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Authority EO 12958

Form No. 131.

# Office Correspondence #2

FEDERAL RESERVE  
BOARD

Date May 5, 1925.

To All members of the Board.

Subject: \_\_\_\_\_

From Mr. Eddy.

3321

2-3465

For your information.

- ✓ Governor Crissinger
- ✓ Mr. Platt
- ✓ Mr. Hamlin
- ✓ Mr. James
- ✓ Mr. Cunningham
- ✓ Mr. Miller

Please return to Secretary's Office.

Letter Matteson 5/4/25 enclosing report Open Market  
Committee April 23 to April 29, 1925.

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May 5, 1925.

Dear Mr. Matteson:

I acknowledge receipt of and shall bring to the attention of the members of the Board your letter of the 4th instant, addressed to Governor Crissinger, enclosing a report of transactions in Government securities and bankers acceptances as reported to the Open Market Investment Committee for the Federal Reserve System for the period from April 23 to April 29, 1925, inclusive, together with data received by the Committee from the Federal reserve banks.

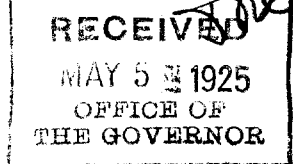
Very truly yours,

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


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

May 4, 1925

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 April 23 to April 29, 1925 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.

Encl.

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CONFIDENTIAL**REPORT OF OPEN MARKET INVESTMENT COMMITTEE WEEK ENDED APRIL 29, 1925**

**Holdings of Earning Assets of Federal Reserve Banks Jan. 7, Feb. 25, March 25,  
 April 1 and 29, 1925 as Compared with Corresponding Periods in 1924**

(000 Omitted)

	TOTAL EARNING ASSETS	*GOVERNMENT SECURITIES	BANKERS ACCEPTANCES Purchases	Sales Contracts	BILLS DISCOUNTED
-1924-					
Jan. 9	\$1,026,496	\$100,358	\$279,588	\$39,578	\$606,921
Feb. 27	950,801	155,801	205,022	38,288	531,690
Mar. 26	942,080	257,256	164,947	37,511	482,315
Apr. 2	1,008,388	264,855	163,001	50,711	529,660
" 30	873,381	301,660	102,800	21,685	447,185
-1925-					
Jan. 7	1,109,965	496,029	332,029	8,949	264,408
Feb. 25	1,129,697	364,694	278,885	38,361	433,805
Mar. 25	1,040,699	343,751	287,544	19,361	377,641
Apr. 1	1,086,539	357,834	283,935	32,443	399,925
" 29	1,027,752	349,039	238,243	28,585	399,985

\*Includes sales contracts

**CHANGES IN HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES  
 BY FEDERAL RESERVE BANKS (EXCLUSIVE OF SALES CONTRACTS)  
 DURING WEEK ENDED APRIL 29, 1925**

(000 Omitted)

	GOVERNMENT SECURITIES			BANKERS ACCEPTANCES		
	Balance Apr. 29	Balance Apr. 22	Net Change	Balance Apr. 29	Balance Apr. 22	Net Change
Boston	\$ 21,155	\$ 21,155	0	\$ 28,749	\$ 30,474	\$1,725-
New York	93,621	93,621	0	40,920	39,122	1,798+
Philadelphia	24,706	24,706	0	24,241	24,091	150+
Cleveland	39,942	39,932	10+	23,689	24,092	403-
Richmond	3,385	3,385	0	10,375	10,634	259-
Atlanta	3,927	4,026	99-	11,073	11,004	69+
Chicago	52,580	52,580	0	35,250	31,768	3,482+
St. Louis	9,297	9,297	0	10,015	9,470	545+
Minneapolis	17,346	17,346	0	17,308	16,989	319+
Kansas City	23,970	23,958	12+	11,675	11,414	261+
Dallas	20,348	20,348	0	7,094	7,188	94-
San Francisco	34,754	34,752	2+	17,854	19,280	1,426-
Totals	\$345,031	\$345,106	\$75-	\$238,243	\$235,526	\$2,717+

COMMENT ON CHANGES WEEK ENDED APRIL 29, 1925

A decline of \$25,105,000 during the week brought total earning assets of the System to the lowest point since the week ended January 28, 1925. The decline was chiefly accounted for by reductions of \$11,390,000 and \$3,967,000 in bills and securities held under sales contracts, while bills discounted declined \$12,390,000. Bills purchased outright, however, increased \$2,717,000.

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Bankers'  
Acceptances

Dealers' offering rates on unindorsed bills continued unchanged from the previous week at 3 per cent for 30's,  $3 \frac{1}{8}$  per cent for 60- and 90-day bills, and  $3 \frac{1}{8}$  to  $3 \frac{1}{4}$  per cent. for 120-day maturities.

Boston reports a fair, although somewhat irregular supply, with 90-day bills predominating. The demand was confined principally to local dealers while orders from foreign correspondents and the interior were negligible. While the supply was slightly less than the demand, dealers total holdings remain at rather a large amount in comparison with recent months. In New York the market was moderately active, with a slightly larger supply of bills as compared with the previous week. There was a substantial increase in the out-of-town demand. The market in Philadelphia was generally inactive, with only a light demand from city banks. The supply was slightly larger due chiefly to the increase in sugar bills. Dealers in the Chicago district report a small supply of short bills with a good demand, but 90-day bills at present prices have been plentiful.

SYSTEM SPECIAL INVESTMENT ACCOUNT

There were no transactions during the period in the System Account, the holdings at the close of business April 29 remaining at \$250,041,500. The participation by the various Federal reserve banks and the classification of issues by maturities were as follows:

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PARTICIPATION BY FEDERAL RESERVE BANKS

Boston	\$ 17,579,500
New York	92,363,500
Philadelphia	7,208,000
Cleveland	25,209,500
Richmond	2,044,500
Atlanta	1,022,500
Chicago	35,064,000
St. Louis	8,626,500
Minneapolis	9,788,000
Kansas City	12,343,500
Dallas	13,265,000
San Francisco	<u>25,527,000</u>

\$250,041,500

RECAPITULATION OF HOLDINGS BY MATURITIES

June 15, 1925	\$ 31,132,700
Sept. 15, 1925	5,274,500
Dec. 15, 1925	60,160,100
Mar. 15, 1926	40,301,000
Sept. 15, 1926	31,901,000
Mar. 15, 1927	18,875,900
Dec. 15, 1927	32,296,300
Sept. 15, 1928	30,100,000
Third L/L Bonds	

\$250,041,500

OPERATIONS ACCOUNT UNITED STATES TREASURY

Under Treasury authorization there was sold during the period for account of the Alien Property Custodian an aggregate of \$3,000,000 4 1/4 per cent Treasury bonds of 1952, which sales were simultaneously replaced through purchases of a like amount of 3 per cent certificates due December 15, 1925.

At the request of the Treasury there was also purchased for account of the Alien Property Custodian an aggregate of \$4,000,000 2 3/4 per cent certificates due September 15, 1925, and 3 per cent certificates due December 15, 1925. These purchases were made in the Boston and New York districts.

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ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF  
 FEDERAL RESERVE BANKS FROM APRIL 23 TO APRIL 29, 1925

TRANSACTIONS IN MISCELLANEOUS GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>	Held Under Sales Contracts
Boston	0	-	\$ 200	4% Treas. Bonds	\$ 570,610
Cleveland	10,000	C-1925 Notes	0	-	0
Atlanta	136,550	Misc. Gov't Sec.	236,250	Misc. Gov't Sec.	0
Chicago	0	-	0	-	1,187,500
Minneapolis	1,239,750	Misc. Gov't Sec.	1,239,750	Misc. Gov't Sec.	0
Kansas City	11,900	Misc. Gov't Sec.	0	-	2,250,000
San Francisco	2,000	Misc. Gov't Sec.	0	-	0
	<u>\$1,400,200</u>		<u>\$1,476,200</u>		<u>\$4,008,110</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	\$ 62,000	3% - 3 1/8%	\$3,085,000	\$4,244,000 Sales contracts
	31-60 "	474,000	3 1/8%		
	61-90 "	824,000	3 1/8%		
		<u>\$1,360,000</u>			
New York	1-30 days	5,511,000	3%	5,100,000	1,723,000 one-day holdover
	31-60 "	350,000	3 1/8% - 3 1/4%		for distribution to F. R. Banks
	61-90 "	769,000	3 1/8% - 3 1/4%		
	Over 90 "	268,000	3 1/4%		
		<u>\$6,898,000</u>			13,969,000 Sales contracts
					732,000 foreign trade acceptance.
					246,000 Spec. bills
Philadelphia	1-30 days	535,000	3% - 3 1/8%	4,471,000	0
	31-60 "	1,690,000	3 1/8% - 3 3/8%		
	61-90 "	2,396,000	3 1/8% - 3 3/8%		
		<u>\$4,621,000</u>			
Cleveland	In other districts	1,556,000	3% - 3 1/4%	1,959,000	901,000 Sterling 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>
Richmond	1-30 days	\$ 33,000	3 1/8%	\$1,688,000	0
	31-60 "	59,000	3 1/4%		
	In other	<u>1,337,000</u>	3% - 3 1/4%		
	dists				
		<u>\$1,429,000</u>			
Atlanta	1-30 days	23,000	3 1/8%	1,119,000	920,000 Unin-
	31-60 "	2,000	3 1/8%		dorsed
	In other	<u>1,163,000</u>	3% - 3 1/4%		bills pur-
	districts				chased from
		<u>\$1,188,000</u>			accepting
					banks
Chicago	1-30 days	850,000	3%	2,087,000	2,293,000 Sales
	31-60 "	20,000	3 1/8%		contracts
	61-90 "	106,000	3 1/8% - 3 1/4%		
	In other	<u>4,593,000</u>	3% - 3 1/4%		
	districts				
		<u>\$5,569,000</u>			
St. Louis	In other				
	districts	1,296,000	3% - 3 1/4%	751,000	0
Minneapolis	In other				
	districts	2,301,000	3% - 3 1/4%	2,594,000	0
	Spec Purch.	<u>612,000</u>			
		<u>\$2,913,000</u>			
Kansas City	In other				
	districts	1,588,000	3% - 3 1/4%	1,327,000	0
Dallas	1-30 days	22,000	3%	1,037,000	0
	31-60 "	80,000	3 1/8%		
	In other	<u>841,000</u>	3% - 3 1/4%		
	districts				
		<u>\$ 943,000</u>			
San Francisco	1-30 days	367,000	3%	2,771,000	3,557,000 Sales
	31-60 "	606,000	3 1/8%		Contracts
	61-90 "	236,000	3 1/4%		
	In other	<u>136,000</u>	3% - 3 1/4%		
	districts				
		<u>\$1,345,000</u>			
Totals		<u>\$30,706,000</u>		<u>\$27,989,000</u>	<u>\$28,585,000</u>



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RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES AND  
 BANKERS ACCEPTANCES DURING WEEK ENDED APRIL 29, 1925 AND  
 HOLDINGS AS OF THAT DATE CLASSIFIED BY MATURITIES  
 (000 Omitted)

	(Excluding Sales Contracts) Government Securities	Bankers Acceptances	Total
Purchased	\$1,401	\$30,706	\$32,107
Sold	1,476	0	1,476
Matured	0	27,989	27,989
	\$ 75-	\$ 2,717+	\$ 2,642+

Holdings April 29, 1925	(Including Sales Contracts)						Over 6 Months	Total
	Within 15 days	16-30 days	31-60 days	61-90 days	91-days- 6 Months			
Gov't Securities	\$ 4,008	0	\$46,256	0	\$87,332	\$211,443	\$349,039	
Bills Purchased	92,293	61,997	74,789	32,681	5,068	0	266,828	
	\$96,301	\$61,997	\$121,045	\$32,681	\$92,400	\$211,443	\$615,867	

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Form No. 131.

# Office Correspondence

FEDERAL RESERVE  
BOARD

Date April 28, 1925.

To All members of the Board.

From Mr. Eddy.

Subject: # 2

333.1

For your information.

- ✓ Governor Crissinger.
- ✓ Mr. Platt
- ✓ Mr. Hamlin
- ✓ Mr. James
- ✓ Mr. Cunningham
- ✓ Mr. Miller.

Please return to Secretary's Office.

Letter Matteson 4/27/25 enclosing Open Market  
Committee Report week April 16-22, 1925.

*File*

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April 28, 1925.

Dear Mr. Matteson:

I acknowledge receipt of and shall bring to the attention of the members of the Board your letter of the 27th instant, addressed to Governor Crissinger, enclosing a report of transactions in Government securities and bankers acceptances as reported to the Open Market Investment Committee for the Federal Reserve System for the period from April 16 to April 22, 1925, 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  
APR 28 1925  
OFFICE OF  
THE GOVERNOR

Open Market Investment Committee  
for the Federal Reserve System

CONFIDENTIAL

April 27, 1925

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 April 16 to April 22, 1925 inclusive, together with data received by the Committee from the Federal reserve banks.

Respectfully,



W. B. Matteson  
Secretary of the Committee

Encl.

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

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**CONFIDENTIAL****REPORT OF OPEN MARKET INVESTMENT COMMITTEE WEEK ENDED APRIL 22, 1925.**

Holdings of Earning Assets of Federal Reserve Banks Jan. 7, Feb. 25, Mar.  
 25, and April 1925 as Compared With Corresponding Periods in 1924  
 (000 Omitted)

-1924-	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES	BANKERS ACCEPTANCES		BILLS DISCOUNTED
			Purchases	Sales Contracts	
Jan. 9	\$1,026,496	\$100,358	\$279,588	\$39,578	\$606,921
Feb. 27	950,801	155,801	205,022	38,288	531,690
Mar. 26	942,080	257,256	164,947	37,511	482,315
Apr. 2	1,008,388	264,855	163,001	50,711	529,660
" 9	996,119	268,903	151,893	45,713	529,559
" 16	912,968	266,667	130,104	46,576	469,570
" 23	887,613	274,295	120,803	19,621	472,843
-1925-					
Jan. 7	1,109,965	496,029	332,029	8,949	264,408
Feb. 25	1,129,697	364,694	278,885	38,361	433,805
Mar. 25	1,040,699	343,751	287,544	19,361	377,641
Apr. 1	1,086,539	357,834	283,935	32,443	399,925
" 8	1,076,616	362,240	263,891	46,794	391,289
" 15	1,039,344	357,832	251,037	23,021	395,302
" 22	1,052,857	353,081	235,526	39,975	412,375

x Includes sales contracts

**CHANGES IN HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES  
 BY FEDERAL RESERVE BANKS (EXCLUSIVE OF SALES CONTRACTS)  
 DURING WEEK ENDED APRIL 22, 1925**  
 (000 Omitted)

	GOVERNMENT SECURITIES			BANKERS ACCEPTANCES		
	Balance Apr. 22	Balance Apr. 15	Net Change	Balance Apr. 22	Balance Apr. 15	Net Change
Boston	\$ 21,155	\$ 21,155	-0-	\$ 30,474	\$ 33,266	\$ 2,792-
New York	93,621	93,621	-0-	39,122	44,217	5,095-
Philadelphia	24,706	24,706	-0-	24,091	24,197	106-
Cleveland	39,932	39,932	-0-	24,092	27,554	3,462-
Richmond	3,385	3,385	-0-	10,634	12,024	1,390-
Atlanta	4,026	4,379	353-	11,004	11,966	962-
Chicago	52,580	52,580	-0-	31,768	34,087	2,319-
St. Louis	9,297	9,297	-0-	9,470	11,334	1,864-
Minneapolis	17,346	17,346	-0-	16,989	8,258	8,731+
Kansas City	23,958	23,943	15+	11,414	12,741	1,327-
Dallas	20,348	20,348	-0-	7,188	8,666	1,478-
San Francisco	34,752	34,752	-0-	19,280	22,727	3,447-
Totals	\$345,106	\$345,444	\$338-	\$235,526	\$251,037	\$15,511-

**COMMENT ON CHANGES WEEK ENDED APRIL 22, 1925.**

Total earning assets of all reserve banks increased \$13,513,000 during the statement week, due chiefly to an advance of \$17,073,000 in bills discounted, and \$16,954,000 in bankers acceptances held under sales contracts. Bills purchased outright declined \$15,511,000, while holdings of Government securities declined \$4,751,000, of which \$4,413,000 represented reductions in sales contracts.

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Money  
Market

At the opening of the week reserves of leading New York City member banks were substantially below requirements. Reflecting this condition and the temporary shifting of funds incident to payment for the recent issues of securities of the Dodge Motor Company money conditions in New York turned slightly firmer. On Tuesday, April 21, Stock Exchange call money after renewing at 3 1/2 per cent advanced to 4 1/2 per cent, but on Wednesday the rate declined to 4 per cent and held unchanged throughout the balance of the week. The return flow of funds from the interior was accompanied by a sharp increase in reserves of New York City banks, and on Friday, April 24, both actual and average reserves for the week were in excess of requirements without any increase in borrowings at this bank.

The trend of longer term money, continued slightly easier. In the time money market some loans for 90-days were placed at 3 3/4 per cent, with maturities at 4 per cent. Commercial paper dealers report a quiet market in New York, due somewhat to the limited supply of prime paper in their portfolios. There has been a fairly active demand, however, from New England and middlewest centers. The most common rate continues 4 per cent, with a somewhat larger volume of paper moving at 3 3/4 per cent. The demand for money continues small.

Government  
Security  
Market

Trading in the Government bond market continued moderately active, and sales on the Stock Exchange during the period totaled \$6,900,000. After advancing last week to new high prices for the year, active Liberty Loan bonds held generally firm at close to the years high point, and on April 21 the Treasury 4 per cent bonds reached 101 12/32's, a new high price for all time.

The market for short-term Government securities was generally

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dull during the period with only small offerings and a light demand. Prices held firm and yields generally remained unchanged. Districts outside of New York report a good demand for short-term certificates maturing within the year.

Bankers  
Acceptances

Offering rates on 60 and 90 day unindorsed bills which were temporarily lowered to 3 per cent by some dealers were again advanced  $1/8$  to  $3 \frac{1}{8}$  per cent and at the close of the period all districts report dealers offering 30's at 3 per cent and 60 and 90 day bills at  $3 \frac{1}{8}$  per cent.

Boston reports an increased supply of bills due partly to the reduced buying rates early in the week and the lack of demand at the lower offering rates. The demand from both local and out-of-town banks, however, has recently shown some improvement. Dealers aggregate portfolios reached a new high point for the year. The bank acceptance market in New York continued quiet; dealers sales were very light and their purchases moderate. The advance in rates toward the close of the week had little material effect on dealers' operations. In Philadelphia the market continued quiet with the supply and demand about equal. Trading was dull with only a light demand from local banks. Chicago reports a moderate supply with a fairly active demand, principally for short maturities.

SYSTEM SPECIAL INVESTMENT ACCOUNT

There has been no change during the period covered by this report in the aggregate holdings in the System Account, the only transaction being an even exchange in par value of Treasury certificates, due September 15, 1925, for Treasury notes maturing June 15, 1925.

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Bankers  
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SYSTEM SPECIAL INVESTMENT ACCOUNT

There has been no change during the period covered by this report in the aggregate holdings in the System Account, the only transaction being an even exchange in par value of Treasury certificates, due September 15, 1925, for Treasury notes maturing June 15, 1925.



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The participation in the account by all Federal reserve banks at the close of business April 22 and the classification of issues by maturities was as follows:

<u>PARTICIPATION BY FEDERAL RESERVE BANKS</u>		<u>RECAPITULATION OF HOLDINGS BY MATURITIES</u>	
Boston	\$ 17,579,500	June 15, 1925	\$ 31,132,700
New York	92,363,500	Sept. 15, 1925	5,274,500
Philadelphia	7,208,000	Dec. 15, 1925	60,160,100
Cleveland	25,209,500	March 15, 1926	40,301,000
Richmond	2,044,500	Sept. 15, 1926	31,901,000
Atlanta	1,022,500	March 15, 1927	18,875,900
Chicago	35,064,000	Dec. 15, 1927	32,296,300
St. Louis	8,626,500	Sept. 15, 1928	30,100,000
Minneapolis	9,788,000	Third L/L Bonds	
Kansas City	12,343,500		
Dallas	13,265,000		
San Francisco	<u>25,527,000</u>		
	\$250,041,500		\$250,041,500

At the last meeting of the Open Market Committee held at the time of the Governor's Conference it was recommended that allotments to the Federal Reserve Bank of Minneapolis should consist mainly of bankers acceptances in preference to Government securities in order to meet the request of that bank for collateral which would be available in case of need for note issues. Accordingly there was allotted to the Minneapolis bank during the week purchases made in the New York market aggregating about \$9,000,000.

#### OPERATIONS ACCOUNT UNITED STATES TREASURY

Under Treasury authorizations there was sold during the period for account of the Alien Property Custodian an aggregate of \$4,365,000 4 1/4 per cent Treasury bonds of 1952, which sales were simultaneously replaced through purchases of a like aggregate amount of 2 3/4 per cent certificates due September 15, 1925 and 3 per cent certificates due December 15, 1925.

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ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF  
 FEDERAL RESERVE BANKS FROM APRIL 16 TO APRIL 22, 1925

GOVERNMENT SECURITIES

	<u>SYSTEM INVESTMENT ACCOUNT</u>		<u>Held Under</u>
	<u>Purchases</u>	<u>Sales</u>	<u>Sales Contracts</u>
Boston	\$ 365,500	\$ 365,500	\$ 164,210
New York	1,935,500	1,935,500	4,044,000
Philadelphia	143,500	143,500	0
Cleveland	524,500	524,500	0
Richmond	37,500	37,500	0
Atlanta	15,500	15,500	0
Chicago	729,500	729,500	1,817,000
St. Louis	176,000	176,000	0
Minneapolis	208,500	208,500	0
Kansas City	255,500	255,500	1,950,000
Dallas	276,000	276,000	0
San Francisco	532,500	532,500	0
	<u>\$5,200,000</u>	<u>\$5,200,000</u>	<u>\$7,975,210</u>

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	<u>Purchases</u>		<u>Sales</u>
Atlanta	\$ 531,150 Misc. Gov't Sec.	\$ 884,200 Misc. Gov't Sec.	
Minneapolis	2,821,750 " " "	2,821,750 " " "	
Kansas City	15,100 " " "	0	
	<u>\$3,368,000</u>	<u>\$3,705,950</u>	

BANKERS ACCEPTANCES

	<u>PURCHASES</u>		<u>MATURITIES</u>		<u>Other Holdings</u>
	<u>Maturity</u>	<u>Amount</u>	<u>Rate</u>	<u>Amount</u>	
Boston	1-30 days	\$ 192,000	3%	\$4,832,000	\$4,826,000 Sales
	31-60 "	913,000	3 1/8% - 3 1/4%		Contracts
	61-90 "	935,000	3 1/8%		
		<u>\$2,040,000</u>			
New York	1-30 days	581,000	3%	5,862,000	1,520,000 one
	61-90 "	156,000	3 1/8%		day hold-
	Over 90 "	30,000	3 1/4%		over for
		<u>\$767,000</u>			dist. to
					F.R. Banks
					22,670,000 Sales
					Contracts
					692,000 foreign
					trade accept.
					246,000 special
					foreign bills

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 Authority EO 12958

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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	\$ 591,000	3%	\$4,237,000	\$ 0
	31 -- 60 "	490,000	3 1/8% -- 3 1/4%		
	61 -- 90 "	<u>3,050,000</u>	3 1/8% -- 3 1/4%		
		<u>\$4,131,000</u>			
Cleveland	1 -- 30 days	\$ 518,000	3%	4,205,000	987,000
	31 -- 60 "	<u>225,000</u>	3 1/8%		Ster- ling bills
		<u>\$ 743,000</u>			
Richmond	--	0	--	1,390,000	0
Atlanta	1 -- 30 days	\$ 41,000	3 1/8%	1,103,000	930,000
					Unin- dorsed bills purchased from ac- cepting banks
Chicago	1 -- 30 days	801,000	3%	3,363,000	3,258,000
	31 -- 60 "	28,000	3 1/8%		Sales
	61 -- 90 "	<u>215,000</u>	3 1/8% -- 3 1/4%		Contracts
		<u>\$1,044,000</u>			
St. Louis	--	0	--	1,864,000	0
Minneapolis	In other districts	\$9,400,000	3% -- 3 1/2%	669,000	0
Kansas City	--	0	--	1,327,000	0
Dallas	1 -- 30 days	10,000	3%	1,488,000	0
San Francisco	1 -- 30 "	399,000	3%	4,700,000	4,846,000
	31 -- 60 "	612,000	3 1/8%		Sales
	61 -- 90 "	<u>242,000</u>	3 1/8%		Contracts
		<u>\$1,253,000</u>			
<b>Totals</b>		<u>\$19,429,000</u>		<u>\$34,940,000</u>	<u>\$39,975,000</u>

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Authority EO 13958

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES AND  
BANKERS ACCEPTANCES DURING WEEK ENDED APRIL 22, 1925 AND  
HOLDINGS AS OF THAT DATE CLASSIFIED BY MATURITIES  
(000 OMITTED)

(Excluding Sales Contracts)

	<u>Government Securities</u>	<u>Bankers Acceptances</u>	<u>Total</u>
Purchased	\$8,568	\$19,429	\$27,997
Sold	8,906	0	8,906
Matured	<u>0</u>	<u>34,940</u>	<u>34,940</u>
	\$ 338-	\$15,511-	\$15,849-
	<u><u>          </u></u>	<u><u>          </u></u>	<u><u>          </u></u>

(Including Sales Contracts)

<u>Holdings</u> <u>April 22, 1925</u>	<u>Within</u> <u>15 Days</u>	<u>16-30</u> <u>Days</u>	<u>31-60</u> <u>Days</u>	<u>61-90</u> <u>Days</u>	<u>91-Days--</u> <u>6 Months</u>	<u>Over</u> <u>6 Months</u>	<u>Total</u>
Gov't Securities	\$ 7,975	\$ 0	\$ 41,043	\$ 0	\$25,205	\$278,858	\$353,081
Bills Purchased	<u>100,059</u>	<u>54,126</u>	<u>81,652</u>	<u>33,698</u>	<u>5,966</u>	<u>0</u>	<u>275,501</u>
	\$108,034	\$54,126	\$122,695	\$33,698	\$31,171	\$278,858	\$628,582
	<u><u>          </u></u>	<u><u>          </u></u>	<u><u>          </u></u>	<u><u>          </u></u>	<u><u>          </u></u>	<u><u>          </u></u>	<u><u>          </u></u>

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Authority EO 10501

Form No. 131.

**Office Correspondence**

FEDERAL RESERVE  
BOARD

Date April 14, 1923.

To All members of the Board.

Subject: \_\_\_\_\_

From Mr. Eddy.

333-1

For your information.

- ✓ Governor Crissinger
- ✓ Mr. Platt
- ✓ Mr. Hamlin
- ✓ Mr. James
- ✓ Mr. Cunningham
- ✓ Mr. Miller

Please return to Secretary's Office.

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Authority EO 10501

April 14, 1925.

Dear Mr. Matteson:

I acknowledge receipt of and shall bring to the attention of the members of the Board your letter of the 13th instant, addressed to Governor Cressinger, 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 April 2 to April 8, 1925, inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,

Walter L. Eddy,  
Secretary.

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

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Authority EO 10501

FEDERAL RESERVE BANK  
OF NEW YORK

RECEIVED  
APR 14 1925  
OFFICE OF  
THE GOVERNOR

Open Market Investment Committee  
for the Federal Reserve System

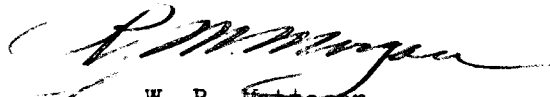
CONFIDENTIAL

April 13, 1925

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 April 2 to April 8, 1925 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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Authority EO 10501

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REPORT OF OPEN MARKET INVESTMENT COMMITTEE WEEK ENDED APRIL 8, 1925

Holdings of Earning Assets of Federal Reserve Banks Jan. 7, Feb. 25, Mar. 25,  
April 1 and 8, 1925 as Compared With Corresponding Periods in 1924  
(000 Omitted)

-1924-	TOTAL EARNING ASSETS	*GOVERNMENT	BANKERS ACCEPTANCES		BILLS
		SECURITIES	Purchases	Sales Contracts	DISCOUNTED
Jan. 9	\$1,026,496	\$100,358	\$279,588	\$39,578	\$606,921
Feb. 27	950,801	155,801	205,022	38,288	531,690
Mar. 26	942,080	257,256	164,947	37,511	482,315
Apr. 2	1,008,388	264,855	163,001	50,711	529,660
" 9	996,119	268,903	151,893	45,713	529,559
-1925-					
Jan. 7	1,109,965	496,029	332,029	8,949	264,408
Feb. 25	1,129,697	364,694	278,885	38,361	433,805
Mar. 25	1,040,699	343,751	287,544	19,361	377,641
Apr. 1	1,086,539	357,834	283,935	32,443	399,925
" 8	1,076,616	362,240	263,891	46,794	391,289

\*Includes sales contracts

CHANGES IN HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES  
BY FEDERAL RESERVE BANKS (EXCLUSIVE OF SALES CONTRACTS)  
DURING WEEK ENDED APRIL 8, 1925  
(000 Omitted)

	GOVERNMENT SECURITIES			BANKERS ACCEPTANCES		
	Balance April 8	Balance April 1	Net Change	Balance April 8	Balance April 1	Net Change
Boston	\$ 20,816	\$ 20,816	0	\$ 36,766	\$ 39,194	\$ 2,428-
New York	92,524	92,524	0	46,268	48,755	2,487-
Philadelphia	24,271	24,271	0	24,102	25,367	1,265-
Cleveland	39,449	39,449	0	28,509	31,160	2,651-
Richmond	3,104	3,104	0	12,224	13,054	830-
Atlanta	3,832	3,767	65+	11,669	12,212	543-
Chicago	51,660	51,660	0	38,601	42,467	3,866-
St. Louis	8,940	8,890	50+	11,741	13,381	1,640-
Minneapolis	17,383	17,383	0	8,229	8,728	499-
Kansas City	23,768	23,422	346+	12,730	14,117	1,387-
Dallas	20,108	20,108	0	8,845	10,463	1,618-
San Francisco	34,325	34,325	0	24,207	25,041	834-
Totals	\$340,180	\$339,719	\$461+	\$263,891	\$283,939	\$20,048-

COMMENT ON CHANGES WEEK ENDED APRIL 8, 1925

Total earning assets of the System declined \$9,923,000 during the week. Reductions in outright holdings of bankers acceptances of \$20,048,000 and \$8,636,000 in bills discounted were only partially offset by increases of \$14,355,000 in acceptances held under sales contracts, and \$4,406,000 in Government security holdings.



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Money  
Market

Money conditions in New York continued firm and generally unchanged throughout the week. On Monday, April 6, reserves of leading New York City banks were about \$35,000,000 below requirements and, reflecting this condition, Stock Exchange call money after renewing at 3 3/4 per cent advanced to 4 1/2 per cent. On Tuesday, however, call money opened and renewed at 4 per cent and continued unchanged throughout the balance of the week, loans placed on Thursday holding over for the four days until Monday. The return flow of funds from the interior was accompanied by a sharp increase in reserves of New York City banks and at the close of the week both actual and average reserves were in excess of requirements without any considerable borrowing at this bank.

The time money market continued quiet but the trend in rates was slightly easier. Short-term loans were available at 3 3/4 per cent and loans for three and four months were generally arranged at 4 per cent.

Commercial paper dealers report a somewhat larger volume of names moving outside of New York at 3 3/4 per cent, but the prevailing market rate remained unchanged at 4 per cent. The demand was chiefly from New England and middlewest centers. Dealers lists of papers continue unusually small.

Government  
Security  
Market

The Government bond market was active and sales on the Exchange during the period totaled \$10,000,000 compared with \$7,000,000 the week before. Notwithstanding firmness in money conditions prices of all issues advanced fractionally from the closing levels of the previous week. The Third 4 1/4's at 101 25/32nds were close to the year's high price, while the new Treasury 4% bonds of 1944-54 advanced 8/32nds to 100 29/32nds.

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3

The market for short-term Government securities continued quiet. With small offerings of Treasury certificates - prices were lowered slightly on the June and September issues of 1925, with a corresponding advance in yields. Longer term Treasury Notes, however, were reported in moderate demand but prices remained unchanged.

Bankers  
Acceptances

At the close of the period all districts report dealers offering 30-day bills at 3 per cent. and 60's at 3 1/8 per cent. Offering rates on 90-day unindorsed bills were temporarily lowered to 3 1/8 per cent. but at the close of the period most dealers were bidding 3 3/8 per cent. for this maturity and offering at 3 1/4 per cent.

Boston reports a small supply of bills typical of the season of the year. Dealers' aggregate purchases were below the last few weeks, notwithstanding the temporary reduction in buying rates. Although there was a demand from out-of-town banks' sales were small and dealers holdings increased. Short 60-day bills were in best demand. In New York the market was relatively quiet; the demand was fair but slightly less than the supply and dealers' portfolios increased to the highest point of the year, a condition encouraged somewhat by them since a number of them appeared to anticipate easier money conditions and a consequent lower trend in bill rates. Our purchases from banks were very small and almost negligible from dealers. Philadelphia reports a generally inactive market. The volume of acceptances outstanding has been gradually decreasing during the past few weeks, which has materially reduced the volume of bills entering the open market. The supply was slightly in excess of the demand. In Chicago the supply was somewhat increased but the demand continued moderate and dealers' holdings increased over the previous week.

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OPERATIONS ACCOUNT UNITED STATES TREASURY

Under Treasury authorization there was sold during the period for account of the Alien Property Custodian \$4,000,000 4% Treasury bonds of 1944-54, and purchased in replacement \$2,000,000 2 3/4% certificates due September 15, 1925 and \$2,000,000 3% certificates maturing December 15, 1925.

Miscellaneous

At the request of the Treasury the Federal Reserve Bank of New York purchased \$1,400,000 Third Liberty Loan 4 1/4% bonds for account Investment of Individual Indian Moneys.

SYSTEM SPECIAL INVESTMENT ACCOUNT

There have been no transactions during the period in the Special Investment Account, the holdings at the close of business April 8 remaining at \$245,203,500. The participation by the various Federal reserve banks and the classification by maturities was as follows:

PARTICIPATION BY  
FEDERAL RESERVE BANKS

Boston	\$17,241,000
New York	91,267,000
Philadelphia	6,773,000
Cleveland	24,726,500
Richmond	1,763,000
Atlanta	737,500
Chicago	34,387,000
St. Louis	8,312,000
Minneapolis	9,825,000
Kansas City	12,043,000
Dallas	13,025,500
San Francisco	25,103,000

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\$245,203,500

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RECAPITULATION OF  
HOLDINGS BY MATURITIES

June 15, 1925	\$ 25,932,700
Sept. 15, 1925	10,474,500
Dec. 15, 1925	56,385,500
Mar. 15, 1926	39,237,600
Sept. 15, 1926	31,901,000
Mar. 15, 1927	18,875,900
Dec. 15, 1927	32,296,300
Third L. L. Bonds	
Sept. 15, 1928	30,100,000

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\$245,203,500

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5

ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF  
FEDERAL RESERVE BANKS FROM APRIL 2 TO APRIL 8, 1925

TRANSACTIONS IN MISCELLANEOUS GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>	<u>Held Under Sales Contracts</u>
Boston	0	-	0	-	\$ 164,310
New York	0	-	0	-	19,020,000
Atlanta	96,500	Misc. Gov't Sec.	31,200	Misc. Gov't Sec.	0
Chicago	0	-	0	-	1,374,500
St. Louis	50,000	Third L.L. Bonds	0	-	0
Minneapolis	612,100	Misc. Gov't Sec.	612,100	Misc. Gov't Sec.	0
Knasas City	346,400	Misc. Gov't Sec.	0	-	1,500,000
<b>Totals</b>	<b>\$1,105,000</b>		<b>\$643,200</b>		<b>\$22,058,810</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	\$ 486,000	3% - 3 1/8%	\$4,427,000	\$ 2,550,000 Sales contracts
	31-60 "	398,000	3 1/8% - 3 1/4%		
	61-90 "	1,096,000	3 1/8% - 3 1/4%		
	Over 90 "	19,000	3 1/4%		
		<b>\$1,999,000</b>			
New York	1-30 days	1,016,000	3% - 3 1/8%	6,446,000	32,785,000 Sales Contracts
	31-60 "	747,000	3 1/8% - 3 1/4%		
	61-90 "	1,360,000	3 1/8% - 3 1/4%		3,645,000 one-day holdover for distribution to F.R.Banks
	Over 90 "	836,000	3 1/4% - 3 1/2%		
		<b>\$3,959,000</b>			
Philadelphia	1-30 days	217,000	3% - 3 1/8%	3,030,000	0
	31-60 "	643,000	3 1/8% - 3 3/8%		
	61-90 "	905,000	3 1/8% - 3 1/2%		
		<b>\$1,765,000</b>			
Cleveland	1-30 days	608,000	3%	4,662,000	833,000 Sterling bills
	31-60 "	636,000	3 1/8%		
	In other districts	767,000	3% - 3 1/4%		
		<b>\$2,011,000</b>			
Richmond	1-30 days	238,000	3 1/8% - 3 1/4%	1,525,000	0
	31-60 "	50,000	3 1/4%		
	61-90 "	45,000	3 1/4%		
	In other districts	362,000	3% - 3 1/4%		
		<b>\$695,000</b>			

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES DURING WEEK ENDED APRIL 8, 1925  
AND HOLDINGS AS OF THAT DATE CLASSIFIED BY MATURITIES  
(000 Omitted)

Holdings	(Including Sales Contracts)					Over	
	Within	16-30	31-60	61-90	91-days--		
<u>April 8, 1925</u>	<u>15 days</u>	<u>days</u>	<u>days</u>	<u>days</u>	<u>6 Months</u>	<u>6 Months</u>	<u>Total</u>
Gov't Securities	\$22,059	-	-	\$41,022	\$25,146	\$274,013	\$362,240
Bills Purchased	<u>106,137</u>	<u>60,478</u>	<u>88,501</u>	<u>47,558</u>	<u>8,011</u>	-	<u>310,685</u>
	\$128,196	\$60,478	\$88,501	\$88,580	\$33,157	\$274,013	\$672,925

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Authority EO 10501

Form No. 131.

# Office Correspondence

FEDERAL RESERVE  
BOARD

Date April 7, 1925.

To All members of the Board.

Subject: # 7

From Mr. E. A. Tamm

For your information.

- ✓ Governor Crissinger
- ✓ Mr. Hamlin
- ✓ Mr. Platt
- ✓ Mr. James
- ✓ Mr. Cunningham
- ✓ Mr. Miller

Please return to Secretary's Office.

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Authority FD-10501

April 7, 1925.

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, addressed to Governor Crissinger, enclosing a report of transactions in Government securities and bankers acceptances as reported to the Open Market Investment Committee for the Federal Reserve System for the period from March 26 to April 1, 1925, inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,

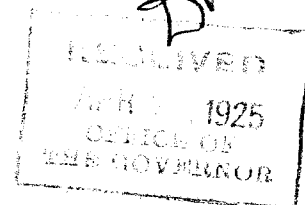
(Signed) Walter L. Eddy

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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Authority EO 10501

FEDERAL RESERVE BANK  
OF NEW YORK



Open Market Investment Committee  
for the Federal Reserve System

CONFIDENTIAL

April 6, 1925

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 March 26 to April 1, 1925 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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## REPORT OF OPEN MARKET INVESTMENT COMMITTEE WEEK ENDED APRIL 1, 1925

Holdings of Earning Assets of Federal Reserve Banks Jan.7, Feb.25, Mar.25  
and April 1, 1925 as Compared With Corresponding Periods in 1924  
(000 Omitted)

-1924-	TOTAL EARNING ASSETS	*GOVERNMENT SECURITIES	BANKERS ACCEPTANCES		BILLS DISCOUNTED
			Purchases	Sales Contracts	
Jan. 9	\$1,026,496	\$100,358	\$279,588	\$39,578	\$606,921
Feb. 27	950,801	155,801	205,022	38,288	531,690
Mar. 26	942,080	257,256	164,947	37,511	482,315
Apr. 2	1,008,388	264,855	163,001	50,711	529,660
-1925-					
Jan. 7	1,109,965	496,029	332,029	8,949	264,408
Feb. 25	1,129,697	364,694	278,885	38,361	433,805
Mar. 25	1,040,699	343,751	287,544	19,361	377,641
Apr. 1	1,086,539	357,834	283,935	32,443	399,925

\*Includes sales contracts

CHANGES IN HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES  
BY FEDERAL RESERVE BANKS (EXCLUSIVE OF SALES CONTRACTS)  
DURING WEEK ENDED APRIL 1, 1925  
(000 Omitted)

	GOVERNMENT SECURITIES			BANKERS ACCEPTANCES		
	Balance April 1	Balance Mar. 25	Net Change	Balance April 1	Balance Mar. 25	Net Change
Boston	\$ 20,816	\$ 20,816	0	\$ 39,194	\$ 39,586	\$ 392-
New York	92,524	92,524	0	48,755	50,751	1,996-
Philadelphia	24,271	24,271	0	25,367	24,279	1,088+
Cleveland	39,449	39,449	0	31,160	30,191	969+
Richmond	3,104	3,104	0	13,054	12,834	220+
Atlanta	3,767	3,730	37+	12,212	12,162	50+
Chicago	51,660	51,662	2-	42,464	42,633	169-
St. Louis	8,890	8,890	0	13,381	13,193	188+
Minneapolis	17,383	17,404	21-	8,728	9,343	615-
Kansas City	23,422	23,410	12+	14,117	15,304	1,187-
Dallas	20,109	20,108	1+	10,463	11,050	587-
San Francisco	34,324	34,324	0	25,040	26,218	1,178-
Totals	\$339,719	\$339,692	\$27+	\$283,935	\$287,544	\$3,609-

COMMENT ON CHANGES WEEK ENDED APRIL 1, 1925

Total earning assets of the System advanced \$45,840,000 during the week, due chiefly to an increase of \$22,284,000 in bills discounted and a further rise of \$13,082,000 in acceptances held under sales contracts. Government security holdings increased \$14,083,000, the advance chiefly representing securities held under sales contracts. Bills purchased outright declined \$3,609,000.

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2

Money  
Market

Money conditions in New York continued firm during most of the week. At the opening of the week reserves of leading New York City banks were in excess of requirements but reflecting the usual preparations for first of the month requirements Stock Exchange call money renewals ranged from  $4\frac{1}{2}$  to  $4\frac{3}{4}$  per cent. with new loans at  $4\frac{1}{2}$  to 5 per cent. Later in the week with a comparatively light demand for funds accompanying the slackened trading in the security markets, the rate for new loans declined to  $3\frac{1}{2}$  per cent. The usual movement of funds to the interior following the first of the month, and other losses to the market were accompanied by a sharp reduction in reserves of New York City banks and at the opening of business Friday actual reserves were below requirements, resulting in member banks borrowing in order to maintain their required reserves for the week.

Time money continued quiet with the trend slightly easier. Rates ranged from 4 to  $4\frac{1}{4}$  per cent. for all maturities, with borrowers bidding  $3\frac{3}{4}$  per cent. for funds for 60 days. The commercial paper market continued generally quiet. Dealers report buying in small amounts by trust companies in New York and a fair demand from the Chicago and St. Louis districts. The prevailing rate for prime names continued unchanged at 4 per cent., with some paper moving  $\frac{1}{4}$  per cent. above or below the market.

Government  
Security  
Market

The Government bond market continued moderately active and sales on the Exchange during the period totaled about \$7,200,000, compared with \$6,500,000 the week before. Accompanying easier money conditions prices on all issues advanced fractionally during the week and closing prices on April 4 of all  $4\frac{1}{4}$  per cent. Liberty Loan bonds showed declines of only  $\frac{2}{32}$ nds to  $\frac{4}{32}$ nds from the year's high point.

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3

The market for short-term Government securities was quiet, with demand and supply about equal. Prices on all Treasury Notes held generally unchanged but prices of Treasury certificates were slightly lower.

Bankers  
Acceptances

In New York there was a definite trend toward a reduction in bill rates which took effect on Wednesday, April 1, the last day of the period when dealers reduced both bid and offer rates  $1/8$  per cent. on 30 and 60-day bills. On Thursday, April 2, all dealers lowered rates on 90-day bills  $1/8$  per cent. and at the close of the week were offering 60 and 90-day unindorsed bills at  $3 \frac{1}{8}$  per cent., and 30's at 3 per cent. Other districts report rates unchanged during the period, dealers offering 60 and 90-day unindorsed bills at  $3 \frac{1}{4}$  per cent., and 30's at  $3 \frac{1}{8}$  per cent.

Boston reports a good supply of bills coming out in the market, principally 90-day maturities. There was an increased demand, especially from out-of-town banks and orders were for fairly large amounts and covered all maturities. Fewer bills moved to other districts during the week, but dealers portfolios remained small. In New York bills were slightly less active during the week. The volume offered to the market was relatively small, particularly the more attractive names. Accompanying easier money conditions at the close of the week the demand was very good. In Philadelphia the bill market continued quiet with the supply slightly in excess of the demand. Chicago reports a fair supply with moderate demand.

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OPERATIONS ACCOUNT UNITED STATES TREASURY

In accordance with Treasury authorizations purchases of certificates of indebtedness were made during the period for account of the Alien Property Custodian in various districts as follows:

Boston	\$ 250,000	2 3/4%	issue due Sept. 15, 1925	at 99 31/32
	1,500,000	3%	issue due Dec. 15, 1925	at par
New York	<u>1,500,000</u>	2 3/4%	issue due Dec. 15, 1925	at par
	<u>\$3,250,000</u>			

Miscellaneous

At the request of the Treasury the Federal Reserve Bank of New York sold \$900,000 Fourth Liberty Loan 4 1/4% bonds for account of the Civil Service Retirement and Disability Fund.

SYSTEM SPECIAL INVESTMENT ACCOUNT

There has been no change during the period covered by this report in the System Special Investment Account, the holdings at the close of business April 1 remaining at \$245,203,500. The participation by the various Federal reserve banks and the classification by maturities was as follows:

<u>PARTICIPATION BY FEDERAL RESERVE BANKS</u>		<u>RECAPITULATION OF HOLDINGS BY MATURITIES</u>	
Boston	\$ 17,241,000	June 15, 1925	\$ 25,932,700
New York	91,267,000	Sept. 15, 1925	10,474,500
Philadelphia	6,773,000	Dec. 15, 1925	56,385,500
Cleveland	24,726,500	Mar. 15, 1926	39,237,600
Richmond	1,763,000	Sept. 15, 1926	31,901,000
Atlanta	737,500	Mar. 15, 1927	18,875,900
Chicago	34,387,000	Dec. 15, 1927	32,296,300
St. Louis	8,312,000	Third L.L. Bonds	
Minneapolis	9,825,000	Sept. 15, 1928	30,100,000
Kansas City	12,043,000		
Dallas	13,025,500		
San Francisco	<u>25,103,000</u>		
	<u>\$245,203,500</u>		<u>\$245,203,500</u>

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ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF  
FEDERAL RESERVE BANKS FROM MARCH 26 TO APRIL 1, 1925

TRANSACTIONS IN MISCELLANEOUS GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>	Held Under Sales <u>Contracts</u>
Boston	0	-	0	-	138,350
New York	0	-	0	-	16,445,500
Atlanta	68,250	Misc. Gov't Sec.	31,250	Misc. Gov't Sec.	0
Chicago	0	-	1,500	TD-1925 Cts.	281,500
Minneapolis	723,150	Misc. Gov't Sec.	744,300	Misc. Gov't Sec.	0
Kansas City	12,200	Misc. Gov't Sec.	0	-	1,250,000
Dallas	500	Fourth L. L. Bds.	0	-	0
	<u>\$804,100</u>		<u>\$777,050</u>		<u>\$18,115,350</u>

BANKERS ACCEPTANCES

	<u>Maturity</u>	<u>PURCHASES</u> <u>Amount</u>	<u>Rate</u>	<u>MATURITIES</u> <u>Amount</u>	<u>Other</u> <u>Holdings</u>
Boston	1-30 days	\$ 706,000	3% - 3 1/4%	\$4,308,000	\$2,067,000 Sales
	31-60 "	554,000	3 1/8% - 3 1/4%		Contracts
	61-90 "	2,576,000	3 1/8% - 3 3/8%		
	Over 90 "	<u>80,000</u>	3 1/4%		
		<u>\$3,916,000</u>			
New York	1-30 days	3,989,000	3% - 3 1/8%	9,395,000	23,594,000 Sales
	31-60 "	1,432,000	3 1/8% - 3 1/4%		Contracts
	61-90 "	1,132,000	3 1/8% - 3 3/8%		602,000 foreign
	Over 90 "	<u>846,000</u>	3 1/4% - 3 1/2%		trade accept.
		<u>\$7,399,000</u>			246,000 special
					foreign bills
Philadelphia	1-30 days	195,000	3% - 3 1/8%	1,895,000	0
	31-60 "	755,000	3 1/8% - 3 3/8%		
	61-90 "	<u>2,033,000</u>	3 1/8% - 3 1/2%		
		<u>\$2,983,000</u>			
Cleveland	1-30 days	1,036,000		3,325,000	715,000 ster-
	31-60 "	300,000			ling bills
	61-90 "	652,000			
	In other districts	<u>2,306,000</u>	3% - 3 1/2%		
		<u>\$4,294,000</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>
Richmond	1-30 days	\$ 214,000	3 1/4%	\$1,464,000	0
	31-60 "	377,000	3 1/4%		
	61-90 "	206,000	3 1/4%		
	In other districts	<u>887,000</u>	3% - 3 1/2%		
		\$1,684,000			
Atlanta	1-30 days	\$ 31,000	3 1/8%	1,310,000	1,072,000 Unin-
	31-60 "	66,000	3 1/8%		dorsed
	In other districts	<u>1,263,000</u>	3% - 3 1/2%		bills pur-
		\$1,360,000			chased
					from ac-
					cept. banks
Chicago	31-60 days	\$ 28,000	3 1/8%	2,775,000	367,000 Sales
	61-90 "	1,550,000	3 1/8% - 3 1/4%		contracts
	In other districts	<u>1,028,000</u>	3% - 3 1/2%		
		\$2,606,000			
St. Louis	In other districts	\$1,416,000	3% - 3 1/2%	1,228,000	0
Minneapolis	In other districts	987,000	3% - 3 1/2%	1,602,000	0
Kansas City	In other districts	1,271,000	3% - 3 1/2%	2,458,000	0
Dallas	In other districts	1,258,000	3% - 3 1/2%	1,845,000	0
San Francisco	1-30 days	149,000	3%	3,705,000	3,780,000 Sales
	31-60 "	425,000	3 1/8%		contracts
	61-90 "	23,000	3 1/8%		
	In other districts	<u>1,930,000</u>	3% - 3 1/2%		
		\$2,527,000			
Totals		\$31,701,000		\$35,310,000	\$32,443,000

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RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES DURING WEEK ENDED APRIL 1, 1925  
AND HOLDINGS AS OF THAT DATE CLASSIFIED BY MATURITIES  
(000 Omitted)

	(Excluding Sales Contracts)		
	Government Securities	Bankers Acceptances	Total
Purchased	\$804	\$31,701	\$32,505
Sold	777	-	777
Matured	-	35,310	35,310
	\$ 27+	\$ 3,609-	\$ 3,582-

	(Including Sales Contracts)						
Holdings April 1, 1925	Within 15 days	16-30 days	31-60 days	61-90 days	91-days- 6 Months	Over 6 Months	Total
Gov't Securities	\$18,115	-	-	\$ 41,001	\$25,146	\$273,562	\$357,834
Bills Purchased	97,244	57,817	92,273	60,980	8,064	-	316,378
	\$115,359	\$57,817	\$92,273	\$101,991	\$33,210	\$273,562	\$674,212

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Form No. 131.

# Office Correspondence

FEDERAL RESERVE  
BOARD

Date March 30, 1925.

To All members of the Board.

Subject: \_\_\_\_\_

From Mr. Eddy.

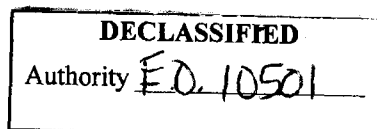
333 /

For your information.

- ✓ Governor Crissinger
- ✓ Mr. Platt
- ✓ Mr. Hamlin
- ✓ Mr. James
- ✓ Mr. Cunningham
- ✓ Mr. Miller
- ✓ Mr. McIntosh (*by his Secy*)

Please return to Secretary's Office.





March 30, 1925.

Dear Mr. Matteson:

Receipt is acknowledged of your letter of the 28th 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 March 19 to March 25, 1925, inclusive, together with data received by the Committee from the Federal reserve banks. Your letter and enclosure will be brought to the attention of the members of the Board.

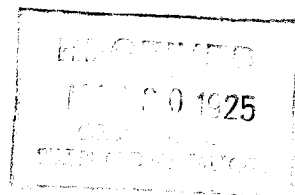
Very truly yours,

J. C. Noell,  
Assistant 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

March 28, 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 March 19 to March 25, 1925 in-  
clusive, 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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## REPORT OF OPEN MARKET INVESTMENT COMMITTEE WEEK ENDED MARCH 25, 1925

Holdings of Earning Assets of Federal Reserve Banks January 7, February 25  
 and March 25, 1925 as Compared with Corresponding Periods in 1924  
 (000 Omitted)

1924	TOTAL EARNING ASSETS	*GOVERNMENT SECURITIES	BANKERS ACCEPTANCES Purchases	Sales Contracts	BILLS DISCOUNTED
Jan. 9	\$1,026,496	\$100,358	\$279,588	\$39,578	\$606,921
Feb. 27	950,801	155,801	205,022	58,288	531,690
Mar. 19	922,182	**296,777	187,165	7,038	431,302
Mar. 26	942,080	257,256	164,947	37,511	482,315
1925					
Jan. 7	1,109,965	496,029	332,029	8,949	264,408
Feb. 25	1,129,697	364,694	278,885	38,361	433,805
Mar. 18	1,056,847	***428,250	267,483	9,228	339,484
Mar. 25	1,040,699	343,751	287,544	19,361	377,641

\*Includes sales contracts

\*\*Includes \$ 58,000,000 advance to Treasury on special certificate

\*\*\*Includes \$100,500,000 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 ENDED MARCH 25, 1925

(000 Omitted)

	GOVERNMENT SECURITIES			BANKERS ACCEPTANCES		
	Balance Mar. 25	Balance Mar. 18	Net Change	Balance Mar. 25	Balance Mar. 18	Net Change
Boston	\$ 20,816	\$ 20,085	\$ 731 +	\$ 39,586	\$ 38,035	\$ 1,551 +
New York	92,524	88,653	3,871 +	50,751	49,826	925 +
Philadelphia	24,271	23,904	287 +	24,279	23,659	620 +
Cleveland	39,449	38,348	1,101 +	30,191	29,469	722 +
Richmond	3,104	3,029	75 +	12,834	11,368	1,466 +
Atlanta	3,730	3,584	146 +	12,162	11,169	993 +
Chicago	51,662	50,204	1,458 +	42,633	31,840	10,793 +
St. Louis	8,890	8,487	403 +	13,193	13,258	65-
Minneapolis	17,404	16,983	421 +	9,343	8,803	540 +
Kansas City	23,410	22,842	568 +	15,304	14,439	865 +
Dallas	20,108	17,485	2,623 +	11,050	10,618	432 +
San Francisco	34,324	33,255	1,067 +	26,218	25,013	1,205 +
	<u>\$339,692</u>	<u>\$326,941</u>	<u>\$12,751 +</u>	<u>\$287,544</u>	<u>\$267,497</u>	<u>\$20,047 +</u>

COMMENT ON CHANGES WEEK ENDED MARCH 25, 1925

Total earning assets declined further \$16,148,000 during the week. Holdings of Government securities decreased \$84,499,000, the repurchase of \$20,000,000 of securities previously sold temporarily from the System's account being offset by the payment of the Treasury special certificate of \$100,500,000. Bills purchased outright increased \$20,061,000, while acceptances held under sales contracts advanced \$10,133,000, and bills discounted increased \$38,157,000.

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Money  
Market

The gradual withdrawal of funds from the market through the collection of income tax checks, and the loss of funds to the interior to fill the vacuum created by Treasury transfers to cover the overdraft with the New York bank marked the completion of the income tax period. Reflecting this condition and the demand for money for first of the month requirements, money conditions in New York turned distinctly firmer. Early in the week Stock Exchange call money renewed at 3 1/2 per cent., with the rate for new loans generally advancing to 4 per cent. On Thursday, March 26, new loans were placed at 4 1/2 per cent. and on Friday the rate was advanced to 5 per cent. This marked a return to the level prevailing earlier in the month, prior to the heavy Treasury disbursements on March 16.

The trend of longer term money was slightly easier, however. Loans for 60-90 days declined temporarily to 4 per cent. but subsequently returned to 4 to 4 1/4 per cent. The market continued dull and inactive. Commercial paper dealers report the market quiet, New York City banks buying only irregularly for the account of correspondents. There was a fair demand from out-of-town centers, chiefly in the middle-west. The supply of paper in portfolios continued unusually small. Rates were unchanged at 4 per cent. with a few strong names moving at 3 3/4 per cent.

Government  
Security  
Market

United States Government bonds were moderately active and sales on the Stock Exchange during the period totaled about \$6,500,000. Prices were firm, and with the exception of the First 3 1/2's prices on all issues advanced from 2/32nds to 5/32nds and generally recovered to the levels prevailing at the end of February, prior to the advance in the discount rate of the New York bank.

Activity in the market for short-term Government securities centered principally in a moderate demand for 1926 and 1927 Treasury

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Notes. With a small supply of these notes in the market prices were generally advanced  $2/32$ nds with a corresponding decline in yields.

Treasury certificates continued dull and quiet.

Bankers  
Acceptances

Rates in all districts continued unchanged from the previous week, dealers offering 60 and 90-day unindorsed bills at  $3\frac{1}{4}$  per cent. and 30's at  $3\frac{1}{8}$  per cent.

Boston reports a continued increase in the supply of bills, principally in the 90-day maturities. The demand from both local and out-of-town customers increased, but sales out-of-town were in small lots. Short bills continued in the best demand. At the close of the week the market was very quiet. In New York the market was only moderately active during the week, due chiefly to the fact that bills were relatively scarce although there was a good demand. The demand was well distributed and continued to be mainly for 30 and 60-day maturities. In some infrequent instances dealers bid  $3\frac{1}{4}$  per cent. for prime 60-day bills in the hope of increasing their supply of this maturity. In Philadelphia the bill market was generally inactive during the period although there was a fair demand from out-of-town banks. The local demand was quiet, while the supply of bills was somewhat larger due to the increased buying in the grain and other commodity markets. Chicago reports a fair supply of bills with moderate demand. Dealers occasionally offered small blocks of endorsed bills to the reserve bank and do not seem anxious to acquire a large portfolio or to hold bills.

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SYSTEM SPECIAL INVESTMENT ACCOUNT

As noted in the previous report, there was repurchased during the statement week the balance of \$10,000,000 of securities previously sold temporarily to member banks in New York and Chicago during the quarterly tax period. This transaction, together with new purchases of \$400,000, brought the System holdings to \$245,203,500 at the close of business March 25.

The participation in the account by all Federal reserve banks, and the classification by maturities, was as follows:

PARTICIPATION BY FEDERAL RESERVE BANKSRECAPITULATION OF HOLDINGS BY MATURITIES

Boston	\$ 17,241,000	June 15, 1925	\$ 25,932,700
New York	91,267,000	Sept. 15, 1925	10,474,500
Philadelphia	6,773,000	Dec. 15, 1925	56,385,500
Cleveland	24,726,500	Mar. 15, 1926	39,237,600
Richmond	1,763,000	Sept. 15, 1926	31,901,000
Atlanta	737,500	Mar. 15, 1927	18,875,900
Chicago	34,387,000	Dec. 15, 1927	32,296,300
St. Louis	8,312,000	Third L. L. Bonds	
Minneapolis	9,825,000	Sept. 15, 1928	30,100,000
Kansas City	12,043,000		
Dallas	13,025,500		
San Francisco	<u>25,103,000</u>		
	\$245,203,500		\$245,203,500

OPERATIONS ACCOUNT UNITED STATES TREASURY

At the request of the Treasury the Federal Reserve Bank of New York purchased for various Treasury accounts during the period \$34,000 Second Liberty Loan 4 1/4% bonds, \$500,000 Treasury Notes due December 15, 1927, and \$40,000 due September 15, 1926.

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ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF  
FEDERAL RESERVE BANKS FROM MARCH 19 TO MARCH 25, 1925

GOVERNMENT SECURITIES

SYSTEM INVESTMENT ACCOUNT

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>
Boston	\$ 28,000 Part. System Inv. <u>1,406,000</u> Part. Repurch. Temp. Sales \$1,434,000		\$ 703,000 Part. Temp. Sales	
New York	149,000 Part. System Inv. <u>7,445,000</u> Part. Repurch. Temp. Sales \$7,594,000		3,723,000 Part. Temp. Sales	
Philadelphia	11,000 Part. System Inv. <u>552,000</u> Part. Repurch. Temp. Sales \$563,000		276,000 Part. Temp. Sales	
Cleveland	40,500 Part. System Inv. <u>2,016,500</u> Part. Repurch. Temp. Sales \$2,057,000		1,008,000 Part. Temp. Sales	
Richmond	3,000 Part. System Inv. <u>144,000</u> Part. Repurch. Temp. Sales \$147,000		72,000 Part. Temp. Sales	
Atlanta	1,000 Part. System Inv. <u>60,000</u> Part. Repurch. Temp. Sales \$61,000		30,000 Part. Temp. Sales	
Chicago	56,000 Part. System Inv. <u>2,804,500</u> Part. Repurch. Temp. Sales \$2,860,500		1,402,000 Part. Temp. Sales	
St. Louis	13,500 Part. System Inv. <u>678,000</u> Part. Repurch. Temp. Sales \$691,500		339,000 Part. Temp. Sales	

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GOVERNMENT SECURITIES -- (Continued)

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>
Minneapolis	\$ 16,000 Part. System Inv. <u>802,000 Part. Repurch. Temp. Sales</u>		\$ 401,000 Part. Temp. Sales	
	<u>\$ 818,000</u>			
Kansas City	19,500 Part. System Inv. <u>982,000 Part. Repurch. Temp. Sales</u>		491,000 Part. Temp. Sales	
	<u>\$ 1,001,500</u>			
Dallas	21,500 Part. System Inv. <u>1,062,000 Part. Repurch. Temp. Sales</u>		531,000 Part. Temp. Sales	
	<u>\$ 1,083,500</u>			
San Francisco	41,000 Part. System Inv. <u>2,048,000 Part. Repurch. Temp. Sales</u>		1,024,000 Part. Temp. Sales	
	<u>\$ 2,089,000</u>			
Totals	\$ 400,000 Part. System Inv. <u>20,000,000 Part. Repurch. Temp. Sales</u>		\$10,000,000 Part. Temp. Sales	

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>	<u>Held Under Sales Contracts</u>
Boston	--		--		\$ 331,970
New York	--		--		1,745,000
Cleveland	52,000 Treas. 4% Bonds		--		0
Atlanta	144,350 Misc. Gov't Sec.		29,950 Misc. Gov. Sec.		0
Chicago	--		--		982,000
St. Louis	50,000 Third L. L. Bds.		--		0
Minneapolis	1,353,050 Misc. Gov't Sec.		1,348,600 Misc. Gov. Sec.		0
Kansas City	81,400 Misc. Gov't Sec.		24,000 Misc. Gov. Sec.		1,000,000
Dallas	2,071,000 Misc. Gov't Sec.		500 Misc. Gov. Sec.		0
San Francisco	<u>2,000 Misc. Gov't Sec.</u>		<u>--</u>		<u>0</u>
	<u>\$3,753,800</u>		<u>\$1,403,050</u>		<u>\$4,058,970</u>



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BANKERS ACCEPTANCES

	<u>Maturity</u>	<u>PURCHASES</u> <u>Amount</u>	<u>Rate</u>	<u>MATURITIES</u> <u>Amount</u>	<u>Other</u> <u>Holdings</u>
Boston	1-30 days	\$ 540,000	3% - 3 1/8%	\$2,770,000	\$1,506,000 Sales Contracts
	31-60 "	546,000	3 1/8% - 3 1/4%		
	61-90 "	3,152,000	3 1/8% - 3 1/4%		
	Over 90 "	83,000	3 1/4%		
		<u>\$4,321,000</u>			
New York	1-30 days	2,607,000	3%	5,994,000	8,916,000 Sales Contracts 1,836,000 one day hold- over for dist. to F.R.banks 507,000 foreign trade bills 199,000 special foreign bills
	31-60 "	1,134,000	3 1/8%		
	61-90 "	2,562,000	3 1/8% - 3 3/8%		
	Over 90 "	566,000	3 1/4% - 3 1/2%		
		<u>\$6,919,000</u>			
Philadelphia	1-30 days	164,000	3% - 3 1/4%	2,640,000	0
	31-60 "	961,000	3 1/8% - 3 1/2%		
	61-90 "	2,135,000	3 1/8% - 3 1/2%		
		<u>\$3,260,000</u>			
Cleveland	31-60 days	200,000		3,075,000	722,000 sterling bills
	61-90 "	702,000			
	In other districts	2,895,000	3% - 3 1/2%		
		<u>\$3,797,000</u>			
Richmond	1-30 days	150,000	3 1/8% - 3 1/4%	957,000	0
	31-60 "	389,000	3 1/4%		
	61-90 "	505,000	3 1/4%		
	In other districts	1,379,000	3% - 3 1/2%		
		<u>\$2,423,000</u>			
Atlanta	1-30 days	100,000	3 1/8%	790,000	1,140,000 Unindorsed bills purchased from accepting banks
	31-60 "	10,000	3 1/8%		
	In other districts	1,673,000	3% - 3 1/2%		
		<u>\$1,783,000</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>
Chicago	1-30 days	\$ 992,000	3%	\$ 2,884,000	\$ 649,000
	31-60 "	475,000	3 1/8%		Sales
	61-90 "	8,799,000	3 1/8% - 3 1/4%		Contracts
	In other districts	<u>3,411,000</u>	3% - 3 1/2%		
		<u>\$13,677,000</u>			
St. Louis	In other districts	1,513,000	3% - 3 1/2%	1,578,000	0
Minneapolis	In other districts	1,271,000	3% - 3 1/2%	731,000	0
Kansas City	In other districts	1,908,000	3% - 3 1/2%	1,043,000	0
Dallas	In other districts	1,440,000	3% - 3 1/2%	1,008,000	0
San Francisco	1-30 days	81,000	3% - 3 1/8%	3,130,000	3,886,000
	31-60 "	1,187,000	3% - 3 1/8%		Sales
	61-90 "	554,000	3% - 3 1/8%		Contracts
	In other districts	<u>2,513,000</u>	3% - 3 1/2%		
		<u>\$ 4,335,000</u>			
Totals		<u>\$46,647,000</u>		<u>\$26,600,000</u>	<u>\$19,361,000</u>

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES AND  
 BANKERS ACCEPTANCES DURING WEEK ENDED MARCH 25, 1925, AND  
 HOLDINGS AS OF THAT DATE CLASSIFIED BY MATURITIES  
 (000 Omitted)

	(Excluding Sales Contracts)						
	<u>Government</u> <u>Securities</u>		<u>Bankers</u> <u>Acceptances</u>		<u>Total</u>		
Purchased	\$24,155		\$46,647		\$70,802		
Sold	11,404		-		11,404		
Matured			26,600		26,600		
	<u>\$12,751+</u>		<u>\$20,047+</u>		<u>\$32,798+</u>		

(Including Sales Contracts)							
<u>Holdings</u> <u>March 25, 1925</u>	<u>Within</u> <u>15 days</u>	<u>16-30</u> <u>days</u>	<u>31-60</u> <u>days</u>	<u>61-90</u> <u>days</u>	<u>91-days-</u> <u>6 Months</u>	<u>Over</u> <u>6 Months</u>	<u>Total</u>
Gov't Securities	\$ 4,060	\$ -	\$ -	\$ 40,996	\$25,145	\$273,551	\$343,752
Bills Purchased	86,669	54,769	92,773	64,381	8,313	-	306,905
	<u>\$90,729</u>	<u>\$54,769</u>	<u>\$92,773</u>	<u>\$105,377</u>	<u>\$33,458</u>	<u>\$273,551</u>	<u>\$650,657</u>

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Form No. 131.

# Office Correspondence

FEDERAL RESERVE  
BOARD

Date March 25, 1925.

To All members of the Board.

Subject: \_\_\_\_\_

From Mr. Eddy.

For your information.

- ✓ Governor Crissinger
- ✓ Mr. Platt
- ✓ Mr. Hamlin
- ✓ Mr. James
- ✓ Mr. Cunningham
- ✓ Mr. Miller
- ✓ Mr. McIntosh (by his Secy.)

Please return to Secretary's Office.

*File*

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March 24, 1925.

Dear Mr. Matteson:

I acknowledge receipt of and shall bring to the attention of the members of the Board your letter of the 24th instant, addressed to Governor Crissinger, enclosing a report of transactions in Government securities and bankers acceptances as reported to the Open Market Investment Committee for the Federal Reserve System for the period from March 12 to March 18, 1925, inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,

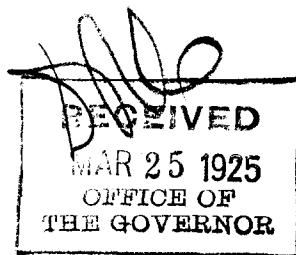
(Signed) Walter L. Eddy

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

March 24, 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 March 12 to March 18, 1925 in-  
clusive, together with data received by the Committee  
from the Federal reserve banks.

Respectfully,

A handwritten signature in cursive script, likely 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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Authority FD. 10501CONFIDENTIAL

## REPORT OF OPEN MARKET INVESTMENT COMMITTEE WEEK ENDED MARCH 18, 1925

Holdings of Earning Assets of Federal Reserve Banks January 7, March 4,  
11 and 18, 1925. As Compared with Corresponding Periods in 1924  
(000 Omitted)

-1924-	TOTAL EARNING ASSETS	<sup>x</sup> GOVERNMENT	BANKERS ACCEPTANCES		BILLS
		SECURITIES	Purchases	Sales Contracts	DISCOUNTED
Jan. 9	\$1,026,496	\$100,358	\$279,588	\$39,578	\$606,921
Mar. 5	930,211	182,066	203,739	55,998	488,408
" 12	938,484	212,639	203,252	39,364	483,499
" 19	922,182	<sup>xx</sup> 296,777	187,165	7,038	431,302
-1925-					
Jan. 7	1,109,965	496,029	332,029	8,949	264,408
Mar. 4	1,101,194	382,735	277,712	25,929	400,866
" 11	1,114,060	388,332	270,625	30,729	410,422
" 18	1,056,847	<sup>xxx</sup> 428,250	267,483	9,228	339,484

<sup>x</sup>Includes sales contracts<sup>xx</sup>Includes \$ 58,000,000 advance to Treasury on special certificate<sup>xxx</sup>Includes \$100,500,000 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 ENDED MARCH 18, 1925  
(000 Omitted)

	GOVERNMENT SECURITIES			BANKERS ACCEPTANCES		
	Balance Mar. 18	Balance Mar. 11	Net Change	Balance Mar. 18	Balance Mar. 11	Net Change
Boston	\$ 20,085	\$ 22,936	\$ 2,851-	\$ 38,021	\$ 39,582	\$1,561-
New York	88,653	103,745	15,092-	49,826	49,968	142-
Philadelphia	23,984	28,784	4,800-	23,659	23,273	386+
Cleveland	38,348	42,865	4,517-	29,469	29,844	375-
Richmond	3,029	3,321	292-	11,368	10,115	1,253+
Atlanta	3,584	3,520	64+	11,169	9,689	1,480+
Chicago	50,204	59,375	9,171-	31,840	34,095	2,255-
St. Louis	8,487	9,832	1,345-	13,258	13,675	417-
Minneapolis	16,983	18,673	1,690-	8,803	7,639	1,164+
Kansas City	22,842	24,223	1,381-	14,439	13,677	762+
Dallas	17,485	18,737	1,252-	10,618	11,135	517-
San Francisco	33,258	37,409	4,151-	25,013	27,933	2,920-
	<u>\$326,942</u>	<u>\$373,420</u>	<u>\$46,478-</u>	<u>\$267,483</u>	<u>\$270,625</u>	<u>\$3,142-</u>

COMMENT ON CHANGES WEEK ENDED MARCH 18, 1925.

Notwithstanding an advance of \$100,500,000 to the Treasury on special certificates total earning assets of the System declined \$57,213,000 due to declines of \$70,938,000 in bills discounted, \$3,142,000 in acceptances purchased outright, and \$21,501,000 in bills held under sales contracts. Exclusive of the advance to Treasury, holdings of Government securities declined \$46,478,000 due chiefly to temporary sales, from the System account, under repurchase agreement and the redemption of maturing securities as noted on a later page.

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Money  
Market

The temporary excess of Treasury disbursements over current receipts due to the large over redemption in this district of maturing securities and payment of interest on outstanding obligations 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. Stock Exchange call money held steady at 4 per cent. on Monday, March 16, but on Tuesday the rate for new loans was lowered to 3 1/2 per cent., and on Wednesday declined to 3 per cent. During the balance of the week call money ranged from 3 1/2 to 3 per cent. Treasury transfers to this district since March 12 of \$140,000,000 to cover the overdraft with the New York bank were accompanied by a substantial loss of funds to the interior to fill the vacuum created by the Treasury transfers. On Saturday, March 21, actual reserves of New York Clearing House banks were \$22,000,000 below requirements, a decline of \$37,000,000 during the week. Reflecting these conditions the money market turned distinctly firmer on Monday, March 23, and call money after opening and renewing at 3 1/2 per cent. advanced to 4 per cent.

The time money market continued quiet with rates unchanged from previous quotations. Funds for 4 to 6 months periods were generally placed at 4 1/4 per cent. Commercial paper slightly more active, but demand principally from the middle west. Dealers' present lists are unusually small and the volume of paper outstanding at the end of February, as reported by 26 dealers, shows virtually no change, notwithstanding a usual seasonal increase at this period.

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Government  
Security  
Market

Accompanying easier money conditions, the government bond market was moderately active and sales on the exchange during the period totaled about \$10,000,000, compared with \$7,000,000 the week before.

In general prices held firm and generally unchanged from the previous period. Activity was chiefly on the Second, Third, and Treasury 4 1/4 per cent. issues. The market for short-term government securities was slightly more active, and dealers reported a fair demand for Treasury notes maturing in 1926 and 1927.

Bankers  
Acceptances

Rates in all districts held unchanged from the previous week, dealers offering 60 and 90 day unindorsed bills at 3 1/4 per cent. and 30's at 3 1/8 per cent.

Boston reports a slight increase in the supply of bills although no large blocks of bills were offered. The demand was increased somewhat with country banks coming into the market for small amounts. Short bills continued in the best demand. Although dealers in Boston reported increased demand their combined sales showed substantially less than in the previous week. Bills sent to other districts, however, kept their portfolios about the same. In New York easy money conditions combined with substantial foreign orders caused a good demand for bills during the week, while the supply was only moderate. Prime member bank bills and short maturities were again chiefly in demand. In Philadelphia the acceptance market was relatively quiet during the early part of the week but later with an increased supply of call money the demand for bills became moderately active. Chicago reports a limited supply with a fairly good demand, principally for 60 day bills.



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SYSTEM SPECIAL INVESTMENT ACCOUNT

In accordance with the plan previously adopted by the Open Market Investment Committee of dealing with money conditions over the quarterly tax periods through temporary sales of Government securities, the Committee sold to member banks on March 16 from the System Account at par flat, subject to repurchase at that price plus interest at 3% per annum for the number of days held, a total of \$24,000,000 U. S. Treasury 4 3/8% notes due December 15, 1925 (\$20,000,000 to New York banks and \$4,000,000 to Chicago banks). Of this amount \$12,000,000 were repurchased on March 17 and a further reduction of \$2,000,000 on the 18th, leaving the amount outstanding at the close of business on the latter date \$10,000,000.\*

Other transactions in the System Account during the statement week consisted of the redemption of March 15, 1925 holdings aggregating \$31,365,000 and new purchases of \$818,500 which transactions, together with the temporary sales outstanding of \$10,000,000 as mentioned above, reduced the account at the close of business March 18 to a net figure of \$234,803,500. The participation in this amount by all Federal Reserve Banks and the classification by maturities was as follows:

PARTICIPATION BY FEDERAL RESERVE BANKS

Boston	\$ 16,510,000
New York	87,396,000
Philadelphia	6,486,000
Cleveland	23,677,500
Richmond	1,688,000
Atlanta	706,500
Chicago	32,928,500
St. Louis	7,959,500
Minneapolis	9,408,000
Kansas City	11,532,500
Dallas	12,473,000
San Francisco	24,038,000
	<u>\$234,803,500</u>

RECAPITULATION OF HOLDINGS BY MATURITIES

June 15, 1925	\$ 25,932,700
Sept. 15, 1925	10,474,500
Dec. 15, 1925	45,985,500
Mar. 15, 1926	39,237,600
Sept. 15, 1926	31,901,000
Mar. 15, 1927	18,875,900
Dec. 15, 1927	32,296,300
Third L. L. Bonds	
Sept. 15, 1928	30,100,000
	<u>\$234,803,500</u>

\* On Saturday, March 21 \$5,000,000 of securities were repurchased and the remaining balance of \$5,000,000 were taken up on Monday, March 23.

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OPERATIONS ACCOUNT UNITED STATES TREASURY

As a reinvestment of funds made available through the redemption of March 15, 1925 certificates held for account of the Alien Property Custodian there were purchased under Treasury authorizations for that account during the period covered by this report securities in the various districts as follows:

New 3% certificates due December 15, 1925 at par

Boston	\$ 2,000,000
New York	4,950,000
Philadelphia	4,045,000
Cleveland	<u>2,100,000</u>

Total	<u>\$13,095,000</u>
-------	---------------------

2 3/4% certificates due September 15, 1925 at 99 31/32

Boston	\$ 738,500
Chicago	<u>3,000,000</u>

Total	<u>\$ 3,738,500</u>
-------	---------------------

Treasury 4% bonds due 1944-54 at 100 15/32

Boston	\$ 300,000
New York	4,520,000
Philadelphia	1,000,000
Chicago	<u>1,500,000</u>

Total	<u>\$ 7,320,000</u>
-------	---------------------

Miscellaneous At the request of the Treasury the Federal Reserve Bank of New York purchased \$44,400 Third Liberty Loan bonds for account of the General Railroad Contingent Fund.

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ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF  
FEDERAL RESERVE BANKS FROM MARCH 12 TO MARCH 18, 1925

GOVERNMENT SECURITIES

SYSTEM INVESTMENT ACCOUNT

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>
Boston	\$ 57,500 Part. System Inv.		\$2,205,500 Redempt. System Acct.	
	<u>1,687,500</u> Part. Repur. Temp. Sales		<u>2,390,500</u> Part. Temp. Sales	
	<u>\$1,745,000</u>		<u>\$4,596,000</u>	
New York	\$ 305,000 Part. System Inv.		\$11,674,500 Redempt. System Acct.	
	<u>8,933,000</u> Part. Repur. Temp. Sales		<u>12,655,000</u> Part. Temp. Sales	
	<u>\$9,238,000</u>		<u>\$24,329,500</u>	
Philadelphia	\$ 23,000 Part. System Inv.		\$ 866,000 Redempt. System Acct.	
	<u>663,000</u> Part. Repur. Temp. Sales		<u>939,000</u> Part. Temp. Sales	
	<u>\$ 686,000</u>		<u>\$1,805,000</u>	
Cleveland	\$ 83,000 Part. System Inv.		\$3,163,000 Redempt. System Acct.	
	<u>2,420,000</u> Part. Repur. Temp. Sales		<u>3,428,500</u> Part. Temp. Sales	
	<u>\$2,503,000</u>		<u>\$6,591,500</u>	
Richmond	\$ 5,500 Part. System Inv.		\$ 225,500 Redempt. System Acct.	
	<u>172,500</u> Part. Repur. Temp. Sales		<u>244,500</u> Part. Temp. Sales	
	<u>\$ 178,000</u>		<u>\$ 470,000</u>	
Atlanta	\$ 2,500 Part. System Inv.		\$ 94,500 Redempt. System Acct.	
	<u>72,000</u> Part. Repur. Temp. Sales		<u>102,000</u> Part. Temp. Sales	
	<u>\$ 74,500</u>		<u>\$ 196,500</u>	
Chicago	\$ 114,500 Part. System Inv.		\$4,398,500 Redempt. System Acct.	
	<u>3,366,000</u> Part. Repur. Temp. Sales		<u>4,768,500</u> Part. Temp. Sales	
	<u>\$3,480,500</u>		<u>\$9,167,000</u>	

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GOVERNMENT SECURITIES -- SYSTEM INVESTMENT ACCOUNT -- (Continued)

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>
St. Louis	\$ 27,500 Part. System Inv. <u>813,500</u> Part. Repur. Temp. Sales		\$1,063,000 Redempt. System Acct. <u>1,152,500</u> Part. Temp. Sales	
	\$841,000		\$2,215,500	
Minneapolis	\$ 33,000 Part. System Inv. <u>961,500</u> Part. Repur. Temp. Sales		\$ 1,257,000 Redempt. System Acct. <u>1,362,500</u> Part. Temp. Sales	
	\$994,500		\$2,619,500	
Kansas City	\$ 40,000 Part. System Inv. <u>1,179,000</u> Part. Repur. Temp. Sales		\$1,540,500 Redempt. System Acct. <u>1,670,000</u> Part. Temp. Sales	
	\$1,219,000		\$3,210,500	
Dallas	\$ 43,500 Part. System Inv. <u>1,275,000</u> Part. Repur. Temp. Sales		\$1,666,000 Redempt. System Acct. <u>1,806,000</u> Part. Temp. Sales	
	\$1,318,500		\$3,472,000	
San Francisco	\$ 83,500 Part. System Inv. <u>2,457,000</u> Part. Repur. Temp. Sales		\$3,211,000 Redempt. System Acct. <u>3,481,000</u> Part. Temp. Sales	
	\$2,540,500		\$6,692,000	
Totals	\$ 818,500 Part. System Inv. <u>24,000,000</u> Part. Repur. Temp. Sales		\$31,365,000 Redempt. System Acct. <u>34,000,000</u> Part. Temp. Sales	

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>	<u>Held Under Sales Contracts</u>
Boston	0	-	0	-	\$ 8,000
New York	0	-	0	-	81,000,000*
Philadelphia	50,000 TD-1925 Ctf.		3,730,700 Redempt. Mar. Mat.		14,500,000*
Cleveland	0		428,000 " " "		0
Atlanta	310,400 Misc. Gov't Sec.		124,000 Misc. Gov't Sec.		0
Chicago	15,000 TD-1925 Ctf.		3,500,000 Redempt. Mar. Mat.		5,000,000*
St. Louis	30,000 3rd L.L. Bonds		0		0
Minneapolis	1,023,600 Misc. Gov't Sec.		1,089,200 Misc. Gov't Sec.		0
Kansas City	661,850 Misc. Gov't Sec.		51,300 Misc. Gov't Sec.		800,000
Dallas	<u>1,651,150</u> Misc. Gov't Sec.		<u>750,000</u> Misc. Gov't Sec.		<u>0</u>
	\$3,742,000		\$9,673,200		\$ 101,308,000

\*Special 2% Treasury certificates.

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BANKERS ACCEPTANCES

	<u>Maturity</u>	<u>PURCHASES</u> <u>Amount</u>	<u>Rate</u>	<u>MATURITIES</u> <u>Amount</u>	<u>Other</u> <u>Holdings</u>
Boston	1-30 days	\$ 361,000	3% - 3 1/4%	\$3,976,000	\$1,703,000 Sales
	31-60 "	365,000	3 1/8% - 3 1/4%		Contracts
	61-90 "	<u>1,689,000</u>	3 1/8% - 3 1/4%		
		<u>\$2,415,000</u>			
New York	1-30 days	3,415,000	3% - 3 1/8%	7,169,000	2,357,000 one-
	31-60 "	2,060,000	3 1/8% - 3 3/8%		day hold-
	61-90 "	1,100,000	3 1/8% - 3 3/8%		over for
	Over 90 "	<u>452,000</u>	3 1/4% - 3 1/2%		distr. to
		<u>\$7,027,000</u>			F.R. banks
					350,000 for-
					oreign trade
					acceptances
					87,000 special
					foreign bills
Philadelphia	1-30 days	416,000	3% - 3 1/4%	4,391,000	0
	31-60 "	2,446,000	3 1/8% - 3 3/8%		
	61-90 "	<u>1,915,000</u>	3 1/8% - 3 3/8%		
		<u>\$4,777,000</u>			
Cleveland	61-90 days	906,000	3 1/8%	4,343,000	780,000 ster-
	In other	<u>3,062,000</u>	3% - 3 1/2%		ling bills
	districts	<u>\$3,968,000</u>			
Richmond	1-30 days	50,000	3 1/8%	589,000	0
	31-60 "	180,000	3 1/4%		
	In other	<u>1,612,000</u>	3% - 3 1/2%		
	districts	<u>\$1,842,000</u>			
Atlanta	1-30 days	8,000	3 1/8%	646,000	1,125,000 Unin-
	31-60 "	27,000	3 1/8%		dorsed
	In other	<u>2,091,000</u>	3% - 3 1/2%		bills pur-
	districts	<u>\$2,126,000</u>			chased from
					accept, banks
Chicago	61-90 days	993,000	3 1/8%	6,293,000	0
	In other	<u>3,045,000</u>	3% - 3 1/2%		
	districts	<u>\$4,038,000</u>			
St. Louis	In other	1,741,000	3% - 3 1/2%	2,158,000	0
	districts				

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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>
Minneapolis	In other districts	1,548,000	3% - 3 1/2%	\$ 384,000	0
Kansas City	In other districts	2,374,000	3% - 3 1/2%	1,612,000	0
Dallas	In other districts	1,526,000	3% - 3 1/2%	2,043,000	0
San Francisco	1-30 days	\$ 130,000	3 1/8%	5,007,000	2,826,000
	31-60 "	566,000	3 1/8%		Sales Contracts
	61-90 "	237,000	3 1/8%		
	In other districts	<u>1,154,000</u>	3% - 3 1/2%		
		\$2,087,000			
Totals		<u>\$35,469,000</u>		<u>\$38,610,000</u>	<u>\$9,228,000</u>

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES AND  
BANKERS ACCEPTANCES DURING WEEK ENDED MARCH 18, 1925 AND  
HOLDINGS AS OF THAT DATE CLASSIFIED BY MATURITIES  
(000 Omitted)

(Excluding Sales Contracts)

	<u>Government</u> <u>Securities</u>	<u>Bankers</u> <u>Acceptances</u>	<u>Total</u>
Purchased	\$28,562	\$35,469	\$64,031
Sold	35,755	-	35,755
Matured	<u>39,285 (Redemption)</u>	<u>38,611</u>	<u>77,896</u>
	* \$46,478-	\$ 3,142-	\$49,620-

(Including Sales Contracts)

<u>Holdings</u> <u>March 18, 1925</u>	<u>Within</u> <u>15 days</u>	<u>16-30</u> <u>days</u>	<u>31-60</u> <u>days</u>	<u>61-90</u> <u>days</u>	<u>91 days-</u> <u>6 months</u>	<u>Over</u> <u>6 months</u>	<u>Total</u>
*Gov't Securities	\$ 807	-	-	\$40,994	\$22,231	\$263,716	\$327,748
Bills Purchased	<u>73,193</u>	<u>55,777</u>	<u>85,048</u>	<u>\$55,970</u>	<u>6,723</u>	-	<u>276,711</u>
	\$74,000	\$55,777	\$85,048	\$96,964	\$28,954	\$263,716	\$604,459

\*Does not include advance to Treasury on special certificates issued over the March 15 tax period.

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Authority EO 10501

Form No. 131.

# Office Correspondence

FEDERAL RESERVE  
BOARD

Date March 18, 1925.

To All members of the Board.

Subject: \_\_\_\_\_

From Mr. Eddy

*Murphy*

333-1

For your information.

- ✓ Governor Crissinger
- ✓ Mr. Platt
- ✓ Mr. Hamlin
- ✓ Mr. James
- ✓ Mr. Cunningham
- ✓ Mr. Miller
- ✓ Mr. McIntosh (*by his Secy*)

Please return to Secretary's Office.

*File*

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Authority EO 10501

March 18, 1925.

Dear Mr. Matteson:

I acknowledge receipt of and shall bring to the attention of the members of the Board your letter of the 17th instant, addressed to Governor Crissinger, enclosing a report of transactions in Government securities and bankers acceptances as reported to the Open Market Investment Committee for the Federal Reserve System for the period from March 6 to March 11, 1925, inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,

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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Authority ED. 10501

RECEIVED  
MAR 18 1925  
OFFICE OF  
THE GOVERNOR

FEDERAL RESERVE BANK  
OF NEW YORK

Open Market Investment Committee  
for the Federal Reserve System


CONFIDENTIAL

March 17, 1925

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 March 5 to March 11, 1925 inclusive, together with data received by the Committee from the Federal reserve banks.

Respectfully,

  
for W. B. Matteson  
Secretary of the Committee

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

Enclosure

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Authority EO 10501C O N F I D E N T I A L

## REPORT OF OPEN MARKET INVESTMENT COMMITTEE WEEK ENDED MARCH 11, 1925

Holdings of Earning Assets of Federal Reserve Banks January 7, February 25  
March 4 and 11, 1925, As Compared With Corresponding Periods in 1924  
(000 Omitted)

	TOTAL EARNING ASSETS	<sup>x</sup> GOVERNMENT	BANKERS ACCEPTANCES		BILLS
		SECURITIES	Purchases	Sales Contracts	DISCOUNTED
-1924-					
Jan. 9	\$1,026,496	\$100,358	\$279,588	\$39,578	\$606,921
Feb. 27	950,801	155,801	205,022	58,288	531,690
Mar. 5	930,211	182,066	203,739	55,998	488,408
" 12	938,484	212,639	203,252	39,364	483,499
-1925-					
Jan. 7	1,109,965	496,029	332,029	8,949	264,408
Feb. 25	1,129,697	364,694	278,885	38,361	433,805
Mar. 4	1,101,194	382,735	277,712	25,929	400,866
" 11	1,114,060	388,332	270,625	30,729	410,422

<sup>x</sup>Includes sales contracts

CHANGES IN HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES BY  
FEDERAL RESERVE BANKS (EXCLUSIVE OF SALES CONTRACTS) DURING  
WEEK ENDED MARCH 11, 1925  
(000 Omitted)

	GOVERNMENT SECURITIES			BANKERS ACCEPTANCES		
	Balance Mar. 11	Balance Mar. 4	Net Change	Balance Mar. 11	Balance Mar. 4	Net Change
Boston	\$ 22,936	\$ 22,560	\$ 376+	\$ 39,582	\$ 39,571	\$ 11+
New York	103,745	101,753	1,992+	49,968	47,830	2,138+
Philadelphia	28,784	24,905	3,879+	23,273	23,836	563-
Cleveland	42,865	42,325	540+	29,844	31,157	1,313-
Richmond	3,321	3,282	39+	10,115	8,712	1,403+
Atlanta	3,520	3,509	11+	9,689	7,757	1,932+
Chicago	59,375	58,625	750+	34,095	38,878	4,783-
St. Louis	9,832	9,550	282+	13,675	15,215	1,540-
Minneapolis	18,673	18,503	170+	7,639	5,798	1,841+
Kansas City	24,223	23,960	263+	13,677	12,576	1,101+
Dallas	18,737	18,452	285+	11,135	12,559	1,424-
San Francisco	37,409	36,861	548+	27,933	33,823	5,890-
Total	<u>\$373,420</u>	<u>\$364,285</u>	<u>\$9,135+</u>	<u>\$270,625</u>	<u>\$277,712</u>	<u>\$7,087-</u>

COMMENT ON CHANGES WEEK ENDED MARCH 11, 1925

Aggregate holdings of earning assets of the System advanced \$12,866,000 during the week, due largely to an increase of \$9,556,000 in bills discounted, and a further increase in Government securities of \$5,597,000, of which \$5,350,000 represented purchases made for the System Special Investment Account. Bankers acceptances purchased outright declined \$7,087,000 while acceptances held under sales contracts increased \$4,800,000.

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Money  
Market

Following a deficit of \$35,600,000 in reserve requirements of clearing house banks, the rate on Stock Exchange call money turned distinctly firmer on Monday, March 9, advancing to 5 per cent., after ruling during the early part of the statement week at a 3 1/2 per cent. level. As funds returned from the interior, however, money conditions became easier and on Wednesday, March 11, the closing day of the period the call money rate receded to 4 per cent., while some transactions were reported outside the Exchange at 3 per cent. The time money market was moderately active, at the rates recently prevailing. The commercial paper market was slightly less active, with prime paper generally 4 per cent. Practically no demand in New York City.

Government  
Security  
Market

The Government bond market was moderately active and sales on the Exchange during the week totaled \$6,900,000 compared with \$5,900,000 last week. Prices on all issues were virtually unchanged; fractional recessions in the First 3 1/2's and Second 4 1/4's were offset by advances in the First 4 1/4's and Fourth 4 1/4's, with most activity directed toward the last issue. Trading in short-term securities was light. Dealers offering prices showed slight reductions in the shorter maturities and fractional advances in the longer term issues.

Bankers  
Acceptances

Rates in all districts remained generally unchanged from the previous week, dealers offering 60 and 90-day unindorsed bills at 3 1/2 per cent. and 30's at 3 1/8 per cent.

Boston reports a comparatively good supply of bills, principally of 90-day maturities, and an improvement in demand locally, few inquiries coming from out-of-town banks. Offerings to the reserve bank were moderate. In New York the bill market was quiet. The supply and demand were about equal but both were substantially less in volume than last week. Prime member bank bills of 30 and 60-day

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maturities were in best demand by out-of-town banks as well as city dealers. Moderate offerings were made to the reserve bank. Philadelphia reports an active bill market with the supply and demand about equal. While there was evidence of city dealers making temporary investments in bills, occasioned by the ease in the money market, the demand in general was from out-of-town banks. In Chicago the supply was small with a good demand, especially for the 60 and 90-day maturities.

#### SYSTEM SPECIAL INVESTMENT ACCOUNT

In anticipation of approximately \$31,000,000 securities maturing March 15, 1925 in the System Account there was purchased, after the approval of the members of the Open Market Investment Committee, during the period covered by this report \$5,350,000 Treasury Notes due December 15, 1925.

The holdings at the close of business March 11, 1925 amounted to \$275,350,000 the participation in which by all Federal reserve banks, and the classification by maturities, was as follows:

<u>PARTICIPATION BY FEDERAL RESERVE BANKS</u>		<u>RECAPITULATION OF HOLDINGS BY MATURITIES</u>	
Boston	\$ 19,361,000	March 15, 1925	\$ 31,365,000
New York	102,487,500	June 15, 1925	25,932,700
Philadelphia	7,605,000	Sept. 15, 1925	10,174,500
Cleveland	27,766,000	Dec. 15, 1925	55,467,000
Richmond	1,980,000	Mar. 15, 1926	39,237,600
Atlanta	828,500	Sept. 15, 1926	31,901,000
Chicago	38,615,000	Mar. 15, 1927	18,875,900
St. Louis	9,334,000	Dec. 15, 1927	32,296,300
Minneapolis	11,033,000	Third L. L. Bonds	
Kansas City	13,524,000	Sept. 15, 1928	30,100,000
Dallas	14,626,500		
San Francisco	<u>28,189,500</u>		
Total	<u>\$275,350,000</u>		<u>\$275,350,000</u>

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ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF  
FEDERAL RESERVE BANKS FROM MARCH 5 TO MARCH 11, 1935

GOVERNMENT SECURITIES

	SYSTEM INVESTMENT ACCOUNT		HELD UNDER
	Purchases	Sales	SALES CONTRACTS
Boston	\$ 376,000	0	\$ 770,200
New York	1,992,000	0	13,620,900
Philadelphia	147,500	0	0
Cleveland	539,500	0	0
Richmond	38,500	0	0
Atlanta	16,000	0	0
Chicago	750,000	0	20,000
St. Louis	181,500	0	0
Minneapolis	214,500	0	0
Kansas City	262,500	0	0
Dallas	284,000	0	0
San Francisco	548,000	0	0
Totals	\$5,350,000	0	\$14,411,100

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	Purchases	Sales
Philadelphia	\$3,730,700 B-1925 Notes	0
Atlanta	54,000 Misc. Gov't Sec.	59,950 Misc. Gov't Sec.
St. Louis	100,000 Third L.L. Bonds	0
Minneapolis	897,350 Misc. Gov't Sec.	941,550 Misc. Gov't Sec.
Kansas City	450 Misc. Gov't Sec.	0
Dallas	1,000 Second L.L. Bonds	0
	\$4,783,500	\$1,001,500

BANKERS ACCEPTANCES

	Maturity	PURCHASES		Rate	MATURITIES	Other
		Amount			Amount	Holdings
Boston	1-30 days	\$ 204,000	3%	- 3 1/8%	\$4,280,000	\$1,756,000 sales
	31-60 "	233,000	3 1/8%	- 3 1/4%		contracts
	61-90 "	3,283,000	3 1/8%	- 3 1/4%		
	Over 90 "	571,000	3 1/4%	- 3 1/2%		
		\$4,291,000				

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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>
New York	1-30 days	\$5,585,000	3% -3 1/8%	\$7,226,000	\$22,160,000 Sales
	31-60 "	720,000	3% -3 1/8%		Contracts
	61-90 "	1,961,000	3 1/8%-3 1/4%		2,462,000 one
	Over 90 "	<u>1,098,000</u>	3 1/4%-3 1/2%		day holdover
		\$9,364,000			for dist. to
					F. R. Banks
					373,000 foreign
					trade accept.
					46,000 special
					foreign bills
Philadelphia	1-30 days	\$ 224,000	3% -3 1/8%	1,799,000	0
	31-60 "	290,000	3 1/8%-3 1/4%		
	61-90 "	<u>722,000</u>	3 1/8%-3 1/4%		
		\$1,236,000			
Cleveland	61-90 days	\$ 258,000	3 1/8%	4,465,000	760,000 Sterling
	In other	<u>2,894,000</u>	3% -3 1/4%		bills
	districts	\$3,152,000			
Richmond	1-30 days	\$ 150,000	3 1/8%	785,000	0
	In other	<u>2,038,000</u>	3% -3 1/4%		
	districts	\$2,188,000			
Atlanta	1-30 days	\$ 17,000	3 1/8%	582,000	1,261,000 Unin-
	31-60 "	17,000	3 1/8%		dorsed
	In other	<u>2,480,000</u>	3% -3 1/4%		bills pur-
	districts	\$2,514,000			chased from
					accept. banks
Chicago	61-90 days	\$2,337,000	3 1/8%	7,120,000	0
St. Louis	In other				
	districts	\$1,804,000	3% -3 1/4%	3,344,000	0
Minneapolis	In other				
	districts	\$2,212,000	3% -3 1/4%	371,000	0
Kansas City	In other				
	districts	\$2,715,000	3% -3 1/4%	1,614,000	0
Dallas	In other				
	districts	\$1,262,000	3% -3 1/4%	2,686,000	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>Other</u> <u>Holdings</u>
San Francisco	1-30 days	\$ 298,000	3% - 3 1/8%	\$ 6,455,000	\$ 1,911,000 sales
	31-60 "	111,000	3% - 3 1/8%		contracts
	61-90 "	<u>156,000</u>	3% - 3 1/8%		
		<u>\$ 565,000</u>			
Totals		<u>\$33,640,000</u>		<u>\$40,727,000</u>	<u>\$30,729,000</u>

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES AND  
BANKERS ACCEPTANCES DURING WEEK ENDED MARCH 11, 1925 AND  
HOLDINGS AS OF THAT DATE CLASSIFIED BY MATURITIES  
(000 Omitted)

	<u>Government</u> <u>Securities</u>	(Excluding Sales Contracts) <u>Bankers</u> <u>Acceptances</u>	<u>Total</u>
Purchased	\$10,135	\$33,640	\$43,775
Sold	1,000	0	1,000
Matured	<u>0</u>	<u>40,727</u>	<u>40,727</u>
	<u>\$ 9,135+</u>	<u>\$ 7,087-</u>	<u>\$ 2,048+</u>

Holdings Mar. 11, 1925	Within 15 days	(Including Sales Contracts)					Total
		16-30 days	31-60 days	61-90 days	91-days- 6 Months	Over 6 Months	
Gov't Securities	\$ 50,466	\$ -	\$ -	\$ -	\$40,992	\$296,874	\$338,332
Bills Purchased	<u>95,578</u>	<u>57,712</u>	<u>86,958</u>	<u>53,727</u>	<u>7,379</u>	<u>-</u>	<u>301,354</u>
	<u>\$146,044</u>	<u>\$57,712</u>	<u>\$86,958</u>	<u>\$53,727</u>	<u>\$48,371</u>	<u>\$296,874</u>	<u>\$639,686</u>

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Form No. 131.

# Office Correspondence

FEDERAL RESERVE  
BOARD

Date March 10, 1925.

To All members of the Board.

Subject: \_\_\_\_\_

From Mr. Eddy.

333.1

For your information.

- ✓ Governor Crissinger
- ✓ Mr. Platt
- ✓ Mr. Hamlin
- ✓ Mr. James
- ✓ Mr. Cunningham
- ✓ Mr. Miller
- ✓ Mr. McIntosh

(by his Secy.)

Please return to Secretary's Office.

File



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March 10, 1925.

Dear Mr. Matteson:

I acknowledge receipt of and shall bring to the attention of the members of the Board your letter of the 9th instant, addressed to Governor Crissinger, enclosing a report of transactions in Government securities and bankers acceptances as reported to the Open Market Investment Committee for the Federal Reserve System for the period from February 26 to March 4, 1925, inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,

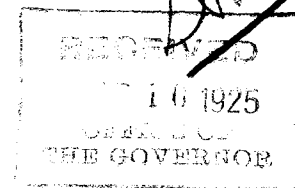
(Signed) Walter L. Eddy

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

March 9, 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 February 26 to March 4, 1925  
inclusive, together with data received by the Committee  
from the Federal reserve banks.

Respectfully,

A handwritten signature in dark ink, appearing 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.

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## REPORT OF OPEN MARKET INVESTMENT COMMITTEE WEEK ENDED MARCH 4, 1925

Holdings of Earning Assets of Federal Reserve Banks January 7, February 25 and March 4, 1925, As Compared With Corresponding Periods in 1924  
(000 Omitted)

-1924	TOTAL EARNING ASSETS	*GOVERNMENT	BANKERS ACCEPTANCES		BILLS
		SECURITIES	Purchases	Sales Contracts	DISCOUNTED
Jan. 9	\$1,026,496	\$100,358	\$279,588	\$39,578	\$606,921
Feb. 27	950,801	155,801	205,022	58,288	531,690
Mar. 5	938,484	212,369	203,252	39,364	483,499
-1925-					
Jan. 7	1,109,965	496,029	332,029	8,949	264,408
Feb. 25	1,129,697	364,694	278,885	38,361	433,805
Mar. 4	1,101,194	382,735	277,712	25,929	400,866

\*Includes sales contracts

CHANGES IN HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES BY  
FEDERAL RESERVE BANKS (EXCLUSIVE OF SALES CONTRACTS) DURING  
WEEK ENDED MARCH 4, 1925  
(000 Omitted)

	GOVERNMENT SECURITIES			BANKERS ACCEPTANCES		
	Balance	Balance	Net	Balance	Balance	Net
	Mar. 4	Feb. 25	Change	Mar. 4	Feb. 25	Change
Boston	\$ 22,560	\$ 22,560	0	\$ 39,571	\$ 40,731	\$ 1,160-
New York	101,753	101,753	0	47,830	49,339	1,509-
Philadelphia	24,905	24,905	0	23,836	20,231	3,605+
Cleveland	42,325	42,325	0	31,157	33,273	2,116-
Richmond	3,282	3,282	0	8,712	4,975	3,737+
Atlanta	3,509	3,461	48+	7,757	4,229	3,528+
Chicago	58,625	56,125	2,500+	38,878	39,290	412-
St. Louis	9,550	9,409	141+	15,215	17,450	2,235-
Minneapolis	18,503	18,438	65+	5,798	2,638	3,160+
Kansas City	23,960	23,877	83+	12,576	11,635	941+
Dallas	18,452	17,094	1,358+	12,559	16,132	3,573-
San Francisco	36,861	36,861	0	33,823	38,962	5,139-
Total	\$364,285	\$360,090	\$4,195+	\$277,712	\$278,885	\$1,173-

COMMENT ON CHANGES WEEK ENDED MARCH 4, 1925

Total earning assets of all reserve banks declined \$28,503,000 during the statement week. The decline was due chiefly to a reduction of \$32,939,000 in bills discounted, while bills purchased outright declined \$1,173,000 and acceptances held under sales contract \$2,432,000. Government security holdings increased \$18,041,000, of which \$13,845,000 represented an increase in securities held under sales contracts.

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Money  
Market

With the completion of first of the month requirements, money conditions in New York turned decidedly easier about the middle of the week. After ruling unchanged at 4 1/2 per cent. in the first two days of the week stock exchange call money declined to 3 1/2 per cent. on Wednesday, March 4, and continued at that rate throughout the balance of the week. Large amounts of money were on offer and outside the exchange some money was reported lent under the prevailing rate. On Saturday, March 7, actual reserves of New York Clearing House banks were \$35,600,000 below requirements which represented a decline of \$84,000,000 during the week. Chiefly reflecting this condition the money market turned distinctly firmer on Monday, March 9, and stock exchange call money after opening and renewing at 3 1/2 per cent. advanced successively to 5 per cent. The trend of longer term money continued generally upward, however. Rates for 90-day loans were advanced 1/4 to 4 1/4 per cent., and five and six months' maturities ranged from 4 1/4 to 4 1/2 per cent. Later in the week, with a larger supply of money on offer, rates were slightly easier and loans for 90 days ranged from 4 to 4 1/4 per cent. Commercial paper rates for prime 4 to 6 months' names were generally advanced to 4 per cent. with only a few exceptional names moving at 3 3/4 per cent. The market in the East was slightly more active.

Government  
Security  
Market

Trading in the Government bond market continued quiet and sales on the stock exchange during the period of only \$5,900,000 were the smallest for any week this year. Accompanying easier money conditions prices of all Liberty Loan bonds advanced fractionally during the week ended March 7. On the announcement of the new Treasury offering of an additional issue of 4 per cent. bonds of 1944 - 54 at 100 1/2 the outstanding issue of bonds declined from 100 31/32nds on February 26, to a corresponding basis of 100 16/32nds on March 5.

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The market for short-term Government securities was quiet with demand and supply about equal. With the advance in the discount rate of the New York bank prices of all issues declined slightly but subsequently recovered to the level prevailing in the previous week.

Bankers  
Acceptances

Both bid and offer rates in all districts were advanced  $1/8$  per cent. during the period, dealers offering 60 and 90-day unindorsed bills at  $3\frac{1}{4}$  per cent. and 30's at  $3\frac{1}{8}$  per cent.

Boston reports very few bills coming into the market but the variety of bills has increased. The aggregate of bills purchased showed some reduction over the previous week but was in excess of the corresponding period last year. Sales were larger than in the previous week and were well divided among the various maturities. In New York the market was very active during the early part of the period. Firmer money conditions, coincident with the advance in the discount rate and our buying rate for bills resulted in a very large increase in the volume of bills offered to the market. Dealers advanced their rates  $1/8$  per cent. which together with easier money conditions resulted in a marked increase in the demand from both local and out-of-town banks. There was a corresponding decline in the volume of bills offered to the market and dealers had some difficulty in completing their orders. Dealers combined portfolios reached a low point for the year. Bills were offered to the reserve bank in moderate volume as the market adjusted itself to the higher levels. Philadelphia reports only a fair supply and demand for bills. The local demand was poor with only a routine demand from out-of-town. In Chicago the supply of bills was fair with only a light demand which was principally for the short maturities.

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SYSTEM SPECIAL INVESTMENT ACCOUNT

There have been no transactions during the period covered by this report in the System Special Investment Account, the holdings at the close of business March 4 remaining at \$270,000,000, the participation in which by all Federal reserve banks, and the classification by maturities, was as follows:

<u>PARTICIPATION BY FEDERAL RESERVE BANKS</u>		<u>RECAPITULATION OF HOLDINGS BY MATURITIES</u>	
Boston	\$ 18,985,000	March 15, 1925	\$ 31,365,000
New York	100,495,500	June 15, 1925	25,932,700
Philadelphia	7,457,500	Sept. 15, 1925	10,174,500
Cleveland	27,226,500	Dec. 15, 1925	50,117,000
Richmond	1,941,500	March 15, 1926	39,237,600
Atlanta	812,500	Sept. 15, 1926	31,901,000
Chicago	37,865,000	March 15, 1927	18,875,900
St. Louis	9,152,500	Dec. 15, 1927	32,296,300
Minneapolis	10,818,500	Third L. L. Bonds	
Kansas City	13,261,500	Sept. 15, 1928	30,100,000
Dallas	14,342,500		
San Francisco	27,641,500		
	<u>\$270,000,000</u>		<u>\$270,000,000</u>

ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF ALL  
FEDERAL RESERVE BANKS FROM FEBRUARY 26 TO MARCH 4, 1925

TRANSACTIONS IN GOVERNMENT SECURITIES

<u>Purchases</u>		<u>Sales</u>	<u>Held Under Sales Contracts</u>
Boston	0	0	\$ 329,055
New York	0	0	18,100,000
Atlanta	105,900 Misc. Gov't Sec.	57,800 Misc. Gov't Sec.	0
Chicago	2,500,000 A-1925 Notes	0	20,000
St. Louis	141,000 Third L.L. Bonds	0	0
Minneapolis	805,050 Misc. Gov't Sec.	739,700 Misc. Gov't Sec.	0
Kansas City	82,400 Misc. Gov't Sec.	0	0
Dallas	1,358,350 Misc. Gov't Sec.	0	0
	<u>\$4,992,700</u>	<u>\$797,500</u>	<u>\$18,449,055</u>

BANKERS ACCEPTANCES

<u>PURCHASES</u>		<u>MATURITIES</u>		<u>Other Holdings</u>
<u>Maturity</u>	<u>Amount</u>	<u>Rate</u>	<u>Amount</u>	<u>Sales Contracts</u>
Boston 1-30 days	\$ 641,000	3% - 3 1/4%	\$6,109,000	\$1,821,000
31-60 "	1,050,000	3% - 3 1/8%		
61-90 "	3,131,000	3% - 3 1/4%		
Over 90 "	128,000	3 1/4% - 3 3/8%		
	<u>\$4,950,000</u>			

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BANKERS ACCEPTANCES - (Continued)

<u>NEW YORK</u>		<u>MATURITIES AND RATES</u>				
<u>Feb. 25</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	\$ 10,000 3%	\$ 962,000 3%-3 1/4%	\$1,356,000 3%-3 1/8%	\$4,163,000 3%-3 3/8%	\$ 17,000 3%-3 1/2%	
<u>Feb. 26</u>						
New York	-	-	391,000	171,000	105,000	
Other banks	-	20,000 3%	554,000 3%	304,000 3%	- 3 1/4%	
<u>Feb. 27</u>						
New York	481,000	277,000	1,966,000	3,518,000	718,000	
Other banks	91,000 3%-3 1/8%	374,000 3%-3 3/8%	2,813,000 3%-3 3/8%	6,598,000 3%-3 3/8%	885,000 3 1/4%-3 1/2%	
<u>Feb. 28</u>						
New York	-	-	4,000 3 1/8%	-	-	
<u>March 2</u>						
New York	606,000	359,000	399,000	195,000	480,000	
Other banks	467,000 3%	2,128,000 3%	753,000 3 1/8%	1,005,000 3 1/8%	571,000 3 1/4%-3 1/2%	
<u>March 3</u>						
New York	2,000	9,000	28,000	337,000	247,000	
Other banks	- 3 1/4%	9,000 3%	39,000 3 1/8%-3 1/4%	461,000 3 1/8%-3 1/4%	304,000 3 1/4%-3 1/2%	
<u>March 4</u>						
New York	-	962,000	472,000	205,000	14,000	
	-	3%-3 1/8%	3 1/8%-3 1/4%	3 1/8%-3 1/4%	3 1/4%	
<u>Totals:</u>						
New York	\$1,089,000	\$1,607,000	\$3,260,000	\$4,426,000	\$1,564,000	
Other banks	568,000	3,493,000	5,515,000	12,531,000	1,777,000	
<u>Grand Total:</u>						
New York					\$11,946,000	
Other banks					23,884,000	
					<u>\$35,830,000</u>	

Matured from New York holdings week ended March 4: \$13,455,000  
 Other holdings by New York: \$15,124,000 sales contracts; \$3,678,000 one-day hold-  
 over for distribution to Federal Reserve Banks; \$427,000 foreign trade acceptances;  
 \$226,000 special foreign bills.

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 Authority FD-10501

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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	\$ 743,000	3 1/8%	\$1,311,000	0
	31-60 "	1,319,000	3% -- 3 1/4%		
	61-90 "	2,854,000	3% - 3 3/8%		
		<u>\$4,916,000</u>			
Cleveland	1-30 days	26,000	3%	6,673,000	809,000 Ster-
	31-60 "	50,000	3 1/8%		ling bills
	In other districts	4,481,000	3% - 3 1/2%		
		<u>\$4,557,000</u>			
Richmond	1-30 days	293,000	3 1/8%	287,000	0
	31-60 "	130,000	3 1/8%		
	61-90 "	200,000	3 1/8%		
	In other districts	3,401,000	3% - 3 1/2%		
		<u>\$4,024,000</u>			
Atlanta	1-30 days	6,000	3 1/8%	314,000	1,413,000 Unin-
	31-60 "	75,000	3 1/8% - 4%		dorsed
	In other districts	3,761,000	3% - 3 1/2%		bills pur-
		<u>\$3,842,000</u>			chased from
					accepting
					banks
Chicago	31-60 days	1,060,000	3% - 3 1/8%	4,821,000	872,000 sales
	61-90 "	2,057,000	3% - 3 1/8%		contracts
	In other districts	1,291,000	3% - 3 1/2%		
		<u>\$4,408,000</u>			
St. Louis	In other districts	2,749,000	3% - 3 1/2%	4,984,000	0
Minneapolis	In other districts	3,211,000	3% - 3 1/2%	51,000	0
Kansas City	In other districts	3,750,000	3% - 3 1/2%	2,809,000	0
Dallas	In other districts	383,000	3% - 3 1/2%	3,835,000	0
				<u>121,000</u>	Sold to
					Mem. Bks.
				<u>\$3,956,000</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>
San Francisco	1-30 days	\$ 421,000	3%	\$ 8,916,000	\$ 1,559,000 Sales Contracts
	31-60 "	1,599,000	3%		
	61-90 "	897,000	3%		
	In other districts	860,000	3% - 3 1/2%		
		<u>\$ 3,777,000</u>			
Totals		<u>\$52,513,000</u>		<u>\$53,686,000</u>	<u>\$25,929,000</u>

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES AND  
 BANKERS ACCEPTANCES DURING WEEK ENDING MARCH 4, 1925 AND  
 HOLDINGS AS OF THAT DATE CLASSIFIED BY MATURITIES  
 (000 Omitted)

	<u>(Excluding Sales Contracts)</u>		
	<u>Government</u> <u>Securities</u>	<u>Bankers</u> <u>Acceptances</u>	<u>Total</u>
Purchased	\$ 4,993	\$52,513	\$57,506
Sold	798	0	798
Matured	<u>0</u>	<u>53,686</u>	<u>53,686</u>
	<u>\$ 4,195+</u>	<u>\$ 1,173-</u>	<u>\$ 3,022+</u>

	<u>(Including Sales Contracts)</u>						
<u>Holdings</u> <u>March 4, 1925</u>	<u>Within</u> <u>15 days</u>	<u>16-30</u> <u>days</u>	<u>31-60</u> <u>days</u>	<u>61-90</u> <u>days</u>	<u>91-days-</u> <u>6 Months</u>	<u>Over</u> <u>6 Months</u>	<u>Total</u>
Gov't Securities	\$ 54,008	-	-	-	\$40,992	\$287,736	\$382,736
Bills Purchased	<u>102,303</u>	<u>50,998</u>	<u>85,836</u>	<u>57,534</u>	<u>6,970</u>	<u>-</u>	<u>303,641</u>
	<u>\$156,311</u>	<u>\$50,998</u>	<u>\$85,836</u>	<u>\$57,534</u>	<u>\$47,962</u>	<u>\$287,736</u>	<u>\$686,377</u>

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Authority FD. 10501

Form No. 131.

# Office Correspondence

FEDERAL RESERVE  
BOARD

Date March 3, 1925.

To members of the Board.

Subject: 2

From Mr. Eddy.

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For your information

- ✓ Governor Crissinger
- ✓ Mr. Platt
- ✓ Mr. Hamlin
- ✓ Mr. James
- ✓ Mr. Cunningham
- ✓ Mr. Miller
- ✓ Mr. McIntosh

Noted by Comptroller

Please return to Secretary's Office.

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Authority EO 10501

March 3, 1925.

Dear Mr. Matteson:

I acknowledge receipt of and shall bring to the attention of the members of the Board your letter of the 2nd instant, addressed to Governor Crissinger, enclosing a report of transactions in Government securities and bankers acceptances as reported to the Open Market Investment Committee for the Federal Reserve System for the period from February 19 to February 25, 1925, inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,

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  
MAR 3 1925  
OFFICE OF  
THE GOVERNOR

Open Market Investment Committee  
for the Federal Reserve System

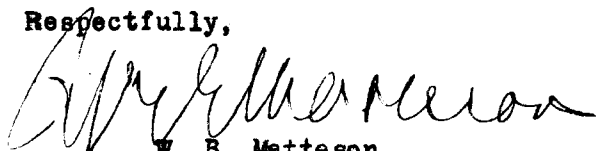
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March 2, 1925

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 February 19 to February 25, 1925  
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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## REPORT OF OPEN MARKET INVESTMENT COMMITTEE WEEK ENDED FEBRUARY 25, 1925

Holdings of Earning Assets of Federal Reserve Banks January 7 and  
February 1925, As Compared With Corresponding Periods in 1924  
(000 Omitted)

-1924-	TOTAL EARNING ASSETS	*GOVERNMENT	BANKERS ACCEPTANCES		BILLS
		SECURITIES	Purchases	Sales Contracts	DISCOUNTED
Jan. 9	\$1,026,496	\$100,358	\$279,588	\$39,578	\$606,921
Feb. 6	895,363	124,658	220,711	62,688	487,296
Feb. 13	951,680	127,255	206,376	71,703	546,346
Feb. 20	891,331	141,729	210,144	43,332	496,126
Feb. 27	950,801	155,801	205,022	58,288	531,690
-1925-					
Jan. 7	1,109,965	496,029	332,029	8,949	264,408
Feb. 4	1,032,258	388,828	282,358	25,646	322,367
Feb. 11	1,059,608	390,096	293,065	31,582	331,806
Feb. 18	1,046,381	378,205	293,695	18,052	342,471
Feb. 25	1,129,697	364,694	278,885	38,361	433,805

\*Includes sales contracts

CHANGES IN HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES BY  
FEDERAL RESERVE BANKS (EXCLUSIVE OF SALES CONTRACTS) DURING  
WEEK ENDED FEBRUARY 25, 1925  
(000 Omitted)

	GOVERNMENT SECURITIES			BANKERS ACCEPTANCES		
	Balance Feb. 25	Balance Feb. 18	Net Change	Balance Feb. 25	Balance Feb. 18	Net Change
Boston	\$ 22,560	\$ 23,966	\$1,406--	\$ 40,731	\$ 47,665	\$ 6,934--
New York	101,753	109,198	7,445--	49,339	51,248	1,909--
Philadelphia	24,905	25,457	552--	20,231	19,386	845+
Cleveland	42,325	44,342	2,017--	33,273	33,612	339--
Richmond	3,282	3,426	144--	4,975	4,602	373+
Atlanta	3,461	3,403	58+	4,229	4,101	128+
Chicago	56,125	57,930	1,805--	39,290	39,158	132+
St. Louis	9,409	9,985	576--	17,450	18,252	802--
Minneapolis	18,438	19,211	773--	2,638	2,124	514+
Kansas City	23,877	24,852	975--	11,635	12,416	781--
Dallas	17,094	17,460	366--	16,132	18,822	2,690--
San Francisco	36,861	38,909	2,048--	38,962	42,309	3,347--
Totals	\$360,090	\$378,139	\$18,049--	\$278,885	\$293,695	\$14,810--

COMMENT ON CHANGES WEEK ENDED FEBRUARY 25, 1925

Total earning assets of all Federal reserve banks increased \$83,316,000 during the statement week and are at the highest point since the week ended December 31, 1924. Accompanying the firmer conditions in the money market, bills held under sales contracts advanced \$20,000,000, and bills discounted increased \$91,334,000. Aggregate holdings of Government securities declined \$13,511,000, of which \$20,000,000 represented sales from the Special Investment Account. Acceptances purchased outright declined \$14,810,000.

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Money  
Market

The substantial movement of funds to the interior, continued heavy exports of gold and earmarking for foreign account, the sale of securities from the System's Special Investment Account, and the active demand for money for month end requirements were the chief factors which contributed to distinctly firmer money conditions in New York. From the previous close of 3 per cent. stock exchange call money on Tuesday, February 24, advanced to 5 per cent., the highest rate since January 2, and this rate was again touched on Friday, February 27. The average rate at which new loans on the stock exchange were placed during the week ended February 27, was 4.41 per cent. compared with 3.39 per cent. the week before.

Time money was firm, offering rates for 60 to 90 day maturities were advanced 1/4 per cent. to 4 per cent. The commercial paper market was quiet with the prevailing rate for prime 4 to 6 months names at 3 3/4 - 4 per cent.

Government  
Security  
Market

Trading in United States Government securities continued quiet and sales on the Stock Exchange totaled only \$6,000,000 unchanged from the previous period. Prices held generally firm during the period but following the announcement of the advance in the discount rate of the New York Bank on Friday, February 27, prices on all issues declined from 2/32'nds to 6/32'nds. The new Treasury 4 per cent. bonds closed at 100.26 and the 4 1/4's at 104.21.

Holders of short term Government securities showed little disposition to sell while the demand continued in moderate volume and the market generally remained steady.

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Bankers  
Acceptances

Rates in all districts remained unchanged from the previous week, dealers offering 60 and 90 day unendorsed bills at 3 1/8 per cent. and 30's at 3 per cent. On Friday, February 27, the buying rate of the New York Bank for 60 and 90 day endorsed bills was advanced 1/8 per cent. to 3 1/8 per cent. Accompanying this increase dealers advanced both their bid and offer rates 1/8 per cent. on all maturities.

Boston reports a slight increase in the supply of bills while the demand was spotty with only moderate sales to local banks. Dealers purchases showed an increase over the previous week with a noticeable decline in their sales. In New York the ease in money conditions early in the period resulted in a good demand for bills which was considerably in excess of the supply. Firmer money conditions later in the week brought many bills into the market and the supply exceeded the current demand. Trading generally was in moderate volume and dealers portfolios increased. In Philadelphia early in the period the demand for bills by both local and inland banks was good, but later accompanying firmer money conditions the demand became comparatively light. Chicago reports a moderate supply with a fair demand principally for prime names while six months bills moved rapidly.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

At the request of the Treasury the Federal Reserve Bank of New York purchased \$200,000 Fourth Liberty Loan 4 1/4% bonds for account of the Secretary of the Interior - Investment of Indian Moneys.

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SYSTEM SPECIAL INVESTMENT ACCOUNT

Further sales of Government securities from the System Special Account have been made during the period aggregating \$20,000,000 as follows:

\$ 5,000,000 2 3/4% Cert. of Ind. due September 15, 1925 to Treasury for redemption  
 15,000,000 4 3/4% Treas. Notes " March 15, 1925 to the market

These sales reduced the System holdings at the close of business February 25 to \$270,000,000 the participation in which by all Federal reserve banks, and the classification by maturities, was as follows:

PARTICIPATION BY FEDERAL RESERVE BANKS

Boston	\$ 18,985,000
New York	100,495,500
Philadelphia	7,457,500
Cleveland	27,226,500
Richmond	1,941,500
Atlanta	812,500
Chicago	37,865,000
St. Louis	9,152,500
Minneapolis	10,818,500
Kansas City	13,261,500
Dallas	14,342,500
San Francisco	27,641,500
	<u>\$270,000,000</u>

RECAPITULATION OF HOLDINGS BY MATURITIES

March 15, 1925	\$ 31,365,000
June 15, 1925	25,932,700
Sept. 15, 1925	10,174,500
Dec. 15, 1925	50,117,000
March 15, 1926	39,237,600
Sept. 15, 1926	31,901,000
March 15, 1927	18,875,900
Dec. 15, 1927	32,296,300
Third L. L. Bonds	
Sept. 15, 1928	30,100,000
	<u>\$270,000,000</u>



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ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF ALL  
FEDERAL RESERVE BANKS FROM FEBRUARY 19 TO FEBRUARY 25, 1925

GOVERNMENT SECURITIES

	<u>SYSTEM INVESTMENT ACCOUNT</u>		<u>HELD UNDER</u>
	<u>Purchases</u>	<u>Sales</u>	<u>SALES CONTRACTS</u>
Boston	0	\$ 1,406,000	0
New York	0	7,445,000	4,604,000
Philadelphia	0	552,000	0
Cleveland	0	2,016,500	0
Richmond	0	144,000	0
Atlanta	0	60,000	0
Chicago	0	2,804,500	0
St. Louis	0	678,000	0
Minneapolis	0	802,000	0
Kansas City	0	982,000	0
Dallas	0	1,062,000	0
San Francisco	0	2,048,000	0
	<u>0</u>	<u>\$20,000,000</u>	<u>\$4,604,000</u>

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Sales</u>
Atlanta	\$ 210,250 Misc. Gov't Sec.	\$ 92,500 Misc. Gov't Sec.
Chicago	1,000,000 A-1925 Notes	0
St. Louis	101,800 Third L.L. Bonds	0
Minneapolis	5,233,700 Misc. Gov't Sec.	5,205,650 Misc. Gov't Sec.
Kansas City	7,700 Misc. Gov't Sec.	0
Dallas	696,000 Misc. Gov't Sec.	0
	<u>\$7,249,450</u>	<u>\$5,298,150</u>

BANKERS ACCEPTANCES

	<u>Maturity</u>	<u>PURCHASES</u>		<u>MATURITIES</u>	<u>Other</u>
		<u>Amount</u>	<u>Rate</u>	<u>Amount</u>	<u>Holdings</u>
Boston	1-30 days	\$ 283,000	3%	\$9,892,000	\$1,230,000 Sales Contracts
	31-60 "	625,000	3%		
	61-90 "	1,991,000	3%		
	Over 90 "	59,000	3 1/4% - 3 3/8%		
		<u>\$2,958,000</u>			

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## BANKERS ACCEPTANCES - (Continued)

<u>NEW YORK</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>
<u>Feb. 18</u>						
Other banks	\$	17,000 3%	\$ 114,000 3%	\$ 994,000 3%	\$1,134,000 3%	\$ 375,000 3 1/4%-3 5/8%
 <u>Feb. 19</u>						
New York				2,000 3%	180,000 3%	48,000 3 1/4%
 <u>Feb. 20</u>						
New York		13,000	658,000	146,000	90,000	1,000
Other banks		130,000 3%	582,000 3%	420,000 3%-3 1/8%	282,000 3%-3 1/8%	10,000 3 1/4%
 <u>Feb. 24</u>						
New York	-	-	989,000	15,000	316,000	156,000
Other banks	-	-	2,174,000 3%	6,000 3%-3 1/8%	157,000 3%-3 1/8%	89,000 3 1/4%
 <u>Feb. 25</u>						
New York		2,385,000 3%	4,000 3%-3 1/4%	139,000 3%-3 1/8%	253,000 3%-3 3/8%	135,000 3 1/4%-3 1/2%
 <b>Totals:</b>						
New York	\$	2,398,000	\$1,651,000	\$ 300,000	\$ 839,000	\$ 340,000
Other banks		147,000	2,870,000	1,420,000	1,573,000	474,000
 <b>Grand Total:</b>						
New York						\$5,528,000
Other banks						<u>6,484,000</u>
 Aggregate						<u>\$12,012,000</u>

Matured from New York holdings week ended February 25: \$ 7,437,000  
 Other holdings by New York: \$23,721,000 sales contracts; \$6,509,000 one-day  
 holdover for distribution to Federal reserve banks; \$262,000 foreign trade  
 bills; \$239,000 special 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	93,000	3%	442,000	0
	31-60 "	132,000	3% - 3 1/4%		
	61-90 "	1,062,000	3% - 3 1/4%		
		<u>\$1,287,000</u>			
Cleveland	1-30 days	37,000	3 1/8%	3,321,000	832,000 Ster-
	31-60 "	15,000	3 1/8%		ling bills
	61-90 "	1,934,000	3 1/8%		
	In other districts	996,000	3% - 3 1/4%		
		<u>\$2,982,000</u>			
Richmond	1-30 days	250,000	3% - 3 1/8%	514,000	0
	61-90 "	30,000	3 1/8%		
	In other districts	607,000	3% - 3 1/4%		
		<u>\$887,000</u>			
Atlanta	1-30 days	77,000	3%	574,000	1,321,000 Unin-
	31-60 "	8,000	3%		dorsed bills
	In other districts	617,000	3% - 3 1/4%		purchased
		<u>\$702,000</u>			from accept-
					ing banks
Chicago	1-30 days	77,000	3%	2,210,000	1,202,000 sales
	31-60 "	215,000	3%		contracts
	61-90 "	679,000	3%		
	In other districts	1,371,000	3% - 3 1/4%		
		<u>\$2,342,000</u>			
St. Louis	In other districts	492,000	3% - 3 1/4%	1,294,000	0
Minneapolis	In other districts	514,000	3% - 3 1/4%	0	0
Kansas City	In other districts	587,000	3% - 3 1/4%	1,368,000	0
Dallas	In other districts	408,000	3% - 3 1/4%	3,048,000	
				<u>50,000</u>	Sold to
					Mem. Bks.
				<u>\$3,098,000</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>
San Francisco	1-30 days	\$ 394,000	3%	\$5,836,000	\$3,045,000 Sales
	31-60 "	570,000	3%		Contracts
	61-90 "	634,000	3%		
	In other districts	891,000	3% - 3 1/4%		
		\$2,489,000			
Totals		\$21,176,000		\$35,986,000	\$38,361,000

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES AND  
BANKERS ACCEPTANCES DURING WEEK ENDED FEBRUARY 25, 1925 AND  
HOLDINGS AS OF THAT DATE CLASSIFIED BY MATURITIES  
 (000 Omitted)

	<u>Government</u> <u>Securities</u>	<u>(Excluding Sales Contracts)</u> <u>Bankers</u> <u>Acceptances</u>	<u>Total</u>
Purchased	\$ 7,249	\$21,176	\$28,425
Sold	25,298	-	25,298
Matured	-	35,986	35,986
	\$18,049-	\$14,810-	\$32,859-

	<u>Within</u> <u>15-days</u>	<u>16-30</u> <u>days</u>	<u>31-60</u> <u>days</u>	<u>61-90</u> <u>days</u>	<u>91-days-</u> <u>6 months</u>	<u>Over</u> <u>6 months</u>	<u>Total</u>
Holdings Feb. 25, 1925							
Gov't Securities	\$ 4,604	\$33,055	\$ -	\$ -	\$40,992	\$286,044	\$364,695
Bills Purchased	133,777	55,785	74,827	48,277	4,580	-	317,246
Total	\$138,381	\$88,840	\$74,827	\$48,277	\$45,572	\$286,044	\$681,941

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Authority EO 10501

Form No. 131.

# Office Correspondence

FEDERAL RESERVE  
BOARD

Date February 25, 1925.

To All member of the Board.

Subject: \_\_\_\_\_

From Mr. Eddy.

For your information.

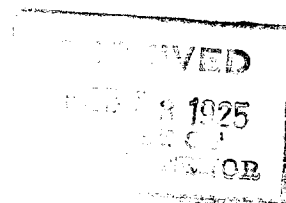
✓ Governor Crissinger  
✓ Mr. Platt  
✓ Mr. Hamlin  
✓ Mr. James  
✓ Mr. Cunningham  
✓ Mr. Miller  
✓ Mr. McIntosh

Noted by Comptroller

Please return to Secretary's Office.

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Authority EO 10501

FEDERAL RESERVE BANK  
OF NEW YORK



Open Market Investment Committee  
for the Federal Reserve System

CONFIDENTIAL

February 21, 1925

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 February 12 to February 18, 1925 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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## REPORT OF OPEN MARKET INVESTMENT COMMITTEE WEEK ENDED FEBRUARY 18, 1925

Holdings of Earning Assets of Federal Reserve Banks January 7, February  
4, 11 and 18, 1925, As Compared With Corresponding Periods in 1924  
(000 Omitted)

-1924-	TOTAL EARNING ASSETS	*GOVERNMENT SECURITIES	BANKERS ACCEPTANCES		BILLS DISCOUNTED
			Purchases	Sales Contracts	
Jan. 9	\$1,026,496	\$100,358	\$279,588	\$39,578	\$606,921
Feb. 6	895,363	124,658	220,711	62,688	487,296
" 13	951,680	127,255	206,376	71,703	546,346
" 20	891,331	141,729	210,144	43,332	496,126
-1925-					
Jan. 7	1,109,965	496,029	332,029	8,949	264,408
Feb. 4	1,032,258	388,828	282,358	25,646	322,367
" 11	1,059,608	390,096	293,065	31,582	331,806
" 18	1,046,381	378,205	293,695	18,052	342,471

\*Includes sales contracts

CHANGES IN HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES BY  
FEDERAL RESERVE BANKS (EXCLUSIVE OF SALES CONTRACTS) DURING  
WEEK ENDING FEBRUARY 18, 1925  
(000 Omitted)

	GOVERNMENT SECURITIES			BANKERS ACCEPTANCES		
	Balance Feb. 18	Balance Feb. 11	Net Change	Balance Feb. 18	Balance Feb. 11	Net Change
Boston	\$ 23,966	\$ 24,669	\$ 703-	\$ 47,665	\$ 45,287	\$2,378+
New York	109,198	112,920	3,722-	51,248	52,215	967-
Philadelphia	25,457	25,733	276-	19,386	19,089	297+
Cleveland	44,342	45,350	1,008-	33,612	36,844	3,232-
Richmond	3,426	3,498	72-	4,602	1,900	2,702+
Atlanta	3,403	3,420	17-	4,101	2,117	1,984+
Chicago	57,930	59,332	1,402-	39,158	35,548	3,610+
St. Louis	9,985	10,284	299-	18,252	20,147	1,895-
Minneapolis	19,211	19,676	465-	2,124	121	2,003+
Kansas City	24,852	25,342	490-	12,416	11,509	907+
Dallas	17,460	17,991	531-	18,822	21,031	2,209-
San Francisco	38,909	39,932	1,023-	42,309	47,257	4,948-
Totals	\$378,139	\$388,147	\$10,008-	\$293,695	\$293,065	\$ 630+

COMMENT ON CHANGES WEEK ENDED FEBRUARY 18, 1925

Total earning assets of all reserve banks declined \$13,227,000 during the week. The decline was due chiefly to a reduction of \$11,891,000 in holdings of Government securities, of which \$10,000,000 represented a sale from the System Investment Account, and a decline of \$13,530,000 in bills held under sales contracts. Acceptances purchased outright increased further \$630,000, while bills discounted advanced \$10,665,000.

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Money  
Market

After ranging from 3 1/2 to 4 per cent. for nearly two weeks, call loan renewals declined to 3 per cent. on February 20, following a substantial return flow of funds from the interior. Time money quiet and unchanged, most loans being for 4 - 6 months at 4 per cent.

Commercial paper more active in middle west, following slight advance in dealers' offering rates to 3 3/4 per cent. for most names.

Government  
Security  
Market

Trading in Liberty Loan and Treasury bonds was quiet, sales on the Stock Exchange during the period aggregating only \$6,000,000. There was a moderate but steady demand for the new 4% Treasury bonds and prices held firm at approximately 100 30/32'nds.

Activity in the market for short-term Government securities was generally limited to the early maturities. Long issues of Treasury Notes were quiet and prices declined from 2/32'nds to 4/32'nds.

Bankers  
Acceptances

Dealers offering rates continued practically unchanged from the previous week at 3 per cent. for 30-day bills, 3 1/8 per cent. for 60's and 90's and 3 1/4 per cent. for 120-day maturities.

Boston reports a small supply of bills with demand light and confined mostly to city banks. Substantial offerings were made to the reserve bank. A noticeable reduction in bills purchased under sales contracts was attributed to easier money rates and the scarcity of new bills. There was a moderate supply of bills in New York with demand focused toward short maturities and member bank bills. Continued foreign orders, together with somewhat easier money conditions, resulted in heavy buying at the close of the week and dealers had difficulty in completing orders due to the scarcity of bills. Offerings to the reserve bank were light. In Philadelphia conditions in the bill market were practically unchanged from last week. The



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supply was moderate while the demand continued light. Chicago reports a very limited supply with a good demand for prime names. Dealers report an increase in out-of-town transactions.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

At the request of the Treasury the Federal Reserve Bank of New York purchased for various Treasury accounts during the period \$19,550 Second, \$7,400 Third and \$50,000 Fourth Liberty Loan bonds and sold \$21,000 Fourth Liberty Loan bonds.

SYSTEM SPECIAL INVESTMENT ACCOUNT

There were sold from the System holdings during the period covered by this report \$10,000,000 2 3/4% certificates of indebtedness maturing September 15, 1925, \$5,000,000 to the market and \$5,000,000 to the Treasury for redemption.

These sales reduced the System holdings at the close of business February 18 to \$290,000,000, the participation in which by all Federal reserve banks, and the classification by maturities, was as follows:

<u>PARTICIPATION BY FEDERAL RESERVE BANKS</u>		<u>RECAPITULATION OF HOLDINGS BY MATURITIES</u>	
Boston	\$ 20,391,000	March 15, 1925	\$ 46,365,000
New York	107,940,500	June 15, 1925	25,932,700
Philadelphia	8,009,500	Sept. 15, 1925	15,174,500
Cleveland	29,243,000	Dec. 15, 1925	50,117,000
Richmond	2,085,500	March 15, 1926	39,237,600
Atlanta	872,500	Sept. 15, 1926	31,901,000
Chicago	40,669,500	March 15, 1927	18,875,900
St. Louis	9,830,500	Dec. 15, 1927	32,296,300
Minneapolis	11,620,500	Third L.L. Bonds	
Kansas City	14,243,500	Sept. 15, 1928	30,100,000
Dallas	15,404,500		
San Francisco	29,689,500		
Totals	\$290,000,000		\$290,000,000

N.B. Since the date covered by this report further sales have been made aggregating \$20,000,000, which reduces the total holdings in the account to \$270,000,000.

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ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF  
FEDERAL RESERVE BANKS FROM FEBRUARY 12 TO FEBRUARY 18, 1925

GOVERNMENT SECURITIES

	<u>SYSTEM INVESTMENT ACCOUNT</u>		<u>HELD UNDER</u>
	<u>Purchases</u>	<u>Sales</u>	<u>SALES CONTRACTS</u>
Boston	0	\$ 703,000	\$65,605
New York	0	3,722,000	0
Philadelphia	0	276,000	0
Cleveland	0	1,008,500	0
Richmond	0	72,000	0
Atlanta	0	30,000	0
Chicago	0	1,402,500	0
St. Louis	0	339,000	0
Minneapolis	0	401,000	0
Kansas City	0	491,000	0
Dallas	0	531,000	0
San Francisco	<u>0</u>	<u>1,024,000</u>	<u>0</u>
 Totals	 <u>0</u>	 <u>\$10,000,000</u>	 <u>\$65,605</u>

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Sales</u>
Atlanta	\$200,150 Misc. Gov't Sec.	\$ 187,350 Misc. Gov't Sec.
St. Louis	40,000 Third L.L. Bonds	0
Minneapolis	752,800 Misc. Gov't Sec.	816,850 Misc. Gov't Sec.
Kansas City	850 Misc. Gov't Sec.	0
San Francisco	<u>1,000 Misc. Gov't Sec.</u>	<u>0</u>
 Totals	 <u>\$994,800</u>	 <u>\$1,004,200</u>

BANKERS ACCEPTANCES

		<u>PURCHASES</u>			<u>MATURITIES</u>	
	<u>Maturity</u>	<u>Amount</u>	<u>Rate</u>		<u>Amount</u>	<u>Other Holdings</u>
Boston	1-30 days	\$ 421,000	3% - 3 1/8%	\$4,378,000	\$1,704,000 Sales	
	31-60 "	2,426,000	3% - 3 1/8%		Contracts	
	61-90 "	3,852,000	3% - 3 1/8%			
	Over 90 "	<u>57,000</u>	3 1/4% - 3 3/8%			
		 <u>\$6,756,000</u>				

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BANKERS ACCEPTANCES - (Continued)

<u>NEW YORK</u> <u>Feb. 11</u>	<u>MATURITIES AND RATES</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	\$125,000 3%	\$ 510,000 3%	\$1,952,000 3% - 3 1/8%	\$2,280,000 3%	-
<u>Feb. 13</u>					
New York	303,000	1,327,000	191,000	274,000	125,000
Other banks	79,000 3%	2,709,000 3%	1,064,000 3% - 3 1/8%	987,000 3% - 3 1/8%	- 3 1/4% - 3 1/2%
<u>Feb. 14</u>					
New York	-	4,000 3%	17,000 3%	-	-
<u>Feb. 16</u>					
New York	112,000	49,000	183,000	666,000	113,000
Other banks	- 3%	- 3%	726,000 3%	1,412,000 3% - 3 1/8%	53,000 3 1/4%
<u>Feb. 17</u>					
New York	465,000	801,000	-	150,000	115,000
Other banks	47,000 3%	1,801,000 3%	116,000 3%	2,167,000 3%	497,000 3 1/4%
<u>Feb. 18</u>					
New York	-	20,000 3%	408,000 3%	134,000 3%	150,000 3 1/4% - 3 5/8%
Totals:					
New York	\$880,000	\$2,201,000	\$ 799,000	\$1,224,000	\$ 403,000
Other banks	251,000	5,020,000	3,858,000	6,846,000	550,000
Grand Total:					
New York					\$ 5,507,000
Other banks					<u>16,525,000</u>
Aggregate					<u>\$22,032,000</u>

Matured from New York holdings week ended February 18: \$ 6,474,000  
 Other holdings by New York: \$2,633,000 one-day holdover for distribution to  
 Federal reserve banks; \$9,656,000 sales contracts; \$338,000 foreign trade ac-  
 ceptances; \$239,000 special 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	\$ 260,000	3%	- 3 1/4%	\$1,573,000	0
	31-60 "	502,000	3%	- 3 1/4%		
	61-90 "	<u>1,108,000</u>	3%	- 3 1/4%		
		<u>\$1,870,000</u>				
Cleveland	61-90 days	421,000	3%		5,770,000	594,000 ster-
	In other districts	<u>2,117,000</u>	3%	- 3 1/4%		ling bills
		<u>\$2,538,000</u>				
Richmond	1-30 days	236,000	3%	- 3 1/8%	205,000	0
	31-60 "	137,000	3%	- 3 1/8%		
	61-90 "	251,000	3%	- 3 1/8%		
	In other districts	<u>2,283,000</u>	3%	- 3 1/4%		
		<u>\$2,907,000</u>				
Atlanta	1-30 days	102,000	3%		510,000	1,413,000 Unin-
	31-60 "	10,000	3%			dorsed
	61-90 "	68,000	3%			bills pur-
	Over 90 "	3,000	3 1/4%			chased from
	In other districts	<u>2,311,000</u>	3%	- 3 1/4%		accepting
		<u>\$2,494,000</u>				banks
Chicago	31-60 days	3,301,000	3%		4,366,000	77,000 sales
	61-90 "	567,000	3%			contracts
	In other districts	<u>4,108,000</u>	3%	- 3 1/4%		
		<u>\$7,976,000</u>				
St. Louis	In other districts	515,000	3%	- 3 1/4%	2,410,000	0
Minneapolis	In other districts	2,003,000	3%	- 3 1/4%	0	0
Kansas City	In other districts	1,986,000	3%	- 3 1/4%	1,079,000	0
Dallas	In other districts	376,000	3%	- 3 1/4%	2,585,000	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>Other</u> <u>Holdings</u>
San Francisco	1-30 days	\$ 20,000	3%	\$5,956,000	\$1,398,000 Sales
	31-60 "	153,000	3%		Contracts
	61-90 "	9,000	3%		
	In other	<u>826,000</u>	3% - 3 1/4%		
	Disse.	\$ 1,008,000			
		<u>          </u>		<u>          </u>	<u>          </u>
Totals		<u>\$35,936,000</u>		<u>\$35,306,000</u>	<u>\$18,052,000</u>

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES AND  
BANKERS ACCEPTANCES DURING WEEK ENDING FEBRUARY 18, 1925 AND  
HOLDINGS AS OF THAT DATE CLASSIFIED BY MATURITIES  
(000 Omitted)

	(Excluding Sales Contracts)						
	<u>Government</u> <u>Securities</u>	<u>Bankers</u> <u>Acceptances</u>		<u>Total</u>			
Purchased	\$ 995	\$ 35,936		\$ 36,931			
Sold	11,004	-		11,004			
<u>Matured</u>	<u>-</u>	<u>35,306</u>		<u>35,306</u>			
	\$ 10,009-	\$ 630+		\$ 9,379-			
	<u>          </u>	<u>          </u>		<u>          </u>			

	(Including Sales Contracts)						
<u>Holdings</u> <u>Feb. 18, 1925</u>	<u>Within</u> <u>15 days</u>	<u>16-30</u> <u>days</u>	<u>31-60</u> <u>days</u>	<u>61-90</u> <u>days</u>	<u>91-days-</u> <u>6 months</u>	<u>Over</u> <u>6 months</u>	<u>Total</u>
Gov't Securities	\$ 65	\$ 47,064	\$ -	\$ -	\$40,987	\$290,089	\$378,205
Bills Purchased	<u>107,286</u>	<u>71,762</u>	<u>75,660</u>	<u>52,551</u>	<u>4,488</u>	<u>-</u>	<u>311,747</u>
Totals	<u>\$107,351</u>	<u>\$118,826</u>	<u>\$75,660</u>	<u>\$52,551</u>	<u>\$45,475</u>	<u>\$290,089</u>	<u>\$689,952</u>

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Form No. 131.

# Office Correspondence

FEDERAL RESERVE  
BOARD

Date February 18, 1925.

To All members of the Board.

Subject:

From Mr. Eddy.

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For your information.

Governor Crissinger ✓

Mr. Platt ✓

Mr. Hamlin ✓

Mr. James ✓

Mr. Cunningham ✓

Mr. Miller ✓

Mr. McIntosh. ✓

Noted by Comptroller

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February 18, 1925.

Dear Mr. Matteson:

I acknowledge receipt of and shall bring to the attention of the members of the Board your letter of the 17th instant, addressed to Governor Crissinger, enclosing a report of transactions in Government securities and bankers acceptances as reported to the Open Market Investment Committee for the Federal Reserve System for the period from February 5 to February 11, 1925, inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,

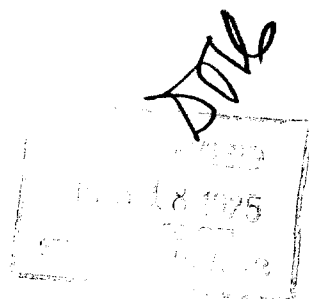
(Signed) Walter L. Eddy

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

February 17, 1925

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 February 5 to February 11, 1925 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.

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## REPORT OF OPEN MARKET INVESTMENT COMMITTEE WEEK ENDED FEBRUARY 11, 1925

Holdings of Earning Assets of Federal Reserve Banks January 7, February  
4 and 11, 1925. As Compared With Corresponding Periods in 1924  
(000 Omitted)

-1924-	TOTAL EARNING ASSETS	* GOVERNMENT	BANKERS ACCEPTANCES		BILLS
		SECURITIES	Purchases	Sales Contracts	DISCOUNTED
Jan. 9	\$1,026,496	\$100,358	\$279,588	\$39,578	\$606,921
Feb. 6	895,363	124,658	220,711	62,688	487,296
" 13	951,680	127,255	206,376	71,703	546,346
-1925-					
Jan. 7	1,109,965	496,029	332,029	8,949	264,408
Feb. 4	1,032,258	388,828	282,358	25,646	322,367
" 11	1,059,608	390,096	289,638	35,009	331,806

\* Includes sales contracts

CHANGES IN HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES BY  
FEDERAL RESERVE BANKS (EXCLUSIVE OF SALES CONTRACTS) DURING  
WEEK ENDING FEBRUARY 11, 1925  
(000 Omitted)

	GOVERNMENT SECURITIES			BANKERS ACCEPTANCES		
	Balance Feb. 11	Balance Feb. 4	Net Change	Balance Feb. 11	Balance Feb. 4	Net Change
Boston	\$ 24,669	\$24,669	0	\$ 45,287	\$ 40,415	\$4,872+
New York	112,920	112,920	0	52,215	52,946	731-
Philadelphia	25,734	25,734	0	19,088	17,781	1,307+
Cleveland	45,350	45,350	0	36,844	36,992	148-
Richmond	3,498	3,498	0	1,900	1,347	553+
Atlanta	3,420	3,384	36+	2,117	2,745	628-
Chicago	59,332	59,332	0	35,548	29,966	5,582+
St. Louis	10,285	10,206	79+	20,147	20,378	231-
Minneapolis	19,676	20,223	547-	121	0	121+
Kansas City	25,342	25,156	186+	11,509	11,944	435-
Dallas	17,991	17,991	0	21,031	21,663	632-
San Francisco	39,932	39,932	0	43,831	46,181	2,350-
Totals	<u>\$388,149</u>	<u>\$388,395</u>	<u>\$246-</u>	<u>\$289,638</u>	<u>\$282,358</u>	<u>\$7,280+</u>

COMMENT ON CHANGES WEEK ENDED FEBRUARY 11, 1925

Advances in all classes of earning assets aggregating \$27,350,000 brought total holdings to the highest point since January 7. Reflecting firmer conditions in the money market, bills purchased under sales contracts increased \$9,363,000, while acceptances purchased outright increased \$7,280,000. Holdings of Government securities advanced \$1,268,000, representing purchases of miscellaneous securities as there were no transactions affecting the System's Special Account.

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Money  
Market

Reflecting heavy transfers to the interior and continued gold exports, money conditions in New York turned somewhat firmer. On Monday the rate for stock exchange call money advanced to 4 1/2 per cent. but later receded to the 3 1/2 per cent. level. Time money market was dull and ruling rates continued without variation.

The market for commercial paper was quiet and confined largely to the interior. The tendency of rates was slightly firmer in that a somewhat larger proportion of prime names was offered at 3 3/4 per cent.; the ruling rates however continued 3 1/2-3 3/4 per cent.

Government  
Security  
Market

There was considerable activity in the First Liberty Loan 3 1/2 per cent. bonds and the high price during the week of 101 24/32 was within 4/32'nds of the high point of 1924. Trading in the other issues was in moderate volume only and prices reflected only slight changes with the exception of the new 4% Treasury bonds which sold at a new high of 101.

Trading in short-term securities was light and dealers' offering prices showed a slight reduction in the longer maturities.

Bankers  
Acceptances

While rates in all districts were uncertain during the week, dealers generally advanced their bid and offer rates on unindorsed bills 1/8 per cent. for all maturities up to 90-days.

Boston reports a fairly good supply of bills in the market. The demand was moderate and principally from city banks. There was a marked tendency on the part of bill holding banks, as well as dealers, to reduce their portfolios, influenced considerably by the change in bill rates. The market in New York was fairly active with a slightly larger supply of bills and a good demand attributed in part to buying for foreign accounts. In Philadelphia the bill market was unsettled in anticipation of firmer rates. There was practically

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no demand from city and out-of-town banks. Chicago reports a quiet market with the moderate supply of bills somewhat in excess of the demand. Rates were higher and somewhat irregular reflecting uncertainty as to future rate levels.

#### OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

The Federal Reserve Bank of New York sold for account of the Alien Property Custodian \$2,500,000 Fourth Liberty Loan 4 1/4% bonds and purchased in replacement \$500,000 certificates maturing March 15, 1925, and \$2,000,000 certificates due September 15, 1925.

#### SYSTEM SPECIAL INVESTMENT ACCOUNT

There has been no change during the period covered by this report in the System Special Investment Account, the holdings at the close of business February 11 remaining at \$300,000,000, the participation in which by the various Federal reserve banks and the classification by maturities was as follows:

<u>PARTICIPATION BY FEDERAL RESERVE BANKS</u>		<u>RECAPITULATION OF HOLDINGS BY MATURITIES</u>	
Boston	\$ 21,094,000	March 15, 1925	\$ 46,365,000
New York	111,662,500	June 15, 1925	25,932,700
Philadelphia	8,285,500	Sept. 15, 1925	25,174,500
Cleveland	30,251,500	Dec. 15, 1925	50,117,000
Richmond	2,157,500	March 15, 1926	39,237,600
Atlanta	902,500	Sept. 15, 1926	31,901,000
Chicago	42,072,000	March 15, 1927	18,875,900
St. Louis	10,169,500	Dec. 15, 1927	32,296,300
Minneapolis	12,021,500	Third L. L. Bonds	
Kansas City	14,734,500	Sept. 15, 1928	30,100,000
Dallas	15,935,500		
San Francisco	30,713,500		
	<u>\$300,000,000</u>		<u>\$300,000,000</u>

#### ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF FEDERAL RESERVE BANKS FROM FEBRUARY 5 TO FEBRUARY 11, 1925

#### TRANSACTIONS IN MISCELLANEOUS GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Sales</u>	<u>Held Under Sales Contracts</u>
Boston	0	0	\$ 654,155
New York	0	0	1,270,000
Atlanta	234,300	197,850	0
Chicago	0	0	22,000
St. Louis	79,000	0	0
Minneapolis	1,338,300	1,884,950	0
Kansas City	186,100	0	0
	<u>\$1,837,700</u>	<u>\$2,082,800</u>	<u>\$1,946,155</u>

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### BANKERS ACCEPTANCES

		<u>PURCHASES</u>		<u>MATURITIES</u>	<u>Other</u>
		<u>Amount</u>	<u>Rate</u>	<u>Amount</u>	<u>Holdings</u>
Boston	1-30 days	\$ 100,000	3% - 3 1/8%	\$3,797,000	\$2,457,000 Sales
	31-60 "	3,556,000	3% - 3 1/8%		Contracts
	61-90 "	<u>5,013,000</u>	3% - 3 1/8%		
		<u>\$8,669,000</u>			

#### NEW YORK

		<u>MATURITIES AND RATES</u>			
<u>Feb. 4</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	\$ 100,000 2 3/4%	\$2,308,000 2 3/4%-2 7/8%	\$ 281,000 2 7/8%	\$1,494,000 3%	\$ 465,000 3 1/4%
<u>Feb. 5</u>					
New York	14,000	152,000	96,000	179,000	15,000
Other banks	2,000 2 3/4%	135,000 2 3/4%	79,000 2 7/8%	845,000 3%	14,000 3 1/4%
<u>Feb. 6</u>					
New York	28,000	76,000	328,000	997,000	1,000
Other banks	53,000 3% - 3 1/8%	147,000 3%	1,143,000 3% - 3 1/8%	1,760,000 3% - 3 1/8%	372,000 3 1/4%
<u>Feb. 9</u>					
New York	12,000	34,000	302,000	1,680,000	318,000
Other banks	9,000 3% - 3 1/8%	1,198,000 3% - 3 1/4%	406,000 3% - 3 1/8%	3,839,000 3% - 3 1/2%	371,000 3 1/4%-3 1/2%
<u>Feb. 10</u>					
New York	-	531,000	321,000	301,000	13,000
Other banks	-	592,000 3%	414,000 3%	863,000 3% - 3 1/4%	36,000 3 1/4%
<u>Feb. 11</u>					
New York	1,132,000 3%	524,000 3%	124,000 3% - 3 1/8%	430,000 3%	-
Totals:					
New York	\$1,186,000	\$1,317,000	\$1,171,000	\$3,587,000	\$ 347,000
Other banks	164,000	4,380,000	2,323,000	8,801,000	1,258,000

#### Grand Total:

New York      \$ 7,608,000  
Other banks      16,926,000

Aggregate      \$24,534,000

Matured from New York holdings week ended February 11: \$ 8,339,000  
Other holdings by New York: \$18,317,000 sales contracts; \$4,867,000 one-day  
holdover for distribution to Federal reserve banks; \$246,000 foreign trade  
acceptances; \$239,000 special 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	\$ 67,000	3%	\$1,298,000	0
	31-60 "	361,000	3%		
	61-90 "	<u>2,177,000</u>	3% - 3 1/8%		
		<u>\$2,605,000</u>			
Cleveland	1-30 days	100,000	3%	4,108,000	478,000 ster-
	31-60 "	310,000	2 7/8% - 3%		ling bills
	61-90 "	476,000	3%		
	In other districts	<u>3,074,000</u>	2 3/4% - 3 1/4%		
		<u>\$3,960,000</u>			
Richmond	1-30 days	68,000	3%	150,000	0
	31-60 "	150,000	3%		
	61-90 "	325,000	3%		
	In other districts	<u>160,000</u>	2 3/4% - 3 1/4%		
		<u>\$703,000</u>			
Atlanta	1-30 days	20,000	3%	911,000	1,287,000 Un- ✓
	61-90 "	112,000	3%		indorsed
	In other districts	<u>151,000</u>	2 3/4% - 3 1/4%		bills
		<u>\$283,000</u>			purchased
					from ac-
					cepting bks.
Chicago	1-30 days	762,000	2 3/4%	2,761,000	1,079,000 Sales
	31-60 "	3,918,000	2 7/8%		contracts
	61-90 "	1,153,000	3%		
	In other districts	<u>2,510,000</u>	2 3/4% - 3 1/4%		
		<u>\$8,343,000</u>			
St. Louis	In other districts	2,275,000	2 3/4% - 3 1/4%	2,506,000	0
Minneapolis	In other districts	121,000	2 3/4% - 3 1/4%	0	0
Kansas City	In other districts	1,468,000	2 3/4% - 3 1/4%	1,903,000	0
Dallas	In other districts	2,455,000	2 3/4% - 3 1/4%	2,985,000	0
				<u>102,000</u>	Sold to
					Mem. Bks
				<u>\$3,087,000</u>	

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Authority FD-10501

Date\_\_\_\_\_

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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>
San Francisco	1-30 days	\$ 353,000	2 3/4% - 3%	\$7,615,000	\$6,039,000 Sales contracts
	31-60 "	199,000	2 7/8%		
	In other districts	<u>4,713,000</u>	2 3/4% - 3 1/4%		
		<u>\$5,265,000</u>			
Totals		<u>\$43,755,000</u>		<u>\$36,475,000</u>	<u>\$35,009,000</u>

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES AND  
BANKERS ACCEPTANCES DURING WEEK ENDING FEBRUARY 11, 1925, AND  
HOLDINGS AS OF THAT DATE CLASSIFIED BY MATURITIES  
(000 Omitted)  
(Excluding Sales Contracts)

	<u>Government</u> <u>Securities</u>	<u>Bankers</u> <u>Acceptances</u>	<u>Total</u>
Purchased	\$ 1,837	\$43,755	\$45,592
Sold	2,083	-	2,083
Matured	-	<u>36,475</u>	<u>36,475</u>
	<u>\$ 246-</u>	<u>\$ 3,280+</u>	<u>\$ 7,034+</u>

	<u>(Including Sales Contracts)</u>						
<u>Holdings</u> <u>Feb. 11, 1925</u>	<u>Within</u> <u>15 days</u>	<u>16-30</u> <u>days</u>	<u>31-60</u> <u>days</u>	<u>61-90</u> <u>days</u>	<u>91-days-</u> <u>6 months</u>	<u>Over</u> <u>6 months</u>	<u>Total</u>
Gov't Securities	\$ 1,946	-	\$ 47,054	-	\$40,992	\$300,104	\$390,096
Bills Purchased	<u>108,570</u>	<u>83,785</u>	<u>75,542</u>	<u>52,488</u>	<u>4,262</u>	<u>-</u>	<u>324,647</u>
	<u>\$110,516</u>	<u>\$83,785</u>	<u>\$122,596</u>	<u>\$52,488</u>	<u>\$45,254</u>	<u>\$300,104</u>	<u>\$714,743</u>

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Authority EO 10501

Form No. 131.

# Office Correspondence

FEDERAL RESERVE  
BOARD

To All members of the Board.

Subject: 2

From Mr. Eddy

Date February 10, 1925.

MAILED  
FEDERAL RESERVE BOARD

333 • 1

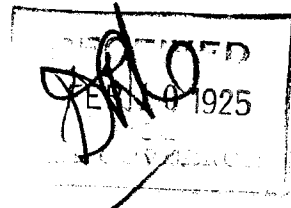
For your information.

✓ Gov. Crissinger ✓  
Mr. Plett ✓  
Mr. Hamlin ✓  
Mr. James ✓  
Mr. Cunningham ✓  
Dr. Miller ✓  
Mr. McIntosh. ✓

Please return to Secretary's Office.

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FEDERAL RESERVE BANK  
OF NEW YORK



Open Market Investment Committee  
for the Federal Reserve System

CONFIDENTIAL

February 9, 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 January 29 to February 4, 1925  
inclusive, together with data received by the Committee  
from the Federal reserve banks.

Respectfully,

A large, cursive 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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## REPORT OF OPEN MARKET INVESTMENT COMMITTEE WEEK ENDED FEBRUARY 4, 1925

Holdings of Earning Assets of Federal Reserve Banks January 7, 28 and  
February 4, 1925, as Compared with Corresponding Periods in 1924  
(000 Omitted)

-1924-	TOTAL EARNING ASSETS	*GOVERNMENT	BANKERS ACCEPTANCES		BILLS
		SECURITIES	Purchases	Sales Contracts	DISCOUNTED
Jan. 9	\$1,026,496	\$100,358	\$279,588	\$39,578	\$606,921
" 30	914,881	120,772	235,930	35,862	522,307
Feb. 6	895,363	124,658	220,711	62,688	487,296
-1925-					
Jan. 7	1,109,965	496,029	332,029	8,949	264,408
" 28	988,582	394,064	288,180	19,587	273,692
Feb. 4	1,032,258	388,828	282,358	25,646	322,367

\*Includes sales contracts

CHANGES IN HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES BY  
FEDERAL RESERVE BANKS (EXCLUSIVE OF SALES CONTRACTS)  
DURING WEEK ENDING FEBRUARY 4, 1925  
(000 Omitted)

	GOVERNMENT SECURITIES			BANKERS ACCEPTANCES		
	Balance Feb. 4	Balance Jan. 28	Net Change	Balance Feb. 4	Balance Jan. 28	Net Change
Boston	\$ 24,669	\$ 24,973	\$ 304-	\$ 40,415	\$ 43,465	\$ 3,050-
New York	112,920	114,512	1,592-	52,946	53,926	980-
Philadelphia	25,733	25,852	119-	17,781	16,689	1,092+
Cleveland	45,350	45,779	429-	36,992	37,402	410-
Richmond	3,498	3,530	32-	1,347	1,258	89+
Atlanta	3,384	3,624	240-	2,745	3,826	81-
Chicago	59,332	59,935	603-	29,966	30,064	1,098-
St. Louis	10,206	10,311	105-	20,378	20,074	304+
Minneapolis	20,223	21,179	956-	0	0	0
Kansas City	25,156	25,360	204-	11,944	12,424	480-
Dallas	17,991	18,217	226-	21,663	22,006	343-
San Francisco	39,931	40,368	437-	46,181	47,046	865-
Total	\$388,393	\$393,640	\$5,247-	\$282,358	\$288,180	\$5,822-

COMMENT ON CHANGES WEEK ENDED FEBRUARY 4, 1925

Aggregate holdings of earning assets of the System advanced \$43,676,000 during the week due to an increase of \$48,675,000 in bills discounted, and a further rise of \$6,059,000 in bankers acceptances held under sales contracts. Holdings of Government securities declined \$5,236,000, sales from the System Special Investment Account amounting to \$6,275,000. Bankers acceptances purchased outright decreased \$5,236,000.

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Money  
Market

Except for temporary fluctuations down to three and up to 4 per cent, the call loan rate ruled unchanged at the 3 1/2 per cent. level. Time money market was quiet and rates continued unchanged.

Commercial paper dealers report a quiet market with a tendency towards higher rates as the seasonal easing in money has not been as great as some anticipated. Prime 4 to 6 months paper is now quoted at 3 1/2 to 3 3/4 per cent.

Government  
Security  
Market

Trading in United States Government bonds continued active and prices were slightly firmer than during the previous week. The longer term issues, especially the Fourth Liberty Loan and new 4 per cent. Treasury bonds were in best demand, the latter advancing to 100 27/32nds, a new high since date of issue. The following table shows sales during the week of United States Government bonds on the Stock Exchange in which decimals represent thirty-seconds:

Amount in Thousands	Issue	Closing Prices		1924	
		Feb. 4	Jan. 28	Low	High
\$1,076	First	3 1/2s	101.14	101.15	98.22 101.28
168	"	4 1/4s	101.27	101.29	98.8 *102.22
1,576	Second	4 1/4s	101.1	101.2	98.4 *102.00
480	Third	4 1/4s	101.14	101.15	99.8 *102.23
2,357	Fourth	4 1/4s	102.00	101.30	98.8 *103.00
341	Treasury	4 1/4s	104.28	105.00	99.8 *107.00
1,035	"	4s	100.26	100.25	100.9 100.20

\*High since date of issuance

Activity in the short-term Government security market was in moderate volume and trading centered principally in the September 1925 certificates and Treasury notes maturing in 1927. Prices of the early maturities were practically unchanged, while the longer term issues advanced from 1 to 3/32nds.

Bankers  
Acceptances

Dealers' offering rates continued unchanged from the previous week at 2 7/8 per cent. for 30 day bills, and 3 per cent. for 60s and 90s. On Friday, February 6, accompanying the increase in our buying

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rate to 3 per cent. for 30 and 60-day maturities, rates became unsettled and it is not yet certain at what levels they will become readjusted. An increase of  $1/8$  per cent. on all maturities through ninety days appears likely.

In Boston the supply was practically unchanged from the previous week but the demand was light, and dealers' combined holdings increased to the highest point this year. Offerings to the reserve bank were moderate, although sales under repurchase agreements increased substantially. New York reports a somewhat quiet market prior to the change in our rates. Money conditions were relatively easy and, as a result, the demand for bills was in excess of the supply. Moderate offerings were made to the reserve bank. The bill market in Philadelphia was moderately active. Increased demand for bills reflected ease in the money market. Comparatively light offerings were made to the reserve bank. Chicago reports a fairly active market with supply somewhat in excess of demand.

#### OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

Upon Treasury authority the Federal Reserve Bank of New York sold for account of the Alien Property Custodian \$4,500,000 Fourth Liberty Loan 4  $1/4\%$  bonds and purchased in replacement a like aggregate amount of certificates of indebtedness maturing March 15 and September 15, 1925.

At the request of the Treasury the Federal Reserve Bank of New York also purchased \$350,000 certificates of indebtedness due March 15, 1925, for account of the Civil Service Retirement and Disability Fund.

#### SYSTEM SPECIAL INVESTMENT ACCOUNT

In addition to a special exchange transaction involving the sale of \$2,000,000 March 1927 notes and the purchase of a like amount of September 1925 certificates, there was also sold from the Special Account during the period covered by this report securities aggregating \$4,275,500.

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These operations reduced the System holdings at the close of business February 4, 1925 to an even \$300,000,000, the participation in which by the various Federal reserve banks and the classification by maturities are as follows:

PARTICIPATION BY FEDERAL RESERVE BANKS		RECAPITULATION OF HOLDINGS BY MATURITIES	
Boston	\$ 21,094,000	March 15, 1925	\$ 46,365,000
New York	111,662,500	June 15, 1925	25,932,700
Philadelphia	8,285,500	Sept. 15, 1925	25,174,500
Cleveland	30,251,500	Dec. 15, 1925	50,117,000
Richmond	2,157,500	March 15, 1926	39,237,600
Atlanta	902,500	Sept. 15, 1926	31,901,000
Chicago	42,072,000	March 15, 1927	18,875,900
St. Louis	10,169,500	Dec. 15, 1927	32,296,300
Minneapolis	12,021,500	Third L. L. Bonds	
Kansas City	14,734,500	Sept. 15, 1928	30,100,000
Dallas	15,935,500		
San Francisco	30,713,500		
	<u>\$300,000,000</u>		<u>\$300,000,000</u>

ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF  
ALL FEDERAL RESERVE BANKS FROM JANUARY 29 TO FEBRUARY 4, 1925

GOVERNMENT SECURITIES

	SYSTEM INVESTMENT ACCOUNT		Held Under Sales Contracts
	Purchases	Sales	
Boston	\$ 142,000	\$ 445,500	\$244,900
New York	744,500	2,336,000	0
Philadelphia	56,000	175,000	0
Cleveland	200,500	629,000	0
Richmond	15,000	47,000	0
Atlanta	5,500	17,500	0
Chicago	282,000	884,500	190,000
St. Louis	66,000	207,000	0
Minneapolis	81,000	254,000	0
Kansas City	98,000	308,000	0
Dallas	105,500	331,500	0
San Francisco	204,000	640,500	0
Totals	<u>\$2,000,000</u>	<u>\$6,275,500</u>	<u>\$434,900</u>

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Sales</u>
Atlanta	\$ 60,150 Misc. Gov't Sec.	\$287,050 Misc. Gov't Sec.
St. Louis	36,500 Misc. Gov't Sec.	0
Minneapolis	3,758,350 Misc. Gov't Sec.	4,542,150 Misc. Gov't Sec.
Kansas City	6,300 Misc. Gov't Sec.	0
	<u>\$5,861,300</u>	<u>\$4,829,200</u>

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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	\$ 523,000	2 3/4% - 2 7/8%	\$6,430,000	\$2,763,000 Sales
	31-60 "	1,089,000	2 7/8% - 3%		Contracts
	61-90 "	1,768,000	3% - 3 1/8%		
		<u>\$3,380,000</u>			

NEW YORK

<u>Jan. 28</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	\$1,006,000 2 3/4%	\$ 416,000 2 3/4% - 2 7/8%	\$1,903,000 2 7/8% - 3 1/8%	\$ 129,000 3% - 3 1/8%	\$ 88,000 3 1/4%

Jan. 29

New York	362,000	-	-	-	15,000
Other banks	33,000 2 3/4%	1,058,000 2 3/4%	-	6,000 3%	- 3 1/2%

Jan. 30

New York	303,000	205,000	899,000	463,000	9,000
Other banks	305,000 2 3/4%	1,248,000 2 3/4% - 2 7/8%	1,553,000 2 7/8% - 3%	1,991,000 3%	80,000 3 1/4%

Feb. 2

New York	174,000	569,000	521,000	395,000	257,000
Other banks	62,000 2 3/4%	4,298,000 2 3/4%	- 2 7/8%	14,000 3%	- 3 1/4%

Feb. 3

New York	6,000	9,000	361,000	361,000	-
Other banks	91,000 2 3/4%	518,000 2 3/4%	1,024,000 2 7/8%	541,000 3%	-

Feb. 4

New York	50,000 2 3/4%	630,000 2 3/4% - 2 7/8%	60,000 2 7/8%	800,000 3%	440,000 3 1/4%
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Totals:

New York	\$ 895,000	\$1,413,000	\$1,841,000	\$2,019,000	\$721,000
Other banks	1,497,000	7,538,000	4,480,000	2,681,000	168,000

Totals:	
New York	\$ 6,889,000
Other banks	<u>16,364,000</u>
Aggregate	<u>\$23,253,000</u>

Matured from New York holdings week ended February 4: \$7,869,000  
 Other holdings by New York: \$4,648,000 one-day holdover for distribution to  
 Federal reserve banks; \$9,641,000 sales contracts; \$257,000 foreign trade  
 bills; \$239,000 special foreign bills.

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RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES AND BANKERS  
ACCEPTANCES DURING WEEK ENDING FEBRUARY 4, 1925 AND HOLDINGS  
AS OF THAT DATE CLASSIFIED BY MATURITIES

	Government Securities	Bankers Acceptances	Total
Purchased	\$ 5,861	\$33,544	\$39,405
Sold	11,104	-	11,104
Matured	-	39,366	39,366
	<u>\$5,243-</u>	<u>\$5,822-</u>	<u>\$11,065-</u>

Holdings Feb. 4, 1925	(Including Sales Contracts)						Total
	Within 15 days	16-30 Days	31-60 Days	61-90 Days	91-Days- 6 Months	Over 6 Months	
Gov't Securities	\$ 435	-	\$47,044	-	\$40,987	\$300,364	\$388,830
Bills Purchased	93,789	85,541	83,259	40,048	5,367	-	308,004
	<u>\$94,224</u>	<u>\$85,541</u>	<u>\$130,303</u>	<u>\$40,048</u>	<u>\$46,354</u>	<u>\$300,364</u>	<u>\$696,834</u>

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Authority FD. 10501

Form No. 131.

# Office Correspondence

FEDERAL RESERVE  
BOARD

Date February 3, 1925.

To All members of the Board.

Subject: 2

From Mr. Eddy

333 /

For your information.

Mr. Platt ✓  
Mr. Hamlin ✓  
Mr. James ✓  
Mr. Cunningham ✓  
Mr. Miller ✓  
Mr. McIntosh ✓

Please return to Secretary's Office.

*File*

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Authority EO 10501

February 3, 1925.

Dear Mr. Matteson:

Receipt is acknowledged of your letter of the 2nd 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 January 22 to January 28, 1925, inclusive, together with data received by the Committee from the Federal reserve banks. Your letter and enclosure will be brought to the attention of the members of the Board.

Very truly yours,

(Signed) Walter L. Eddy

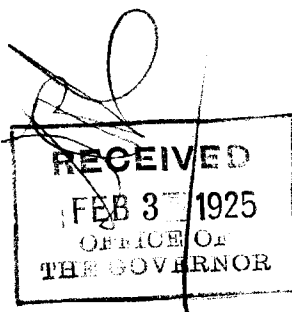
Walter L. Eddy,  
Secretary.

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



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Authority EO 10501

FEDERAL RESERVE BANK  
OF NEW YORK



Open Market Investment Committee  
for the Federal Reserve System

CONFIDENTIAL

February 2, 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 January 22 to January 28, 1925  
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 JANUARY 28, 1925.

Holdings of Earning Assets of Federal Reserve Banks January 7 and  
28, 1925, As Compared With Corresponding Periods in 1924  
(000 Omitted)

	TOTAL EARNING ASSETS	*GOVERNMENT SECURITIES	BANKERS ACCEPTANCES Purchases	Sales Contracts	BILLS DISCOUNTED
-1924-					
Jan. 9	\$1,026,496	\$100,358	\$279,588	\$39,578	\$606,921
" 30	914,881	120,772	235,930	35,862	522,307
-1925-					
Jan. 7	1,109,965	496,029	332,029	8,949	264,408
" 28	988,582	394,064	288,180	19,587	273,692

\*Includes sales contracts

CHANGES IN HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES  
BY FEDERAL RESERVE BANKS (EXCLUSIVE OF SALES CONTRACTS)  
DURING WEEK ENDING JANUARY 28, 1925  
(000 Omitted)

	GOVERNMENT SECURITIES			BANKERS ACCEPTANCES		
	Balance Jan. 28	Balance Jan. 21	Net Change	Balance Jan. 28	Balance Jan. 21	Net Change
Boston	\$ 24,973	\$ 27,181	\$ 2,208-	\$ 43,465	\$ 44,031	\$ 566-
New York	114,512	126,089	11,577-	53,926	57,464	3,538-
Philadelphia	25,852	26,720	868-	16,689	16,887	198-
Cleveland	45,779	48,714	2,935-	37,402	38,838	1,436-
Richmond	3,530	3,762	232-	1,258	1,025	233+
Atlanta	3,624	3,503	121+	3,826	4,436	610-
Chicago	59,935	64,318	4,383-	30,064	30,510	446-
St. Louis	10,311	11,337	1,026-	20,074	20,509	435-
Minneapolis	21,179	21,426	247-	0	8	8-
Kansas City	25,360	26,870	1,510-	12,424	13,243	819-
Dallas	18,217	19,861	1,644-	22,006	22,313	307-
San Francisco	40,368	43,542	3,174-	47,046	48,673	1,627-
Totals	\$393,640	\$423,323	\$29,683-	\$288,180	\$297,937	\$9,757-

COMMENT ON CHANGES WEEK ENDED JANUARY 28, 1925

Accompanying firmer money conditions total earning assets of all reserve banks increased \$43,126,000 during the statement week, due mainly to an increase of \$70,935,000 in bills discounted, and \$11,348,000 in acceptances held under sales contracts. Government security holdings declined \$29,400,000, of which \$32,500,000 represented sales from the System Investment Account, while bills purchased outright were reduced \$9,757,000.

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Money  
Market

After fluctuations in the early days of the period, reflecting readjustments in the reserve position of New York City banks, the call rate became more stable at 3 1/2 per cent. Time money rates continued unchanged.

Commercial paper dealers report a fairly active market with rates unchanged at 3 1/2 per cent.

Government  
Security  
Market

The following table shows sales during the week of United States Government bonds on the stock exchange 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. 28</u>	<u>Jan. 21</u>	<u>Low</u>	<u>High</u>
\$1,039	First	3 1/2's	101.15	101.18	98.22	101.28
174	"	4 1/4's	101.29	101.26	98.8	*102.22
2,471	Second	4 1/4's	101.2	100.30	98.4	*102.00
1,655	Third	4 1/4's	101.15	101.12	99.8	*102.23
2,342	Fourth	4 1/4's	101.30	101.25	98.8	*103.00
553	Treasury	4 1/4's	105.00	104.27	99.8	*107.00
2,059	"	4's	100.25	100.17	100.9	*100.20

\*High since date of issuance

Trading in short-term Government securities was in moderate volume and prices were practically unchanged from the previous week.

BANKERS ACCEPTANCES

Rates in all districts remained generally unchanged during the period, dealers continued to offer 30-day bills at 2 7/8 per cent., 60's and 90's at 3 per cent.

Boston reports an increased supply of bills but smaller sales than in the preceding week, with the result that dealers' holdings were somewhat increased. Although some accepting banks have released their own bills during the week, there is a moderate supply which has not yet been marketed. Substantial offerings were made to the reserve bank as a result of the higher outside rates. Easier money conditions in New York in the fore part of the week resulted in a strong demand for bills and dealers' portfolios were reduced

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considerably. Accompanying the firming in rates toward the close of the period, and the consequent increased volume of bills in the market, the demand noticeably diminished and dealers' portfolios were rapidly replaced. There were moderate offerings to the reserve bank. The bill market in Philadelphia was quiet with supply and demand about equal. Rates continued unchanged from the previous levels. Chicago reports a good supply with demand focused towards 60's and 90's.

#### OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

Upon Treasury authorization the Federal Reserve Bank of New York sold for account of the Alien Property Custodian \$7,500,000 4% Treasury Bonds of 1944 - 54 and purchased for that account a like amount of 2 3/4% certificates of indebtedness due September 15, 1925.

#### SYSTEM SPECIAL INVESTMENT ACCOUNT

Further sales have been made during the period covered by this report of Government securities in the System Special Account as follows:

Jan. 22	To market	\$12,000,000
" 22	To Treasury a/c A.P.C.	2,500,000
" 23	" " " " " "	5,000,000
" 23	" market	2,000,000
" 26	" "	8,000,000
" 27	" "	<u>3,000,000</u>
	Total	<u>\$32,500,000</u>

These sales, together with the purchase of \$1,400,000, result in a net reduction in the account during the period of \$31,100,000.

The total holdings in the System Account at the close of business January 28 amounted to \$304,275,500, the participation in which by the different Federal reserve banks and the classification by maturities are as follows:

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PARTICIPATION BY FEDERAL RESERVE BANKS

Boston	\$ 21,397,500
New York	113,254,000
Philadelphia	8,404,500
Cleveland	30,680,000
Richmond	2,189,500
Atlanta	914,500
Chicago	42,674,500
St. Louis	10,310,500
Minneapolis	12,194,500
Kansas City	14,944,500
Dallas	16,161,500
San Francisco	31,150,000

\$304,275,500

RECAPITULATION OF HOLDINGS BY MATURITIES

March 15, 1925	\$ 47,640,500
June 15, 1925	25,932,700
Sept. 15, 1925	23,174,500
Dec. 15, 1925	50,117,000
March 15, 1926	40,237,600
Sept. 15, 1926	31,901,000
March 15, 1927	22,875,900
Dec. 15, 1927	32,296,300
Third L.L. Bonds Sept. 15, 1928	30,100,000

\$304,275,500

N. B. Since the date covered by this report further sales have been made aggregating \$4,275,500, which reduces the total holdings in the account to \$300,000,000.

ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF  
ALL FEDERAL RESERVE BANKS FROM JANUARY 22 TO JANUARY 28, 1925

GOVERNMENT SECURITIES

	<u>SYSTEM INVESTMENT ACCOUNT</u>		<u>HELD UNDER SALES CONTRACTS</u>
	<u>Purchases</u>	<u>Sales</u>	
Boston	\$ 99,500	\$ 2,307,500	\$374,400
New York	521,000	12,093,500	0
Philadelphia	39,000	906,500	0
Cleveland	140,500	3,256,000	0
Richmond	10,500	242,500	0
Atlanta	4,000	90,000	0
Chicago	197,500	4,580,500	50,000
St. Louis	46,000	1,072,500	0
Minneapolis	56,500	1,313,500	0
Kansas City	68,500	1,596,000	0
Dallas	74,000	1,718,500	0
San Francisco	143,000	3,318,000	0
Totals	<u>\$1,400,000</u>	<u>\$32,500,000</u>	<u>\$424,400</u>

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	<u>Purchases</u>		<u>Sales</u>	
Cleveland	\$ 180,000	TM-1925 Ctfs.	0	
Atlanta	275,350	Misc. Gov't Sec.	69,100	Misc. Gov't Sec.
Minneapolis	1,886,900	Misc. Gov't Sec.	875,800	Misc. Gov't Sec.
Kansas City	16,750	Misc. Gov't Sec.	0	
San Francisco	1,050	Fourth L.L. Bonds	0	
Totals	<u>\$2,360,050</u>		<u>\$944,900</u>	

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BANKERS ACCEPTANCES

<u>PURCHASES</u>			<u>MATURITIES</u>	
<u>Maturity</u>	<u>Amount</u>	<u>Rate</u>	<u>Amount</u>	<u>Other Holdings</u>
Boston	1-30 days	\$ 368,000	2 3/4% - 2 7/8%	\$4,832,000
	31-60 "	1,727,000	2 7/8% - 3%	\$1,941,000 Sales
	61-90 "	<u>2,171,000</u>	3% - 3 1/8%	Contracts
		<u>\$4,266,000</u>		

NEW YORK

NEW YORK		MATURITIES AND RATES				
Jan. 21	1-15 days	16-30 days	31-60 days	61-90 days	Over 90 days	
Other banks	\$1,804,000 2 3/4%	\$ 172,000 2 3/4%-2 7/8%	\$1,116,000 2 7/8%-3%	\$ 978,000 3%-3 1/4%	\$ 280,000 3 1/4%	
Jan. 22						
New York	0	300,000	201,000	148,000	59,000	
Other banks	2,000 2 3/4%	343,000 2 3/4%-2 7/8%	911,000 2 7/8%-3%	413,000 3%-3 1/4%	213,000 3 1/4%	
Jan. 23						
New York	142,000	270,000	500,000	525,000	100,000	
Other banks	374,000 2 3/4%	2,290,000 2 3/4%-2 7/8%	627,000 2 7/8%-3%	682,000 3%-3 1/4%	190,000 3 1/4%	
Jan. 26						
New York	197,000	400,000	0	0	0	
Other banks	100,000 2 3/4%	998,000 2 3/4%	182,000 2 7/8%-3%	47,000 3%-3 1/4%	23,000 3 1/4%	
Jan. 27						
New York	520,000	685,000	510,000	875,000	3,000	
Other banks	356,000 2 3/4%	1,268,000 2 3/4%-2 7/8%	2,218,000 2 7/8%	3,552,000 3%	146,000 3 1/4%	
Jan. 28						
New York	1,041,000 2 3/4%	0	268,000 2 7/8%-3 1/8%	8,000 3%-3 1/8%	0	
Totals:						
New York	\$1,900,000	\$1,655,000	\$1,479,000	\$1,556,000	\$162,000	
Other banks	2,636,000	5,071,000	5,054,000	5,672,000	852,000	
Totals:					\$6,809,000	
New York					19,285,000	
Other banks					\$26,094,000	
Aggregate						

Matured from New York holdings week ended January 28: \$10,290,000

Other holdings by New York: \$9,202,000 sales contracts; \$3,542,000 one-day hold-over for distribution to Federal reserve banks; \$282,000 foreign trade bills; \$239,000 special 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	\$ 85,000	2 3/4% - 3%	\$2,760,000	0
	31-60 "	487,000	3% - 3 1/8%		
	61-90 "	<u>1,990,000</u>	3%		
		<u>\$2,562,000</u>			
Cleveland	31-60 days	688,000	-	5,709,000	561,000 ster-
	In other	<u>3,585,000</u>			ling bills
	districts	<u>\$4,273,000</u>			
Richmond	-	233,000	-	0	0
Atlanta	1-30 days	20,000	2 3/4%	630,000	1,075,000 Unin-
					dorsed bills
					purchased
					from accept-
					ing banks
Chicago	1-30 days	170,000	2 3/4%	3,418,000	419,000 Sales
	31-60 "	470,000	2 7/8% - 3%	<u>17,000</u>	Ret. Contracts
	61-90 "	371,000	3%		Item
	In other	<u>1,978,000</u>	2 3/4% - 3 3/8%	\$3,435,000	
	districts	<u>\$2,989,000</u>			
St. Louis	In other				
	districts	2,925,000	2 3/4% - 3 3/8%	3,360,000	0
Minneapolis	-	0	-	8,000	0
Kansas City	In other				
	districts	1,755,000	2 3/4% - 3 3/8%	2,574,000	0
Dallas	In other				
	districts	3,262,000	2 3/4% - 3 3/8%	3,569,000	0
San Francisco	1-30 days	766,000	2 3/4%	8,173,000	2,326,000 Sales
	In other	<u>5,780,000</u>	2 3/4% - 3 3/8%		Contracts
	districts	<u>\$6,546,000</u>			
Totals		<u>\$35,583,000</u>		<u>\$45,340,000</u>	<u>\$19,587,000</u>

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RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES AND BANKERS  
ACCEPTANCES DURING WEEK ENDING JANUARY 28, 1925 AND HOLDINGS  
AS OF THAT DATE CLASSIFIED BY MATURITIES  
(000 Omitted)  
(Excluding Sales Contracts)

	<u>Government Securities</u>	<u>Bankers Acceptances</u>	<u>Total</u>
Purchased	\$ 3,760	\$35,583	\$39,343
Sold	33,445	-	33,445
Matured	-	<u>45,340</u>	<u>45,340</u>
	<u>\$29,685-</u>	<u>\$ 9,757-</u>	<u>\$39,442-</u>

(Including Sales Contracts)

<u>Holdings Jan. 28, 1925</u>	<u>Within 15 days</u>	<u>16-30 Days</u>	<u>31-60 Days</u>	<u>61-90 Days</u>	<u>91 Days- 6 Months</u>	<u>Over 6 Months</u>	<u>Total</u>
Gov't Securities	-	-	48,329	-	40,987	304,748	394,064
Bills Purchased	<u>90,251</u>	<u>78,374</u>	<u>96,502</u>	<u>34,973</u>	<u>7,667</u>	<u>-</u>	<u>307,767</u>
Total	<u>\$90,251</u>	<u>\$78,374</u>	<u>\$144,831</u>	<u>\$34,973</u>	<u>\$48,654</u>	<u>\$304,748</u>	<u>\$701,831</u>



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*Waddley*  
*Thompson*  
**SPECIAL**  
*333*

Gov. Grissinger ✓  
Mr. Platt ✓  
Mr. Hamlin ✓  
Mr. James ✓  
Mr. Cunningham ✓  
Mr. Miller ✓  
Mr. McIntosh ✓  
*File*

For your information.

Please return to Secretary's Office.

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January 27, 1925.

Executive Order  
Date 1/27/25

Dear Mr. Matteson;

Receipt is acknowledged of your letter of January 26th 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 January 15 to January 21, 1925 inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,

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


January 26, 1925.

CONFIDENTIAL

S i r :

Enclosed is a report of transactions in Government securities and bankers acceptances as reported to the Open Market Investment Committee for the Federal Reserve System for the period from January 15 to January 21, 1925 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 JANUARY 21, 1925

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**COMPARISON OF HOLDINGS OF EARNING ASSETS OF FEDERAL RESERVE BANKS  
FROM JANUARY 30, 1924 TO JANUARY 21, 1925**  
(000 Omitted)

- 1924 -	TOTAL EARNING ASSETS	<sup>x</sup> GOVERNMENT	BANKERS ACCEPTANCES		BILLS
		SECURITIES	Purchases	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
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. 31	1,249,438	540,160	341,969	45,318	314,128
- 1925 -					
Jan. 7	1,109,965	496,029	332,029	8,949	264,408
" 14	1,079,721	485,502	306,516	17,385	261,759
" 21	945,456	423,464	297,937	8,239	202,757

<sup>x</sup>Includes sales contracts

**CHANGES IN HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES  
BY FEDERAL RESERVE BANKS (EXCLUSIVE OF SALES CONTRACTS)  
DURING WEEK ENDING JANUARY 21, 1925**  
(000 Omitted)

	GOVERNMENT SECURITIES			BANKERS ACCEPTANCES		
	Balance	Balance	Net	Balance	Balance	Net
	Jan. 21	Jan. 14	Change	Jan. 21	Jan. 14	Change
Boston	\$ 27,181	\$ 30,926	\$ 3,745-	\$ 44,031	\$ 48,501	\$ 4,470-
New York	126,089	145,724	19,635-	57,464	58,930	1,466-
Philadelphia	26,720	28,190	1,470-	16,887	16,468	419+
Cleveland	48,714	54,000	5,286-	38,838	39,276	438-
Richmond	3,762	4,156	394-	1,025	1,313	288-
Atlanta	3,503	3,732	229-	4,436	5,097	661-
Chicago	64,318	71,752	7,434-	30,510	28,938	1,572+
St. Louis	11,337	13,077	1,740-	20,509	20,095	414+
Minneapolis	21,426	25,487	4,061-	8	8	0
Kansas City	26,870	29,702	2,832-	13,243	14,081	838-
Dallas	19,861	22,650	2,789-	22,313	24,324	2,011-
San Francisco	43,542	48,926	5,384-	48,673	49,838	1,165-
	<u>\$423,323</u>	<u>\$478,322</u>	<u>\$54,999-</u>	<u>\$297,937</u>	<u>\$306,869</u>	<u>\$ 8,932-</u>

**COMMENT ON CHANGES WEEK ENDED JANUARY 21, 1925**

Total earning assets of all reserve banks decreased \$134,265,000 during the week to the lowest point since the week ended September 24, 1924. The decline was due chiefly to a reduction of \$62,038,000 in holdings of Government securities of which \$52,750,000 represented sales from the System Investment Account, and a sharp decline of \$59,002,000 in bills discounted. Acceptances purchased outright further decreased \$8,579,000, while acceptances held under sales contracts were reduced \$9,146,000.

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MONEY MARKET

The movement of funds to this district from the interior and the surplus of \$70,000,000 in excess reserves on Saturday, January 17, contributed to easier money conditions than in the preceding period. On Wednesday, January 21, the rate for stock exchange call money, after renewing at 3 per cent., receded to  $2\frac{1}{2}\%$ , a decline of  $1\frac{1}{2}$  per cent. from the 4 per cent. level reached on January 15, the opening day of the period. There was increased activity in the time money market, particularly for four months' maturities. Ruling rates at  $3\frac{1}{2}\%$  to  $3\frac{3}{4}\%$  per cent. for 60 to 90<sup>day</sup> maturities and  $3\frac{3}{4}\%$  to 4 per cent. for the four and six months' maturities, remained unchanged.

Commercial paper dealers report a moderately active market and a fair supply of paper with discounts at  $3\frac{1}{2}\%$  per cent. on prime names and  $3\frac{3}{4}\%$  per cent. on other names.

	<u>Week Ended</u> <u>January 14</u>	<u>Week Ended</u> <u>January 21</u>
Call money, renewals, average	2.80	3.25
Call money, new loans, average	2.82	3.10
Time money, 60-90 days, offer	$3\frac{1}{2}$	$3\frac{3}{4}$
Commercial paper, 4-6 months	$3\frac{1}{2}$	$3\frac{1}{2}$

SECURITY MARKETSStock  
Market

Trading on the stock exchange was somewhat smaller during the period than in recent weeks, although daily transactions averaged over a million shares. On January 21 the Dow-Jones average of industrials declined to 122.11, one and one-half points lower than the record high established on January 13. The average on railroad stocks remained practically unchanged.

General  
Bond  
Market

Despite the ease in the money market, trading in bonds was less active during the week. Transactions on the Stock Exchange, (excluding United States Government issues) totaled \$68 million, a decrease of nearly \$13 million from last week. The Dow-Jones average of forty bonds at the close of the period declined fractionally to 90.99 from the high point reached on January 13. Trading in convertible industrial and utility issues increased slightly, while high grade railroad bonds remained practically unchanged.

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Foreign  
Exchange

Heavy buying of British exchange in latter part of the period resulted in continued advances in sterling and on Wednesday, January 21, sterling closed at \$4.78 5/16, only fractionally lower than its recent high point since January 1916. On Thursday, January 22, the rate went to \$4.80. Continental exchanges, influenced by the strength in sterling made substantial advances, and at the close of the period French and Belgium francs advanced to 5.40 cents and 5.07 cents respectively. Italian lire closed practically unchanged from last week.

New  
Financing

New security offerings totaled \$117,000,000 during the week-ended January 14 against 38 millions last week, but were still considerably smaller than the heavy offerings in recent weeks. The greater part of the weekly financing was accounted for by industrial issues which aggregated about \$80,000,000. An issue of \$50,000,000 6 per cent. Sinclair Crude Oil Purchasing Company notes offered to yield 6 1/4 per cent., and \$12,500,000 Mid-Continent Petroleum Corporation 6 1/2 per cent. gold bonds, were the largest single offerings.

Liberty  
Bond  
Market

Trading in the Liberty Loan and Treasury bonds during the period was comparatively quiet, sales on the Stock Exchange totaling only \$8,000,000, the smallest volume of trading since last October. The prices of all issues were fractionally higher than during the previous week as indicated in the following table of sales on the Stock Exchange in which decimals represent 32nds:

Amount in Thousands	Issue	Closing Prices		1924	
		Jan. 21	Jan. 14	Low	High
\$ 1,965	First	3 1/2s	101.18	101.10	98.22 101.28
272	"	4 1/4s	101.26	101.19	98.8 x 102.22
1,691	Second	4 1/4s	100.30	100.24	98.4 x 102.00
1,308	Third	4 1/4s	101.12	101.4	99.8 x 102.23
2,223	Fourth	4 1/4s	101.25	101.23	98.8 x 103.00
533	Treasury	4 1/4s	104.27	104.26	99.8 x 107.00
808	"	4s	100.17	100.18	100.9 x 100.20

xHigh since date of issuance

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New York  
Market for  
Short-term  
Governments

Short-term Government securities maturing in 1925 continued in active demand throughout the period while trading in the longer termed notes was in light volume. Practically no change occurred in prices over the previous week with the exception of the 1927 maturities which declined  $3/32$ s.

BANKERS ACCEPTANCES

Rates in all districts remained unchanged from the previous week, dealers offering  $2\ 7/8\%$  for 30-day bills,  $3\%$  for 60's and 90's and  $3\ 1/8\%$  to  $3\ 1/4\%$  for 120-day maturities. On Thursday, January 22, two New York dealers were bidding  $3\%$  for all maturities up to 90-days, and offering at  $2\ 7/8\%$ .

Abstract of  
Reports  
from Banks

Boston reports a continued good supply of bills with improved demand from local and out-of-town banks. Substantial purchases by banks indicate the replacement of their portfolios which were reduced in late December. Offerings to the reserve bank were light. In New York there was good demand especially for prime member bank names, although supply was noticeably less than in previous week. Dealers' holdings showed substantial reductions. Philadelphia reports a fairly active market, demand somewhat in excess of supply. Movements of bills continued in moderate volume at previous levels. In Chicago the supply increased with demand centered principally toward longer maturities.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

Upon Treasury authorization the Federal Reserve Bank of New York sold for account of the Alien Property Custodian \$7,500,000  $4\%$  Treasury bonds of 1944 - 54 and purchased for that account \$6,500,000  $2\ 3/4\%$  certificates due September 15, 1925. At the request of the Treasury the Federal Reserve Bank of New York also purchased \$41,300 Second  $4\ 1/4\%$  Liberty Loan bonds for account of the District of Columbia Teachers' Retirement Fund.



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SYSTEM SPECIAL INVESTMENT ACCOUNT

The continued ease in the money market made it desirable to reduce the the account further, in line with the action taken at the meeting of the Committee on January 9, 1925. Therefore, after consulting with all of the members of the Committee and receiving their approval to make further sales in addition to those authorized at the meeting referred to, the following sales were made:

Jan. 15	To market	\$ 7,500,000
" 15	To Treasury a/c A.P.C.	1,750,000
" 16	To market	5,000,000
" 19	" "	5,000,000
" 21	To Treasury a/c A.P.C.	2,500,000
" 21	To market	3,000,000
" 21	" "	<u>13,000,000</u>
		\$37,750,000

These deliveries and the deliveries on account of sales made under the authorization of January 9 amounting to \$15,000,000 resulted in a net reduction in the account during the period covered by this report of \$52,750,000.

The total holdings in the System account at the close of business January 21 amounted to \$335,375,500, 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	\$ 18,679,500	\$ 2,999,000	\$ 1,927,000	\$ 23,605,500
New York	98,709,000	14,940,000	11,182,500	124,831,500
Philadelphia	5,789,500	2,722,000	760,500	9,272,000
Cleveland	26,597,000	3,985,000	3,213,500	33,795,500
Richmond	1,907,000	365,000	149,500	2,421,500
Atlanta	777,500	67,500	155,500	1,000,500
Chicago	37,042,500	5,982,000	4,033,000	47,057,500
St. Louis	9,372,500	701,000	1,263,500	11,337,000
Minneapolis	10,943,000	1,396,000	1,112,500	13,451,500
Kansas City	13,010,500	1,974,500	1,487,000	16,472,000
Dallas	14,115,500	2,027,500	1,663,000	17,806,000
San Francisco	<u>27,057,500</u>	<u>4,115,000</u>	<u>3,152,500</u>	<u>34,325,000</u>
Totals	<u>\$264,001,000</u>	<u>\$41,274,500</u>	<u>\$30,100,000</u>	<u>\$335,375,500</u>

N.B. Further sales have been made since the date covered by this report of \$16,000,000. There were also sold to the Treasury since January 21, \$7,500,000 of certificates to replace a like amount of new 4% bonds sold for account of the Alien Property Custodian. These operations will reduce the total holdings in the System account to \$311,875,500.

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ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF  
ALL FEDERAL RESERVE BANKS FROM JANUARY 15 TO JANUARY 21, 1925

GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>	<u>Held Under Sales Contracts</u>
Boston	\$ 426,000	Part.Syst.Inv. C/I	\$ 1,651,000 <u>2,520,500</u>	Part.Syst.Inv. C/I " " " T/N	0
			\$ <u>4,171,500</u>		
New York	2,234,000	Part.Syst.Inv. C/I	\$ 8,655,500 <u>13,214,000</u>	Part.Syst.Inv. C/I " " " T/N	0
			\$ <u>21,869,500</u>		
Philadelphia	167,500	Part.Syst.Inv. C/I	\$ 648,000 <u>990,000</u>	Part.Syst.Inv. C/I " " " T/N	0
			\$ <u>1,638,000</u>		
Cleveland	601,000	Part.Syst.Inv. C/I	\$ 2,329,500 <u>3,557,000</u>	Part.Syst.Inv. C/I " " " T/N	0
			\$ <u>5,886,500</u>		
Richmond	44,500	Part.Syst.Inv. C/I	\$ 173,500 <u>265,000</u>	Part.Syst.Inv. C/I " " " T/N	0
			\$ <u>438,500</u>		
Atlanta	16,500 <u>17,900</u>	Part.Syst.Inv. C/I Misc.Govt.Sec.	\$ 64,500 99,500 <u>99,400</u>	Part.Syst.Inv. C/I " " " T/N Misc.Govt.Sec.	0
	<u>34,400</u>		\$ <u>263,400</u>		
Chicago	845,500	Part.Syst.Inv. C/I	\$ 3,276,500 <u>5,003,500</u>	Part.Syst.Inv. C/I " " " T/N	141,000
			\$ <u>8,280,000</u>		
St. Louis	198,000	Part.Syst.Inv. C/I	767,000 <u>1,171,500</u>	Part.Syst.Inv. C/I " " " T/N	0
			\$ <u>1,938,500</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>
Minneapolis	\$ 242,500 <u>1,055,950</u> <u>\$1,298,450</u>	Part.Syst.Inv.C/I Misc.Govt.Sec.	\$ 939,500 1,434,000 <u>2,986,000</u> <u>\$ 5,359,600</u>	Part.Syst.Inv.C/I " " " T/N Misc.Govt.Sec.	0
Kansas City	\$ 294,500 8,500 <u>\$ 303,000</u>	Part.Syst.Inv.C/I Misc.Govt.Sec.	\$ 1,141,500 1,743,000 250,000 <u>\$ 3,134,500</u>	Part.Syst.Inv.C/I " " " T/N 3rd 4 1/4% L/L	0
Dallas	\$ 317,500	Part.Syst.Inv.C/I	\$ 1,229,500 <u>1,877,500</u> <u>\$ 3,107,000</u>	Part.Syst.Inv.C/I " " " T/N	0
San Francisco	\$ 612,500 2,000 <u>\$ 614,500</u>	Part.Syst.Inv.C/I Misc.Govt.Sec.	\$ 2,374,000 <u>3,624,500</u> <u>\$ 5,998,500</u>	Part.Syst.Inv.C/I " " " T/N	0
Totals	<u>\$7,084,350</u>		<u>\$62,085,500</u>		<u>\$141,000</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	\$ 495,000	2 3/4% - 3%	\$5,670,000	0
	31 - 60 "	300,000	2 7/8%		
	61 - 90 "	<u>405,000</u>	3 % - 3 1/8%		
		<u>\$1,200,000</u>			

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BANKERS' ACCEPTANCES - (Continued)

NEW YORK		MATURITIES AND RATES				
Jan. 14	1-15 days	16-30 days	31-60 days	61-90 days	Over 90 days	
Other banks	\$ 52,000 2 3/4%	\$ 935,000 2 3/4%-2 7/8%	\$ 421,000 2 7/8%-3%	\$1,450,000 3%	\$196,000 3 1/4%	
Jan. 15						
New York	676,000	100,000	647,000	425,000	57,000	
Other banks	154,000 2 3/4%	339,000 2 3/4%-2 7/8%	1,647,000 2 7/8%-3%	2,463,000 3%	98,000 3 1/4%	
Jan. 16						
New York	760,000	650,000	550,000	352,000	1,000	
Other banks	1,514,000 2 3/4%	388,000 2 3/4%	1,622,000 2 7/8%-3%	2,168,000 3%-3 1/8%	- 3%	
Jan. 19						
New York	10,000	280,000	394,000	191,000	-	
Other banks	- 2 3/4%	434,000 2 3/4%	628,000 2 7/8%	552,000 3%	22,000 3 1/4%	
Jan. 20						
New York	-	51,000	259,000	15,000	-	
Other banks	-	7,000 2 3/4%	433,000 2 7/8%	105,000 3%	-	
Jan. 21						
New York	1,175,000 2 3/4%	-	11,000 2 7/8%-3%	91,000 3%-3 1/4%	52,000 3 1/4%	
Totals:						
New York	\$2,621,000	\$1,081,000	\$1,861,000	\$1,074,000	\$ 110,000	
Other banks	<u>1,720,000</u>	<u>2,103,000</u>	<u>4,751,000</u>	<u>6,738,000</u>	<u>316,000</u>	
Totals:						
New York					\$6,747,000	
Other banks					<u>15,628,000</u>	
Aggregate					\$22,375,000	

Matured from New York holdings week ended January 21: \$8,213,000

Other holdings by New York: \$4,350,000 one-day holdover for distribution to Federal reserve banks; \$226,000 foreign bills; \$239,000 special 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	31-60 days	\$ 326,000	2 7/8% - 3 1/8%	\$2,700,000	0
	61-90 "	<u>2,793,000</u>	3 %		
		<u>\$3,119,000</u>			
Cleveland	61-90 days	\$ 121,000	-	3,354,000	475,000 Sterl-
	In other districts	<u>2,795,000</u>	2 3/4% - 3 1/4%		ing bills
		<u>\$2,916,000</u>			
Richmond	-	0	-	288,000	0
Atlanta	1-30 days	\$ 40,000	2 3/4%	704,000	1,040,000 unin-
	61-90 "	<u>3,000</u>	2 7/8%		dorsed bills
		<u>\$ 43,000</u>			purchased
					from accept-
					ing banks
Chicago	1-30 days	875,000	2 3/4%	2,260,000	999,000 Sales
	31-60 "	830,000	2 7/8% - 3 1/8%		Contracts
	In other districts	<u>2,127,000</u>	2 3/4% - 3 1/4%		
		<u>\$3,832,000</u>			
St. Louis	In other districts	2,271,000	2 3/4% - 3 1/4%	1,857,000	0
Minneapolis	-	0	-	0	0
Kansas City	In other districts	1,324,000	2 3/4% - 3 1/4%	2,162,000	0
Dallas	In other districts	2,476,000	2 3/4% - 3 1/4%	4,487,000	0
San Francisco	In other districts	5,486,000	2 3/4% - 3 1/4%	6,651,000	910,000 Sales
					Contracts
		<u>\$29,414,000</u>		<u>\$38,346,000</u>	<u>\$8,239,000</u>

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1/20/25  
333 /  
January 20, 1925

Dear Mr. Matteson:

Receipt is acknowledged of your letter of the 19th instant, enclosing a report of transactions in Government securities and bankers acceptances as reported to your Committee for the Federal Reserve System for the period from January 8th to January 14th, inclusive, together with data received by your Committee from the Federal reserve banks.

Very truly yours,

(Signed) J. C. Noell

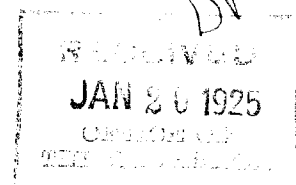
J. C. Noell,  
Assistant Secretary

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

JCN

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FEDERAL RESERVE BANK  
OF NEW YORK



Open Market Investment Committee  
for the Federal Reserve System

CONFIDENTIAL

January 19, 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 January 8 to January 14, 1925  
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 JANUARY 14, 1925

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**COMPARISON OF HOLDINGS OF EARNING ASSETS OF FEDERAL RESERVE BANKS**  
**FROM JANUARY 30, 1924 TO JANUARY 14, 1925**  
(000 Omitted)

-1924-	TOTAL EARNING ASSETS	*GOVERNMENT	BANKERS ACCEPTANCES		BILLS
		SECURITIES	Purchases	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
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. 31	1,249,438	540,160	341,969	45,318	314,128
-1925-					
Jan. 7	1,109,965	496,029	332,029	8,949	264,408
" 14	1,079,721	485,502	306,516	17,385	261,759

\*Includes sales contracts

**CHANGES IN HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES**  
**BY FEDERAL RESERVE BANKS (EXCLUSIVE OF SALES CONTRACTS)**  
**DURING WEEK ENDING JANUARY 14, 1925**  
(000 Omitted)

	GOVERNMENT SECURITIES			BANKERS ACCEPTANCES		
	Balance	Balance	Net	Balance	Balance	Net
	Jan. 14	Jan. 7	Change	Jan. 14	Jan. 7	Change
Boston	\$ 30,926	\$ 32,339	\$ 1,413-	\$ 48,501	\$ 54,551	\$ 6,050-
New York	145,724	153,135	7,411-	58,930	64,186	5,256-
Philadelphia	28,190	28,746	556-	16,468	18,130	1,662-
Cleveland	54,000	55,954	1,954-	38,923	40,487	1,564-
Richmond	4,156	4,305	149-	1,313	1,297	16+
Atlanta	3,732	2,195	1,537+	5,097	6,159	1,062-
Chicago	71,752	74,558	2,806-	28,938	31,303	2,365-
St. Louis	13,077	13,734	657-	20,095	21,124	1,029-
Minneapolis	25,487	24,218	1,269+	8	8	0
Kansas City	29,702	30,624	922-	14,081	15,448	1,367-
Dallas	22,650	23,703	1,053-	24,324	25,838	1,514-
San Francisco	48,926	50,957	2,031-	49,838	53,498	3,660-
	<u>\$478,322</u>	<u>\$494,468</u>	<u>\$16,146-</u>	<u>\$306,516</u>	<u>\$332,029</u>	<u>\$25,513-</u>

**COMMENT ON CHANGES WEEK ENDED JANUARY 14, 1925**

Total earning assets of all reserve banks declined \$30,244,000, due chiefly to the decrease of \$10,527,000 in Government security holdings and a further reduction of \$15,513,000 in holdings of bills purchased outright. Bankers acceptances held under sales contracts increased \$8,436,000, while bills discounted declined \$2,649,000.

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MONEY MARKET

Reflecting depleted reserves of New York city banks at the close of last week, continued gold exports, and our sales of securities, money conditions in New York turned somewhat firmer. On Monday, January 12, the rate for stock exchange call money was advanced to 3 per cent. from the 2 1/2 per cent. rate of Friday, and with increased borrowings advanced to 3 1/2 per cent. on Wednesday. Time money was moderately active. Ruling rates were 3 1/2 per cent. for 90-day loans and 4 per cent. for longer maturities.

Commercial paper dealers report a fairly active market with increased buying by city and interior banks. Rates continued firm, ranging from 3 1/2 to 3 3/4 per cent. for prime 4 - 6 months' paper, a larger volume of paper going at the lower rate.

	Week Ended <u>January 7</u>	Week Ended <u>January 14</u>
Call money, renewals, average	4.00	2.80
Call money, new loans, average	3.51	2.82
Time money, 60 - 90 days, offer	3 3/4	3 1/2
Commercial paper, 4 - 6 months	3 1/2 - 3 3/4	3 1/2

SECURITY MARKETSStock  
Market

Stocks continued active throughout the week and on several days transactions on the Stock Exchange were in excess of 2 million shares. On January 13 the Dow-Jones average of forty industrials established a new high record of 123.56 but on January 14, following heavy selling and a sharp reaction, this average declined one point. The average of railroad stocks declined 1 1/2 points from the high point of 100.78 reached on January 9.

General  
Bond  
Market

Transactions in bonds during the week continued with increased activity, and sales on the Stock Exchange (excluding United States Government issues) totaled \$31 million during the statement week as compared

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with \$60 million the week before. Under strong institutional demand substantial price advances were recorded in railroad bonds legal for investment by savings banks and insurance companies. The "Annalist" average of forty bonds reached a new record high at 107.83 on January 10 but declined a point at the close of the period. Foreign bonds were moderately active and prices firm. The "Times" average of 10 issues closed the period at 101.83, less than a point below the high of last November.

#### Foreign Exchange

Reactionary movements in the English pound resulted in a decline of 2 cents on January 12, but a sharp recovery on the closing day of the period brought the quotation to 4.77 7/16ths, within a fraction of the year's high point. Reports of political affairs in Italy were attributed to the continued decline in the lire. The French franc closed at 5.34 cents, a loss of 6 points from last week's close.

#### New Financing

The volume of new financing during the week ending January 17 aggregating \$38 million was in sharp contrast to the heavy offering of recent previous weeks. Public utility issues totaled \$27 million of which \$15 million represented an offering of 6% preferred stock of the Public Service Electric and Gas Company. The only other important item was an offering of \$10 million bonds of the Cuba Company.

#### Liberty Bond Market

Trading in Liberty Loan and Treasury bonds continued moderately active during the statement week, sales on the Stock Exchange totaling \$15 million as compared with \$12 million the previous week. Prices of all issues declined fractionally with the exception of the First 3 1/2s which, under comparatively active demand, advanced 10/32nds. The following table gives a summary of sales on the Stock Exchange, in which decimals represent thirty-seconds:

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Amount in Thousands	Issue	Closing Prices		-1 9 2 4-	
		Jan. 14	Jan. 7	Low	High
\$2,396	First 3 1/2's	101.10	101.00	98.22	101.28
573	" 4 1/4's	101.19	101.31	98.8	*102.22
2,666	Second 4 1/4's	100.24	100.31	98.4	*102.00
2,228	Third 4 1/4's	101.4	101.9	99.8	*102.23
5,330	Fourth 4 1/4's	101.23	101.30	98.8	*103.00
254	Treasury 4 1/4's	104.26	105.10	99.8	*107.00
1,353	" 4's	100.18	100.22	100.9	*100.20

\* High since date of issuance

New York  
Market for  
Short-term  
Governments

There was an active demand during the period for short-term Government securities maturing in 1925 and the issue due March 15, 1926. Trading, however, in the longer maturities was in moderate volume. Prices of all issues held generally firm at the levels of the previous week.

BANKERS ACCEPTANCES

Rates

Dealers' offering rates continued unchanged from the previous week at 2 7/8 per cent. for 30-day bills, 3 per cent. for 60's and 90's and 3 1/8-3 1/4 per cent. for 120-day maturities.

Reports on bill market conditions received from the various Federal reserve banks indicate a good demand for bills during the early part of the week, especially for the shorter maturities. Firmer money conditions toward the close of the period resulted in large offerings to the market and a somewhat lighter demand. New York dealers' aggregate portfolios were substantially lower than the previous week.

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 \$2,709,500 4% certificates due March 15, 1925 and \$2,200,000 2 3/4% certificates due September 15, 1925.

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SYSTEM SPECIAL INVESTMENT ACCOUNT

There was a reduction in the Government security holdings in the Special Account during the period covered by this report of \$19,909,500. Of this amount \$10,000,000 represented June 15, 1925 Treasury notes, the sale for which was authorized at the meeting of the Open Market Investment Committee on January 9 and consummated on that day for future delivery at our option. There was also sold to the market \$5,000,000 Treasury notes and \$4,909,500 certificates of indebtedness to the Treasury for account of the Alien Property Custodian.

The total holdings in the System Account at the close of business January 14 amounted to \$388,125,500, 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	\$ 21,200,000	\$ 4,224,000	\$ 1,927,000	\$ 27,351,000
New York	111,923,000	21,361,500	11,182,500	144,467,000
Philadelphia	6,779,500	3,202,500	760,500	10,742,500
Cleveland	30,154,000	5,713,500	3,213,500	39,081,000
Richmond	2,172,000	494,000	149,500	2,815,500
Atlanta	877,000	115,500	155,500	1,148,000
Chicago	42,046,000	8,413,000	4,033,000	54,492,000
St. Louis	10,544,000	1,270,000	1,263,500	13,077,500
Minneapolis	12,377,000	2,093,000	1,112,500	15,582,500
Kansas City	14,753,500	2,821,500	1,487,000	19,062,000
Dallas	15,993,000	2,939,500	1,663,000	20,595,500
San Francisco	30,682,000	5,876,500	3,152,500	39,711,000
Totals	<u>\$299,501,000</u>	<u>\$58,524,500</u>	<u>\$30,100,000</u>	<u>\$388,125,500</u>

RECAPITULATION OF PURCHASES

Made By                      Amount

Boston	\$ 20,871,500
New York	264,334,200
Philadelphia	16,884,500
Cleveland	6,936,000
Richmond	600,000
Atlanta	1,944,400
Chicago	52,225,000
St. Louis	5,453,900
Minneapolis	3,128,000
Dallas	8,169,000
San Francisco	7,579,000

\$388,125,500

RECAPITULATION OF PURCHASES BY MATURITIES

March 15, 1925	\$ 47,640,500
June 15, 1925	47,932,700
Sept. 15, 1925	58,524,500
Dec. 15, 1925	62,617,000
March 15, 1926	48,237,600
Sept. 15, 1926	31,901,000
March 15, 1927	28,875,900
Dec. 15, 1927	32,296,300
Third L.L. Bonds	
Sept. 15, 1928	30,100,000

\$388,125,500

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ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF ALL  
FEDERAL RESERVE BANKS FROM JANUARY 8 TO JANUARY 14, 1925

GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>	<u>Held Under Sales Contracts</u>
Boston	0	-	\$ 348,500 <u>1,065,000</u> \$1,413,500	Part.Sys.Inv.C/I " " " T/N	0
New York	0	-	\$1,827,500 <u>5,583,000</u> \$7,410,500	Part.Sys.Inv.C/I " " " T/N	4,420,000
Philadelphia	0	-	\$ 137,000 <u>418,500</u> \$ 555,500	Part.Sys.Inv.C/I " " " T/N	0
Cleveland	41,000	A-1925 Notes	\$ 492,000 <u>1,503,000</u> \$1,995,000	Part.Sys.Inv.C/I " " " T/N	0
Richmond	0	-	\$ 36,500 <u>112,000</u> \$ 148,500	Part.Sys.Inv.C/I " " " T/N	0
Atlanta	1,659,750	Misc.Gov't Sec.	\$ 13,500 42,000 <u>66,650</u> \$ 122,150	Part.Sys.Inv.C/I " " " T/N Misc. Gov't Sec.	0
Chicago	0	-	\$ 692,000 <u>2,114,000</u> \$2,806,000	Part.Sys.Inv.C/I " " " T/N	1,410,000
St. Louis	0	-	\$ 162,000 <u>495,000</u> \$ 657,000	Part.Sys.Inv.C/I " " " T/N	0
Minneapolis	4,351,200	Misc. Gov't Sec.	\$ 196,500 606,000 <u>2,278,200</u> \$3,082,700	Part.Sys.Inv.C/I " " " T/N Misc. Gov't Sec.	0

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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	\$56,250	Misc. Gov't Sec.	\$241,000 736,500 <u>1,000</u>	Part. Sys. Inv. C/I " " " T/N Treas. 4% Bonds	\$1,350,000
			\$978,500		
Dallas	0	-	259,500 <u>793,500</u>	Part. Sys. Inv. C/I " " " T/N	0
			\$1,053,000		
San Francisco	2,950	Misc. Gov't Sec.	501,500 <u>1,531,500</u>	Part. Sys. Inv. C/I " " " T/N	0
			\$2,033,000		
Totals	\$6,111,150		\$22,255,350		\$7,180,000

BANKERS ACCEPTANCES

	<u>Maturity</u>	<u>PURCHASES Amount</u>	<u>Rate</u>	<u>MATURITIES Amount</u>	<u>Other Holdings</u>
Boston	1-30 days	\$205,000	2 3/4%	\$6,532,000	\$594,000 Sales
	31-60 "	75,000	2 7/8%		Contracts
	61-90 "	202,000	3% - 3 1/8%		
		\$482,000			

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BANKERS ACCEPTANCES - (Continued)

<u>NEW YORK</u>		<u>MATURITIES AND RATES</u>			
<u>Jan. 7</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	\$18,000 2 3/4%	-	\$502,000 2 7/8-3%	\$1,032,000 3%	\$44,000 3 1/4%
<u>Jan. 8</u>					
New York	-	-	278,000	-	-
Other banks	108,000 2 3/4%	14,000 2 7/8%	890,000 2 7/8-3%	76,000 3 3/8%	106,000 3 1/4%-3 3/8%
<u>Jan. 9</u>					
New York	263,000	44,000	352,000	49,000	-
Other banks	726,000 2 3/4%	417,000 2 3/4%	227,000 2 7/8-3%	- 3%	-
<u>Jan. 12</u>					
New York	70,000	6,000	200,000	60,000	-
Other banks	24,000 2 3/4%	10,000 2 3/4%-2 7/8%	360,000 2 7/8-3%	18,000 3%-3 1/8%	517,000 3 1/4%
<u>Jan. 13</u>					
New York	1,439,000	184,000	63,000	32,000	23,000
Other banks	784,000 2 3/4%	2,097,000 2 3/4%	325,000 2 7/8%	1,310,000 3%	524,000 3 1/4%
<u>Jan. 14</u>					
New York	-	379,000 2 3/4-2 7/8%	7,000 2 7/8%-3%	751,000 3%	22,000 3 1/4%
Totals:					
New York	\$1,772,000	\$ 613,000	\$ 900,000	\$ 892,000	\$ 45,000
Other banks	1,660,000	2,538,000	2,304,000	2,436,000	1,191,000
Totals:				\$ 4,222,000	
New York				\$ 4,222,000	
Other banks				10,129,000	
Aggregate				\$14,351,000	

Matured from New York holdings week ended January 14: \$9,478,000  
Other holdings by New York: \$9,408,000 sales contracts; \$3,054,000 one-day hold-over for distribution to Federal reserve banks; \$217,000 foreign bills; \$239,000 special 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	\$ 115,000	3%	\$2,938,000	0
	31-60 "	149,000	2 7/8% - 3 1/8%		
	61-90 "	<u>1,012,000</u>	3%		
		<u>\$1,276,000</u>			
Cleveland	1-30 days	100,000	2 3/4%	4,030,000	827,000 ster-
	31-60 "	422,000	2 7/8%		ling bills
	61-90 "	150,000	3%		
	In other districts	<u>1,794,000</u>	2 3/4% - 3 3/8%		
		<u>\$2,466,000</u>			
Richmond	-	16,000	-	0	0
Atlanta	-	0	-	1,063,000	2,087,000 Unin-
					dorsed bills
					purchased
					from accept-
					ing banks
Chicago	In other districts	1,394,000	2 3/4% - 3 3/8%	3,759,000	49,000 Sales
					contracts
St. Louis	In other districts	1,485,000	2 3/4% - 3 3/8%	2,514,000	0
Minneapolis	-	0	-	0	0
Kansas City	In other districts	845,000	2 3/4% - 3 3/8%	2,212,000	0
Dallas	In other districts	1,650,000	2 3/4% - 3 3/8%	3,134,000	0
				<u>30,000</u>	Sold to
					Mem.Bks.
				<u>\$3,164,000</u>	
San Francisco	1-30 days	7,000	2 7/8%	6,706,000	910,000 Sales
	31-60 "	5,000	3%		contracts
	61-90 "	73,000	3%		
	In other districts	<u>2,961,000</u>	2 3/4% - 3 3/8%		
		<u>\$3,046,000</u>			
Totals		<u>\$16,882,000</u>		<u>\$42,396,000</u>	<u>\$17,385,000</u>

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*Washley*

*# 2*

33301

January 19, 1925.

*Receiving Folder  
Date 1/19/25*

Dear Mr. Matteson:

I acknowledge receipt of and shall bring to the attention of the members of the Board your letter of the 12th 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 January 2 to January 7, 1925, 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

*File*

RECEIVED  
JAN 16 1925  
OFFICE OF  
THE GOVERNOR

Open Market Investment Committee  
for the Federal Reserve System

CONFIDENTIAL

January 12, 1925

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 January 2 to January 7, 1925 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 JANUARY 7, 1925

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**COMPARISON OF HOLDINGS OF EARNING ASSETS OF FEDERAL RESERVE BANKS**  
**FROM JANUARY 30, 1924 TO JANUARY 7, 1925**  
 (000 Omitted)

	TOTAL EARNING ASSETS	*GOVERNMENT SECURITIES	BANKERS ACCEPTANCES Purchases	Sales Contracts	BILLS 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
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. 31	1,249,438	540,160	341,969	45,318	314,128
-1925-					
Jan. 7	1,109,965	496,029	332,029	8,949	264,408

\*Includes sales contracts

**CHANGES IN HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES**  
**BY FEDERAL RESERVE BANKS (EXCLUSIVE OF SALES CONTRACTS)**  
**DURING WEEK ENDING JANUARY 7, 1925**  
 (000 Omitted)

	GOVERNMENT SECURITIES			BANKERS ACCEPTANCES		
	Balance Jan. 7	Balance Dec. 31	Net Change	Balance Jan. 7	Balance Dec. 31	Net Change
Boston	\$ 32,339	\$ 35,250	\$ 2,911-	\$ 54,551	\$ 57,106	\$ 2,555-
New York	153,135	168,398	15,263-	64,186	68,996	4,810-
Philadelphia	28,746	29,889	1,143-	18,130	18,276	146-
Cleveland	55,954	60,050	4,096-	40,487	40,390	97+
Richmond	4,305	4,611	306-	1,297	1,486	189-
Atlanta	2,195	3,785	1,590-	6,159	6,937	778-
Chicago	74,558	80,370	5,812-	31,303	32,263	960-
St. Louis	13,734	15,087	1,353-	21,124	21,391	267-
Minneapolis	24,218	25,788	1,570-	8	8	0
Kansas City	30,624	32,631	2,007-	15,448	15,661	213-
Dallas	23,704	25,372	1,668-	25,838	26,197	359-
San Francisco	50,957	55,143	4,186-	53,498	53,258	240+
Totals	\$494,469	\$536,374	\$41,905-	\$332,029	\$341,969	\$9,940-

**COMMENT ON CHANGES WEEK ENDED JANUARY 7, 1925**

Declines in all classes of earning assets during the week aggregating \$139,473,000 cancelled most of the increase since the week ended November 26, 1924. The decrease was largely accounted for by a sharp reduction in bills discounted of \$49,720,000, while Government security holdings declined \$44,131,000. Holdings of bankers acceptances declined \$46,309,000 of which \$36,369,000 represented bills held under sales contracts.

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MONEY MARKET

The return of currency from circulation since the first of the year and the return of funds from the interior led to a rapid easing in money conditions in New York. The call loan rate declined from 5 per cent. on January 2 to 2 per cent. on January 8. This easing took place more rapidly than could be compensated for by the reduction in the earning assets of the New York bank which declined from \$410 million on December 24 to \$275 million on January 7, bills discounted being reduced by \$80 million, while holdings of bills and securities under sales contracts were entirely eliminated. In view of these conditions, with the approval of the members of the Committee, beginning January 5 sales of securities were made from the System's account aggregating about \$51 million by the close of business January 8. On January 9 call money ruled at 2 1/2 per cent. and at the close only \$3 million remained unlent compared with \$30 million earlier in the week. New York City banks were \$23 millions deficient in their reserves in the Saturday statement.

Time money was easier and offering rates for 60 and 90-day maturities were lowered from a range of 3 3/4 to 4 per cent. last week to virtually a 3 1/2 per cent. basis.

Commercial paper dealers report an active market, with a good demand for prime 4 to 6 months' paper at 3 1/2 per cent. A few sales were reported in the western centers at 3 1/4 per cent.

	Week Ended <u>January 3</u>	Week Ended <u>January 10</u>
Call money, renewals, average	4.75	3.20
Call money, new loans, average	4.82	2.85
Time money, 60 - 90 days, offer	4.00	3 1/2
Commercial paper, 4 - 6 months	3 3/4	3 1/2

SECURITY MARKETSStock  
Market

Following heavy selling and a sharp reaction in industrial stocks on January 5, the market became stronger and by Saturday, January 10, the Dow-Jones average of industrials had recovered nearly 3 points, a new high

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record. Railroad stocks, which were not affected materially by the reaction on January 5, continued strong and advanced to a level approximately  $1\frac{1}{4}$  points above the previous high of December 18. Stock trading continued to average nearly 2 million shares daily.

General  
Bond  
Market

Bond trading continued moderately active, sales (excluding United States Government issues) on the Stock Exchange aggregated \$81 million during the week ended January 10 compared with \$69 million the week before. Reflecting the easing in money conditions usual in January, domestic corporate bond prices continued to advance gradually, and on the average reached levels only fractionally below the December high points for 1924. Foreign Government bonds also continued to advance and the "Times" average of 10 issues reached a level only 1 point below the high of last November.

Foreign  
Exchange

Continued heavy demand for sterling resulted in further gradual advances, which carried the pound up to \$4.79  $\frac{1}{8}$  on Friday, January 9, only  $1\frac{1}{2}$  per cent. below gold parity. This represents a gain of about 53 cents in the year and of 26 cents since the British election on October 29. Dutch guilders at 40.61 cents on January 8 also set a new high record for recent years. Other leading Continental exchanges were generally quiet and firm as were also South American. Shanghai exchange declined moderately following January 5, accompanying a similar decline in the price of silver but recovered on January 9. Canadian dollars were steady at about  $\frac{3}{8}$  of 1 per cent. discount.

New  
Financing

The volume of new financing showed a substantial increase and new bond issues offered during the week ended January 10 totaled \$260 million compared with only \$25 million the week before. This was reported to be the largest total on record and compares with the previous record total of \$250 million in the week ended January 19, 1923. Public utility issues aggregated \$131 million of which \$125 million were 35 year 5 per cent. bonds of the American Telephone and Telegraph Company

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offered to yield 5.30 per cent. State and municipal offerings were the largest in several months and totaled \$78 million while foreign issues aggregated \$15 million.

Liberty  
Bond  
Market

With the ease in the money market, and the evidence of institutional buying, Liberty bond transactions continued active, and sales on the Stock Exchange during the week totaled \$16,000,000 as compared with \$13,000,000 the week before. Prices on all issues showed advances from the closing levels of the previous week of from 2/32nd to 11/32 nd's excepting the Treasury 4's which remained virtually unchanged during the period. 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:

<u>Amount in</u> <u>Thousands</u>	<u>Issue</u>	<u>Closing Prices</u>		<u>- 1 9 2 4 -</u>	
		<u>Jan. 3</u>	<u>Jan. 10</u>	<u>Low</u>	<u>High</u>
\$2,257	First 3 1/2s	100.30	101.9	98.22	101.28
601	" 4 1/4s	101.21	101.28	98.8	*102.22
2,991	Second 4 1/4s	100.22	100.28	98.4	*102.00
2,061	Third 4 1/4s	101.4	101.7	99.8	*102.23
6,281	Fourth 4 1/4s	101.23	101.30	98.8	*103.00
560	Treas. 4 1/4s	105	105.7	99.8	*107.00
935	" 4s	100.22	100.21	100.9	*100.20

\* High since date of issuance

New York  
Market for  
Short-term  
Governments

Accompanying easier money conditions there was an increased demand during the period for short-term Government securities. Although offerings were comparatively light prices remained substantially unchanged. At the close of the period there was a tendency to firmer prices, especially for the 1925 maturities, due to a reported demand in the market by a large corporation for a substantial amount of issues of 6 and 9 months' maturities.



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		Average Week Ended <u>Jan. 3</u>	Average Week Ended <u>Jan. 10</u>
Maturing June	1925 -- yield	2.72	2.66
Maturing September	1925 -- yield	2.78	2.71
Maturing December	1925 -- yield	2.90	2.87
Maturing September	1926 -- yield	3.66	3.62
Maturing March	1927 -- yield	3.78	3.75
Maturing December	1927 -- yield	3.78	3.75

### BANKERS ACCEPTANCES

#### Rates

Rates in all districts remained 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. On Thursday, January 8, one dealer lowered the offering rate on 90-day bills to 2 7/8 per cent.

#### Abstract of Reports from Banks

Boston reports a substantial increase in the supply, due to several large blocks of bills coming into the market from a number of acceptors. The local demand was poor early in the week, but later both the local and out-of-town demand improved with the demand generally for 60-day bills. Dealers portfolios increased slightly due to the increase in supply rather than to smaller sales. In New York there was a moderate increase in the supply and, accompanying easier money conditions, a substantial increase in the demand. The demand for bills from local savings banks was also somewhat larger. Dealers aggregate portfolios decreased substantially and offerings to the reserve bank were light. In Philadelphia the bill market was moderately active with the supply and demand about equal. The increased demand for bills was attributed to the disposition on

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the part of some investors to wait further developments in the bond market before employing their funds in long-term securities. In Chicago the supply was fair with a better demand for bills.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

Under Treasury authority the Federal Reserve Bank of New York sold for account of the Alien Property Custodian \$10,000,000 4% Treasury Bonds of 1944-54 and purchased in replacement a like amount of 4% certificates maturing March 15, 1925.

At the request of the Treasury the Federal Reserve Bank of New York also purchased \$13,800 Second Liberty Loan 4 1/4% bonds for account of the District of Columbia Teachers' Retirement Fund.

SYSTEM SPECIAL INVESTMENT ACCOUNT

In view of easy money conditions prevailing since the turn of the year the members of the Committee were communicated with and on January 5 a decision was reached to sell securities from the System Account to the amount necessary to prevent undue ease in money conditions so far as this could be accomplished without disorganizing the market. Accordingly \$5,000,000 of securities were sold to the market on January 5, \$15,000,000 on January 6 and \$16,000,000 on January 7. In addition \$5,000,000 March 15, 1925 4% certificates were sold to the Treasury, account Alien Property Custodian.

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Through these operations the total holdings in the System Account at the close of business January 7 were reduced to \$408,035,000, 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	\$ 22,265,000	\$ 4,572,500	\$ 1,927,000	\$ 28,764,500
New York	117,506,000	23,189,000	11,182,500	151,877,500
Philadelphia	7,198,000	3,339,500	760,500	11,298,000
Cleveland	31,657,000	6,205,500	3,213,500	41,076,000
Richmond	2,284,000	530,500	149,500	2,964,000
Atlanta	919,000	129,000	155,500	1,203,500
Chicago	44,160,000	9,105,000	4,033,000	57,298,000
St. Louis	11,039,000	1,432,000	1,263,500	13,734,500
Minneapolis	12,983,000	2,291,500	1,112,500	16,387,000
Kansas City	15,490,000	3,062,500	1,487,000	20,039,500
Dallas	16,786,500	3,199,000	1,663,000	21,648,500
San Francisco	32,213,500	6,378,000	3,152,500	41,744,000
<b>Totals</b>	<b>\$314,501,000</b>	<b>\$63,434,000</b>	<b>\$30,100,000</b>	<b>\$408,035,000</b>

RECAPITULATION OF PURCHASES

<u>Made By</u>	<u>Amount</u>
Boston	\$ 20,871,500
New York	284,243,700
Philadelphia	16,884,500
Cleveland	6,936,000
Richmond	600,000
Atlanta	1,944,400
Chicago	52,225,000
St. Louis	5,453,900
Minneapolis	3,128,000
Dallas	8,169,000
San Francisco	7,579,000
	<u>\$408,035,000</u>

RECAPITULATION OF PURCHASES BY MATURITIES

March 15, 1925	\$ 55,350,000
June 15, 1925	57,932,700
Sept. 15, 1925	60,724,500
Dec. 15, 1925	62,617,000
March 15, 1926	48,237,600
Sept. 15, 1926	31,901,000 ✓
March 15, 1927	28,875,900 ✓
Dec. 15, 1927	32,296,300 ✓
Third L. L. Bonds	
Sept. 15, 1928	30,100,000 ✓
	<u>\$408,035,000</u>

N. B. Since the period covered by this report additional sales were made on January 8 of \$5,000,000 securities to the market and \$4,909,500 to the Treasury, account Alien Property Custodian, making total System holdings \$398,125,500.

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ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF  
ALL FEDERAL RESERVE BANKS FROM JANUARY 2 TO JANUARY 7, 1925

GOVERNMENT SECURITIES

	<u>Purchases</u>		<u>Sales</u>	<u>Issue</u>	<u>Held Under Sales Contracts</u>
Boston	0	-	\$2,627,000	Part.Sys.Inv.C/I	0
			284,000	" " " T/N	
			<u>\$2,911,000</u>		
New York	0	-	\$13,774,500	Part.Sys.Inv.C/I	210,000
			1,489,000	" " " T/N	
			<u>\$15,263,500</u>		
Philadelphia	0	-	\$ 1,031,500	Part.Sys.Inv.C/I	0
			111,500	" " " T/N	
			<u>\$ 1,143,000</u>		
Cleveland	11,500	C-1925 T/N	\$ 3,707,000	Part. Sys.Inv.C/I	0
			400,500	" " " T/N	
			<u>\$ 4,107,500</u>		
Richmond	0	-	\$ 276,000	Part.Sys.Inv.C/I	0
			30,000	" " " T/N	
			<u>\$ 306,000</u>		
Atlanta	551,100	Misc. Gov't Sec.	\$ 102,500	Part.Sys.Inv.C/I	0
			11,000	" " " T/N	
			527,850	Misc. Gov't Bonds	
			1,500,000	Special Sales	
			<u>\$ 2,141,350</u>		
Chicago	0		\$ 5,214,500	Part.Sys.Inv.C/I	0
			564,000	" " " T/N	
			33,400	Treasury 4% Bonds	
			<u>\$ 5,811,900</u>		
St. Louis	0		\$ 1,221,000	Part.Sys.Inv.C/I	0
			132,000	" " " T/N	
			<u>\$ 1,353,000</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	\$464,850	Misc. Gov't Sec.	\$1,495,000	Part.Sys.Inv.C/I	0
			161,500	" " " T/N	
			<u>378,250</u>	Misc. Gov't Sec.	
			\$2,034,750		
Kansas City	6,100	Misc. Gov't Sec.	\$1,816,500	Part.Sys.Inv.C/I	1,350,000
			<u>196,500</u>	" " " T/N	
			\$2,013,000		
Dallas	500,000	Third L/L Bds.	\$1,956,500	Part.Sys.Inv.C/I	0
			<u>211,500</u>	" " " T/N	
			\$2,168,000		
San Francisco	0		\$3,778,000	Part.Sys.Inv.C/I	0
			<u>408,500</u>	" " " T/N	
			\$4,186,500		
Totals	<u>\$1,533,450</u>		<u>\$43,439,500</u>		<u>\$1,560,000</u>

BANKERS ACCEPTANCES

	<u>Maturity</u>	<u>PURCHASES Amounts</u>	<u>Rate</u>	<u>MATURITIES Amount</u>	<u>Other Holdings</u>
Boston	1-30 days	\$ 68,000	2 3/4% - 2 7/8%	\$3,095,000	\$1,425,000 Sales
	31-60 "	234,000	2 7/8%		Contracts
	61-90 "	<u>238,000</u>	3%		
		\$540,000			

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BANKERS ACCEPTANCES -- (Continued)

NEW YORK		MATURITIES AND RATES				
<u>Dec. 31</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	\$1,104,000 2 3/4%-2 7/8%	\$2,836,000 2 3/4%-3%	\$132,000 3%	\$434,000 3%	\$190,000 3 1/4%-3 1/2%	
<u>Jan. 2</u>						
New York	248,000	-	-	41,000	-	
Other banks	125,000 2 3/4% - 3%	356,000 2 3/4%	98,000 2 7/8%-3%	158,000 3%	- -	
<u>Jan. 5</u>						
New York	382,000	368,000	100,000	22,000	144,000	
Other banks	56,000 2 3/4%	900,000 2 3/4%-3%	639,000 2 7/8%-3%	486,000 3%-3 1/8%	247,000 3 1/4%-3 3/8%	
<u>Jan. 6</u>						
New York	1,750,000	7,000	135,000	46,000	110,000	
Other banks	1,168,000 2 3/4%	961,000 2 3/4%-3%	1,868,000 2 7/8%	1,815,000 3%	8,000 3 1/4%-3 3/8%	
<u>Jan. 7</u>						
New York	468,000 2 3/4%	- -	38,000 2 7/8%-3%	35,000 3%	- -	
Totals:						
New York	\$2,848,000	\$ 375,000	\$ 273,000	\$ 144,000	\$254,000	
Other banks	2,453,000	5,053,000	2,736,000	2,893,000	445,000	
Totals:						
New York					\$ 3,894,000	
Other banks					13,580,000	
Aggregate					\$17,474,000	

Matured from New York holdings week ended January 7: \$8,704,000  
 Other holdings by New York: \$336,000 sales contracts; \$1,596,000 one-day hold-over for distribution to Federal reserve banks; \$210,000 foreign bills; \$239,000 special 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	\$ 101,000	2 3/4% - 2 7/8%	\$2,928,000	0
	31-60 "	231,000	2 7/8% - 3 1/8%		
	61-90 "	<u>2,450,000</u>	3% - 3 1/4%		
		<u>\$2,782,000</u>			
Cleveland	31-60 days	\$ 155,000	2 7/8%	2,463,000	827,000 ster-
	In other	<u>2,405,000</u>	2 3/4% - 3 3/8%		ling bills
	districts	<u>\$2,560,000</u>			
Richmond	--	0	--	189,000	0
Atlanta	1-30 days	\$ 769,000	2 3/4%	2,057,000	2,147,000 Unin-
	31-60 "	<u>510,000</u>	2 7/8%		dorsed
		<u>\$1,279,000</u>			bills pur-
					chased from
					accepting
					banks
Chicago	61-90 days	\$ 122,000	3% - 3 1/8%	2,865,000	1,359,000 sales
	In other	<u>1,783,000</u>	2 3/4% - 3 3/8%		contracts
	districts	<u>\$1,905,000</u>			
St. Louis	In other				
	districts	\$1,978,000	2 3/4% - 3 3/8%	2,245,000	0
Minneapolis	--	0	--	0	0
Kansas City	In other				
	districts	1,219,000	2 3/4% - 3 3/8%	1,432,000	0
Dallas	In other				
	districts	2,151,000	2 3/4% - 3 3/8%	2,510,000	0
San Francisco	1-30 days	326,000	2 7/8%	5,296,000	810,000 sales
	31-60 "	500,000	2 7/8%		contracts
	61-90 "	665,000	3%		
	In other	<u>4,045,000</u>	2 3/4% - 3 3/8%		
	districts	<u>\$5,536,000</u>			
Totals		<u>\$23,844,000</u>		<u>\$33,784,000</u>	<u>\$8,949,000</u>

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Form No. 131.

# Office Correspondence

FEDERAL RESERVE  
BOARD

To All members of the Board.

Subject:

From Mr. Eddy.

Date April 21, 1925.

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2-8405

For your information.

- ✓ Governor Grissinger
- ✓ Mr. Platt
- ✓ Mr. Hamlin
- ✓ Mr. James
- ✓ Mr. Cunningham
- ✓ Mr. Miller
- ✓ Mr. McIntosh

Please return to Secretary's Office.



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April 21, 1925.

Dear Mr. Matteson:

I acknowledge receipt of and shall bring to the attention of the members of the Board your letter of the 20th instant, addressed to Governor Crissinger, enclosing a report of transactions in Government securities and bankers acceptances as reported to the Open Market Investment Committee for the Federal Reserve System for the period from April 9 to April 15, 1925, inclusive, together with data received by the Committee from the Federal reserve banks.

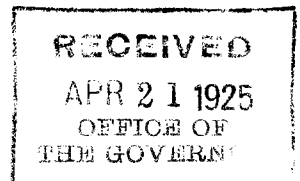
Very truly yours,

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

April 20, 1925

Sir :

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 April 9 to April 15, 1925 inclu-  
sive, together with data received by the Committee from the  
Federal reserve banks.

Respectfully,

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

W. B. Matsson  
Secretary of the Committee

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

Encl.

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## REPORT OF OPEN MARKET INVESTMENT COMMITTEE WEEK ENDED APRIL 15, 1925

Holdings of Earning Assets of Federal Reserve Banks Jan. 7, Feb. 25, Mar. 25,  
April 1, 8 and 15, 1925 as Compared with Corresponding Periods in 1924  
 (000 Omitted)

	TOTAL EARNING ASSETS	*GOVERNMENT SECURITIES	BANKERS ACCEPTANCES Purchases	Sales Contracts	BILLS DISCOUNTED
-1924-					
Jan. 9	\$1,026,496	\$100,358	\$279,588	\$39,578	\$606,921
Feb. 27	950,801	155,801	205,022	38,288	531,690
Mar. 26	942,080	257,256	164,947	37,511	482,315
Apr. 2	1,008,388	264,855	163,001	50,711	529,660
" 9	996,119	268,903	151,893	45,713	529,559
" 16	912,968	266,667	130,104	46,576	469,570
-1925-					
Jan. 7	1,109,965	496,029	332,029	8,949	264,408
Feb. 25	1,129,697	364,694	278,885	38,361	433,805
Mar. 25	1,040,699	343,751	287,544	19,361	377,641
Apr. 1	1,086,539	357,834	283,935	32,443	399,925
Apr. 8	1,076,616	362,240	263,891	46,794	391,289
" 15	1,039,344	357,832	251,037	23,021	395,302

\*Includes sales contracts

CHANGES IN HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES  
 BY FEDERAL RESERVE BANKS (EXCLUSIVE OF SALES CONTRACTS)  
DURING WEEK ENDED APRIL 15, 1925  
 (000 Omitted)

	GOVERNMENT SECURITIES			BANKERS ACCEPTANCES		
	Balance Apr. 15	Balance Apr. 8	Net Change	Balance Apr. 15	Balance Apr. 8	Net Change
Boston	\$ 21,155	\$ 20,816	\$ 339+	\$ 33,266	\$ 36,766	\$ 3,500-
New York	93,621	92,524	1,097+	44,217	46,268	2,051-
Philadelphia	24,706	24,271	435+	24,197	24,102	95+
Cleveland	39,932	39,449	483+	27,554	28,509	955-
Richmond	3,386	3,104	282+	12,024	12,224	200-
Atlanta	4,379	3,832	547+	11,966	11,669	297+
Chicago	52,580	51,660	920+	34,087	38,601	4,514-
St. Louis	9,297	8,940	357+	11,334	11,741	407-
Minneapolis	17,346	17,383	37-	8,258	8,229	29+
Kansas City	23,943	23,769	174+	12,741	12,730	11+
Dallas	20,348	20,108	240+	8,666	8,845	179-
San Francisco	34,751	34,325	426+	22,727	24,207	1,480-
Totals	\$345,444	\$340,181	\$5,263+	\$251,037	\$263,891	\$12,854-

COMMENT ON CHANGES WEEK ENDED APRIL 15

Total earning assets of all reserve banks declined \$37,272,000, to the lowest point since the week ended February 4, 1925. Holdings of bills under sales contracts declined \$23,773,000 and bills held outright \$12,854,000. Government security holdings showed a net reduction of \$4,408,000 but bills discounted increased \$4,013,000.

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Money  
Market

At the opening of the week reserves of leading New York City banks were substantially in excess of requirements. Reflecting this condition and the further gain to the market through the excess of Treasury disbursements for interest payments over the withdrawal of funds from depository banks, money conditions in New York during the week turned distinctly easier. Stock Exchange call money after opening and renewing at 4 per cent on Monday, April 13, declined to  $3\frac{1}{2}$  per cent and continued unchanged at that rate throughout the balance of the week. The further loss of funds to the interior and the repayment of loans at this bank earlier in the week was accompanied by a sharp decline in reserves of New York City banks, and on Friday, April 17, these banks were obliged to increase their borrowings considerably at this bank in order to maintain their required average reserve for the week.

The trend of longer term money continued easier. Some loans for 90 days were placed at  $3\frac{3}{4}$  per cent and at 4 per cent for four to six months' maturities. Commercial paper dealers report New York banks buying in small amounts at 4 per cent. The demand, however, has been chiefly from the middlewest with a somewhat larger volume of paper moving at  $3\frac{3}{4}$  per cent. The demand for money continues unusually light and dealers' present lists are small.

Government  
Security  
Market

The Government bond market was moderately active and sales on the Exchange during the period totaled \$6,000,000. Accompanying easier money conditions, however, prices advanced sharply and several Liberty Loan issues and the Treasury 4 per cent and  $4\frac{1}{4}$  per cent bonds reached new high prices for the year.

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The market for short-term Government securities was moderately active. Dealers report a good demand for Treasury Notes maturing in 1926 and 1927 and prices were advanced slightly on several issues, with a corresponding decline in yield.

Bankers  
Acceptances

The trend in bill rates continued easier but actual rates were somewhat unsettled during the period. All districts report offering rates unchanged on 30-day bills at 3 per cent. Most dealers, however, lowered offering rates on 60 and 90-day bills  $1/8$  to 3 per cent but some dealers continued to hold these maturities unchanged at  $3 \frac{1}{8}$  per cent.

Boston reports few new bills coming into the market, but the local supply was in excess of the demand. Surplus bills were generally sent to the New York market and dealers' holdings showed a smaller total than in the previous week. Although dealers have all reduced rates, new business is very small and sales poor. There was a good demand, however, for high yield ineligible and trade bills. In New York the market was quiet due chiefly to the moderate supply of bills compared with the good demand. The uncertainty of money conditions caused an unsettled condition in dealers rates. Some dealers lowered both bid and offer rate  $1/8$  per cent but the lower bid rate brought only a slight increase in the supply, while the demand slackened at the lower offering rate. Dealers' portfolios declined moderately, while offerings to this bank were negligible. Philadelphia reports the market generally quiet. During the latter part of the week, however, accompanying easier money conditions, the demand for bills increased to some extent while the supply continued small. The lowering of rates increased the supply of bills somewhat but the demand slackened considerably. Chicago reports a slow demand with a small supply of bills and dealers portfolios moderate.

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SPECIAL INVESTMENT ACCOUNT

Transactions in the System Account during the week covered by this report brought the total holdings to approximately \$250,000,000, a net increase during the statement week of \$4,838,000 as follows:

Purchases

4 3/8% December 15, 1925 Treasury Notes	\$4,000,000
4 3/8% " 15, 1925 " "	693,100) from F.R.B.
4 3/4% March 15, 1926 " "	1,063,400) Chicago
	_____ portfolio
	<b>\$5,756,500</b>

Sales

3% December 15, 1925 Cert. of Indebtedness	<u>918,500</u>
--	----------------

Net.....\$4,838,000

The sale to the System from Chicago's portfolio of Treasury Notes was made simultaneously with their purchase from the Treasury of Fourth Liberty Loan bonds. This purchase by Chicago, and the sale of \$918,500 certificates from the System Account, was consummated in order to complete the transactions authorized by the Treasury for account of the Alien Property Custodian as noted in the paragraph under Treasury orders.

The participation by all banks in the System Account at the close of business April 15, and the classification of issues by maturities, was as follows:

<u>PARTICIPATION BY FEDERAL RESERVE BANKS</u>	<u>RECAPITULATION OF HOLDINGS BY MATURITIES</u>
Boston	June 15, 1925
New York	Sept. 15, 1925
Philadelphia	Dec. 15, 1925
Cleveland	Mar. 15, 1926
Richmond	Sept. 15, 1926
Atlanta	Mar. 15, 1927
Chicago	Dec. 15, 1927
St. Louis	Sept. 15, 1928
Minneapolis	Third L/L Bds.
Kansas City	
Dallas	
San Francisco	
<u>\$250,041,500</u>	<u>\$250,041,500</u>

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OPERATIONS ACCOUNT UNITED STATES TREASURY

Under Treasury authorizations there was sold during the period for account of the Alien Property Custodian an aggregate of \$13,249,000 Fourth Liberty Loan 4 1/4% and 4 1/4% Treasury bonds of 1952, which sales were simultaneously replaced through purchases of a like aggregate amount of 2 3/4% certificates due September 15, 1925 and 3% certificates due December 15, 1925. These transactions were executed in the Boston, New York, Chicago and Cleveland districts.

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ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF  
FEDERAL RESERVE BANKS FROM APRIL 9 TO APRIL 15, 1925

GOVERNMENT SECURITIES

	<u>SYSTEM INVESTMENT ACCOUNT</u>		<u>Held Under</u>
	<u>Purchases</u>	<u>Sales</u>	<u>Sales Contracts</u>
Boston	\$ 403,000	\$ 64,500	\$ 261,710
New York	1,438,500	342,000	9,588,500
Philadelphia	460,500	25,500	0
Cleveland	575,500	92,500	0
Richmond	288,000	6,500	0
Atlanta	288,000	3,000	0
Chicago	806,000	129,000	787,500
St. Louis	345,500	31,000	0
Minneapolis	0	37,000	0
Kansas City	345,500	45,000	1,750,000
Dallas	288,000	48,500	0
San Francisco	<u>518,000</u>	<u>94,000</u>	<u>0</u>
Totals	<u>\$5,756,500</u>	<u>\$918,500</u>	<u>\$12,387,710</u>

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Sales</u>
Atlanta	\$280,350 Misc. Gov't Sec.	\$18,100 Misc. Gov't Sec.
Chicago	2,000,000 Fourth L/L Bds.	1,756,500 Misc. T/N to System
St. Louis	42,500 TD-1925 Ctfs.	0
Minneapolis	1,458,650 Misc. Gov't Sec.	1,458,650 Misc. Gov't Sec.
Kansas City	123,100 Misc. Gov't Sec.	250,000 Intermediate Cr. Bk. Deb.
San Francisco	<u>2,000 Misc. Gov't Sec.</u>	<u>0</u>
	<u>\$3,906,600</u>	<u>\$3,483,250</u>

BANKERS ACCEPTANCES

	<u>Maturity</u>	<u>PURCHASES</u>	<u>Rate</u>	<u>MATURITIES</u>	<u>Other</u>
		<u>Amount</u>		<u>Amount</u>	<u>Holdings</u>
Boston	1-30 days	\$ 167,000	3%	\$4,620,000	\$2,037,000 Sales
	31-60 "	59,000	3 1/8% - 3 1/4%		contracts
	61-90 "	885,000	3 1/8% - 3 1/4%		
	Over 90 "	<u>9,000</u>	3 1/4%		
		<u>\$1,120,000</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>
New York	1-30 days	\$1,363,000	3%	54,422,000	\$11,546,000 Sales
	31-60 "	62,000	3 1/8%		contracts
	61-90 "	880,000	3 1/8%		793,000 one
	Over 90 "	<u>66,000</u>	3 1/4% - 3 1/2%		day hold-
		\$2,371,000			over for
					dist. to
					F.R. Bks
					702,000 for-
					ign trade
					accepts.
					246,000 special
					foreign bills
Philadelphia	1-30 days	716,000	3%	2,852,000	0
	31-60 "	147,000	3 1/8%		
	61-90 "	<u>2,090,000</u>	3 1/8% - 3 1/4%		
		2,953,000			
Cleveland	In other districts	1,543,000	3% - 3 1/2%	2,498,000	953,000 Ster- ling bills
Richmond	1-30 days	92,000		1,000,000	0
	31-60 "	50,000			
	61-90 "	74,000			
	In other districts	<u>584,000</u>	3% - 3 1/2%		
		\$ 800,000			
Atlanta	1-30 days	103,000	3% - 3 1/8%	806,000	1,108,000 Unin-
	31-60 "	9,000	3 1/8%		dorsed
	61-90 "	6,000	3 1/8%		bills pur-
	In other districts	<u>985,000</u>	3% - 3 1/2%		chased from
		\$1,103,000			accepting
					banks
Chicago	31-60 days	8,000	3 1/8%	4,677,000	1,823,000 Sales
	In other districts	<u>155,000</u>	3% - 3 1/2%		contracts
		\$ 163,000			
St. Louis	In other districts	1,001,000	3% - 3 1/2%	1,408,000	0
Minneapolis	In other districts	864,000	3% - 3 1/2%	835,000	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>Other</u> <u>Holdings</u>	
Kansas City	In other districts	\$1,224,000	3%	- 3 1/2%	\$1,213,000	0
Dallas	1-30 days	2,000	3%		1,067,000	0
	31-60 "	3,000	3%			
	In other districts	<u>883,000</u>	3%	- 3 1/2%		
		<u>\$888,000</u>				
San Francisco	1-30 days	198,000	3%		3,316,000	3,813,000
	31-60 "	160,000	3 1/8%			Sales Con-
	61-90 "	20,000	3 1/8%			tracts
	In other districts	<u>1,458,000</u>	3%	- 3 1/2%		
		<u>\$1,836,000</u>				
<b>Totals</b>		<u>\$15,866,000</u>			<u>\$28,720,000</u>	<u>\$23,021,000</u>

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES AND  
BANKERS ACCEPTANCES DURING WEEK ENDED APRIL 15, 1925 AND  
HOLDINGS AS OF THAT DATE CLASSIFIED BY MATURITIES  
(000 Omitted)

	<u>Government</u> <u>Securities</u>	(Excluding Sales Contracts) <u>Bankers</u> <u>Acceptances</u>	<u>Total</u>
Purchased	\$9,665	\$15,866	\$25,531
Sold	4,402	0	4,402
Matured	<u>0</u>	<u>28,720</u>	<u>28,720</u>
	<u>\$5,263 +</u>	<u>\$12,854 -</u>	<u>\$ 7,591 -</u>

	(Including Sales Contracts)						
<u>Holdings</u> <u>April 15, 1925</u>	<u>Within</u> <u>15 Days</u>	<u>16-30</u> <u>Days</u>	<u>31-60</u> <u>days</u>	<u>61-90</u> <u>days</u>	<u>91-Days-</u> <u>6 Months</u>	<u>Over</u> <u>6 Months</u>	<u>Total</u>
Gov't Securities	\$12,388	0	0	\$41,024	\$25,205	\$279,215	\$357,832
Bills Purchased	<u>80,433</u>	<u>58,633</u>	<u>86,606</u>	<u>41,184</u>	<u>7,202</u>	<u>0</u>	<u>274,058</u>
	<u>\$92,821</u>	<u>\$58,633</u>	<u>\$86,606</u>	<u>\$82,208</u>	<u>\$32,407</u>	<u>\$279,215</u>	<u>\$631,890</u>