Reserve System

CONFIDENTIAL

December 29, 1924

S i r :

Enclosed is a report of transactions in Government securities and bankers acceptances as reported to the Open Market Investment Committee for the Federal Reserve System for the period from December 18 to December 24, 1924 inclusive, together with data received by the Committee from the Federal reserve banks.

Respectfully,  
  
W. B. Matteson  
Secretary of the Committee

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

Enclosure

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C O N F I D E N T I A L

REPORT OF OPEN MARKET INVESTMENT COMMITTEE  
WEEK ENDED DECEMBER 24, 1924.

C O N T E N T S

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**COMPARISON OF HOLDINGS OF EARNING ASSETS OF FEDERAL RESERVE BANKS  
 FROM JANUARY 30 TO DECEMBER 24, 1924**  
 (000 Omitted)

-1924-	TOTAL EARNING ASSETS	*GOVERNMENT	BANKERS ACCEPTANCES		BILLS
		SECURITIES	Purchases	Sales Contracts	DISCOUNTED
Jan. 30	\$ 914,881	\$120,772	\$235,930	\$35,862	\$522,307
Feb. 27	950,801	155,801	205,022	58,288	531,690
March 26	942,080	257,256	164,947	37,511	482,315
April 30	873,381	301,660	102,800	21,685	447,185
May 28	850,193	333,282	49,869	36,891	429,600
June 25	826,260	429,794	44,065	969	350,131
July 30	824,867	505,281	23,244	1,197	293,895
Aug. 27	855,225	541,626	48,649	640	262,560
Sept. 24	928,355	574,596	90,431	1,470	259,863
Oct. 29	1,024,176	584,200	179,746	35,658	222,565
Nov. 26	1,087,171	582,215	267,279	13,722	221,405
Dec. 3	1,186,527	574,943	315,129	39,477	248,928
10	1,167,040	551,896	318,230	34,608	254,256
17	**1,192,850	**564,162	311,193	25,634	283,811
24	1,331,932	537,879	353,777	35,797	396,429

\*Includes sales contracts

\*\*Includes \$40,000,000 advance to Treasury on Special Certificate

**CHANGES IN HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES  
 BY FEDERAL RESERVE BANKS (EXCLUSIVE OF SALES CONTRACTS)  
 DURING WEEK ENDING DECEMBER 24, 1924**  
 (000 Omitted)

	GOVERNMENT SECURITIES			BANKERS ACCEPTANCES		
	Balance Dec. 24	Balance Dec. 17	Net Change	Balance Dec. 24	Balance Dec. 17	Net Change
Boston	\$ 35,251	\$ 34,356	\$ 895+	\$ 58,003	\$ 55,979	\$ 2,024+
New York	168,344	163,656	4,688+	75,522	73,250	2,272+
Philadelphia	29,889	29,540	349+	18,722	19,454	732-
Cleveland	60,050	58,876	1,174+	40,960	33,666	7,294+
Richmond	4,611	4,518	93+	1,361	1,079	282+
Atlanta	3,805	3,815	10-	7,739	7,029	710+
Chicago	79,898	77,900	1,998+	34,869	26,515	8,354+
St. Louis	15,088	14,672	416+	21,078	15,650	5,428+
Minneapolis	25,899	25,513	386+	15	16	1-
Kansas City	32,622	31,992	630+	16,165	13,797	2,368+
Dallas	25,374	24,721	653+	26,083	20,535	5,548+
San Francisco	55,140	53,853	1,287+	53,260	44,223	9,037+
<b>Totals</b>	<b>\$535,971</b>	<b>\$523,412</b>	<b>\$12,559+</b>	<b>\$353,777</b>	<b>\$311,193</b>	<b>\$42,584+</b>

**COMMENT ON CHANGES WEEK ENDED DECEMBER 24, 1924**

Total earning assets of all reserve banks increased \$139,082,000 to the highest point since January 3, 1923. Accompanying firmer conditions in the bill market, acceptances purchased outright increased \$42,584,000 and bills held under sales contracts advanced \$10,163,000 which brought total bill holdings for the System to the highest point since 1920. Bills discounted increased \$112,618,000 to the highest point since June while Government security holdings declined \$26,283,000 due chiefly to the reduction of the temporary advance to the Treasury on Special Certificate by the New York Bank.

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MONEY MARKET

The active demand for money for both month and year end requirements and the movement of funds to the interior following Government withdrawals and the collection of income tax checks was accompanied by distinctly firmer money conditions in New York. On Tuesday, December 23, the rate for stock exchange call money advanced to 5 per cent., and on Monday, December 29, call money after opening and renewing at 4 per cent. advanced to 5 1/2 per cent. at the close. The average rate of 4.36 per cent. at which new loans were placed during the week was the highest since spring. Time money was firm, offering rates for 90-day maturities were advanced to 3 3/4 per cent. against a range of 3 1/2 to 3 3/4 per cent. a week ago.

Commercial paper was quiet and steady with rates unchanged at the highest levels since June. All bill dealers advanced offering rates on 90-day unindorsed bills to 3 per cent., the highest since May.

	<u>Week Ended</u> <u>December 20</u>	<u>Week Ended</u> <u>December 27</u>
Call money, renewals, average	3.00	3.88
Call money, new loans, average	2.91	4.36
Time money, 60-90 days, offer	3 1/2-3 3/4	3 3/4
Commercial paper, 4-6 months	3 1/2-3 3/4	3 1/2-3 3/4

SECURITY MARKETSStock  
Market

Trading in stocks was quiet compared with the recent period of activity and daily transactions during the week averaged about 1,200,000 shares, the smallest average since the election. At the close of the week the Dow-Jones average of industrials showed an advance of 2 3/4 points from the previous Saturday and was within 1/2 a point of the record high for this average reached on November 3, 1919. Railroad averages closed about 1/2 a point below the year's high level reached December 18.

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General  
Bond  
Market

Firmer money conditions and the intervening holiday were accompanied by slackened trading in the general bond market and transactions during the week totaled only \$55,000,000 compared with \$82,000,000 the week before. Prices, however, held steady and on Saturday, December 27, both the "Annalist" and the Dow-Jones averages closed practically unchanged from the previous week. Foreign bonds were generally easier on unfavorable news from abroad and on Monday, December 29, the new French 7 per cent. bonds declined to 91 1/2 making a loss of 2 1/2 points from the recent offering price, and the German 7 per cent. bonds at 93 1/4 sold at close to the lowest price since their offering.

Foreign  
Exchange

Sterling continued to advance and on Monday, December 29, at \$4.73 3/8 reached the highest price since March 1919 when the British Government removed the peg that supported the pound during the war. Trading in the Continental exchanges continued quiet and French and Belgian francs at 5.40 and 4.98 cents respectively moved within narrow limits. Danish and Norwegian exchanges continued close to the high levels for the year. Dutch guilders at 40.50 cents and Swedish kroner at 26.98 cents were 30 and 18 points respectively above parity and Swiss francs were quoted at a premium of 12 points. South American currencies were generally inactive but the Argentine rate, reflecting continued heavy exports of grain at high prices, reached a new high point since 1920.

New  
Financing

The volume of new financing showed the usual seasonal decline at this period of the year, and new bond issues offered during the week ended December 27 totaled only \$51,000,000, compared with \$133,000,000 the week before. Industrial issues aggregated \$46,000,000 of which \$40,000,000 were 7 per cent. bonds of the Andes Copper Company offered at par. The week's financing also included several substantial stock offerings aggregating about \$25,000,000.

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Liberty  
 Bond  
 Market

The Government bond market continued quiet and sales on the Exchange during the week totaled only \$11,000,000. Prices were fairly steady and Liberty bonds closed only fractionally off from the previous week. Treasury 4 1/4 per cent. bonds declined 7/32nds to 104.22, making a loss of 2 1/2 points from the year's high level and a decline of nearly a point since the first of the month. After reaching 100.20 on December 16 the new Treasury 4 per cent. bonds declined to 100.9 on December 23 but closed the week at 100.12. The Fourth 4 1/4 per cent. bonds were the most active issue as indicated in the following summary of Liberty bond sales in which decimals represent thirty-seconds:

Amount in Thousands	Issue	Closing Prices		-1924-		
		Dec. 27	Dec. 20	Low	High	
\$ 243	First	3 1/2's	100.30	100.31	98.22	101.28
89	"	4 1/4's	101.15	101.21	98.8	*102.22
2,253	Second	4 1/4's	100.22	100.23	98.4	*102.00
1,272	Third	4 1/4's	101.2	101.5	99.8	*102.23
5,506	Fourth	4 1/4's	101.20	101.21	98.8	*103.00
660	Treasury	4 1/4's	104.22	104.29	99.8	*107.7
874	"	4's	100.12	100.15	100.9	*100.20

\*High since date of issuance

New York  
 Market for  
 Short-term  
 Governments

The market for short-term Government securities was generally quiet and inactive during the week. The usual custom of banks selling Government securities for the purpose of presenting more attractive statements over the end of the year did not result in any large offerings to dealers and the moderate decline in prices was due chiefly to the lack of any substantial demand, accompanying firmer money conditions.

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As indicated in the following table average yields on all issues at the close of the week were higher than those prevailing during the previous week.

	Average Week Ended <u>Dec. 20</u>	Average Week Ended <u>Dec. 27</u>
Maturing June 1925 - yield	2.44	2.55
Maturing September 1925 - yield	2.70	2.79
Maturing December 1925 - yield	2.85	2.87
Maturing September 1926 - yield	3.56	3.63
Maturing March 1927 - yield	3.74	3.79
Maturing December 1927 - yield	3.74	3.79

#### BANKERS ACCEPTANCES

##### Rates

Accompanying firmer money conditions dealers in all districts advanced bill rates  $1/8$  per cent. further and were offering 60 and 90-day unindorsed bills at 3 per cent. and 30's at  $2\ 7/8$  per cent.

##### Abstract of Reports from Banks

Boston reports a fairly good supply of bills in the market. The demand was moderate, and principally for 30 and 90-day bills, with few sales made out of town. Dealers are not increasing their portfolios due largely to the continued uncertainty in rates. In New York the bill market was very active during the week. The supply was substantially increased by banks selling from portfolios blocks of their own acceptances which they had discounted and carried themselves. Firmer money conditions and the usual window dressing at this period of the year probably induced considerable sales of this kind which restocked dealers portfolios. A strong demand from correspondents of foreign clients coincided with the increased supply, so that supply and demand during the week were about equal. In Philadelphia the bill market displayed little activity during

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the week; the demand was light due to firmer money conditions while the supply continued moderate. In Chicago the supply was only fair with a light demand. The higher rate for call money during the week resulted in some liquidation of bill holdings.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

Alien  
Property  
Custodian

At the request of the Treasury the Federal Reserve Bank of New York purchased during the period, for account of the Alien Property Custodian, \$3,569,000 United States 4 1/4% Treasury bonds of 1947 - 52 and sold for that account \$3,600,000 4% certificates of indebtedness maturing March 15, 1925.

Miscellaneous

Upon Treasury authority the Federal Reserve Bank of New York also purchased \$2,000,000 Fourth Liberty Loan 4 1/4% bonds for account Osage Indian Moneys, and \$1,218,800 4 1/2% Treasury Notes maturing June 15, 1925, for a special account.

SYSTEM SPECIAL INVESTMENT ACCOUNT

In accordance with the policy of the Open Market Investment Committee, as previously outlined, transactions in the System Account during the period consisted of the sale of March 15, 1925, 1926 and 1927 maturities amounting to \$17,000,000 and purchases in partial replacement of previous sales of various issues of United States Government securities amounting to \$29,595,000, purchases being made in the Boston, Philadelphia, Chicago, Cleveland and New York districts.

Total holdings of Government securities in the System Account at the close of business December 29 amounted to \$449,035,000, the apportionment of which to all Federal reserve banks was as follows:



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	<u>Treasury Notes</u>	<u>Certificates of Indebtedness</u>	<u>Liberty Loan Bonds</u>	<u>Total</u>
Boston	\$ 22,194,000	\$ 7,554,500	\$ 1,927,000	\$31,675,500
New York	117,134,000	38,824,500	11,182,500	167,141,000
Philadelphia	7,170,000	4,510,500	760,500	12,441,000
Cleveland	31,556,500	10,413,500	3,213,500	45,183,500
Richmond	2,276,500	844,000	149,500	3,270,000
Atlanta	916,000	245,500	155,500	1,317,000
Chicago	44,019,500	15,024,000	4,033,000	63,076,500
St. Louis	11,006,000	2,818,000	1,263,500	15,087,500
Minneapolis	12,942,500	3,988,500	1,112,500	18,043,500
Kansas City	15,441,000	5,124,500	1,487,000	22,052,500
Dallas	16,733,500	5,420,000	1,663,000	23,816,500
San Francisco	32,111,500	10,666,500	3,152,500	45,930,500
<b>Totals</b>	<b>\$313,501,000</b>	<b>\$105,434,000</b>	<b>\$30,100,000</b>	<b>\$449,035,000</b>

RECAPITULATION OF PURCHASES

<u>Made By</u>	<u>Amount</u>
Boston	\$ 20,871,500
New York	328,599,700
Philadelphia	17,534,500
Cleveland	7,930,000
Richmond	600,000
Atlanta	1,944,400
Chicago	47,225,000
St. Louis	5,453,900
Minneapolis	3,128,000
Dallas	8,169,000
San Francisco	7,579,000
	<b>\$449,035,000</b>

RECAPITULATION OF PURCHASES BY MATURITIES

March 15, 1925	\$ 65,350,000
June 15, 1925	57,932,700
Sept. 15, 1925	87,724,500
Dec. 15, 1925	62,617,000
March 15, 1926	48,237,600
Sept. 15, 1926	31,901,000
March 15, 1927	32,875,900
Dec. 15, 1927	32,296,300
Third L.L. Bonds	30,100,000
Sept. 15, 1928	
	<b>\$449,035,000</b>

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ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF  
ALL FEDERAL RESERVE BANKS FROM DECEMBER 18 TO DECEMBER 24, 1924

GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>	<u>Held Under Sales Contracts</u>
Boston	\$ 581,500	Part.Sys.Inv.C/I	\$ 426,000	Part.Sys.Inv.C/I	\$ 158,000
	803,000	" " " T/N	781,000	" " " T/N	
	<u>717,000</u>	" " " L/L			
	\$ 2,101,500		\$1,207,000		
New York	3,047,000	Part.Sys.Inv.C/I	2,234,000	Part.Sys.Inv.C/I	1,000,000
	4,210,000	" " " T/N	4,095,500	" " " T/N	
	<u>3,760,000</u>	" " " L/L			
	\$11,017,000		\$6,329,500		
Philadelphia	228,000	Part.Sys.Inv.C/I	167,000	Part.Sys.Inv.C/I	0
	315,500	" " " T/N	306,500	" " " T/N	
	<u>281,500</u>	" " " L/L	<u>2,000</u>	Treasury 4% Bonds	
	\$825,000		\$475,500		
Cleveland	820,000	Part.Sys.Inv.C/I	601,000	Part.Sys.Inv.C/I	0
	1,133,000	" " " T/N	1,102,000	" " " T/N	
	1,011,500	" " " L/L	150,000	Misc. Gov't Sec.	
	<u>62,500</u>	Misc. Gov't Sec.			
	\$3,027,000		\$1,853,000		
Richmond	60,500	Part.Sys.Inv.C/I	45,000	Part.Sys.Inv.C/I	0
	84,500	" " " T/N	82,000	" " " T/N	
	<u>75,000</u>	" " " L/L			
	\$220,000		\$127,000		
Atlanta	22,500	Part.Sys.Inv.C/I	17,000	Part.Sys.Inv.C/I	0
	32,000	" " " T/N	31,000	" " " T/N	
	28,000	" " " L/L	487,150	Misc. Gov't Sec.	
	<u>442,550</u>	Misc. Gov't Sec.			
	\$525,050		\$535,150		
Chicago	1,154,000	Part.Sys.Inv.C/I	846,000	Part.Sys.Inv.C/I	0
	1,594,500	" " " T/N	1,550,500	" " " T/N	
	1,423,500	" " " L/L	7,500	Treasury 4% Bonds	
	<u>229,450</u>	Fourth L/L Bonds			
	\$4,402,450		\$2,404,000		

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GOVERNMENT SECURITIES - (Continued)

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>	<u>Held Under Sales Contracts</u>
St. Louis	\$ 270,500	Part. Sys. Inv. C/I	\$198,000	Part. Sys. Inv. C/I	0
	373,000	" " " T/N	363,000	" " " T/N	
	<u>333,500</u>	" " " L/L			
	\$ 977,000		\$561,000		
Minneapolis	331,000	Part. Sys. Inv. C/I	242,000	Part. Sys. Inv. C/I	0
	457,000	" " " T/N	444,000	" " " T/N	
	408,500	" " " L/L	1,934,900	Misc. Gov't Sec.	
	<u>1,809,600</u>	Misc. Gov't Sec.			
	\$3,006,100		\$2,620,900		
Kansas City	402,000	Part. Sys. Inv. C/I	295,000	Part. Sys. Inv. C/I	750,000
	555,000	" " " T/N	540,500	" " " T/N	
	496,000	" " " L/L			
	<u>13,650</u>	Misc. Gov't Sec.			
	\$1,466,650		\$835,500		
Dallas	432,500	Part. Sys. Inv. C/I	317,000	Part. Sys. Inv. C/I	0
	598,000	" " " T/N	581,500	" " " T/N	
	<u>534,000</u>	" " " L/L	<u>14,300</u>	Misc. Gov't Sec.	
	\$1,564,500		\$912,800		
San Francisco	835,500	Part. Sys. Inv. C/I	612,000	Part. Sys. Inv. C/I	0
	1,154,500	" " " T/N	1,122,500	" " " T/N	
	<u>1,031,500</u>	" " " L/L			
	\$3,021,500		\$1,734,500		
<b>Totals</b>	<b>\$32,154,750</b>		<b>\$19,595,850</b>		<b>\$1,908,000</b>

BANKERS ACCEPTANCES

	<u>Maturity</u>	<u>PURCHASES Amount</u>	<u>Rate</u>	<u>MATURITIES Amount</u>	<u>Other Holdings</u>
Boston	1-30 days	\$ 144,000	2 3/4% - 2 7/8%	\$2,167,000	\$1,652,000 Sales
	31-60 "	164,000	2 3/4% - 3%		Contracts
	61-90 "	2,476,000	2 3/4% - 3 1/8%		
	Over 90 "	<u>1,407,000</u>	2 7/8% - 3%		
		\$4,191,000			

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BANKERS ACCEPTANCES - (Continued)

PURCHASED BY <u>NEW YORK</u>	<u>MATURITIES AND RATES</u>					
	<u>Dec. 17</u>	<u>1-15 days</u>	<u>16-30 days</u>	<u>31-60 days</u>	<u>61-90 days</u>	<u>Over 90 days</u>
Other banks	\$252,000 2 3/4%	\$822,000 2 3/4-3%	\$3,955,000 2 3/4%	\$7,401,000 2 3/4-3%	\$1,190,000 2 7/8%-3%	
<u>Dec. 18</u>						
New York	1,203,000	111,000	316,000	3,623,000	15,000	
Other banks	1,529,000 2 3/4%	937,000 2 3/4%-2 7/8%	1,788,000 2 3/4-2 7/8%	9,832,000 2 3/4%-3%	1,062,000 2 7/8%-3%	
<u>Dec. 19</u>						
New York	941,000	706,000	-	-	-	
Other banks	3,405,000 2 3/4%	423,000 2 3/4%	290,000 2 3/4%	328,000 2 3/4%-2 7/8%	402,000 2 7/8%-3%	
<u>Dec. 22</u>						
New York	1,893,000	80,000	373,000	75,000	-	
Other banks	2,027,000 2 3/4%	2,288,000 2 3/4%	1,084,000 2 7/8%	101,000 2 3/4%-3%	-	
<u>Dec. 23</u>						
New York	62,000	1,929,000	284,000	686,000	-	
Other banks	900,000 2 3/4%	5,166,000 2 3/4%-2 7/8%	445,000 2 7/8%-3%	3,254,000 3%	-	
<u>Dec. 24</u>						
New York	1,739,000 2 3/4%	182,000 2 3/4%	-	-	-	
<b>Totals:</b>						
New York	\$5,838,000	\$3,008,000	\$ 973,000	\$4,384,000	\$ 15,000	
Other banks	8,113,000	9,636,000	7,562,000	20,916,000	2,654,000	
					Totals: New York	\$14,218,000
					Other banks	<u>48,881,000</u>
					Aggregate	<u>\$63,099,000</u>

Matured from New York holdings week ended December 24: \$11,946,000  
 Other holdings by New York: \$23,950,000 sales contracts; \$227,000 foreign trade bills; \$796,000 sterling bills; \$4,198,000 one-day holdover for distribution to other Federal reserve banks; \$50,000 foreign bills.

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BANKERS ACCEPTANCES - (Continued)

	<u>Maturity</u>	<u>PURCHASES</u> <u>Amount</u>	<u>Rate</u>	<u>MATURITIES</u> <u>Amount</u>	<u>Other</u> <u>Holdings</u>
Philadelphia	1-30 days	\$ 347,000	2 3/4% -- 2 7/8%	\$2,470,000	0
	31-60 "	323,000	2 3/4% -- 2 7/8%		
	61-90 "	<u>1,068,000</u>	2 3/4% -- 2 7/8%		
		<u>\$1,738,000</u>			
Cleveland	31-60 days	400,000	2 7/8%	2,600,000	708,000 Ster- ling bills
	61-90 "	810,000	2 3/4%		
	In other districts	<u>8,684,000</u>	2 3/4% - 3%		
		<u>\$9,894,000</u>			
Richmond	--	282,000	--	0	0
Atlanta	1-30 days	1,081,000	2 3/4%	1,401,000	2,239,000 Unin- dorsed bills pur- chased from accepting banks
	31-60 "	526,000	2 3/4% -- 2 7/8%		
	61-90 "	<u>504,000</u>	2 3/4%		
		<u>\$2,111,000</u>			
Chicago	31-60 days	825,000	2 7/8%	1,543,000	891,000 Sales contracts
	61-90 "	2,837,000	2 3/4%		
	In other districts	<u>6,735,000</u>	2 3/4% -- 3%		
		<u>\$9,897,000</u>			
St. Louis	In other districts	7,213,000	2 3/4% -- 3%	1,785,000	0
Minneapolis	--	0	--	1,000	0
Kansas City	In other districts	4,142,000	2 3/4% -- 3%	1,774,000	0
Dallas	In other districts	7,682,000	2 3/4% -- 3%	2,034,000	0
				<u>100,000</u> Sold to Mem. Bks.	
				<u>\$2,134,000</u>	
San Francisco	1-30 days	164,000	2 3/4%	5,712,000	1,086,000 Sales contracts
	31-60 "	162,000	2 3/4%		
	In other districts	<u>14,423,000</u>	2 3/4% -- 3%		
		<u>\$14,749,000</u>			
<b>Totals</b>		<u>\$76,117,000</u>		<u>\$33,533,000</u>	<u>\$35,797,000</u>

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December 26, 1924.

Executive Folder  
~~Box 12-24~~

Dear Mr. Matteson:

I acknowledge receipt of and shall bring to the attention of the members of the Board your letter of December 22nd, enclosing a report of transactions in Government securities and bankers acceptances as reported to the Open Market Investment Committee for the Federal Reserve System for the period from December 11 to December 17, 1924, inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,

(Signed) Walter L. Eddy  
Walter L. Eddy,  
Secretary.

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

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FEDERAL RESERVE BANK  
OF NEW YORK

*See 24*

Open Market Investment Committee  
for the Federal Reserve System

CONFIDENTIAL

December 22, 1924

S i r :

Enclosed is a report of transactions in Govern-  
ment securities and bankers acceptances as reported to the  
Open Market Investment Committee for the Federal Reserve  
System for the period from December 11 to December 17, 1924  
inclusive, together with data received by the Committee from  
the Federal reserve banks.

Respectfully,

W. B. Matteson  
Secretary of the Committee

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

Enclosure

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C O N F I D E N T I A L

REPORT OF OPEN MARKET INVESTMENT COMMITTEE  
WEEK ENDED DECEMBER 17, 1924.

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**COMPARISON OF HOLDINGS OF EARNING ASSETS OF FEDERAL RESERVE BANKS  
 FROM JANUARY 30 TO DECEMBER 17, 1924**  
 (000 Omitted)

- 1924 -	TOTAL EARNING ASSETS	*GOVERNMENT	BANKERS ACCEPTANCES		BILLS
		SECURITIES	Purchases	Sales Contracts	DISCOUNTED
Jan. 30	\$ 914,881	\$120,772	\$235,930	\$35,862	\$522,307
Feb. 27	950,801	155,801	205,022	58,288	531,690
Mar. 26	942,080	257,256	164,947	37,511	482,315
Apr. 30	873,381	301,660	102,800	21,685	447,185
May 28	850,193	333,282	49,869	36,891	429,600
June 25	826,260	429,794	44,065	969	350,131
July 30	824,867	505,281	23,244	1,197	293,895
Aug. 27	855,225	541,626	48,649	640	262,560
Sept. 24	928,355	574,596	90,431	1,470	259,863
Oct. 29	1,024,176	584,200	179,746	35,658	222,565
Nov. 26	1,087,171	582,215	267,279	13,722	221,405
Dec. 3	1,186,527	574,943	315,129	39,477	248,928
10	1,167,040	551,896	318,230	34,608	254,256
17	** 1,192,850	** 564,162	311,193	25,634	283,811

\* Includes sales contracts  
 \*\* Including \$40,000,000 advance to Treasury on Special Certificate

**CHANGES IN HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES  
 BY FEDERAL RESERVE BANKS (EXCLUSIVE OF SALES CONTRACTS)  
 DURING WEEK ENDING DECEMBER 17, 1924**  
 (000 Omitted)

	GOVERNMENT SECURITIES			BANKERS' ACCEPTANCES		
	Balance Dec. 17	Balance Dec. 10	Net Change	Balance Dec. 17	Balance Dec. 10	Net Change
Boston	\$ 34,356	\$ 32,649	\$ 1,707+	\$ 55,979	\$ 54,470	\$ 1,509+
New York	163,656	154,781	8,875+	73,250	83,280	10,030-
Philadelphia	29,540	29,014	526+	19,454	19,821	367-
Cleveland	58,876	56,511	2,365+	33,666	31,801	1,865+
Richmond	4,518	4,340	178+	1,079	293	786+
Atlanta	3,815	3,724	91+	7,029	7,177	148-
Chicago	77,900	74,499	3,401+	26,515	26,832	317-
St. Louis	14,672	13,885	787+	15,650	15,769	119-
Minneapolis	25,513	24,403	1,110+	16	124	108-
Kansas City	31,992	31,331	661+	13,797	13,956	159-
Dallas	24,721	23,489	1,232+	20,535	21,322	787-
San Francisco	53,853	51,419	2,434+	44,223	43,385	838+
Totals	<u>\$523,412</u>	<u>\$500,045</u>	<u>\$23,367+</u>	<u>\$311,193</u>	<u>\$318,230</u>	<u>\$ 7,037-</u>

**COMMENT ON CHANGES WEEK ENDED DECEMBER 17, 1924**

An increase in total earning assets of \$25,810,000 brought total for the System to a new high point since the week ended January 2, 1924. The increase was chiefly accounted for by a temporary advance to the Treasury on Special Certificate by the New York bank of \$40,000,000 which offset a decline in securities held under sales contracts and increased total holdings of Government securities \$12,266,000. Bills discounted increased \$29,555,000 while holdings of bankers acceptances declined \$16,011,000, of which \$8,974,000 represented bills held under sales contracts.

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MONEY MARKET

The temporary excess of Treasury disbursements over receipts, due to the large over-redemption in this district which was financed temporarily by a special certificate to the New York reserve bank contributed to the ease in money conditions following the tax period. Treasury transfers to this district of \$150,000,000 to cover the overdraft with the New York bank were accompanied by a loss of funds to the interior in ordinary transactions to meet Government withdrawals and income tax collections. Following the 3 1/2 per cent. rate at the opening on Monday, December 15, stock exchange call money later declined to three per cent. and on Thursday the rate was lowered to 2 1/2 per cent. for the first time since November 28 and remained unchanged on Friday.

Time money was in moderate demand. Rates were temporarily advanced to 4 per cent. for four to six months' loans but 60 to 90-day funds continued unchanged at 3 1/2 to 3 3/4 per cent. Commercial paper dealers report a quiet market with only small amounts of new paper coming into the market.

	<u>Week Ended</u> <u>December 13</u>	<u>Week Ended</u> <u>December 20</u>
Call money, renewals, average	3.35	3.00
Call money, new loans, average	3.49	2.91
Time money, 60-90 days, offer	3 1/2 - 3 3/4	3 1/2 - 3 3/4
Commercial paper, 4 - 6 months	3 1/2 - 3 3/4	3 1/2 - 3 3/4

SECURITY MARKETS

Stock  
Market

Active trading in stocks continued throughout the week, daily transactions averaging over 1,800,000 shares and on Thursday and Friday sales again exceeded 2,000,000 shares. The Dow-Jones average of industrials advanced over 3 1/2 points during the week to a new high since November 1919 and was within 4 points of the record high level of that month. Railroad averages advanced about 2 points to a new high point for the year which was also the highest for this average since early in

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1917. Since the election railroad averages have advanced about 10 points and industrial averages over 12 points.

General  
Bond  
Market

Notwithstanding easier money conditions bond trading was somewhat slackened and transactions for the week totaled only \$82,000,000 compared with \$105,000,000 the week before. Prices generally held steady and the "Annalist" average remained virtually unchanged during the week but showed a loss of nearly 1/2 a point from the high level for the year reached on December 4. Foreign bonds were moderately active and prices firm. The new offerings of Greek Government and Kingdom of Belgium bonds were quickly over-subscribed and in subsequent trading sold at a slight premium above the issue prices.

Foreign  
Exchange

Sterling continued to advance and on Saturday, December 20, touched \$4.71 1/8 a new high point for the year and within a cent of the high point of last year. Trading in the Continental exchanges was quiet and French and Belgian francs at 5.40 and 4.99 cents respectively remained virtually unchanged. Danish and Norwegian exchanges were strong while Dutch guilders, Swiss francs and Swedish kroner continued to rule above parity.

New  
Financing

New bond offerings totaled \$133,000,000 during the week ended December 19 compared with \$65,000,000 the week before and were the largest in nearly two months. Foreign offerings aggregated \$61,000,000 of which \$50,000,000 were 6 per cent. bonds of the Kingdom of Belgium offered to yield 7 per cent. and \$11,000,000 Greek Government 7 per cent. bonds offered to yield 8 per cent. This brought the total foreign financing offered so far this year to approximately \$1,200,000,000. Domestic financing was in substantial volume and thirteen various state and municipal issues aggregating \$21,000,000 were the largest in several months, while public utility issues totaled \$33,000,000. In addition several substantial stock issues were offered during the week.

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Liberty  
Bond  
Market

The Government bond market was quiet and sales on the Exchange during the week totaled only \$12,500,000 compared with about \$30,000,000 the week before. Several issues closed practically unchanged from the levels of the previous week but the Fourth 4 1/4's declined 10/32nds and the Treasury 4 1/4's closed 11/32nds off. The new Treasury 4 per cent. bonds were officially listed on the Stock Exchange on December 15 and opened at 100.18 and sold up to 100.20, but later in the week reacted and closed at 100.15. In the following summary of Liberty bond sales decimals represent thirty-seconds:

<u>Amount in</u> <u>Thousands</u>	<u>Issue</u>	<u>Closing Prices</u>		<u>-1924-</u>	
		<u>Dec. 20</u>	<u>Dec. 13</u>	<u>Low</u>	<u>High</u>
\$ 839	First 3 1/2's	100.31	100.28	98.22	101.28
379	" 4 1/4's	101.21	101.21	98.8	*102.22
1,277	Second 4 1/4's	100.23	100.25	98.4	*102.00
3,704	Third 4 1/4's	101.5	101.6	99.8	*102.23
2,338	Fourth 4 1/4's	101.21	101.31	98.8	*103.00
1,509	Treasury 4 1/4's	104.29	105.8	99.8	*107.7
2,480	" 4's	100.15	-	-	-

\*High since date of issuance

New York  
Market for  
Short-term  
Government

Activity in the market for short-term Government securities was generally limited to a good demand for the March 1925 securities which could be tendered in exchange for the new Treasury bonds and a moderate demand for other 1925 maturities. Longer issues of Treasury Notes were quiet but prices generally remained steady and unchanged. As indicated in the following table, yields on the short maturities declined slightly but the longer issues remained unchanged:

		<u>Average</u> <u>Week Ended</u> <u>Dec. 13</u>	<u>Average</u> <u>Week Ended</u> <u>Dec. 20</u>
Maturing June	1925 - yield	2.50	2.44
Maturing September	1925 - yield	2.72	2.70
Maturing December	1925 - yield	2.90	2.85
Maturing September	1926 - yield	3.55	3.56
Maturing March	1927 - yield	3.74	3.74
Maturing December	1927 - yield	3.73	3.74

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BANKERS ACCEPTANCES

Rates

Rates continued generally unsettled in all districts, dealers offering rates for 90-day bills ranging from  $2\frac{7}{8}$  to 3 per cent., while other maturities varied correspondingly. On Thursday, December 18, all dealers in New York advanced offering rates  $\frac{1}{8}$  per cent. on unindorsed 90-day bills and were offering this maturity at 3 per cent. Rates on other maturities were advanced  $\frac{1}{8}$  per cent. in some instances but generally remained unsettled. On Monday, December 22, the buying rate of the Federal Reserve Bank of New York for indorsed bills was advanced to  $2\frac{3}{4}$  per cent. for 30 day bills,  $2\frac{7}{8}$  per cent. for 60's, 3 per cent. for 90's, and  $3\frac{1}{4}$  to  $3\frac{1}{2}$  per cent. for over 90 day bills.

Abstract  
 of Reports  
 from Banks

Boston reports a fairly good supply of bills but not greatly in excess of the demand, although dealers total holdings increased slightly. There was no demand from out of town while the local demand decreased, presumably due to some banks having their lines full. In New York there was a substantial increase in the supply of bills and during the latter part of the period the demand was good, due in some part to a moderate amount of foreign orders. Sales were confined almost entirely to local banks and dealers' combined portfolios increased slightly. In Philadelphia the bank acceptance market was more active than in several weeks due to more attractive rates and the slightly easier tendency in the money market. The demand for bills was increased while the supply was moderate. Chicago reports a fair supply of bills but a moderate and uncertain demand.

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OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

Alien  
Property  
Custodian

At the request of the Treasury the Federal Reserve Bank of New York purchased during the period for account of the Alien Property Custodian \$5,000,000 Third Liberty Loan 4 1/4's, \$12,669,000 Fourth Liberty Loan 4 1/4's and \$3,504,000 Treasury bonds of 1947 - 52 and sold \$16,400,000 March 15, 1925 4% certificates of indebtedness.

Miscellaneous

Under Treasury authority the Federal Reserve Bank of New York purchased \$1,000,000 Fourth Liberty Loan 4 1/4% bonds and \$1,000,000 C-1925 Treasury Notes account Civil Service Retirement and Disability Fund; \$21,750 Second Liberty Loan 4 1/4% bonds account District of Columbia Teachers' Retirement and Disability Fund; and \$42,900 Third Liberty Loan 4 1/4% bonds account Interstate Commerce Commission - General Railroad Contingent Fund.

The Federal Reserve Bank of New York, under Treasury's authority, also purchased for a special account \$540,100 Treasury Notes maturing June 15, 1925.

SYSTEM SPECIAL INVESTMENT ACCOUNT

Continuing the policy of the Open Market Investment Committee previously outlined, transactions in the System Account during the period consisted of the sale of March 15, 1925 and 1926 maturities amounting to \$7,050,000 and replacement purchases of various issues of United States Government securities amounting to \$65,834,000. There were also redeemed on December 15, 1924, \$34,944,000 certificates of indebtedness maturing on that date.

Total holdings of Government securities in the System Account at the close of business December 17 amounted to \$436,440,000, the apportionment of which to all Federal reserve banks was as follows:

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	<u>Treasury Notes</u>	<u>Certificates of Indebtedness</u>	<u>Liberty Loan Bonds</u>	<u>Total</u>
Boston	\$ 22,172,000	\$ 7,399,000	\$ 1,210,000	\$ 30,781,000
New York	117,019,500	38,011,500	7,422,500	162,453,500
Philadelphia	7,161,000	4,449,500	479,000	12,089,500
Cleveland	31,525,500	10,194,500	2,202,000	43,922,000
Richmond	2,274,000	828,500	74,500	3,177,000
Atlanta	915,000	240,000	127,500	1,282,500
Chicago	43,975,500	14,716,000	2,609,500	61,301,000
St. Louis	10,996,000	2,745,500	930,000	14,671,500
Minneapolis	12,929,500	3,899,500	704,000	17,533,000
Kansas City	15,426,500	5,017,500	991,000	21,435,000
Dallas	16,717,000	5,304,500	1,129,000	23,150,500
San Francisco	32,079,500	10,443,000	2,121,000	44,643,500
<b>Totals</b>	<b>\$313,191,000</b>	<b>\$103,249,000</b>	<b>\$20,000,000</b>	<b>\$436,440,000</b>

RECAPITULATION OF PURCHASES

<u>Made By</u>	<u>Amount</u>
Boston	\$ 19,241,500
New York	327,919,700
Philadelphia	15,399,500
Cleveland	4,780,000
Richmond	600,000
Atlanta	1,944,400
Chicago	42,225,000
St. Louis	5,453,900
Minneapolis	3,128,000
Dallas	8,169,000
San Francisco	7,579,000
<b>Totals</b>	<b>\$436,440,000</b>

RECAPITULATION OF PURCHASES BY MATURITIES

March 15, 1925	\$ 71,350,000
June 15, 1925	57,702,700
Sept. 15, 1925	79,539,500
Dec. 15, 1925	55,617,000
March 15, 1926	53,207,600
Sept. 15, 1926	30,851,000
March 15, 1927	38,875,900
Dec. 15, 1927	29,296,300
Third L.L. Bonds	20,000,000
Sept. 15, 1928	
<b>Totals</b>	<b>\$436,440,000</b>

N. B. Since the period covered by this report additional purchases aggregating \$28,545,000 and sales amounting to \$17,000,000 have been made in the Boston, Philadelphia, Chicago, Cleveland and New York districts which will bring the total holdings in the System account to \$447,985,000.

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ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF  
 ALL FEDERAL RESERVE BANKS FROM DECEMBER 11 to DECEMBER 17, 1924

GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>	<u>Held Under Sales Contracts</u>
Boston	\$2,139,500	Part. Sys. Inv. C/I	\$2,485,000	Part. Sys. Inv. C/I	0
	1,825,000	" " " T/N	497,000	" " " T/N	
	710,000	" " " L/L	920,000	TS-1925 Ctfs.	
	15,000	Treasury 4% Bonds			
	920,000	A-1925 Notes			
	<u>\$5,609,500</u>		<u>\$3,902,000</u>		
New York	11,215,500	Part. Sys. Inv. C/I	13,026,500	Part. Sys. Inv. C/I	40,000,000 Special Certificate
	9,569,500	" " " T/N	2,606,000	" " " T/N	
	3,722,500	" " " L/L			
	<u>\$24,507,500</u>		<u>\$15,632,500</u>		
Philadelphia	840,000	Part. Sys. Inv. C/I	976,000	Part. Sys. Inv. C/I	0
	717,000	" " " T/N	195,000	" " " T/N	
	279,000	" " " L/L	320,500	Misc. Gov't Sec.	
	180,800	Misc. Gov't Sec.			
	<u>\$2,016,800</u>		<u>\$1,491,500</u>		
Cleveland	3,018,500	Part. Sys. Inv. C/I	3,506,000	Part. Sys. Inv. C/I	0
	2,575,500	" " " T/N	701,500	" " " T/N	
	1,002,000	" " " L/L	2,763,000	Misc. Gov't Sec.	
	2,740,300	Misc. Gov't Sec.			
	<u>\$9,336,300</u>		<u>\$6,970,500</u>		
Richmond	224,500	Part. Sys. Inv. C/I	261,000	Part. Sys. Inv. C/I	0
	191,500	" " " T/N	52,000	" " " T/N	
	74,500	" " " L/L			
	<u>\$490,500</u>		<u>\$313,000</u>		
Atlanta	84,000	Part. Sys. Inv. C/I	97,500	Part. Sys. Inv. C/I	0
	71,000	" " " T/N	19,500	" " " T/N	
	27,500	" " " L/L	179,450	Misc. Gov't Sec.	
	232,000	Misc. Gov't Sec.	27,000	Dec. ctfs. redeemed	
	<u>\$414,500</u>		<u>\$323,450</u>		
Chicago	4,246,500	Part. Sys. Inv. C/I	4,932,500	Part. Sys. Inv. C/I	0
	3,623,000	" " " T/N	986,500	" " " T/N	
	1,409,500	" " " L/L			
	40,900	Treasury 4% Bonds			
	<u>\$9,319,900</u>		<u>\$5,918,500</u>		



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GOVERNMENT SECURITIES - (Continued)

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>	<u>Held Under Sales Contracts</u>
St. Louis	\$ 994,000	Part. Sys. Inv. C/I	\$ 1,154,500	Part. Sys. Inv. C/I	0
	848,000	" " " T/N	231,000	" " " T/N	
	<u>330,000</u>	" " " L/L			
	\$ 2,172,000		\$ 1,385,500		
Minneapolis	1,217,500	Part. Sys. Inv. C/I	1,414,000	Part. Sys. Inv. C/I	0
	1,039,500	" " " T/N	283,000	" " " T/N	
	404,000	" " " L/L	5,003,600	Misc. Gov't Sec.	
	<u>5,149,800</u>	Misc. Gov't Sec.			
	\$ 7,810,800		\$ 6,700,600		
Kansas City	1,479,000	Part. Sys. Inv. C/I	1,718,000	Part. Sys. Inv. C/I	750,000
	1,261,500	" " " T/N	343,500	" " " T/N	
	491,000	" " " L/L	5,714,800	Misc. Gov't Sec.	
	<u>5,205,600</u>	Misc. Gov't Sec.			
	\$ 8,437,100		\$ 7,776,300		
Dallas	1,593,500	Part. Sys. Inv. C/I	1,850,000	Part. Sys. Inv. C/I	0
	1,359,000	" " " T/N	370,000	" " " T/N	
	529,000	" " " L/L	124,100	Treasury 4% Bonds	
	<u>195,000</u>	Treasury 4% Bonds	<u>100,000</u>	Dec. Ctfs. Redeemed	
	\$ 3,676,500		\$ 2,444,100		
San Francisco	3,076,500	Part. Sys. Inv. C/I	3,573,000	Part. Sys. Inv. C/I	0
	2,624,500	" " " T/N	715,000	" " " T/N	
	<u>1,021,000</u>	" " " L/L			
	\$ 6,722,000		\$ 4,288,000		
<b>Totals</b>	<u>\$80,513,400</u>		<u>\$57,145,950</u>		<u>\$40,750,000</u>

BANKERS ACCEPTANCES

	<u>Maturity</u>	<u>PURCHASES Amount</u>	<u>Rate</u>	<u>MATURITIES Amount</u>	<u>Other Holdings</u>
Roston	1-30 days	\$ 203,000	2 3/4% - 2 7/8%	\$2,963,000	\$909,000
	31-60 "	373,000	2 3/4%		
	61-90 "	3,795,000	2 3/4%		
	Over 90 "	<u>101,000</u>	2 7/8%		
		\$4,472,000			

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BANKERS ACCEPTANCES - (Continued)

PURCHASED BY NEW YORK	MATURITIES AND RATES				Over
	Dec. 10	1-15 days	16-30 days	31-60 days	61-90 days
Other banks	\$24,000 2 3/4%	\$26,000 2 3/4%	\$72,000 2 3/4-2 7/8%	\$557,000 2 3/4-3%	\$484,000 2 7/8-3%
<u>Dec. 11</u>					
New York			12,000		
Other banks	149,000 2 3/4%	602,000 2 3/4%	1,338,000 2 3/4%	3,651,000 2 3/4-2 7/8%	346,000 2 7/8-3%
<u>Dec. 12</u>					
New York	2,241,000			135,000	
Other banks	2,252,000 2 3/4%	809,000 2 3/4%	448,000 2 3/4%	2,111,000 2 3/4-2 7/8%	269,000 2 3/4-3 1/4%
<u>Dec. 15</u>					
Other banks		95,000 2 3/4%	451,000 2 3/4%	1,122,000 2 3/4-2 7/8%	8,000 3%
<u>Dec. 16</u>					
New York				60,000	
Other banks			206,000 2 3/4%	1,359,000 2 3/4%	515,000 2 7/8%
<u>Dec. 17</u>					
New York	27,000 2 3/4%	21,000 2 3/4-3%	900,000 2 3/4%	2,435,000 2 3/4-3%	95,000 2 7/8-3%
Totals:					
New York	\$2,268,000	\$ 21,000	\$ 912,000	\$2,630,000	\$ 95,000
Other banks	2,425,000	1,532,000	2,515,000	8,800,000	1,622,000
				Totals:	
				New York	\$ 5,926,000
				Other Banks	16,920,000
				Aggregate	\$22,846,000

Matured from New York holdings week ended December 17: \$15,956,000  
 Other holdings by New York: \$4,724,000 sales contracts; \$13,620,000 one-day hold-  
 over for distribution to other Federal reserve banks; \$168,000 foreign trade bills;  
 \$1,616,000 sterling bills; \$71,000 foreign bills.

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BANKERS ACCEPTANCES - (Continued)

	<u>Maturity</u>	<u>PURCHASES</u> <u>Amount</u>	<u>Rate</u>	<u>MATURITIES</u> <u>Amount</u>	<u>Other</u> <u>Holdings</u>
Philadelphia	1-30 days	\$ 679,000	2 3/4%	\$1,992,000	0
	31-60 "	342,000	2 3/4% - 2 7/8%		
	61-90 "	604,000	3%		
		<u>\$1,625,000</u>			
Cleveland	1-30 days	137,000	2 3/4% - 2 7/8%	2,706,000	708,000 ster- ling bills
	31-60 "	902,000	2 3/4% - 2 7/8%		
	61-90 "	526,000	2 3/4% - 2 7/8%		
	In other districts	<u>3,006,000</u>	2 3/4% - 3%		
		<u>\$4,571,000</u>			
Richmond	-	786,000	-	-	0
Atlanta	1-30 days	755,000	2 3/4%	1,158,000	1,361,000 Unin- dorsed bills purchased from accept- ing banks
	31-60 "	173,000	2 3/4%		
	61-90 "	<u>82,000</u>	2 3/4%		
		<u>\$1,010,000</u>			
Chicago	31-60 days	210,000	2 3/4%	2,882,000	1,818,000 Sales Contracts
	In other districts	<u>2,355,000</u>	2 3/4% - 3%		
		<u>\$2,565,000</u>			
St. Louis	In other districts	2,488,000	2 3/4% - 3%	2,607,000	0
Minneapolis	-	0	-	108,000	0
Kansas City	In other districts	1,415,000	2 3/4% - 3%	1,574,000	0
Dallas	In other districts	2,647,000	2 3/4% - 3%	3,404,000	0
				<u>30,000</u> Sold to Mem. Bks.	
				<u>\$3,434,000</u>	
San Francisco	1-30 days	46,000	2 3/4%	5,252,000	639,000 Sales Contracts
	31-60 "	275,000	2 3/4%		
	61-90 "	758,000	2 3/4%		
	In other districts	<u>5,011,000</u>	2 3/4% - 3%		
		<u>\$6,090,000</u>			
<b>Totals</b>		<u>\$33,595,000</u>		<u>\$40,632,000</u>	<u>\$25,634,000</u>

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FEDERAL RESERVE BOARD FILE  
333.1

December 17, 1924.

Executive Folder  
Date ~~12-17-24~~

Dear Mr. Matteson:

I acknowledge receipt of and shall bring to the attention of the members of the Board your letter of the 16th instant, enclosing a report of transactions in Government securities and bankers acceptances as reported to the Open Market Investment Committee for the Federal Reserve System for the period from December 4 to December 10, 1924, inclusive, together with data received by the Committee from the Federal reserve banks.

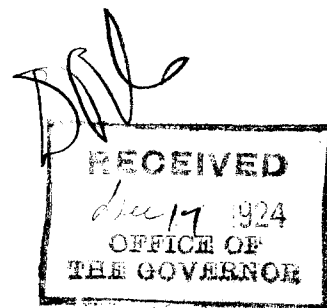
Very truly yours,

(Signed) Walter L. Eddy  
Walter L. Eddy,  
Secretary.

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

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FEDERAL RESERVE BANK  
OF NEW YORK



Open Market Investment Committee  
for the Federal Reserve System

CONFIDENTIAL

December 16, 1924

S i r :

Enclosed is a report of transactions in Govern-  
ment securities and bankers acceptances as reported to the  
Open Market Investment Committee for the Federal Reserve  
System for the period from December 4 to December 10, 1924  
inclusive, together with data received by the Committee  
from the Federal reserve banks.

Very truly yours,

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

W. B. Matteson  
Secretary of the Committee

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

Enclosure

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C O N F I D E N T I A L

REPORT OF OPEN MARKET INVESTMENT COMMITTEE  
WEEK ENDED DECEMBER 10, 1924.

C O N T E N T S

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**COMPARISON OF HOLDINGS OF EARNING ASSETS OF FEDERAL RESERVE BANKS  
 FROM JANUARY 30 TO DECEMBER 10, 1924**  
 (000 Omitted)

-1924-	TOTAL EARNING ASSETS	*GOVERNMENT	BANKERS ACCEPTANCES		BILLS
		SECURITIES	Purchases	Sales Contracts	DISCOUNTED
Jan. 30	\$ 914,881	\$120,772	\$235,930	\$35,862	\$522,307
Feb. 27	950,801	155,801	205,022	58,288	531,690
Mar. 26	942,080	257,256	164,947	37,511	482,315
Apr. 30	873,381	301,660	102,800	21,685	447,185
May 28	850,193	333,282	49,869	36,891	429,600
June 25	826,260	429,794	44,065	969	350,131
July 30	824,867	505,281	23,244	1,197	293,895
Aug. 27	855,225	541,626	48,649	640	262,560
Sept. 24	928,355	574,596	90,431	1,470	259,863
Oct. 29	1,024,176	584,200	179,746	35,658	222,565
Nov. 26	1,087,171	582,215	267,279	13,722	221,405
Dec. 3	1,186,527	574,943	315,129	39,477	248,928
10	1,167,040	551,896	318,230	34,608	254,256

\*Includes sales contracts

**CHANGES IN HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES  
 BY FEDERAL RESERVE BANKS (EXCLUSIVE OF SALES CONTRACTS)  
 DURING WEEK ENDING DECEMBER 10, 1924**  
 (000 Omitted)

	GOVERNMENT SECURITIES			BANKERS ACCEPTANCES		
	Balance Dec. 10	Balance Dec. 3	Net Change	Balance Dec. 10	Balance Dec. 3	Net Change
Boston	\$ 32,649	\$ 37,790	\$ 5,141-	\$ 54,470	\$ 52,169	\$2,301+
New York	154,781	181,733	26,952-	83,280	88,481	5,201-
Philadelphia	29,014	31,034	2,020-	19,821	20,429	608-
Cleveland	56,511	63,533	7,022-	31,801	30,559	1,242+
Richmond	4,340	4,880	540-	293	0	293+
Atlanta	3,724	3,940	216-	7,177	7,479	302-
Chicago	74,499	84,585	10,086-	26,832	26,067	765+
St. Louis	13,885	16,274	2,389-	15,769	14,678	1,091+
Minneapolis	24,403	27,298	2,895-	124	368	244-
Kansas City	31,331	34,872	3,541-	13,956	13,734	222+
Dallas	23,489	27,194	3,705-	21,322	20,458	864+
San Francisco	51,419	58,811	7,392-	43,385	40,707	2,678+
Totals	\$500,045	\$571,944	\$71,899-	\$318,230	\$315,129	\$3,101+

**COMMENT ON CHANGES FOR WEEK ENDED DECEMBER 10**

Total earning assets of all reserve banks declined \$19,487,000 during the week from the high point since January 2, 1924, reached last week. A net decline of \$72,400,000 in the System Special Investment Account was partly offset by an increase of \$51,851,000 in securities held under sales contracts so that total holdings of Government securities declined \$23,047,000. Bills discounted increased further \$5,328,000 to the highest point since the middle of October. An increase of \$3,101,000 in bills purchased outright was over-balanced by a decline of \$4,869,000 in bills carried under sales contracts so that total bill holdings for the System remained virtually unchanged at the highest point since 1920.

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MONEY MARKET

Money continued firmer in New York accompanying activity in the security market, the movement of funds to the interior, and the sales of securities to the market from the System Special Investment Account. Commercial paper rates advanced slightly to 3 1/2 - 3 3/4 per cent., the highest since June and two bill dealers raised their offering rates on 90-day bills 1/8 to 3 per cent., the highest since May.

Call loan renewals at 3 1/2 per cent. for three successive days likewise averaged higher than at any time since Spring, and on Wednesday, December 10, new loans touched 4 per cent. for the second time within a month.

	<u>Week Ended</u> <u>December 6</u>	<u>Week Ended</u> <u>December 13</u>
Call money, renewals, average	3.10	3.35
Call money, new loans, average	3.14	3.49
Time money, 60-90 days, offer	3 1/4 - 3 1/2	3 1/2 - 3 3/4
Commercial paper, 4 - 6 months	3 1/2	3 1/2 - 3 3/4

SECURITY MARKETSStock  
Market

Daily transactions in stocks continued over 1,500,000 shares and on Wednesday, December 10, sales exceeded 2,000,000 shares. Prices reacted sharply about mid-week but recovered on Friday and Saturday so that at the close of the week the Dow-Jones average of industrials stood at a new high point since November 1919, and was within about 7 points of the record high level of that month, and the average for the rails was less than a point below the year's high reached early in the month.

General  
Bond  
Market

Continued firmness in money conditions was accompanied by a slight recession in bond price averages. Both the "Annalist" and the Dow-Jones averages on Saturday, December 13, were about 1/4 of a point lower than a week previous but still relatively near the high levels of the year. Foreign bonds were also generally easier, as indicated by the "Times" average of 10 issues which closed Saturday 1/4 point under a week previous and 1/2 point under the year's high.



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Foreign Exchange

At \$4.71 on Tuesday sterling sold within a cent of last year's high point of \$4.72. Later in the period there was a reaction of about 2 cents. Danish and Norwegian exchanges also reached new high levels for the year and Swiss exchange ruled slightly above parity. Dutch guilders after selling over 30 points above par a week previous declined about 20 points to 40.30 cents, and French exchange reacted 22 points to 5.30 cents following the interjection of the British claims into the refunding discussion between France and this country.

New Financing

New security offerings totaled \$65,000,000 during the week ended December 13 compared with over \$100,000,000 in the two preceding weeks and were considerably smaller than the weekly average of recent months. The decrease was due largely to smaller offerings of foreign issues, as domestic issues continued to be sold in fairly large amounts. Two small foreign issues offered during the week were \$2,500,000 for the International Railways of Central America and \$3,300,000 for the Montreal Tramways. In general, the new issues continued to be readily sold.

Liberty Bond Market

The Government bond market continued to show increased activity following the offering of the new Treasury 4's, and sales on the Exchange during the week totaled about \$30,000,000 and were more than double those of the week before. The increase in trading was particularly marked in the Third and Fourth 4 1/4's. Net prices changes of Liberty bonds for the week were of minor character, but the Treasury bonds of 1947 - 52 declined 9/32nds further, as indicated in the following summary of sales in which decimals represent thirty-seconds:

Amount in Thousands	Issue	Closing Prices		-1 9 2 4-	
		Dec. 13	Dec. 6	Low	High
\$ 1,916	First 3 1/2's	100.28	100.27	98.22	101.28
364	" 4 1/4's	101.21	101.20	98.8	*102.22
2,839	Second 4 1/4's	100.25	101.13	98.4	*102.00
4,025	Third 4 1/4's	101.16	101.12	99.8	*102.23
16,408	Fourth 4 1/4's	101.31	101.31	98.8	*103.00
4,470	Treasury 4 1/4's	105.8	105.17	99.8	*107.7

\*High since date of issuance

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New York  
Market for  
Short-term  
Government

With the exception of the continued active demand for the short maturities, especially for the March 1925 certificates and notes which might be exchanged for the new 4 per cent. Treasury bonds, the market for short-term Government securities was generally quiet. Dealers report a good demand for the September 1925 certificates which was attributed to the employment of the short funds taken from the March maturities and in anticipation of the redemption of maturing December issues. A general quietness in the long-term issues resulted in fractional declines of 2/32nds from the close of the preceding week, with a corresponding rise in yields as indicated in the following table:

	<u>December 6</u>	<u>December 13</u>
Maturing June 1925 - yield	2.61	2.47
Maturing September 1925 - yield	2.78	2.69
Maturing December 1925 - yield	2.99	2.87
Maturing September 1926 - yield	3.52	3.57
Maturing March 1927 - yield	3.71	3.75
Maturing December 1927 - yield	3.71	3.74

BANKERS ACCEPTANCES

Rates

Rates in all districts were uncertain during the week and dealers generally advanced both their bid and offer rates 1/8 to 1/4 per cent. and offered 90-day bills at 2 7/8 per cent., while other maturities varied correspondingly. Late in the week several dealers advanced offering rates 1/8 per cent. further on unindorsed bills and were offering 90-day maturities at 3 per cent., the highest since May.

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4-A

Abstract  
of Reports  
from Banks

In Boston the supply of bills continued moderate but the volume of sales reported during the week was poor. The local demand was spotty with 60 and 90-day maturities in best demand. Dealers are not carrying any sizable portfolios owing to the uncertain rates and are seeking a quick market for bills purchased. Sales to the reserve bank were somewhat less than in preceding weeks. The New York market was very unsettled during the week and consequently less active. Although there was a fairly good supply of bills firmer money conditions, together with the uncertainty of rates, resulted in a distinct decrease in the demand. The advance in rates did not improve the situation and at the close of the week dealers combined portfolios were substantially increased. Offerings to the reserve bank were somewhat less than in the previous week. Philadelphia reports very little activity in the acceptance market during the week while the supply was moderate. Dealers advanced rates owing to increasing portfolios and unsatisfactory sales. In Chicago dealers report a very quiet bill market. The supply was in fair amount while the demand was light, reflecting uncertainty as to future rate changes.

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OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

Alien  
Property  
Custodian

At the request of the Treasury the Federal Reserve Bank of New York purchased during the period \$13,000,000 Fourth Liberty Loan and Treasury bonds of 1947 - 52, \$25,000,000 Third Liberty Loan bonds and \$15,000,000 certificates maturing September 15, 1925, for account of the Alien Property Custodian. The funds of these purchases were provided in part through the prior redemption by the Treasury of \$27,367,000 certificates maturing December 15, 1924, from the investments of the Alien Property Custodian held by the Federal Reserve Banks of Chicago and New York and the sale of \$15,000,000 and \$5,050,000 certificates maturing March 15, 1925, and September 15, 1925, respectively.

Upon Treasury authority the Federal Reserve Bank of New York sold for a special account \$10,000,000 notes and certificates maturing March 15, 1925, and invested the proceeds in the purchase of Treasury Notes due June 15, 1925.

SYSTEM SPECIAL INVESTMENT ACCOUNT

Transactions in the System Special Investment Account during the period which, in accordance with the Committee's policy, were consummated in consideration of money conditions and the demand for March 1925 maturities, were as follows:

Prior redemption by Treasury December 15, 1924 C/I	\$15,000,000
Sales in Philadelphia, Chicago and New York districts	
March 1925 maturities	<u>75,000,000</u>
Total sales	\$90,000,000
Purchases of issues maturing June, Sept. & Dec. 1925	
in partial replacement of previous sales	<u>17,600,000</u>
Net decrease in System holdings	<u>\$72,400,000</u>

Total holdings of Government securities in the System account at the close of business December 10 amounted to \$412,600,000, the apportionment of which to all Federal reserve banks was as follows:

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	<u>Treasury Notes</u>	<u>Certificates of Indebtedness</u>	<u>Liberty Loan Bonds</u>	<u>Total</u>
Boston	\$ 20,844,000	\$ 7,744,500	\$ 500,000	\$ 29,088,500
New York	110,056,000	39,822,500	3,700,000	153,578,500
Philadelphia	6,639,000	4,585,500	200,000	11,424,500
Cleveland	29,651,500	10,682,000	1,200,000	41,533,500
Richmond	2,134,500	865,000	0	2,999,500
Atlanta	863,500	253,500	100,000	1,217,000
Chicago	41,339,000	15,402,000	1,200,000	57,941,000
St. Louis	10,379,000	2,906,000	600,000	13,885,000
Minneapolis	12,173,000	4,096,000	300,000	16,569,000
Kansas City	14,508,500	5,256,500	500,000	20,265,000
Dallas	15,728,000	5,561,000	600,000	21,889,000
San Francisco	30,170,000	10,939,500	1,100,000	42,209,500
<b>Totals</b>	<b>\$294,486,000</b>	<b>\$108,114,000</b>	<b>\$10,000,000</b>	<b>\$412,600,000</b>

RECAPITULATION OF PURCHASES

<u>Made by</u>	<u>Amount</u>
Boston	\$ 18,648,500
New York	311,707,700
Philadelphia	14,979,500
Cleveland	4,090,000
Richmond	600,000
Atlanta	1,944,400
Chicago	36,300,000
St. Louis	5,453,900
Minneapolis	3,128,000
Dallas	8,169,000
San Francisco	7,579,000
	<b>\$412,600,000</b>

RECAPITULATION OF PURCHASES BY MATURITIES

Dec. 15, 1924	\$ 34,944,000
March 15, 1925	55,000,000
June 15, 1925	51,197,700
Sept. 15, 1925	60,810,500
Dec. 15, 1925	48,417,000
March 15, 1926	57,707,600
Sept. 15, 1926	26,351,000
March 15, 1927	38,875,900
Dec. 15, 1927	29,296,300
Third L.L. Bonds	10,000,000
Sept. 15/28	
	<b>\$412,600,000</b>

N. B. Since the period covered by this report additional purchases of June, September and December 1925 maturities have been made in the Boston, Philadelphia, Chicago, Cleveland and New York districts, aggregating \$39,796,000. These transactions together with \$34,944,000 December 15, 1924 certificates to be redeemed on that date will bring the total holdings in the System account to \$417,452,000.

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ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF  
 ALL FEDERAL RESERVE BANKS FROM DECEMBER 4 TO DECEMBER 10, 1924

GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>	<u>Held Under Sales Contracts</u>
Boston	\$ 788,000	Part.Sys.Inv.C/I	\$1,491,000	Part.Sys.Inv.C/I	\$1,032,000
	<u>461,800</u>	" " " T/N	<u>4,899,500</u>	" " " T/N	
	<u>\$1,249,800</u>		<u>\$6,390,500</u>		
New York	4,131,500	Part.Sys.Inv.C/I	7,816,500	Part.Sys.Inv.C/I	49,471,000
	<u>2,419,100</u>	" " " T/N	<u>25,686,000</u>	" " " T/N	
	<u>\$6,550,600</u>		<u>\$33,502,500</u>		
Philadelphia	309,500	Part.Sys.Inv.C/I	586,000	Part.Sys.Inv.C/I	0
	<u>181,400</u>	" " " T/N	<u>1,924,500</u>	" " " T/N	
	<u>\$490,900</u>		<u>\$2,510,500</u>		
Cleveland	1,112,000	Part.Sys.Inv.C/I	2,104,000	Part.Sys.Inv.C/I	0
	651,000	" " " T/N	6,913,000	" " " T/N	
	1,400,000	3rd L/L. Bonds	1,400,000	TM-1925 Ctfs.	
	32,000	C-1925 Notes			
	<u>200,000</u>	TS-1925 Ctfs.			
	<u>\$3,395,000</u>		<u>\$10,417,000</u>		
Richmond	83,000	Part.Sys.Inv.C/I	157,000	Part.Sys.Inv.C/I	0
	<u>48,300</u>	" " " T/N	<u>514,000</u>	" " " T/N	
	<u>\$131,300</u>		<u>\$671,000</u>		
Atlanta	31,000	Part.Sys.Inv.C/I	58,500	Part.Sys.Inv.C/I	0
	18,200	" " " T/N	191,000	" " " T/N	
	<u>53,400</u>	Misc.Gov't Sec.	<u>68,700</u>	Misc. Gov't Sec.	
	<u>\$102,600</u>		<u>\$318,200</u>		
Chicago	1,564,500	Part.Sys.Inv.C/I	2,959,500	Part.Sys.Inv.C/I	348,000
	916,500	" " " T/N	9,725,000	" " " T/N	
	<u>118,250</u>	4th L/L. Bonds			
	<u>\$2,599,250</u>		<u>\$12,684,500</u>		
St. Louis	366,500	Part.Sys.Inv.C/I	693,000	Part.Sys.Inv.C/I	0
	<u>214,500</u>	" " " T/N	<u>2,277,000</u>	" " " T/N	
	<u>\$581,000</u>		<u>\$2,970,000</u>		

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GOVERNMENT SECURITIES - (Continued)

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>	<u>Held Under Sales Contracts</u>
Minneapolis	\$ 448,500	Part. Sys. Inv. C/I	\$ 848,500	Part. Sys. Inv. C/I	0
	262,400	" " " T/N	2,738,000	" " " T/N	
	<u>1,310,200</u>	Misc. Gov't Sec.	<u>1,279,200</u>	Misc. Gov't Sec.	
	<u>\$2,021,100</u>		<u>\$4,915,700</u>		
Kansas City	545,500	Part. Sys. Inv. C/I	1,031,000	Part. Sys. Inv. C/I	750,000
	319,400	" " " T/N	3,387,500	" " " T/N	
	<u>12,800</u>	Misc. Gov't Sec.			
	<u>\$ 877,700</u>		<u>\$4,418,500</u>		
Dallas	586,500	Part. Sys. Inv. C/I	1,111,000	Part. Sys. Inv. C/I	250,000
	343,800	" " " T/N	3,649,000	" " " T/N	
	<u>125,000</u>	3rd L/L Bds.			
	<u>\$1,055,300</u>		<u>\$4,760,000</u>		
San Francisco	1,133,500	Part. Sys. Inv. C/I	2,144,000	Part. Sys. Inv. C/I	0
	<u>663,600</u>	" " " T/N	<u>7,045,500</u>	" " " T/N	
	<u>\$1,797,100</u>		<u>\$9,189,500</u>		
<b>Totals</b>	<u>\$20,851,650</u>		<u>\$92,747,900</u>		<u>\$51,851,000</u>

BANKERS ACCEPTANCES

	<u>Maturity</u>	<u>PURCHASES Amount</u>	<u>Rate</u>	<u>MATURITIES Amount</u>	<u>Other Holdings</u>
Boston	1-30 days	\$ 77,000	2 1/2% - 2 7/8%	\$3,083,000	\$1,340,000 Sales Contracts
	31-60 "	1,752,000	2 1/2% - 2 3/4%		
	61-90 "	3,528,000	2 5/8% - 3%		
	Over 90 "	<u>27,000</u>	3%		
		<u>\$5,384,000</u>			

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BANKERS ACCEPTANCES - (Continued)

PURCHASED BY NEW YORK	MATURITIES AND RATES				
	<u>1-15 days</u>	<u>16-30 days</u>	<u>31-60 days</u>	<u>61-90 days</u>	<u>Over 90 days</u>
<u>Dec. 3</u>					
Other banks	\$783,000 2 1/4-2 3/8%	\$99,000 2 1/4-2 3/8%	\$615,000 2 3/8-2 1/2%	\$6,980,000 2 1/2-2 5/8%	\$365,000 2 5/8-3%
<u>Dec. 4</u>					
New York	326,000	100,000	301,000	1,015,000	117,000
Other banks	288,000 2 3/8-2 5/8%	16,000 2 3/8-2 5/8%	643,000 2 1/2-2 3/4	1,279,000 2 5/8%	45,000 2 3/4-3%
<u>Dec. 5</u>					
New York	1,998,000	11,000	126,000	527,000	281,000
Other banks	540,000 2 1/2%	140,000 2 1/2-2 3/4%	237,000 2 1/2-2 3/4%	2,140,000 2 5/8-2 7/8%	145,000 2 7/8%
<u>Dec. 8</u>					
New York		75,000		21,000	
Other banks	151,000 2 1/2-2 3/4%	7,000 2 1/2-2 3/4%	2,074,000 2 3/4-2 7/8%	2,081,000 2 3/4-3%	462,000 2 7/8-3 1/4%
<u>Dec. 9</u>					
New York	2,725,000		14,000		
Other banks	2 3/4-2 7/8%	202,000 2 3/4-2 7/8%	1,824,000 2 3/4-2 7/8%	908,000 2 3/4%	120,000 2 7/8%
<u>Dec. 10</u>					
New York	15,000 2 3/4%		3,000 2 3/4-2 7/8%		
<u>Totals:</u>					
New York	\$5,064,000	\$136,000	444,000	\$1,563,000	\$ 398,000
Other Banks	1,762,000	464,000	\$5,393,000	13,388,000	1,137,000
			Totals; New York	\$ 7,655,000	
			Other Banks	<u>22,144,000</u>	
			Aggregate	<u>\$29,799,000</u>	

Matured from New York holdings week ended December 10: \$12,856,000

Other holdings by New York: \$23,808,000 sales contracts; \$1,163,000 one-day hold-over for distribution to other Federal reserve banks; \$169,000 foreign trade bills; \$2,206,000 sterling bills; \$191,000 foreign bills.



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BANKERS ACCEPTANCES - (Continued)

	<u>Maturity</u>	<u>PURCHASES</u>		<u>MATURITIES</u>	<u>Other Holdings</u>
		<u>Amount</u>	<u>Rate</u>	<u>Amount</u>	
Philadelphia	1-30 days	\$ 30,000	2 5/8%	\$1,200,000	0
	31-60 "	249,000	2 5/8% - 2 7/8%		
	61-90 "	<u>313,000</u>	2 3/4% - 2 7/8%		
		<u>\$592,000</u>			
Cleveland	31-60 days	99,000	2 3/4%	3,209,000	708,000 sterling bills
	61-90 "	400,000	2 5/8%		
	In other districts	<u>3,952,000</u>	2 3/8% - 3%		
		<u>\$4,451,000</u>			
Richmond	-	293,000	-	0	0
Atlanta	1-30 days	33,000	2 1/2%	878,000	1,418,000 unin-dorsed bills pur-chased from ac-cepting banks
	31-60 "	135,000	2 3/4%		
	61-90 "	55,000	2 3/4%		
	In other districts	<u>353,000</u>	2 3/8% - 3%		
		<u>\$576,000</u>			
Chicago	61-90 days	375,000	2 3/4%	2,926,000	1,595,000 sales contracts
	In other districts	<u>3,316,000</u>	2 3/8% - 3%		
		<u>\$3,691,000</u>			
St. Louis	In other districts	2,646,000	2 3/8% - 3%	1,555,000	0
Minneapolis	-	0	-	244,000	0
Kansas City	In other districts	2,126,000	2 3/8% - 3%	1,904,000	0
Dallas	In other districts	3,393,000	2 3/8% - 3%	2,529,000	0
San Francisco	1-30 days	371,000	2 1/2% - 2 5/8%	4,800,000	2,010,000 sales contracts
	31-60 "	251,000	2 3/4% - 2 5/8%		
	61-90 "	454,000	2 1/4% - 2 1/4%		
	In other districts	<u>6,402,000</u>	2 3/4% - 3%		
		<u>\$7,478,000</u>			
<b>Totals</b>		<u>\$38,285,000</u>		<u>\$35,184,000</u>	<u>\$34,608,000</u>

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RECEIVED

33301

*W. B. M.*

Executive folder  
Date 12-11-24

December 11, 1924.

Dear Mr. Matteson:

I acknowledge receipt of and shall bring to the attention of the members of the Board your letter of the 8th instant, enclosing a report of transactions in Government securities and bankers acceptances as reported to the Open Market Investment Committee for the Federal Reserve System for the period from November 27 to December 3, 1924, inclusive, together with data received by the Committee from the Federal Reserve Banks.

Very truly yours,

(Signed) Walter L. Eddy

Walter L. Eddy,  
Secretary.

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

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**FEDERAL RESERVE BANK  
OF NEW YORK**

*DMB*

*Dec 9*

Open Market Investment Committee  
for the Federal Reserve System

CONFIDENTIAL

December 6, 1924

S i r :

Enclosed is a report of transactions in Govern-  
ment securities and bankers acceptances as reported to the  
Open Market Investment Committee for the Federal Reserve  
System for the period from November 27 to December 3, 1924  
inclusive, together with data received by the Committee  
from the Federal reserve banks.

Respectfully,



W. B. Matteson  
Secretary of the Committee

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

Enclosure

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C O N F I D E N T I A L

REPORT OF OPEN MARKET INVESTMENT COMMITTEE  
WEEK ENDED DECEMBER 3, 1924.

C O N T E N T S

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**COMPARISON OF HOLDINGS OF EARNING ASSETS OF FEDERAL RESERVE BANKS  
 FROM JANUARY 30 TO DECEMBER 3, 1924**  
 (000 Omitted)

-1924-	TOTAL EARNING ASSETS	*GOVERNMENT SECURITIES	BANKERS ACCEPTANCES		BILLS DISCOUNTED
			Purchases	Sales Contracts	
Jan. 30	\$ 914,881	\$120,772	\$235,930	\$35,862	\$522,307
Feb. 27	950,801	155,801	205,022	58,288	531,690
Mar. 26	942,080	257,256	164,947	37,511	482,315
Apr. 30	873,381	301,660	102,800	21,685	447,185
May 28	850,193	333,282	49,869	36,891	429,600
June 25	826,260	429,794	44,065	969	350,131
July 30	824,867	505,281	23,244	1,197	293,895
Aug. 27	855,225	541,626	48,649	640	262,560
Sept. 24	928,355	574,596	90,431	1,470	259,863
Oct. 29	1,024,176	584,200	179,746	35,658	222,565
Nov. 26	1,087,171	582,215	267,279	13,722	221,405
Dec. 3	1,186,527	574,943	315,129 ✓	39,477 ✓	248,928 ✓

\* Includes sales contracts

**CHANGES IN HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES  
 BY FEDERAL RESERVE BANKS (EXCLUSIVE OF SALES CONTRACTS)  
 DURING WEEK ENDING DECEMBER 3, 1924**  
 (000 Omitted)

	GOVERNMENT SECURITIES			BANKERS ACCEPTANCES		
	Balance Dec. 3	Balance Nov. 26	Net Change	Balance Dec. 3	Balance Nov. 26	Net Change
Boston	\$ 37,790	\$ 38,500	\$ 710-	\$52,169	\$ 39,825	\$12,344+
New York	181,733	185,455	2,722-	88,481	72,742	15,739+
Philadelphia	31,034	31,313	279-	20,429	19,528	901+
Cleveland	63,533	64,535	1,002-	30,559	25,179	5,380+
Richmond	4,880	4,955	75-	0	0	0
Atlanta	3,940	3,944	4-	7,479	6,982	497+
Chicago	84,585	85,994	1,409-	26,067	25,403	664+
St. Louis	16,274	16,604	330-	14,678	12,630	2,048+
Minneapolis	27,298	27,638	340-	368	635	267-
Kansas City	34,872	35,099	227-	13,734	11,542	2,192+
Dallas	27,194	27,598	404-	20,458	17,133	3,325+
San Francisco	58,811	59,831	1,020-	40,707	35,680	5,027+
<b>Totals</b>	<b>\$571,944</b>	<b>\$581,466</b>	<b>\$9,522-</b>	<b>\$315,129</b>	<b>\$267,279</b>	<b>\$47,850+</b>

**COMMENT ON CHANGES FOR WEEK ENDED DECEMBER 3**

Total earning assets of all reserve banks increased \$99,356,000 during the statement week and are at the highest point since the week ended January 2, 1924. Accompanying the firmer conditions in the bill market and the successive change in rates, bills purchased outright increased \$47,850,000 and bills held under sales contracts advanced \$25,755,000, which brought total holdings for the System to the highest point since 1920. Bills discounted increased \$27,523,000 from the low point since 1917 reached last week, while Government security holdings declined \$7,272,000, due to the prior redemption by the Treasury of December certificates held in the System's Special Investment Account.

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MONEY MARKET

Money conditions in New York continued firm, accompanying continued stock market activity, and the usual first of month shifting of funds. On Wednesday, December 3, stock exchange call money renewed at 3 1/2 per cent. for the first time since the end of May, but following the substantial return of funds from the interior late in the week, money conditions turned somewhat easier and call money ruled at 3 per cent. throughout the balance of the week. The average rate at which new loans on the stock exchange were placed during the period ended December 3 was 3.30 per cent. compared with 2.49 per cent. the week before. Time money was quiet with rates slightly higher.

Commercial paper dealers report activity in the west but the eastern markets were generally quiet. Rates were somewhat firmer, the bulk of prime 4 to 6 months' names going at 3 1/2 per cent.

	<u>Week Ended</u> <u>Nov. 26</u>	<u>Week Ended</u> <u>Dec. 3</u>
Call money, renewals, average	2.50	3.00
Call money, new loans, average	2.49	3.30
Time money, 60 - 90 days, offer	3 - 3 1/2	3 1/4 - 3 1/2
Commercial paper, 4 - 6 months	3 1/4 - 3 1/2	3 1/4 - 3 1/2

SECURITY MARKETSStock  
Market

Stocks continued active and on several days daily transactions on the stock exchange were in excess of two million shares. As indicated in the accompanying table, railroad averages advanced over 1 3/4 points and on Thursday, December 4, reached a new high point since early in 1917, a gain of over 18 points from the year's low level reached in January. Industrial stocks advanced sharply and averages reached the highest point since November 1919, and were within about 8 points of the record high level for that month. Since the election and in 25 trading days stock transactions have totaled about 48 million shares

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and railroad and industrial averages have advanced 8 1/2 and 7 1/2 points respectively.

Date	Total Sales	Dow-Jones Average		Gain from 1924 Low	
		20 R.R.	20 Ind.	20 R.R.	20 Ind.
Nov. 28	2,368,114	96.25	111.10	16.27	22.77
" 29	1,177,184	96.35	111.38	16.37	23.05
Dec. 1	2,093,959	96.28	110.44	16.30	22.11
" 2	1,573,045	96.60	110.71	16.62	22.38
" 3	2,010,815	97.21	110.83	17.23	22.50
" 4	2,338,415	98.03*	111.56**	18.05	23.23

\*High since April 1917<sup>v</sup>

\*\*High since November 1919

General  
Bond  
Market

Bond trading during the period was somewhat slackened and, owing to the intervening holiday, transactions totaled only \$80 million compared with \$109 million the week before. Speculative industrial and railroad bonds continued to advance sharply while representative averages of high grade corporation bonds advanced fractionally and were close to the highest point since 1922. Foreign bonds were moderately active but prices declined slightly from their recent high levels.

Foreign  
Exchange

Reflecting smaller offerings of grain and cotton bills sterling renewed its sharp advance and at \$4.68 3/4 reached a new high point since April 1923, and showed a gain of nearly 19 cents since the end of October, when the rapid rise began. French and Belgian francs advanced sharply and at 5.52 and 5.03 cents respectively reached new high points since September but francs reacted on Friday, December 5, and canceled about half of their advance. Dutch guilders and Swedish kroner reached new high points for recent years at 25 and 15 points respectively above par, while Swiss francs were also quoted at a premium of 7 points. The new German reichsmark held steady at par. South American and Far Eastern exchanges were slightly higher.

New  
Financing

New bond offerings during the week ended December 5 totaled \$91 million compared with \$137 million the week before when the French

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external loan of \$200 million was offered, but the new offering represented a larger participation in nearly all classes of financing than in the previous week. State and municipal issues, which have recently been comparatively small, totaled \$18 million and railroad financing \$13 million. Foreign offerings aggregated \$44 million of which the largest single offering was \$30 million 6 per cent. bonds of the Government of Argentina, due 1958, and offered to yield 6.35 per cent. Foreign financing aggregating over \$1,150 million so far this year has been widely diversified among the various countries, as indicated in the following table showing the par value of bonds sold:

Argentina	\$135,000,000
Belgium	40,000,000
Canada	235,000,000
Cuba	30,000,000
Czecho-Slovakia	11,000,000
Finland	19,000,000
France	161,000,000
Germany	115,000,000
Holland	46,000,000
Japan	187,000,000
Mexico	50,000,000
Norway	33,000,000
Sweden	30,000,000
Switzerland	30,000,000
All others	<u>45,000,000</u>
Total	<u>\$1,167,000,000</u>

Liberty  
Bond  
Market

Government bond transactions totaled only \$9 million during the period and the market was generally quiet and featureless during the early part of the period. The announcement of the new Treasury offering on Wednesday, December 3, was immediately followed by increased activity and a moderate decline in the Third Liberty bonds, while the Treasury 4 1/4's temporarily touched 104 3/32nds, off about 1/2 a point from the previous day's close, but a later recovery left only small net declines for the day and, as indicated in the follow-



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ing table, closing prices showed only moderate declines from the previous week:

Amount in Thousands	Issue		Closing Prices		-1 9 2 4-	
			Nov. 26	Dec. 3	Low	High
\$ 433	First	3 1/2's	100.25	100.26	98.22	101.28
271	"	4 1/4's	101.29	101.23	98.8	*102.22
2,038	Second	4 1/4's	101.5	101.4	98.4	*102.00
1,638	Third	4 1/4's	101.16	101.12	99.8	*102.23
3,400	Fourth	4 1/4's	102.3	102.	98.8	*103.00
1,683	Treasury	4 1/4's	105.13	105.4	99.8	*107.7

\*High since date of issuance

New York  
Market for  
Short-term  
Governments

The market for short-term Government securities was moderately active during the period. Long-term Treasury Notes were firm and prices generally held steady with yields virtually unchanged. Dealers report a good demand for the short maturities and especially for the March 1925 certificates and notes which might be tendered in exchange for the new Treasury bonds and, as indicated in the following table, the yield on that maturity declined nearly 1/2 a point on Wednesday, December 3, and on Saturday, December 6, these issues were offered to yield only 1.37 per cent.

		<u>November 26</u>	<u>December 3</u>
Maturing March	1925 - yield	2.55	2.07
Maturing June	1925 - yield	2.76	2.70
Maturing December	1925 - yield	2.99	3.00
Maturing September	1926 - yield	3.50	3.53
Maturing March	1927 - yield	3.67	3.72
Maturing December	1927 - yield	3.68	3.71

BANKERS ACCEPTANCES

Rates

Firmer money conditions, a substantial increase in the supply of bills, and a corresponding decrease in the demand, were factors in a raise of 1/4 per cent. in dealers' offering rates during the statement week and at the close of the period dealers were offering 90-day bills at 2 3/4 per cent., 60's at 2 5/8 per cent., and 30's at 2 1/2 per cent. On Friday, December 5, dealers in New York generally advanced their rates 1/8 per cent. further and were offering 90-day bills

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at 2 7/8 per cent., while other maturities varied correspondingly.

Abstract  
of Reports  
from Banks

Boston reports a moderate amount of bills coming into the market with the supply and demand about equal. The demand was localized and chiefly from city banks. Heavy sales to the reserve bank have reduced dealers' portfolios to the lowest point since early in September. In New York there was a large supply of bills with only a light demand which caused dealers to raise their rates in order to reduce their portfolios. The increase in rates, however, had little effect on the demand which continued moderate. Local sales were substantially less than in previous weeks while out-of-town sales showed but slight improvement. The demand was principally for the short maturities. Sales to the reserve bank by both banks and dealers were unusually large, due to the upward trend in rates and the generally unsettled condition of the market. Offerings to the Philadelphia bank were comparatively heavy. The supply of bills was good but the demand was light from both local and inland banks. In Chicago the supply was fairly large with demand uncertain owing to the changing rates.

OPERATIONS FOR ACCOUNT UNITED STATES TREASURY

At the request of the Treasury the Federal Reserve Bank of New York purchased during the period \$2,446,000 Fourth Liberty Loan 4 1/4% bonds and \$226,000 Treasury bonds of 1947-52 account Alien Property Custodian.

Under Treasury authority the Federal Reserve Bank of New York also sold \$5,000,000 TM-1925 certificates of indebtedness and purchased \$4,918,300 series C-1925 Treasury Notes for a special account.

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SYSTEM SPECIAL INVESTMENT ACCOUNT

In accordance with previous arrangements, as stated in last week's report, there were redeemed by the Treasury during the period from the System's holdings \$10,000,000 certificates of indebtedness due December 15, 1924. The securities held in the System Account at the close of business December 3 amounted to \$485,000,000, the apportionment of which to all Federal reserve banks was as follows:

	<u>Treasury</u> <u>Notes</u>	<u>Certificates of</u> <u>Indebtedness</u>	<u>Liberty Loan</u> <u>Bonds</u>	<u>Total</u>
Boston	\$ 25,281,700	\$ 8,447,500	\$ 500,000	\$ 34,229,200
New York	133,322,900	43,507,500	3,700,000	180,530,400
Philadelphia	8,382,100	4,862,000	200,000	13,444,100
Cleveland	35,913,500	11,674,000	1,200,000	48,787,500
Richmond	2,600,200	939,000	0	3,539,200
Atlanta	1,036,300	281,000	100,000	1,417,300
Chicago	50,147,500	16,797,000	1,200,000	68,144,500
St. Louis	12,441,500	3,232,500	600,000	16,274,000
Minneapolis	14,698,600	4,496,000	300,000	19,494,600
Kansas City	17,576,600	5,742,000	500,000	23,818,600
Dallas	19,033,200	6,085,500	600,000	25,718,700
San Francisco	<u>36,551,900</u>	<u>11,950,000</u>	<u>1,100,000</u>	<u>49,601,900</u>
<b>Totals</b>	<u>\$356,986,000</u>	<u>\$118,014,000</u>	<u>\$10,000,000</u>	<u>\$485,000,000</u>

RECAPITULATION OF PURCHASES

<u>Made by</u>	<u>Amount</u>
Boston	\$ 13,648,500
New York	336,107,700
Philadelphia	14,979,500
Cleveland	4,090,000
Richmond	600,000
Atlanta	1,944,400
Chicago	34,300,000
St. Louis	5,453,900
Minneapolis	3,128,000
Dallas	8,169,000
San Francisco	<u>7,579,000</u>
	<u>\$485,000,000</u>

RECAPITULATION OF PURCHASES BY MATURITIES

Dec. 15, 1924	\$ 49,944,000
March 15, 1925	130,000,000
June 15, 1925	49,197,700
Sept. 15, 1925	49,710,500
Dec. 15, 1925	43,917,000
March 15, 1926	57,707,600
Sept. 15, 1926	26,351,000
March 15, 1927	38,875,900
Dec. 15, 1927	29,296,300
Third Liberty Loan Bonds	10,000,000
Sept. 15, 1923	<u>                    </u>
	<u>\$485,000,000</u>

N.B. - Since the period covered by this report an additional \$5,000,000 December 15, 1925 certificates were redeemed on December 4 and arrangements were completed for a further prior redemption by the Treasury of \$10,000,000 December maturities on Tuesday, December 9. In order to make March 15, 1925 securities available in the market for purchasers who wish to exchange them for the new offering of 4 per cent. Treasury bonds, and in consideration of the money situation in New York, the Committee approved the selling in the market of a portion of the March 15, 1925 securities without replacing them immediately. Sales in the Philadelphia, Chicago and New York districts, up to the close of business December 8, 1924, aggregated \$65,000,000. These transactions, together with a purchase of \$3,000,000 of June and September 1925 maturities, and including the prior redemption contracted for of \$10,000,000 December maturities, brings the total holdings in the System's account to \$408,000,000.

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ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF ALL  
 FEDERAL RESERVE BANKS FROM NOVEMBER 27 TO DECEMBER 3, 1924

<u>GOVERNMENT SECURITIES</u>					Held Under Sales Contracts
	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>	
Boston	0	-	\$ 710,000	Part. Sys. Inv. C/I	0
New York	0	-	3,722,000	Part. Sys. Inv. C/I	800,000
Philadelphia	0	-	279,000	Part. Sys. Inv. C/I	0
Cleveland	0	-	1,002,000	Part. Sys. Inv. C/I	0
Richmond	0	-	75,000	Part. Sys. Inv. C/I	0
Atlanta	130,300	Misc. Gov't Sec.	28,000	Part. Sys. Inv. C/I	0
			<u>107,150</u>	Misc. Gov't Sec.	
			<u>\$ 135,150</u>		
Chicago	0	-	1,409,000	Part. Sys. Inv. C/I	1,450,000
St. Louis	0	-	330,000	Part. Sys. Inv. C/I	0
Minneapolis	863,950	Misc. Gov't Sec.	404,000	Part. Sys. Inv. C/I	0
			<u>799,000</u>	Misc. Gov't Sec.	
			<u>\$1,203,850</u>		
Kansas City	263,850	Misc. Gov't Sec.	491,000	Part. Sys. Inv. C/I	750,000
Dallas	125,000	Third L. L. Bonds	529,000	Part. Sys. Inv. C/I	0
San Francisco	<u>1,000</u>	Misc. Gov't Sec.	<u>1,021,000</u>	Part. Sys. Inv. C/I	<u>0</u>
Totals	<u>\$1,384,100</u>		<u>\$10,907,000</u>		<u>\$2,200,000</u>

BANKERS ACCEPTANCES

	<u>Maturity</u>	<u>PURCHASES</u> Amount	<u>Rate</u>	<u>MATURITIES</u> Amount	<u>Other</u> Holdings
Boston	1-30 days	\$ 407,000	2 1/4% - 2 3/8%	\$2,676,000	\$ 843,000
	31-60 "	3,947,000	2 3/8% - 2 1/2%		Sales Contracts
	61-90 "	10,112,000	2 1/2% - 2 5/8%		
	Over 90 "	127,000	2 5/8%		
	In other districts	<u>427,000</u>	2 1/8% - 2 3/4%		
Total		<u>\$15,020,000</u>			

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BANKERS ACCEPTANCES - (Continued)

PURCHASED BY <u>NEW YORK</u>	<u>MATURITIES AND RATES</u>					
	<u>Nov. 26</u>	<u>1-15 days</u>	<u>16-30 days</u>	<u>31-60 days</u>	<u>61-90 days</u>	<u>Over 90</u>
Other Banks	\$2,652,000 2 1/8-2 3/4%	\$ 341,000 2 1/4%	\$ 557,000 2 3/4%-2 3/8%	\$ 466,000 2 1/2%	\$ 46,000 2 1/2-2 3/4%	
<u>Nov. 28</u>						
New York	1,716,000	448,000	1,205,000	4,850,000	439,000	
Other Banks	1,079,000 2 1/4%	963,000 2 1/4%	2,024,000 2 3/8%	7,824,000 2 1/2%	904,000 2 5/8-3%	
<u>Nov. 29</u>						
New York				40,000 2 1/2%		
<u>Dec. 1</u>						
New York	841,000	1,967,000	1,261,000	452,000	462,000	
Other Banks	300,000 2 1/4-2 1/2%	1,442,000 2 1/4%	4,081,000 2 3/8-2 5/8%	710,000 2 1/2-2 5/8%	1,380,000 2 5/8%	
<u>Dec. 2</u>						
New York	2,954,000	16,000	976,000	71,000	417,000	
Other Banks	4,187,000 2 1/4%	507,000 2 1/2-2 3/8%	1,478,000 2 3/8-2 1/2%	1,012,000 2 1/2-2 5/8%	150,000 2 5/8-3%	
<u>Dec. 3</u>						
New York	205,000 2 1/2-2 3/8%	410,000 2 1/2-2 3/8%	591,000 2 3/8-2 1/2%	4,564,000 2 1/2-2 5/8%	726,000 2 5/8-3%	
<u>Totals:</u>						
New York	\$5,716,000	\$2,841,000	\$4,033,000	\$9,977,000	\$2,044,000	
Other Banks	8,218,000	3,253,000	8,140,000	10,012,000	2,480,000	
				Totals: New York	\$24,611,000	
				Other Banks	<u>32,103,000</u>	
				Aggregate	<u>\$56,714,000</u>	

Matured from New York holdings week ended December 3: \$8,872,000

Other Holdings by New York: \$23,767,000 Sales Contracts; \$8,846,000 one-day holdover for distribution Federal reserve banks; \$169,000 foreign trade bills; \$2,242,000 sterling bills; \$227,000 foreign bills.

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BANKERS ACCEPTANCES - (Continued)

	<u>Maturity</u>	<u>PURCHASES</u> <u>Amount</u>	<u>Rate</u>	<u>MATURITIES</u> <u>Amount</u>	<u>Other Holdings</u>
Philadelphia	1-30 days	4,000	2 3/8%	649,000	0
	31-60 "	46,000	2 1/2%		
	61-90 "	<u>1,500,000</u>	2 1/2% - 2 5/8%		
		<u>\$1,550,000</u>			
Cleveland	31-60 days	219,000	2 3/4%	2,137,000	708,000 ster ling bills
	61-90 "	929,000	2 1/8% - 2 1/2%		
	In other districts	<u>6,369,000</u>	2 1/8% - 2 3/4%		
		<u>\$7,517,000</u>			
Richmond	-	0	-	0	0
Atlanta	1-30 days	923,000	2 1/8% - 2 1/4%	1,458,000	1,346,000 Univ dorsed bills purchased from accept- ing banks
	31-60 "	413,000	2 1/4% - 2 3/8%		
	61-90 "	500,000	2 1/2%		
	In other districts	<u>119,000</u>	2 1/8% - 2 3/4%		
		<u>\$1,955,000</u>			
Chicago	1-30 days	80,000	2 1/4%	5,739,000	1,329,000 Sales Contracts
	31-60 "	1,023,000	2 3/8% - 2 1/2%		
	61-90 "	1,547,000	2 1/2% - 2 5/8%		
	In other districts	<u>3,753,000</u>	2 1/8% - 2 3/4%		
		<u>\$6,403,000</u>			
St. Louis	In other districts	3,596,000	2 1/8% - 2 3/4%	1,548,000	0
Minneapolis	-	0	-	267,000	0
Kansas City	In other districts	3,590,000	2 1/8% - 2 3/4%	1,398,000	0
Dallas	In other districts	35,214,000	2 1/8% - 2 3/4%	\$1,879,000 <u>10,000</u> Sold to Mem. Banks	0
San Francisco	1-30 days	662,000	2 1/4% -	5,033,000	0
	31-60 "	72,000	2 3/8% - 2 1/2%		
	61-90 "	290,000	2 1/2%		
	In other districts	<u>9,036,000</u>	2 1/8% - 2 3/4%		
		<u>\$10,060,000</u>			
<b>Totals</b>		<u>\$79,516,000</u>		<u>\$31,666,000</u>	<u>\$39,477,000</u>

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*W. Eddy*

*# 2*

FEDERAL RESERVE BOARD FILE  
333.1

Executive Folder

Date 12-4-24

December 4, 1924.

Dear Mr. Matteson:

I acknowledge receipt of and shall bring to the attention of the members of the Board your letter of the 1st instant, enclosing report of transactions in Government securities and bankers acceptances as reported to the Open Market Investment Committee for the Federal Reserve System for the period from November 20 to November 26, 1924, inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,

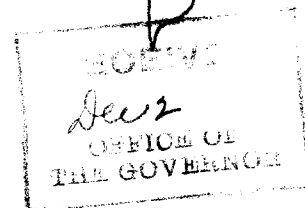
(Signed) Walter L. Eddy

Walter L. Eddy,  
Secretary.

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

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FEDERAL RESERVE BANK  
OF NEW YORK



Open Market Investment Committee  
for the Federal Reserve System

CONFIDENTIAL

December 1, 1924

S i r :

Enclosed please find report of transactions in Govern-  
ment securities and bankers acceptances as reported to the Open  
Market Investment Committee for the Federal Reserve System for  
the period from November 20 to November 26, 1924 inclusive, to-  
gether with data received by the Committee from the Federal  
reserve banks.

Respectfully,

A large, handwritten signature in cursive script, which appears to read "W. B. Matteson", is written over the typed name.

W. B. Matteson  
Secretary of the Committee

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

Enclosure



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C O N F I D E N T I A L

REPORT OF OPEN MARKET INVESTMENT COMMITTEE  
WEEK ENDED NOVEMBER 26, 1924

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**COMPARISON OF HOLDINGS OF EARNING ASSETS OF FEDERAL RESERVE BANKS  
 FROM JANUARY 30 TO NOVEMBER 26, 1924**  
 (000 Omitted)

-1924-	TOTAL EARNING ASSETS	* GOVERNMENT	BANKERS ACCEPTANCES		BILLS
		SECURITIES	Purchases	Sales Contracts	DISCOUNTED
Jan. 30	\$ 914,881	\$120,772	\$235,930	\$35,862	\$522,307
Feb. 27	950,801	155,801	205,022	58,288	531,690
March 26	942,080	257,256	164,947	37,511	482,315
April 30	873,381	301,660	102,800	21,685	447,185
May 28	850,193	333,282	49,869	36,891	429,600
June 25	826,260	429,794	44,065	969	350,131
July 30	824,867	505,281	23,244	1,197	293,895
Aug. 27	855,225	541,626	48,649	640	262,560
Sept. 24	928,355	574,596	90,431	1,470	259,863
Oct. 29	1,024,176	584,200	179,746	35,658	222,565
Nov. 5	1,052,544	584,876	191,227	43,621	229,263
" 12	1,064,343	588,364	225,245	22,945	224,232
" 19	1,098,716	587,077	261,536	13,709	233,844
" 26	1,087,171	592,215	267,270	12,722	221,405

\*Includes sales contracts

**CHANGES IN HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES  
 BY FEDERAL RESERVE BANKS (EXCLUSIVE OF SALES CONTRACTS)  
 DURING THE WEEK ENDING NOVEMBER 26, 1924**  
 (000 Omitted)

	Balance Nov. 26	Balance Nov. 19	Net Change	Balance Nov. 26	Balance Nov. 19	Net Change
Boston	\$38,500	\$ 38,855	\$ 355-	\$ 39,825	\$ 37,733	\$2,092+
New York	185,455	187,316	1,861-	72,742	70,541	2,201+
Philadelphia	31,313	31,452	139-	19,528	17,073	2,455+
Cleveland	64,535	65,036	501-	25,179	23,986	1,193+
Richmond	4,955	4,993	38-	0	0	0
Atlanta	3,944	4,101	157-	6,982	7,283	301-
Chicago	85,994	86,699	705-	25,403	29,498	4,095-
St. Louis	16,604	16,769	165-	12,630	12,737	107-
Minneapolis	27,638	27,835	197-	635	1,097	462-
Kansas City	35,099	35,334	235-	11,542	11,589	47-
Dallas	27,598	27,845	247-	17,133	15,945	1,188+
San Francisco	59,831	60,342	511-	35,680	34,054	1,626+
<b>Total</b>	<b>\$581,466</b>	<b>\$586,577</b>	<b>\$5,111-</b>	<b>\$267,279</b>	<b>\$261,536</b>	<b>\$5,743+</b>

**COMMENT ON CHANGES FOR WEEK ENDED NOVEMBER 26**

Total earning assets of all reserve banks declined \$11,545,000 during the statement week. Bills purchased outright increased \$5,743,000 and bills held under sales contracts remained virtually unchanged but bills discounted declined \$12,439,000 to the lowest point since September 1917, and holdings of Government securities declined \$4,862,000, due to the prior redemption by the Treasury of \$5,000,000 of the December maturities held in the System's Special Investment Account.

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MONEY MARKET

Accompanying continued stock market activity, holiday currency needs, and the usual requirements for first of month disbursements, money conditions in New York turned distinctly firmer during the latter part of the period. On Wednesday, closing day of the statement week, the rate for stock exchange call money after ruling at 2 1/2 per cent. throughout the week was advanced to 3 per cent. Following the holiday and accompanying loss of funds to the interior the rate for call money was advanced on Friday to 4 per cent., the highest rate since the end of May, and the total volume of new loans placed was the largest for any day this year. Time money continued quiet. Rates were firm and lending banks appeared less inclined to accept brokers' bid rates.

Commercial paper dealers report a continued quiet market in the East but in the middle west the market was very active, especially in the Chicago and St. Louis territories. Rates continued firm, ranging from 3 1/4 per cent. to 3 1/2 per cent. for prime 4 to 6 months' paper, a somewhat larger proportion of names going at the higher rate.

	<u>Week Ended</u> <u>November 19</u>	<u>Week Ended</u> <u>November 26</u>
Call money, renewals, average	2.10	2.50
Call money, new loans, average	2.19	2.49
Time money, 60-90 days, offer	3 - 3 1/2	3 - 3 1/2
Commercial paper, 4-6 months	3 1/4 - 3 1/2	3 1/4 - 3 1/2

SECURITY MARKETSStock  
Market

Although the record breaking volume of stock trading which began immediately after the election continued during the period the price advances in both high grade and speculative securities were slackened. Stock transactions during the period totaled 11 1/2 million shares, making a total turnover of 36 1/2 million shares since the election, in 19 trading

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days. Stock transactions for the month of November aggregated over 41 million shares which was the second highest total for any month on record and compared with 41 1/2 million shares in April 1901. Industrial stocks were slightly irregular but representative averages held generally steady at the highest point since November 1919, but about 10 points below the high levels for that month. Railroad averages advanced about 1 1/4 points during the period to a new high level since 1917, making a total advance of 7 points since the election.

General  
Bond  
Market

Bond trading continued active and transactions during the period totaled \$109 million compared with \$100 million the week before. Prices of both railroad and industrial bonds declined slightly but public utility bonds were higher and a representative average of high grade corporation bonds declined only fractionally from the high level since 1922 reached earlier in the month. The chief interest in the market for foreign securities centered in the offering of \$100 million 25-year 7 per cent. bonds of the French Government to yield about 7 1/2 per cent. With a large oversubscription the new bonds were actively traded in at a premium of about 3/4s of a point over the offering price. Transactions in foreign bonds during the week totaled \$22 million, compared with \$15 million the week before.

Foreign  
Exchange

Activity and strength in both French and Belgian francs and the continued advance in Dutch and Swedish currencies were the outstanding developments during the week in the foreign exchange market. On Friday, November 28, French francs advanced about 11 points to 5.39 cents and reached the highest price since September, while Belgian francs advanced 6 points to 4.90 cents. Dutch guilders at 40.34 cents sold at

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the highest price in 5 years and were 14 points above par, which was reported to be close to the gold export point. Following the rapid advance of over 10 cents since November 1, sterling was quiet and on Friday at \$4.63 cents showed a decline of about 3/4 cents during the week which was attributed chiefly to the Egyptian situation. South American and Far Eastern exchanges continued generally steady.

New  
Financing

The volume of new securities offered during the week ended November 29 totaled \$137 million compared with \$78 million the week before, and was the largest volume of new financing since the German loan was offered in the week ended October 17. Increased confidence in railway securities lately on the part of investors was accompanied by railroad financing aggregating \$25 million. Industrial and public utility offerings were the smallest in several weeks. The offering of the French Republic External Loan of \$100 million 7 per cent. bonds of 1949 to yield 7.53 per cent. brought the total of foreign financing offered so far this year to over \$1,100 million. With but few exceptions all of the foreign bonds offered this year are selling at or above the offering price.

Liberty  
Bond  
Market

Trading in Government bonds was quiet and transactions during the period totaled only \$10 million against \$13 million the week before. Prices were generally steady and on Wednesday, November 26, closing day of the period, prices on all Liberty bonds showed moderate advances from the closing levels of the previous week. Treasury 4 1/4's continued to decline and the present yield of about 3.88 per cent. is the highest for this maturity since early in September. Activity continued principally in the Fourth 4 1/4 per cent. issue, as indicated in the following table of Liberty bond sales in which decimals represent thirty-seconds:

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<u>Amount in Thousands</u>	<u>Issue</u>		<u>Closing Prices</u>		<u>-1 9 2 4-</u>	
			<u>Nov. 19</u>	<u>Nov. 26</u>	<u>Low</u>	<u>High</u>
\$1,039	First	3 1/2's	100.18	100.25	98.22	101.28
259	"	4 1/4's	101.21	101.29	98.8	*102.22
1,959	Second	4 1/4's	101.3	101.5	98.4	*102.00
1,819	Third	4 1/4's	101.16	101.16	99.8	*102.23
4,581	Fourth	4 1/4's	102.2	102.3	98.8	*103.00
724	Treasury	4 1/4's	105.18	105.13	99.8	*107.7

\*High since date of issuance

New York  
Market for  
Short-term  
Governments

The market for short-term Government securities was generally quiet and inactive. Following the recent period of heavy offerings from financial institutions, dealers report only light offerings which, together with the lack of any substantial demand, kept prices generally steady throughout the period. Dealers report several large transactions involving the exchange of long term Treasury Notes for the early maturities of Treasury certificates and, as indicated in the following table, yields on the short maturities at the close of the statement week were slightly lower than those prevailing a week ago while yields on the other issues remained practically unchanged:

		<u>November 19</u>	<u>November 26</u>
Maturing March	1925 - yield	2.66	2.55
Maturing June	1925 - yield	2.81	2.76
Maturing December	1925 - yield	3.02	2.99
Maturing September	1926 - yield	3.49	3.50
Maturing March	1927 - yield	3.72	3.67
Maturing December	1927 - yield	3.72	3.68

BANKERS ACCEPTANCES

Rates

Rates in all districts remained generally unchanged during the statement week, dealers offering 90-day bills at 2 1/2 per cent., 60's at 2 3/8 per cent, and 30-day maturities at 2 1/4 per cent. At the close of the week several dealers in New York advanced their bid rates 1/8 per cent. and on Monday, December 1 offering rates were advanced 1/8 per cent further on unindorsed bills and dealers were offering 90-day maturities at 2 5/8 per cent.

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Abstract  
of Reports  
from Banks

In Boston the volume of sales reported during the week was not as heavy as in the previous week, while the supply was larger and in excess of the demand. There was little demand from out-of-town but the local demand was fair and well distributed between 30 and 90-day maturities. Both dealers and banks have become cautious buyers owing generally to the higher money rates. In New York, although the market was rather unsettled during the week, both the supply and demand showed moderate improvement. Somewhat firmer money conditions probably accounted to some extent for the increased offerings of bills. There was a fair demand from out-of-town but the bulk of dealers' sales were to local banks and were generally of the short maturities. Philadelphia reports little activity in the bill market which continued generally unsettled during the period. The expansion in both domestic and foreign trade resulted in an increased volume of acceptances, while the uncertain tendency in the money market resulted in a slackened demand for bills. Banks generally have reduced their portfolios in preference to purchasing bills at this time although there has been some little demand for the very short maturities at the increased rates. Dealers in Chicago report little demand for bills in that district and new bills are finding an outlet in the eastern markets.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

At the request of the Treasury the Federal Reserve Bank of New York purchased during the period \$500,000 TM-1925 certificates and \$1,723,000 series A-1925 Treasury Notes for a Special Account.

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SYSTEM SPECIAL INVESTMENT ACCOUNT

Special exchange transactions were consummated during the period involving the sale from System holdings of \$10,000,000 Treasury Notes maturing March 15, 1927, and the purchase in replacement of a like amount of certificates and notes maturing in March and September 1925.

The Committee also approved the prior redemption from the System holdings of certificates due December 15, 1924, under the Treasury's offer to redeem such issues before due date at par and accrued interest, and arrangements have been made with the Treasury to redeem in this manner a total of \$20,000,000 certificates, of which \$5,000,000 have been redeemed during the period covered by this report.

The securities held in the System Account at the close of business November 26 amounted to \$495,000,000, the apportionment of which to all Federal reserve banks was as follows:

	<u>Treasury Notes</u>	<u>Certificates of Indebtedness</u>	<u>Liberty Loan Bonds</u>	<u>Total</u>
Boston	\$ 25,281,700	\$ 9,157,500	\$ 500,000	\$ 34,939,200
New York	133,322,900	47,229,500	3,700,000	184,252,400
Philadelphia	8,382,100	5,141,000	200,000	13,723,100
Cleveland	35,913,500	12,676,000	1,200,000	49,789,500
Richmond	2,600,200	1,014,000	0	3,614,200
Atlanta	1,036,300	309,000	100,000	1,445,300
Chicago	50,147,500	18,206,000	1,200,000	69,553,500
St. Louis	12,441,500	3,562,500	600,000	16,604,000
Minneapolis	14,698,600	4,900,000	300,000	19,898,600
Kansas City	17,576,600	6,233,000	500,000	24,309,600
Dallas	19,033,200	6,614,500	600,000	26,247,700
San Francisco	36,551,900	12,971,000	1,100,000	50,622,900
<b>Totals</b>	<b>\$356,986,000</b>	<b>\$128,014,000</b>	<b>\$10,000,000</b>	<b>\$ 495,000,000</b>

RECAPITULATION OF PURCHASES

<u>Made by</u>	<u>Amount</u>
Boston	\$ 18,648,500
New York	396,107,700
Philadelphia	14,979,500
Cleveland	4,090,000
Richmond	600,000
Atlanta	1,944,400
Chicago	34,300,000
St. Louis	5,453,900
Minneapolis	3,128,000
Dallas	8,169,000
San Francisco	7,579,000
	<b>\$495,000,000</b>

RECAPITULATION OF PURCHASES BY MATURITIES

Dec. 15, 1924	\$ 59,944,000
March 15, 1925	130,000,000
June 15, 1925	49,197,700
Sept. 15, 1925	49,710,500
Dec. 15, 1925	43,917,000
March 15, 1926	57,707,600
Sept. 15, 1926	26,351,000
March 15, 1927	38,875,900
Dec. 15, 1927	29,296,300
Third Liberty Loan Bonds	10,000,000
Sept. 15, 1928	
	<b>\$ 495,000,000</b>



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ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF ALL  
FEDERAL RESERVE BANKS FROM NOVEMBER 20 TO NOVEMBER 26, 1924

GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>	<u>Held Under Sales Contracts</u>
Boston	\$532,500	Part.Sys.Inv.C/I	\$ 355,000	Part.Sys.Inv.C/I	0
	<u>177,500</u>	" " " T/N	<u>710,000</u>	" " " T/N	
	<u>\$710,000</u>		<u>\$1,065,000</u>		
New York	2,791,500	Part.Sys.Inv.C/I	1,861,500	Part.Sys.Inv.C/I	0
	<u>930,800</u>	" " " T/N	<u>3,722,300</u>	" " " T/N	
	<u>\$3,722,300</u>		<u>\$5,583,800</u>		
Philadelphia	208,500	Part.Sys.Inv.C/I	139,500	Part.Sys.Inv.C/I	0
	<u>69,900</u>	" " " T/N	<u>278,400</u>	" " " T/N	
	<u>\$278,400</u>		<u>\$417,900</u>		
Cleveland	751,500	Part.Sys.Inv.C/I	501,000	Part.Sys.Inv.C/I	0
	<u>250,500</u>	" " " T/N	<u>1,002,000</u>	" " " T/N	
	<u>\$1,002,000</u>		<u>\$1,503,000</u>		
Richmond	55,500	Part.Sys.Inv.C/I	37,500	Part.Sys.Inv.C/I	0
	<u>18,700</u>	" " " T/N	<u>74,200</u>	" " " T/N	
	<u>\$74,200</u>		<u>\$111,700</u>		
Atlanta	193,450	Misc.Gov't Sec.	335,550	Misc. Gov't Sec.	0
	21,000	Part.Sys.Inv.C/I	14,000	Part.Sys.Inv.C/I	
	<u>6,900</u>	" " " T/N	<u>27,900</u>	" " " T/N	
	<u>\$221,350</u>		<u>\$377,450</u>		
Chicago	1,057,500	Part.Sys.Inv.C/I	705,000	Part.Sys.Inv.C/I	0
	<u>352,500</u>	" " " T/N	<u>1,410,000</u>	" " " T/N	
	<u>\$1,410,000</u>		<u>\$2,115,000</u>		
St. Louis	247,500	Part.Sys.Inv.C/I	165,000	Part.Sys.Inv.C/I	0
	<u>82,500</u>	" " " T/N	<u>330,000</u>	" " " T/N	
	<u>\$330,000</u>		<u>\$495,000</u>		
Minneapolis	1,610,500	Misc. Gov't Sec.	1,605,500	Misc. Gov't Sec.	0
	303,000	Part.Sys.Inv.C/I	202,000	Part.Sys.Inv.C/I	
	<u>101,000</u>	" " " T/N	<u>404,000</u>	" " " T/N	
	<u>\$2,014,500</u>		<u>\$2,211,500</u>		

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GOVERNMENT SECURITIES - (Continued)

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>	<u>Held Under Sales Contracts</u>
Kansas City	\$ 9,700	Misc. Gov't Sec.	\$245,000	Part.Sys.Inv.C/I	\$750,000
	369,000	Part.Sys.Inv.C/I	491,500	" " " T/N	
	<u>122,500</u>	" " " T/N			
	<u>\$501,200</u>		<u>\$736,500</u>		
Dallas	16,400	Third L.L. Bds.	264,000	Part.Sys.Inv.C/I	0
	396,000	Part.Sys.C/I	528,200	" " " T/N	
	<u>132,200</u>	" " T/N			
	<u>\$544,600</u>		<u>\$792,200</u>		
San Francisco	766,500	Part.Sys.Inv.C/I	510,500	Part.Sys.Inv.C/I	0
	<u>255,000</u>	" " " T/N	<u>1,021,500</u>	" " " T/N	
	<u>\$1,021,500</u>		<u>\$1,532,000</u>		
<b>Totals</b>	<u>\$11,830,050</u>		<u>\$16,942,050</u>		<u>\$750,000</u>

BANKERS ACCEPTANCES

	<u>Maturities</u>	<u>PURCHASES</u>		<u>MATURITIES</u>	<u>Other Holdings</u>
		<u>Amount</u>	<u>Rate</u>	<u>Amount</u>	
Boston	1-30 days	\$ 482,000	2 1/8% - 2 1/2%	\$1,858,000	\$1,128,000
	31-60 "	400,000	2 1/4% - 2 1/2%		
	61-90 "	3,022,000	2 3/8% - 2 5/8%		
	Over 90 "	<u>46,000</u>	2 1/2% - 2 5/8%		
		<u>\$3,950,000</u>			
New York	1-30 days	7,013,000	2 1/8%	7,995,000	2,642,000 Sales Contracts
	31-60 "	1,973,000	2 1/4% - 2 3/8%		4,062,000 one day holdover for distribution to F. R. banks
	61-90 "	985,000	2 3/8% - 2 1/2%		93,000 foreign trade bills
	Over 90 "	<u>225,000</u>	2 5/8% - 2 3/4%		2,242,000 sterling bills
		<u>\$10,196,000</u>			227,000 foreign bills
Philadelphia	1-30 days	1,046,000	2 1/8% - 2 1/4%	701,000	0
	31-60 "	699,000	2 1/4% - 2 1/2%		
	61-90 "	<u>1,411,000</u>	2 3/8% - 2 5/8%		
		<u>\$3,156,000</u>			

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BANKERS ACCEPTANCES -- (Continued)

	<u>Maturities</u>	<u>PURCHASES</u> <u>Amount</u>	<u>Rate</u>	<u>MATURITIES</u> <u>Amount</u>	<u>Other</u> <u>Holdings</u>
Cleveland	61-90 days	\$ 100,000	2 3/8% - 2 1/2%	\$1,998,000	\$ 708,000 Ster- ling bills
	In other dists.	<u>3,091,000</u>	2 1/8% - 2 5/8%		
		<u>\$3,191,000</u>			
Richmond	-	0	-	0	0
Atlanta	1-30 days	500,000	2 1/8%	1,014,000	1,421,000 Unin- dorsed bills
	61-90 "	<u>213,000</u>	2 3/8% - 2 1/2%		purchased from accept- ing banks
		<u>\$713,000</u>			
Chicago	1-30 days	500,000	2 1/8%	4,595,000	1,199,000 Sales Contracts
St. Louis	In other dists.	1,816,000	2 1/8% - 2 5/8%	1,923,000	0
Minneapolis	-	0	-	462,000	0
Kansas City	In other dists.	1,781,000	2 1/8% - 2 5/8%	1,828,000	0
Dallas	In other dists.	2,741,000	2 1/8% - 2 5/8%	1,503,000	0
				<u>50,000</u>	Sold to Mem. Bks.
				<u>\$1,553,000</u>	
San Francisco	1-30 days	158,000	2 1/8% - 2 1/4%	3,137,000	0
	In other dists.	<u>4,605,000</u>	2 1/8% - 2 5/8%		
		<u>\$4,763,000</u>			
<b>Totals</b>		<u>\$32,807,000</u>		<u>\$27,064,000</u>	<u>\$13,722,000</u>

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3331

*W. Eddy*

Executive Folder

Date 11/28/24

November 28, 1924.

Dear Mr. Matteson:

Receipt is acknowledged of your letter of November 22nd enclosing a report of transactions in Government securities and bankers acceptances as reported to the Open Market Investment Committee for the Federal Reserve System for the period from November 13 to November 19, 1924 inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,

(Signed) Walter L. Eddy

Walter L. Eddy,  
Secretary.

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

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**FEDERAL RESERVE BANK  
OF NEW YORK**

Open Market Investment Committee  
for the Federal Reserve System

CONFIDENTIAL

November 22, 1924

S i r :

Enclosed is a report of transactions in Govern-  
ment securities and bankers acceptances as reported to the  
Open Market Investment Committee for the Federal Reserve  
System for the period from November 13 to November 19, 1924  
inclusive, together with data received by the Committee  
from the Federal reserve banks.

Respectfully,

W. B. Matteson  
Secretary of the Committee

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

Enclosure

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C O N F I D E N T I A L

REPORT OF OPEN MARKET INVESTMENT COMMITTEE  
WEEK ENDED NOVEMBER 19, 1924

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**COMPARISON OF HOLDINGS OF EARNING ASSETS OF FEDERAL RESERVE BANKS  
FROM JANUARY 30 TO NOVEMBER 19, 1924**  
(000 Omitted)

-1924-	TOTAL EARNING ASSETS	*GOVERNMENT SECURITIES	BANKERS ACCEPTANCES		BILLS
			Purchases	Sales Contracts	DISCOUNTED
Jan. 30	\$ 914,881	\$120,772	\$235,930	\$35,862	\$522,307
Feb. 27	950,801	155,801	205,022	58,288	531,690
Mar. 26	942,080	257,256	164,947	37,511	482,315
Apr. 30	873,381	301,660	102,800	21,685	447,185
May 28	850,193	333,282	49,869	36,891	429,600
June 25	826,260	429,794	44,065	969	350,131
July 30	824,867	505,281	23,244	1,197	293,895
Aug. 27	855,225	541,626	48,649	640	262,560
Sept. 24	928,355	574,596	90,431	1,470	259,863
Oct. 29	1,024,176	584,200	179,746	35,658	222,565
Nov. 5	1,052,544	584,876	191,227	43,621	229,263
" 12	1,064,343	588,364	225,245	22,945	224,232
" 19	1,098,716	587,077	261,536	13,709	233,844

\*Includes sales contracts

**CHANGES IN HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES  
BY FEDERAL RESERVE BANKS (EXCLUSIVE OF SALES CONTRACTS)  
DURING THE WEEK ENDING NOVEMBER 19, 1924**  
(000 Omitted)

	GOVERNMENT SECURITIES			BANKERS ACCEPTANCES		
	Balance Nov. 19	Balance Nov. 12	Net Change	Balance Nov. 19	Balance Nov. 12	Net Change
Boston	\$ 38,855	\$38,855	0	\$ 37,733	\$ 30,030	\$ 7,703+
New York	187,316	187,316	0	70,541	58,655	11,886+
Philadelphia	31,452	31,452	0	17,073	13,729	3,344+
Cleveland	65,036	65,036	0	23,986	21,963	2,023+
Richmond	4,993	4,993	0	0	0	0
Atlanta	4,101	3,749	352+	7,283	6,574	709+
Chicago	86,699	86,655	44+	29,498	30,105	607-
St. Louis	16,769	16,769	0	12,737	10,834	1,903+
Minneapolis	27,835	28,590	755-	1,097	1,314	217-
Kansas City	35,334	35,263	71+	11,589	10,150	1,439+
Dallas	27,845	27,845	0	15,945	13,645	2,300+
San Francisco	60,342	60,341	1+	34,054	28,246	5,808+
<b>Totals</b>	<b>\$586,577</b>	<b>\$586,864</b>	<b>\$287-</b>	<b>\$261,536</b>	<b>\$225,245</b>	<b>\$36,291+</b>

**COMMENT ON CHANGES FOR WEEK ENDED NOVEMBER 19**

Total earning assets of all reserve banks increased further \$34,373,000 during the week to the highest point since the week ended January 2, 1924. An increase of \$9,612,000 in bills discounted offset a decline of \$9,236,000 in bills carried under sales contracts, while holdings of bills purchased outright increased further \$36,291,000, accompanying the slightly firmer conditions in the market. Holdings of Government securities declined \$1,287,000.

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MONEY MARKET

Accompanying stock market activity, the loss to the interior in ordinary commercial settlements of \$30 million and Government and larger withdrawals of currency, which were only partly offset by Treasury transfers of \$26 million, to meet interest payments on Liberty Loan bonds in this district of \$24 million, money conditions in New York turned somewhat firmer during the latter part of the statement week. On Monday, November 17, the rate for stock exchange call money was advanced to 2 1/2 per cent. where it held throughout the balance of the week and loans were no longer reported under the prevailing rate outside the exchange.

Bill rates and yields on short-term Government securities were higher and there was less evidence of surplus funds in the market. Following the recent period of activity time money was quiet. Rates were generally firm and 90-day funds were offered at 3 1/2 per cent. with only small amounts lent under that rate.

Commercial paper dealers report that the western markets were fairly active but the eastern centers were very slow. Rates were slightly firmer, with occasional sales at 3 per cent. but the prevailing rate for prime 4 to 6 months' names was 3 1/4 per cent. to 3 1/2 per cent.

	Week Ended <u>November 12</u>	Week Ended <u>November 19</u>
Call money, renewals, average	2.60	2.10
Call money, new loans, average	2.54	2.19
Time money, 60-90 days, offer	3 - 3 1/2	3 - 3 1/2
Commercial paper, 4-6 months	3 1/4	3 1/4 - 3 1/2

SECURITY MARKETSStock  
Market

The outburst of activity in the stock market which began immediately following the election continued with increasing force during the period. Stock transactions during the statement week totaled over 11 million shares, the largest continued heavy volume of trading



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since 1901, while the number of individual issues traded in in one day was the largest in the history of the exchange. Both high grade and speculative railroads continued to advance sharply and on November 20 the Dow-Jones average reached a new high point since 1917 and showed an advance of about 2 1/2 points during the period. Although some profit taking selling caused slight irregularities in certain industrial stocks the general upward trend continued and representative averages advanced over 2 1/4 points during the period to the highest level since the war boom market of November 1919, when this average was nearly 10 points higher. Since the election and in only 14 trading days railroad averages have advanced over 6 1/2 points and industrial averages nearly 7 points.

General  
Bond  
Market

Bond trading continued active compared with the usual average volume of trading although transactions during the period totaled \$100 million compared with \$120 million the week before. Speculative railroad bonds continued active accompanying the rapid rise in the stock issues and several issues advanced to new high points for the year. Other railroad and industrial and public utility bonds were somewhat lower accompanying the slightly firmer tendency in money conditions and a representative average of high grade corporation bonds declined 1/4 point from the high point since 1922 reached on November 11. Accompanying the sharp rise in exchange rates foreign bonds, especially the United Kingdom issues, were moderately active and an average of 10 foreign bonds on November 20 advanced to a new high point since 1922.

Foreign  
Exchange

Aside from slight temporary fluctuations leading European exchanges held generally firm during the week. Sterling at \$4.63 5/8 on Friday, November 21, advanced about one cent during the week and showed an advance of over 10 cents since November 1. French and Belgian francs at 5.28 and 4.85 cents respectively were virtually unchanged. The Dutch guilder again regained par at 40.20 cents for the first time

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since April 1919. This brought the total number of exchanges which have reached par in the past few weeks to five, including the Swedish kroner which has recently been quoted slightly above par, the Swiss franc, the new German reichsmark, and the Canadian dollar.

New  
Financing

The volume of new financing during the week ended November 21 showed a moderate increase over the previous week and new offerings totaled <sup>about</sup> \$78 million compared with \$43 million the week before. Industrial issues were the largest group with a total of \$22 million of which the largest single issue was \$15 million 3-year 6 per cent. bonds of the Sinclair Consolidated Oil Corporation offered to yield 6.56 per cent. Railroad offerings totaled \$19 million which included several substantial common stock issues of low priced railroad shares, accompanying the increased activity in this group of securities. Foreign issues totaled only \$4 million and were the smallest in recent months.

Liberty  
Bond  
Market

Liberty bonds continued moderately active and transactions during the period totaled about \$13 million compared with \$17 million the week before. Accompanying the firmer tendency in money conditions prices declined steadily throughout the week and on Wednesday, November 19, closing day of the period, prices on all issues showed declines of from 5/32 to 11/32's from the closing levels of the previous week. Compared with the record high price at 107.7 reached on November 1, Treasury 4 1/4's showed a decline of nearly 1 3/4 points and Liberty issues were from 3/4 to over a point lower than their recent highs, but all issues show substantial gains for the year's low levels. The Second and Fourth 4 1/4's continued to be the most active issues traded in, as indicated in the following table of Liberty bond sales in which decimals represent thirty-seconds;

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Amount in Thousands	Issue	Closing Prices		1 9 2 4		
		Nov.12	Nov.19	Low	High	
\$1,557	First	3 1/2's	100.29	100.18	98.22	101.23
581	"	4 1/4's	101.26	101.21	98.8	*102.22
2,774	Second	4 1/4's	101.8	101.3	98.4	*102.00
1,960	Third	4 1/4's	101.21	101.16	99.8	*102.23
4,718	Fourth	4 1/4's	102.8	102.2	98.8	*103.00
1,398	Treasury	4 1/4's	105.24	105.18	99.8	*107.7

\* High since date of issuance

New York  
Market for  
Short-term  
Government

Continued offerings of notes and certificates and the absence of any substantial demand for short term Government securities was reported by dealers and offering prices were lowered on all issues. The decline was principally in the longer maturities of Treasury Notes which were from 2/32's to 9/32's lower. During the week ended November 12 reporting member banks in this district showed a further decline of \$28 million in holdings of short-term Government securities. Reflecting lower prices, yields have advanced steadily and in the case of the long term Treasury Notes are generally at the highest levels since June when the marked ease in money conditions resulted in an active demand for these investments.

		<u>November 12</u>	<u>November 19</u>
Maturing March	1925 - yield	2.70	2.66
Maturing December	1925 - yield	2.95	3.02
Maturing September	1926 - yield	3.46	3.49
Maturing March	1927 - yield	3.67	3.72
Maturing December	1927 - yield	3.67	3.72

BANKERS ACCEPTANCES

Rates

The trend toward firmer rates evident at the close of the last period became more pronounced during the week and dealers generally advanced their bid rates 1/8 to 3/8 per cent. and their offering rates from 1/8 to 1/4 per cent. At the close of the period dealers in all districts were offering 90-day bills at 2 1/2 per cent., 60's at 2 3/8 per cent. and 30-day maturities at 2 1/4 per cent.

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Abstract  
of Reports  
from Banks

In Boston purchases and sales reported by dealers were both less than in the previous week but were in fair volume and somewhat better than an average week. This was largely accounted for by re-sales to the reserve bank, influenced by dealers reducing their portfolios in anticipation of rate changes. Few new bills came into the market although the supply was in excess of the demand. The local demand was fair for short maturities. In New York the market was very unsettled and the volume of trading in the open market was substantially less than in the previous week. Uncertainty as to how far the advance in rates might go caused a decrease in the demand for bills and although there was a fair supply, dealers purchased bills cautiously in order to keep their positions balanced. Offerings to the reserve bank were unusually heavy and dealers' combined portfolios decreased substantially. The advance in our own buying rates was a factor in restraining heavy offerings both from banks and dealers and at the close of the week the market was quiet with a fair supply and moderate demand for bills. In Philadelphia there was only a light demand for bills during the period and the tendency was for banks to reduce their portfolios. In Chicago dealers report a very quiet bill market. The demand at present has not been stimulated appreciably by the increase in rates over the previous week.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

At the request of the Treasury the Federal Reserve Bank of New York purchased during the period \$5,750 Third Liberty Loan 4 1/4% bonds for account of the Interstate Commerce Commission - General Railroad Contingent Fund.

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SYSTEM SPECIAL INVESTMENT ACCOUNT

As previously reported in the Secretary's letter to the governors of all participating banks, a special exchange transaction was consummated during the period involving the sale from the System Special Investment Account of \$10,000,000 Treasury Notes maturing in March and December 1927 and the purchase in replacement of a like amount of Treasury Notes and certificates maturing in March and June 1925.

The securities held in the Special Account at the close of business November 19 remained unchanged at \$500,000,000, the apportionment of which to all participating banks is as follows:

	<u>Treasury Notes</u>	<u>Certificates of Indebtedness</u>	<u>Liberty Loan Bonds</u>	<u>Total</u>
Boston	\$ 25,814,200	\$ 8,980,000	\$ 500,000	\$ 35,294,200
New York	136,114,400	46,299,500	3,700,000	186,113,900
Philadelphia	8,590,600	5,072,000	200,000	13,862,600
Cleveland	36,665,000	12,425,500	1,200,000	50,290,500
Richmond	2,655,700	996,000	0	3,651,700
Atlanta	1,057,300	302,000	100,000	1,459,300
Chicago	51,205,000	17,853,500	1,200,000	70,258,500
St. Louis	12,689,000	3,480,000	600,000	16,769,000
Minneapolis	15,001,600	4,799,000	300,000	20,100,600
Kansas City	17,945,600	6,109,000	500,000	24,554,600
Dallas	19,429,200	6,482,500	600,000	26,511,700
San Francisco	<u>37,318,400</u>	<u>12,715,000</u>	<u>1,100,000</u>	<u>51,133,400</u>
<b>T o t a l s</b>	<u><u>\$364,486,000</u></u>	<u><u>\$125,514,000</u></u>	<u><u>\$10,000,000</u></u>	<u><u>\$500,000,000</u></u>

RECAPITULATION OF PURCHASES  
Made by                      Amount

Boston	\$ 18,648,500
New York	401,107,700
Philadelphia	14,979,500
Cleveland	4,090,000
Richmond	600,000
Atlanta	1,944,400
Chicago	34,300,000
St. Louis	5,453,900
Minneapolis	3,128,000
Dallas	8,169,000
San Francisco	<u>7,579,000</u>
	<u><u>\$500,000,000</u></u>

RECAPITULATION OF PURCHASES BY MATURITIES

Dec. 15, 1924	\$ 64,944,000
March 15, 1925	125,000,000
June 15, 1925	49,197,700
Sept. 15, 1925	44,710,500
Dec. 15, 1925	43,917,000
March 15, 1926	57,707,600
Sept. 15, 1926	26,351,000
March 15, 1927	48,875,900
Dec. 15, 1927	29,296,300
Third Liberty Loan Bonds	10,000,000
Sept. 15, 1928	
	<u><u>\$500,000,000</u></u>

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ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF  
 ALL FEDERAL RESERVE BANKS FROM NOVEMBER 13 TO NOVEMBER 19, 1924

GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>	<u>Held Under Sales Contracts</u>
Boston	\$ 53,000 <u>655,200</u>	Part. Syst. Inv. C/I " " " T/N	\$ 708,200	Part. Syst. Inv. T/N	0
	<u>\$ 708,200</u>				
New York	\$ 280,000 <u>3,454,400</u>	Part. Syst. Inv. C/I " " " T/N	3,734,400	Part. Syst. Inv. T/N	0
	<u>\$3,734,400</u>				
Philadelphia	\$ 17,500 <u>218,200</u>	Part. Syst. Inv. C/I " " " T/N	235,700	Part. Syst. Inv. T/N	0
	<u>\$235,700</u>				
Cleveland	\$ 75,500 <u>930,400</u>	Part. Syst. Inv. C/I " " " T/N	1,005,900	Part. Syst. Inv. T/N	0
	<u>\$1,005,900</u>				
Richmond	\$ 5,500 <u>67,400</u>	Part. Syst. Inv. C/I " " " T/N	72,900	Part. Syst. Inv. T/N	0
	<u>\$72,900</u>				
Atlanta	\$ 2,000 27,000 <u>433,150</u>	Part. Syst. Inv. C/I " " " T/N Misc. Gov't Sec.	29,000 81,550	Part. Syst. Inv. T/N Misc. Gov't Sec.	0
	<u>\$462,150</u>		<u>\$110,550</u>		
Chicago	\$ 105,500 1,299,400 <u>43,000</u>	Part. Syst. Inv. C/I " " " T/N Fourth L.L. 4 1/4s	1,404,900	Part. Syst. Inv. T/N	0
	<u>\$1,447,900</u>				
St. Louis	\$ 26,000 <u>322,100</u>	Part. Syst. Inv. C/I " " " T/N	348,100	Part. Syst. Inv. T/N	0
	<u>\$348,100</u>				
Minneapolis	\$ 31,000 380,600 <u>2,021,750</u>	Part. Syst. Inv. C/I " " " T/N Misc. Gov't Sec.	411,600 2,776,300	Part. Syst. Inv. T/N Misc. Gov't Sec.	0
	<u>\$2,433,350</u>		<u>\$3,187,900</u>		

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GOVERNMENT SECURITIES - (Continued)

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>	<u>Held Under Sales Contracts</u>
Kansas City	\$ 37,000	Part.Syst.Inv.C/I	\$492,400	Part.Syst.Inv.T/N	\$500,000
	455,400	" " " T/N	5,000	Fourth L.L. 4 1/4's	
	<u>76,750</u>	Misc. Gov't Sec.			
	<u>\$569,150</u>		<u>\$497,400</u>		
Dallas	40,000	Part.Syst.Inv.C/I	533,000	Part.Syst.Inv.T/N	0
	493,000	" " " T/N	8,600	Conversion Bonds	
	<u>8,600</u>	Third L.L. 4 1/4's			
	<u>\$541,600</u>		<u>\$541,600</u>		
San Francisco	77,000	Part.Syst.Inv.C/I	1,023,900	Part.Syst.Inv.T/N	0
	946,900	" " " T/N			
	<u>1,000</u>	Misc. Gov't Sec.			
	<u>\$1,024,900</u>				
	<u>\$12,584,250</u>		<u>\$12,871,450</u>		<u>\$500,000</u>

BANKERS ACCEPTANCES

	<u>Maturity</u>	<u>PURCHASES</u> <u>Amount</u>	<u>Rate</u>	<u>MATURITIES</u> <u>Amount</u>	<u>Other Holdings</u>
Boston	1-30 days	\$ 444,000	2% - 2 3/8%	\$2,151,000	0
	31-60 "	3,984,000	2 1/8% - 2 1/2%		
	61-90 "	4,346,000	2 1/4% - 2 5/8%		
	Over 90 "	<u>1,080,000</u>	2 1/4% - 2 1/2%		
		<u>\$9,854,000</u>			
New York	1-30 days	7,388,000	2% - 2 1/4%	11,475,000	3,094,000 Sales Contracts
	31-60 "	2,960,000	2 1/8% - 2 3/8%		5,849,000 one day holdover for distribution to F.R. Banks
	61-90 "	8,676,000	2 1/4% - 2 5/8%		77,000 foreign trade bills
	Over 90 "	<u>4,337,000</u>	2 1/4% - 2 1/2%		2,242,000 Sterling bills
		<u>\$23,361,000</u>			227,000 foreign bills
Philadelphia	1-30 days	837,000	2 1/8% - 2 3/8%	279,000	0
	31-60 "	1,695,000	2 1/4% - 2 5/8%		
	61-90 "	<u>1,091,000</u>	2 1/2% - 2 5/8%		
		<u>\$3,623,000</u>			

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BANKERS ACCEPTANCES - (Continued)

	<u>Maturity</u>	<u>PURCHASES</u> Amount	<u>Rate</u>	<u>MATURITIES</u> Amount	<u>Other</u> <u>Holdings</u>
Cleveland	31-60 days	\$ 150,000	2 1/8%	\$3,182,000	\$113,000 Ster- ling bills
	61-90 "	212,000	2 1/4%		
	In other districts	<u>4,843,000</u>	2% - 2 1/2%		
		<u>\$5,205,000</u>			
Richmond	-	0	-	-	0
Atlanta	1-30 days	507,000	2 1/8%	1,066,000	1,400,000 Unin- dorsed bills purchased from accept- ing banks
	31-60 "	763,000	2 1/4% - 2 3/8%		
	61-90 "	<u>505,000</u>	2 1/4% - 2 3/8%		
		<u>\$1,775,000</u>			
Chicago	1-30 days	200,000	2%	4,843,000	707,000 Sales Contracts
	31-60 "	44,000	2 1/8%		
	61-90 "	883,000	2 1/4%		
	In other districts	<u>3,109,000</u>	2% - 2 1/2%		
		<u>\$4,236,000</u>			
St. Louis	In other districts	2,796,000	2% - 2 1/2%	893,000	0
Minneapolis	-	0	-	217,000	0
Kansas City	In other districts	2,636,000	2% - 2 1/2%	1,197,000	0
Dallas	In other districts	4,452,000	2% - 2 1/2%	2,152,000	0
San Francisco	1-30 days	386,000	2% - 2 1/8%	3,826,000	0
	31-60 "	321,000	2% - 2 1/4%		
	61-90 "	1,409,000	2% - 2 1/4%		
	In other districts	<u>7,518,000</u>	2% - 2 1/2%		
		<u>\$9,634,000</u>			
Totals		<u>\$67,572,000</u>		<u>\$31,281,000</u>	<u>\$13,709,000</u>



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*Rec'd  
Matter 11/25/24*

# 2  
FEDERAL RESERVE BANK  
OF NEW YORK

FEDERAL RESERVE BOARD FILE  
333 • *[Signature]*

Open Market Investment Committee  
for the Federal Reserve System

CONFIDENTIAL

November 15, 1924

S i r :

Enclosed is a report of transactions in Govern-  
ment securities and bankers acceptances as reported to the  
Open Market Investment Committee for the Federal Reserve  
System for the period from November 6 to ~~November 12, 1924~~  
inclusive, together with data received by the Committee  
from the Federal reserve banks.

Respectfully,

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

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

Enclosure

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C O N F I D E N T I A L

REPORT OF OPEN MARKET INVESTMENT COMMITTEE  
WEEK ENDED NOVEMBER 12, 1924

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**COMPARISON OF HOLDINGS OF EARNING ASSETS OF FEDERAL RESERVE BANKS  
 FROM JANUARY 30 TO NOVEMBER 12, 1924**  
 (000 Omitted)

-1924-	TOTAL EARNING ASSETS †	*GOVERNMENT SECURITIES	BANKERS ACCEPTANCES		BILLS DISCOUNTED
			Purchases	Sales Contracts	
Jan. 30	\$ 914,881	\$120,772	\$235,930	\$35,862	\$522,307
Feb. 27	950,801	155,801	205,022	58,288	531,690
Mar. 26	942,080	257,256	164,947	37,511	482,315
Apr. 30	873,381	301,660	102,800	21,685	447,185
May 28	850,193	333,282	49,869	36,891	429,600
June 25	826,260	429,794	44,065	969	350,131
July 30	824,867	505,281	23,244	1,197	293,895
Aug. 27	855,225	541,626	48,649	640	262,560
Sept. 24	928,355	574,596	90,431	1,470	259,863
Oct. 29	1,024,176	584,200	179,746	35,658	222,565
Nov. 5	1,052,544	584,876	191,227	43,621	229,263
" 12	1,064,343	588,364	225,245	22,945	224,232

\*Includes sales contracts

**CHANGES IN HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES  
 BY FEDERAL RESERVE BANKS (EXCLUSIVE OF SALES CONTRACTS)  
 DURING WEEK ENDING NOVEMBER 12, 1924**  
 (000 Omitted)

	GOVERNMENT SECURITIES			BANKERS ACCEPTANCES		
	Balance Nov. 12	Balance Nov. 5	Net Change	Balance Nov. 12	Balance Nov. 5	Net Change
Boston	\$ 38,855	\$ 38,855	0	\$ 30,030	\$ 18,418	\$11,612+
New York	187,316	187,316	0	58,655	56,327	2,328+
Philadelphia	31,452	31,452	0	13,729	10,121	3,608+
Cleveland	65,036	64,754	282+	21,963	20,355	1,608+
Richmond	4,993	4,993	0	0	0	0
Atlanta	3,749	3,386	363+	6,574	5,064	1,510+
Chicago	86,655	85,219	1,436+	30,105	24,243	5,862+
St. Louis	16,769	16,769	0	10,834	9,905	929+
Minneapolis	28,590	27,759	831+	1,314	1,420	106-
Kansas City	35,263	35,237	26+	10,150	9,272	878+
Dallas	27,845	27,795	50+	13,645	12,018	1,627+
San Francisco	60,341	60,341	0	28,246	24,084	4,162+
<b>Totals</b>	<b>\$586,864</b>	<b>\$583,876</b>	<b>\$2,988+</b>	<b>\$225,245</b>	<b>\$191,227</b>	<b>\$34,018+</b>

**COMMENT ON CHANGES FOR WEEK ENDED NOVEMBER 12**

Total earning assets of all reserve banks increased further \$11,799,000 during the week to the highest point since the week ended January 2, 1924. The increase was largely accounted for by the use of \$34,018,000 in holdings of bills purchased outright and an increase of \$3,488,000 in holdings of Government securities. Accompanying the renewed ease in money conditions acceptances held under sales contracts declined \$20,676,000 and bills discounted were reduced by \$5,031,000.

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MONEY MARKET

A gain to this district in ordinary commercial settlements of \$27 million, together with Treasury transfers from other districts of \$20 million, to meet the prior redemption in this district of \$14 million of Treasury certificates of indebtedness, contributed to the renewed ease in money conditions during the latter part of the period. On Tuesday, November 11, the rate for stock exchange call money was lowered to 2 per cent. Call money continued at 2 per cent. throughout the balance of the week. The time money market was active with a strong demand for all maturities and rates were advanced 1/2 per cent., 90 day funds offered at 3 1/2 per cent. compared with 3 per cent. a week ago.

Commercial paper was generally quiet in New York but the demand was active in the western markets. Dealers report occasional sales at 3 per cent. but the prevailing rate continued at 3 1/4 per cent. for 4 to 6 months' maturities:

	<u>Week Ended</u> <u>November 5</u>	<u>Week Ended</u> <u>November 12</u>
Call money, renewals, average	2.25	2.60
Call money, new loans, average	2.37	2.54
Time money, 60-90 days, offer	2 1/2 - 3	3 - 3 1/2
Commercial paper, 4-6 months	3 - 3 1/4	3 1/4

SECURITY MARKETS

Stock Market

The activity in the security markets which began immediately after the election continued with increased strength during the period. Daily transactions on the stock exchange were consistently over two million shares and the continued heavy volume of trading was reported to be the largest since 1901. As indicated in the accompanying table, railroad shares advanced sharply early in the period and on November 11 the Dow-Jones average reached the highest point since July 1917, a gain of over 14 points from the year's low point reached in January. Later in

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the week, although speculative railroads continued to reach new high points, representative averages declined somewhat from the high point. With a slackened demand for railroad securities there was increased activity in the industrial issues and on November 12 the average reached a new high point since 1920 and showed an advance of nearly 20 points from the year's low level reached in May.

<u>Date</u>	<u>Total Sales</u>	<u>DOW-JONES AVERAGE</u>		<u>GAIN FROM 1924 LOW</u>	
		<u>20 R.R.</u>	<u>20 Ind.</u>	<u>20 R.R.</u>	<u>20 Ind.</u>
Nov. 6	1,697,100	91.23	104.06	11.25	15.73
" 7	2,331,800	93.40	104.86	13.42	16.53
" 8	1,466,400	94.10	105.53	14.12	17.20
" 10	2,288,600	93.55	105.91	13.57	17.58
" 11	2,471,500	94.32*	107.58	14.34	19.25
" 12	2,410,800	93.63	108.14**	13.65	19.81

\*High since July 1917

\*\*High since Jan. 1920

General  
Bond  
Market

Bond trading continued active and transactions during the period totaled \$120 million, the largest volume of trading for any week this year and almost double the total of the previous week. Accompanying the activity in stock issues speculative railroad bonds were especially active and several issues reached new high prices for the year. Although high grade railroad bonds declined slightly industrial and public utility bonds were somewhat higher so that the "Annalist" average of forty high grade corporation bonds advanced 1/2 a point during the period and on November 11 reached a new high point since 1922. Foreign bonds were active and an average of 10 issues was close to the year's high level reached in August. With purchases for the first sinking fund requirements to start on November 15 the new German bonds advanced to 3 3/8 points above the recent offering price.

Foreign  
Exchange

Sterling continued to advance sharply and on Friday, November 14, at \$4.64 reached a new high price since May 1923 and was within 11 cents of the best post war price reached early in 1919. French and

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Belgian francs at 5.29 1/2 and 4.84 3/4 cents respectively were about 5 points higher during the week. The Swedish kroner was quoted slightly above par and the Dutch guilders again reached a new high price for the year and were within 8 points of par. The new German Reichsmark was traded in at 23.80 cents, the par value of the new currency. South American and Far Eastern exchanges were generally firm and slightly higher.

New Financing

The volume of new financing continued small and new bond offerings for the week ended November 14 totaled only \$43 million compared with \$39 million the week before. Industrial issues aggregated \$18 million of which the largest single issue was \$7 million three year convertible 6 1/2 per cent. notes of the Skelly Oil Company, offered to yield 5.95 per cent. State and municipal issues totaled \$12 million while public utility offerings totaled <sup>only</sup> \$8 million.

Liberty Bond Market

Reflecting the firmness in rates for time money and some substantial offerings by financial institutions United States Government bonds, coincident with the advance in stocks and other bonds, declined sharply from the high levels reached early in the period. On Wednesday, November 12, closing day of the period, prices on all Liberty issues showed declines of from 7/32's to 20/32's from the closing levels of the previous week and the Treasury 4 1/4's declined nearly 1 1/4 points from the record high price reached on November 1. The Second and Fourth 4 1/4's were the most active issues traded in, as indicated in the following table of Liberty bond sales in which decimals represent thirty-seconds:

<u>Amount in</u> <u>Thousands</u>	<u>Issue</u>		<u>Closing Prices</u>		<u>High for</u>	
			<u>Nov. 5</u>	<u>Nov. 12</u>	<u>Period</u>	<u>1924</u>
\$2,609	First	3 1/2's	101.4	100.29	101.4	101.28
382	"	4 1/4's	102.14	101.26	102.16	*102.22
3,880	Second	4 1/4's	101.19	101.8	101.23	*102.00
2,616	Third	4 1/4's	102.6	101.21	102.8	*102.23
6,117	Fourth	4 1/4's	102.23	102.8	102.23	*103.00
1,161	Treasury	4 1/4's	106.31	105.24	106.30	*107.7

\* High since date of issuance

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New York  
Market for  
Short-term  
Government

Dealers report substantial offerings by banks of large-sized blocks of short-term Government securities, especially Treasury Notes maturing in 1927, while the demand was slackened and prices on all issues were lowered from 2/32's to 15/32's during the week with a corresponding rise in yield. During the week ended November 5 reporting member banks in this district showed a decline of 8 million in holdings of Treasury certificates. As indicated in the following table yields on all maturities on Wednesday, November 12, at the close of the statement week, were substantially higher than those prevailing a week ago:

			<u>November 6</u>	<u>November 12</u>
Maturing March	1925	- yield	2.53	2.70
Maturing December	1925	- yield	2.86	2.95
Maturing September	1926	- yield	3.31	3.46
Maturing March	1927	- yield	3.47	3.67
Maturing December	1927	- yield	3.52	3.67

BANKERS ACCEPTANCES

Rates

All districts report rates generally uncertain. During the statement week, however, offering rates remained on the level previously current, dealers offering 90-day bills at 2 1/4 per cent., 60's at 2 1/8 per cent. and 30-day bills at 2 per cent. In New York and Philadelphia several dealers raised their bid rates 1/8 per cent. on all maturities. Indications at the close of the week were that dealers would advance their rates in the near future.

Abstract  
of Reports  
from Banks

Boston reports a fairly large supply of bills although not in excess of the demand. The supply of 90-day bills was good and this maturity comprised the major portion of dealers present holdings. The uncertainty in rates caused several banks holding their own bills to place them in the market and a larger variety of names appeared than in some time. The local demand was good but few sales were made outside. In New York the market was fairly active during the week. Firm-

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er money conditions during the early part of the period resulted in a substantial increase in the volume of bills offered in the market. The return of easier money conditions was accompanied by increased demand which was not enough, however, to offset the larger supply. As a result dealers' portfolios increased very substantially to the highest point since early in October. In Philadelphia the firmer tendency in the money market was reflected in a lighter demand for bills while the supply was somewhat increased. In Chicago the supply was fair with a moderate demand.



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OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

At the request of the Treasury the Federal Reserve Bank of New York purchased during the period \$57,200 Third Liberty Loan 4 1/4% bonds for account of the Interstate Commerce Commission General Railroad Contingent Fund.

SYSTEM SPECIAL INVESTMENT ACCOUNT

There has been no change during the period in the System's Special Investment Account, the purchases and their apportionment to all Federal reserve Banks remaining at \$500,000,000, as shown in the following table:

	<u>Treasury Notes</u>	<u>Certificates of Indebtedness</u>	<u>Liberty Loan Bonds</u>	<u>Total</u>
Boston	\$ 25,867,200	\$ 8,927,000	\$ 500,000	\$ 35,294,200
New York	136,394,400	46,019,500	3,700,000	186,113,900
Philadelphia	8,608,100	5,054,500	200,000	13,862,600
Cleveland	36,740,500	12,350,000	1,200,000	50,290,500
Richmond	2,661,200	990,500	0	3,651,700
Atlanta	1,059,300	300,000	100,000	1,459,300
Chicago	51,310,500	17,748,000	1,200,000	70,258,500
St. Louis	12,715,000	3,454,000	600,000	16,769,000
Minneapolis	15,032,600	4,768,000	300,000	20,100,600
Kansas City	17,982,600	6,072,000	500,000	24,554,600
Dallas	19,469,200	6,442,500	600,000	26,511,700
San Francisco	<u>37,395,400</u>	<u>12,638,000</u>	<u>1,100,000</u>	<u>51,133,400</u>
	<u>\$365,236,000</u>	<u>\$124,764,000</u>	<u>\$10,000,000</u>	<u>\$500,000,000</u>

RECAPITULATION OF PURCHASES

<u>Made By</u>	<u>Amount</u>
Boston	\$ 18,648,500
New York	401,107,700
Philadelphia	14,979,500
Cleveland	4,090,000
Richmond	600,000
Atlanta	1,944,400
Chicago	34,300,000
St. Louis	5,453,900
Minneapolis	3,128,000
Dallas	8,169,000
San Francisco	<u>7,579,000</u>
	<u>\$500,000,000</u>

RECAPITULATION OF PURCHASES BY MATURITIES

Dec. 15, 1924	\$ 64,944,000
March 15, 1925	117,500,000
June 15, 1925	46,697,700
Sept. 15, 1925	44,710,500
Dec. 15, 1925	43,917,000
Sept. 15, 1926	26,351,000
March 15, 1926	57,707,600
March 15, 1927	57,375,900
Dec. 15, 1927	30,796,300
Third Liberty Loan Bonds	10,000,000
Sept. 15, 1928	<u>10,000,000</u>
	<u>\$500,000,000</u>

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**ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF  
 ALL FEDERAL RESERVE BANKS FROM NOVEMBER 6 TO NOVEMBER 12, 1924**

GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>	<u>Held Under Sales Contract</u>
Boston	0	-	0	-	0
New York	0	-	0	-	0
Philadelphia	0	-	0	-	0
Cleveland	282,500 Misc. Gov't Sec.		0	-	0
Richmond	0	-	0	-	0
Atlanta	378,600 Misc. Gov't Sec.		15,300 Misc. Gov't Sec.		0
Chicago	1,435,950 Fourth L.L. 4 1/4's		0	-	1,000,000
St. Louis	0	-	0	-	0
Minneapolis	2,192,200 Misc. Gov't Sec.		1,361,850 Misc. Gov't Sec.		0
Kansas City	25,250 Misc. Gov't Sec.		0	-	500,000
Dallas	1,075,000 Third L.L. 4 1/4's; 25,000 3% Reg. Conv.				0
San Francisco	<u>0</u>	-	<u>0</u>	-	<u>0</u>
<b>Totals</b>	<u>\$5,389,500</u>		<u>\$2,402,150</u>		<u>\$1,500,000</u>

BANKERS ACCEPTANCES

	<u>Maturity</u>	<u>PURCHASES Amount</u>	<u>Rate</u>	<u>MATURITIES Amount</u>	<u>Other Holdings</u>
Boston	1-30 days	\$ 1,149,000	2% - 2 3/8%	\$ 953,000	\$1,870,000 Sales Contracts
	31-60 "	3,368,000	2 1/8% - 2 3/8%		
	61-90 "	6,224,000	2 1/4% - 2 3/8%		
	Over 90 "	866,000	2 1/4% - 2 3/8%		
	In other districts	<u>958,000</u>	2% - 2 1/2%		
		<u>\$12,565,000</u>			
New York	1-30 days	\$ 4,447,000	2% - 2 3/8%	7,856,000	15,793,000 Sales Contracts 26,000 foreign trade bills 2,242,000 ster- ling bills 227,000 foreign bills
	31-60 "	2,960,000	2 1/8% - 2 3/8%		
	61-90 "	2,109,000	2 1/4%		
	Over 90 "	<u>468,000</u>	2 1/4% - 2 1/2%		
		<u>\$ 9,984,000</u>			

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BANKERS ACCEPTANCES - (Continued)

	<u>Maturity</u>	<u>PURCHASES</u> <u>Amount</u>	<u>Rate</u>	<u>MATURITIES</u> <u>Amount</u>	<u>Other</u> <u>Holdings</u>
Philadelphia	1-30 days	\$ 340,000	2%	\$ 671,000	0
	31-60 "	1,396,000	2 1/8%		
	61-90 "	<u>2,543,000</u>	2 1/4% - 2 1/2%		
		<u>\$4,279,000</u>			
Cleveland	61-90 days	\$ 353,000	2 1/4%	2,462,000	113,000
	In other districts	<u>3,717,000</u>	2% - 2 1/2%		sterling bills
		<u>\$4,070,000</u>			
Richmond	-	0	-	0	0
Atlanta	1-30 days	\$1,430,000	2% - 2 1/8%	746,000	1,276,000 Un-
	31-60 "	300,000	2 1/8% - 2 1/4%		indorsed
	61-90 "	285,000	2 1/4%		bills pur-
	In other districts	<u>241,000</u>	2% - 2 1/2%		chased from
		<u>\$2,256,000</u>			accepting
					banks
Chicago	1-30 days	2,777,000	2%	2,308,000	1,398,000
	31-60 "	1,506,000	2 1/8%		Sales Con-
	61-90 "	736,000	2 1/4% - 2 1/2%		tracts
	In other districts	<u>3,151,000</u>	2% - 2 1/2%		
		<u>\$8,170,000</u>			
St. Louis	In other districts	2,190,000	2% - 2 1/2%	1,261,000	0
Minneapolis	-	0	-	106,000	0
Kansas City	In other districts	2,312,000	2% - 2 1/2%	1,434,000	0
Dallas	In other districts	2,979,000	2% - 2 1/2%	1,352,000	0
San Francisco	1-30 days	356,000	2% - 2 1/8%	2,139,000	0
	31-60 "	299,000	2 1/8%		
	61-90 "	195,000	2% - 2 1/8%		
	In other districts	<u>5,451,000</u>	2% - 2 1/2%		
		<u>\$6,301,000</u>			
<b>Totals</b>		<u>\$55,106,000</u>		<u>\$21,088,000</u>	<u>\$22,945,000</u>

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#2

333 /

November 11, 1924

Executive Folder

Date 11-11-24

Dear Mr. Matteson:

I acknowledge receipt of and shall bring to the attention of the members of the Board your letter of November 8, 1924, enclosing report of transactions in Government securities and bankers acceptances as reported to the Open Market Investment Committee for the Federal Reserve System for the period from October 30 to November 5, 1924, inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,

(Signed) Walter L. Eddy

Walter L. Eddy,  
Secretary.

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

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*947 added*

*[Handwritten initials]*

FEDERAL RESERVE BANK  
OF NEW YORK

Open Market Investment Committee  
for the Federal Reserve System

CONFIDENTIAL

November 8, 1924

S i r :

Enclosed is a report of transactions in Govern-  
ment securities and bankers acceptances as reported to the  
Open Market Investment Committee for the Federal Reserve  
System for the period from October 30 to November 5, 1924  
inclusive, together with data received by the Committee  
from the Federal reserve banks.

Respectfully,

*[Handwritten signature of W. B. Matteson]*

W. B. Matteson  
Secretary of the Committee

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

Enclosure

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C O N F I D E N T I A L

REPORT OF OPEN MARKET INVESTMENT COMMITTEE  
WEEK ENDED NOVEMBER 5, 1924

C O N T E N T S

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**COMPARISON OF HOLDINGS OF EARNING ASSETS OF FEDERAL RESERVE BANKS  
 FROM JANUARY 30 TO NOVEMBER 5, 1924**  
 (000 Omitted)

-1924-	TOTAL EARNING ASSETS	*GOVERNMENT	BANKERS ACCEPTANCES		BILLS
		SECURITIES	Purchases	Sales Contracts	DISCOUNTED
Jan. 30	914,881	3120,772	235,930	35,862	522,307
Feb. 27	950,801	155,801	205,022	58,288	531,690
Mar. 26	942,080	257,256	164,947	37,511	482,315
Apr. 30	873,381	301,660	102,800	21,685	447,185
May 28	850,193	333,282	49,869	364,891	429,600
June 25	826,260	429,794	44,065	969	350,131
July 30	824,867	505,281	23,244	1,197	293,895
Aug. 27	855,225	541,626	48,649	640	262,560
Sept. 24	928,355	574,596	90,431	1,470	259,863
Oct. 29	1,024,176	584,200	179,746	35,658	222,565
Nov. 5	1,052,544	584,876	191,227	43,621	229,263

\*Includes sales contracts

**CHANGES IN HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES  
 BY FEDERAL RESERVE BANKS (EXCLUSIVE OF SALES CONTRACTS)  
 DURING WEEK ENDING NOVEMBER 5, 1924**  
 (000 Omitted)

	GOVERNMENT SECURITIES			BANKERS ACCEPTANCES		
	Balance Nov. 5	Balance Oct. 29	Net Change	Balance Nov. 5	Balance Oct. 29	Net Change
Boston	\$ 38,855	\$ 38,855	0	\$ 18,418	\$ 16,252	\$ 2,166+
New York	187,316	187,316	0	56,327	56,983	656--
Philadelphia	31,452	31,452	0	10,121	8,120	2,001+
Cleveland	64,754	64,754	0	20,355	18,247	2,108+
Richmond	4,993	4,993	0	0	0	0
Atlanta	3,386	3,292	94+	5,064	4,802	262+
Chicago	85,219	85,083	136+	24,243	22,770	1,473+
St. Louis	16,769	16,769	0	9,905	9,037	868+
Minneapolis	27,759	28,318	559-	1,420	1,860	440--
Kansas City	35,237	35,226	11+	9,272	8,532	740+
Dallas	27,795	27,795	0	12,018	11,209	809+
San Francisco	60,341	60,341	0	24,084	21,934	2,150+
<b>Totals</b>	<b>\$583,876</b>	<b>\$584,194</b>	<b>\$318--</b>	<b>\$191,227</b>	<b>\$179,746</b>	<b>\$11,481+</b>

**COMMENT ON CHANGES FOR WEEK ENDED NOVEMBER 5**

Accompanying the renewed firmness in money conditions during the latter part of the period total earning assets of all reserve banks advanced \$28,368,000 during the statement week. The increase was largely accounted for by the further rise of \$11,481,000 in holdings of bills purchased outright and an increase of \$7,963,000 in acceptances held under sales contracts. Holdings of Government securities increased \$676,000, representing securities held under sales contracts. Bills discounted increased \$6,698,000 from the low point since September 1917 reached last week. By November 7 earning assets in New York had increased further \$78,000,000 due to the usual first of the month outward movement of funds.

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MONEY MARKET

Accompanying the loss of funds to this district in ordinary commercial and financial settlements of about \$21 million and the usual requirements for first of month disbursements, money conditions in New York turned distinctly firmer and on Monday, November 3, the rate for stock exchange call money was advanced to 3 per cent. With increased activity on the stock exchange money conditions continued firm and on Wednesday, closing day of the period, the rate, after opening and renewing at 2 1/2 per cent., was again advanced to 3 per cent. The demand was active and on several days the total volume of new loans placed was more than twice the usual daily average. On Thursday, November 6, stock exchange call money advanced to 3 1/2 per cent. for the first time since the end of May just before the marked ease in money conditions began but with the return of funds from the interior money closed on Friday at 2 1/2 per cent. Time money continued quiet during the statement period but on Thursday the market was somewhat firmer and rates were advanced 1/4 per cent., 90-day funds being offered at 3 1/4 per cent. and longer maturities at 3 1/2 per cent.

The commercial paper market was moderately active with only a small supply of paper offered. Rates were unchanged during the period but later in the week the tendency was slightly firmer and New York City banks appeared unwilling to buy paper at the current low levels prevailing.

	<u>Week Ended</u> <u>October 29</u>	<u>Week Ended</u> <u>November 5</u>
Call money renewals, average	2.20	2.25
Call money, new loans, average	2.39	2.37
Time money, 60-90 days, offer	2 1/2 - 3	2 1/2 - 3
Commercial paper, 4-6 months	3 - 3 1/4	3 - 3 1/4

SECURITY MARKETS

Stock  
Market

The outstanding conservative victory on Tuesday was immediately accompanied by increased activity and strength in the security markets. On



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Wednesday, November 5, the volume of transactions for the day of about 1,850,000 shares was the largest since February and brought the total transactions during the period to nearly 5,000,000 shares compared with about 4,000,000 the week before. With the removal of fear of radical railroad legislation, railroad stocks were active and the Dow-Jones average advanced 2 points during the period. A further rise of over 2 1/2 points later in the week, brought this average to a new high point for the year which was also the highest point for this average since September 1922. Industrial stocks were also higher and averages advanced about 1 1/4 points on Wednesday.

General  
Bond  
Market

Notwithstanding the intervening holiday and the firmer tendency in money conditions trading in the bond market was active and transactions during the period totaled about \$67,000,000 against \$65,000,000 the week before. Speculative railroad bonds were active and several issues advanced from 1 to 3 points and reached new high prices for the year. Other bonds were higher and a representative average of high grade corporation bonds advanced over 1/2 point during the period. With continued activity later in the week the "Annalist" average of 40 corporation bonds reached a new high point since 1922. The new German bonds continued active at a substantial premium while other foreign bonds were generally steady.

Foreign  
Exchange

Sterling continued active and strong and on Friday, November 7, at \$4.58 3/8 reached a new high price for the year and showed a gain of 6 cents during the week and a total advance of about 13 cents over the low point in October. French and Belgian francs at 5.24 1/2 and 4.81 cents respectively were virtually unchanged. The Swedish kroner at 26.80 cents again regained par for the first time since January 1923, and the Dutch guilder again reached a new high point for the year. The new German Reichsmark, the currency set up by the Dawes plan especially

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for Germany's foreign trade, was traded in for the first time on Friday, November 7, at 23.80 cents, the par value of the new currency, which has a gold basis. South American and Far Eastern exchange were steady.

New  
Financing

The volume of new financing during the week ended November 7, showed a substantial decline and offerings totaled only 41 millions compared with 114 millions in the week ended October 31. There were only 9 individual issues offered publicly which was the smallest number in several weeks. As in the previous week public utility financing was the largest single group and totaled 26 millions, of which the largest issue was 20 million Cities Service Power and Light Company 6 per cent. bonds offered to yield 6.50 per cent. Railroad and State and municipal issues continued small. In addition to the public offerings two New York banking syndicates announced that a credit of 2 million dollars to the City of Cologne and a 3 million dollar one year loan to the City of Berlin had been placed privately.

Liberty  
Bond  
Market

Trading in Government bonds was more active and transactions during the period totaled \$13,000,000 against \$11,000,000 the week before. Prices advanced on all issues and on Saturday, November 1, the First 4 1/4's reached a new record high at 102 22/32's and the Treasury bonds of 1947-52 in only limited trading reached a new high price at 107 7/32, a gain of 7/32's over the previous high and a total advance of nearly 8 points since January. With firmer money conditions during the latter part of the week prices reacted from the high levels of the period and on Wednesday, closing day of the period, prices on all issues were generally lower than the closing levels of the previous week. With the continuation of

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firmer money conditions during the balance of the week prices continued to decline fractionally. The First 3 1/2's and Fourth 4 1/4's were the most active issues traded in, as indicated in the following summary of Liberty bond sales in which decimals represent thirty-seconds:

Amount in Thousands	Issue	Closing Prices		High for	
		Oct. 29	Nov. 5	Period	1924
52,208	First 3 1/2's	101.3	101.4	101.8	101.28
178	" 4 1/4's	102.16	102.14	102.22	*102.22
1,371	Second 4 1/4's	102.21	101.19	101.27	*102.00
1,796	Third 4 1/4's	102.11	102.6	102.12	*102.23
6,389	Fourth 4 1/4's	102.21	102.23	102.28	*103.00
849	Treasury 4 1/4's	106.29	106.31	107.7	*107.7

\*High since date of issuance

New York  
Market for  
Short-term  
Government

The market for short-term Government securities remained generally quiet and inactive during the period. There were some small offerings of Treasury Notes maturing in 1927 and prices on these issues declined slightly but offerings of other maturities were generally offset by a corresponding demand and prices remained practically unchanged. With firmer money conditions later in the week and the advance in the rate for stock exchange call money to 3 1/2 per cent. on Thursday, November 6, offerings to dealers were substantially increased and prices were lowered on all issues. Accompanying the higher rate for call money, about \$14,500,000 of December 15, 1924 2 3/4 per cent. certificates of indebtedness were received by the Federal Reserve Bank of New York for prior redemption in accordance with the Treasury's offer of October 23. As indicated in the following table yields on the longer maturities at the close of the statement week were slightly higher than

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those prevailing a week ago but yields on the earlier maturities remained virtually unchanged:

		<u>October 30</u>	<u>November 6</u>
Maturing March	1925 - yield	2.55	2.53
Maturing December	1925 - yield	2.86	2.86
Maturing September	1926 - yield	3.32	3.31
Maturing March	1927 - yield	3.44	3.47
Maturing December	1927 - yield	3.50	3.52

#### BANKERS ACCEPTANCES

##### Rates

Rates in all districts remained on the level previously current, dealers offering 90-day bills at 2 1/4%, 60's at 2 1/8 per cent. and 30 day bills at 2 per cent.

##### Abstract of Reports from Banks

Boston reports that there were plenty of bills in the market to meet the current demand but the supply was not in excess. The local banks were active buyers but the outside demand was poor. Bills, however, moved fairly freely with 30's in the best demand. With the higher rate for call money the supply of bills was somewhat increased. In New York the market was generally quiet throughout the week and trading was considerably less active than for any of the three preceding weeks. The demand and supply was about evenly divided and dealers' portfolios at the close of the week were virtually unchanged. In Philadelphia the market for bills during the early part of the period was fairly active but the advance in the rate for call money was accompanied by a falling off in the demand. In Chicago the supply was small with a moderate demand principally for 90-day maturities.

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OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

At the request of the Treasury the Federal Reserve Bank of New York purchased during the period \$2,550 Third Liberty Loan 4 1/4% bonds for account of the Interstate Commerce Commission - Railroad Contingent Fund.

SYSTEM SPECIAL INVESTMENT ACCOUNT

*Reported Nov 8  
 W. B. Matthews*

There has been no change during the period in the System's Special Investment Account, the purchases and their apportionment to all Federal reserve banks remaining at \$500,000,000, as shown in the following table:

	<u>Treasury Notes</u>	<u>Certificates of Indebtedness</u>	<u>Liberty Loan Bonds</u>	<u>Total</u>
Boston	\$ 25,867,200	\$ 8,927,000	\$ 500,000	\$ 35,294,200
New York	136,394,400	46,019,500	3,700,000	186,113,900
Philadelphia	8,608,100	5,054,500	200,000	13,862,600
Cleveland	36,740,500	12,350,000	1,200,000	50,290,500
Richmond	2,661,200	990,500	0	3,651,700
Atlanta	1,059,300	300,000	100,000	1,459,300
Chicago	51,310,500	17,748,000	1,200,000	70,258,500
St. Louis	12,715,000	3,454,000	600,000	16,769,000
Minneapolis	15,032,600	4,768,000	300,000	20,100,600
Kansas City	17,982,600	6,072,000	500,000	24,554,600
Dallae	19,469,200	6,442,500	600,000	26,511,700
San Francisco	37,395,400	12,638,000	1,100,000	51,133,400
	\$365,236,000	\$124,764,000	\$10,000,000	\$500,000,000

RECAPITULATION OF PURCHASES

<u>Made By</u>	<u>Amount</u>
Boston	\$ 18,648,500
New York	401,107,700
Philadelphia	14,979,500
Cleveland	4,090,000
Richmond	600,000
Atlanta	1,944,400
Chicago	34,300,000
St. Louis	5,453,900
Minneapolis	3,128,000
Dallae	8,169,000
San Francisco	7,579,000
	\$500,000,000

RECAPITULATION OF PURCHASES BY MATURITIES

Dec. 15, 1924	\$ 64,944,000
March 15, 1925	117,500,000
June 15, 1925	46,697,700
Sept. 15, 1925	44,710,500
Dec. 15, 1925	43,917,000
Sept. 15, 1926	26,351,000
March 15, 1926	57,707,600
March 15, 1927	57,375,900
Dec. 15, 1927	30,796,300
Third Liberty Loan Bonds	10,000,000
Sept. 15, 1928	10,000,000
	\$500,000,000

*229,417,000*

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ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF  
 ALL FEDERAL RESERVE BANKS FROM OCTOBER 30 TO NOVEMBER 5, 1924

GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>	<u>Hold Under Sales Contracts</u>
Boston	0	-	0	-	0
New York	0	-	0	-	0
Philadelphia	0	-	0	-	0
Cleveland	0	-	0	-	0
Richmond	0	-	0	-	0
Atlanta	234,900	Misc. Gov't Sec.	141,050	Misc. Gov't Sec.	0
Chicago	136,050	Fourth L.L. Bonds	0	-	500,000
St. Louis	0	-	0	-	0
Minneapolis	2,332,750	Misc. Gov't Sec.	2,391,400	Misc. Gov't Sec.	0
Kansas City	10,800	Misc. Gov't Sec.	0	-	500,000
Dallas	50,000	TD2-1924 Cts.	50,000	TD2-1924 Cts.	0
San Francisco	<u>0</u>		<u>0</u>	-	<u>0</u>
<b>Totals</b>	<b><u>\$2,764,500</u></b>		<b><u>\$3,082,450</u></b>		<b><u>\$1,000,000</u></b>

BANKERS ACCEPTANCES

	<u>Maturity</u>	<u>PURCHASES Amount</u>	<u>Rate</u>	<u>MATURITIES Amount</u>	<u>Hold Under Sales Contracts</u>
Boston	1-30 days	\$1,870,000	2% - 2 1/8%	\$1,832,000	\$4,234,000
	31-60 "	806,000	2 1/8% - 2 1/4%		
	61-90 "	756,000	2 1/4% - 2 3/8%		
	Over 90 "	17,000	2 1/4% - 2 3/8%		
	In other districts	<u>549,000</u>	2% - 2 1/4%		
		<b><u>\$3,998,000</u></b>			
New York	1-30 days	3,467,000	2% - 2 3/8%	9,438,000	32,582,000
	31-60 "	3,743,000	2 1/2% - 2 3/8%		(2,380,000 one-day holdover
	61-90 "	1,097,000	2 1/4% - 2 1/2%		for distribution to F. R. Banks)
	Over 90 "	<u>475,000</u>	2 1/4% - 2 5/8%		(2,242,000 sterling bills)
		<b><u>\$8,782,000</u></b>			(227,000 foreign bills)

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BANKERS ACCEPTANCES - (Continued)

	<u>Maturity</u>	<u>PURCHASES</u> <u>Amount</u>	<u>Rate</u>	<u>MATURITIES</u> <u>Amount</u>	<u>Held Under</u> <u>Sales Contracts</u>
Philadelphia	1-30 days	245,000	2% - 2 1/8%	515,000	0
	31-60 "	645,000	2 1/8% - 2 1/4%		
	61-90 "	<u>1,626,000</u>	2 1/4%		
		<u>\$2,516,000</u>			
Cleveland	31-60 days	780,000	2 1/8%	1,983,000	(113,000 sterling bills)
	In other districts	<u>3,311,000</u>	2% - 2 1/4%		
		<u>\$4,091,000</u>			
Richmond	-	0	-	0	0
Atlanta	1-30 days	524,000	2 1/8%	531,000	(1,578,000 Unindorsed bills purchased from accepting banks)
	31-60 "	50,000	2 1/4%		
	61-90 "	81,000	2 1/4%		
	In other districts	<u>138,000</u>	2% - 2 1/4%		
		<u>\$793,000</u>			
Chicago	1-30 days	147,000	2%	1,906,000	265,000
	31-60 "	81,000	2 1/8%		
	61-90 "	211,000	2 1/4%		
	In other districts	<u>2,940,000</u>	2% - 2 1/4%		
		<u>\$3,379,000</u>			
St. Louis	In other districts	1,688,000	2% - 2 1/4%	820,000	0
Minneapolis	-	0	-	440,000	0
Kansas City	In other districts	1,973,000	2% - 2 1/4%	1,233,000	0
Dallas	1-30 days	55,000	2 1/8%	1,729,000	0
	61-90 "	225,000	2 3/8%		
	In other districts	<u>2,258,000</u>	2% - 2 1/4%		
		<u>\$2,538,000</u>			
San Francisco	1-30 days	199,000	2%	2,316,000	0
	31-60 "	157,000	2% - 2 1/8%		
	In other districts	<u>4,110,000</u>	2% - 2 1/4%		
		<u>\$4,466,000</u>			
		<u>\$4,224,000</u>		<u>\$22,743,000</u>	<u>\$43,621,000</u>

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# 20

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*Handwritten:* Kunkley

*Handwritten:* Executive Folder  
Date 11-3-24

November 3, 1924.

Dear Mr. Matteson:

I acknowledge receipt of and shall bring to the attention of the members of the Board your letter of November 1st, enclosing report of transactions in Government securities and bankers acceptances as reported to the Open Market Investment Committee for the Federal Reserve System for the period from October 23 to October 29, 1924, inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,

(Signed) Walter L. Eddy

Walter L. Eddy,  
Secretary.

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



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*DBL*

FEDERAL RESERVE BANK  
OF NEW YORK

Open Market Investment Committee  
for the Federal Reserve System

CONFIDENTIAL

November 1, 1924

S i r :

Enclosed is a report of transactions in Government securities and bankers acceptances as reported to the Open Market Investment Committee for the Federal Reserve System for the period from October 23 to October 29, 1924 inclusive, together with data received by the Committee from the Federal reserve banks.

Respectfully,



W. B. Matteson  
Secretary of the Committee

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

Enclosure

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C O N F I D E N T I A L

REPORT OF OPEN MARKET INVESTMENT COMMITTEE  
WEEK ENDED OCTOBER 29, 1924

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**COMPARISON OF HOLDINGS OF EARNING ASSETS OF FEDERAL RESERVE BANKS  
 FROM JANUARY 30 TO OCTOBER 29, 1924**  
 (000 Omitted)

- 1924 -	TOTAL EARNING ASSETS	*GOVERNMENT	BANKERS ACCEPTANCES	BILLS	
		SECURITIES	Purchases	Sales Contracts	DISCOUNTED
Jan. 30	\$914,881	\$120,772	\$235,930	\$35,862	\$522,307
Feb. 27	950,801	155,801	205,022	58,288	531,690
Mar. 26	942,380	257,256	164,947	37,511	482,315
Apr. 30	873,381	301,660	102,800	21,685	447,185
May 28	850,193	333,282	49,869	36,891	429,600
June 25	826,260	429,794	44,065	969	350,131
July 30	824,867	505,281	23,244	1,197	293,895
Aug. 27	855,225	541,626	48,649	640	262,560
Sept. 24	928,355	574,596	90,431	1,470	259,863
Oct. 1	982,969	575,957	105,497	32,764	266,756
" 8	1,024,751	581,221	126,126	49,039	266,388
" 15	1,060,868	598,522	136,954	60,307	263,078
" 22	977,733	582,827	155,409	14,250	223,240
" 29	1,024,176	584,200	179,746	35,658	222,565

\* Includes sales contracts

**CHANGES IN HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES  
 BY FEDERAL RESERVE BANKS (EXCLUSIVE OF SALES CONTRACTS)  
 DURING WEEK ENDING OCTOBER 29, 1924**  
 (000 Omitted)

	GOVERNMENT SECURITIES			BANKERS ACCEPTANCES		
	Balance Oct. 29	Balance Oct. 22	Net Change	Balance Oct. 29	Balance Oct. 22	Net Change
Boston	\$ 38,854	\$ 38,854	0	\$ 16,252	\$ 16,417	\$ 165-
New York	187,316	187,316	0	56,983	49,624	7,359+
Philadelphia	31,452	31,452	0	8,120	7,685	435+
Cleveland	64,754	64,749	5 +	18,247	14,724	3,523+
Richmond	4,992	4,992	0	0	0	0
Atlanta	3,292	3,217	75 +	4,802	3,986	816 +
Chicago	85,083	84,472	611 +	22,770	19,940	2,830 +
St. Louis	16,769	16,769	0	9,037	7,349	1,688 +
Minneapolis	28,318	27,641	677 +	1,860	2,070	210 -
Kansas City	35,226	35,221	5 +	8,532	6,830	1,702 +
Dallas	27,795	27,795	0	11,209	8,537	2,672 +
San Francisco	60,341	60,340	1 +	21,934	18,247	3,687 +
<b>Totals</b>	<u>\$584,192</u>	<u>\$582,818</u>	1,374 +	<u>\$179,746</u>	<u>\$155,409</u>	<u>\$24,337 +</u>

**COMMENT ON CHANGES FOR WEEK ENDING OCTOBER 29**

Accompanying the temporary firmness in money conditions during the latter part of the period total earning assets of all reserve banks advanced \$46,443,000 during the week and recovered about half of the decline of the previous week. The increase was chiefly accounted for by the further rise of \$24,337,000 in holdings of bills purchased outright and an increase of \$21,408,000 in acceptances held under sales contracts. Holdings of Government securities increased \$1,373,000 representing purchases of miscellaneous securities as there were no purchases made for the System's Special Account. Bills discounted declined further \$675,000 to a new low point since September 1917.

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MONEY MARKET

Accompanying the loss of funds to the interior early in the period and the usual preparations for month-end requirements, money conditions in New York were somewhat firmer and on Monday, October 27, the rate for stock exchange call loans was advanced to 3 per cent. Later in the period, with the return of some money from the interior, money conditions turned somewhat easier and on Wednesday, closing day of the period, the rate declined to 2 1/2 per cent, and on Thursday, October 30, to 2 per cent. where it held throughout the balance of the week. Time money continued quiet with only a light demand and rates unchanged.

The commercial paper market was fairly active with prime names for short maturities at 3 per cent. and other maturities at 3 1/4 per cent. Dealers' sales were limited somewhat by the small supply of paper in the market.

	<u>Week Ended</u> <u>October 22</u>	<u>Week Ended</u> <u>October 29</u>
Call money, renewals, average	2.20	2.20
Call money, new loans, average	2.13	2.39
Time money, 60-90 days, offer	2 1/2 - 3	2 1/2 - 3
Commercial paper, 4-6 months	3 - 3 1/4	3 - 3 1/4

SECURITY MARKETS

Stock  
Market

Stock trading continued quiet which was attributed chiefly to the influence of the approaching election and on several days daily transactions were under 600,000 shares. Although the general tendency of stocks was irregular the Dow-Jones averages of rail and industrial

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 Authority EO 13958

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securities on Wednesday, October 29, closing day of the period, were fractionally higher than at the conclusion of the preceding period. Averages of both classes of securities, however, showed a loss of three and four points respectively from the year's high levels reached late in August.

General  
Bond  
Market

During the latter part of the period, due partly to the temporary firmness in money conditions, trading in the bond market was somewhat slackened and transactions for the period totaled \$65,000,000 against \$76,000,000 the week before. Although railroad bonds continued to decline slightly industrial and public utility bonds were somewhat higher, and representative averages of high grade corporation bonds held practically unchanged throughout the week. Except for the new German bonds which continued actively traded in at a substantial premium, the market for foreign bonds was generally quiet but prices were steady and averages held close to the year's high levels reached in August.

Foreign  
Exchange

Following the decisive Conservative victory in the British elections sterling advanced sharply and on Thursday, October 30, at the day's high of \$4.52 3/8 showed an over night gain of over 2 cents and reached the highest point since August 18. French and Belgian francs at 5.23 and 4.80 cents respectively were firm. Dutch guilders at 39.36 cents again reached a new high point for the year. South American and Far Eastern exchanges were generally firm. Canadian funds held steady at par.

New  
Financing

Following the quiet market last week in which new bond offerings totaled only 45 millions the volume of new financing was substantially increased and new bond offerings for the week ended October 31 totaled 114 millions. Industrial and public utility issues aggregated 52 millions while railroad offerings totaled only 8 millions and State

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and municipal issues continued small and totaled 9 millions. The offering of the Swedish loan of \$30,000,000 5 1/2 per cent. bonds of 1954 brought the total of foreign financing so far this year to over a billion dollars. With but a few exceptions, notably the Argentine 6 per cent. bonds and the Japanese 6 1/2's, these bonds are selling at or above the offering price. The following table lists the most important of the foreign loans placed so far this year with the amount and offering price and also the closing market price on October 30.

<u>Amount</u>	<u>Name</u>		<u>Offered Price</u>	<u>Market Price Oct. 30, 1924</u>
\$ 40,000,000	Argentine	6's 1957	96 1/2	92 3/4
30,000,000	Belgian	6 1/2's 1949	94	96 3/8
110,000,000	German	7's 1949	92	93 3/4
150,000,000	Japan	6 1/2's 1954	92 1/2	91 3/4
40,000,000	Netherlands	6's 1954	98 1/2	100 5/8
25,000,000	Norway	6's 1944	97 1/2	98 5/8
20,000,000	Paris-Lyons Med.R.R.	7's 1958	93 1/4	93 1/4
30,000,000	Switzerland	5 1/2's 1946	97 1/2	99 5/8

Liberty Bond Market

Liberty bonds continued moderately active and transactions during the period totaled about \$11,000,000 compared with \$13,000,000 the week before. With temporary firmness in money conditions prices declined slightly on Monday, October 27, but recovered later in the week and on Wednesday, closing day of the period, prices on all Liberty issues were practically unchanged from the previous week, and the Treasury bonds of 1947-52 held close to the record high reached on October 21. The Fourth 4 1/4's continued to be the most active issue traded in, as indicated in the following table of Liberty bond sales in which decimals represent thirty-seconds:

<u>Amount in Thousands</u>	<u>Issue</u>	<u>Closing Prices</u>		<u>High for Period 1924</u>		
		<u>Oct. 22</u>	<u>Oct. 29</u>			
\$ 810	First	3 1/2's	101.5	101.3	101.8	101.28
540	"	4 1/4's	102.17	102.16	102.18	*102.21
1,452	Second	4 1/4's	101.22	101.21	101.24	*102.00
1,239	Third	4 1/4's	102.10	102.11	102.12	*102.23
5,306	Fourth	4 1/4's	102.22	102.21	102.23	*103.00
1,766	Treasury	4 1/4's	106.29	106.29	106.30	*107.00

\* High since date of issuance

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New York  
Market for  
Short-term  
Government

With the exception of a moderate demand for long-term Treasury notes maturing in 1927, which advanced about 6/32's in price, the market for short-term Government securities was generally quiet and inactive during the period. There were some small offerings of the shorter maturities and prices on these issues declined slightly. As indicated in the following table present yields on the early maturities are slightly higher than those prevailing a week ago, but yields on longer term Treasury notes were somewhat lower:

	<u>October 23</u>	<u>October 30</u>
Maturing March 1925 - yield	2.36	2.55
Maturing December 1925 - yield	2.85	2.86
Maturing September 1926 - yield	3.32	3.32
Maturing March 1927 - yield	3.54	3.44
Maturing December 1927 - yield	3.58	3.50

BANKERS ACCEPTANCES

Rates

Rates in all districts remained unchanged throughout the period, dealers offering 90-day bills at 2 1/4 per cent., 60's at 2 1/8 per cent. and 30-day bills at 2 per cent.

Abstract  
of Reports  
from Banks

Boston reports that the supply of bills was somewhat larger than in the previous week but was not excessive, while the demand was small and scattered. The local banks appeared to have a sufficient supply of bills on hand and consequently were not in the market during the week. The best demand was for short bills with fair buying of 90-day maturities. The market in New York was fairly active. The ease in money conditions in the early part of the period, together with some foreign orders, resulted in the best demand for bills since July. With firmer money conditions later in the period the demand slackened somewhat while the supply was substantially increased. As

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\* High since date of issuance

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Short-term  
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Rates in all districts remained unchanged throughout the period, dealers offering 90-day bills at 2 1/4 per cent., 60's at 2 1/8 per cent. and 30-day bills at 2 per cent.

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Boston reports that the supply of bills was somewhat larger than in the previous week but was not excessive, while the demand was small and scattered. The local banks appeared to have a sufficient supply of bills on hand and consequently were not in the market during the week. The best demand was for short bills with fair buying of 90-day maturities. The market in New York was fairly active. The ease in money conditions in the early part of the period, together with some foreign orders, resulted in the best demand for bills since July. With firmer money conditions later in the period the demand slackened somewhat while the supply was substantially increased. As

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a result dealers' trading, while larger in volume than in some previous weeks, was about even and portfolios were virtually unchanged. In Philadelphia the demand continued in excess of the supply early in the period but later with the higher call money rate there was a somewhat decreased demand for bills. Bills were offered in fair volume but the local demand was small and the out-of-town demand was only routine. In Chicago there was a fair demand which continued in excess of the supply of bills in the market.

With the firmer money conditions late in the period offerings by dealers to the reserve banks were substantially increased.

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 Authority EO 13958

SYSTEM SPECIAL INVESTMENT ACCOUNT

There has been no change during the period in the System's Special Investment Account, the purchases and their apportionment to all Federal reserve banks remaining at \$500,000,000, as shown in the following table:

	<u>Treasury Notes</u>	<u>Certificates Of Indebtedness</u>	<u>Liberty Loan Bonds</u>	<u>Total</u>
Boston	\$ 25,867,200	\$ 8,927,000	\$ 500,000	\$ 35,294,200
New York	136,394,400	46,019,500	3,700,000	186,113,900
Philadelphia	8,608,100	5,054,500	200,000	13,862,600
Cleveland	36,740,500	12,350,000	1,200,000	50,290,500
Richmond	2,661,200	990,500	0	3,651,700
Atlanta	1,059,300	300,000	100,000	1,459,300
Chicago	51,310,500	17,748,000	1,200,000	70,258,500
St. Louis	12,715,000	3,454,000	600,000	16,769,000
Minneapolis	15,032,600	4,768,000	300,000	20,100,600
Kansas City	17,982,600	6,072,000	500,000	24,554,600
Dallas	19,469,200	6,442,500	600,000	26,511,700
San Francisco	37,395,400	12,638,000	1,100,000	51,133,400
<b>Totals</b>	<b>\$365,236,000</b>	<b>\$124,764,000</b>	<b>\$10,000,000</b>	<b>\$500,000,000</b>

RECAPITULATION OF PURCHASES

<u>Made by</u>	<u>Amount</u>
Boston	\$ 18,648,500
New York	401,107,700
Philadelphia	14,979,500
Cleveland	4,090,000
Richmond	600,000
Atlanta	1,944,400
Chicago	34,300,000
St. Louis	5,453,900
Minneapolis	3,128,000
Dallas	8,169,000
San Francisco	7,579,000
	<b>\$500,000,000</b>

RECAPITULATION OF PURCHASES BY MATURITIES

Dec. 15, 1924	\$ 64,944,000
Mar. 15, 1925	117,500,000
June 15, 1925	46,697,700
Sept. 15, 1925	44,710,500
Dec. 15, 1925	43,917,000
Sept. 15, 1926	26,351,000
Mar. 15, 1926	57,707,600
Mar. 15, 1927	57,375,900
Dec. 15, 1927	30,796,300
Third Liberty Loan Bonds Sept. 15, 1928	10,000,000
	<b>\$500,000,000</b>

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

At the request of the Treasury the Federal Reserve Bank of New York purchased during the period \$26,850 First Converted 4 1/4% Liberty Loan bonds, for account of the District of Columbia Teachers' Retirement Fund and \$20,000 Treasury Notes maturing September 15, 1926, for the Harding Memorial Association.

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ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF  
 ALL FEDERAL RESERVE BANKS FROM OCTOBER 23 TO OCTOBER 29, 1924

GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>	<u>Held Under Sales Contracts</u>
Boston	0	-	0	-	\$7,550
New York	0	-	0	-	0
Philadelphia	0	-	0	-	0
Cleveland	5,000	TM-1925 Cdfs.	0	-	0
Richmond	0	-	0	-	0
Atlanta	133,000	Misc. Gov't Sec.	57,600	Misc. Gov't Sec.	0
Chicago	611,650	Fourth L.L. Bonds	0	-	0
St. Louis	0	-	0	-	0
Minneapolis	5,981,500	Misc. Gov't Sec.	5,304,150	Misc. Gov't Sec.	0
Kansas City	251,950	Misc. Gov't Sec.	247,500	3% Conversion Bds.	0
Dallas	200,000	Third L.L. Bonds	200,000	3% Conversion Bds.	0
San Francisco	<u>1,000</u>	Misc. Gov't Sec.	<u>0</u>	-	<u>0</u>
Totals	<u>\$7,184,100</u>		<u>\$5,809,250</u>		<u>\$7,550</u>

BANKERS ACCEPTANCES

	<u>Maturity</u>	<u>PURCHASES Amount</u>	<u>Rate</u>	<u>MATURITIES Amount</u>	<u>Held Under Sales Contracts</u>
Boston	1-30 days	\$ 382,000	2% - 2 1/8%	\$1,844,000	\$4,144,000
	31-60 "	787,000	2 1/8% - 2 1/4%		
	61-90 "	432,000	2 1/4% - 2 3/8%		
	Over 90 "	<u>78,000</u>	2 1/4%		
		<u>\$1,679,000</u>			
New York	1-30 days	8,141,000	2% - 2 1/4%	5,651,000	22,697,000 (4,831,000 one day holdover for dis- tribution to F.R. Banks) (2,242,000 Sterling Bills) (227,000 Foreign Bills)
	31-60 "	3,040,000	2 1/8% - 2 1/2%		
	61-90 "	1,408,000	2 1/4% - 2 1/2%		
	Over 90 "	<u>421,000</u>	2 1/4% - 2 5/8%		
		<u>\$13,010,000</u>			

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BANKERS ACCEPTANCES - (Continued)

	<u>Maturity</u>	<u>PURCHASES</u> <u>Amount</u>	<u>Rate</u>	<u>MATURITIES</u> <u>Amount</u>	<u>Held Under</u> <u>Sales Contracts</u>
Philadelphia	1-30 days	\$ 27,000	2%	\$ 1,014,000	0
	31-60 "	304,000	2 1/8% - 2 1/4%		
	61-90 "	<u>1,118,000</u>	2 1/4% - 2 3/8%		
		<u>\$1,449,000</u>			
Cleveland	1-30 days	\$ 15,000	2%	1,290,000	0
	31-60 "	354,000	2 1/8%		
	61-90 "	340,000	2 1/4%		
	In other districts	<u>4,104,000</u>	2% - 2 1/4%		
		<u>\$4,813,000</u>			
Richmond	-	0	-	0	0
Atlanta	1-30 days	\$ 253,000	2 1/8%	235,000	(\$1,447,000 unendorsed bills purchased from accepting banks)
	31-60 "	606,000	2 1/4%		
	61-90 "	<u>192,000</u>	2 1/4%		
		<u>\$1,051,000</u>			
Chicago	1-30 days	\$ 730,000	2%	1,554,000	70,000
	31-60 "	1,233,000	2%		
	61-90 "	589,000	2 1/4%		
	In other districts	<u>1,832,000</u>	2% - 2 1/4%		
		<u>\$4,384,000</u>			
St. Louis	In other districts	\$2,324,000	2% - 2 1/4%	636,000	0
Minneapolis	-	0	-	210,000	0
Kansas City	In other districts	\$2,560,000	2% - 2 1/4%	858,000	0
Dallas	In other districts	\$3,640,000	2% - 2 1/4%	968,000	0
San Francisco	1-30 days	\$ 663,000	2%	2,232,000	0
	31-60 "	239,000	2% - 2 1/8%		
	61-90 "	14,000	2 1/4%		
	In other districts	<u>5,003,000</u>	2% - 2 1/4%		
		<u>\$5,919,000</u>			
	TOTALS	<u>\$40,829,000</u>		<u>\$16,492,000</u>	<u>\$35,658,000</u>

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333 /

October 20, 1924.

Executive Folder  
Date 10-20-24

Dear Mr. Matteson:

I acknowledge receipt of and shall bring to the attention of the members of the Board your letter of the 18th instant, enclosing report of transactions in Government securities and bankers acceptances as reported to the Open Market Investment Committee for the Federal Reserve System for the period from October 9 to October 15, 1924, inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,

(Signed) Walter L. Eddy

Walter L. Eddy,  
Secretary.

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

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*Reply,*

*# 2*

333.1

Executive Folder  
Date 10-28-24

October 28, 1924.

Dear Mr. Matteson:

I acknowledge receipt of and shall bring to the attention of the members of the Board your letter of October 25th, enclosing report of transactions in Government securities and bankers acceptances as reported to the Open Market Investment Committee for the Federal Reserve System for the period from October 16 to October 22, 1924, inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,

(Signed) Walter L. Eddy

Walter L. Eddy,  
Secretary.

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



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RECEIVED  
OFFICE OF THE GOVERNOR  
*[Handwritten signature]*

FEDERAL RESERVE BANK  
OF NEW YORK

Open Market Investment Committee  
for the Federal Reserve System

CONFIDENTIAL

October 25, 1924

S i r :

Enclosed is a report of transactions in Government securities and bankers acceptances as reported to the Open Market Investment Committee for the Federal Reserve System for the period from October 16 to October 22, 1924 inclusive, together with data received by the Committee from the Federal reserve banks.

Respectfully,

*[Handwritten signature: W. B. Matteson]*

W. B. Matteson  
Secretary of the Committee

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

Enclosure

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C O N F I D E N T I A L

REPORT OF OPEN MARKET INVESTMENT COMMITTEE  
WEEK ENDED OCTOBER 22, 1924

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**COMPARISON OF HOLDINGS OF EARNING ASSETS OF FEDERAL RESERVE BANKS  
 FROM JANUARY 30 TO OCTOBER 22, 1924**  
 (000 Omitted)

-1924-	TOTAL EARNING ASSETS	*GOVERNMENT	BANKERS ACCEPTANCES		BILLS
		SECURITIES	Purchases	Sales Contracts	DISCOUNTED
Jan. 30	\$914,881	\$120,772	\$235,930	\$35,862	\$522,307
Feb. 27	950,801	155,801	205,022	58,288	531,690
Mar. 26	942,080	257,256	164,947	37,511	482,315
Apr. 30	873,381	301,660	102,800	21,685	447,185
May 28	850,193	333,282	49,869	36,891	429,600
June 25	826,260	429,794	44,065	969	350,131
July 30	824,867	505,281	23,244	1,197	293,895
Aug. 27	855,225	541,626	48,649	640	262,560
Sept. 24	928,355	574,596	90,431	1,470	259,863
Oct. 1	982,969	575,957	105,497	32,764	266,756
" 8	1,024,751	581,221	126,126	49,039	266,388
" 15	1,060,868	598,522	136,954	60,307	263,078
" 22	977,733	582,827	155,409	14,250	223,240

\*Includes sales contracts

**CHANGES IN HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES  
 BY FEDERAL RESERVE BANKS (EXCLUSIVE OF SALES CONTRACTS)  
 DURING WEEK ENDING OCTOBER 22, 1924**  
 (000 Omitted)

	GOVERNMENT SECURITIES			BANKERS ACCEPTANCES		
	Balance Oct. 22	Balance Oct. 15	Net Change	Balance Oct. 22	Balance Oct. 15	Net Change
Boston	\$ 38,854	\$ 38,854	0	\$ 16,417	\$ 14,299	\$ 2,118+
New York	187,316	187,316	0	49,624	49,036	588+
Philadelphia	31,452	31,452	0	7,685	5,036	2,649+
Cleveland	64,749	64,749	0	14,724	13,319	1,405+
Richmond	4,993	4,993	0	0	0	0
Atlanta	3,217	3,233	16-	3,986	2,788	1,198+
Chicago	84,472	83,558	914+	19,940	15,206	4,734+
St. Louis	16,769	16,769	0	7,349	6,444	905+
Minneapolis	27,641	27,695	54-	2,070	2,502	432-
Kansas City	35,221	35,185	36+	6,830	5,853	977+
Dallas	27,795	27,795	0	8,537	6,848	1,689+
San Francisco	60,340	60,340	0	18,247	15,623	2,624+
<b>Totals</b>	<b>\$582,819</b>	<b>\$581,939</b>	<b>\$880+</b>	<b>\$155,409</b>	<b>\$136,954</b>	<b>\$18,455+</b>

**COMMENT ON CHANGES FOR WEEK ENDED OCTOBER 22**

Accompanying renewed ease in money conditions total earning assets of all reserve banks declined \$83,135,000 during the week and canceled all of the rise since late in September. The decline was largely accounted for by the reduction of \$46,057,000 in bills held under sales contracts which was only partly offset by the further rise of \$18,455,000 in holdings of bills purchased outright. Holdings of Government securities declined \$15,695,000, due to the taking up of \$16,000,000 of sales contracts held in New York. Bills discounted declined \$39,838,000 to the lowest point since September 1917.

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MONEY MARKET

With the return of funds to this district in ordinary commercial and financial settlements of about \$73 million and Treasury transfers of \$12 million money conditions in New York turned distinctly easier and the rate for stock exchange call loans was lowered on Friday, October 17, to 2 per cent. for the first time since September 29 and continued unchanged at this rate throughout the following week. The supply of money on offer was in excess of the light demand and substantial amounts remained unlent. Outside of the exchange money was freely offered at 1 1/2 per cent. Time money continued quiet with moderate offerings and only a light demand.

Commercial paper dealers report a moderately active market with the exception of New England and Pacific Coast centers where the market for this class of paper was generally inactive.

	<u>Week Ended</u> <u>October 22</u>	<u>Week Ended</u> <u>October 15</u>
Call money, renewals, average	2.20	2.50
Call money, new loans, average	2.13	2.51
Time money, 60-90 days, offer	2 1/2 - 3	2 1/2 - 3
Commercial paper, 4-6 months	3 - 3 1/4	3 - 3 1/4

SECURITY MARKETS

Stock  
Market

Following the decline in the period ended October 15 of about two points in the Dow-Jones averages of industrials and railroads to the lowest point since July, stocks recovered about 2 1/2 points during the period. Compared with the high points of the year reached late in August industrial averages on Wednesday, October 22, closing day of the period, showed a loss of 3 1/2 points and railroad averages a loss of 4 points.

General  
Bond  
Market

The renewed ease in money conditions and the further rise in bank investments were accompanied by increased activity and strength in the bond market. Transactions during the period totaled \$76 million, the largest volume of trading in any week since early in August. Both railroad and public utility bonds were somewhat higher so that

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representative averages of corporation bonds advanced fractionally. Interest in foreign bonds was again centered in the new German issue which was actively traded in at a premium ranging as high as 3 5/8 points. Transactions in foreign bonds totaled \$25 million, the largest volume of trading in this class of bonds in any week this year.

Foreign Exchange

Sterling continued to advance and on Wednesday, October 22 at \$4.50 5/8 reached the highest point since August 29. French and Belgian francs were quiet and at 5.23 and 4.80 cents respectively were practically unchanged during the week. Dutch guilders at 39.32 cents reached a new high point for the year. Chinese currencies and Indian rupees held close to the year's high levels reached earlier in the month and South American exchanges were active and strong. Canadian funds held steady at or around par.

New Financing

Following the recent period of activity in which the volume of new financing averaged over \$150 million a week the total of new bond offerings for the week ended October 24 declined to \$45 million. For the first time in over two months there were no offerings of foreign issues which so far this month have totaled about \$220 million. Industrial offerings aggregated \$22 million, of which the largest single offering was \$15 million Cuban Dominican Sugar Company 7 1/2 per cent. bonds to yield 7.75 per cent. State and municipal financing continued small and totaled only \$9 million. In addition to the bond offerings a public offering was made of 250,000 shares of the United States and Foreign Securities Corporation first preferred stock at \$100 a share to yield 6 per cent. This corporation has recently been formed to buy, sell and underwrite corporation, governmental and other securities, both domestic and foreign, and take part in the organization and operation of corporations.

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Liberty  
Bond  
Market

Accompanying the further ease in money conditions trading in Liberty bonds was more active during the period and closing prices on all issues on Wednesday, October 22, showed advances of from 9/32's to 12/32's during the week. On limited trading Treasury bonds of 1947 - 52 reached a new record high Tuesday, October 21, at 107, a gain of one point during the month, making a total advance of 7 3/4 points since January. The First 3 1/2's and Fourth 4 1/4's were the most active issues, as indicated in the following table of Liberty bond sales in which decimals represent thirty-seconds:

<u>Amount in</u> <u>Thousands</u>	<u>Issue</u>	<u>Closing Prices</u>		<u>High for</u>	
		<u>Oct. 15</u>	<u>Oct. 22</u>	<u>Period</u>	<u>1924</u>
\$3,116	First 3 1/2's	100.26	101.5	101.6	101.28
481	" 4 1/4's	102.8	102.17	102.18	*102.21
2,554	Second 4 1/4's	101.13	101.22	101.23	*102.00
1,956	Third 4 1/4's	102.1	102.10	102.11	*102.23
4,570	Fourth 4 1/4's	102.10	102.22	102.23	*103.00
809	Treasury 4 1/4's	106.10	106.29	107.00	*107.00

\*High since date of issuance

New York  
Market for  
Short-term  
Governments

Early in the period there was some selling by banks of the short maturities of Government securities and prices were lowered somewhat with a corresponding rise in yields. Later in the period, with the return of funds from the interior, there was an active demand for Treasury issues maturing in March and June 1925 and prices were again moderately advanced. As indicated in the following table present yields on the short maturities are somewhat lower than those prevailing a week ago, but longer term Treasury Notes remain practically unchanged:

	<u>October 16</u>	<u>October 23</u>
Maturing March 1925 - yield	2.45	2.36
Maturing December 1925 - yield	2.84	2.85
Maturing September 1926 - yield	3.36	3.32
Maturing March 1927 - yield	3.60	3.54
Maturing December 1927 - yield	3.61	3.58

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BANKERS ACCEPTANCES

Rates

Rates in all districts remained unchanged throughout the period, dealers offering 90-day bills at 2 1/4 per cent., 60's at 2 1/8 per cent., and 30-day bills at 2 per cent.

Abstract  
of Reports  
from Banks

Boston reports that the supply of bills was good during the early part of the week but was very poor at the close resulting in an actual shortage of bills in the hands of some dealers. Cotton bills have not appeared in any volume as yet although several credits are reported to be pending. The demand was excellent with a much larger distribution and in greater volume than in any period since July. In New York there was an active bill market throughout the week. With the marked ease in money conditions there was a very good and well distributed demand for bills. Although the supply of bills showed a moderate increase over the previous week the good demand resulted in a substantial reduction in dealers portfolios. In Philadelphia conditions in the bill market were generally inactive during the early part of the period but during the latter part there was a decided improvement, especially in the demand, which reflected a more active demand for the employment of idle funds. Dealers reported that the demand exceeded the supply for the first time in several weeks. In Chicago the demand was light with only a small supply of bills in the market.

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SYSTEM SPECIAL INVESTMENT ACCOUNT

There has been no change during the period in the System's Special Investment Account, the purchases and their apportionment to all Federal reserve banks remaining at \$500,000,000, as shown in the following table:

	<u>Treasury Notes</u>	<u>Certificates of Indebtedness</u>	<u>Liberty Loan Bonds</u>	<u>Total</u>
Boston	\$ 25,867,200	\$ 8,927,000	\$ 500,000	\$ 35,294,200
New York	136,394,400	46,019,500	3,700,000	186,113,900
Philadelphia	8,608,100	5,054,500	200,000	13,862,600
Cleveland	36,740,500	12,350,000	1,200,000	50,290,500
Richmond	2,661,200	990,500	0	3,651,700
Atlanta	1,059,300	300,000	100,000	1,459,300
Chicago	51,310,500	17,748,000	1,200,000	70,258,500
St. Louis	12,715,000	3,454,000	600,000	16,769,000
Minneapolis	15,032,600	4,768,000	300,000	20,100,600
Kansas City	17,982,600	6,072,000	500,000	24,554,600
Dallas	19,469,200	6,442,500	600,000	26,511,700
San Francisco	<u>37,395,400</u>	<u>12,638,000</u>	<u>1,100,000</u>	<u>51,133,400</u>
Totals	<u>\$365,236,000</u>	<u>\$124,764,000</u>	<u>\$10,000,000</u>	<u>\$500,000,000</u>

RECAPITULATION OF PURCHASES

<u>Made by</u>	<u>Amount</u>
Boston	\$ 18,648,500
New York	401,107,700
Philadelphia	14,979,500
Cleveland	4,090,000
Richmond	600,000
Atlanta	1,944,400
Chicago	34,300,000
St. Louis	5,453,900
Minneapolis	3,128,000
Dallas	8,169,000
San Francisco	<u>7,579,000</u>
	<u>\$500,000,000</u>

RECAPITULATION OF PURCHASES BY MATURITIES

Dec. 15, 1924	\$ 64,944,000
Mar. 15, 1925	117,500,000
June 15, 1925	46,697,700
Sept. 15, 1925	44,710,500
Dec. 15, 1925	43,917,000
Sept. 15, 1926	26,351,000
Mar. 15, 1926	57,707,600
Mar. 15, 1927	57,375,900
Dec. 15, 1927	30,796,300
Third Liberty Loan Bonds	10,000,000
Sept. 15, 1928	
	<u>\$500,000,000</u>

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

At the request of the Treasury the Federal Reserve Bank of New York purchased during the period \$350,000 September 1925 certificates of indebtedness for account of the Alien Property Custodian, \$500,000 March 1925 and \$1,000,000 June 1925 Treasury Notes for account of the Secretary of the Interior, and \$147,900 Third Liberty Loan 4 1/4% bonds account Interstate Commerce Commission - Railroad Contingent Fund.



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ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF ALL  
 FEDERAL RESERVE BANKS FROM OCTOBER 16 TO OCTOBER 22, 1924

GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>	<u>Held Under Sales Contracts</u>
Boston	0	-	0	-	\$8,150
New York	0	-	0	-	0
Philadelphia	0	-	0	-	0
Cleveland	0	-	0	-	0
Richmond	0	-	0	-	0
Atlanta	102,300	Misc. Gov't Sec.	117,600	Misc. Gov't Sec.	0
Chicago	913,950	Fourth L.L. 4 1/4s	0	-	0
St. Louis	0	-	0	-	0
Minneapolis	4,756,850	Misc. Gov't Sec.	4,811,350	Misc. Gov't Sec.	0
Kansas City	35,700	Misc. Gov't Sec.	0	-	0
Dallas	250,000	TM-1925 Ctfs.	250,000	TM-1925 Ctfs.	0
San Francisco	<u>0</u>	-	<u>0</u>	-	<u>0</u>
<b>Totals</b>	<u>\$6,058,800</u>		<u>\$5,178,950</u>		<u>\$8,150</u>

BANKERS ACCEPTANCES

	<u>Maturity</u>	<u>PURCHASES Amount</u>	<u>Rate</u>	<u>MATURITIES Amount</u>	<u>Held Under Sales Contracts</u>
Boston	1-30 days	\$ 250,000	2%	- 2 1/8%	0
	31-60 "	1,658,000	2 1/8%	- 2 1/4%	
	61-90 "	1,584,000	2 1/4%	- 2 3/8%	
	Over 90 "	855,000	2 1/4%		
		<u>\$4,347,000</u>			
New York	1-30 days	1,576,000	2%	- 2 1/4%	8,821,000 (1,448,000 one-day holdover for distribution to F. R. Banks) (2,242,000 sterling bills) (227,000 foreign bills)
	31-60 "	934,000	2 1/8%	- 2 1/4%	
	61-90 "	1,996,000	2 1/4%	- 2 1/2%	
	Over 90 "	<u>1,050,000</u>	2 1/4%	- 2 1/2%	
		<u>\$5,556,000</u>			

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BANKERS ACCEPTANCES - (Continued)

	<u>Maturity</u>	<u>PURCHASES</u> <u>Amount</u>	<u>Rate</u>	<u>MATURITIES</u> <u>Amount</u>	<u>Held Under</u> <u>Sales Contracts</u>
Philadelphia	1-30 days	\$ 470,000	2% - 2 1/8%	\$1,309,000	0
	31-60 "	844,000	2 1/4% - 2 3/8%		
	61-90 "	<u>2,644,000</u>	2 1/4% - 2 3/8%		
		<u>\$3,958,000</u>			
Cleveland	1-30 days	13,000	2%	2,142,000	0
	31-60 "	44,000	2 1/8%		
	61-90 "	203,000	2 1/4%		
	In other districts	<u>3,287,000</u>	2% - 2 3/8%		
		<u>\$3,547,000</u>			
Richmond	-	0	-	0	0
Atlanta	1-30 days	870,000	2 1/8%	665,000	(1,327,000 Unin-dorsed bills purchased from accepting banks)
	31-60 "	92,000	2 1/4%		
	61-90 "	677,000	2 1/4%		
	In other districts	<u>224,000</u>	2% - 2 3/8%		
		<u>\$1,863,000</u>			
Chicago	1-30 days	479,000	2%	1,684,000	185,000
	31-60 "	2,515,000	2% - 2 1/8%		
	61-90 "	662,000	2 1/4%		
	In other districts	<u>2,762,000</u>	2% - 2 3/8%		
		<u>\$6,418,000</u>			
St. Louis	In other districts	1,591,000	2% - 2 3/8%	685,000	0
Minneapolis	-	0	-	432,000	0
Kansas City	In other districts	1,952,000	2% - 2 3/8%	975,000	0
Dallas	31-60 days	86,000	2 1/4%	791,000	0
	61-90 "	16,000	2 3/8%		
	In other districts	<u>2,378,000</u>	2% - 2 3/8%		
		<u>\$2,480,000</u>			
San Francisco	1-30 days	274,000	2% - 2 1/8%	2,112,000	0
	31-60 "	225,000	2 1/8%		
	61-90 "	507,000	2 1/8%		
	In other districts	<u>3,730,000</u>	2% - 2 3/8%		
		<u>\$4,736,000</u>			
<b>TOTALS</b>		<u>\$36,448,000</u>		<u>\$17,993,000</u>	<u>\$14,250,000</u>

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FEDERAL RESERVE BANK  
OF NEW YORK

*Handwritten initials and a stamp.*

Open Market Investment Committee  
for the Federal Reserve System

CONFIDENTIAL

October 18, 1924

S i r :

Enclosed is a report of transactions in Government securities and bankers acceptances as reported to the Open Market Investment Committee for the Federal Reserve System for the period from October 9 to October 15, 1924 inclusive, together with data received by the Committee from the Federal reserve banks.

Respectfully,

*Handwritten signature of W. B. Matteson*

W. B. Matteson  
Secretary of the Committee

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

Enclosure

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C O N F I D E N T I A L

REPORT OF OPEN MARKET INVESTMENT COMMITTEE  
WEEK ENDED OCTOBER 15, 1924

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**COMPARISON OF HOLDINGS OF EARNING ASSETS OF FEDERAL RESERVE BANKS  
 FROM JANUARY 30 TO OCTOBER 15, 1924**  
 (000 Omitted)

	TOTAL EARNING ASSETS	*GOVERNMENT	BANKERS ACCEPTANCES		BILLS
		SECURITIES	Purchases	Sales Contracts	DISCOUNTED
..1924..					
Jan. 30	\$914,881	\$120,772	\$235,930	\$35,862	\$522,307
Feb. 27	950,801	155,801	205,022	58,288	531,690
Mar. 26	942,080	257,256	164,947	37,511	482,315
Apr. 30	873,381	301,660	102,800	21,685	447,185
May 28	850,193	333,282	49,869	36,891	429,600
June 25	826,260	429,794	44,065	969	350,131
July 30	824,867	505,281	23,244	1,197	293,895
Aug. 27	855,225	541,626	48,649	640	262,560
Sept. 24	928,355	574,596	90,431	1,470	259,863
Oct. 1	982,969	575,957	105,497	32,764	266,756
" 8	1,024,751	581,221	126,126	49,039	266,388
" 15	1,060,868	598,522	136,954	60,307	263,078

\*Includes sales contracts

**CHANGES IN HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES  
 BY FEDERAL RESERVE BANKS (EXCLUSIVE OF SALES CONTRACTS)  
 DURING WEEK ENDING OCTOBER 15, 1924**  
 (000 Omitted)

	GOVERNMENT SECURITIES			BANKERS ACCEPTANCES		
	Balance Oct. 15	Balance Oct. 8	Net Change	Balance Oct. 15	Balance Oct. 8	Net Change
Boston	\$ 38,854	\$ 38,854	0	\$ 14,299	\$ 10,954	\$ 3,345+
New York	187,316	187,316	0	49,036	47,460	1,576+
Philadelphia	31,452	31,452	0	5,036	2,902	2,134+
Cleveland	64,749	64,749	0	13,319	12,472	847+
Richmond	4,993	4,993	0	0	0	0
Atlanta	3,233	3,043	190+	2,788	2,411	377+
Chicago	83,558	82,517	1,041+	15,206	14,678	528+
St. Louis	16,769	16,769	0	6,444	5,851	595+
Minneapolis	27,695	28,226	531-	2,502	2,781	279-
Kansas City	35,185	35,159	26+	5,853	5,605	248+
Dallas	27,795	27,795	0	6,848	6,034	814+
San Francisco	60,340	60,340	0	15,623	14,978	645+
	<u>\$581,939</u>	<u>\$581,213</u>	<u>\$726+</u>	<u>\$136,954</u>	<u>\$126,126</u>	<u>\$10,828+</u>

**COMMENT ON CHANGES FOR WEEK ENDED OCTOBER 15**

Total earning assets of all reserve banks increased \$36,117,000 during the week to the highest point since the week ended January 2, 1924. The increase was largely accounted for by the further rise of \$22,096,000 in holdings of bankers acceptances, of which \$11,268,000 represented bills held under sales contracts. Holdings of Government securities advanced \$17,301,000 due chiefly to \$16,000,000 of sales contracts held in New York. Bills discounted declined \$3,310,000. By October 17 earning assets in New York had declined about \$60,000,000.

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### MONEY MARKET

Accompanying the loss to this district in ordinary transactions through the settlement fund of \$35 million and the shifting of funds for the repayment to the Treasury of a large railroad loan note, money conditions in New York were somewhat firmer and on Tuesday, October 14, the rate for stock exchange call money advanced to 3 per cent. On the following day the temporary firmness in money was offset by Treasury disbursements for interest on Liberty Loan bonds so that call money opened at 2 1/2 per cent. Toward the close of the week, with the return of some money from the interior, the supply of money on offer was in excess of the light demand and on Friday, October 17, the rate declined to 2 per cent. for the first time since September 29. Time money was quiet with a slightly firmer tendency but quoted rates remained unchanged.

The market for commercial paper was very active with a good demand for prime names at 3 to 3 1/4 per cent.

	<u>Last Period</u>	<u>Previous Period</u>
Call money, renewals, average	2.50	2.50
Call money, new loans, average	2.51	2.52
Time money, 60-90 days, offer	2 1/2 - 3	2 1/2 - 3
Commercial paper, 4 to 6 months	3 - 3 1/4	3 1/4

### SECURITY MARKETS

#### Stock Market

During the early part of the period trading was exceedingly quiet and stocks were slightly irregular. Following the holiday there was a substantial increase in the volume of selling which was attributed chiefly to the political situation and prices moved sharply downward. On Wednesday, closing day of the period, the Dow-Jones averages of industrials and railroads showed declines of about 2 points during the week and compared with prices on October 1 these averages showed declines of nearly 4 points.

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General  
Bond  
Market

Notwithstanding the intervening holiday, bond transactions during the period totaled \$55 million against \$58 million the week before. Both high grade and speculative railroad bonds continued to decline slightly, but industrial and public utility bonds held steady and representative averages declined only fractionally. The chief interest in the bond market during the week centered in the offering of \$110 million of the new German 7 per cent. bonds to yield about 7.70 per cent. With a large over-subscription and unfilled demand the new bonds were actively traded in and immediately went to a premium ranging from 3/4 to 3 3/4 points. Transactions in foreign bonds during the week totaled \$17 million, compared with \$11 million the week before. Other foreign bonds held generally steady.

Foreign  
Exchange

Sterling continued active and strong at the higher levels reached last week and on Friday, October 17, at \$4.49 1/4 sterling showed an advance of over 3 cents during the month. French and Belgian francs on Friday at 5.24 3/4 and 4.82 cents respectively, were 4 points higher than a week ago. Indian rupees and Chinese currencies continued at the year's high level, but the Japanese yen held at about the year's low point. South American currencies were steady.

New  
Financing

The offering of \$110 million German Government 7 per cent. bonds increased the total new financing for the week ended October 17 to \$153 million against \$102 million offered last week. State and municipal issues totaled about \$12 million and public utility issues about \$18 million, of which the largest was \$13 million 5 per cent. Detroit Edison Company bonds to yield 5.18

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per cent. Foreign issues aggregated \$117 million. Since June foreign offerings have totaled about \$583 million exceeding by about \$200 million the total foreign financing for the first six months of this year which was the largest for any six months period since the first half of 1922.

Liberty  
 Bond  
 Market

During the latter part of the period trading in Government bonds was more active with an increased demand coming from out-of-town banks. On Wednesday, closing day of the period, the Treasury bonds of 1947 - 52 established a new record high at 106.10, up 3/32nds from the previous high price reached on September 26. Liberty bonds closed practically unchanged during the week. With easier money conditions at the close of the week the Treasury bonds again established a new high on Thursday at 106.15 and on Friday reached 106.16, an advance of 7 6/32 points since January 1, 1924.

<u>Amount in Thousands</u>	<u>Issue</u>	<u>Closing Prices</u>		<u>High for</u>		
		<u>Oct. 8</u>	<u>Oct. 15</u>	<u>Period</u>	<u>1924</u>	
2,181	First	3 1/2's	100.27	100.26	100.29	101.28
277	"	4 1/4's	102.9	102.8	102.10	*102.21
1,598	Second	4 1/4's	101.13	101.13	101.16	*102.00
1,353	Third	4 1/4's	102.2	102.1	102.3	*102.23
2,193	Fourth	4 1/4's	102.12	102.10	102.15	*103.00
544	Treasury	4 1/4's	106.2	106.10	106.10	*106.10

\*High since date of issuance

New York  
 Market for  
 Short-term  
 Governments

The market for Treasury notes and certificates was dull and inactive during the period with only small offerings and a light demand. At the close of the week the demand was somewhat increased for long term Treasury Notes but certificate issues continued quiet with prices slightly lower. The following table compares yields on various maturities of short-term Governments, at present offering prices, with those prevailing a week ago:

	<u>October 9</u>	<u>October 16</u>
Maturing March 1925 - yield	2.35	2.45
Maturing December 1925 - yield	2.85	2.84
Maturing September 1926 - yield	3.37	3.36
Maturing March 1927 - yield	3.61	3.60
Maturing December 1927 - yield	3.61	3.61



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BANKERS ACCEPTANCES

Rates

Rates in all districts remained unchanged throughout the period, dealers offering 90-day bills at 2 1/4 per cent., 60's at 2 1/8 per cent., and 30-day bills at 2 per cent.

Abstract  
of Reports  
from Banks

Boston reports considerable activity in the acceptance market during the week. There was a good supply of bills in the market while the demand for all maturities was also good. Dealers' holdings were slightly larger than at the close of the previous week and dealers recourse to the reserve bank was the heaviest in several months. In New York the market was moderately active during the week. The supply of bills was somewhat less than for the past few weeks, but the demand, especially in the early part of the week, was good and dealers' portfolios were reduced moderately. In Philadelphia there was very little activity in the bill market, due to the firming in call money rates. The supply continued in excess of the demand which was only of a routine character and the increased portfolios of dealers were reflected in comparatively heavy offerings to the reserve banks. In Chicago dealers report only a light demand, while the supply was exceedingly small.

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SYSTEM SPECIAL INVESTMENT ACCOUNT

There has been no change during the period in the System's Special Investment Account, the purchases and their apportionment to all Federal reserve banks remaining at \$500,000,000, as shown in the following table:

	<u>Treasury Notes</u>	<u>Certificates of Indebtedness</u>	<u>Liberty Loan Bonds</u>	<u>Total</u>
Boston	\$ 25,867,200	\$ 8,927,000	\$ 500,000	\$ 35,294,200
New York	136,394,400	46,019,500	3,700,000	186,113,900
Philadelphia	8,608,100	5,054,500	200,000	13,862,600
Cleveland	36,740,500	12,350,000	1,200,000	50,290,500
Richmond	2,661,200	990,500	0	3,651,700
Atlanta	1,059,300	300,000	100,000	1,459,300
Chicago	51,310,500	17,748,000	1,200,000	70,258,500
St. Louis	12,715,000	3,454,000	600,000	16,769,000
Minneapolis	15,032,600	4,768,000	300,000	20,100,600
Kansas City	17,982,600	6,072,000	500,000	24,554,600
Dallas	19,469,200	6,442,500	600,000	26,511,700
San Francisco	<u>37,395,400</u>	<u>12,638,000</u>	<u>1,100,000</u>	<u>51,133,400</u>
<b>Totals</b>	<u><u>\$365,236,000</u></u>	<u><u>\$124,764,000</u></u>	<u><u>\$10,000,000</u></u>	<u><u>\$500,000,000</u></u>

RECAPITULATION OF PURCHASES  
Made by                      Amount

Boston	\$18,648,500
New York	401,107,700
Philadelphia	14,979,500
Cleveland	4,090,000
Richmond	600,000
Atlanta	1,944,400
Chicago	34,300,000
St. Louis	5,453,900
Minneapolis	3,128,000
Dallas	8,169,000
San Francisco	<u>7,579,000</u>
	<u><u>\$500,000,000</u></u>

RECAPULATION OF PURCHASES BY MATURITIES

Dec. 15, 1924	\$ 64,944,000
March 15, 1925	117,500,000
June 15, 1925	46,697,700
Sept. 15, 1925	44,710,500
Dec. 15, 1925	43,917,000
Sept. 15, 1926	26,351,000
March 15, 1926	57,707,600
March 15, 1927	57,375,900
Dec. 15, 1927	30,796,300
Third Liberty Loan Bonds Sept. 15, 1928	10,000,000
	<u><u>\$500,000,000</u></u>

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ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF ALL  
 FEDERAL RESERVE BANKS FROM OCTOBER 9 TO OCTOBER 15, 1924

GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>	<u>Held Under Sales Contracts</u>
Boston	0	-	0	-	8,250
New York	0	-	0	-	16,000,000
Philadelphia	0	-	0	-	0
Cleveland	0	-	0	-	0
Richmond	0	-	0	-	0
Atlanta	191,650	Misc. Gov't Sec.	2,050	Misc. Gov't Sec.	0
Chicago	1,040,950	Fourth L. L. 4 1/4s	0	-	75,000
St. Louis	0	-	0	-	0
Minneapolis	4,697,250	Misc. Gov't Sec.	5,228,150	Misc. Gov't Sec.	0
Kansas City	26,550	Misc. Gov't Sec.	0	-	0
Dallas	0	-	0	-	500,000
San Francisco	0	-	0	-	0
<b>Totals</b>	<u>\$5,956,400</u>		<u>\$5,230,200</u>		<u>\$16,583,250</u>

BANKERS ACCEPTANCES

	<u>Maturity</u>	<u>PURCHASES Amount</u>	<u>Rate</u>	<u>MATURITIES Amount</u>	<u>Held Under Sales Contracts</u>
Boston	1 - 30 days	\$2,711,000	2% - 2 1/4%	\$ 883,000	\$ 3,896,000
	31- 60 "	267,000	2 1/8% - 2 3/8%		
	61- 90 "	204,000	2 1/8% - 2 1/4%		
	180 "	744,000	2 1/4%		
	In other districts	<u>302,000</u>	2% - 2 3/8%		
		<u>\$4,228,000</u>			
New York	1 - 30 days	\$5,096,000	2% - 2 1/2%	7,451,000	45,717,000
	31- 60 "	1,268,000	2 1/8% - 2 1/2%		(6,719,000
	61- 90 "	2,147,000	2 1/4% - 2 1/2%		one-day holdover
	Over 90 "	<u>516,000</u>	2 1/4% - 2 1/2%		for distribution
		<u>\$9,027,000</u>			to F. R. Banks)
					(2,242,000
					sterling bills)
					(227,000
					foreign bills)

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BANKERS ACCEPTANCES - (Continued)

	<u>Maturity</u>	<u>PURCHASES</u> <u>Amount</u>	<u>Rate</u>	<u>MATURITIES</u> <u>Amount</u>	<u>Held Under</u> <u>Sales Contracts</u>
Philadelphia	1-30 days	\$1,489,000	2%	\$ 456,000	0
	31-60 "	299,000	2 1/8% - 2 3/8%		
	61-90 "	<u>802,000</u>	2 1/4%		
		<u>\$2,590,000</u>			
Cleveland	1-30 days	100,000	2%	1,143,000	0
	31-60 "	98,000	2 1/8%		
	61-90 "	12,000	2 1/8%		
	In other districts	<u>1,780,000</u>	2% - 2 3/8%		
		<u>\$1,990,000</u>			
Richmond	-	0	-	0	0
Atlanta	-	918,000	-	541,000	(1,216,000 Unir-dorsed bills purchased from ac-cepting banks)
Chicago	31-60 days	50,000	2 1/8%	1,384,000	290,000
	61-90 "	492,000	2 1/4%		
	In other districts	<u>1,370,000</u>	2% - 2 3/8%		
		<u>\$1,912,000</u>			
St. Louis	In other districts	930,000	2% - 2 3/8%	337,000	0
Minneapolis	-	0	-	279,000	0
Kansas City	In other districts	1,073,000	2% - 2-3/8%	825,000	0
Dallas	In other districts	1,211,000	2% - 2 3/8%	397,000	0
San Francisco	1-30 days	3,000	2%	2,157,000	0
	31-60 "	26,000	2 1/8%		
	61-90 "	770,000	2 1/8%		
	180 "	6,000	2 1/4%		
	In other districts	<u>1,997,000</u>	2% - 2 3/8%		
		<u>\$2,802,000</u>			
<b>Totals</b>		<u>\$26,681,000</u>		<u>\$15,853,000</u>	<u>\$60,307,000</u>