

May 6, 1930.

R. A. Y.  
MAY 10 1930

Dear Mr. Matteson:

In the absence of Governor Young I acknowledge receipt of your letter of May 2nd, enclosing a report of transactions in government securities and bankers acceptances as reported in the Open Market Investment Committee for the Federal reserve system for the period from April 24, 1930 to April 30, 1930 inclusive, together with data received by the committee from the Federal reserve banks.

Very truly yours,

Secretary to the  
Governor.

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

DECLASSIFIED

Authority E.O. 10501

May 3, 1930.

Dear Mr. Matteson:

I acknowledge receipt of, and shall bring to the attention of the members of the Board, your letter of May 2, enclosing report of transactions in Government securities and bankers' acceptances as reported to your committee for the period from April 24 to April 30, 1930, inclusive.

Very truly yours,

(Signed) E. M. McClelland.

E. M. McClelland,  
Assistant Secretary.

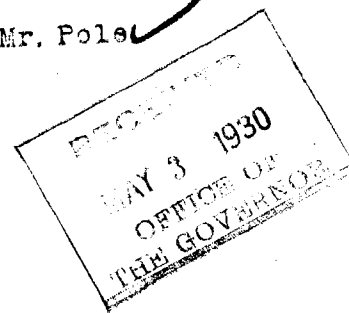
Mr. W. B. Matteson, Secretary,  
Open Market Investment Committee,  
c/o Federal Reserve Bank,  
New York City, N. Y.



FOR SPECIAL CIRCULATION  
PLEASE READ PROMPTLY, INITIAL AND RETURN TO SECRETARY'S OFFICE

Gov. Young ✓	Mr. Hamlin ✓	Mr. James ✓	
Mr. Platt ✓	Mr. Miller ✓	Mr. Cunningham ✓	Mr. Foley ✓

**FEDERAL RESERVE BANK  
OF NEW YORK**



CONFIDENTIAL

May 2, 1930

Dear Governor Young:

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 24, 1930 to April 30, 1930 inclusive, together with data received by the committee from the Federal reserve banks.

Very truly yours,

W. B. Matteson  
Secretary, Open Market  
Investment Committee

Honorable Roy A. Young,  
Governor, Federal Reserve Board,  
Washington, D. C.

Encl.

CONFIDENTIAL

## REPORT OF OPEN MARKET INVESTMENT COMMITTEE WEEK ENDED APRIL 30, 1930

Holdings of Earning Assets of Federal Reserve Banks from May 1, 1929 to Date  
(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS
		Outright Purchases	Sales Contracts	Outright Purchases	Sales Contracts	DISCOUNTED
-1929-						
May 1	\$1,329,245	\$140,914	\$ 9,816	\$121,994	\$48,427	\$ 985,829
May 29	1,258,502	137,132	7,440	103,416	14,503	988,194
June 26	1,262,428	129,717	19,810	71,207	11,632	1,016,747
July 31	1,308,014	126,579	20,704	44,988	29,579	1,075,714
Aug. 28	1,291,562	126,566	18,755	95,266	61,248	973,627
Sept. 25	1,375,467	125,973	26,086	179,449	84,485	944,399
Oct. 30	1,648,742	259,848	32,840	310,774	29,111	991,038
Nov. 27	1,514,460	322,063	4,035	250,044	7,271	912,349
Dec. 31	1,547,517	487,292	23,295	236,974	155,235	632,421
-1930-						
Jan. 29	1,154,379	476,466	70	185,677	72,795	406,941
Feb. 26	1,138,522	477,610	5,145	232,521	66,785	342,781
Mar. 26	1,001,090	526,284	2,715	143,772	112,710	206,829
April 23	1,004,963	527,198	190	177,870	78,999	211,491
April 30	982,225	527,124	2,385	161,846	47,718	233,452

CHANGES IN EARNING ASSET HOLDINGS (EXCLUSIVE OF SALES CONTRACTS)  
DURING WEEK ENDED APRIL 30, 1930  
(000 Omitted)

	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS DISCOUNTED	
	Balance April 30	Net Change	Balance April 30	Net Change	Balance April 30	Net Change
Boston	\$ 40,323	\$ 0	\$ 9,831	\$ 23-	\$ 13,737	\$ 195-
New York	192,863	0	11,436	2,814+	41,270	7,144+
Philadelphia	46,125	0	7,885	774-	29,581	2,284+
Cleveland	49,996	1+	19,506	507-	20,717	2,153-
Richmond	12,640	0	8,934	1,484-	18,931	2,529+
Atlanta	8,792	10-	21,700	2,393-	25,652	3,599+
Chicago	70,384	0	17,184	1,350-	23,298	1,092+
St. Louis	19,268	0	9,825	1,893-	16,118	1,415+
Minneapolis	18,477	65-	8,591	3,691-	3,681	582-
Kansas City	5,924	0	11,671	1,178-	15,099	1,921+
Dallas	25,637	0	6,157	1,596-	8,190	639+
San Francisco	36,695	0	27,225	3,731-	17,178	4,268+
N. Y. holdovers and other bills			1,901	238-		
Totals	\$527,124	\$74-	\$161,846	\$16,024-	\$233,452	\$21,961+

COMMENT ON CHANGES WEEK ENDED APRIL 30, 1930

Total earning assets of the System showed a decrease of \$22,738,000 for the current statement week. The changes by classification consisted of an increase of \$21,961,000 in bills discounted, and decreases of \$74,000 and \$16,024,000 in outright purchases of government securities and bankers acceptances, and \$29,086,000 in investments held under sales contracts. The latter item consisted of an increase of \$2,195,000 in government securities and a decrease of \$31,281,000 in bankers acceptances.

Money  
Market

The response of the call money market to the month-end influence was a slight firming in the rate for Exchange new loans from 3 1/2 per cent on Thursday and Friday, to 4 per cent for the remainder of the reporting week. Renewals throughout the period continued to be placed at 4 per cent, the figure in effect since the end of March, while outside loans were arranged daily at a 1/2 per cent concession from the new loan rate on the Exchange.

During the week funds were placed at the disposal of the money market through a large volume of gold imports, principally from Brazil, through a favorable balance of check settlements and wire transfers, and through other miscellaneous credits. As the usual month-end increase in required reserves and withdrawals of currency from the reserve bank only partly offset the aforementioned gain in commercial and agency transactions, a smaller amount of reserve bank credit was needed; the net retirement in outstanding reserve bank credit during the week was to a considerable extent the result of the repurchase by the dealers of bills which they previously had sold to the reserve bank under repurchase agreement. The New York City banks increased their borrowings moderately on Friday to average requirements for the reserve period ended that day, but these loans were quickly retired.

Time money was loaned more freely than in the previous week with loans for 90 days made at 4 per cent, unchanged from a week earlier. Nominal quotations for 1, 2 and 6 months' were down about 1/4 per cent, while the 3, 4 and 5 months' maturities were unchanged for the week. The following rates were quoted at the close of the period: 30 days, 3 3/4 per cent flat; 60 days, 3 3/4 bid, 4 per cent asked; 90 days, 4 per cent flat; and 4 to 6 months', 4 bid, 4 1/4 per cent asked.

Commercial paper was unchanged at an offering range of 3 3/4 - 4 per cent, with general investment demand reported as moderately active.

Government  
Security  
Market

Although the volume of trading in United States government securities was light during the current statement week, the market reflected a firmer tendency and prices of most issues showed small fractional gains for the week. The preference in the demand was for the short-term issues and principally for the Treasury certificates maturing September 15 and December 15 next.

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

<u>Issue</u>		<u>Price</u>	<u>Net Change</u>	<u>Approx. Yield</u>
4 7/8%	Cert. of Ind. due June 16, 1930	100 9/32	-1/32	2.54
3 1/8%	" " " " Sept. 15, 1930	100 2/32	+1/32	2.93
3 1/4%	" " " " Dec. 15, 1930	100 2/32	+1/32	3.14
3 1/2%	Treasury Notes " Mar. 15, 1932	100 1/32	+1/32	3.45
3 1/2%	" " " " Sept. 15, 1932	100 1/32	+1/32	3.45
3 1/2%	" " " " Dec. 15, 1932	100 1/32	+1/32	3.44
Treasury Bills		" May 19, 1930	3% - 2 5/8% discount	
" "		" July 14, 1930	3% - 2 5/8% "	

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

Issue	Price	Net Change	Issue	Price	Net Change
1st 3 1/2s	100 1/32	-1/32	Treas. 4s 1944-54	107 10/32	+2/32
1st 4 1/4s	101 12/32	-4/32	" 4 1/4s 1947-52	111 9/32	- - -
4th 4 1/4s	101 24/32	+2/32	" 3 3/4s 1946-56	104 22/32	+3/32
			" 3 3/8s 1943-47	100 14/32	+5/32
			" 3 3/8s 1940-43	100 14/32	+4/32

Bankers  
Acceptances

Dealers' offerings of unindorsed bankers acceptances were at the following rates at the close of the current statement week: 3 per cent for 30s and 60s, 2 7/8 per cent for 90s, 3 per cent for 120s and 3 1/8 per cent for 180-day bills.

Reports  
week  
ending  
April 30

Boston reports that there was a slight increase in the supply of new bills in its district during the past week with the demand only fair. Dealers' portfolios were reduced about one-third, practically all of this reduction being in the 90-day maturities as a result of which dealers lowered the 90-day rate 1/8 per cent. Bills as a whole moved freely with short 30 and 90-day maturities in best demand. In New York the bill market was fairly active this week. Dealers purchases, while slightly larger than last week, were light and were exceeded by their sales. Their aggregate portfolios were reduced by about \$12,000,000, to under 100 million for the first time since the middle of March this year the reduction being principally 90-day maturities, and on the 28th of April dealers reduced rates 1/8 per cent on that maturity only. On the morning of May 1 dealers upon hearing of the reduction in the discount rate of the Bank of England and the Bank of France reduced rates by 1/8 per cent on all maturities to 3 per cent bid for 30s and 60s, 2 7/8 per cent asked; 2 7/8 per cent bid for 90s, 2 3/4 per cent asked; 3 per cent bid for 120s, 2 7/8 per cent asked; 3 1/8 per cent bid on 5 and 6 months', 3 per cent asked. Indorsed bills 1/8 less. Philadelphia reports that its acceptance market was dull. There were very few new bills during the week with the demand practically nil. Offerings to the reserve bank were light. Chicago reports that its bill market continued quiet during the past period with a fair demand for 90s. Dallas reports that the demand for bills was very light and offerings to the reserve bank were also light.

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OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

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

Purchase of	\$ 750,000	- 3 1/2%	Treasury notes due March 15, 1930-32,
			account German Special Deposit Account
and sales of	120,000	- 3 1/2%	Treasury notes due March 15, 1930-32,
			account German Special Deposit Account
	1,000,000	- 3 1/2%	Treasury notes due March 15, 1930-32,
			account Alien Property Custodian
	1,000,000	- 4 1/4%	Fourth Liberty Loan bonds, account
			Government Life Insurance Fund
	<u>\$2,120,000</u>		- Total Sales

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

There was no transaction in the System Special Investment Account during the current statement week, the total holdings remaining at the close of business Wednesday, April 30, 1930, at \$327,300,000. The participation by Federal reserve banks and the classification of issues at the close of the statement week were as follows:

PARTICIPATION BY FEDERAL RESERVE BANKS

Boston	\$ 39,616,000
New York	78,535,500
Philadelphia	31,114,500
Cleveland	39,830,500
Richmond	11,487,500
Atlanta	6,227,500
Chicago	50,456,500
St. Louis	10,642,500
Minneapolis	10,766,000
Kansas City	5,921,500
Dallas	15,649,500
San Francisco	<u>27,052,500</u>

Totals	<u>\$327,300,000</u>
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RECAPITULATION OF HOLDINGS BY MATURITIES

May 19, 1930	- Treas. Bills	\$ 26,000,000
July 14, 1930	- " "	20,000,000
June 16, 1930	- 4 7/8% C/I	22,360,000
Sept. 15, 1930	- 3 1/8% "	80,075,000
Dec. 15, 1930	- 3 1/4% "	70,300,000
Mar. 15, 1932	- 3 1/2% T/N	9,555,000
Sept. 15, 1932	- 3 1/2% "	54,735,000
Dec. 15, 1932	- 3 1/2% "	39,825,000
4th L/L bonds	- 4 1/4%	<u>4,450,000</u>

<u>\$327,300,000</u>
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ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF ALL  
FEDERAL RESERVE BANKS FROM APRIL 24 TO APRIL 30, 1930, INCLUSIVE

TRANSACTIONS IN GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>
New York	\$8,750,000	Misc. Gov't Sec.	\$8,750,000	Misc. Gov't Sec.
Cleveland	500	" " "	0	-
Atlanta	197,750	" " "	207,950	Misc. Gov't Sec.
Minneapolis	697,500	" " "	762,400	Misc. Gov't Sec.
<b>Totals</b>	<b>\$9,645,750</b>		<b>\$9,720,350</b>	

BANKERS ACCEPTANCES  
(000 Omitted)

	<u>Holdings April 23</u>	<u>Purchased Own Mkt.</u>	<u>By Allot- ment from New York</u>	<u>Matur- ities &amp; Sales</u>	<u>Holdings April 30</u>	<u>Other Holdings Close April 30/30. Sales Contracts</u>	<u>Other Bills</u>
Boston	\$ 9,854	\$ 1,586 R	\$ 0	\$ 1,609	\$ 9,831	\$ 5,166	\$ 78
New York	8,622	4,271 " 12,713 A	0	1,457	11,436	37,688	378
Phila.	8,659	245 R	0	1,019	7,885	0	102
Cleve.	20,013	0	2,047	2,554	19,506	0	105
Richmond	10,418	109 "	1,111	2,704	8,934	0	44
Atlanta	24,093	220 "	1,410	4,023	21,700	0	562
Chicago	18,514	717 "	2,465	4,512	17,184	2,104	141
St. Louis	11,718	0	1,274	3,167	9,825	0	38
Minn.	12,282	366 "	689	4,746	8,591	0	24
Kan. City	12,849	0	1,078	2,256	11,671	0	32
Dallas	7,753	132 "	881	2,609	6,157	231	32
San Fran.	30,956	1,714 "	1,758	7,203	27,225	2,529	73
<b>Totals</b>	<b>\$175,731</b>	<b>\$22,073</b>	<b>\$12,713</b>	<b>\$37,859</b>	<b>\$158,945</b>	<b>\$47,718</b>	<b>\$1,609</b>

Bills held over night by New York for distribution to other F. R. Banks - 292

Total - - - - - \$1,901

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



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MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDING APRIL 30, 1930  
(000 Omitted)

	<u>1-30 days</u> <u>3 - 3 1/8%</u>	<u>31-60 days</u> <u>3 - 3 1/8%</u>	<u>61-90 days</u> <u>3 - 3 1/8%</u>	<u>Over 90-days</u> <u>3 - 3 1/8%</u>	<u>Total</u>
Boston	\$ 388	\$ 144	\$1,048	\$ 6	\$ 1,586
New York	6,684	9,472	828	0	16,984
Philadelphia	77	99	69	0	245
Richmond	15	20	50	24	109
Atlanta	220	0	0	0	220
Chicago	435	219	63	0	717
Minneapolis	142	224	0	0	366
Dallas	7	72	17	36	132
San Francisco	697	902	112	3	1,714
Totals	<u>\$8,665</u>	<u>\$11,152</u>	<u>\$2,187</u>	<u>\$69</u>	<u>\$22,073</u>

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES DURING WEEK ENDING APRIL 30, 1930  
(000 Omitted)

(Excluding Sales Contracts)

	<u>Government</u> <u>Securities</u>	<u>Bankers</u> <u>Acceptances</u>	<u>Total</u>
Purchased	\$9,646	\$22,073	\$31,719
Sold	9,720	160	9,880
Matured	0	37,699	37,699
		<u>\$15,786-</u>	<u>\$15,860-</u>
		238- (Net Change	238- (Net Change
		1-day holdover	1-day holdover
		and other bills)	and other bills)
Totals	<u>\$ 74-</u>	<u>\$16,024-</u>	<u>\$16,098-</u>

HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES APRIL 30, 1930  
(000 Omitted)

(Including Sales Contracts)

	<u>Within</u> <u>15-days</u>	<u>16-30</u> <u>days</u>	<u>31-60</u> <u>days</u>	<u>61-90</u> <u>days</u>	<u>91 days-</u> <u>6 months</u>	<u>Over 6</u> <u>months</u>	<u>Total</u>
Gov't Securities	\$ 2,385	\$26,000	\$50,787	\$39,500	\$91,142	\$319,695	\$529,509
Bills Purchased	110,370	44,260	39,864	11,913	3,157	0	209,564
Totals	<u>\$112,755</u>	<u>\$70,260</u>	<u>\$90,651</u>	<u>\$51,413</u>	<u>\$94,299</u>	<u>\$319,695</u>	<u>\$739,073</u>

*Mr. Riefler ✓  
Smead ✓  
Collins ✓*

REC'D. C. OP MAY 3

RECEIVED  
MAY - 3 1930  
DIVISION OF RESEARCH  
AND STATISTICS

**FEDERAL RESERVE BANK  
OF NEW YORK**

CONFIDENTIAL

May 2, 1930

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

Dear Mr. Goldenweiser:

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 24, 1930 to April 30, 1930 inclusive, together with data received by the committee from the Federal reserve banks.

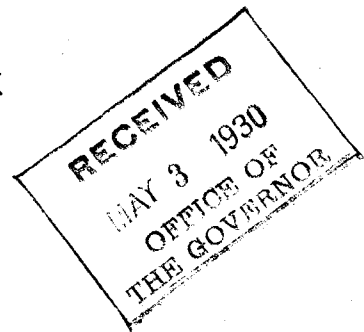
Very truly yours,

*W. B. Matteson*

W. B. Matteson  
Secretary, Open Market  
Investment Committee

Encl.

**FEDERAL RESERVE BANK  
OF NEW YORK**



P E R S O N A L

May 2, 1930

Dear Governor Young:

We are enclosing, for your files, 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 24, 1930 to April 30, 1930 inclusive, together with data received by the committee from the Federal reserve banks.

Very truly yours,

A large, flowing handwritten signature in dark ink, which appears to read "W. B. Matteson".

W. B. Matteson  
Secretary, Open Market  
Investment Committee

Honorable Roy A. Young,  
Governor, Federal Reserve Board,  
Washington, D. C.

Encl.

April 28, 1930

Dear Mr. Matteson:

I acknowledge receipt of and shall bring to the attention of the members of the Board your letter of April 25th, enclosing report of transactions in Government securities and bankers' acceptances as reported to your Committee for the period from April 17, 1930 to April 23, 1930, inclusive.

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.

FOR SPECIAL CIRCULATION  
 PLEASE READ CAREFULLY, INITIAL AND RETURN TO SECRETARY'S OFFICE  
 Gov. Young ✓  
 Mr. Platt ✓  
 Mr. Hamlin ✓  
 Mr. James ✓  
 Mr. Miller ✓  
 Mr. Birmingham ✓  
 Mr. Ponder ✓

FEDERAL RESERVE BANK

OF NEW YORK

APR 26 1930  
 OFFICE OF  
 THE GOVERNOR

CONFIDENTIAL

April 25, 1930

Dear Governor Young:

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 17, 1930 to April 23, 1930 inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,



W. B. Matteson  
 Secretary, Open Market  
 Investment Committee

Honorable Roy A. Young,  
 Governor, Federal Reserve Bank,  
 Washington, D. C.

Encl.

see letter 4/26/30

CONFIDENTIAL

## REPORT OF OPEN MARKET INVESTMENT COMMITTEE WEEK ENDED APRIL 23, 1930

Holdings of Earning Assets of Federal Reserve Banks from April 24, 1929 to Date  
(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS
		Outright Purchases	Sales Contracts	Outright Purchases	Sales Contracts	DISCOUNTED
-1929-						
April 24	\$1,280,601	\$139,112	\$10,670	\$119,244	\$21,931	\$ 974,513
May 29	1,258,502	137,132	7,440	103,416	14,503	988,194
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Nov. 27	1,514,460	322,033	4,035	250,044	7,271	912,349
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Feb. 26	1,138,522	477,610	5,145	232,521	66,785	342,781
Mar. 26	1,001,090	526,284	2,715	143,772	112,710	206,829
April 16	1,061,476	527,203	8,190	187,848	114,566	213,804
April 23	1,004,963	527,198	190	177,870	78,999	211,491

CHANGES IN EARNING ASSET HOLDINGS (EXCLUSIVE OF SALES CONTRACTS)  
DURING WEEK ENDED APRIL 23, 1930  
(000 Omitted)

	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS DISCOUNTED	
	Balance April 23	Net Change	Balance April 23	Net Change	Balance April 23	Net Change
Boston	\$ 40,323	\$ 0	\$ 9,854	\$ 1,494+	\$ 13,932	\$ 5-
New York	192,863	0	8,622	6,610-	34,126	9,790-
Philadelphia	46,125	0	8,659	86-	27,297	347+
Cleveland	49,995	0	20,013	773+	22,870	2,658-
Richmond	12,640	0	10,418	460-	16,402	715+
Atlanta	8,802	96-	24,093	4,318+	22,053	6,381+
Chicago	70,384	0	18,514	2,166-	22,206	2,673-
St. Louis	19,268	0	11,718	617+	14,703	185+
Minneapolis	18,542	91+	12,282	689+	4,263	1,789+
Kansas City	5,924	0	12,849	378+	13,178	1,298+
Dallas	25,637	0	7,753	45+	7,551	229-
San Francisco	36,695	0	30,956	1,049+	12,910	2,327+
N. Y. holdovers and other bills			2,139	10,019-		
Totals	\$527,198	\$ 5-	\$177,870	\$ 9,978-	\$211,491	\$2,313-

COMMENT ON CHANGES WEEK ENDED APRIL 23, 1930

Total earning assets of the System showed a decrease of \$56,513,000 for the current statement week. The changes by classification consisted of decreases of \$5,000 and \$9,978,000 respectively, in outright purchases of government securities and bankers acceptances, \$2,313,000 in bills discounted and \$43,567,000 in investments held under sales contracts. The latter item consisted of decreases of \$8,000,000 in government securities and \$35,567,000 in bankers acceptances.

Money  
Market

During the past week, which was broken by the Stock Exchange Easter holidays, call loan renewals continued at 4 per cent, unchanged since late in March, with new accommodation on the Exchange down to 3 1/2 per cent, while outside funds were obtained daily as low as 3 per cent. Demand for funds as represented by the volume of new loans actually placed remained moderate.

The inter-district movement of commercial funds during the period was decidedly in favor of the New York money market and there were also gains resulting from currency deposits and a gold import. Government calls from depositaries were slightly more than offset by interest payments and other miscellaneous commercial and agency transactions. The aggregate gain of funds to the market more than provided for an increase in reserve requirement figures during the period, and resulted in a rather large reduction in reserve bank repurchase agreement holdings and a small net decline in member bank borrowings. The average indebtedness of the New York City banks this week was \$16,400,000, as compared with \$30,900,000 last week.

Time money opened the period practically unchanged from last week, but a slight easing occurred toward the end of the statement week when the 3, 4 and 5 months' nominal quotations were reduced 1/4 per cent and trading in the 90-day maturity was done at 4 per cent, as compared with 4 1/4 per cent earlier in the period. Nominal quotations at the close of business on April 23 were reported as follows: 30 days, 3 3/4 bid, 4 per cent asked; 60 to 90 days, 4 per cent flat; 4 and 5 months, 4 bid, 4 1/4 per cent asked; 6 months, 4 1/4 bid, 4 1/2 per cent asked.

Prime commercial paper continued to be offered at a range of 3 3/4 - 4 per cent though slightly firmer conditions were indicated by some dealers who reported 4 per cent as the principal selling rate. Open market supplies of the very high grade paper, such as would ordinarily command the lowest rate, were reported to be in small volume. This lack of supply of the best names naturally was a factor contributing to the slightly higher selling range. Bank investment demand was not particularly active, and the condition of the paper market in general was fairly quiet.

Government  
Security  
Market

There was some improvement in the demand for United States Government securities during the current statement week with the long-term bonds, especially the Treasury bonds, being in best demand. Prices reflected an upward trend with the short-term Treasury certificates and notes showing small gains of 1/32 and 2/32nds for the week and the long-term bonds (with the exception of the 3 1/2% First Liberty Loan bonds which declined 8/32nds) registering gains of from 2/32 to 16/32nds.

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

					Price	Net Change	Approx. Yield
Issue							
4 7/8% Cert. of Ind.	due	June	16,	1930	100 10/32	- - -	2.63
3 1/8% "	"	Sept.	15,	1930	100 1/32	+2/32	3.03
3 1/4% "	"	Dec.	15,	1930	100 1/32	+1/32	3.19
3 1/2% Treasury Notes	"	Mar.	15,	1932	100	+1/32	3.49
3 1/2% "	"	Sept.	15,	1932	100	+1/32	3.49
3 1/2% "	"	Dec.	15,	1932	100	+1/32	3.49
Treasury Bills	"	May	19,	1930	3 1/8% - 2 5/8% discount		
"	"	July	14,	1930	3 1/4% - 2 3/4% "		

3

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

Issue	Price	Net Change	Issue	Price	Net Change
1st 3 1/2s	100 2/32	-8/32	Treas. 4s 1944-54	107 8/32	+16/32
1st 4 1/4s	101 16/32	+8/32	" 4 1/4s 1947-52	111 9/32	+15/32
4th 4 1/4s	101 22/32	+7/32	" 3 3/4s 1946-56	104 19/32	+14/32
			" 3 3/8s 1943-47	100 9/32	+ 8/32
			" 3 3/8s 1940-43	100 10/32	+ 2/32

Bankers  
Acceptances

Dealers' offering rates on unendorsed bankers acceptances continued at the following rates during the current week: 3 per cent for 30s, 60s, and 90s; 3 - 3 1/8 per cent for 120s and 3 1/8 - 3 1/4 per cent for 180s.

Reports  
week  
ending  
April 23

Boston reports that the supply of bills fell off during the past week necessitating importation by dealers of about \$4,300,000 from offices in other cities in order that the local demand which continued small could be met. Bill dealers in its district lowered the rate on 4 - 6 months' bills by 1/8 per cent during the past period. The best market was for short maturities, the longer maturities not moving freely at offered rates. Offerings to the reserve bank continued moderate. In New York the supply of new bills fell off sharply this week as compared with the past several weeks, dealers' purchases having been the smallest for any one week since the week of February 12, 1930. The 3 per cent offering rate resulted in an improved demand from commercial banks. Dealers' sales exceeded purchases substantially and their aggregate portfolios were reduced by about \$35,000,000. Purchases by the reserve bank from dealers during the week for System Account were moderate. All but one of the dealers who at the close of last week were bidding 3 1/4 on 4 months' bills, 3 3/8 on 5 and 6 months' and offering at 3 1/8 and 3 1/4 respectively, reduced again by 1/8 per cent. Philadelphia reports that its acceptance market continued quiet. New bills continued to be scarce. The demand showed some improvement and was mostly for long maturities. Dealers reported portfolios somewhat lower with supply of 120-day bills practically exhausted. Offerings to the reserve bank were moderate. In Chicago, dealers reported a slightly increased demand over previous week due to change in rates. Dallas reports that the demand for bills continued light in its district during the past week. Offerings to the reserve bank were very light.



OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

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

Sale of \$1,300,000 par amount 3 1/2% Treasury notes, due  
March 15, 1930-32 account Alien Property  
Custodian  
and purchase of 450,000 par amount 3 1/2% Treasury notes due  
March 15, 1930-32 account German Special  
Deposit Account

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

There was no transaction in the System Special Investment Account during the current statement week, the total holdings remaining at the close of business Wednesday, April 23, 1930, at \$327,300,000. The participation by Federal reserve banks and the classification of issues at the close of the statement week were as follows:

PARTICIPATION BY FEDERAL RESERVE BANKS

Boston	\$ 39,616,000
New York	78,535,500
Philadelphia	31,114,500
Cleveland	39,830,500
Richmond	11,487,500
Atlanta	6,227,500
Chicago	50,456,500
St. Louis	10,642,500
Minneapolis	10,766,000
Kansas City	5,921,500
Dallas	15,649,500
San Francisco	27,052,500

Totals \$327,300,000

RECAPITULATION OF HOLDINGS BY MATURITIES

May 19, 1930 - Treas. Bills	\$ 26,000,000
July 14, 1930 - " "	20,000,000
June 16, 1930 - 4 7/8% C/I	22,360,000
Sept. 15, 1930 - 3 1/8% "	80,075,000
Dec. 15, 1930 - 3 1/4% "	70,300,000
Mar. 15, 1932 - 3 1/2% T/N	9,555,000
Sept. 15, 1932 - 3 1/2% "	54,735,000
Dec. 15, 1932 - 3 1/2% "	39,825,000
4th L/L bonds 4 1/4%	4,450,000

\$327,300,000

5

ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF ALL  
FEDERAL RESERVE BANKS FROM APRIL 16 TO APRIL 23, 1930, INCLUSIVE

TRANSACTIONS IN GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>
New York	\$24,197,000	Misc. Gov't Sec.	\$24,197,000	Misc. Gov't Sec.
Atlanta	456,000	" " "	551,350	" " "
Minneapolis	493,950	" " "	404,550	" " "
Totals	<u>\$25,146,950</u>		<u>\$25,152,900</u>	

BANKERS ACCEPTANCES  
(000 Omitted)

	<u>Holdings April 16</u>	<u>Purchased Own Mkt.</u>	<u>By Allot- ment from New York</u>	<u>Matur- ities &amp; Sales</u>	<u>Holdings April 23</u>	<u>Other Holdings Close April 23/30</u>	
						<u>Sales Contracts</u>	<u>Other Bills</u>
Boston	\$ 8,360	\$ 2,122 R.	0	\$ 628	\$ 9,854	\$ 7,016	\$ 77
New York	15,232	3,987 " 22,806 A.	0	5,594 5,003*	8,622	64,647	378
Phila.	8,745	1,964 R.	0	2,050	8,659	0	101
Cleve.	19,240	0	3,310	2,537	20,013	0	104
Richmond	10,878	0	2,036	2,496	10,418	0	44
Atlanta	19,775	5,024*	2,645	3,351	24,093	0	664
Chicago	20,680	480 "	4,367	7,013	18,514	3,818	139
St. Louis	11,101	0	2,424	1,807	11,718	0	37
Minn.	11,593	1,780 "	1,210	2,301	12,282	0	24
Kan. City	12,471	0	2,060	1,682	12,849	0	31
Dallas	7,708	57 "	1,621	1,633	7,753	164	31
San Fran.	29,907	1,433 "	3,133	3,517	30,956	3,354	72
Totals	\$175,690	\$39,653	\$22,806	\$39,612	\$175,731	\$78,999	\$1,702
Bills held overnight by New York for distribution to other F. R. Banks - -							437
Total - - - -							<u>\$2,139</u>

\*Of this amount \$5,003,000 was sold to Atlanta from New York portfolio.

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

(14)

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MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDING APRIL 23, 1930  
(000 Omitted)

	<u>1-30 days</u> <u>3 - 3 1/8%</u>	<u>31 -60 days</u> <u>3%</u>	<u>61-90 days</u> <u>3%</u>	<u>Over 90 days</u> <u>3 - 3 1/8%</u>	<u>Total</u>
Boston	\$ 822	\$ 160	\$1,130	\$ 210	\$ 2,122
New York	13,310	6,858	1,095	5,530	26,793
Philadelphia	344	0	1,620	0	1,964
Atlanta	5,024	0	0	0	5,024
Chicago	280	200	0	0	480
Minneapolis	0	774	1,006	0	1,780
Dallas	33	24	0	0	57
San Francisco	<u>561</u>	<u>317</u>	<u>555</u>	<u>0</u>	<u>1,433</u>
Totals	<u>\$20,174</u>	<u>\$8,333</u>	<u>\$5,406</u>	<u>\$5,740</u>	<u>\$39,653</u>

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES DURING WEEK ENDING APRIL 23, 1930  
(000 Omitted)

(Excluding Sales Contracts)

	<u>Government</u> <u>Securities</u>	<u>Bankers</u> <u>Acceptances</u>	<u>Total</u>
Purchased	\$25,148	\$39,653	\$64,801
Sold	25,153	5,068	30,221
Matured	0	<u>34,612</u>	<u>34,612</u>
		\$ 27-	\$ 32-
		10,019-(Net Change	10,019-(Net Change
		1-day holdover	1-day holdover
		& other bills)	& other bills)
Totals	\$ 5-	<u>\$10,046-</u>	<u>\$10,051-</u>

HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCPETANCES APRIL 23, 1930  
(000 Omitted)

(Including Sales Contracts)

	<u>Within</u> <u>15-days</u>	<u>16-30</u> <u>days</u>	<u>31-60</u> <u>days</u>	<u>61-90</u> <u>days</u>	<u>91 days-</u> <u>6 months</u>	<u>Over 6</u> <u>months</u>	<u>Total</u>
Gov't Securities	\$ 190	\$26,000	\$45,062	\$36,500	\$94,641	\$324,995	\$527,388
Bills Purchased	<u>147,584</u>	<u>54,041</u>	<u>35,084</u>	<u>16,158</u>	<u>4,002</u>	<u>0</u>	<u>256,869</u>
Totals	<u>\$147,774</u>	<u>\$80,041</u>	<u>\$80,146</u>	<u>\$52,658</u>	<u>\$98,643</u>	<u>\$324,995</u>	<u>\$784,257</u>

(14)

*Mr. Riefler ✓  
Smead ✓  
Collier*

**FEDERAL RESERVE BANK  
OF NEW YORK**

**RECEIVED  
APR 26 1930  
DIVISION OF RESEARCH  
AND STATISTICS**

CONFIDENTIAL

April 25, 1930

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

Dear Mr. Goldenweiser:

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 17, 1930 to April 23, 1930 inclusive, together with data received by the Committee from the Federal reserve banks.

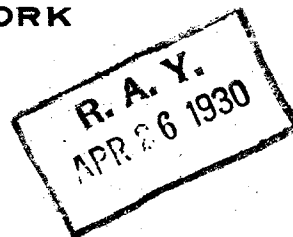
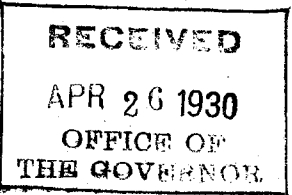
Very truly yours,

*W. B. Matteson*

W. B. Matteson  
Secretary, Open Market  
Investment Committee

Encl.

**FEDERAL RESERVE BANK  
OF NEW YORK**



P E R S O N A L

April 25, 1930

Dear Governor Young:

We are enclosing, for your files, 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 17, 1930 to April 23, 1930 inclusive, together with data received by the committee from the Federal reserve banks.

Very truly yours,

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

W. B. Matteson  
Secretary, Open Market  
Investment Committee

Honorable Roy A. Young,  
Governor, Federal Reserve Board,  
Washington, D. C.

Encl.

April 19, 1930

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, enclosing report of transactions in Government securities and bankers' acceptances as reported to your Committee for the period from April 10, 1930 to April 16, 1930 inclusive.

Very truly yours,

(Signed) E. M. McClelland

E. M. McClelland,  
Assistant Secretary

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

*Mr. Riefler ✓  
Smead ✓  
Collier*

**FEDERAL RESERVE BANK  
OF NEW YORK**

RECEIVED  
APR 19 1930  
DIVISION OF RESEARCH  
AND STATISTICS

CONFIDENTIAL

April 18, 1930

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

Dear Mr. Goldenweiser:

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 10, 1930 to April 16, 1930 inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,



W. B. Matteson  
Secretary, Open Market  
Investment Committee

Encl.

FOR SPECIAL CIRCULATION

PLEASE READ CAREFULLY, INITIAL AND RETURN TO SECRETARY'S OFFICE

Gov. Young ✓

Mr. Hamlin ✓

Mr. James ✓

Mr. Platt ✓

Mr. Miller ✓

Mr. Cunningham ✓

Mr. Pole ✓

**FEDERAL RESERVE BANK****OF NEW YORK****RECEIVED**

APR 19 1930

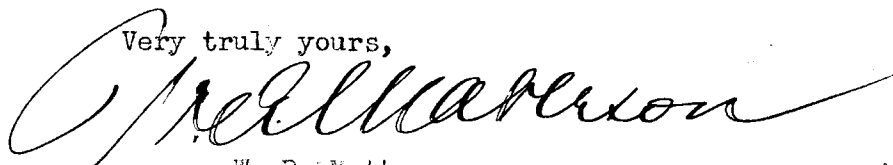
OFFICE OF  
THE GOVERNORCONFIDENTIAL

April 18, 1930

Dear Governor Young:

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 10, 1930 to April 16, 1930 inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,



W. B. Matteson  
Secretary, Open Market  
Investment Committee

Honorable Roy A. Young,  
Governor, Federal Reserve Board,  
Washington, D. C.

Encl.

Forme  
36

See letter 4/19/30



CONFIDENTIAL

## REPORT OF OPEN MARKET INVESTMENT COMMITTEE WEEK ENDED APRIL 16, 1930

Holdings of Earning Assets of Federal Reserve Banks from April 17, 1929 to Date  
(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS
		Outright Purchases	Sales Contracts	Outright Purchases	Sales Contracts	DISCOUNTED
-1929-						
April 17	\$1,310,162	\$151,644	\$ 9,785	\$127,117	\$13,910	\$ 994,296
April 24	1,280,601	139,112	10,670	119,244	21,931	974,513
May 29	1,258,502	137,132	7,440	103,416	14,503	988,194
June 26	1,262,428	129,717	19,810	71,207	11,632	1,016,747
July 31	1,308,014	126,579	20,704	44,988	29,579	1,075,714
Aug. 28	1,291,562	126,566	18,755	95,266	61,248	973,627
Sept. 25	1,375,467	125,973	26,086	179,449	84,485	944,399
Oct. 30	1,648,742	259,848	32,840	310,774	29,111	991,038
Nov. 27	1,514,460	322,063	4,035	250,044	7,271	912,349
Dec. 31	1,547,517	487,292	23,295	236,974	155,235	632,421
-1930-						
Jan. 29	1,154,379	476,466	70	185,677	72,795	406,941
Feb. 26	1,138,522	477,610	5,145	232,521	66,785	342,781
Mar. 26	1,001,090	526,284	2,715	143,772	112,710	206,829
April 9	1,029,242	526,921	375	169,823	97,179	226,164
April 16	1,061,476	527,203	8,190	187,848	114,566	213,804

CHANGES IN EARNING ASSET HOLDINGS (EXCLUSIVE OF SALES CONTRACTS)  
DURING WEEK ENDED APRIL 16, 1930  
(000 Omitted)

	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS DISCOUNTED	
	Balance April 16	Net Change	Balance April 16	Net Change	Balance April 16	Net Change
Boston	\$ 40,323	\$ 0	\$ 8,360	\$ 2,122-	\$ 13,937	\$ 1,794-
New York	192,863	14,701-	15,232	6,458+	43,916	18,758-
Philadelphia	46,125	0	8,745	1,090-	26,950	699-
Cleveland	49,995	15,000+	19,240	2,950+	25,528	567-
Richmond	12,640	0	10,878	955+	15,687	2,307+
Atlanta	8,898	109+	19,775	6,748+	15,672	475+
Chicago	70,384	0	20,680	196+	24,879	5,168+
St. Louis	19,268	0	11,101	784+	14,518	1,890+
Minneapolis	18,451	126-	11,593	282+	2,474	101+
Kansas City	5,924	0	12,471	1,238+	11,880	428-
Dallas	25,637	0	7,708	322-	7,780	590+
San Francisco	36,695	0	29,907	2,367+	10,583	645-
N. Y. holdovers and other bills			12,158	419-		
Totals	\$527,203	\$ 282+	\$187,848	\$18,025+	\$213,804	\$12,360-

COMMENT ON CHANGES WEEK ENDED APRIL 16, 1930

Total earning assets of the System showed an increase of \$32,234,000 for the current statement week. The changes by classification consisted of a decrease of \$12,360,000 in bills discounted, and increases of \$282,000 and \$18,025,000 respectively, in outright purchases of government securities and bankers acceptances, and an increase of \$25,202,000 in investments held under sales contracts. The latter item consisted of increases of \$7,815,000 in government securities and \$17,387,000 in bankers acceptances.

2

Money  
Market

Call loan renewals continued at 4 per cent throughout the past week. In the period of April 11 - 15 a slight hardening of money occurred, as a reflection of mid-month transactions including preparations for the Treasury bill sale. Consequently, call money was not available at a rate below the renewal level, as compared with the situation in immediately preceding days when new loans had been obtainable at 3 1/2 per cent on the Exchange and at 3 per cent in the outside market. In fact, on the 14th, some new loans were arranged in the outside market at as high as 4 1/2 per cent. Following the passage of the mid-month, new accommodation again became available at 3 1/2 per cent on the Exchange, though the renewal rate held at 4 per cent.

During the week under review funds were withdrawn from the market as a result of the sale of Treasury bills and government calls, the effect of which was largely counterbalanced by security purchases and interest payments for the Treasury. In addition there was some increased demand for currency and a moderate net loss of funds to the market in other commercial and agency transactions. Increases in repurchase agreement holdings of bills and securities and in reserve bank outright bill holdings provided sufficient funds not only to offset the aforementioned net loss, but also to care for a substantial mid-month increase in member bank reserve requirements. Coincident with this situation, the New York City banks were able to effect a net retirement of \$16,500,000 of borrowings, so that their indebtedness on the 16th was only \$20,000,000.

Time money was featureless during the week. Small amounts were loaned for 90 days at 4 1/4 per cent, and for 6 months at 4 1/2 per cent. Nominal quotations at the close of the week were: 30 days 3 3/4 bid, 4 per cent asked; 60 days 4 per cent flat; 90 days 4 1/4 per cent flat; and 4 to 6 months 4 1/4 bid, 4 1/2 per cent asked, or little changed from the end of the preceding week.

Commercial paper dealers report that the bank investment demand for prime names has decreased somewhat and that supplies also have declined, but that the rate range continues at 3 3/4 - 4 per cent.

Government  
Security  
Market

The market for United States government securities was quiet during the current statement week. The demand was very light and while offerings were not in large volume, prices of practically all issues showed fractional recessions for the week.

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

Issue				Price	Net Change	Approx. Yield
4 7/8%	Cert. of Ind. due	June 16, 1930		100 10/32	-4/32	2.76
3 1/8%	" " " "	Sept. 15, 1930		99 31/32	-3/32	3.20
3 1/4%	" " " "	Dec. 15, 1930		100	-2/32	3.24
3 1/2%	Treasury Notes	Mar. 15, 1932		99 31/32	-1/32	3.50
3 1/2%	" " " "	Sept. 15, 1932		99 31/32	-1/32	3.50
3 1/2%	" " " "	Dec. 15, 1932		99 31/32	-1/32	3.50
Treasury Bills						
"	"	May 19, 1930		3 1/8% - 2 5/8% discount		
"	"	July 14, 1930		3 1/4% - 2 3/4%	"	

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

Issue	Price	Net Change	Issue	Price	Net Change
1st 3 1/2s	100 10/32	-3/32	Treas. 4s 1944-54	106 24/32	-19/32
1st 4 1/4s	101 8/32	-7/32	" 4 1/4s 1947-52	110 26/32	-10/32
4th 4 1/4s	101 15/32	-6/32	" 3 3/4s 1946-56	104 5/32	- 8/32
			" 3 3/8s 1943-47	100 1/32	- 7/32
			" 3 3/8s 1940-43	100 8/32	+ 4/32

Bankers  
Acceptances

Dealers' offerings of unindorsed bankers acceptances were at the following rates at the close of the current statement week: 3 per cent for 30s, 60s and 90s, 3 to 3 1/8 per cent for 120s and 3 1/8 to 3 1/4 per cent for 180 day bills which represents an increase of 1/8 per cent on maturities up to 90 days.

Reports  
week  
ending  
April 16

Boston reports that bill dealers were again obliged to raise their rates during the past period due to a light demand and increasing portfolios. The supply of new bills in its district as reported by four dealers increased \$2,000,000 over the previous period. Although the demand was light, it showed a slight improvement over the previous week. Offerings to the reserve bank were moderate, its portfolio declining, however, over \$4,000,000 due to heavy maturities. In New York the bill market was only fairly active during the week. Dealers' purchases increased slightly as compared with the previous week and exceeded their sales moderately. The first two days of the period dealers' sales exceeded their purchases moderately but money conditions became firmer near the 15th of the month and resulted in more bills being offered to dealers. This condition with the abolition of the single seller plan for Cuban sugar, which releases a large amount of sugars which will doubtless be subject of considerable amount of bill drawings, resulted in all dealers increasing rates 1/8 per cent on maturities up to 90 days. Three dealers increased 1/8 on longer maturities also. Philadelphia reports that its bill market was quiet. There were practically no new bills in its district during the week. Offerings to the reserve bank were moderate with the trend to longer maturities. The demand was very light. In Chicago dealers reported that there was practically no demand for bills. Dallas reports that the demand for bills during the past week was very light, although a slight improvement was observed. Offerings to the reserve bank were somewhat heavier than during the preceding week and consisted almost entirely of bills with very short maturities.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

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

Sale of	\$ 200,000 - 3 1/2%	Treasury notes due March 15, 1930-32, account Alien Property Custodian
and purchases of	\$134,600 - 4 1/4%	Fourth Liberty Loan bonds, account General Railroad Contingent Fund
	13,854,000 - 3 1/2%	Treasury notes due March 15, 1930-32, account Sinking Fund
	<u>\$13,988,600</u> -	Total Purchases

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

On April 10, 1930, a sale was made of \$15,000,000 government securities from the participation of the Federal Reserve Bank of New York to that of the Federal Reserve Bank of Cleveland in the System Account.

In order to accommodate the Treasury Department with the desired maturity, a sale was made during the week from the System Account to the Treasury, account Sinking Fund, of

\$10,000,000 - 3 1/2% Treasury notes due March 15, 1930-32

which were replaced in the System Account by purchase of a like amount of September 15, 1930-32, Treasury notes.

Exchanges were also effected in the market of

\$20,000,000 aggregate amount of 4 7/8% Treasury certificates due June 16, 1930

for a like amount of new Treasury bills due July 14, 1930.

These transactions did not affect the total amount of holdings in the System Account which remained at the close of business Wednesday, April 16, 1930, at \$327,300,000. The participation by Federal reserve banks and the classification of issues were as follows:

<u>PARTICIPATION BY FEDERAL RESERVE BANKS</u>		<u>RECAPITULATION OF HOLDINGS BY MATURITIES</u>	
Boston	\$ 39,616,000	May 19, 1930 - Treas. Bills	\$ 26,000,000
New York	78,535,500	July 14, 1930 - "	20,000,000
Philadelphia	31,114,500	June 16, 1930 - 4 7/8% C/I	22,360,000
Cleveland	39,830,500	Sept. 15, 1930 - 3 1/8% "	80,075,000
Richmond	11,487,500	Dec. 15, 1930 - 3 1/4% "	70,300,000
Atlanta	6,227,500	Mar. 15, 1932 - 3 1/2% T/N	9,555,000
Chicago	50,456,500	Sept. 15, 1932 - 3 1/2% "	54,735,000
St. Louis	10,642,500	Dec. 15, 1932 - 3 1/2% "	39,825,000
Minneapolis	10,766,000	4th L. L. bonds- 4 1/4%	4,450,000
Kansas City	5,921,500		
Dallas	15,649,500		
San Francisco	<u>27,052,500</u>		
Totals	<u>\$327,300,000</u>		<u>\$327,300,000</u>

5

**ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF ALL  
FEDERAL RESERVE BANKS FROM APRIL 10 TO APRIL 16, 1930, INCLUSIVE**

**GOVERNMENT SECURITIES - SYSTEM INVESTMENT ACCOUNT**

	<u>Purchases</u>	<u>Sales</u>	<u>Decrease</u>	<u>Increase</u>
Boston	\$ 3,631,500	\$ 3,631,500	\$ 0	\$ 0
New York	7,198,500	22,198,500	15,000,000	0
Philadelphia	2,851,500	2,851,500	0	0
Cleveland	18,651,000	3,651,000	0	15,000,000
Richmond	1,053,000	1,053,000	0	0
Atlanta	571,500	571,500	0	0
Chicago	4,624,500	4,624,500	0	0
St. Louis	975,000	975,000	0	0
Minneapolis	987,000	987,000	0	0
Kansas City	543,000	543,000	0	0
Dallas	1,434,000	1,434,000	0	0
San Francisco	2,479,500	2,479,500	0	0
<b>Totals</b>	<b>\$45,000,000</b>	<b>\$45,000,000</b>	<b>\$15,000,000</b>	<b>\$15,000,000</b>

**OTHER TRANSACTIONS IN GOVERNMENT SECURITIES**

	<u>Purchases</u>		<u>Issue</u>	<u>Sales</u>		<u>Issue</u>
New York	\$22,553,000	Misc. Gov't Sec.		\$22,254,000	Misc. Gov't Sec.	
Atlanta	293,250	" "	" "	184,450	" "	" "
Minneapolis	691,650	" "	" "	818,050	" "	" "
<b>Totals</b>	<b>\$23,537,900</b>			<b>\$23,256,500</b>		

**BANKERS ACCEPTANCES**  
(000 Omitted)

	<u>Holdings</u>	<u>Purchased</u>	<u>By Allot-</u>	<u>Matur-</u>	<u>Holdings</u>	<u>Other Holdings</u>	
	<u>April 9</u>	<u>Own Mkt.</u>	<u>ment from</u>	<u>ities &amp;</u>	<u>April 16</u>	<u>Close April 16, 1930</u>	
			<u>New York</u>	<u>Sales</u>		<u>Sales</u>	
						<u>Contracts</u>	
						<u>Other</u>	
						<u>Bills</u>	
Boston	\$ 10,482	\$ 3,428 R	\$ 0	\$ 5,550	\$ 8,360	\$ 7,001	\$ 77
New York	8,774	11,552 "	0	5,094*	15,232	101,199	378
		32,101 A					
Phila.	9,835	1,442 R	0	2,532	8,745	0	101
Cleve.	16,290	0	4,883	1,933	19,240	0	104
Richmond	9,923	454 "	2,624	2,123	10,878	0	44
Atlanta	13,027	2,973*"	5,749	1,974	19,775	0	557
Chicago	20,484	507 "	5,542	5,853	20,680	5,139	139
St. Louis	10,317	0	2,987	2,203	11,101	0	37
Minn.	11,311	0	1,641	1,359	11,593	0	24
Kan. City	11,233	0	2,629	1,391	12,471	0	31
Dallas	8,030	418 "	2,094	2,834	7,708	178	31
San Fran.	27,540	2,194 "	3,952	3,779	29,907	1,049	72
<b>Totals</b>	<b>\$157,246</b>	<b>\$55,069</b>	<b>\$32,101</b>	<b>\$36,625</b>	<b>\$175,690</b>	<b>\$114,566</b>	<b>\$1,595</b>
Bills held over night by New York for distribution to other F.R. Banks - -							<u>10,563</u>
Total - - - - -							<u>\$12,158</u>

\* Of this amount \$2,505,000 was sold to Atlanta from N. Y. portfolio.

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

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MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDING APRIL 16, 1930  
(000 Omitted)

	<u>1-30 days</u> <u>3 - 3 1/8%</u>	<u>31-60 days</u> <u>3 - 3 1/8%</u>	<u>61-90 days</u> <u>3 - 3 1/8%</u>	<u>Over 90-days</u> <u>3%</u>	<u>Total</u>
Boston	\$ 454	\$ 606	\$2,368	0	\$ 3,428
New York	31,192	8,299	1,706	2,456	43,653
Philadelphia	8	526	908	0	1,442
Richmond	198	186	70	0	454
Atlanta	2,878	23	72	0	2,973
Chicago	393	114	0	0	507
Dallas	382	17	19	0	418
San Francisco	<u>50</u>	<u>1,337</u>	<u>697</u>	<u>110</u>	<u>2,194</u>
Totals	<u>\$35,555</u>	<u>\$11,108</u>	<u>\$5,840</u>	<u>\$2,566</u>	<u>\$55,069</u>

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES DURING WEEK ENDING APRIL 16, 1930  
(000 Omitted)

(Excluding Sales Contracts)

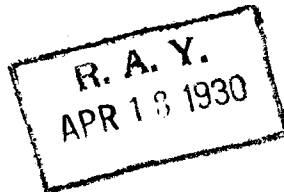
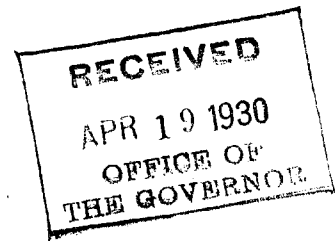
	<u>Government</u> <u>Securities</u>	<u>Bankers</u> <u>Acceptances</u>	<u>Total</u>
Purchased	\$68,538	\$55,069	\$123,607
Sold	68,256	2,555	70,811
Matured	0	34,070	34,070
		<u>\$18,444+</u>	<u>\$ 18,726+</u>
		419- (Net Change	419- (Net Change
		1-day holdover	1-day holdover
		and other bills)	and other bills)
Totals	<u>\$ 282+</u>	<u>\$18,025+</u>	<u>\$18,307+</u>

HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES APRIL 16, 1930  
(000 Omitted)

(Including Sales Contracts)

	<u>Within</u> <u>15-days</u>	<u>16-30</u> <u>days</u>	<u>31-60</u> <u>days</u>	<u>61-90</u> <u>days</u>	<u>91-days</u> <u>6 months</u>	<u>Over 6</u> <u>months</u>	<u>Total</u>
Gov't Securities	\$ 8,190	0	\$26,000	\$63,341	\$112,838	\$325,024	\$535,393
Bills Purchased	<u>190,529</u>	<u>47,760</u>	<u>48,709</u>	<u>12,370</u>	<u>3,046</u>	<u>0</u>	<u>302,414</u>
Totals	<u>\$198,719</u>	<u>\$47,760</u>	<u>\$74,709</u>	<u>\$75,711</u>	<u>\$115,884</u>	<u>\$325,024</u>	<u>\$837,807</u>

**FEDERAL RESERVE BANK  
OF NEW YORK**



PERSONAL

April 18, 1930

Dear Governor Young:

We are enclosing, for your files, 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 10, 1930 to April 16, 1930 inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,

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

W. B. Matteson  
Secretary, Open Market  
Investment Committee

Honorable Roy A. Young,  
Governor, Federal Reserve Board,  
Washington, D. C.

Encl.

April 12, 1930

Dear Mr. Matteson:

I acknowledge receipt of and shall bring to the attention of the members of the Board your letter of April 11th, enclosing report of transactions in Government securities and bankers' acceptances as reported to your Committee for the period from April 3, 1930 to April 9, 1930 inclusive.

Very truly yours,

E. M. McClelland,  
Assistant Secretary

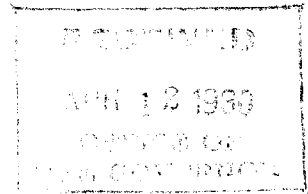
Mr. E. B. Matteson, Secretary,  
Open Market Investment Committee,  
c/o Federal Reserve Bank,  
New York, N. Y.



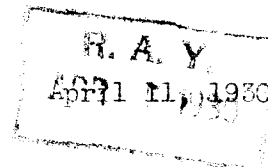
DECLASSIFIED

Authority E.O. 10501

**FEDERAL RESERVE BANK  
OF NEW YORK**



PERSONAL



Dear Governor Young:

We are enclosing, for your files, 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 5, 1930 to April 9, 1930 inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,

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

W. B. Matteson  
Secretary, Open Market  
Investment Committee

Honorable Roy A. Young,  
Governor, Federal Reserve Board,  
Washington, D. C.

Encl.

*Mr. Riefler ✓*  
*Smeed ✓*

*Collier* **FEDERAL RESERVE BANK  
OF NEW YORK**

RECEIVED  
APR 12 1930  
DIVISION OF RESEARCH  
AND STATISTICS

CONFIDENTIAL

April 11, 1930

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

Dear Mr. Goldenweiser:

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 3, 1930 to April 9, 1930 inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,



W. B. Matteson  
Secretary, Open Market  
Investment Committee

Encl.

PLEASE READ

Gov. Young

Mr. Flacey

FOR SPECIAL CIRCULATION

IMPLY, INITIAL AND RETURN TO SECRETARY'S OFFICE

Mr. Hamlin

Mr. James

Mr. Miller

Mr. Cunningham

Mr. Polo

**FEDERAL RESERVE BANK**

**OF NEW YORK**

*Open Market  
Investment  
Committee*

RECEIVED

APR 12 1930

OFFICE OF  
THE GOVERNOR

CONFIDENTIAL

April 11, 1930

Dear Governor Young:

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 3, 1930 to April 9, 1930 inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,

*W. B. Matteson*

W. B. Matteson  
Secretary, Open Market  
Investment Committee

Honorable Roy A. Young,  
Governor, Federal Reserve Board,  
Washington, D. C.

Encl.

CONFIDENTIAL

## REPORT OF OPEN MARKET INVESTMENT COMMITTEE WEEK ENDED APRIL 9, 1930

Holdings of Earning Assets of Federal Reserve Banks from April 10, 1929 to Date  
(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS
		Outright Purchases	Sales Contracts	Outright Purchases	Sales Contracts	DISCOUNTED
-1929-						
April 10	\$1,293,783	\$162,584	\$ 3,505	\$144,232	\$13,085	\$ 963,532
April 24	1,280,601	139,112	10,670	119,244	21,931	974,513
May 29	1,258,502	137,132	7,440	103,416	14,503	988,194
June 26	1,262,428	129,717	19,810	71,207	11,632	1,016,747
July 31	1,308,014	126,579	20,704	44,988	29,579	1,075,714
Aug. 28	1,291,562	126,366	18,755	95,266	61,248	973,627
Sept. 25	1,375,467	125,973	26,086	179,449	84,485	944,399
Oct. 30	1,648,742	259,848	32,840	310,774	29,111	991,038
Nov. 27	1,514,460	322,063	4,035	250,044	7,271	912,349
Dec. 31	1,547,517	487,292	23,295	236,974	155,235	632,421
-1930-						
Jan. 29	1,154,379	476,466	70	185,677	72,795	406,941
Feb. 26	1,138,522	477,610	5,145	232,521	66,785	342,781
Mar. 26	1,001,090	526,284	2,715	143,772	112,710	206,829
April 2	1,081,589	526,799	3,590	158,263	143,034	241,123
April 9	1,029,242	526,921	375	169,823	97,179	226,164

CHANGES IN EARNING ASSET HOLDINGS (EXCLUSIVE OF SALES CONTRACTS)  
DURING WEEK ENDED APRIL 9, 1930  
(000 Omitted)

	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS DISCOUNTED	
	Balance April 9	Net Change	Balance April 9	Net Change	Balance April 9	Net Change
Boston	\$ 40,323	\$ 0	\$ 10,482	\$ 2,902+	\$ 15,731	\$ 3,761-
New York	207,564	0	8,774	2,589+	62,674	8,807+
Philadelphia	46,125	0	9,835	2,326+	27,649	3,785-
Cleveland	34,995	0	16,290	567+	26,095	1,739-
Richmond	12,640	1+	9,923	1,178+	13,380	1,268-
Atlanta	8,789	22+	13,027	484-	15,197	1,100-
Chicago	70,384	0	20,484	241+	19,711	2,338-
St. Louis	19,268	0	10,317	1,525+	12,628	729-
Minneapolis	18,577	99+	11,311	298-	2,373	88+
Kansas City	5,924	0	11,233	1,794+	12,308	14-
Dallas	25,637	0	8,030	317+	7,190	611+
San Francisco	36,695	0	27,540	1,957+	11,228	9,731-
N. Y. holdovers and other bills			12,577	3,054-		
Totals	\$526,921	\$122+	\$169,823	\$11,560+	\$226,164	\$14,959-

COMMENT ON CHANGES WEEK ENDED APRIL 9, 1930

Total earning assets of the System showed a decrease of \$52,347,000 for the current statement week. The changes by classification consisted of increases of \$122,000 and \$11,560,000 respectively, in outright purchases of government securities and bankers acceptances, and decreases of \$14,959,000 in bills discounted and \$49,070,000 in investments held under sales contracts. The latter item consisted of decreases of \$3,215,000 in government securities and \$45,855,000 in bankers acceptances.

2

Money  
Market

Reflecting the influence of the turn of the month, call money held at 4 per cent until Monday, the 7th. On that day and on succeeding days of the week under review the Exchange rate for new loans went to 3 1/2 per cent, and the outside rate on occasion to 3 per cent, but the renewal rate was maintained at the 4 per cent level. For the whole period, a moderate net outflow of funds to other centers was more than counterbalanced by a return of currency to the Reserve Bank, a decline in member bank reserve requirements from the usual temporary month-end peak, and by miscellaneous gains, while security purchases by the Treasury were provided for by withdrawals of funds from Government depositaries. Owing, however, to a rather substantial decrease in the amount of bills held at the Reserve Bank under repurchase agreement, the borrowings of the New York City banks increased, and their average indebtedness for the period at \$38,000,000 was somewhat higher than in most recent weeks.

Interest in time money generally lagged until Wednesday, the 10th, when marked activity occurred at the slightly higher quotations which had become effective on the previous Friday. This increased trading was particularly pronounced in shorter maturities, and large amounts were placed for 30 days at 3 3/4 per cent, for 60 days at 4 per cent, and for 90 days at 4 1/4 per cent; in addition a little 6 months' money was loaned at 4 1/2 per cent. The trading rate for 90 day time money was the highest since the second week in March, and 4 1/2 per cent for the 6 months' maturity compares with the trading rate of 4 1/4 per cent last week. Nominal quotations at the close of the period were: 30 days, 3 3/4 bid, 4 per cent asked; 60 days, 4 per cent flat; 90 days, 4 bid, 4 1/4 per cent asked; 4 to 6 months, 4 1/4 bid, 4 1/2 per cent asked.

Commercial paper continued to be sold at a range of 3 3/4 - 4 per cent, with sales at the lower rate retarded somewhat by dealers' inability to secure new supplies of high grade material. While demand subsided somewhat, dealers' comments indicated that business in the aggregate was of fair volume.

Government  
Security  
Market

Aside from the purchase of short-term government securities for account of the Treasury, the volume of trading in government securities continued light. Prices of the short-term issues were approximately unchanged for the statement week, while the long-term issues showed fractional recessions.

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

Issue	Price	Net Change	Approx. Yield
4 7/8% Cert. of Ind. due June 16, 1930	100 14/32	- - -	2.41
3 1/8% " " " " Sept. 15, 1930	100 2/32	- - -	2.96
3 1/4% " " " " Dec. 15, 1930	100 2/32	-1/32	3.15
3 1/2% Treasury Notes " Mar. 15, 1932	100	- - -	3.49
3 1/2% " " " " Sept. 15, 1932	100	- - -	3.49
3 1/2% " " " " Dec. 15, 1932	100	- - -	3.49
Treasury Bills " May 19, 1930	3% - 2 1/2% discount		

3

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

			Net					Net	
Issue	Price		Change		Issue	Price		Change	
1st 3 1/2s	100 13/32		-2/32	Treas. 4s	1944-54	107 11/32		-5/32	
1st 4 1/4s	101 15/32		-3/32	"	4 1/4s 1947-52	111 4/32		-14/32	
4th 4 1/4s	101 21/32		-9/32	"	3 3/4s 1946-56	104 13/32		-15/32	
				"	3 3/8s 1943-47	100 8/32		-12/32	
				"	3 3/8s 1940-43	100 4/32		-10/32	

Bankers  
Acceptances

Dealers' offerings of unindorsed bankers acceptances were at the following rates during the current statement week: 2 7/8 per cent for 30s, 60s and 90s, 3 per cent for 120s and 3 1/8 per cent for 180-day bills.

Reports  
week  
ending  
April 9

Boston reports that there was a slight increase of new bills in its district during the past week. The demand was very poor and with one exception was the smallest for any week during the present year, dealers consequently having more bills to offer the Reserve Bank. Dealers forwarded nearly \$4,000,000 bills to their offices in other cities, receiving from the same source about \$2,700,000. In New York the bill market was fairly active throughout the week. The supply of bills fell off slightly as compared with the previous week and only exceeded the outside demand slightly. The demand was principally for 90 day maturities and came from local institutions who were buying for the accounts of foreign correspondents. There was practically no demand for the shorter maturities and dealers sold the Reserve Bank about \$20,000,000 of these maturities during the week for System Account at 3 per cent. During the week two dealers increased rates on 30s by 1/8 per cent, other dealers did not follow. No change in other maturities. Philadelphia reports that its market was unchanged from the previous week. Offerings continued rather general and consisted principally of short bills. The demand while better, was only fair. Chicago reports that the market for bills in its district was very dull during the past period and dealers were unable to move their rather large portfolios. Dallas reports that the demand for bills during the past week was very light, being substantially less than during the previous week. Offerings to the Reserve Bank were also very light consisting principally of bills with very short maturities.

Sales of	\$1,200,000 - 3 1/2%	Treasury notes due March 15, 1930-32, account Alien Property Custodian
	325,000 - 3 1/2%	Treasury notes, due March 15, 1930-32, account German Special Deposit Account
	1,000,000 - 4 1/4%	Fourth Liberty Loan bonds, account Government Life Insurance Fund

and purchases of \$25,000,000 - 3 1/2% Treasury notes, due March 15, 1930-32,  
account Sinking Fund (purchased in  
New York and Chicago markets)

The only transaction in the System Account during the current statement week was an exchange of \$500,000 par amount United States Treasury 3 1/2% notes due December 15, 1930-32 for a like amount of 3 1/2% Treasury notes due September 15, 1930-32. This exchange did not affect the total holdings in the Account which remained at the close of business Wednesday, April 9, 1930, at \$327,300,000.

### RECAPITULATION OF HOLDINGS BY MATURITIES

May 19, 1930 - Treas. Bills	\$ 26,000,000
June 16, 1930 - 4 7/8% C/I	42,360,000
Sept. 15, 1930 - 3 1/8% "	80,075,000
Dec. 15, 1930 - 3 1/4% "	70,300,000
Mar. 15, 1932 - 3 1/2% T/N	19,555,000
Sept. 15, 1932 - 3 1/2% "	44,735,000
Dec. 15, 1932 - 3 1/2% "	39,825,000
4th L. L. bonds-4 1/4%	4,450,000

\$327,300,000

5

ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF ALL  
FEDERAL RESERVE BANKS FROM APRIL 3 TO APRIL 9, 1930, INCLUSIVE

GOVERNMENT SECURITIES - SYSTEM INVESTMENT ACCOUNT

	<u>Purchases</u>	<u>Sales</u>
Boston	\$ 60,500	\$ 60,500
New York	143,000	143,000
Philadelphia	47,500	47,500
Cleveland	38,000	38,000
Richmond	17,500	17,500
Atlanta	9,500	9,500
Chicago	77,000	77,000
St. Louis	16,000	16,000
Minneapolis	16,500	16,500
Kansas City	9,000	9,000
Dallas	24,000	24,000
San Francisco	41,500	41,500
Totals	<u>\$500,000</u>	<u>\$500,000</u>

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>
		Misc. Gov't Sec.		Misc. Gov't Sec.
New York	\$26,100,000*	" " "	\$26,100,000*	" " "
Atlanta	366,000	" " "	343,600	" " "
Minneapolis	2,791,900	" " "	2,694,400	" " "
Totals	<u>\$29,257,900</u>		<u>\$29,138,000</u>	

\*Of this amount \$24,100,000 Series "A" Treasury Notes was sold to the Treasury  
a/c Sinking Fund.

BANKERS ACCEPTANCES  
(000 Omitted)

	<u>Holdings</u>	<u>Purchased</u>	<u>By Allot-</u>	<u>Matur-</u>	<u>Holdings</u>	<u>Other Holdings</u>
	<u>April 2</u>	<u>Own Mkt.</u>	<u>ment from</u>	<u>ities &amp;</u>	<u>April 9</u>	<u>Close April 9/30</u>
			<u>New York</u>	<u>Sales</u>		<u>Sales</u> <u>Other</u>
						<u>Contracts</u> <u>Bills</u>
Boston	\$ 7,580	\$ 6,455 R.	0	\$ 3,553	\$ 10,482	\$ 9,204 \$ 77
New York	6,185	7,949 "	0	5,360	8,774	82,677 704
		26,649 A.				
Phila.	7,509	3,515 R.	0	1,189	9,835	0 101
Cleve.	15,723	0	4,242	3,675	16,290	0 104
Richmond	8,745	0	2,397	1,219	9,923	0 44
Atlanta	13,511	0	2,924	3,408	13,027	0 612
Chicago	20,243	853 "	5,345	5,957	20,484	3,603 139
St. Louis	8,792	325 "	2,698	1,498	10,317	0 37
Minn.	11,609	0	1,229	1,527	11,311	0 24
Kan. City	9,439	0	2,332	538	11,233	0 31
Dallas	7,713	190 "	1,902	1,775	8,030	53 31
San Fran.	25,583	2,865 "	3,580	4,488	27,540	1,642 72
Totals	\$142,632	\$48,801	\$26,649	\$34,187	\$157,246	\$97,179 \$ 1,976
Bills held overnight by New York for distribution to other F. R. Banks - -						10,601
Total - - -						<u>\$12,577</u>

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

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6

MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDING APRIL 9, 1930  
(000 Omitted)

	<u>1-30 days</u> <u>3 - 3 1/8%</u>	<u>31-60 days</u> <u>3 - 3 1/8%</u>	<u>61-90 days</u> <u>3 - 3 1/8%</u>	<u>Over 90 days-</u> <u>3 - 3 1/8%</u>	<u>Total</u>
Boston	\$ 5,263	\$ 827	\$ 365	\$ 0	\$ 6,455
New York	25,594	8,459	501	44	34,598
Philadelphia	1,339	1,754	422	0	3,515
Chicago	392	20	441	0	853
St. Louis	325	0	0	0	325
Dallas	158	3	0	29	190
San Francisco	<u>353</u>	<u>1,902</u>	<u>608</u>	<u>2</u>	<u>2,865</u>
Totals	<u>\$33,424</u>	<u>\$12,965</u>	<u>\$2,337</u>	<u>\$75</u>	<u>\$48,801</u>

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES DURING WEEK ENDING APRIL 9, 1930  
(000 Omitted)

(Excluding Sales Contracts)

	<u>Government</u> <u>Securities</u>	<u>Bankers</u> <u>Acceptances</u>	<u>Total</u>
Purchased	\$29,759	\$48,801	\$78,560
Sold	29,637	0	29,637
Matured	0	<u>34,187</u>	<u>34,187</u>
		\$14,614+	\$14,736+
		3,054-(Net Change	3,054-(Net Change
		1-day holdover	1-day holdover
		& other bills)	& other bills)
Totals	<u>\$ 122+</u>	<u>\$11,560+</u>	<u>\$11,682+</u>

HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES APRIL 9, 1930  
(000 Omitted)

(Including Sales Contracts)

	<u>Within</u> <u>15-days</u>	<u>16-30</u> <u>days</u>	<u>31-60</u> <u>days</u>	<u>61-90</u> <u>days</u>	<u>91 days-</u> <u>6 months</u>	<u>Over 6</u> <u>months</u>	<u>Total</u>
Gov't Securities	\$ 375	\$ 0	\$32,400	\$57,037	\$113,778	\$323,706	\$527,296
Bills Purchased	<u>171,421</u>	<u>39,178</u>	<u>47,492</u>	<u>8,690</u>	<u>221</u>	<u>0</u>	<u>267,002</u>
Totals	<u>\$171,796</u>	<u>\$39,178</u>	<u>\$79,892</u>	<u>\$65,727</u>	<u>\$113,999</u>	<u>\$323,706</u>	<u>\$794,298</u>

FOR SPECIAL CIRCULATION

PLEASE READ PROMPTLY, INITIAL AND RETURN TO SECRETARY'S OFFICE

✓ Gov. Young

✓ Mr. Platt

✓ Mr. Hamlin

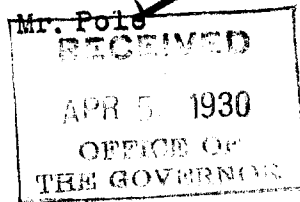
✓ Mr. James

✓ Mr. Miller

✓ Mr. Cunningham

FEDERAL RESERVE BANK

OF NEW YORK

CONFIDENTIAL

April 4, 1930

Dear Governor Young:

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 27, 1930 to April 2, 1930 inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,



W. B. Matteson  
Secretary, Open Market  
Investment Committee

Honorable Roy A. Young,  
Governor, Federal Reserve Board,  
Washington, D. C.

Encl.

*Submitted 4/5/30*

CONFIDENTIAL

## REPORT OF OPEN MARKET INVESTMENT COMMITTEE WEEK ENDED APRIL 2, 1930

Holdings of Earning Assets of Federal Reserve Banks from April 3, 1929 to Date  
(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS
		Outright Purchases	Sales Contracts	Outright Purchases	Sales Contracts	DISCOUNTED
-1929-						
Apr. 3	\$1,380,458	\$165,828	\$ 3,230	\$160,780	\$ 13,923	\$1,029,852
Apr. 24	1,280,601	139,112	10,670	119,244	21,931	974,513
May 29	1,258,502	137,132	7,440	103,416	14,503	988,194
June 26	1,262,428	129,717	19,810	71,207	11,632	1,016,747
July 31	1,308,014	126,579	20,704	44,988	29,579	1,075,714
Aug. 28	1,291,562	126,566	18,755	95,266	61,248	973,627
Sept. 25	1,375,467	125,973	26,086	179,449	84,485	944,399
Oct. 30	1,648,742	259,848	32,840	310,774	29,111	991,038
Nov. 27	1,514,460	322,063	4,035	250,044	7,271	912,349
Dec. 31	1,547,517	487,292	23,295	236,974	155,235	632,421
-1930-						
Jan. 29	1,154,379	476,466	70	185,677	72,795	406,941
Feb. 26	1,138,522	477,610	5,145	232,521	66,785	342,781
Mar. 26	1,001,090	526,284	2,715	143,772	112,710	206,829
Apr. 2	1,081,589	526,799	3,590	158,263	143,034	241,123

CHANGES IN EARNING ASSET HOLDINGS (EXCLUSIVE OF SALES CONTRACTS)  
DURING WEEK ENDED APRIL 2, 1930  
(000 Omitted)

	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS DISCOUNTED	
	Balance Apr. 2	Net Change	Balance Apr. 2	Net Change	Balance Apr. 2	Net Change
Boston	\$ 40,323	\$10,000+	\$ 7,580	\$ 2,637+	\$ 19,492	\$ 917+
New York	207,564	9,500-	6,185	3,927+	53,867	17,009+
Philadelphia	46,125	0	7,509	779+	31,434	137+
Cleveland	34,995	0	15,723	3,224-	27,834	1,364+
Richmond	12,639	1-	8,745	1,634-	14,648	656-
Atlanta	8,767	32-	13,511	861-	16,297	1,763+
Chicago	70,384	0	20,243	1,219+	22,049	636-
St. Louis	19,268	0	8,792	704-	13,357	1,118+
Minneapolis	18,478	49+	11,609	362-	2,285	74+
Kansas City	5,924	1-	9,439	334+	12,322	376-
Dallas	25,637	0	7,713	597-	6,579	1,000+
San Francisco	36,695	0	25,583	632+	20,959	12,580+
N. Y. holdovers and other bills			15,631	12,345+		
Totals	\$526,799	\$ 515+	\$158,263	\$14,491+	\$241,123	\$34,294+

COMMENT ON CHANGES WEEK ENDED APRIL 2, 1930

Total earning assets of the System showed an increase of \$80,499,000 for the current statement week. The changes by classification consisted of increases of \$515,000 and \$14,491,000 respectively, in outright purchases of government securities and bankers acceptances, \$34,294,000 in bills discounted and \$31,199,000 in investments held under sales contracts. The latter item consisted of increases of \$875,000 in government securities and \$30,324,000 in bankers acceptances. Bills discounted at \$241,123,000 were approximately \$800,000,000 less than they were for the same period a year ago.

 FILE  
 26

Money  
Market

Except for the 3 1/2 per cent charge for both renewals and new accommodation arranged early on Thursday, March 27, the rate for call money was steady at 4 per cent throughout the past week, a period that covered the turn of the month. During the week there was a moderate net outward movement of funds from this market which was the aggregate result of rather large outgoing and incoming transfer movements on several days. The week-end and month-end currency withdrawals and a substantial increase in reserve requirements of the banks at the month-end also caused an increased demand for Reserve Bank credit, Federal Reserve bill operations in the New York market supplied the larger part of the funds, and there was also a moderate net increase in borrowings of New York City banks whose total indebtedness, however, remained small.

Nominal quotations for time money were also slightly firmer in that the shorter maturities were about 1/4 per cent above those at the close of the previous period; maturities of 4, 5 and 6 months were unchanged. Trading was done for 90 days at 4 per cent throughout the week, but only on Thursday, the 29th, were the amounts loaned of material size. A small quantity of 6 months' money was loaned at 4 1/4 per cent during the course of the week.

Comments of brokers indicate that a slightly firmer tendency developed in the market for commercial paper during the latter part of the week. This was evidenced in the disappearance from trading of the especially choice paper of short maturity at 3 1/2 per cent, and a slight increase in sales at 4 per cent. The prevailing range, nevertheless, continued to be 3 3/4 - 4 per cent, and one of the largest houses stated that a good market existed for high grade paper priced at 3 3/4 per cent. Bank investment demand in the aggregate, however, was somewhat less active than in recent weeks.

Government  
Security  
Market

For the greater part of the current statement week there was very little demand in the market for United States Government securities and prices of most issues declined fractionally, the long-term Treasury bonds showing the largest losses. On the last day of the statement week there was a little improvement shown in the demand, principally for the short-term issues. Price changes for the week showed small irregular changes for the Treasury certificates, notes and Liberty Loan bonds, and losses of from 10/32 to 30/32nds for the Treasury bonds.

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

<u>Issue</u>	<u>Price</u>	<u>Net Change</u>	<u>Approx. Yield</u>
4 7/8% Cert. of Ind. due June 16, 1930	100 14/32	-2/32	2.64
3 1/8% " " " Sept. 15, 1930	100 2/32	-1/32	2.97
3 1/4% " " " Dec. 15, 1930	100 3/32	- - -	3.11
3 1/2% Treasury Notes " Mar. 15, 1932	100	-2/32	3.49
3 1/2% " " " Sept. 15, 1932	100	-2/32	3.49
3 1/2% " " " Dec. 15, 1932	100	-2/32	3.49
Treasury Bills " May 19, 1930	3% - 2 1/2% discount		

## 3

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

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<u>Issue</u>	<u>Price</u>	<u>Net Change</u>	<u>Issue</u>	<u>Price</u>	<u>Net Change</u>
1st 3 1/2s	100 15/32	+6/32	Treas. 4s 1944-54	107 16/32	-30/32
1st 4 1/4s	101 18/32	+3/32	" 4 1/4s 1947-52	111 18/32	-24/32
4th 4 1/4s	101 30/32	- - -	" 3 3/4s 1946-56	104 28/32	-14/32
			" 3 3/8s 1943-47	100 20/32	-14/32
			" 3 3/8s 1940-43	100 14/32	-10/32

Bankers  
Acceptances

Dealers' offerings of unindorsed bankers acceptances were at the following rates at the close of the current statement week: 2 7/8 per cent for 30s, 60s and 90s, 3 per cent for 120s and 3 1/8 per cent for 180 day bills.

Reports  
week  
ending  
April 2

Boston reports that there was a slackening in the demand for bills in its district during the past period and dealers' portfolios increased necessitating further increases in rates. Locally the increase had very little effect, the demand continuing poor, with the supply also showing a falling off. Offerings to the Reserve Bank were consequently increased consisting mostly of bills under "sales contract." In New York firmer money continued throughout the week and bills continued to come out in substantial volume but not as heavy as during the previous week. The outside demand was fair, principally for 90-day bills and came from local institutions who were buying for the accounts of foreign correspondents. The demand, however, was considerably less than the supply and dealers increased rates again by 1/8 per cent on 60s, 90s and 4 months', and by 1/4 per cent on 5 and 6 months' maturities. Toward the end of the week dealers sold the Reserve Bank for System Account about 20 millions of short bills at 3 per cent for which there was no outside demand and their aggregate portfolios only increased by about 6 millions. Philadelphia reports that its acceptance market was less active. New bills dropped off considerably, although dealers reported portfolios at a new peak. Offerings to the Reserve Bank were heavier than for some time. The demand continued light. Chicago reports bills were not moving in its district during the past week caused to some extent by the firming up of call money in New York. Dallas reports that there was a slight improvement in the demand for bills during the past week and offerings to the Reserve Bank were substantially heavier than during the previous week.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

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

Sale of \$2,000,000	par amount	4 1/4%	Fourth Liberty Loan bonds, account
			Government Life Insurance Fund
3,200,000	"	3 1/2%	Treasury notes, due March 15, 1930-32,
			account German Special Deposit Account
700,000	"	3 1/2%	Treasury notes, due March 15, 1930-32,
			account Alien Property Custodian
<hr/>			
\$5,900,000	Total Sales		

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

During the current statement week an exchange was effected in the market advantageously, of \$1,500,000 par amount Fourth 4 1/4% Liberty Loan bonds for a like amount of 3 1/2% Treasury notes.

At the request of the Federal Reserve Bank of Boston for \$10,000,000 additional governments, its participation in the System Account was increased \$10,000,000, the sale being made from the Federal Reserve Bank of New York's participation in the Account.

These transactions did not affect the total amount of holdings in the Account which remained unchanged at the close of business Wednesday, April 2, 1930, at \$327,300,000. The participation by Federal reserve banks and the classification of issues were as follows:

<u>PARTICIPATION BY FEDERAL RESERVE BANKS</u>		<u>RECAPITULATION OF HOLDINGS BY MATURITIES</u>	
Boston	\$ 39,616,000	May 19, 1930 - Treas. Bills	\$26,000,000
New York	93,535,500	June 15, 1930 - 4 7/8% C/I	42,360,000
Philadelphia	31,114,500	Sept. 15, 1930 - 3 1/8% "	80,075,000
Cleveland	24,830,500	Dec. 15, 1930 - 3 1/4% "	70,300,000
Richmond	11,487,500	Mar. 15, 1932 - 3 1/2% T/N	19,555,000
Atlanta	6,227,500	Sept. 15, 1932 - 3 1/2% "	44,235,000
Chicago	50,456,500	Dec. 15, 1932 - 3 1/2% "	40,325,000
St. Louis	10,642,500	4th L/L bonds - 4 1/4%	4,450,000
Minneapolis	10,766,000		
Kansas City	5,921,500		
Dallas	15,649,500		
San Francisco	27,052,500		
Total	<hr/> \$327,300,000 <hr/>		<hr/> \$327,300,000 <hr/>

5

ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF ALL  
FEDERAL RESERVE BANKS FROM MARCH 27 TO APRIL 2, 1930, INCLUSIVE

GOVERNMENT SECURITIES - SYSTEM INVESTMENT ACCOUNT

	<u>Purchases</u>	<u>Sales</u>	<u>Increase</u>	<u>Decrease</u>
Boston	\$10,135,500	\$ 135,500	\$10,000,000	0
New York	474,500	10,474,500	0	10,000,000
Philadelphia	142,500	142,500	0	0
Cleveland	114,000	114,000	0	0
Richmond	52,500	52,500	0	0
Atlanta	28,500	28,500	0	0
Chicago	231,500	231,500	0	0
St. Louis	49,000	49,000	0	0
Minneapolis	49,500	49,500	0	0
Kansas City	27,000	27,000	0	0
Dallas	71,500	71,500	0	0
San Francisco	124,000	124,000	0	0
Totals	<u>\$11,500,000</u>	<u>\$11,500,000</u>	<u>\$10,000,000</u>	<u>\$10,000,000</u>

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>
New York	\$23,000,000	Misc. Gov't Sec.	\$22,500,000	Misc. Gov't Sec.
Atlanta	387,300	" " "	419,400	" " "
Minneapolis	1,103,250	" " "	1,055,850	" " "
Totals	<u>\$24,490,550</u>		<u>\$23,975,250</u>	

BANKERS ACCEPTANCES  
(000 Omitted)

	<u>Holdings</u> <u>Mar. 26</u>	<u>Purchased</u> <u>Own Mkt.</u>	<u>By Allot-</u> <u>ment from</u> <u>New York</u>	<u>Matur-</u> <u>ities &amp;</u> <u>Sales</u>	<u>Holdings</u> <u>Apr. 2</u>	<u>Other Holdings</u> <u>Close Apr. 2, 1930</u>	
						<u>Sales</u> <u>Contracts</u>	<u>Other</u> <u>Bills</u>
Boston	\$ 4,943	\$ 3,542 R.	0	\$ 905	\$ 7,580	\$ 9,163	\$ 77
New York	2,258	13,378 "	0	9,451	6,185	122,329	887
		13,302 A.					
Phila.	6,730	1,899 R.	0	1,120	7,509	0	101
Cleve.	18,947	0	2,128	5,352	15,723	0	104
Richmond	10,379	269 "	1,200	3,103	8,745	0	44
Atlanta	14,372	125 "	1,619	2,605	13,511	0	700
Chicago	19,024	4,749 "	2,123	5,653	20,243	7,883	139
St. Louis	9,496	0	1,323	2,027	8,792	0	37
Minn.	11,971	335 "	758	1,455	11,609	0	24
Kan. City	9,105	0	1,100	766	9,439	0	31
Dallas	8,310	633 "	948	2,178*	7,713	115	31
San Fran.	24,951	3,428 "	2,103	4,899	25,583	3,544	72
Totals	\$140,486	\$41,660	\$13,302	\$39,514	\$142,632	\$143,034	\$2,247
Bills held overnight by New York for distribution to other F. R. Banks - -							13,384
Total - - -							<u>\$15,631</u>

\*Of this amount \$50,000 was sold.

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

FRASER

6

MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDING APRIL 2, 1930  
(000 Omitted)

	1-30 days <u>2 3/4-3 1/8%</u>	31-60 days <u>3 - 3 1/8%</u>	61-90 days <u>3 - 3 1/8%</u>	Over 90-days <u>3%</u>	Total
Boston	\$ 3,430	\$ 112	\$ 0	\$0	\$ 3,542
New York	23,458	1,079	2,143	0	26,680
Philadelphia	1,601	249	49	0	1,899
Richmond	0	69	200	0	269
Atlanta	100*	25*	0	0	125
Chicago	4,749	0	0	0	4,749
Minneapolis	0	150	185	0	335
Dallas	444	165	24	0	633
San Francisco	653	1,489	1,284	2	3,428
Totals	<u>\$34,435</u>	<u>\$3,338</u>	<u>\$3,885</u>	<u>\$2</u>	<u>\$41,660</u>

\*Purchased at 3 7/8%

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES DURING WEEK ENDING APRIL 2, 1930  
(000 Omitted)

(Excluding Sales Contracts)

	<u>Government Securities</u>	<u>Bankers Acceptances</u>	<u>Total</u>
Purchased	\$35,990	\$41,660	\$77,650
Sold	35,475	50	35,525
Matured	0	39,464	39,464
		\$ 2,146+	\$ 2,661+
		12,345+ (Net Change	12,345+ (Net Change
		1-day holdover	1-day holdover
		& other bills)	& other bills)
Totals	<u>\$ 515+</u>	<u>\$14,491+</u>	<u>\$15,006+</u>

HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES APRIL 2, 1930  
(000 Omitted)

(Including Sales Contracts)

	<u>Within 15-days</u>	<u>16-30 days</u>	<u>31-60 days</u>	<u>61-90 days</u>	<u>91 days- 6 months</u>	<u>Over 6 months</u>	<u>Total</u>
Gov't Securities	\$ 3,590	\$ 0	\$26,000	\$58,040	\$114,738	\$328,021	\$530,389
Bills Purchased	205,190	41,454	40,996	13,277	380	0	301,297
Totals	<u>\$208,780</u>	<u>\$41,454</u>	<u>\$66,996</u>	<u>\$71,317</u>	<u>\$115,118</u>	<u>\$328,021</u>	<u>\$831,686</u>



DECLASSIFIED

Authority E.O. 10501

*Mr. Parry ✓*  
*Re: Her ✓*  
*Imke ✓*  
*Collier*

**FEDERAL RESERVE BANK  
OF NEW YORK**

RECEIVED  
APR - 5 1930  
DIVISION OF RESEARCH  
AND STATISTICS

CONFIDENTIAL

April 4, 1930

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

Dear Mr. Goldenweiser:

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 27, 1930 to April 2, 1930 inclusive, together with data received by the Committee from the Federal reserve banks.

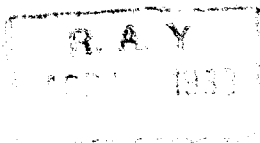
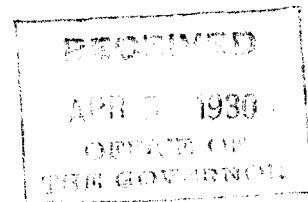
Very truly yours,



W. B. Matteson  
Secretary, Open Market  
Investment Committee

Encl.

**FEDERAL RESERVE BANK  
OF NEW YORK**



P E R S O N A L

April 4, 1930

Dear Governor Young:

We are enclosing, for your files, 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 27, 1930 to April 2, 1930 inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,

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

W. B. Matteson  
Secretary, Open Market  
Investment Committee

Honorable Roy A. Young,  
Governor, Federal Reserve Board,  
Washington, D. C.

Encl.

March 29, 1930

Dear Mr. Matteson:

I acknowledge receipt of and shall bring to the attention of the members of the Board your letter of March 28th, enclosing report of transactions in Government securities and bankers' acceptances as reported to your Committee for the period from March 20, 1930 to March 26, 1930 inclusive.

Very truly yours,

(Signed) E. M. McClelland

E. M. McClelland,  
Assistant Secretary

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

*Mr. Rief  
Smead  
Callier*

**FEDERAL RESERVE BANK  
OF NEW YORK**

**RECEIVED  
MAR 29 1930  
FEDERAL RESERVE BANK  
OF NEW YORK**

CONFIDENTIAL

March 28, 1930

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

Dear Mr. Goldenweiser:

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 20, 1930 to March 26, 1930 inclusive, together with data received by the Committee from the Federal reserve banks.

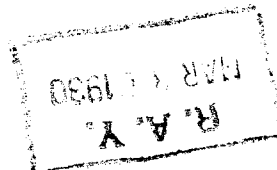
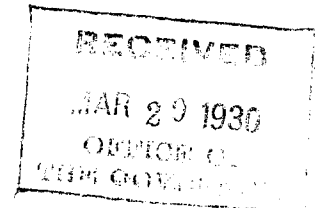
Very truly yours,

*W. B. Matteson*

W. B. Matteson  
Secretary, Open Market  
Investment Committee

Enc. (1)

FEDERAL RESERVE BANK  
OF NEW YORK



PERSONAL

March 28, 1930

Dear Governor Young:

We are enclosing, for your files, 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 20, 1930 to March 26, 1930 inclusive, together with data received by the Committee from the Federal reserve banks.

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W. B. Matteson  
Secretary, Open Market  
Investment Committee

Honorable Roy A. Young,  
Governor, Federal Reserve Board,  
Washington, D. C.

Enc. (1)

PLEASE READ IN

FOR SPECIAL CIRCULATION

TRY, INITIAL AND RETURN TO

RECEIVED OFFICE

✓ Gov. Young

Mr. Nathan ✓

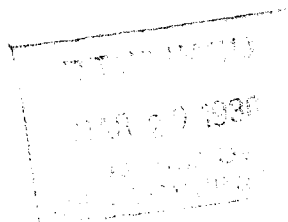
Mr. Jones ✓

Mr. Platt ✓

Mr. Miller ✓

Mr. Cullen ✓

Mr. Fole ✓

**FEDERAL RESERVE BANK****OF NEW YORK**CONFIDENTIAL

March 28, 1930

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Secretary, Open Market  
Investment Committee

Honorable Roy A. Young,  
Governor, Federal Reserve Board,  
Washington, D. C.

Enc. (1)

CONFIDENTIAL

## REPORT OF OPEN MARKET INVESTMENT COMMITTEE WEEK ENDED MARCH 26, 1930

Holdings of Earning Assets of Federal Reserve Banks from March 27, 1929 to Date  
(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS DISCOUNTED
		Outright Purchases	Sales Contracts	Outright Purchases	Sales Contracts	
-1929-						
Mar. 27	\$1,409,712	\$165,965	\$ 4,345	\$191,627	\$16,800	\$1,024,130
Apr. 24	1,280,601	139,112	10,670	119,244	21,931	974,513
May 29	1,258,502	137,132	7,440	103,416	14,503	988,194
June 26	1,262,428	129,717	19,810	71,207	11,632	1,016,747
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Aug. 28	1,291,562	126,566	18,755	95,266	61,248	973,627
Sept. 25	1,375,467	125,973	26,086	179,449	84,485	944,399
Oct. 30	1,648,742	259,848	32,840	310,774	29,111	991,038
Nov. 27	1,514,460	322,063	4,035	250,044	7,271	912,349
Dec. 31	1,547,517	487,292	23,295	236,974	155,235	632,421
-1930-						
Jan. 29	1,154,379	476,466	70	185,677	72,795	406,941
Feb. 26	1,138,522	477,610	5,145	232,521	66,785	342,781
Mar. 19	960,870*	558,259*	3,180	177,158	7,859	205,634
Mar. 26	1,001,090	526,284	2,715	143,772	112,710	206,829

\*Includes \$29,000,000 of the \$44,000,000 special one-day certificate of indebtedness to cover the Treasury overdraft in New York; balance of \$15,000,000 was sold to a member bank.

CHANGES IN EARNING ASSET HOLDINGS (EXCLUSIVE OF SALES CONTRACTS)  
DURING WEEK ENDED MARCH 26, 1930  
(000 Omitted)

	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS DISCOUNTED	
	Balance Mar. 26	Net Change	Balance Mar. 26	Net Change	Balance Mar. 26	Net Change
Boston	\$ 30,323	\$ 546-	\$ 4,943	\$ 207-	\$ 18,575	\$ 210+
New York	217,064	33,910-	2,258	3,854-	36,858	8,048+
Philadelphia	46,125	582-	6,730	2,573-	31,297	1,195-
Cleveland	34,995	421-	18,947	6,777-	26,470	1,207+
Richmond	12,640	182-	10,379	1,585-	15,304	597+
Atlanta	8,799	27-	14,372	114-	14,534	3,231-
Chicago	70,384	955-	19,024	4,980-	22,685	1,494-
St. Louis	19,268	2+	9,496	4,123-	12,239	102-
Minneapolis	18,429	317-	11,971	930-	2,211	41-
Kansas City	5,925	2+	9,105	2,624-	12,698	576-
Dallas	25,637	5,002+	8,310	2,244-	5,579	313-
San Francisco	36,695	41-	24,951	4,811-	8,379	85+
N. Y. holdovers and other bills			3,286	1,436+		
Totals	\$526,284	\$31,975-	\$143,772	\$33,386-	\$206,829	\$1,195+

COMMENT ON CHANGES WEEK ENDED MARCH 26, 1930

Total earning assets of the System (exclusive of special one-day Treasury certificate of indebtedness issued to cover the overdraft last week) showed an increase of \$69,220,000 for the current statement week. The changes by classification consisted of decreases of \$2,975,000 and \$33,386,000 respectively, in outright purchases of government securities and bankers acceptances, and increases of \$1,195,000 in bills discounted and \$104,386,000 in investments held under sales contracts. The latter item consisted of an increase of \$104,851,000 in bankers acceptances and a decrease of \$465,000 in government securities.

Money  
Market

The retirement of the Treasury overdraft was accompanied by an advance in call money from a 2 per cent renewal rate on March 20 to a rate of 4 1/2 per cent for new loans on the next day. There was a very heavy flow of funds from New York to other parts of the country on the 20th and 21st, and, in addition, a Government call of funds from depositories, income tax collections, and the usual week-end currency demands also drew heavily upon the money market. Due to this large aggregate loss, the New York City banks needed a substantially larger amount of Reserve Bank credit to balance their average reserve position. The increase in Federal Reserve credit was accomplished by an advance of over \$100,000,000 in New York City bank borrowings, and by large takings of bills and securities by the Reserve Bank, principally bills under repurchase agreement, the holdings of which had been completely retired during the time when very easy conditions prevailed as a result of the temporary Treasury funds in the market.

During the remainder of the week the rate for day to day accommodation eased somewhat and at the close of the period 3 1/2 per cent was the prevailing charge. The usual return of currency during this time, and a further increase in Reserve Bank sales contract bill holdings, provided the funds for the retirement of the member bank borrowings made necessary during the earlier part of the period.

Time money became slightly firmer as the week progressed. Offerings were large during the first part of the week, but later were in limited volume. Trading in the 90-day maturity, which was done in sizable volume at 3 3/4 per cent on Thursday, the 20th, advanced to 4 per cent on Wednesday, the 26th, when only small amounts were loaned; 6 months' money advanced from 4 per cent to 4 1/4 per cent during this time, with identical conditions as to volume placed. Nominal quotations generally were up 1/4 per cent net for the week under review.

Prime commercial paper declined on Monday, March 24, to a range of 3 3/4 - 4 per cent from the 4 per cent rate of last week. Dealers' reports indicated no decline in bank investment demand at the lower level; actual sales of paper were limited only by the small volume of new acquisitions. The 3 3/4 - 4 per cent commercial paper quotation is the lowest since the middle of 1925, with the exception of two brief intervening periods, when a 3 3/4 - 4 per cent range also prevailed.

Government  
Security  
Market

The market for United States Government securities, which had been strong and active during the past few weeks and the first two days of the current statement week, experienced a considerable falling off in the demand during the last half of the current period. While prices of the short-term issues showed very little change for the week, the longer term issues registered price losses for the week ranging from 2/32 to 1.2/32nds.

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

					Price	Net Change	Approx. Yield
<u>Issue</u>							
4 7/8%	Cert. of Ind. due	June 16,	1930		100 16/32	-2/32	2.54
3 1/8%	" " " "	Sept. 15,	1930		100 3/32	- - -	2.91
3 1/4%	" " " "	Dec. 15,	1930		100 3/32	-1/32	3.11
3 1/2%	Treasury Notes "	Mar. 15,	1932		100 2/32	-1/32	3.43
3 1/2%	" " " "	Sept. 15,	1932		100 2/32	-1/32	3.43
3 1/2%	" " " "	Dec. 15,	1932		100 2/32	-1/32	3.40



3

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

			Net					Net	
Issue	Price	Change			Issue	Price	Change		
1st 3 1/2s	100 9/32	-2/32	Treas. 4s	1944-54	108 14/32	-18/32			
1st 4 1/4s	101 15/32	+3/32	"	4 1/4s 1947-52	112 10/32	-1. 2/32			
4th 4 1/4s	101 30/32	-1/32	"	3 3/4s 1946-56	105 10/32	-1.			
			"	3 3/8s 1943-47	101 2/32	-14/32			
			"	3 3/8s 1940-43	100 24/32	-24/32			

Bankers  
Acceptances

Dealers' offerings of unindorsed bankers acceptances were at the following rates at the close of the current statement week: 2 7/8 per cent for 30s, 2 3/4 per cent for 60s, and 90s, and 2 7/8 per cent for 120s and 180s.

Reports  
week  
ending  
March 26

Boston reports that with the tightening of outside money rates, the demand for acceptances fell off considerably and dealers' portfolios were substantially increased resulting in two increases in their rates. At the end of the period local dealers continued to find it hard to move their bills. The supply of new bills fell off somewhat but was more than sufficient to meet the local demand, as a result of which the reserve bank's portfolio increased over \$4,000,000 coming mostly from dealers on sales contract. In New York, on the first day of the period the good demand continued and dealers reduced rates by 1/4 per cent to 2 5/8 per cent bid for maturities up to 120 days, offered at 2 1/2 per cent, bid 2 3/4 per cent for 5 and 6 months' and offered at 2 5/8 per cent. Firmer money conditions then resulted in a falling off in the demand with a very substantial increase in dealers' purchases which consisted of all maturities. Dealers increased rates by 1/8 to 1/4 per cent on two successive days to 3 per cent bid for 30s, and 4 to 6 months offering at 2 7/8 per cent, bid 2 7/8 per cent for 60s and 90s, offered at 2 3/4 per cent. Indorsed bills 1/8 per cent less. Dealers' portfolios increased by about \$75,000,000. Philadelphia reports that its acceptance market was more active than the previous week. The supply of new bills showed considerable increase over last week and was heavier than for some time. In spite of easy money rates, the demand was very light and dealers reported their portfolios at a rather high level. Offerings to the Reserve Bank were very light as its buying rates continued higher than the open market rates. Chicago reports that the present rates for bills did not appear to be attractive in its market and dealers were carrying substantial amounts with very little demand. Dallas reports that the demand for bills in its district was very light. Offerings to the Reserve Bank were negligible.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

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

Sale of \$2,000,000 par amount 4 1/4% Fourth Liberty Loan bonds,  
account Government Life Insurance Fund  
and purchases of 50,000,000\* " " 3 1/2% Treasury Notes, due March 15,  
1930-32, account Sinking Fund

\*Of this amount \$25,000,000 was sold from the System Special Investment Account, and \$25,000,000 from the Investment Account of the Federal Reserve Bank of New York and replaced by other short-term issues.

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

On March 20, 1930, the Federal Reserve Bank of Dallas repurchased the \$5,000,000 of governments which it temporarily sold from its participation in the System Account to other participating Federal reserve banks on February 18, 1930.

Some exchanges of maturities were also effected in the Account (principally Fourth Liberty Loan bonds for shorter-term issues) which resulted in an increase in the amount of shorter maturities held in the Account and correspondingly reducing the amount of longer maturities.

These transactions left the total amount of holdings in the Account at the close of the statement week, Wednesday, March 26, 1930, approximately unchanged at \$327,300,000. The participation by Federal reserve banks and the classification of issues were as follows:

PARTICIPATION BY FEDERAL RESERVE BANKS

Boston	\$ 29,616,000
New York	103,535,500
Philadelphia	31,114,500
Cleveland	24,830,500
Richmond	11,487,500
Atlanta	6,227,500
Chicago	50,456,500
St. Louis	10,642,500
Minneapolis	10,766,000
Kansas City	5,921,500
Dallas	15,649,500
San Francisco	27,052,500

Totals \$327,300,000

RECAPITULATION OF HOLDINGS BY MATURITIES

May 19, 1930 - Treas. Bills	\$26,000,000
June 16, 1930 - 4 7/8% C/I	42,360,000
Sept. 15, 1930 - 3 1/8% "	80,075,000
Dec. 15, 1930 - 3 1/4% "	70,300,000
Mar. 15, 1932 - 3 1/2% T/N	19,055,000
Sept. 15, 1932 - 3 1/2% "	43,735,000
Dec. 15, 1932 - 3 1/2% "	39,825,000
4th L/L bonds - 4 1/4%	5,950,000

\$327,300,000

327,300  
277,500  
49,800

ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF ALL  
FEDERAL RESERVE BANKS FROM MARCH 20 TO MARCH 26, 1930, INCLUSIVE

GOVERNMENT SECURITIES - SYSTEM INVESTMENT ACCOUNT

	<u>Purchases</u>	<u>Sales</u>	<u>Increase</u>	<u>Decrease</u>
Boston	\$ 5,422,000	\$ 5,968,500	\$ 0	\$ 546,500
New York	18,963,000	20,998,500	0	2,035,500
Philadelphia	5,696,500	6,279,500	0	583,000
Cleveland	4,543,500	4,964,000	0	420,500
Richmond	2,101,500	2,284,000	0	182,500
Atlanta	1,133,000	1,131,500	1,500	0
Chicago	9,239,000	10,194,500	0	955,500
St. Louis	1,936,500	1,935,000	1,500	0
Minneapolis	1,970,500	2,161,500	0	191,000
Kansas City	1,078,000	1,077,000	1,000	0
Dallas	7,541,500	2,539,500	5,002,000	0
San Francisco	4,925,000	4,966,500	0	41,500
<b>Totals</b>	<b>\$64,550,000</b>	<b>\$64,500,000</b>	<b>\$5,006,000</b>	<b>\$4,956,000</b>

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>
		Misc. Gov't Sec.		Misc. Gov't Sec.
New York	\$27,256,000	" " "	\$30,130,000	" " "
Atlanta	486,500	" " "	515,000	" " "
Minneapolis	677,750	" " "	803,300	" " "
Dallas	0	-	250	" " "
<b>Totals</b>	<b>\$28,420,250</b>		<b>\$31,448,550</b>	

BANKERS ACCEPTANCES  
(000 Omitted)

	<u>Holdings</u>	<u>Purchased</u>	<u>By Allot-</u>	<u>Matur-</u>	<u>Hold</u>	<u>Other Holdings</u>	
	<u>Mar. 19</u>	<u>Own Mkt.</u>	<u>ment from</u>	<u>ities &amp;</u>	<u>Holdings</u>	<u>Close March 26, 1930</u>	
			<u>New York</u>	<u>Sales</u>	<u>Mar. 26</u>	<u>Sales</u>	<u>Other</u>
						<u>Contracts</u>	<u>Bills</u>
Boston	\$ 5,150	\$ 1,009 R	\$ 0	\$ 1,216	\$ 4,943	\$ 4,819	\$ 77
New York	6,112	2,150 "	0	1,695	2,258	101,574	373
		5,254 A		4,309*			
Phila.	9,303	137 R	0	2,710	6,730	0	101
Cleveland	25,724	0	0	6,777	18,947	0	104
Richmond	11,964	162 "	475	2,222	10,379	0	43
Atlanta	14,486	2,518*	745	3,377	14,372	0	709
Chicago	24,004	168 R	1,225	6,373	19,024	4,112	139
St. Louis	13,619	0	584	4,707	9,496	0	37
Minn.	12,901	0	321	1,251	11,971	0	24
Kan. City	11,729	0	550	3,174	9,105	0	31
Dallas	10,554	115 "	450	2,809	8,310	202	31
San Fran.	29,762	135 "	904	5,850	24,951	2,003	72
<b>Totals</b>	<b>\$175,308</b>	<b>\$11,648</b>	<b>\$5,254</b>	<b>\$46,470</b>	<b>\$140,486</b>	<b>\$112,710</b>	<b>\$1,741</b>
Bills held over night by New York for distribution to other F. R. Banks -							<b>1,545</b>
Total - - - - -							<b>-\$3,286</b>

\*Of this amount \$2,518,000 was sold to F. R. B. Atlanta and \$1,791,000 to a foreign correspondent.

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

6

MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDING MARCH 26, 1930  
(000 Omitted)

	1-30 days 3 - 3 1/8%	31-60 days 3 - 3 1/4%	61-90 days 3 - 3 1/8%	Over 90-days -	Total
Boston	\$ 1,009	\$ 0	\$ 0	0	\$ 1,009
New York	7,404	0	0	0	7,404
Philadelphia	37	50	50	0	137
Richmond	0	62	100	0	162
Atlanta	2,518	0	0	0	2,518
Chicago	. 11	157	0	0	168
Dallas	79	26	10	0	115
San Francisco	55	52	28	0	135
Totals	\$11,113	\$ 347	\$ 188	0	\$11,648

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES DURING WEEK ENDING MARCH 26, 1930  
(000 Omitted)

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

	Government Securities	Bankers Acceptances	Total
Purchased	\$92,973	\$11,648	\$104,621
Sold	95,948	4,609	100,557
Matured	0	41,861	41,861
		\$34,822-	\$ 37,791-
		1,436+ (Net Change 1-day holdover & other bills)	1,436+ (Net Change 1-day holdover & other bills)
Totals	\$ 2,975-	\$33,386-	\$ 36,361-

HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES MARCH 26, 1930  
(000 Omitted)

(Including Sales Contracts)

	Within 15-days	16-30 days	31-60 days	61-90 days	91 days- 6 months	Over 6 months	Total
Gov't Securities	\$ 2,715	\$ 0	\$38,000	\$56,040	\$116,238	\$316,006	\$528,999
Bills Purchased	172,731	28,467	40,634	13,977	673	0	256,482
Totals	\$175,446	\$28,467	\$78,634	\$70,017	\$116,911	\$316,006	\$785,481

March 24, 1930

Dear Mr. Matteson:

I acknowledge receipt of and shall bring to the attention of the members of the Board your letter of the 21st instant, enclosing report of transactions in Government securities and bankers' acceptances, as reported to your Committee for the period from March 13, 1930 to March 19, 1930 inclusive.

Very truly yours,

*(Signature)*

E. H. McClelland,  
Assistant Secretary

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

DECLASSIFIED

Authority E.O. 10501

*Mr. Ryker ✓  
Mr. [unclear] ✓  
Mr. [unclear]*

FEDERAL RESERVE BANK  
OF NEW YORK

RECEIVED  
MAR 24 1930  
DIVISION OF RESEARCH  
AND STATISTICS

CONFIDENTIAL

March 21, 1930

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

Dear Mr. Goldenweiser:

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 13, 1930 to March 19, 1930 inclusive, together with data received by the Committee from the Federal reserve banks.

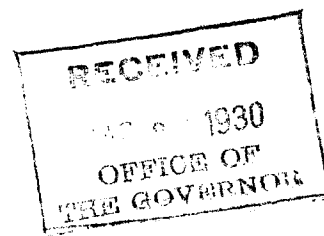
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W. B. Matteson  
Secretary, Open Market  
Investment Committee

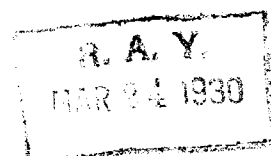
Encl.

**FEDERAL RESERVE BANK  
OF NEW YORK**



P E R S O N A L

March 21, 1930



Dear Governor Young:

We are enclosing, for your files, 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 13, 1930 to March 19, 1930 inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,

A large, flowing handwritten signature in cursive script.

W. B. Matteson  
Secretary, Open Market  
Investment Committee

Honorable Roy A. Young,  
Governor, Federal Reserve Board,  
Washington, D. C.

Encl.

FOR SPECIAL CIRCULATION

PLEASE RE-EXAMINE PROMPTLY, INITIAL AND RETURN TO SECRETARY'S OFFICE

✓ Gov. Young

Mr. Hamlin ✓

Mr. Jones ✓

✓ Mr. Flatt

Mr. Miller ✓

Mr. Cunningham ✓

Mr. Pole ✓

FEDERAL RESERVE BANK

OF NEW YORK

RECEIVED

MAR 21 1930

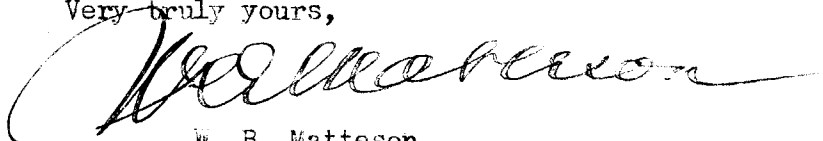
OFFICE OF  
THE GOVERNORCONFIDENTIAL

March 21, 1930

Dear Governor Young:

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Very truly yours,



W. B. Matteson  
Secretary, Open Market  
Investment Committee

Honorable Roy A. Young,  
Governor, Federal Reserve Board,  
Washington, D. C.

Encl.

*See letter 3/24/30*



CONFIDENTIAL

## REPORT OF OPEN MARKET INVESTMENT COMMITTEE WEEK ENDED MARCH 19, 1930

Holdings of Earning Assets of Federal Reserve Banks from March 20, 1929 to Date  
(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS
		Outright Purchases	Sales Contracts	Outright Purchases	Sales Contracts	DISCOUNTED
-1929-						
Mar. 20	\$1,371,771*	\$184,826*	\$ 525	\$215,126	\$ 21,712	\$ 942,737
Mar. 27	1,409,712	165,965	4,345	191,627	16,800	1,024,130
Apr. 24	1,280,601	139,112	10,670	119,244	21,931	974,513
May 29	1,258,502	137,132	7,440	103,416	14,503	988,194
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Feb. 26	1,138,522	477,610	5,145	232,521	66,785	342,781
Mar. 12	1,049,069	511,993	2,120	202,550	53,988	266,338
Mar. 19	960,870**	558,259**	3,180	177,158	7,859	205,634

\* Includes \$19,000,000 special one-day Treasury certificate of indebtedness issued to Federal Reserve Bank of New York to cover Treasury overdraft.

\*\*Includes \$29,000,000 of the \$44,000,000 special one-day certificate of indebtedness to cover the Treasury overdraft in New York; balance of \$15,000,000 was sold to a member bank.

CHANGES IN EARNING ASSET HOLDINGS (EXCLUSIVE OF SALES CONTRACTS)  
DURING WEEK ENDED MARCH 19, 1930  
(000 Omitted)

	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS DISCOUNTED	
	Balance Mar. 19	Net Change	Balance Mar. 19	Net Change	Balance Mar. 19	Net Change
Boston	\$ 30,869	\$ 3,427+	\$ 5,150	\$ 957-	\$ 18,365	\$ 4,340-
New York	250,974	19,544+	6,112	5,075-	30,810	2,338-
Philadelphia	46,707	1,483+	9,303	828-	32,492	5,932-
Cleveland	35,416	2,185+	25,724	2,196-	25,263	9,053-
Richmond	12,822	2,736+	11,984	717-	14,707	1,976-
Atlanta	8,826	49+	14,486	1,522-	17,765	6,554-
Chicago	71,339	0	24,004	2,221-	24,179	14,179-
St. Louis	19,266	0	13,619	1,531-	12,341	2,109-
Minneapolis	18,746	1,482+	12,901	992-	2,252	62+
Kansas City	5,923	2,860+	11,729	1,444+	13,274	1,448-
Dallas	20,635	0	10,554	1,904-	5,892	3,742-
San Francisco	36,736	12,500+	29,762	4,375-	8,294	9,095-
N. Y. holdovers and other bills			1,850	4,518-		
Totals	\$558,259	\$46,266+	\$177,158	\$25,392-	\$205,634	\$60,704-

COMM. ON CHANGES WEEK ENDED MARCH 19 1930

Total earning assets of the System (exclusive of special one-day Treasury certificate of indebtedness issued to cover the overdraft) showed a decrease of \$117,199,000 for the current statement week. The changes by classification consisted of an increase of \$17,266,000 in outright purchases of government securities, and decreases of \$25,392,000 and \$60,704,000 respectively, in outright purchases of bankers acceptances and bills discounted, and \$45,069,000 in investments held under sales contracts. The latter item consisted of an increase of \$1,060,000 in government securities and a decrease of \$46,129,000 in bankers acceptances. Bills discounted at \$205,634,000 reached their lowest point since January 21, 1925.

Money  
Market

Money rates experienced marked reductions during the past week largely due to extra funds temporarily put into the market as a result of Treasury operations. At the beginning of the period call loan renewals were 4 per cent, with new loans on the Exchange down to 3 1/2 per cent and funds obtained in the outside market at 3 per cent. On the closing day, Wednesday, March 19, renewals had declined to 3 per cent, new loans on the Exchange to 2 per cent, and outside accommodation to 1 1/2 per cent. The Exchange rate of 2 per cent was the lowest since January 8, 1925, and the outside price of 1 1/2 per cent was reported to have been the lowest since 1917.

Bank reserves were permitted to fall well below requirements on March 14 in anticipation of Treasury payments the next day. On March 15, Treasury redemptions and interest payments were far in excess of income tax and other collections, with a resulting overdraft at the New York Reserve Bank of \$94,000,000 and of \$233,000,000 at all reserve banks. In addition, there was a rather large inflow of funds from other parts of the country, also the reflection of Treasury payments. Due to the aggregate large gain of funds a \$15,000,000 participation in the special certificate of indebtedness to cover the Treasury overdraft was sold to a New York City bank. On Monday, the 17th, Treasury payments, chiefly for the Treasury Bill maturity, and a further inflow of funds from other districts were more than offset by an unusually large amount of income tax collections, but because of the large surplus of reserves which carried over from Saturday, it was found expedient to sell an additional participation for \$25,000,000 in the special Treasury certificate. On this day the overdraft at New York was reduced to \$70,000,000 and for the country as a whole to \$146,000,000. Funds continued to flow into New York on Tuesday, and there was a return of currency from week-end circulation, with Treasury transactions supplying only a relatively small offsetting loss. On this day \$10,000,000 of securities were sold to a New York City bank, under one-day repurchase agreement. The Treasury overdraft at New York was reduced to \$59,000,000 and for the country to \$97,000,000.

On the closing day of the period, net income tax collections continued to take funds out of the market, and there was a reversal in the inter-district movement of funds which resulted in a large loss to the New York market. Reflecting these conditions, \$25,000,000 of the participations of City banks in the Treasury overdraft were terminated and the \$10,000,000 of securities which had been sold on the 18th, were repurchased. At the close of the 19th, the Treasury overdraft was reduced to \$44,000,000 - concentrated at New York. The operations of the 19th resulted in reducing bank reserves somewhat below requirements, so that on Thursday, the 20th, accompanying a further decrease in the amount of credit extended to the market through the Treasury overdraft and a continued outflow of funds to other centers, the remaining \$15,000,000 participation in the special certificate terminated and money conditions showed a firmer tendency.

## 3

Time money rates eased during the week to a closing level of 3 1/4 per cent bid, 3 1/2 per cent offered for 30 days; 3 1/2 per cent bid, 3 3/4 per cent asked for 60s; 3 3/4 per cent flat for 90s; 3 3/4 per cent bid, 4 per cent offered for 4 months; and 4 per cent flat for 5 and 6 months. Ninety day money, in response to large offerings, was lending at the close of the week at 3 3/4 per cent, the lowest since the first part of 1925, and a reduction of 1/2 per cent during the week. Four per cent was being paid for 6 months accommodation.

In the commercial paper market, the prevailing quotation declined during the week to 4 per cent, which is the lowest since February 1928. Investment demand for paper was exceptionally good, and in fact the volume of sales was limited only by the amount of new paper that became available.

Government  
Security  
Market

The market for United States Government securities continued strong and active with the demand good for both the short and long-term issues. Prices of all issues showed fractional gains for the week, while the 3 3/8% Treasury bonds of 1940-43 reached the highest level since date of issue (July 16, 1928) when they sold on March 17, 1930 at 101 18/32.

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

<u>Issue</u>	<u>Price</u>	<u>Net Change</u>	<u>Approx. Yield</u>
4 7/8% Cert. of Ind. due June 16, 1930	100 18/32	+2/32	2.47
3 1/8% " " " " Sept. 15, 1930	100 3/32	+2/32	2.92
3 1/4% " " " " Dec. 15, 1930	100 4/32	+2/32	3.08
3 1/2% Treasury Notes " Mar. 15, 1932	100 3/32	+3/32	3.40
3 1/2% " " " " Sept. 15, 1932	100 3/32	+3/32	3.40
3 1/2% " " " " Dec. 15, 1932	100 3/32	+3/32	3.37
U.S. Treasury Bills " May 19, 1930	3% - 2 1/2% Discount		

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

<u>Issue</u>	<u>Price</u>	<u>Net Change</u>	<u>Issue</u>	<u>Price</u>	<u>Net Change</u>
1st 3 1/2s	100 11/32	+6/32	Treas. 4s 1944-54	109	+ 4/32
1st 4 1/4s	101 12/32	+3/32	" 4 1/4s 1947-52	113 12/32	+ 11/32
4th 4 1/4s	101 31/32	+8/32	" 3 3/4s 1946-56	106 10/32	+ 4/32
			" 3 3/8s 1943-47	101 16/32	+ 20/32
			" 3 3/8s 1940-43	101 16/32	+ 28/32

Bankers  
Acceptances

Dealers' offerings of unindorsed bankers acceptances were at the following rates at the close of the current statement week: 2 3/4 per cent for 30s, 60s, 90s and 120s, and 2 7/8 per cent for 180-day bills.

Reports  
week  
ending  
March 19

Boston reports that with the continuing ease in money rates local banks have been good buyers of bills during the past period. Dealers lowered their rates from 3 3/8 per cent bid, 3 1/4 per cent offered at the beginning of the period to 2 7/8 per cent bid, 2 3/4 per cent offered at the close. The supply of bills remained about the same as the previous week and was more than sufficient for the local demand, as evidenced by bills amounting to over \$4,500,000 shipped to "offices in other cities." Dealers reported an increase in the demand during the past period with the supply, although somewhat limited, sufficient for the local demand. Sixty and ninety day maturities moved best. In New York money was extremely plentiful during the week, particularly the last half and resulted in a very good demand for bills and came principally from local institutions who were buying for their own accounts and for the accounts of foreign correspondents. The supply of new bills fell off very substantially and dealers' aggregate portfolios were reduced by about \$34,000,000 to the lowest they have been since the end of November 1929. Dealers reduced rates four times during the week, the total reductions amounting to 5/8 and at the close were bidding 2 7/8 per cent for maturities up to 120 days, offering at 2 3/4 per cent, and bidding 3 per cent for 5 and 6 months, offering at 2 7/8 per cent. Indorsed bills 1/8 per cent less. On the morning of March 20th the good demand continued and dealers hearing of the reduction in the Bank of England's discount rate made a further reduction in bill rates of 1/4 per cent and are now bidding 2 5/8 per cent up to 120 days, offering at 2 1/2 per cent; bidding 2 3/4 per cent for 5 and 6 months, offering at 2 5/8 per cent. Indorsed bills 1/8 per cent less. Philadelphia reports that its acceptance market was fairly active. New bills continued to be scarce and offerings light. The demand showed some improvement. Chicago reports that bills moved freely in its district at present prices. There were very few new bills offered. Dallas reports that the demand for bills fell off substantially due principally to lower rates. Several prospective purchasers of bills decided to invest funds otherwise when advised of the low bill rates. Offerings to the Reserve Bank were very light and substantially less than during the previous week.

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

There has been an increase in the account during the current statement week of \$23,000,000, representing the delivery of the balance of the \$50,000,000 purchase made by the Federal Reserve Bank of New York referred to in last week's report, and participated with other banks.

In addition to the exchange of \$14,000,000 of certificates which matured on March 15, 1930, for a like amount of the new issue of certificates maturing December 15, 1930, and the purchase of \$25,000,000 of the new issue in the market to replace the \$25,000,000 of Treasury bills which matured on March 17, there have been some further changes in the issues which have had the effect of reducing the amount of the longer maturities and increasing the amount of the shorter maturities.

The addition of the \$23,000,000 of Government securities referred to increased the total holdings in the Account at the close of the statement week March 19, 1930, to \$327,250,000 as follows. The participation by Federal reserve banks and the classification of issues were as follows:

PARTICIPATION BY FEDERAL RESERVE BANKS

Boston	\$ 30,162,500
New York	105,571,000
Philadelphia	31,697,500
Cleveland	25,251,000
Richmond	11,670,000
Atlanta	6,226,000
Chicago	51,412,000
St. Louis	10,641,000
Minneapolis	10,957,000
Kansas City	5,920,500
Dallas	10,647,500
San Francisco	27,094,000

Totals \$327,250,000

RECAPITULATION OF HOLDINGS BY MATURITIES

May 19, 1930 - Treas. Bills	\$26,000,000
June 16, 1930 - 4 7/8% C/I	60,610,000
Sept. 15, 1930 - 3 1/8% " "	80,075,000
Dec. 15, 1930 - 3 1/4% " "	36,000,000
Mar. 15, 1932 - 3 1/2% T/N	37,555,000
Sept. 15, 1932 - 3 1/2% " "	31,635,000
Dec. 15, 1932 - 3 1/2% " "	34,925,000
4th L/L bonds - 4 1/4%	20,450,000

\$327,250,000

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

Transactions consummated under Treasury authorization during the current statement week (exclusive of Treasury financing operations) were as follows:

Sale of	\$1,000,000	par amount	4 1/4%	Fourth Liberty Loan bonds,
				account Government Life Insurance Fund
and purchases of	8,000,000	" "	3 1/2%	Treasury notes due March 15,
				1930-32, account Sinking Fund

6

ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF ALL  
FEDERAL RESERVE BANKS FROM MARCH 13 TO MARCH 19, 1930, INCLUSIVE

GOVERNMENT SECURITIES - SYSTEM INVESTMENT ACCOUNT

	<u>Purchases</u>	<u>Sales</u>	<u>Net Increase</u>
Boston	\$ 10,948,000	\$ 7,465,500	\$ 3,482,500
New York	31,173,000	35,049,000	3,876,000*
Philadelphia	9,340,500	7,845,500	1,495,000
Cleveland	8,435,500	6,250,500	2,185,000
Richmond	5,625,000	2,889,000	2,736,000
Atlanta	1,541,000	1,541,000	0
Chicago	12,725,500	12,725,500	0
St. Louis	2,633,500	2,633,500	0
Minneapolis	4,328,500	2,711,500	1,617,000
Kansas City	4,326,000	1,465,500	2,860,500
Dallas	2,635,500	2,635,500	0
San Francisco	19,206,500	6,706,500	12,500,000
<b>Totals</b>	<b>\$112,918,500</b>	<b>\$89,918,500</b>	<b>\$23,000,000</b>

\* Decrease

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Maturities and Sales</u>	<u>Issue</u>
Boston	\$ 0	-	\$ 55,000	March 15, 1930 C/I
New York	42,415,000	Misc. Gov't Sec.	46,380,000	Misc. Gov't Sec.
			1,615,000	March 15, 1930 C/I
Philadelphia	7,000,000	Misc. Gov't Sec.	7,000,000	Misc. Gov't Sec.
			11,500	March 15, 1930 C/I
Atlanta	3,886,400	Misc. Gov't Sec.	3,837,600	Misc. Gov't Sec.
Minneapolis	798,400	Misc. Gov't Sec.	932,150	Misc. Gov't Sec.
<b>Totals</b>	<b>\$54,099,800</b>		<b>\$59,331,250</b>	

BANKERS ACCEPTANCES  
(000 Omitted)

	<u>Holdings</u>	<u>Purchased</u>	<u>By Allot-</u>	<u>Matur-</u>	<u>Other Holdings</u>		
	<u>Mar. 12</u>	<u>Own Mkt.</u>	<u>ment from</u>	<u>ities &amp;</u>	<u>Close March 19, 1930</u>	<u>Sales</u>	<u>Other</u>
			<u>New York</u>	<u>Sales</u>	<u>Mar. 19</u>	<u>Contracts</u>	<u>Bills</u>
Boston	\$ 6,107	\$ 85 R.	\$ 0	\$ 1,042	\$ 5,150	\$ 523	\$ 77
New York	11,187	6,043 "	0	8,114	6,112	796	383
		12,174 A.		3,004*			
Phila.	10,131	698 R.	0	1,526	9,303	0	101
Cleveland	27,920	0	1,905	4,101	25,724	0	104
Richmond	12,681	100 "	1,015	1,832	11,964	0	43
Atlanta	16,008	0	1,483	3,005	14,486	0	668
Chicago	26,225	590 "	2,025	4,836	24,004	2,185	139
St. Louis	15,150	0	1,362	2,893	13,619	0	37
Minn.	13,893	0	724	1,716	12,901	0	24
Kan. City	10,285	3,004*	1,193	2,753	11,729	0	31
Dallas	12,458	281 R	820	3,005	10,554	162	31
San Fran.	34,137	152 "	1,647	6,174	29,762	4,193	72
<b>Totals</b>	<b>\$196,182</b>	<b>\$23,127</b>	<b>\$12,174</b>	<b>\$44,001</b>	<b>\$175,308</b>	<b>\$7,859</b>	<b>\$1,710</b>
Bills held over night by New York for distribution to other F. R. Banks - -							140
<b>Total</b> - - - - -							<b>\$1,850</b>

\* Sold to the Federal Reserve Bank of Kansas City from N. Y. portfolio.

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

7

MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDING MARCH 19, 1930  
(000 Omitted)

	1-30 days 3 1/8-3 3/8%		31-60 days 3 1/8- 3 3/8%		61-90 days 3 1/4-3 3/8%		Over 90-days 3 1/4-3 5/8%		Total
Boston	\$	85		\$ 0		\$ 0		\$ 0	\$ 85
New York		9,408		3,247		5,278		284	18,217
Philadelphia		50		147		501		0	698
Richmond		0		0		100		0	100
Chicago		401		189		0		0	590
Kansas City		3,004		0		0		0	3,004
Dallas		101		117		48		15	281
San Francisco		60		72		20		0	152
<b>Totals</b>	\$	<u>\$13,109</u>		<u>\$3,772</u>		<u>\$5,947</u>		<u>\$299</u>	<u>\$23,127</u>

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES DURING WEEK ENDING MARCH 19, 1930.  
(000 Omitted)

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

	<u>Government Securities</u>	<u>Bankers Acceptances</u>	<u>Total</u>
Purchased	\$167,016	\$23,127	\$190,143
Sold	148,068	3,009	151,077
Matured	1,682	40,991	42,673
		<u>\$20,873-</u>	<u>\$ 3,607-</u>
		4,518- (Net Change	4,518- (Net Change
		1-day holdover	1-day holdover
		& other bills)	& other bills)
<b>Totals</b>	<u>\$ 17,266+</u>	<u>\$25,391-</u>	<u>\$ 8,125-</u>

HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES MARCH 19, 1930  
(000 Omitted)

(Including Sales Contracts)

	<u>Within 15-days</u>	<u>16-30 days</u>	<u>31-60 days</u>	<u>61-90 days</u>	<u>91 days- 6 months</u>	<u>Over 6 months</u>	<u>Total</u>
Gov't Securities	\$ 32,180	\$ 0	\$ 0	\$ 90,436	\$112,038	\$326,785	\$561,439
Bills Purchased	<u>79,605</u>	<u>36,401</u>	<u>45,272</u>	<u>22,669</u>	<u>1,070</u>	<u>0</u>	<u>185,017</u>
<b>Totals</b>	<u>\$111,785</u>	<u>\$36,401</u>	<u>\$45,272</u>	<u>\$113,105</u>	<u>\$113,108</u>	<u>\$326,785</u>	<u>\$746,456</u>

March 15, 1930

Dear Mr. Matteson:

I acknowledge receipt of and shall bring to the attention of the members of the Board your letter of March 14th, enclosing report of transactions in Government securities and bankers' acceptances as reported to your Committee for the period from March 6, 1930 to March 12, 1930 inclusive.

Very truly yours,

E. M. McClelland,  
Assistant Secretary

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



*Mr. Ruffley ✓  
Lynch ✓  
Collier*

**FEDERAL RESERVE BANK  
OF NEW YORK**

RECEIVED  
MAR 15 1930  
FEDERAL RESERVE BANK  
OF NEW YORK

CONFIDENTIAL

March 14, 1930

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

Dear Mr. Goldenweiser:

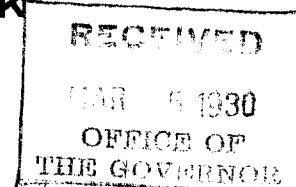
Enclosed is a report of transactions in government securities and bankers acceptances as reported to the Open Market Investment Committee for the Federal Reserve System for the period from March 6, 1930 to March 12, 1930 inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,  
*W. B. Matteson*

W. B. Matteson  
Secretary, Open Market  
Investment Committee

Encl.

**FEDERAL RESERVE BANK  
OF NEW YORK**



P E R S O N A L

March 14, 1930

Dear Governor Young:

We are enclosing, for your files, 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, 1930 to March 12, 1930 inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,

A large, flowing handwritten signature in dark ink, which appears to read "W. B. Matteson".

W. B. Matteson  
Secretary, Open Market  
Investment Committee

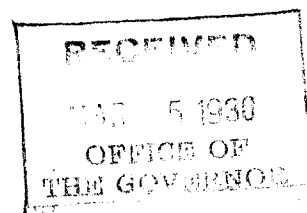
Honorable Roy A. Young,  
Governor, Federal Reserve Board,  
Washington, D. C.

Encl.

DECLASSIFIED

Authority E.O. 10501

FOR SPECIAL CIRCULATION  
 INITIAL AND RETURN TO DIRECTOR'S OFFICE  
 Mr. Platt ✓ Mr. Tolson ✓ Mr. Jones ✓  
 Mr. Lillie ✓ Mr. E. A. Tamm ✓ Mr. Clegg ✓  
**FEDERAL RESERVE BANK**  
**OF NEW YORK**

CONFIDENTIAL

March 14, 1930

Dear Governor Young:

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 6, 1930 to March 12, 1930 inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,

W. B. Matteson  
 Secretary, Open Market  
 Investment Committee

Honorable Roy A. Young,  
 Governor, Federal Reserve Board,  
 Washington, D. C.

Encl.

CONFIDENTIAL

## REPORT OF OPEN MARKET INVESTMENT COMMITTEE WEEK ENDED MARCH 12, 1930

Holdings of Earning Assets of Federal Reserve Banks from March 13, 1929 to Date  
(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS DISCOUNTED
		Outright Purchases	Sales Contracts	Outright Purchases	Sales Contracts	
-1929-						
Mar. 13	\$1,421,833	\$161,452	\$ 3,845	\$257,154	\$ 25,947	\$ 955,623
Mar. 27	1,409,712	165,965	4,345	191,627	16,800	1,024,130
Apr. 24	1,280,601	139,112	10,670	119,244	21,931	974,513
May 29	1,258,502	137,132	7,440	103,416	14,503	988,194
June 26	1,262,428	129,717	19,810	71,207	11,632	1,016,747
July 31	1,308,014	126,579	20,704	44,988	29,579	1,075,714
Aug. 28	1,291,562	126,566	18,755	95,266	61,248	973,627
Sept. 25	1,375,467	125,973	26,086	179,449	84,485	944,399
Oct. 30	1,648,742	259,848	32,840	310,774	29,111	991,038
Nov. 27	1,514,460	322,063	4,035	250,044	7,271	912,349
Dec. 31	1,547,517	487,292	23,295	236,974	155,235	632,421
-1930-						
Jan. 29	1,154,379	476,466	70	185,677	72,795	406,941
Feb. 26	1,138,522	477,610	5,145	232,521	66,785	342,781
Mar. 5	1,078,193	485,095	1,050	219,964	51,238	308,616
Mar. 12	1,049,069	511,993	2,120	202,550	53,988	266,338

CHANGES IN EARNING ASSET HOLDINGS (EXCLUSIVE OF SALES CONTRACTS)  
DURING WEEK ENDED MARCH 12, 1930  
(000 Omitted)

	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS DISCOUNTED	
	Balance Mar. 12	Net Change	Balance Mar. 12	Net Change	Balance Mar. 12	Net Change
Boston	\$ 27,442	\$ 0	\$ 6,107	\$ 1,578-	\$ 22,705	\$ 49+
New York	231,430	10,095+	11,187	9,089-	33,148	6,531-
Philadelphia	45,224	1,739+	10,131	1,092-	38,424	159-
Cleveland	33,231	2,541+	27,920	1,363-	34,316	5,803-
Richmond	10,086	0	12,681	636-	16,683	1,574-
Atlanta	8,777	75-	16,008	2,065-	24,319	1,944-
Chicago	71,339	0	26,225	1,218+	38,358	11,398-
St. Louis	19,266	0	15,150	2,005-	14,450	124-
Minneapolis	17,264	248+	13,893	3,534+	2,190	393-
Kansas City	3,065	0	10,285	607+	14,722	6,021-
Dallas	20,635	25-	12,458	1,260-	9,634	1,471-
San Francisco	24,236	12,375+	34,137	4,980-	17,389	6,909-
N. Y. holdovers and other bills			6,368	1,295+		
Totals	\$511,993	\$26,898+	\$202,550	\$17,414-	\$266,338	\$42,278-

COMMENT ON CHANGES WEEK ENDED MARCH 12, 1930

Total earning assets of the System showed a decrease of \$29,124,000 for the current statement week. The changes by classification consisted of decreases of \$17,414,000 and \$42,278,000 respectively, in outright purchases of bankers acceptances and in bills discounted, and increases of \$26,898,000 in government securities and \$3,820,000 in investments held under sales contracts. The latter item consisted of increases of \$1,070,000 in government securities and \$2,750,000 in bankers acceptances. Bills discounted at \$266,338,000 reached their lowest point since January 21, 1925.

Money  
Market

Money rates were slightly easier during the past week and generally reached the lowest levels since the first part of 1928. Call money renewed at 4 per cent and declined to 3 1/2 per cent during the noon hour on all but one day in the past week. On the first two days of the period accommodation was obtained in the outside market at 3 per cent, but no concessions were reported after Friday.

There was a moderate loss of funds to the New York market through outgoing transfers during the week but this was slightly more than offset by releases of gold from earmark for foreign account, gold imports, net deposits of currency at the Reserve Bank, and other commercial and agency credits. In addition to the aforementioned small net gain, Federal Reserve combined open market holdings increased, and in consequence of the total gain of funds the City banks were able to repay a small amount of borrowings, in addition to providing for a moderate increase in reserve requirements. Average borrowings of the New York City banks at only \$9,600,000, were little more than half of last week's small figure.

Time money on Thursday, March 6, was reported to be fairly active, with a rather large volume of offerings. Trading in 90-day funds was done at 4 1/4 per cent on that day and again on Wednesday, the 12th, but no 90-day loans were reported during the intervening period, and with the exception of the activity of the first day interest in fixed maturity accommodation was lacking. Nominal quotations declined slightly during the week to 4 per cent bid, 4 1/4 per cent asked for 30 and 60 days; and 4 1/4 per cent bid, 4 1/2 per cent asked for all other dates through 6 months. At the close of the previous week nominal quotations had been 4 1/4 per cent flat for 30 days; 4 1/4 per cent bid, 4 1/2 per cent asked for 60 and 90 days; and 4 1/2 per cent bid, 4 3/4 per cent asked for 4 to 6 months.

Commercial paper early in the week declined to a ruling quotation of 4 1/2 per cent from 4 1/2 - 3/4 per cent range in effect since early in February. Bank investment demand continued active, but supply of paper was no better than fair. An indication of further easing of rates was noted in the comments of one large dealer, who reported on Wednesday, March 12, that their sales at 4 1/4 per cent were about equal to those made at 4 1/2 per cent. Inquiry of other large dealers failed to elicit similar comments and prevailing rate continued to be 4 1/2 per cent, with some sales 1/4 per cent above and below the ruling rate.

Government  
Security  
Market

The market for United States Government securities continued strong and active. Prices of the short-term issues advanced from 2/32 to 4/32 for the week while prices of the long-term bonds showed more substantial gains which ranged from 5/32 to 1.1/32.

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

<u>Issue</u>					<u>Price</u>	<u>Net Change</u>	<u>Approx. Yield</u>
4 7/8%	Cert. of Ind.	due June	16, 1930		100 16/32	- - -	2.88
3 1/8%	"	"	Sept. 15, 1930		100 1/32	+2/32	3.06
3 1/4%	"	"	Dec. 15, 1930		100 2/32	+2/32	3.16
3 1/2%	Treasury Notes	"	Mar. 15, 1932		100	+4/32	3.49
3 1/2%	"	"	Sept. 15, 1932		100	+4/32	3.49
3 1/2%	"	"	Dec. 15, 1932		100	+4/32	3.49
U. S.	Treasury Bills	"	May 19, 1930		3 1/4% - 2 3/4% discount		

## 3

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

Net			Net		
Issue	Price	Change	Issue	Price	Change
1st 3 1/2s	100 5/32	+13/32	Treas. 4s 1944-54	108 28/32	+ 26/32
1st 4 1/4s	101 9/32	+ 5/32	" 4 1/4s 1947-52	113 1/32	+1.1/32
4th 4 1/4s	101 23/32	+ 8/32	" 3 3/4s 1946-56	106	+ 21/32
			" 3 3/8s 1943-47	100 28/32	+ 23/32
			" 3 3/8s 1940-43	100 20/32	+ 27/32

BankersAcceptances

Dealers' offerings of unindorsed bankers acceptances were at the following rates at the close of the statement week: 3 3/8 per cent for 30s, 60s, 90s and 120s, and 3 1/2 per cent for 180 day bills, which represented a reduction of 1/8 per cent on all maturities from the previous week's offering rates.

ReportsweekendingMarch 12

Boston reports that its local bill market conditions showed little change since the past period. Dealers again lowered their rates, but the effect upon the making of new bills was still scarcely noticeable, while the low yield to out of town banks and to corporations practically disinterested them as buyers. Dealers had no bills to offer to the Reserve Bank except on sales contract. In New York the bill market was moderately active this week with the demand slightly exceeding the supply. On March 13 a good investment demand developed and dealers reduced rates by 1/8 per cent to 3 3/8 per cent bid up to 120 days, 3 1/4 per cent asked, and 3 1/2 per cent bid for 5 and 6 months, 3 3/8 per cent asked. Indorsed bills 1/8 per cent less. Philadelphia reports that its acceptance market was moderately active. The demand continued fair with the supply of new bills quite light. Dealers reported portfolios substantially reduced. Offerings to the Reserve Bank were small and entirely from banks. In Chicago dealers reported a scarcity of bills with the demand in excess of the supply. Dallas reports that the demand for bills was lighter during the past week than any similar period since last summer. There were practically no orders for bills with maturities of more than 90 days. Offerings to the Reserve Bank were slightly higher than during the previous week.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

Transactions consummated under Treasury authorization (exclusive of Treasury financing operations) during the current statement week consisted of

Sales of \$	135,000	-	par amount	3 1/2%	Treasury notes, due March 15, 1930-32 account German Special Deposit Account
	1,000,000	-	"	"	4 1/4% Fourth Liberty Loan bonds, account Government Life Insurance Fund

\$1,135,000 - Total Sales

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

In view of declines in the bill portfolio and pending a meeting of the Open Market Committee called for March 24, the Federal Reserve Bank of New York, with the approval of the Federal Reserve Board, undertook the purchase of \$50,000,000 of government securities with the understanding that they would be allotted to such Reserve banks as desired to participate. Purchases were made during the current statement week of \$26,750,000 par value of short-term governments and a total of \$23,000,000 have been purchased for delivery after the close of the current statement week. These purchases have thus far been allotted among seven of the Federal reserve banks which have indicated their desire to participate.

During the current statement week an exchange was also effected in the Account of \$5,500,000 of governments (mostly Fourth Liberty Loan bonds) for a like amount of shorter term issues.

The purchase of the \$26,750,000 governments referred to increased the total holdings in the Account at the close of the statement week ending March 12, 1930 to \$304,250,000. The participation by Federal reserve banks and the classification of issues were as follows:

<u>PARTICIPATION BY FEDERAL RESERVE BANKS</u>		<u>RECAPITULATION OF HOLDINGS BY MATURITIES</u>	
Boston	\$ 26,680,000	Mar. 17, 1930 - Treas. Bills	\$25,000,000
New York	109,447,000	May 19, 1930 - " "	26,000,000
Philadelphia	30,202,500	Mar. 15, 1930 - 5 1/8% C/I	14,000,000*
Cleveland	23,066,000	June 16, 1930 - 4 7/8% "	38,110,000
Richmond	8,934,000	Sept. 15, 1930 - 3 1/8% "	71,575,000
Atlanta	6,226,000	Mar. 15, 1932 - 3 1/2% T/N	34,555,000
Chicago	51,412,000	Sept. 15, 1932 - 3 1/2% "	28,135,000
St. Louis	10,641,000	Dec. 15, 1932 - 3 1/2% "	36,425,000
Minneapolis	9,340,000	4th 4 1/4% Liberty Bonds	30,450,000
Kansas City	3,060,000		
Dallas	10,647,500		
San Francisco	14,594,000		
Totals	<u>\$304,250,000</u>		<u>\$304,250,000</u>

\* Entered for exchange for new 3 1/4% Treasury certificates of indebtedness.

NOTE: On March 12 and 13 the Federal Reserve Bank of San Francisco, at its request, was apportioned a sufficient amount of the new purchases of governments to increase its participation in the Account to approximately its proportionate share of the total holdings in the Account.

ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF ALL  
FEDERAL RESERVE BANKS FROM MARCH 6 TO MARCH 12, 1930, INCLUSIVE

GOVERNMENT SECURITIES - SYSTEM INVESTMENT ACCOUNT

	<u>Purchases</u>	<u>Sales</u>	<u>Net Increase</u>
Boston	\$ 523,000	\$ 523,000	\$ 0
New York	12,040,500	1,945,500	10,095,000
Philadelphia	2,318,000	579,000	1,739,000
Cleveland	2,974,500	433,500	2,541,000
Richmond	175,000	175,000	0
Atlanta	122,000	122,000	0
Chicago	1,007,000	1,007,000	0
St. Louis	208,000	208,000	0
Minneapolis	183,500	183,500	0
Kansas City	59,500	59,500	0
Dallas	208,000	208,000	0
San Francisco	<u>12,431,000</u>	<u>56,000</u>	<u>12,375,000</u>
Totals	<u>\$32,250,000</u>	<u>\$5,500,000</u>	<u>\$26,750,000</u>

## OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	<u>Purchases</u>		<u>Issue</u>			<u>Sales</u>		<u>Issue</u>		
New York	*\$26,750,000	Misc.	Gov't	Sec.		*\$26,750,000	Misc.	Gov't	Sec.	
Atlanta	773,050	"	"	"		847,900	"	"	"	
Minneapolis	1,707,550	"	"	"		1,459,810	"	"	"	
Dallas	<u>0</u>		-			<u>25,000</u>	"	"	"	
Totals	\$29,230,600					\$29,082,710				

\*Sold to System Account

BANKERS ACCEPTANCES  
(000 Omitted)

	Holdings	Purchased	By Allot-	Matur-	Holdings	Other Holdings	
	Mar. 5	Own Mkt.	ment from	ities &	Mar. 12	Close March 12, 1930	
			New York	Sales		Sales	Other
						Contracts	Bills
Boston	\$ 7,685	\$ 301 R	\$ 0	\$ 1,879	\$ 6,107	\$ 4,305	\$ 77
New York	20,276	2,314 "	0	5,216	11,187	44,433	383
		8,787 A		6,187*			
Phila.	11,223	279 R	0	1,371	10,131	0	101
Cleveland	29,283	0	1,342	2,705	27,920	0	104
Richmond	13,317	514 "	709	1,859	12,681	0	43
Atlanta	18,073	223 "	1,018	3,306	16,008	0	771
Chicago	25,007	2,960 "	1,709	3,451	26,225	3,398	139
St. Louis	17,155	0	914	2,919	15,150	0	37
Minn.	10,359	5,025 "	443	1,934	13,893	0	24
Kan. City	9,678	0	767	160	10,285	0	31
Dallas	13,718	443 "	669	2,372	12,458	102	31
San Fran.	39,117	984 "	1,216	7,180	34,137	1,750	72
Totals	\$214,891	\$21,830	\$8,787	\$40,539	\$196,182	\$53,988	\$1,813
Bills held over night by New York for distribution to other F.R.Banks - - 2,040							
"	"	"	"	"	"	"foreign	
correspondents	-	-	-	-	-	-	- 2,515
Total						-	- \$6,368

\*Of this amount \$5,025,000 was sold to Minneapolis and \$1,162,000 to foreign correspondents.

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



6

MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDING MARCH 12, 1930  
(000 Omitted)

	1-30 days <u>3 1/4-3 7/8%</u>	31-60days <u>3 3/8-4%</u>	61-90 days <u>3 3/8-4%</u>	Over 90-days <u>3 3/8-3 1/2%</u>	Total
Boston	\$ 0	\$ 301	\$ 0	\$ 0	\$ 301
New York	5,119	2,941	3,005	36	11,101
Philadelphia	54	52	173	0	279
Richmond	115	164	235	0	514
Atlanta	45	103	75	0	223
Chicago	323	2,637	0	0	2,960
Dallas	142	288	13	0	443
San Francisco	53	298	501	132	984
Minneapolis	5,025	0	0	0	5,025
Totals	\$10,876	\$6,784	\$4,002	\$168	\$21,830

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES DURING WEEK ENDING MARCH 12, 1930  
(000 Omitted)

(Excluding Sales Contracts)

	<u>Government Securities</u>	<u>Bankers Acceptances</u>	<u>Total</u>
Purchased	\$61,481	\$21,830	\$83,311
Sold	34,583	6,197	40,780
Matured	0	34,342	34,342
		<u>\$18,709-</u>	<u>\$ 8,189+</u>
		1,295+ (Net Change 1-day holdover & other bills)	1,295+ (Net Change 1-day holdover & other bills)
Totals	<u>\$26,898+</u>	<u>\$17,414-</u>	<u>\$ 9,484+</u>

HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES MARCH 12, 1930  
(000 Omitted)

(Including Sales Contracts)

	<u>Within 15-days</u>	<u>16-30 days</u>	<u>31-60 days</u>	<u>61-90 days</u>	<u>91 days- 6 months</u>	<u>Over 6 months</u>	<u>Total</u>
Gov't Securities	\$ 40,684	\$ 0	\$ 0	\$37,000	\$56,465	\$379,964	\$514,113
Bills Purchased	135,843	49,042	45,257	25,618	778	0	256,538
Totals	<u>\$176,527</u>	<u>\$49,042</u>	<u>\$45,257</u>	<u>\$62,618</u>	<u>\$57,243</u>	<u>\$379,964</u>	<u>\$770,651</u>

March 8, 1930

Dear Mr. Matteson:

I acknowledge receipt of and shall bring to the attention of the members of the Board your letter of March 7th, enclosing report of transactions in Government securities and bankers' acceptances as reported to your Committee for the period from February 27, 1930 to March 5, 1930 inclusive.

Very truly yours,

(Signed) E. M. McClelland

E. M. McClelland,  
Assistant Secretary

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

Mr. Perry ✓  
Riefler ✓  
Smead ✓  
Collier

FEDERAL RESERVE BANK  
OF NEW YORK

RECEIVED  
MAR -8 1930  
DIVISION OF RESEARCH  
AND STATISTICS.

CONFIDENTIAL

March 7, 1930

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

Dear Mr. Goldenweiser:

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 27, 1930 to March 5, 1930 inclusive, together with data received by the Committee from the Federal reserve banks.

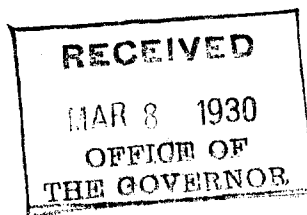
Very truly yours,



W. B. Matteson  
Secretary, Open Market  
Investment Committee

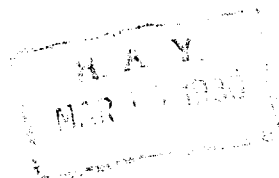
Encl.

**FEDERAL RESERVE BANK  
OF NEW YORK**



P E R S O N A L

March 7, 1930



Dear Governor Young:

We are enclosing, for your files, 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 27, 1930 to March 5, 1930 inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,

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

W. B. Matteson  
Secretary, Open Market  
Investment Committee

Honorable Roy A. Young,  
Governor, Federal Reserve Board,  
Washington, D. C.

Encl.

FOR SPECIAL CIRCULATION

NY, INITIAL AND RETURN TO SECRETARY'S OFFICE

Mr. Foulia

Mr. Jones

Mr. Miller

Mr. Cunningham

FEDERAL RESERVE BANK

OF NEW YORK

RECEIVED

MAR 8 1930

OFFICE OF  
THE GOVERNORCONFIDENTIAL

March 7, 1930

Dear Governor Young:

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 27, 1930 to March 5, 1930 inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,



W. B. Matteson  
Secretary, Open Market  
Investment Committee

Honorable Roy A. Young,  
Governor, Federal Reserve Board,  
Washington, D. C.

Encl.

*See letter 3/9/30*

CONFIDENTIAL

## REPORT OF OPEN MARKET INVESTMENT COMMITTEE WEEK ENDED MARCH 5, 1930

Holdings of Earning Assets of Federal Reserve Banks from March 6, 1929 to Date  
(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS
		Outright Purchases	Sales Contracts	Outright Purchases	Sales Contracts	DISCOUNTED
-1929-						
Mar. 6	\$1,467,030	\$161,539	\$ 1,425	\$270,662	\$ 33,982	\$ 989,172
Mar. 27	1,409,712	165,965	4,345	191,627	16,800	1,024,130
Apr. 24	1,280,601	139,112	10,670	119,244	21,931	974,513
May 29	1,258,502	137,132	7,440	103,416	14,503	988,194
June 26	1,262,428	129,717	19,810	71,207	11,632	1,016,747
July 31	1,308,014	126,579	20,704	44,988	29,579	1,075,714
Aug. 28	1,291,562	126,566	18,755	95,266	61,248	973,627
Sept. 25	1,375,467	125,973	26,086	179,449	84,485	944,399
Oct. 30	1,648,742	259,848	32,840	310,774	29,111	991,038
Nov. 27	1,514,460	322,063	4,035	250,044	7,271	912,349
Dec. 31	1,547,517	487,292	23,295	236,974	155,235	632,421
-1930-						
Jan. 29	1,154,379	476,466	70	185,677	72,795	406,941
Feb. 26	1,138,522	477,610	5,145	232,521	66,785	342,781
Mar. 5	1,078,193	485,095	1,050	219,964	51,238	308,616

CHANGES IN EARNING ASSET HOLDINGS (EXCLUSIVE OF SALES CONTRACTS)  
DURING WEEK ENDED MARCH 5, 1930  
(000 Omitted)

	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS DISCOUNTED	
	Balance Mar. 5	Net Change	Balance Mar. 5	Net Change	Balance Mar. 5	Net Change
Boston	\$ 27,442	\$ 0	\$ 7,685	\$ 531-	\$ 22,656	\$ 3,888-
New York	221,335	7,828+	20,276	2,251-	39,679	18,725-
Philadelphia	43,485	0	11,223	449-	38,583	11,127-
Cleveland	30,690	0	29,283	4,259-	40,119	6,267-
Richmond	10,086	0	13,317	714-	18,257	2,649-
Atlanta	8,852	74+	18,073	998-	26,263	2,220+
Chicago	71,339	0	25,007	4,727-	49,756	1,259+
St. Louis	19,266	0	17,155	3,230-	14,574	1,875-
Minneapolis	17,016	442-	10,359	622-	2,583	12+
Kansas City	3,063	0	9,678	2,239+	20,743	266-
Dallas	20,660	25+	13,718	1,897-	11,105	37+
San Francisco	11,861	0	39,117	4,514+	24,298	7,104+
N. Y. holdovers and other bills			5,073	368+		
Totals	\$485,095	\$7,485+	\$219,964	\$12,557-	\$308,616	\$34,165-

COMMENT ON CHANGES WEEK ENDED MARCH 5, 1930

Total earning assets of the System showed a decrease of \$60,329,000 for the current statement week. The changes by classification consisted of an increase of \$7,485,000 in government securities and decreases of \$12,557,000 and \$34,135,000 respectively, in outright purchases of bankers acceptances and in bills discounted, and \$19,642,000 in investments held under sales contracts. The latter item consisted of decreases of \$4,095,000 in government securities and \$15,547,000 in bankers acceptances. Bills discounted at \$308,616,000 reached their lowest point since January 28, 1925.

2

Money  
Market

On both last Thursday and Friday, call loan renewals continued at 4 1/2 per cent, but the new loan rate on the Exchange declined to 4 per cent each day, and money was available in the outside market at 3 1/2 per cent. The banks' average reserves were so far in excess of requirements at the beginning of this period that the month-end and week-end demands, which took the form principally of large currency withdrawals and an outflow of commercial funds to other parts of the country, were provided for entirely out of this surplus. On Saturday, however, the New York banks found it necessary to borrow about 40 million dollars.

On Monday, March 3, and subsequently, call money was steady at 4 per cent on the Exchange, with outside accommodation continuing at 3 1/2 per cent. During this part of the period, there was some return of currency from circulation, a reduction in the reserve requirements, and a small net increase in our bills and securities, which together provided the funds for the retirement of practically all of the increased borrowings at the month-end. Average borrowings of the New York City banks during the week, at \$18,000,000, were approximately the same as last week.

Time money was slightly easier during the week, in that 90-day loans, which had been made in small volume at 4 3/4 per cent a week ago, were arranged at 4 1/2 per cent throughout most of the subsequent part of the period and Thursday at 4 1/4 per cent. On Monday, March 3, a small amount was loaned for 12 months at 5 per cent, and there were large offerings at that rate. This was the first time in several years that "year" money had appeared on the Exchange, and in the next two days, these offerings were withdrawn from the market, at least for the present.

Commercial paper is unchanged at a range of 4 1/2 - 3/4 per cent, with a continued good demand and satisfactory supply.

Government  
Security  
Market

The market for United States Government securities was active, especially during the latter part of the current statement week when the market showed a strong upward trend. The increased demand was for both the long and short-term issues and prices of all issues (with exception of the Treasury certificates maturing March 15 and June 16, 1930) showed gains for the week, the Treasury bonds showing the largest gains. While prices of the March 15 and June 16 certificates were about 1/32nd lower than last week, the yields were about the same or lower than last week due to proximity to maturity.

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

<u>Issue</u>		<u>Price</u>	<u>Net Change</u>	<u>Approx. Yield</u>
5 1/8% Cert. of Ind. due Mar. 15, 1930	to yield			2.50
4 7/8% " " " " June 16, 1930	100 16/32	- 1/32		3.02
5 1/8% " " " " Sept. 15, 1930	99 31/32	+ 2/32		3.18
3 1/2% Treasury Notes " Mar. 15, 1932	99 28/32	+10/32		3.55
3 1/2% " " " " Sept. 15, 1932	99 28/32	+10/32		3.54
3 1/2% " " " " Dec. 15, 1932	99 28/32	+10/32		3.54
U. S. Treasury Bills " Mar. 17, 1930	3 1/4%	- 2 1/2% discount		
" " " " May 19, 1930	3 1/4%	- 2 7/8%		"

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

Issue	Price	Net Change	Issue	Price	Net Change
1st 3 1/2s	99 24/32	10/32+	Treas. 4s 1944-54	108 2/32	+1.
1st 4 1/4s	101 4/32	5/32+	" 4 1/4s 1947-52	112	+1.7/32
4th 4 1/4s	101 15/32	9/32+	" 3 3/4s 1946-56	105 11/32	+1.5/32
			" 3 3/8s 1943-47	100 5/32	+ 15/32
			" 3 3/8s 1940-43	99 25/32	+ 5/32

Bankers  
Acceptances

Dealers' offerings of unindorsed bankers acceptances were at the following rates at the close of the current statement week: 3 1/2 per cent for 30s, 60s, 90s and 120s, and 3 5/8 per cent for 180-day bills, which represented a reduction of 1/4 per cent on all maturities from the previous week's offering rates.

Reports  
week  
ending  
March 5

Boston reports that although dealers lowered their rates twice making their bid rate 3 5/8 per cent up to 120-days, the effect upon sales was scarcely noticeable, the local demand being only fair and the supply continuing small. Dealers' portfolios were low at \$4,600,000 due to a large extent to dealers forwarding over \$4,500,000 to their offices in other cities against \$2,000,000 so received. Sales contracts with the Reserve Bank were reduced during the period, its portfolio decreasing over \$2,000,000. In New York the supply of new bills fell off substantially this week. The demand was good, being considerably in excess of the supply and dealers' portfolios were reduced to less than \$100,000,000, which is the lowest they have been since the end of November 1929. This resulted in dealers lowering their bid and asked rates 1/8 per cent at the close of business March 4 to 3 3/4 bid up to 120-days, 3 5/8 per cent asked, 5 and 6 months' 3 7/8 per cent bid, 3 3/4 per cent asked. The good demand continued and on March 5 dealers again reduced rates 1/8 per cent to 3 5/8 per cent bid up to 120-days, 3 1/2 per cent asked, 5 and 6 months' 3 3/4 per cent bid, 3 5/8 per cent asked. Indorsed bills 1/8 per cent less. On the morning of March 6 dealers upon hearing of the reduction in the Bank of England's rate and in view of the continued good demand, made a further reduction of 1/8 per cent in their rates to 3 1/2 per cent bid up to 120 days, 3 3/8 per cent asked, 5 and 6 months' 3 5/8 per cent bid, 3 1/2 per cent asked. Indorsed bills 1/8 per cent less. Philadelphia reports that its acceptance market was less active. The demand was fair but the supply of new bills fell off sharply, although dealers report portfolios still fairly high. Offerings to the Reserve Bank consisted entirely of 90-day bills. In Chicago dealers reported that there was heavy buying of bills by local banks and few new bills offered. Dallas reports that the demand for bills was considerably less than during the previous week and lighter than in any week since the first of the year. This was due largely to the seasonal demand now being made upon investing banks and to some extent to lower rates. Offerings to the Reserve Bank were somewhat smaller than in the preceding week.



4

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

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

Sales of \$3,000,000 - 4 1/4% par value Fourth Liberty Loan bonds, account  
Government Life Insurance Fund  
700,000 - 3 1/2% par value Treasury Notes, due March 15, 1930-32,  
account Alien Property Custodian  
\$3,700,000 - Total Sales

and purchase of \$1,250,000 par value 3 1/2% Treasury Notes due March 15, 1930-32  
account German Special Deposit Account.

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

During the current statement week exchanges were effected from holdings  
in the Account of

\$ 2,750,000 par value United States Treasury Bills due March 17, 1930  
12,000,000 " " 4 7/8% certificates of indebtedness due June 16, 1930  
8,000,000 " " 3 1/2% Treasury Notes due December 15, 1930-32  
\$22,750,000 Total

for \$ 2,750,000 par value 3 1/2% Treasury Notes due March 15, 1930-32  
16,000,000 " " United States Treasury Bills due May 19, 1930  
4,000,000 " " 3 1/8% certificates of indebtedness due Sept. 15, 1930  
\$22,750,000 Total

These exchanges did not affect the amount of total holdings in the  
Account, which remained at the close of business Wednesday, March 5, 1930, at  
\$277,500,000. The participation by Federal reserve banks and the classification  
of issues were as follows:

<u>PARTICIPATION BY FEDERAL RESERVE BANKS</u>		<u>RECAPITULATION OF HOLDINGS BY MATURITIES</u>	
Boston	\$ 26,680,000	Mar. 17, 1930-Treas. Bills	\$ 25,000,000
New York	99,352,000	May 19, 1930- " "	16,000,000
Philadelphia	28,463,500	Sept. 15, 1930- 3 1/8% C/I	68,825,000
Cleveland	20,525,000	June 16, 1930- 4 7/8% "	38,110,000
Richmond	8,934,000	Mar. 15, 1932- 3 1/2% T/N	31,055,000
Atlanta	6,226,000	Sept. 15, 1932- 3 1/2% "	28,135,000
Chicago	51,412,000	Dec. 15, 1932- 3 1/2% "	36,425,000
St. Louis	10,641,000	4th 4 1/4% Liberty Bonds	33,950,000
Minneapolis	9,340,000		
Kansas City	3,060,000		
Dallas	10,647,500		
San Francisco	<u>2,219,000</u>		
Totals	<u>\$277,500,000</u>		<u>\$277,500,000</u>

5

ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF ALL  
FEDERAL RESERVE BANKS FROM FEBRUARY 27 TO MARCH 5, 1930, INCLUSIVE

GOVERNMENT SECURITIES - SYSTEM INVESTMENT ACCOUNT

	<u>Purchases</u>	<u>Sales</u>
Boston	\$ 2,187,000	\$ 2,187,000
New York	8,145,000	8,145,000
Philadelphia	2,334,000	2,334,000
Cleveland	1,683,000	1,683,000
Richmond	733,000	733,000
Atlanta	509,500	509,500
Chicago	4,214,500	4,214,500
St. Louis	872,500	872,500
Minneapolis	765,500	765,500
Kansas City	251,000	251,000
Dallas	873,000	873,000
San Francisco	182,000	182,000
<b>Totals</b>	<b>\$22,750,000</b>	<b>\$22,750,000</b>

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>
		Misc. Gov't Sec.		Misc. Gov't Sec.
New York	\$38,178,000		\$31,350,000	
Atlanta	223,800	" " "	150,300	" " "
Minneapolis	433,250	" " "	874,650	" " "
Dallas	25,000	" " "	0	-
<b>Totals</b>	<b>\$39,860,050</b>		<b>\$32,374,950</b>	

BANKERS ACCEPTANCES  
(000 Omitted)

	<u>Holdings</u>	<u>Purchased</u>	<u>By Allot-</u>	<u>Matur-</u>		<u>Other Holdings</u>	
	<u>Feb. 26</u>	<u>Own Mkt.</u>	<u>ment from</u>	<u>ities &amp;</u>	<u>Holdings</u>	<u>Close Mar. 5/30</u>	
			<u>New York</u>	<u>Sales</u>	<u>Mar. 5</u>	<u>Sales</u>	<u>Other</u>
						<u>Contracts</u>	<u>Bills</u>
Boston	\$ 8,216	\$ 900 R.	0	\$ 1,431	\$ 7,685	\$ 4,121	\$ 77
New York	22,527	7,098 "	0	9,349	20,276	41,270	383
		25,224 A.					
Phila.	11,672	1,150 R.	0	1,599	11,223	0	101
Cleve.	33,542	0	3,769	8,028	29,283	0	104
Richmond	14,031	283 "	2,112	3,109	13,317	0	43
Atlanta	19,071	496 "	2,992	4,486	18,073	0	870
Chicago	29,734	721 "	3,982	9,430	25,007	2,946	139
St. Louis	20,385	0	2,660	5,890	17,155	0	37
Minn.	10,981	854 "	1,508	2,984	10,359	0	24
Kan. City	7,439	0	2,269	30	9,678	0	31
Dallas	15,615	316 "	1,952	4,165	13,718	318	31
San Fran.	34,603	5,427 "	3,980	4,893	39,117	2,583	72
<b>Totals</b>	<b>\$227,816</b>	<b>\$42,469</b>	<b>\$25,224</b>	<b>\$55,394</b>	<b>\$214,891</b>	<b>\$51,238</b>	<b>\$1,912</b>
Bills held overnight by New York for distribution to other F. R. Banks - - -							<b>3,161</b>
Total - - - - -							<b>\$5,073</b>

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

6

MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDING MARCH 5, 1930  
(000 Omitted)

	1-30 days 3 5/8-3 7/8%	31-60 days 3 5/8-3 7/8%	61-90 days 3 5/8-3 7/8%	Over 90-days 3 7/8%	Total
Boston	\$ 45	\$ 89	\$ 766	0	\$ 900
New York	7,154	15,477	9,140	551	32,322
Philadelphia	0	0	1,150	0	1,150
Richmond	93	40	150	0	283
Atlanta	439	57	0	0	496
Chicago	211	413	97	0	721
Minneapolis	375	0	479	0	854
Dallas	126	166	15	9	316
San Francisco	997	2,686	1,742	0	5,427
Totals	<u>\$9,440</u>	<u>\$18,930</u>	<u>\$13,539</u>	<u>\$560</u>	<u>\$42,469</u>

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES DURING WEEK ENDING MARCH 5, 1930  
(000 Omitted)

(Excluding Sales Contracts)

	Government Securities	Bankers Acceptances	Total
Purchased	\$62,610	\$42,469	\$105,079
Sold	55,125	0	55,125
Matured	0	55,394	55,394
		<u>\$12,925-</u>	<u>\$ 5,440-</u>
		368+ (Net Change	368+ (Net Change
		1-day holdover	1-day holdover
		and other bills)	and other bills)
Totals	<u>\$ 7,485+</u>	<u>\$12,557-</u>	<u>\$ 5,072-</u>

HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES MARCH 5, 1930  
(000 Omitted)

(Including Sales Contracts)

	Within 15-days	16-30 days	31-60 days	61-90 days	91 days- 6 months	Over 6 months	Total
Gov't Securities	\$ 28,332	0	0	\$27,000	\$55,477	\$375,336	\$486,145
Bills Purchased	125,896	63,532	52,697	28,375	702	0	271,202
Totals	<u>\$154,228</u>	<u>\$63,532</u>	<u>\$52,697</u>	<u>\$55,375</u>	<u>\$56,179</u>	<u>\$375,336</u>	<u>\$757,347</u>

March 1, 1930

Dear Mr. Matteson:

I acknowledge receipt of and shall bring to the attention of the members of the Board your letter of February 28th, addressed to Governor Young, enclosing report of transactions in Government securities and bankers' acceptances as reported to your Committee for the period from February 20, 1930 to February 26, 1930 inclusive.

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.

*Mr. Riefler ✓*  
*Smead ✓*  
*Colliver*

**FEDERAL RESERVE BANK  
OF NEW YORK**

**RECEIVED**  
**MAR -1 1930**  
**DIVISION OF RESEARCH  
AND STATISTICS.**

CONFIDENTIAL

February 28, 1930

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

Dear Mr. Goldenweiser:

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 20, 1930 to February 26, 1930 inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,



W. B. Matteson  
Secretary, Open Market  
Investment Committee

Encl.

**FEDERAL RESERVE BANK  
OF NEW YORK**

**RECEIVED**  
MAR 1 1930  
OFFICE OF  
THE GOVERNOR

PERSONAL

R. A. Y.  
1930

February 28, 1930

Dear Governor Young:

We are enclosing, for your files, 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 20, 1930 to February 26, 1930 inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,



W. B. Matteson  
Secretary, Open Market  
Investment Committee

Honorable Roy A. Young,  
Governor, Federal Reserve Board,  
Washington, D. C.

Encl.

PLEASE READ  
Gov. Young  
Mr. Platt

FOR SPECIAL CIRCULATION  
REPLY, INITIAL AND RETURN TO SECRETARY'S OFFICE  
Mr. Hamilton ✓ Mr. Jones ✓  
Mr. Miller ✓ Mr. Cunningham ✓ Mr. Felt ✓  
**FEDERAL RESERVE BANK**  
**OF NEW YORK**

**RECEIVED**  
MAR 1 1930  
OFFICE OF  
THE GOVERNOR

CONFIDENTIAL

February 28, 1930

Dear Governor Young:

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 20, 1930 to February 26, 1930 inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,

*W. B. Matteson*

W. B. Matteson  
Secretary, Open Market  
Investment Committee

Honorable Roy A. Young,  
Governor, Federal Reserve Board,  
Washington, D. C.

Encl.

CONFIDENTIAL

## REPORT OF OPEN MARKET INVESTMENT COMMITTEE WEEK ENDED FEBRUARY 26, 1930

Holdings of Earning Assets of Federal Reserve Banks from February 27, 1929 to Date  
(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS
		Outright Purchases	Sales Contracts	Outright Purchases	Sales Contracts	DISCOUNTED
-1929-						
Feb. 27	\$1,463,032	\$164,985	\$ 1,415	\$308,308	\$ 25,767	\$ 952,482
Mar. 27	1,409,712	165,965	4,345	191,627	16,800	1,024,130
Apr. 24	1,280,601	139,112	10,670	119,244	21,931	974,513
May 29	1,258,502	137,132	7,440	103,416	14,503	988,194
June 26	1,262,428	129,717	19,810	71,207	11,632	1,016,747
July 31	1,308,014	126,579	20,704	44,988	29,579	1,075,714
Aug. 28	1,291,562	126,566	18,755	95,266	61,248	973,627
Sept. 25	1,375,467	125,973	26,086	179,449	84,485	944,399
Oct. 30	1,648,742	259,848	32,840	310,774	29,111	991,038
Nov. 27	1,514,460	322,063	4,035	250,044	7,271	912,349
Dec. 31	1,547,517	487,292	23,295	236,974	155,235	632,421
-1930-						
Jan. 29	1,154,379	476,466	70	185,677	72,795	406,941
Feb. 19	1,152,895	477,580	3,035	222,256	58,801	376,943
Feb. 26	1,138,522	478,005	5,145	232,060	66,785	342,781

CHANGES IN EARNING ASSET HOLDINGS (EXCLUSIVE OF SALES CONTRACTS)  
DURING WEEK ENDED FEBRUARY 26, 1930  
(000 Omitted)

	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS DISCOUNTED	
	Balance	Net	Balance	Net	Balance	Net
	Feb. 26	Change	Feb. 26	Change	Feb. 26	Change
Boston	\$ 27,442	\$ 0	\$ 8,216	\$ 779+	\$ 26,544	\$ 3,255+
New York	213,507	221-	22,527	7,650-	58,404	30,383-
Philadelphia	43,485	0	11,672	1,973+	49,710	2,654+
Cleveland	30,690	0	33,542	1,193+	46,386	2,988-
Richmond	10,086	0	14,031	176+	20,906	2,045-
Atlanta	8,778	10-	19,071	769+	24,043	586+
Chicago	71,734	395+	29,734	1,507+	48,497	5,582-
St. Louis	19,266	0	20,385	2,370+	16,449	1,380-
Minneapolis	17,458	421+	10,520	642+	2,571	426-
Kansas City	3,063	0	7,439	7,379+	21,009	2,077+
Dallas	20,635	160-	15,615	2,014+	11,068	4,197-
San Francisco	11,861	0	34,603	1,940+	17,194	4,267+
N. Y. holdovers and other bills			4,705	3,288-		
Totals	\$478,005	\$425+	\$232,060	\$9,804+	\$342,781	\$34,162-

COMMENT ON CHANGES WEEK ENDED FEBRUARY 26, 1930

Total earning assets of the System showed a decrease of \$14,373,000 for the current statement week. The changes by classification consisted of a decrease of \$34,162,000 in bills discounted, and increases of \$425,000 and \$9,804,000 respectively, in outright purchases of government securities and bankers acceptances, and \$10,094,000 net in investments held under sales contracts. The latter item consisted of increases of \$2,110,000 in government securities and \$7,984,000 in bankers acceptances. Bills discounted at \$342,781,000 reached their lowest point since May 20, 1925.



2

Money  
Market

Call money fluctuated between 4 and 4 1/2 per cent during the week ended February 26. At the opening of the period the rate was 4 1/2 per cent, but on the next day, Friday, a reduction to 4 per cent was effected. During that day funds were withdrawn from the New York market in sufficient volume to cause a rather large deficit in actual reserves, which carried forward over the week-end holiday. On Monday the call rate consequently reverted to 4 1/2 per cent, where it remained throughout the rest of the period. During this latter time the flow of funds turned decidedly in favor of the New York money market, a gain that was supplemented by Federal Reserve bill purchases; and the aggregate provided for the retirement of \$35,000,000 of New York City banks' discounts and the development of a large excess of actual reserves at the Reserve Bank. As a consequence of the retirement of loans mentioned above, the average borrowings of the large city banks declined to \$18,000,000 from the \$33,000,000 average of last week.

Time money during the period was without especial feature, ranging between 4 1/2 per cent for 30 days and 4 3/4 - 5 per cent, bid and asked, for the 6 months' maturity. Trading was extremely limited with 90 day loans made on only two days at 4 3/4 per cent.

The trading range for prime commercial paper continued at 4 1/2 - 4 3/4 per cent with demand easily absorbing available supplies.

Government  
Security  
Market

The market for United States Government securities was slightly more active during the current statement week than it was during the previous period with some improvement shown in the demand. Although the short-term issues were in best demand, prices of all issues showed fractional gains for the week, with the exception of the certificates maturing on March 15, which declined 1/32nd in price due to proximity to maturity. There also appeared to be some interest evidenced in the United States Treasury Bills, dealers reporting that they had sold a good sized amount of these bills during the week.

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

<u>Issue</u>					<u>Price</u>	<u>Net Change</u>	<u>Approx. Yield</u>
5 1/8%	Cert. of Ind. due	Mar. 15, 1930			100 3/32	-1/32	2.80
4 7/8%	" " " "	June 16, 1930			100 17/32	+2/32	3.03
3 1/8%	" " " "	Sept. 15, 1930			99 29/32	+4/32	3.29
3 1/2%	Treasury Notes	Mar. 15, 1932			99 18/32	+4/32	3.72
3 1/2%	" " " "	Sept. 15, 1932			99 18/32	+4/32	3.68
3 1/2%	" " " "	Dec. 15, 1932			99 18/32	+4/32	3.66
U. S. Treasury Bills	"	Mar. 17, 1930			3 1/2% - 3%	discount	
" " " "	"	May 19, 1930			3 1/2% - 3 1/8%	"	

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

<u>Issue</u>	<u>Price</u>	<u>Net Change</u>	<u>Issue</u>	<u>Price</u>	<u>Net Change</u>
1st 3 1/2s	99 14/32	+6/32	Treas. 4s 1944-54	107 2/32	+14/32
1st 4 1/4s	100 31/32	+1/32	" 4 1/4s 1947-52	110 25/32	+ 3/32
4th 4 1/4s	101 6/32	+2/32	" 3 3/4s 1946-56	104 6/32	+12/32
			" 3 3/8s 1943-47	99 22/32	+ 3/32
			" 3 3/8s 1940-43	99 20/32	+ 3/32

Bankers  
Acceptances

Dealers' offerings of unindorsed bankers acceptances continued at the following rates during the current statement week: 3 3/4 per cent for 30s, 60s, 90s and 120s, and 3 7/8 per cent for 180-day bills.

Reports  
Week  
ending  
Feb. 26

Boston reports that there was little change in conditions in the local bill market. Eliminating sales to the Reserve Bank, dealers' sales were about the same as the previous week. There was some increase in the supply of new bills, and dealers were obliged to forward many of their bills to offices in other cities. While dealers withdrew many of their bills under sales contracts, offerings to the Reserve Bank on straight sales were more than for some time past, its portfolio showing a slight increase. Although there seemed to be little choice as to maturities, ninety day bills moved best. In New York the bill market continued active throughout the week. Both the supply and demand for bills were good and about equal. The demand came principally from local banks who were buying for their own account and for the account of foreign correspondents. Dealers also reported a good inquiry for bills from the Middle West. Rates were unchanged. Philadelphia reports that its bill market was fairly active. The demand was good and principally for 90 day bills. Dealers reported that more new bills were made during the week in its district than for some time. Offerings to the Reserve Bank were heavy. In Chicago dealers reported that while there was a slightly increased demand for bills the local supply was still in excess of the demand. Dallas reports that the demand for bills was fairly good although slightly smaller than during the previous week. Offerings to the Reserve Bank were light and consisted principally of 30 day bills.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

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

Sale of \$ 900,000 - par amount	3 1/2% Treasury notes due March 15, 1930-32
	account Alien Property Custodian
1,000,000 - " "	4 1/4% Fourth Liberty Loan bonds, account
	Government Life Insurance Fund
110,000 - " "	3 1/2% Treasury notes, due March 15, 1930-32
	account German Special Deposit Account
<hr/>	
\$2,010,000 - Total Sales	
<hr/> <hr/>	

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

During the current statement week exchanges were effected in the market from holdings in the Account of \$22,500,000 par value of Treasury bills due March 17, 1930, for a like amount of 3 1/2% Treasury notes of 1930-32. These exchanges did not affect the amount of total holdings in the Account which remained at the close of business Wednesday, February 26, 1930, at \$277,500,000. The participation by Federal reserve banks and the classification of issues were as follows:

PARTICIPATION BY FEDERAL RESERVE BANKSRECAPITULATION OF HOLDINGS BY MATURITIES

Boston	\$ 26,680,000
New York	99,352,000
Philadelphia	28,463,500
Cleveland	20,525,000
Richmond	8,934,000
Atlanta	6,226,000
Chicago	51,412,000
St. Louis	10,641,000
Minneapolis	9,340,000
Kansas City	3,060,000
Dallas	10,647,500
San Francisco	2,219,000
Totals	<u>\$277,500,000</u>

Mar. 17, 1930 - Treasury Bills	\$27,750,000
June 16, 1930 - 4 7/8% C/I	50,110,000
Sept. 15, 1930 - 3 1/8% "	64,825,000
Mar. 15, 1932 - 3 1/2% T/N	28,305,000
Sept. 15, 1932 - 3 1/2% "	28,135,000
Dec. 15, 1932 - 3 1/2% "	44,425,000
4th 4 1/4% Liberty Bonds	33,950,000
	<hr/>
	\$277,500,000

5

ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF ALL  
FEDERAL RESERVE BANKS FROM FEBRUARY 20 TO FEBRUARY 26, 1930, INCLUSIVE

GOVERNMENT SECURITIES - SYSTEM INVESTMENT ACCOUNT

	<u>Purchases</u>	<u>Sales</u>
Boston	\$ 2,163,000	\$ 2,163,000
New York	8,056,000	8,056,000
Philadelphia	2,307,500	2,307,500
Cleveland	1,664,000	1,664,000
Richmond	724,500	724,500
Atlanta	505,000	505,000
Chicago	4,168,500	4,168,500
St. Louis	863,000	863,000
Minneapolis	757,000	757,000
Kansas City	248,500	248,500
Dallas	863,000	863,000
San Francisco	180,000	180,000
<b>Totals</b>	<b>\$22,500,000</b>	<b>\$22,500,000</b>

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>
		Misc. Gov't Sec.		Misc. Gov't Sec.
New York	\$12,200,000	" " "	\$12,421,000	" " "
Philadelphia	260,000	" " "	260,000	" " "
Atlanta	106,850	" " "	116,900	" " "
Minneapolis	910,500	" " "	506,250	" " "
Dallas	0	-	160,000	" " "
<b>Totals</b>	<b>\$13,477,350</b>		<b>\$13,464,150</b>	

BANKERS ACCEPTANCES

(000 Omitted)

	<u>Holdings</u>	<u>Purchased</u>	<u>By Allot-</u>	<u>Matur-</u>	<u>Holdings</u>	<u>Other Holdings</u>
	<u>Feb. 19</u>	<u>Own Mkt.</u>	<u>ment from</u>	<u>ities &amp;</u>	<u>Feb. 26</u>	<u>Close Feb. 26/30</u>
			<u>New York</u>	<u>Sales</u>		<u>Sales</u> <u>Other</u>
						<u>Contracts</u> <u>Bills</u>
Boston	\$ 7,437	\$ 2,175 R	\$ 0	\$ 1,396	\$ 8,216	\$ 5,965 \$ 77
New York	30,177	9,302 "	0	16,952*	22,527	51,249 383
		36,756 A				
Phila.	9,699	2,585 R	0	612	11,672	0 100
Cleve.	32,349	0	5,625	4,432	33,542	0 104
Richmond	13,855	50 "	3,028	2,902	14,031	0 43
Atlanta	18,302	323 "	4,187	3,741	19,071	0 987
Chicago	28,227	389 "	7,750	6,632	29,734	2,510 139
St. Louis	18,015	0	3,973	1,603	20,385	0 37
Minn.	9,878	547 "	2,116	1,560	10,520	0 24
Kan. City	60	5,016 "	2,393	30	7,439	0 31
Dallas	13,601	410 "	2,885	1,281	15,615	252 31
San Fran.	32,663	1,930 "	4,799	4,789	34,603	6,809 71
<b>Totals</b>	<b>\$214,263</b>	<b>\$59,483</b>	<b>\$36,756</b>	<b>\$45,930</b>	<b>\$227,355</b>	<b>\$66,785 \$2,027</b>
Bills held over night by New York for distribution to other F. R. Banks -- 2,678						
<b>Total</b>						<b>-\$4,705</b>

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

\* Of this amount \$5,016,000 of bills were sold to Kansas City.

MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDING FEBRUARY 26, 1930  
(000 Omitted)

	<u>1-30 days</u> <u>3 3/4-4%</u>	<u>31-60 days</u> <u>3 3/4-4 1/8%</u>	<u>61-90 days</u> <u>3 3/4-4 1/8%</u>	<u>Over 90-days</u> <u>3 3/4-3 7/8%</u>	<u>Total</u>
Boston	\$ 495	\$ 57	\$ 1,572	\$ 51	\$ 2,175
New York	20,004	14,314	11,740	0	46,058
Philadelphia	628	1,297	660	0	2,585
Richmond	0	0	50*	0	50
Atlanta	308	0	15	0	323
Chicago	200	189	0	0	389
Minneapolis	250	297	0	0	547
Kansas City	5,016	0	0	0	5,016
Dallas	300	71	29	10	410
San Francisco	215	1,082	581	52	1,930
Totals	<u>\$27,416</u>	<u>\$17,307</u>	<u>\$14,647</u>	<u>\$113</u>	<u>\$59,483</u>

\*Purchased at 5%

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES DURING WEEK ENDING FEBRUARY 26, 1930  
(000 Omitted)

(Excluding Sales Contracts)

	<u>Government</u> <u>Securities</u>	<u>Bankers</u> <u>Acceptances</u>	<u>Total</u>
Purchased	\$13,477	\$59,483	\$72,960
Sold	13,464	0	13,464
Matured	0	45,930	45,930
		<u>\$13,553+</u>	<u>\$13,566+</u>
		3,288- (Net Change	3,288- (Net Change
		1-day holdover	1-day holdover
		and other bills)	and other bills)
Totals	<u>\$ 13+</u>	<u>\$10,265+</u>	<u>\$10,278+</u>

HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES FEBRUARY 26, 1930  
(000 Omitted)

(Including Sales Contracts)

	<u>Within</u> <u>15-days</u>	<u>16-30</u> <u>days</u>	<u>31-60</u> <u>days</u>	<u>61-90</u> <u>days</u>	<u>91 days-</u> <u>6 months</u>	<u>Over 6</u> <u>months</u>	<u>Total</u>
Gov't Securities	\$ 5,145	\$27,817	0	\$ 1,700	\$63,187	\$384,906	\$482,755
Bills Purchased	158,895	70,628	50,007	19,583	193	0	299,306
Totals	<u>\$164,040</u>	<u>\$98,445</u>	<u>\$50,007</u>	<u>\$21,283</u>	<u>\$63,380</u>	<u>\$384,906</u>	<u>\$782,061</u>

February 24, 1930

Dear Mr. Matteson:

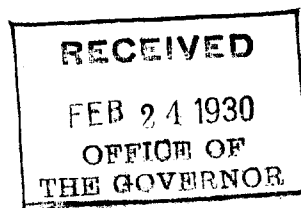
I acknowledge receipt of and shall bring to the attention of the members of the Board your letter of February 21st, addressed to Governor Young, enclosing report of transactions in Government securities and bankers' acceptances as reported to your Committee for the period from February 13, 1930 to February 19, 1930 inclusive.

Very truly yours,

J. C. Noell,  
Assistant Secretary

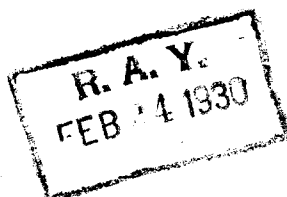
Mr. W. B. Matteson, Secretary,  
Open Market Investment Committee,  
c/o Federal Reserve Bank,  
New York, N. Y.

**FEDERAL RESERVE BANK  
OF NEW YORK**



PERSONAL

February 21, 1930



Dear Governor Young:

We are enclosing, for your files, 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 13, 1930 to February 19, 1930 inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,  


W. B. Matteson  
Secretary, Open Market  
Investment Committee

Honorable Roy A. Young,  
Governor, Federal Reserve Board,  
Washington, D. C.

Encl.

*Mr. Riefler  
Lmead  
Collins*

FEDERAL RESERVE BANK  
OF NEW YORK

RECEIVED  
FEB 24 1930  
DIVISION OF RESEARCH  
AND STATISTICS.

RECORDED FEB 24 1930

CONFIDENTIAL

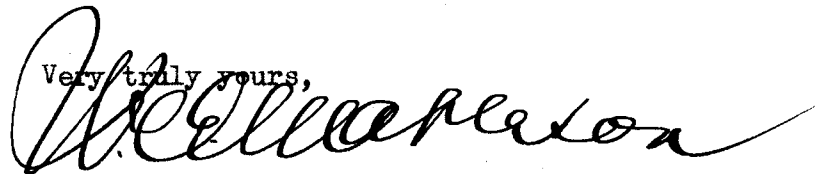
February 21, 1930

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

Dear Mr. Goldenweiser:

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 13, 1930 to February 19, 1930 inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,



W. B. Matteson  
Secretary, Open Market  
Investment Committee

Encl.



FOR SPECIAL CIRCULATION

PLEASE READ PROMPTLY, INITIAL AND RETURN TO SECRETARY'S OFFICE

Gov. Young

Mr. Hamlin

Mr. James

Mr. Miller

Mr. Miller

Mr. Cunningham

Mr. Pyle

FEDERAL RESERVE BANK

OF NEW YORK

RECEIVED  
FEB 24 1930  
OFFICE OF  
THE GOVERNOR

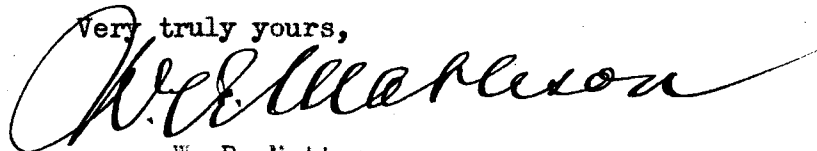
CONFIDENTIAL

February 21, 1930

Dear Governor Young:

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 13, 1930 to February 19, 1930 inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,



W. B. Matteson  
Secretary, Open Market  
Investment Committee

Honorable Roy A. Young,  
Governor, Federal Reserve Board,  
Washington, D. C.

Encl.

CONFIDENTIAL

## REPORT OF OPEN MARKET INVESTMENT COMMITTEE WEEK ENDED FEBRUARY 19, 1930

Holdings of Earning Assets of Federal Reserve Banks from February 20, 1929 to Date  
(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS
		Outright Purchases	Sales Contracts	Outright Purchases	Sales Contracts	DISCOUNTED
-1929-						
Feb. 20	\$1,403,280	\$170,754	\$ 1,835	\$334,040	\$ 21,596	\$ 864,980
Feb. 27	1,463,032	164,985	1,415	308,308	25,767	952,482
Mar. 27	1,409,712	165,965	4,345	191,627	16,800	1,024,130
Apr. 24	1,280,601	139,112	10,670	119,244	21,931	974,513
May 29	1,258,502	137,132	7,440	103,415	14,503	988,194
June 26	1,262,428	129,717	19,810	71,207	11,632	1,016,747
July 31	1,308,014	126,579	20,704	44,988	29,579	1,075,714
Aug. 28	1,291,562	126,566	18,755	95,266	61,248	973,627
Sept. 25	1,375,467	125,973	26,086	179,449	84,485	944,399
Oct. 30	1,648,742	259,848	32,840	310,774	29,111	991,038
Nov. 27	1,514,460	322,063	4,035	250,044	7,271	912,349
Dec. 31	1,547,517	487,292	23,295	236,974	155,235	632,421
-1930-						
Jan. 29	1,154,379	476,466	70	185,677	72,795	406,941
Feb. 11	1,147,838	476,505	2,055	212,205	63,879	381,914
Feb. 19	1,152,895	477,580	3,035	222,256	58,801	376,943

CHANGES IN EARNING ASSET HOLDINGS (EXCLUSIVE OF SALES CONTRACTS)  
DURING WEEK ENDED FEBRUARY 19, 1930  
(000 Omitted)

	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS DISCOUNTED	
	Balance Feb. 19	Net Change	Balance Feb. 19	Net Change	Balance Feb. 19	Net Change
Boston	\$ 27,442	\$ 551+	\$ 7,437	\$ 182-	\$ 23,289	\$ 2,944+
New York	213,728	2,928+	30,177	3,124+	88,787	9,489+
Philadelphia	43,485	587+	9,699	1+	47,056	3,496-
Cleveland	30,690	424+	32,349	4,452+	49,374	5,216-
Richmond	10,086	184+	13,855	342+	22,951	1,936+
Atlanta	8,788	3-	18,302	247+	23,457	1,928-
Chicago	71,339	963+	28,227	3,546+	54,079	11,860-
St. Louis	19,266	0	18,015	1,163+	17,829	2,640+
Minneapolis	17,037	236+	9,878	308+	2,997	540+
Kansas City	3,063	0	60	180-	18,932	7,111-
Dallas	20,795	4,840-	13,601	789+	15,265	4,168+
San Francisco	11,861	45+	32,663	2,928+	12,927	2,923+
N.Y. holdovers and other bills			7,993	6,487-		
Totals	\$477,580	\$1,075+	\$222,256	\$10,051+	\$376,943	\$4,971-

COMMENT ON CHANGES WEEK ENDED FEBRUARY 19, 1930

Total earning assets of the System showed an increase of \$5,057,000 for the current statement week. The changes by classification consisted of an increase of \$1,075,000 and \$10,051,000 respectively, in outright purchases of government securities and bankers acceptances, and a decrease of \$4,971,000 in bills discounted, and \$4,098,000 net in investments held under sales contracts. The latter item consisted of an increase of \$980,000 in government securities and a decrease of \$5,078,000 in bankers acceptances. Bills discounted at \$376,943,000 declined to their lowest point since November 16, 1927.

2

Money  
Market

At the opening of the period, the renewal rate for call loans continued at 4 per cent, the level which had been in effect since February 7. Though renewals were 4 per cent again on Friday, the new loan rate was advanced to 4 1/2 per cent during the noon hour, accompanying the largest demand for new loans since last October. Throughout the remainder of the period the Exchange call loan rate held at 4 1/2 per cent, although substantial amounts of funds were on offer most of the time. In the first two days of the week a moderately large outflow of funds to other districts occurred, a movement that was followed by a considerable inflow on the 15th and 17th and by a smaller outflow on the last two days of the period, so that for the week as a whole the New York market neither gained nor lost any material net amount on this account. There was, however, a considerable withdrawal of funds from the money market on the 18th, representing payments to the Reserve Bank for allotments of the new Treasury bill issue, which was only offset in part by funds placed in the market by security purchases effected by the Treasury. The aggregate loss of funds to the money market through the aforementioned transactions was covered by gold imports and Federal Reserve bill and security transactions, with the result that the borrowings of the New York City banks showed little net change for the period. In fact, their indebtedness averaged only \$33,000,000 or \$9,000,000 less than in the previous week.

Time money was without especial feature during the week. Though nominal quotations tended to rise slightly, trading rates were generally steady. Each day during the period 90-day loans were made in small amounts at 4 3/4 per cent.

Prime commercial paper continued to be offered at a range of 4 1/2 - 3 3/4 per cent throughout the week with demand still reported as active and general, and leaning toward the especially choice paper at the lower rate. The dealers reported that new supplies of paper, especially the very attractive names, were rather more difficult to obtain, but that in general the amount of paper coming into the market was in fairly good volume.

Government  
Security  
Market

The market for United States Government securities was inactive during the greater part of the current statement week. While prices of several of the long-term bonds showed fractional losses for the week, there was some improvement reflected in the undertone of the market during the last two days of the week by virtue of fewer large blocks of Governments being offered and a fair sized amount of buying of 3 1/2% Treasury notes and Fourth 4 1/4% Libertys.

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

Issue				Price	Net Change	Approx. Yield
5 1/8%	Cert. of Ind.	due Mar.	15, 1930	100 4/32	-1/32	2.99
4 7/8%	" "	" June	16, 1930	100 15/32	+1/32	3.34
3 1/8%	" "	" Sept.	15, 1930	99 25/32	+1/32	3.52
3 1/2%	Treasury Notes	" Mar.	15, 1932	99 14/32	+4/32	3.78
3 1/2%	" "	" Sept.	15, 1932	99 14/32	+4/32	3.72
3 1/2%	" "	" Dec.	15, 1932	99 14/32	+4/32	3.70
U. S. Treasury Bills				" Mar. 17, 1930	3 1/2 - 3% discount	

3

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

			Net					Net	
Issue	Price		Change		Issue	Price		Change	
1st 3 1/2s	99	8/32	+6/32	Treas. 4s	1944-54	106	20/32	-20/32	
1st 4 1/4s	100	30/32	-5/32	"	4 1/4s 1947-52	110	22/32	+ 2/32	
4th 4 1/4s	101	4/32	-2/32	"	3 3/4s 1946-56	103	26/32	-12/32	
				"	3 3/8s 1943-47	99	19/32	- 1/32	
				"	3 3/8s 1940-43	99	17/32	+ 1/32	

Bankers  
Acceptances

Dealers' offerings of unindorsed bankers acceptances were at the following rates during the current statement week; 3 3/4 per cent for 30s, 60s, 90s and 120s and 3 7/8 per cent for 180-day bills.

Reports  
week  
ending  
Feb. 19

Boston reports that the supply of new bills in its district showed a slight falling off during the past week, but was more than ample for the local demand. Sales to local banks by dealers increased slightly while sales to out of town banks, as in previous weeks, were negligible. Dealers forwarded nearly \$3,500,000 to their offices in other cities. Offerings to the Reserve Bank, with the exception of bill bills offered under sales contracts, continued light. In New York the market was more active this week. Dealers' purchases were considerably larger than they have been for the past few weeks. Their sales were also better and only slightly less than purchases. Dealers' portfolios increased slightly. Offerings to the Reserve Bank of short bills for System Account were fairly substantial and came principally from banks. Philadelphia reports that its acceptance market was a little more active during the past period. New bills continued to be rather scarce although offerings, which came principally from banks, were fairly substantial with the demand improved. Chicago reports that its bill market was slightly more active than it has been for the past several weeks although the supply was still in excess of the demand. Dallas reports that the demand for bills in its district showed some improvement during the past week. Offerings to the Reserve Bank continued small. Purchases by the Reserve Bank for account of member banks and sales by dealers aggregated approximately \$1,300,000.

4

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

Transactions consummated under Treasury authorization during the current statement week (exclusive of Treasury financing operations) were as follows:

Sales of \$ 410,000 - par amount	3 1/2% Treasury notes of 1930-32, account
	German Special Deposit Account
3,000,000 - " "	4 1/4% Fourth Liberty Loan bonds, account
	Government Life Insurance Fund
2,000,000 - " "	3 1/2% Treasury notes of 1930-32, account
	Alien Property Custodian

\$5,410,000 - Total Sales

and purchase of \$17,000,000 par amount 3 1/2% Treasury notes of 1930-32, account Sinking Fund.

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

On February 18, 1930, the Federal Reserve Bank of Dallas asked to be relieved temporarily of \$5,000,000 of its participation of government securities in the System Account. These securities were taken over by the Federal Reserve Bank of New York on February 18 and apportioned to the other Federal reserve banks, who cared to participate, on February 19, with the understanding that the Federal Reserve Bank of Dallas would repurchase these securities within sixty days. This was the only transaction consummated in the Account during the current statement week and did not change the total holdings in the Account, which remained at \$277,500,000 at the close of business Wednesday, February 19, 1930. The participation by Federal reserve banks and the classification of issues were as follows:

PARTICIPATION BY FEDERAL RESERVE BANKSRECAPITULATION OF HOLDINGS BY MATURITIES

Boston	\$ 26,680,000	Mar. 17, 1930 - Treas. Bills	\$ 50,250,000
New York	99,352,000	June 16, 1930 - 4 7/8% C/I	50,110,000
Philadelphia	28,463,500	Sept. 15, 1930 - 3 1/8% "	64,825,000
Cleveland	20,525,000	Mar. 15, 1932 - 3 1/2% T/N	14,360,000
Richmond	8,934,000	Sept. 15, 1932 - 3 1/2% "	21,725,000
Atlanta	6,226,000	Dec. 15, 1932 - 3 1/2% "	42,280,000
Chicago	51,412,000	4th 4 1/4% Liberty Bonds	33,950,000
St. Louis	10,641,000		
Minneapolis	9,340,000		
Kansas City	3,060,000		
Dallas	10,647,500		
San Francisco	<u>2,219,000</u>		
Totals	<u>\$277,500,000</u>		<u>\$277,500,000</u>

ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF ALL  
FEDERAL RESERVE BANKS FROM FEBRUARY 13 TO FEBRUARY 19, 1930, INCLUSIVE

GOVERNMENT SECURITIES - SYSTEM INVESTMENT ACCOUNT

	<u>Purchases</u>	<u>Sales</u>
Boston	\$ 551,000	\$ 0
New York	2,051,500	0
Philadelphia	587,500	0
Cleveland	424,000	0
Richmond	184,500	0
Chicago	963,500	0
Minneapolis	192,500	0
Dallas	0	5,000,000
San Francisco	45,500	0
Totals	<u>\$5,000,000</u>	<u>\$5,000,000</u>

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>
		Misc. Gov't Sec.		Misc. Gov't Sec.
New York	\$13,876,000	" " "	\$13,000,000	" " "
Atlanta	275,700	" " "	278,950	" " "
Minneapolis	386,050	" " "	342,700	" " "
Dallas	160,000	" " "	0	
Totals	<u>\$14,697,750</u>		<u>\$13,621,650</u>	

BANKERS ACCEPTANCES  
(000 Omitted)

	<u>Holdings</u>	<u>Purchased</u>	<u>By Allot-</u>	<u>Matur-</u>	<u>Holdings</u>	<u>Other Holdings</u>	
	<u>Feb. 11</u>	<u>Own Mkt.</u>	<u>ment from</u>	<u>ities &amp;</u>	<u>Feb. 19</u>	<u>Close Feb. 19, 1930</u>	
			<u>New York</u>	<u>Sales</u>		<u>Sales</u>	
						<u>Contracts</u>	
						<u>Other</u>	
						<u>Bills</u>	
Boston	\$ 7,619	\$ 613 R	\$ 0	\$ 795	\$ 7,437	\$ 5,922	\$ 77
New York	27,053	9,904 " 40,379 A	0	6,780	30,177	48,909	369
Phila.	9,698	878 R	0	877	9,699	0	100
Cleve.	27,897	0	7,201	2,749	32,349	0	104
Richmond	13,513	403 "	3,661	3,722	13,855	0	43
Atlanta	18,055	96 "	4,539	4,388	18,302	0	1,064
Chicago	24,681	730 "	9,532	6,716	28,227	2,652	139
St. Louis	16,852	0	4,930	3,767	18,015	0	37
Minn.	9,570	708 "	2,753	3,153	9,878	0	24
Kan. City	240	0	0	180	60	0	31
Dallas	12,812	550 "	3,319	3,080	13,601	337	31
San Fran.	29,735	2,902 "	4,444	4,418	32,663	981	71
Totals	\$197,725	\$57,163	\$40,379	\$40,625	\$214,263	\$58,801	\$2,090
Bills held over night by New York for distribution to other F. R. Banks -							5,903
Total - - - - -							<u>\$7,993</u>

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

6

MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDING FEBRUARY 19, 1930  
(000 Omitted)

	<u>1-30 days</u> <u>3 3/4 - 4%</u>	<u>31-30 days</u> <u>3 3/4 - 4 1/8%</u>	<u>61-90 days</u> <u>3 7/8 - 4%</u>	<u>Over 90-days</u> <u>3 3/4%</u>	<u>Total</u>
Boston	\$ 500	\$ 113	0	0	\$ 613
New York	26,982	23,290	11	0	50,283
Philadelphia	1	841	36	0	878
Richmond	48	240	115	0	403
Atlanta	20	76	0	0	96
Chicago	370	360	0	0	730
Minneapolis	0	708	0	0	708
Dallas	324	132	87	7	550
San Francisco	<u>1,264</u>	<u>1,539</u>	<u>99</u>	<u>0</u>	<u>2,902</u>
Totals	<u>\$29,509</u>	<u>\$27,299</u>	<u>\$348</u>	<u>\$7</u>	<u>\$57,163</u>

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES DURING WEEK ENDING FEBRUARY 19, 1930  
(000 Omitted)

(Excluding Sales Contracts)

	<u>Government</u> <u>Securities</u>	<u>Bankers</u> <u>Acceptances</u>	<u>Total</u>
Purchased	\$14,697	\$57,163	\$71,860
Sold	13,622	0	13,622
Matured	0	40,625	40,625
		<u>\$16,538+</u>	<u>\$17,613+</u>
		7,993+ (Net Change	7,993+ (Net Change
		1-day holdover	1-day holdover
		and other bills)	and other bills)
Totals	<u>\$1,075+</u>	<u>\$24,531+</u>	<u>\$25,606+</u>

HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES FEBRUARY 19, 1930  
(000 Omitted)

(Including Sales Contracts)

	<u>Within</u> <u>15-days</u>	<u>16-30</u> <u>days</u>	<u>31-60</u> <u>days</u>	<u>61-90</u> <u>days</u>	<u>91 days-</u> <u>6 months</u>	<u>Over 6</u> <u>months</u>	<u>Total</u>
Gov't Securities	\$ 3,035	\$ 61,045	0	0	\$64,188	\$352,347	\$480,615
Bills Purchased	<u>150,444</u>	<u>62,413</u>	<u>59,899</u>	<u>8,123</u>	<u>178</u>	<u>0</u>	<u>281,057</u>
Totals	<u>\$153,479</u>	<u>\$123,458</u>	<u>\$59,899</u>	<u>\$8,123</u>	<u>\$64,366</u>	<u>\$352,347</u>	<u>\$761,672</u>

February 17, 1930

Dear Mr. Matteson:

I acknowledge receipt of and shall bring to the attention of the members of the Board your letter of February 14th, addressed to Governor Young, enclosing report of transactions in Government securities and Bankers' acceptances as reported to your Committee for the period from February 6, 1930 to February 11, 1930 inclusive.

Very truly yours,

E. M. McClelland,  
Assistant Secretary

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



*Mr. Ruffe ✓*  
*Imead ✓*  
*Callie* **FEDERAL RESERVE BANK**  
**OF NEW YORK**

**RECEIVED**  
**FEB 15 1930**  
**DIVISION OF RESEARCH**  
**AND STATISTICS**

CONFIDENTIAL

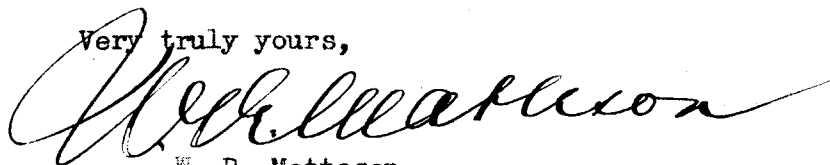
February 14, 1930

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

Dear Mr. Goldenweiser:

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 6, 1930 to February 11, 1930 inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,



W. B. Matteson  
Secretary, Open Market  
Investment Committee

Encl.

**FEDERAL RESERVE BANK  
OF NEW YORK**

**RECEIVED**  
FEB 15 1930  
OFFICE OF  
THE GOVERNOR

P E R S O N A L

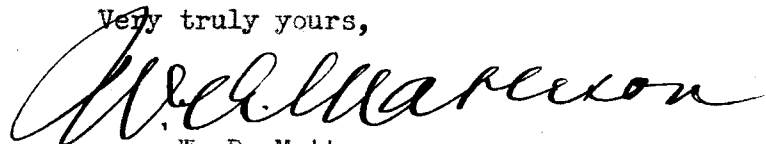
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R. A. Y.  
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Encl.

## FOR SPECIAL CIRCULATION

PLEASE READ FIRST, INITIAL AND RETURN TO SECRETARY'S OFFICE

✓ Gov. Young

✓ Mr. Hamilton

✓ Mr. James

✓ Mr. Platt

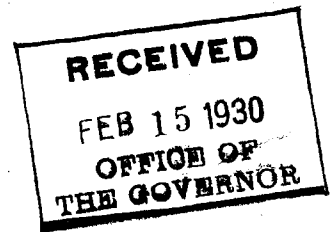
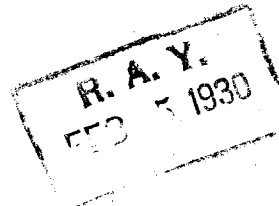
✓ Mr. Miller

✓ Mr. Cunningham

✓ Mr. Fole

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OF NEW YORK

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CONFIDENTIAL

## REPORT OF OPEN MARKET INVESTMENT COMMITTEE WEEK ENDED FEBRUARY 11, 1930

Holdings of Earning Assets of Federal Reserve Banks from February 11, 1929 to Date  
(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS
		Outright Purchases	Sales Contracts	Outright Purchases	Sales Contracts	DISCOUNTED
-1929-						
Feb. 11	\$1,481,252	\$176,370	\$ 800	\$351,873	\$ 39,185	\$ 903,949
Feb. 27	1,463,032	164,985	1,415	308,308	25,767	952,482
Mar. 27	1,409,712	165,965	4,345	191,627	16,800	1,024,130
Apr. 24	1,280,601	139,112	10,670	119,244	21,931	974,513
May 29	1,258,502	137,132	7,440	103,416	14,503	988,194
June 26	1,262,428	129,717	19,810	71,207	11,632	1,016,747
July 31	1,308,014	126,579	20,704	44,988	29,579	1,075,714
Aug. 28	1,291,562	126,566	18,755	95,266	61,248	973,627
Sept. 25	1,375,467	125,973	26,086	179,449	84,485	944,399
Oct. 30	1,648,742	259,848	32,840	310,774	29,111	991,038
Nov. 27	1,514,460	322,063	4,035	250,044	7,271	912,349
Dec. 31	1,547,517	487,292	23,295	236,974	155,235	632,421
-1930-						
Jan. 29	1,154,379	476,466	70	185,677	72,795	406,941
Feb. 5	1,167,237	476,674	1,170	214,075	81,716	381,422
Feb. 11	1,147,838	476,505	2,055	212,205	63,879	381,914

CHANGES IN EARNING ASSET HOLDINGS (EXCLUSIVE OF SALES CONTRACTS)  
DURING WEEK ENDED FEBRUARY 11, 1930  
(000 Omitted)

	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS DISCOUNTED	
	Balance Feb. 11	Net Change	Balance Feb. 11	Net Change	Balance Feb. 11	Net Change
Boston	\$ 26,891	\$ 0	\$ 7,619	\$1,364-	\$ 20,345	\$ 2,442-
New York	210,800	0	27,053	7,696-	79,298	24,578+
Philadelphia	42,898	0	9,698	128-	50,552	1,574+
Cleveland	30,266	0	27,897	689+	54,590	237-
Richmond	9,902	0	13,513	577+	21,015	1,496
Atlanta	8,791	81-	18,055	533+	25,385	1,142
Chicago	70,376	0	24,681	888-	65,939	8,860
St. Louis	19,266	0	16,852	877+	15,189	864+
Minneapolis	16,801	88-	9,570	201-	2,457	271-
Kansas City	3,063	0	240	190-	26,043	509
Dallas	25,635	0	12,812	418+	11,097	799-
San Francisco	11,816	0	29,735	2,195-	10,004	10,768
N. Y. holdovers and other bills			14,480	7,698+		
Totals	\$476,505	\$169-	\$212,205	\$1,870-	\$381,914	\$ 492-

COMMENT ON CHANGES WEEK ENDED FEBRUARY 11, 1930

Total earning assets of the System showed a decrease of \$19,399,000 for the current statement week. The changes by classification consisted of an increase of \$492,000 in bills discounted, and decreases of \$169,000 and \$1,870,000 respectively in outright purchases of government securities and bankers acceptances, and \$16,952,000 net in investments held under sales contracts. The latter item consisted of an increase of \$885,000 in government securities and a decrease of \$17,837,000 in bankers acceptances.

2

Money  
Market

Money rates generally eased somewhat immediately following the reduction in the New York Reserve Bank's discount rate. The call loan renewal rate, which, with one exception, had held at 4 1/2 per cent since early January, was set at 4 per cent on Friday the 7th, and continued at the lower level for the balance of the week. The new loan rate advanced to 4 1/2 per cent for a short while on Monday, but on Tuesday, February 11, plenty of money was available all day at the renewal rate, and in fact outside loans were available at 3 1/2 per cent. The flow of funds again this week was away from the New York market, and in addition to this moderate loss there was a partial retirement of the increase in Federal Reserve bill holdings that occurred in the previous week. As an offset to these losses, borrowings of the New York City banks at the Reserve Bank were increased; the average indebtedness of the large banks for the week rose to \$42,000,000, compared with \$22,000,000 in the previous period.

Time money also declined slightly. At the close of the week 30-day money was quoted at 4 1/4 bid, 4 1/2 per cent offered, compared with 4 1/2 - 4 3/4 at the opening of the period. The quotation for 60 day loans was unchanged at 4 1/2 bid, 4 3/4 per cent offered; 3 and 4 months maturities closed the week at 4 1/2 bid, 4 3/4 offered, a decline from 4 3/4 bid, 5 offered at the opening; and 5 and 6 months money was quoted at 4 3/4 per cent flat as against 4 3/4 - 5 at the opening of the week. Very little trading was done.

Dealers in commercial paper reduced their offering range on Friday to 4 1/2 - 3/4 from the 4 3/4 - 5 per cent level which had been in effect since the middle of January. Bank investment demand at the lower level continued generally satisfactory. The supply of new paper was in fairly good volume.

Government  
Security  
Market

The improvement in the demand for United States Government securities, which was reflected in the market during the previous statement week, continued for only the first few days of the current statement week. During the last part of the current statement week some good sized blocks of government securities were offered in the market which resulted in prices declining fractionally from their high levels for the week.

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

<u>Issue</u>		<u>Price</u>	<u>Net Change</u>	<u>Approx Yield</u>
5 1/8% Cert. of Ind. due	Mar. 15, 1930	100 5/32	-1/32	3.10
4 7/8% " " " "	June 16, 1930	100 14/32	- - -	3.52
3 1/8% " " " "	Sept. 15, 1930	99 24/32	+3/32	3.56
3 1/2% Treasury Notes	Mar. 15, 1932	99 10/32	+1/32	3.84
3 1/2% " " " "	Sept. 15, 1932	99 10/32	+1/32	3.78
3 1/2% " " " "	Dec. 15, 1932	99 10/32	+1/32	3.75
U. S. Treasury Bills	Mar. 17, 1930	3 5/8% - 3 1/8% discount		

3

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

Net			Net		
Issue	Price	Change	Issue	Price	Change
1st 3 1/2s	99 2/32	-4/32	Treas. 4s 1944-54	107 8/32	+15/32
1st 4 1/4s	101 3/32	+4/32	" 4 1/4s 1947-52	110 20/32	- 5/32
4th 4 1/4s	101 6/32	+6/32	" 3 3/4s 1946-56	104 6/32	- 2/32
			" 3 3/8s 1943-47	99 20/32	+ 8/32
			" 3 3/8s 1940-43	99 16/32	+ 5/32

Bankers  
Acceptances

Dealers' offerings of unindorsed bankers acceptances were at the following rates during the current statement week: 3 3/4 per cent for 30s, 60s, 90s and 120-day bills, and 3 7/8 per cent for 180s.

Reports  
for Week  
Ending  
Feb. 11

Boston reports that sales by dealers in its district fell off nearly \$3,000,000 during the past week. There was also a falling off in the supply of new bills but with the lessened demand, dealers' portfolios increased nearly \$3,000,000 with ninety day bills predominating. Offerings to the Reserve Bank on sales contracts were fairly heavy, the slight increase in its holdings for the period being due to these offerings. Short maturities were in best demand, but as a whole bills did not move freely. In New York the bill market was considerably less active this week than it has been for the past several weeks. The demand exceeded the supply slightly and sales were principally for the accounts of foreign correspondents. Dealers' portfolios were reduced slightly. As mentioned in last week's report, on the first day of the period dealers upon hearing of the reduction in the Bank of England's discount rate reduced their rate 1/8% to 3 7/8% bid up to 120 days, 3 3/4 asked, and 4% bid on 5 and 6 months bills, 3 7/8 asked. Philadelphia reports that its acceptance market was quiet. The lowering of rates did not bring out many new bills and the demand was not as good as last week. Offerings to the Reserve Bank were very light. Chicago reports that the supply of bills in its district was small but in excess of the demand. Dallas reports that the demand for bills continued light during the past week in its district. Offerings to the Reserve Bank were in small volume. Purchases by the Reserve Bank for account of member banks and sales by dealers during the week aggregated approximately \$300,000.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

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

Sales of \$1,000,000 - 4 1/4% Fourth Liberty Loan bonds, account Government Life Insurance Fund

125,000 - 3 1/2% Treasury notes, due March 15, 1930-32,  
account German Special Deposit Account

\$1,125,000 Total Sales

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

With the approval of the Open Market Investment Committee, exchanges were made in the market during the current statement week of \$15,000,000 aggregate amount of 5 1/8% Treasury certificates of indebtedness maturing March 15, 1930, for a like amount of 3 1/2% Treasury notes. These exchanges did not affect the total amount of holdings in the Account, which remained unchanged at the close of business February 11, 1930, at \$277,500,000. The participation by Federal reserve banks and the classification of issues at the close of the statement week were as follows:

PARTICIPATION BY FEDERAL RESERVE BANKS

Boston	\$ 26,129,000
New York	97,300,500
Philadelphia	27,876,000
Cleveland	20,101,000
Richmond	8,749,500
Atlanta	6,226,000
Chicago	50,448,500
St. Louis	10,641,000
Minneapolis	9,147,500
Kansas City	3,060,000
Dallas	15,647,500
San Francisco	2,173,500
Totals	<u>\$277,500,000</u>

RECAPITULATION OF HOLDINGS BY MATURITIES

Mar. 17, 1930 - Treas. Bills	\$ 50,250,000
June 16, 1930 - 4 7/8% C/I	50,110,000
Sept. 15, 1930 - 3 1/8% "	64,825,000
Mar. 15, 1932 - 3 1/2% T/N	14,360,000
Sept. 15, 1932 - 3 1/2% "	21,725,000
Dec. 15, 1932 - 3 1/2% "	42,280,000
4th 4 1/4% Liberty Bonds	33,950,000
	<u>\$277,500,000</u>





6

MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDING FEBRUARY 11, 1930  
(000 Omitted)

	<u>1-30 days</u> <u>3 3/4 - 4%</u>	<u>31-60 days</u> <u>3 3/4 - 4 1/4%</u>	<u>61-90 days</u> <u>4 - 4 1/4%</u>	<u>Over 90-days</u> <u>4%</u>	<u>Total</u>
New York	\$14,084	\$ 712	\$250	\$ 0	\$15,046
Philadelphia	56	386	102	0	544
Atlanta	276	37	113	0	426
Chicago	250	111	0	0	361
Dallas	174	137	30	61	402
San Francisco	0	138	292	0	430
Totals	<u>\$14,840</u>	<u>\$1,521</u>	<u>\$787</u>	<u>\$61</u>	<u>\$17,209</u>

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES DURING WEEK ENDING FEBRUARY 11, 1930  
(000 Omitted)

(Excluding Sales Contracts)

	<u>Government</u> <u>Securities</u>	<u>Bankers</u> <u>Acceptances</u>	<u>Total</u>
Purchased	\$15,568	\$17,209	\$32,777
Sold	15,737	0	15,737
Matured	0	26,777	26,777
		<u>\$ 9,568-</u>	<u>\$ 9,737-</u>
		7,698+ (Net Change	7,698+ (Net Change
		1-day holdover	1-day holdover
		& other bills)	& other bills)
Totals	<u>\$ 169-</u>	<u>\$ 1,870-</u>	<u>\$ 2,039-</u>

HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES FEBRUARY 11, 1930  
(000 Omitted)

(Including Sales Contracts)

	<u>Within</u> <u>15-days</u>	<u>16-30</u> <u>days</u>	<u>31-60</u> <u>days</u>	<u>61-90</u> <u>days</u>	<u>91 days-</u> <u>6 months</u>	<u>Over 6</u> <u>months</u>	<u>Total</u>
Gov't Securities	\$ 2,055	\$ 0	\$61,521	\$ 0	\$75,213	\$339,771	\$478,560
Bills Purchased	146,001	68,485	49,840	11,551	207	0	276,084
Totals	<u>\$148,056</u>	<u>\$68,485</u>	<u>\$111,361</u>	<u>\$11,551</u>	<u>\$75,420</u>	<u>\$339,771</u>	<u>\$754,644</u>

February 8, 1930

Dear Mr. Matteson:

I acknowledge receipt of and shall bring to the attention of the members of the Board your letter of the 7th instant, enclosing report of transactions in Government securities and bankers' acceptances as reported to your Committee for the period from January 30, 1930 to February 5, 1930 inclusive.

Very truly yours,

E. M. McClelland,  
Assistant Secretary

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

*Mr. Riefler  
Jones  
Collection*

FEDERAL RESERVE BANK  
OF NEW YORK

RECEIVED  
FEB -8 1930  
DIVISION OF RESEARCH  
AND STATISTICS.

CONFIDENTIAL

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PERSONAL

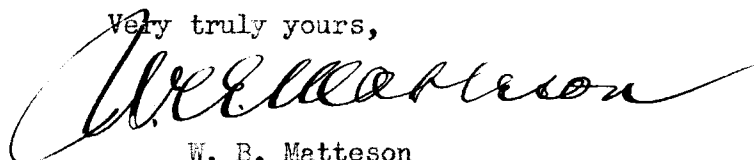
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FOR SPECIAL CIRCULATION

RECEIVED BY INITIAL AND RETURN TO SECRETARY'S OFFICE

Mr. Hamilton ✓

Mr. Jones ✓

✓ Mr. Platt

Mr. Miller ✓

Mr. Cunningham ✓

Mr. Foley ✓

FEDERAL RESERVE BANK

OF NEW YORK

RECEIVED

FEB 8 1930

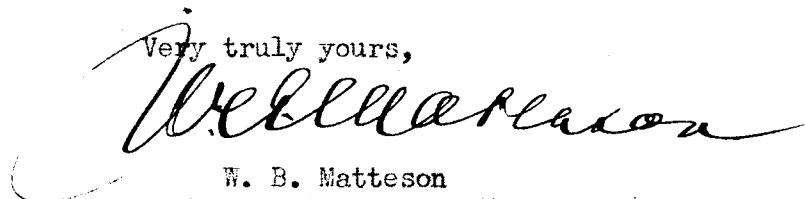
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Washington, D. C.

Encl.

See letter 2/8/30

CONFIDENTIAL

## REPORT OF OPEN MARKET INVESTMENT COMMITTEE WEEK ENDED FEBRUARY 5, 1930

Holdings of Earning Assets of Federal Reserve Banks from February 6, 1929 to Date  
(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS
		Outright Purchases	Sales Contracts	Outright Purchases	Sales Contracts	DISCOUNTED
-1929-						
Feb. 6	\$1,471,527	\$199,056	\$ 1,030	\$366,915	\$ 43,827	\$ 851,621
Feb. 27	1,463,032	164,985	1,415	308,308	25,767	952,482
Mar. 27	1,409,712	165,965	4,345	191,627	16,800	1,024,130
Apr. 24	1,280,601	139,112	10,670	119,244	21,931	974,513
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Oct. 30	1,648,742	259,848	32,840	310,774	29,111	991,038
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Jan. 29	1,154,379	476,466	70	185,677	72,795	406,941
Feb. 5	1,167,237	476,674	1,170	214,075	81,716	381,422

CHANGES IN EARNING ASSET HOLDINGS (EXCLUSIVE OF SALES CONTRACTS)  
DURING WEEK ENDED FEBRUARY 5, 1930  
(000 Omitted)

	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS DISCOUNTED	
	Balance Feb. 5	Net Change	Balance Feb. 5	Net Change	Balance Feb. 5	Net Change
Boston	\$ 26,891	\$ 0	\$ 8,983	\$ 848-	\$ 22,787	\$ 3,669-
New York	210,800	0	34,749	6,856+	54,720	10,384-
Philadelphia	42,898	0	9,826	1,122+	48,978	1,421-
Cleveland	30,266	0	27,208	5,285+	54,827	3,528-
Richmond	9,902	0	12,936	2,224+	22,511	3,165-
Atlanta	8,872	82+	17,522	2,461+	26,527	432-
Chicago	70,376	0	25,569	3,257+	74,799	2,756-
St. Louis	19,266	0	15,975	3,006+	14,325	742-
Minneapolis	16,889	126+	9,771	1,763+	2,728	2,489-
Kansas City	3,063	0	430	155-	26,552	1,616+
Dallas	25,635	0	12,394	2,171+	11,896	432-
San Francisco	11,816	0	31,930	86+	20,772	1,883+
N. Y. holdovers and other bills			6,782	1,170+		
Totals	\$476,674	\$208+	\$214,075	\$28,398+	\$381,422	\$25,519-

COMMENT ON CHANGES WEEK ENDED FEBRUARY 5, 1930

Total earning assets of the System showed an increase of \$12,858,000 for the current statement week. The changes by classification consisted of a decrease of \$25,519,000 in bills discounted, and increases of \$208,000 and \$28,398,000, respectively, in outright purchases of Government securities and bankers acceptances, and \$10,021,000 in investments held under sales contracts. The latter item consisted of \$1,100,000 in Government securities, and \$8,921,000 in bankers acceptances. Bills discounted at \$381,422,000 declined to their lowest point since November 1927.

Money  
Market

The advent of the month-end requirements caused only a slight firming of money rates during the week ended February 5. The week opened with call money unchanged at 4 1/2 per cent for renewals and 4 per cent for new loans. Despite the disappearance of 3 1/2 per cent money in the outside market on Thursday, renewals the next day, January 31, were announced at 4 per cent, the lowest in more than two years. However, with the new loan demand the largest of the month, the rate reverted to 4 1/2 per cent during the noon hour. On each of the succeeding days the renewal rate was set at 4 1/2 per cent and not until Wednesday did the Exchange new loan rate again drop to 4 per cent and outside money become available at a concession.

For the week as a whole, there were losses to the market as a result of increased currency demands and a net flow of funds away from New York. These losses and the temporary month-end increase in reserve requirements of the banks were fully covered by Reserve Bank takings of bills, partly under repurchase agreement and partly on outright purchase, with the result that member bank borrowings remain low and in fact showed a small net decrease for the period. Average borrowings of the City banks for the week were only \$22,000,000, compared with \$37,000,000 last week.

Activity in the time money market was little changed from a week ago, though rates firmed slightly on Monday and continued at the higher level throughout the remainder of the period. Quotations at the close of the week were 4 1/2 bid, 4 3/4 per cent offered for 30 and 60 days, and 4 3/4 bid, 5 offered for 90 days to 6 months. Small loans for 90 days were made on Thursday and Friday at 4 3/4 per cent, while during the period from Monday to Wednesday inclusive the rate was 5 per cent.

Investment demand for commercial paper continued active. While the prevailing range was still quoted at 4 3/4 - 5 per cent, there have been recent indications that sales at the 4 3/4 per cent rate were somewhat in excess of those at 5 per cent.

Government  
Security  
Market

The undertone in the market for United States Government securities during the latter part of the current statement week reflected some improvement over the dull conditions that have existed during the past several weeks. While this improvement was somewhat general the increased demand was principally for the Treasury bonds, some of which issues recorded good size gains in prices for the week.

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

<u>Issue</u>		<u>Price</u>	<u>Net Change</u>	<u>Approx. Yield</u>
5 1/8% Cert. of Ind.	due Mar. 15, 1930	100 6/32	- 1/32	3.16
4 7/8% " " "	June 16, 1930	100 14/32	- 1/32	3.59
3 1/8% " " "	Sept. 15, 1930	99 21/32	+ 2/32	3.70
3 1/2% Treasury Notes	" Mar. 15, 1932	99 9/32	+ 5/32	3.85
3 1/2% " " "	Sept. 15, 1932	99 9/32	+ 5/32	3.78
3 1/2% " " "	Dec. 15, 1932	99 9/32	+ 5/32	3.75
U.S. Treas. Bills	" Mar. 17, 1930	3 1/2% - 3 1/4% discount		

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

Issue	Price	Net Change	Issue	Price	Net Change
1st 3 1/2s	99 6/32	+3/32	Treas. 4s 1944-54	106 25/32	+1.6/32
1st 4 1/4s	100 31/32	+5/32	" 4 1/4s 1947-52	110 25/32	+1.1/32
4th 4 1/4s	101	+3/32	" 3 3/4s 1946-56	104 8/32	+ 26/32
			" 3 3/8s 1943-47	99 12/32	+ 5/32
			" 3 3/8s 1940-43	99 11/32	+ 8/32

Bankers  
Acceptances

Dealers' offerings of unindorsed bankers acceptances were at the following rates at the close of the statement week: 3 7/8 per cent for 30's, 60's, 90's and 120's, and 4 per cent for 180-day bills, which represents a reduction of 1/8 per cent on all maturities from the previous week's offered rates. On the morning of February 6 dealers again lowered rates 1/8 per cent to 3 7/8 bid up to 120-days, 3 3/4 per cent asked, 4 per cent bid and 3 7/8 asked on 5 and 6 months bills, endorsed bills 1/8 per cent less.

Reports  
for Week  
Ending  
Feb. 5

In Boston dealers reported that there was a good supply of bills with the demand fair. Bills moved freely at offered rates. Dealers' total purchases were practically the same as the previous period. The supply of bills was sufficient to meet the local demand and also afford shipments to dealers' offices in other cities of about \$4,000,000. Offerings to the reserve bank continued small, its portfolio decreasing about \$3,000,000 during the week. In New York the bill market was fairly active throughout the week. The supply increased slightly as compared with last week but was exceeded moderately by the demand and dealers' portfolios decreased by about \$6,000,000. On the last day of January dealers anticipating a good demand lowered rates 1/8 per cent on all maturities to 4 per cent bid up to 120-days, 3 7/8 asked, 5 and 6 months, 4 1/8 bid, 4 per cent asked. Philadelphia reports that bills were in good demand with a freer market. Dealers reported that portfolios continued to decline, with new bills scarcer. Rates showed a tendency to soften. Chicago reports that the bill market in its district continued very quiet. Dallas reports that there was very little change in the bill market during the past week with the demand continuing very light. There was a slight increase in offerings to the reserve bank. Purchases by the reserve bank for account of member banks and sales by dealers aggregated only \$800,000.



Sale of \$ 500,000 - 3 1/2% Treasury Notes due March 15, 1930-32,  
account Alien Property Custodian  
3,000,000 - 4 1/4% Fourth Liberty Loan bonds, account  
Government Life Insurance Fund  
\$3,500,000 - Total sales

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

PARTICIPATION BY FEDERAL RESERVE BANKS

RECAPITULATION OF HOLDINGS BY MATURITIES

Mar.	15,	1930	-	5 1/8%	C/I	\$	15,000,000
"	17,	1930	-	Treas.	Bills		50,250,000
June	16,	1930	-	4 7/8%	C/I		50,110,000
Sept.	15,	1930	-	3 1/8%	"		64,825,000
Mar.	15,	1932	-	3 1/2%	T/N		12,360,000
Sept.	15,	1932	-	3 1/2%	"		12,225,000
Dec.	15,	1932	-	3 1/2%	"		38,780,000
4th	4			1/4%	Liberty Bonds		33,950,000

\$277,500,000

5

ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF ALL  
FEDERAL RESERVE BANKS FROM JANUARY 30 TO FEBRUARY 5, 1930, INCLUSIVE

TRANSACTIONS IN GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>
Atlanta	\$ 626,250	Misc. Gov't Sec.	\$544,050	Misc. Gov't Sec.
Minneapolis	540,200	" " "	414,250	" " "
Totals	<u>\$1,166,450</u>		<u>\$958,300</u>	

BANKERS ACCEPTANCES  
(000 Omitted)

	<u>Holdings</u> <u>Jan. 29</u>	<u>Purchased</u> <u>Own Mkt.</u>	<u>By Allot-</u> <u>ment from</u> <u>New York</u>	<u>Matur-</u> <u>ities &amp;</u> <u>Sales</u>	<u>Holdings</u> <u>Feb. 5</u>	<u>Other Holdings</u> <u>Close Feb. 5/30</u>	
						<u>Sales</u> <u>Contracts</u>	<u>Other</u> <u>Bills</u>
Boston	\$ 9,831	\$ 172 R.	0	\$ 1,020	\$ 8,983	\$ 4,708	\$ 77
New York	27,893	20,687 "	0	13,831	34,749	70,045	341
		31,577 A.					
Phila.	8,704	1,813 R.	0	691	9,826	0	100
Cleveland	21,923	0	6,228	943	27,208	0	104
Richmond	10,712	0	3,169	945	12,936	0	43
Atlanta	15,061	769 "	4,027	2,335	17,522	0	1,356
Chicago	22,312	469 "	8,503	5,715	25,569	3,629	139
St. Louis	12,969	0	4,200	1,194	15,975	0	37
Minneapolis	8,008	0	2,431	668	9,771	0	24
Kansas City	585	0	0	155	430	0	31
Dallas	10,223	595 "	3,019	1,443	12,394	303	31
San Fran.	31,844	2,129 "	0	2,043	31,930	3,031	71
Totals	\$180,065	\$58,211	\$31,577	\$30,983	\$207,293	\$81,716	\$2,354

Bills held overnight by New York for distribution to other F. R. Banks - - - 4,428

Total - - - - - \$36,782

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

6

MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDING FEBRUARY 5, 1930  
(000 Omitted)

	<u>1-30 days</u> <u>3 7/8-4 1/8%</u>	<u>31-60 days</u> <u>3 7/8-4 1/4%</u>	<u>61-90 days</u> <u>4 - 4 1/8%</u>	<u>Over 90-days</u> <u>4%</u>	<u>Total</u>
Boston	\$ 172	\$ 0	\$ 0	\$ 0	\$ 172
New York	46,440	4,834	990	0	52,264
Philadelphia	450	1,015	348	0	1,813
Atlanta	646	73	50	0	769
Chicago	64	405	0	0	469
Dallas	200	196	123	76	595
San Francisco	43	1,514	572	0	2,129
Totals	<u>\$48,015</u>	<u>\$8,037</u>	<u>\$2,083</u>	<u>\$76</u>	<u>\$58,211</u>

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES DURING WEEK ENDING FEBRUARY 5, 1930  
(000 Omitted)

(Excluding Sales Contracts)

	<u>Government</u> <u>Securities</u>	<u>Bankers</u> <u>Acceptances</u>	<u>Total</u>
Purchased	\$1,166	\$58,211	\$59,377
Sold	958	0	958
Matured	0	30,983	30,983
		<u>\$27,228+</u>	<u>\$27,436+</u>
		1,170+ (Net Change	1,170+ (Net Change
		1-day holdover	1-day holdover
		& other bills)	& other bills)
Totals	<u>\$ 208+</u>	<u>\$28,398+</u>	<u>\$28,606+</u>

HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES FEBRUARY 5, 1930  
(000 Omitted)

(Including Sales Contracts)

	<u>Within</u> <u>15-days</u>	<u>16-30</u> <u>days</u>	<u>31-60</u> <u>days</u>	<u>61-90</u> <u>days</u>	<u>91 days-</u> <u>6 months</u>	<u>Over 6</u> <u>months</u>	<u>Total</u>
Gov't Securities	\$ 1,170	\$ 0	\$ 76,521	\$ 0	\$75,191	\$324,962	\$477,844
Bills Purchased	<u>146,963</u>	<u>69,096</u>	<u>60,674</u>	<u>18,651</u>	<u>407</u>	<u>0</u>	<u>295,791</u>
Totals	<u>\$148,133</u>	<u>\$69,096</u>	<u>\$137,195</u>	<u>\$18,651</u>	<u>\$75,598</u>	<u>\$324,962</u>	<u>\$773,635</u>

February 1, 1930

Dear Mr. Matteson:

I acknowledge receipt of and shall bring to the attention of the members of the Board your letter of January 31st, enclosing report of transactions in Government securities and bankers' acceptances as reported to your committee for the period from January 23, 1930 to January 29, 1930 inclusive.

Very truly yours,

E. M. McClelland,  
Assistant Secretary

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

*Mr. Riefler*  
*Imead*  
*Collier*

FEDERAL RESERVE BANK  
OF NEW YORK

RECEIVED  
FEB -1 1930  
DIVISION OF RESEARCH  
AND STATISTICS

CONFIDENTIAL

January 31, 1930

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

Dear Mr. Goldenweiser:

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 23, 1930 to January 29, 1930 inclusive, together with data received by the Committee from the Federal reserve banks.

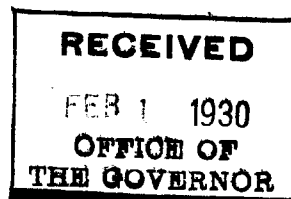
Very truly yours,



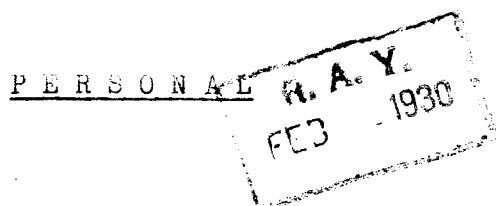
W. B. Matteson  
Secretary, Open Market  
Investment Committee

Encl.

**FEDERAL RESERVE BANK  
OF NEW YORK**



January 31, 1930



Dear Governor Young:

We are enclosing, for your files, 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 23, 1930 to January 29, 1930 inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,

W. B. Matteson  
Secretary, Open Market  
Investment Committee

Honorable Roy A. Young,  
Governor, Federal Reserve Board,  
Washington, D. C.

Encl.

## FOR SPECIAL CIRCULATION

PLEASE READ CAREFULLY. INITIAL AND RETURN TO SECRETARY'S OFFICE

✓ Gov. Young

✓ Mr. Hamlin

✓ Mr. James

✓ Mr. Platt

✓ FEDERAL RESERVE BANK

✓ Mr. Felt

RECEIVED

FEB 1 1930

OFFICE OF  
THE GOVERNOR

OF NEW YORK

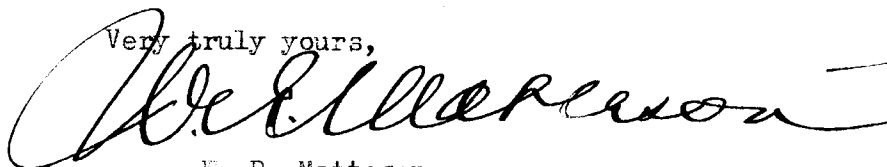
CONFIDENTIAL

January 31, 1930

Dear Governor Young:

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 23, 1930 to January 29, 1930 inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,



W. B. Matteson  
Secretary, Open Market  
Investment Committee

Honorable Roy A. Young,  
Governor, Federal Reserve Board,  
Washington, D. C.

Encl.

CONFIDENTIAL

## REPORT OF OPEN MARKET INVESTMENT COMMITTEE WEEK ENDED JANUARY 29, 1930

Holdings of Earning Assets of Federal Reserve Banks from January 30, 1929 to Date  
(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS DISCOUNTED
		Outright Purchases	Sales Contracts	Outright Purchases	Sales Contracts	
-1929-						
Jan. 30	\$1,467,039	\$199,026	\$ 2,745	\$382,029	\$53,580	\$ 820,634
Feb. 27	1,463,032	164,985	1,415	308,308	25,767	952,482
Mar. 27	1,409,712	165,965	4,345	191,627	16,800	1,024,130
Apr. 24	1,280,601	139,112	10,670	119,244	21,931	974,513
May 29	1,258,502	137,132	7,440	103,416	14,503	988,194
June 26	1,262,428	129,717	19,810	71,207	11,632	1,016,747
July 31	1,308,014	126,579	20,704	44,988	29,579	1,075,714
Aug. 28	1,291,562	126,566	18,755	95,266	61,248	973,627
Sept. 25	1,375,467	125,973	26,086	179,449	84,485	944,399
Oct. 30	1,648,742	259,848	32,840	310,774	29,111	991,038
Nov. 27	1,514,460	322,063	4,035	250,044	7,271	912,349
Dec. 31	1,547,517	487,292	23,295	236,974	155,235	632,421
-1930-						
Jan. 22	1,222,804	476,662	0	200,395	97,994	433,223
" 29	1,154,379	476,466	.70	185,677	72,795	406,941

CHANGES IN EARNING ASSET HOLDINGS (EXCLUSIVE OF SALES CONTRACTS)  
DURING WEEK ENDED JANUARY 29, 1930  
(000 Omitted)

	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS DISCOUNTED	
	Balance Jan. 29	Net Change	Balance Jan. 29	Net Change	Balance Jan. 29	Net Change
Boston	\$ 26,891	\$- 18+	\$ 9,831	\$ 174-	\$ 26,456	\$ 4,016+
New York	210,800	0	27,893	3,507-	65,104	24,551-
Philadelphia	42,898	0	8,704	493+	50,399	528-
Cleveland	30,266	0	21,923	526-	58,355	7,235-
Richmond	9,902	0	10,712	782-	25,676	1,066+
Atlanta	8,790	60-	15,061	2,214-	26,959	1,709-
Chicago	70,376	0	22,312	4,129-	77,555	3,851+
St. Louis	19,266	0	12,969	202-	15,067	1,281-
Minneapolis	16,763	154-	8,008	389-	5,217	396-
Kansas City	3,063	0	585	333-	24,936	1,249+
Dallas	25,635	0	10,223	713-	12,328	921+
San Francisco	11,816	0	31,844	1,420-	18,889	1,685-
N. Y. holdovers and other bills			5,612	822-		
Totals	\$476,466	\$196-	\$185,677	\$14,718-	\$406,941	\$26,282-

COMMENT ON CHANGES WEEK ENDED JANUARY 29, 1930

Total earning assets of the System showed a decrease of \$68,425,000 for the current statement week. The approximate changes by classification consisted of a decrease of \$26,280,000 in bills discounted, and \$195,000 and \$14,720,000 respectively in outright purchases of government securities and bankers acceptances, and \$25,130,000 net in investments held under sales contracts. The latter item consisted of an increase of \$70,000 in government securities and a decrease of \$25,200,000 in bankers acceptances. Bills discounted at \$406,941,000 declined to their lowest point since January 1928.



2

Money  
Market

Call money was unchanged during the past week. Renewals were arranged at 4 1/2 per cent throughout the period, and the new loan rate declined daily to 4, with outside accommodation available as low as 3 1/2 per cent. That most of the new Exchange loans were made at the 4 per cent figure is indicated by the average rate which fluctuated between 4.01 and 4.09 per cent. The money market gained funds during the week as a result of a continued retirement of currency, a moderately large inflow from other parts of the country, and some net accretion of gold. These gains of funds in commercial and agency transactions, together with a further moderate decrease in reserve requirements, permitted the retirement of a rather large amount of Reserve Bank credit, about half of which was in member bank discounts, while the bulk of the remainder was in our holdings of bills under repurchase agreement. Borrowings by New York City banks consequently averaged only slightly more than \$37,000,000, compared with \$44,000,000 last week.

The market for time funds continued to be largely nominal. Aside from a few small short loans placed on Friday, some special transactions on Monday, and some 30-day loans on Wednesday, the market was dormant. Nominal quotations for 30 days and for 5 and 6 months <sup>were</sup> advanced slightly on Friday, but the 60 day to 4 months maturities remained steady throughout the period. Quotations at the end of the week were 4 1/2 per cent flat for 30 days; 4 1/2 bid, 4 3/4 per cent offered for 2 to 4 months; and 4 3/4 bid, 5 per cent offered for 5 and 6 months.

Bank demand for prime commercial paper continued active, with supplies of new paper generally satisfactory. The quoted range for prime names remained at 4 3/4 - 5 per cent with sales fairly evenly divided between the two rates.

Government  
Security  
Market

The market for United States Government securities continued dull during the current statement week, with the undertone still reflecting some weakness. Prices of the Treasury certificates were approximately unchanged from last week while prices of the Treasury notes were about 4/32nds lower and the long-term bonds irregular.

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

Issue	Price	Net Change	Approx. Yield
5 1/8% Cert. of Ind. due Mar. 15, 1930	100 7/32	- - -	3.14
4 7/8% " " " " June 16, 1930	100 15/32	-1/32	3.55
3 1/8% " " " " Sept. 15, 1930	99 19/32	- - -	3.77
3 1/2% Treasury Notes " Mar. 15, 1932	99 4/32	-4/32	3.93
3 1/2% " " " " Sept. 15, 1932	99 4/32	-4/32	3.85
3 1/2% " " " " Dec. 15, 1932	99 4/32	-4/32	3.82
U. S. Treasury Bills " Mar. 17, 1930	3 3/4% - 3 1/4% discount		

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

<u>Issue</u>	<u>Price</u>	<u>Net Change</u>	<u>Issue</u>	<u>Price</u>	<u>Net Change</u>
1st 3 1/2s	99 3/32	+ 2/32	Treas. 4s 1944-54	105 19/32	-13/32
1st 4 1/4s	100 26/32	+16/32	" 4 1/4s 1947-52	109 24/32	-13/32
4th 4 1/4s	100 29/32	+ 1/32	" 3 3/4s 1946-56	103 14/32	+ 8/32
			" 3 3/8s 1943-47	99 7/32	+ 1/32
			" 3 3/8s 1940-43	99 3/32	- 5/32

Bankers  
Acceptances

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

Reports  
Week  
Ending  
Jan. 29

Boston reports that the supply of bills was good in its district during the past week with some improvement in the demand. Local banks were better buyers and dealers' sales consequently showed an increase over the previous week. Offerings to the Reserve Bank were less than for several weeks. Dealers' portfolios were reduced over \$2,000,000. In New York the supply of new bills fell off sharply this week. There was a good demand, principally for 90-day maturities coming from banks which were buying for their own accounts and for the accounts of foreign correspondents. The demand exceeded the supply substantially and dealers' aggregate portfolios were reduced by about \$40,000,000. Offerings to the Reserve Bank for System Account were light. Philadelphia reports that its acceptances market was moderately active. Dealers reported a fair demand with fewer new bills coming into the market. Offerings to the Reserve Bank were much lighter. [Chicago reports that its bill market was quiet. Local dealers found principal outlet in New York.] Dallas reports bill market in its district was quiet. Offerings to the Reserve Bank were light and consisted mostly of short maturities.

Sales of \$ 800,000 - 4 7/8% certificates of indebtedness, due June 16, 1930,  
account Alien Property Custodian  
400,000 - 3 1/2% Treasury notes, due March 15, 1930-32, account  
Alien Property Custodian  
2,000,000 - 4 1/4% Fourth Liberty Loan bonds, account Government  
Life Insurance Fund

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

### PARTICIPATION BY FEDERAL RESERVE BANKS

Boston	\$ 26,129,000	Mar. 15, 1930 - 5 1/8% C/I	\$ 15,000,000
New York	97,300,500	Mar. 17, 1930 - Treas.Bills	50,250,000
Philadelphia	27,876,000	June 16, 1930 - 4 7/8% C/I	50,110,000
Cleveland	20,101,000	Sept. 15, 1930 - 3 1/8% "	64,825,000
Richmond	8,749,500	Mar. 15, 1932 - 3 1/2% T/N	12,360,000
Atlanta	6,226,000	Sept. 15, 1932 - 3 1/2% "	12,225,000
Chicago	50,448,500	Dec. 15, 1932 - 3 1/2% "	38,780,000
St. Louis	10,641,000	4th 4 1/4% Liberty bonds	33,950,000
Minneapolis	9,147,500		
Kansas City	3,060,000		
Dallas	15,647,500		
San Francisco	<u>2,173,500</u>		
Totals	\$277,500,000		\$277,500,000

5

ITEMIZED STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF ALL FEDERAL  
RESERVE BANKS FROM JANUARY 23 TO JANUARY 29, 1930, INCLUSIVE

GOVERNMENT SECURITIES - SYSTEM INVESTMENT ACCOUNT

	<u>Purchases</u>	<u>Sales</u>
Boston	\$ 311,500	\$ 311,500
New York	1,160,500	1,160,500
Philadelphia	332,500	332,500
Cleveland	240,000	240,000
Richmond	104,500	104,500
Atlanta	74,500	74,500
Chicago	601,500	601,500
St. Louis	127,000	127,000
Minneapolis	109,000	109,000
Kansas City	36,500	36,500
Dallas	186,500	186,500
San Francisco	26,000	26,000
<b>Totals</b>	<b>\$3,310,000</b>	<b>\$3,310,000</b>

OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>
Boston	\$ 17,500	Ser. C-1930-32 T/N	0	-
Atlanta	155,950	Misc. Gov't Sec.	216,050	Misc. Gov't Sec.
Minneapolis	735,850	" " "	889,650	" " "
<b>Totals</b>	<b>\$909,300</b>		<b>\$1,105,700</b>	

BANKERS ACCEPTANCES

(000 Omitted)

	<u>Holdings Jan. 22</u>	<u>Purchased Own Mkt.</u>	<u>By Allot- ment from New York</u>	<u>Matur- ities &amp; Sales</u>	<u>Holdings Jan. 29</u>	<u>Other Holdings Close Jan. 29/30</u>	
						<u>Sales Contracts</u>	<u>Other Bills</u>
Boston	\$ 10,005	\$ 563 R.	0	\$ 737	\$ 9,831	\$ 6,536	\$ 76
New York	31,400	4,204 " 11,370 A.	0	7,711	27,893	62,192	344
Phila.	8,211	1,160 R.	0	667	8,704	0	100
Cleve.	22,449	0	2,321	2,847	21,923	0	103
Richmond	11,494	0	1,109	1,891	10,712	0	43
Atlanta	17,275	942 "	1,171	4,327	15,061	0	1,341
Chicago	26,441	137 "	3,167	7,433	22,312	1,876	138
St. Louis	13,171	0	1,647	1,849	12,969	0	37
Minn.	8,397	0	937	1,326	8,008	0	24
Kan. City	918	20 "	0	353	585	0	31
Dallas	10,936	356 "	718	1,787	10,223	388	31
San Fran.	33,264	1,913 "	300	3,633	31,844	1,803	71
<b>Totals</b>	<b>\$193,961</b>	<b>\$20,665</b>	<b>\$11,370</b>	<b>\$34,561</b>	<b>\$180,065</b>	<b>\$72,795</b>	<b>\$2,339</b>

Bills held overnight by New York for distribution to other F. R. Banks - - 51  
 " " " " " " " " " foreign correspondents - 3,222

Total - - - - \$5,612

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

6

MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDING JANUARY 29, 1930  
(000 Omitted)

	<u>1-30 days</u> <u>4 - 4 1/8%</u>	<u>31-60 days</u> <u>4 - 4 1/4%</u>	<u>61-90 days</u> <u>4 - 4 1/4%</u>	<u>Over 90-days</u> <u>4 - 4 1/2%</u>	<u>Total</u>
Boston	\$ 230	\$ 295	\$ 32	\$ 6	\$ 563
New York	8,989	4,005	2,574	6	15,574
Philadelphia	60	283	817	0	1,160
Atlanta	629	192	121	0	942
Chicago	101	27	9	0	137
Kansas City	20*	0	0	0	20
Dallas	261	21	8	66	356
San Francisco	567	1,300	12	34	1,913
Totals	<u>\$10,857</u>	<u>\$6,123</u>	<u>\$3,573</u>	<u>\$112</u>	<u>\$20,665</u>

\* Purchased at 4 1/2%.

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES DURING WEEK ENDING JANUARY 29, 1930  
(000 Omitted)

(Excluding Sales Contracts)

	<u>Government</u> <u>Securities</u>	<u>Bankers</u> <u>Acceptances</u>	<u>Total</u>
Purchased	\$4,219	\$20,665	\$24,884
Sold	4,415	0	4,415
Matured	0	34,561	34,561
		<u>\$13,896-</u>	<u>\$14,092-</u>
		822-(Net Change	822-(Net Change
		1-day holdover	1-day holdover
		& other bills)	& other bills)
Totals	<u>\$ 196-</u>	<u>\$14,718-</u>	<u>\$14,914-</u>

HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES JANUARY 29, 1930  
(000 Omitted)

(Including Sales Contracts)

	<u>Within</u> <u>15-days</u>	<u>16-30</u> <u>days</u>	<u>31-60</u> <u>days</u>	<u>61-90</u> <u>days</u>	<u>91 days-</u> <u>6 months</u>	<u>Over 6</u> <u>months</u>	<u>Total</u>
Gov't Securities	\$ 70	\$ 0	\$ 76,521	\$ 0	\$75,193	\$324,752	\$476,536
Bills Purchased	119,202	48,576	67,917	22,088	689	0	258,472
Totals	<u>\$119,272</u>	<u>\$48,576</u>	<u>\$144,438</u>	<u>\$22,088</u>	<u>\$75,882</u>	<u>\$324,752</u>	<u>\$735,008</u>

January 27, 1930

Dear Mr. Matteson:

Receipt is acknowledged of your letter of January 26th, enclosing report of transactions in Government securities and bankers' acceptances as reported to your Committee for the period from January 16, 1930 to January 22, 1930, inclusive. Your letter with enclosure will be brought to the attention of the members of the Federal Reserve Board.

Very truly yours,

E. M. McClelland,  
Assistant Secretary

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

*Mr. Riefler*  
*Smead* ✓  
*Collier*

**FEDERAL RESERVE BANK  
OF NEW YORK**

**RECEIVED**  
JAN 27 1930  
DIVISION OF RESEARCH  
AND STATISTICS

CONFIDENTIAL

January 25, 1930

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

Dear Mr. Goldenweiser:

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 16, 1930 to  
January 22, 1930 inclusive, together with data received  
by the Committee from the Federal reserve banks.

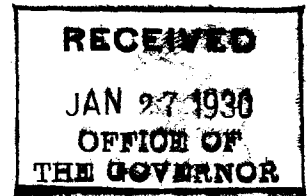
Very truly yours,

*W. B. Matteson*

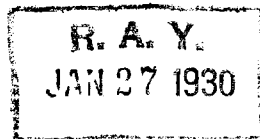
W. B. Matteson  
Secretary, Open Market  
Investment Committee

Encl.

**FEDERAL RESERVE BANK  
OF NEW YORK**



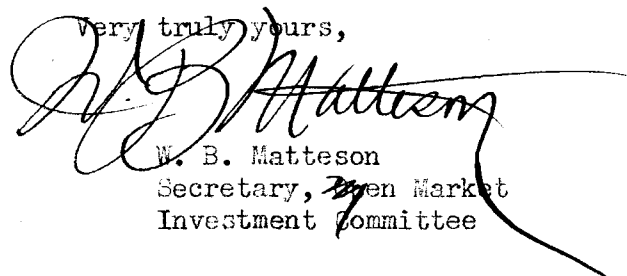
PERSONAL



January 25, 1930

Dear Governor Young:

We are enclosing, for your files, 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 16, 1930 to January 22, 1930 inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,  
  
W. B. Matteson  
Secretary, Open Market  
Investment Committee

Honorable Roy A. Young,  
Governor, Federal Reserve Board,  
Washington, D. C.

Encl.



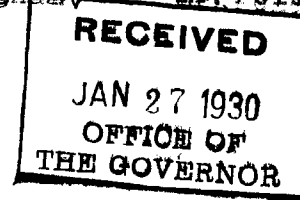
DECLASSIFIED

Authority E.O. 10501

FOR SPECIAL CIRCULATION  
 EXEMPTED FROM INDEXING, INITIAL AND RETURN TO SECRETARY'S OFFICE  
 ✓ Gov. Young  
 ✓ Mr. Platt  
 Mr. Eganlin ✓  
 Mr. Miller ✓  
 Mr. Jones ✓  
 Mr. Cunningham ✓  
 Mr. DeLo ✓

FEDERAL RESERVE BANK

OF NEW YORK

CONFIDENTIAL

January 25, 1930

Dear Governor Young:

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 16, 1930 to January 22, 1930 inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,

W. B. Matteson  
 Secretary, Open Market  
 Investment Committee

Honorable Roy A. Young,  
 Governor, Federal Reserve Board,  
 Washington, D. C.

Encl.

CONFIDENTIAL

## REPORT OF OPEN MARKET INVESTMENT COMMITTEE WEEK ENDED JANUARY 22, 1930

Holdings of Earning Assets of Federal Reserve Banks from January 23, 1929 to Date  
(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS DISCOUNTED
		Outright Purchases	Sales Contracts	Outright Purchases	Sales Contracts	
-1929-						
Jan. 23	\$1,447,391	\$199,004	\$ 3,030	\$412,646	\$41,572	\$ 782,114
Jan. 30	1,467,039	199,026	2,745	382,029	53,580	820,634
Feb. 27	1,463,032	164,985	1,415	308,308	25,767	952,482
Mar. 27	1,409,712	165,965	4,345	191,627	16,800	1,024,130
Apr. 24	1,280,601	139,112	10,670	119,244	21,931	974,513
May 29	1,258,502	137,132	7,440	103,416	14,503	988,194
June 26	1,262,428	129,717	19,810	71,207	11,632	1,016,747
July 31	1,308,014	126,579	20,704	44,988	29,579	1,075,714
Aug. 28	1,291,562	126,566	18,755	95,266	61,248	973,627
Sept. 25	1,375,467	125,973	26,086	179,449	84,485	944,399
Oct. 30	1,648,742	259,848	32,840	310,774	29,111	991,038
Nov. 27	1,514,460	322,063	4,035	250,044	7,271	912,349
Dec. 31	1,547,517	487,292	23,295	236,974	155,235	632,421
-1930-						
Jan. 15	1,259,623	476,500	2,560	203,105	120,242	442,336
Jan. 22	1,222,804	476,662	0	200,395	97,994	433,223

CHANGES IN EARNING ASSET HOLDINGS (EXCLUSIVE OF SALES CONTRACTS)  
DURING WEEK ENDED JANUARY 22, 1930  
(000 Omitted)

	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS DISCOUNTED	
	Balance Jan. 22	Net Change	Balance Jan. 22	Net Change	Balance Jan. 22	Net Change
Boston	\$ 26,873	\$ 0	\$ 10,005	\$1,311+	\$ 22,440	\$ 3,260+
New York	210,800	1-	31,400	6,766-	89,655	19,029+
Philadelphia	42,898	0	8,211	275-	50,927	1,110+
Cleveland	30,266	0	22,449	3,306+	65,590	12,079-
Richmond	9,902	0	11,494	199-	24,610	5,308-
Atlanta	8,850	17+	17,275	58+	28,668	4,216-
Chicago	70,376	0	26,441	1,971-	73,704	13,161-
St. Louis	19,266	0	13,171	507+	16,348	100-
Minneapolis	16,917	146+	8,397	1,006+	5,613	1,375+
Kansas City	3,063	0	918	971-	23,687	2,124-
Dallas	25,635	0	10,936	1,123+	11,407	1,538-
San Francisco	11,816	0	33,264	3,242+	20,574	4,639+
N. Y. holdovers and other bills			6,434	3,081-		
Totals	\$476,662	\$162+	\$200,395	\$2,710-	\$433,223	\$9,113-

COMMENT ON CHANGES WEEK ENDED JANUARY 22, 1930

Total earning assets of the System showed a decrease of \$36,819,000 for the current statement week. The approximate changes by classification consisted of an increase of \$160,000 in outright purchases of government securities and decreases of \$9,115,000 in bills discounted, \$2,710,000 in outright purchases of bankers acceptances, and \$24,810,000 in investments held under sales contracts. The latter decrease consisted of \$2,560,000 in government securities and \$22,250,000 in bankers acceptances. Bills discounted at \$433,223,000 declined to their lowest point since February 1928. At the close of the statement week there were no government securities held under sales contracts.

Money  
Market

No appreciable change occurred in the general level of money rates during the week ended January 22. Throughout the period, the call loan renewal rate was steady at 4 1/2 per cent, with declines in the new loan rate shortly after noon each day to 4 per cent on the Exchange, and to 3 1/2 per cent in the outside market. That call money was in extremely limited demand is evidenced by the fact that the amount of new loans placed on the Exchange during the week averaged less than \$8,500,000 per day, whereas the amount left unlent on the Exchange at the close averaged more than \$11,500,000, and offerings during the day were even more substantially in excess.

During the week, a moderate net outward flow of funds to other parts of the country caused a larger loss to the market than the gain through the return of currency from circulation, but, at the same time, there was a sizeable decrease in reserve requirements of the New York City banks, reflecting a decline in their deposits which accompanied a further reduction in loans on securities. The total amount of Reserve Bank credit outstanding in this market was little changed during the period. As a result of a decrease in Reserve Bank bill holdings, chiefly those under sales contract, the borrowings of the New York City banks showed a net increase of \$29,000,000 from the low figure prevailing at the close of the previous week. The average indebtedness of the banks for the period, however, was only \$44,000,000, as against an average of \$69,000,000 for the previous week.

The time money market was largely nominal, particularly during the latter part of the week. Quotations for 60-day to 6 months' money continued to be 4 1/2 per cent bid, 4 3/4 per cent asked.

The rate range for commercial paper remained 4 3/4 to 5 per cent. A continued good investment demand was reported throughout the country, with the exception of New York City. The dealers generally reported that the creation of new paper was hardly keeping pace with the investment demand.

Government  
Security  
Market

The market for United States Government securities continued dull during the current statement week. Offerings were substantially in excess of the demand and dealers' portfolios continued to increase in volume. Prices of all issues declined fractionally with some of the long-term bonds showing large fractional losses for the week.

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

<u>Issue</u>				<u>Price</u>		<u>Net</u>	<u>Approx.</u>
						<u>Change</u>	<u>Yield</u>
5 1/8% Cert.	of Ind.	due Mar.	15, 1930	100	7/32	-1/32	3.46
4 7/8%	" "	" "	June 16, 1930	100	16/32	-2/32	3.56
3 1/8%	" "	" "	Sept. 15, 1930	99	19/32	-5/32	3.77
3 1/2% Treasury Notes	"	Mar.	15, 1932	99	8/32	-6/32	3.87
3 1/2%	" "	" "	Sept. 15, 1932	99	8/32	-6/32	3.80
3 1/2%	" "	" "	Dec. 15, 1932	99	8/32	-6/32	3.77

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

Issue	Price	Net Change	Issue	Price	Net Change
1st 3 1/2s	99 1/32	-11/32	Treas. 4s 1944-54	106	-28/32
1st 4 1/4s	100 10/32	-12/32	" 4 1/4s 1947-52	110 5/32	-25/32
4th 4 1/4s	100 28/32	- 2/32	" 3 3/4s 1946-56	103 6/32	-25/32
			3 3/8s 1943-47	99 6/32	- 6/32
			3 3/8s 1940-43	99 8/32	- 4/32

Bankers  
Acceptances

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

Reports  
week  
ending  
Jan. 22

Boston reports that there was very little change in the local bill market conditions from the previous week. The supply remained about the same as the previous week with a slight improvement noticed in the demand. Offerings to the Reserve Bank were not as large as in the preceding week. There was a scarcity of short bills and dealers were obliged to receive the desired maturities from their offices in other cities. In New York there was a fairly good demand for bills throughout the week and came principally from banks who were buying for the account of foreign correspondents. The supply of new bills was light. Dealers' sales exceeded purchases substantially and their aggregate portfolios decreased by about \$27,000,000. Rates were unchanged. Philadelphia reports that its acceptance market reflected little change from the previous week. There was a fair amount of buying and dealers reported a material decrease in portfolios. Offerings continued substantial. Chicago reports that the large banks continued to increase their acceptance liability. The demand continued small. Dallas reports that there was very little change in its bill market as compared with the previous week, the demand during both weeks being practically the same. The demand for bills has been slackening since the first of the year and probably will continue to decline due to seasonal influences. Offerings to the Reserve Bank were very light and consisted almost entirely of thirty day bills.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

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

Sales of \$2,000,000 - 4 1/4% Fourth Liberty Loan bonds, account Government Life Insurance Fund  
 200,000 - 4 7/8% certificates of indebtedness, due June 16, 1930, account Alien Property Custodian  
 35,000 - 2 % Panamas of 1936, account Comptroller of the Currency  
 347,500 - 2 % Consols of 1930, account Comptroller of the Currency  
\$2,582,500 - Total Sales

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

There was no transaction in the System Special Investment Account during the current statement week, the total holdings remained unchanged at the close of business Wednesday, January 22, 1930, at \$277,500,000. The participation by Federal reserve banks and the classification of issues at the close of the statement week are as follows:

PARTICIPATION BY FEDERAL RESERVE BANKSRECAPITULATION OF HOLDINGS BY MATURITIES

Boston	\$ 26,129,000	Mar. 15, 1930 - 5 1/8% C/I	\$ 18,310,000
New York	97,300,500	Mar. 17, 1930 - Treas. Bills	50,250,000
Philadelphia	27,876,000	June 16, 1930 - 4 7/8% C/I	46,800,000
Cleveland	20,101,000	Sept. 15, 1930 - 3 1/8% "	64,825,000
Richmond	8,749,500	Mar. 15, 1932 - 3 1/2% T/N	12,360,000
Atlanta	6,226,000	Sept. 15, 1932 - 3 1/2% "	12,225,000
Chicago	50,448,500	Dec. 15, 1932 - 3 1/2% "	38,780,000
St. Louis	10,641,000	4th 4 1/4% Liberty bonds	33,950,000
Minneapolis	9,147,500		
Kansas City	3,060,000		
Dallas	15,647,500		
San Francisco	2,173,500		
Totals	<u>\$277,500,000</u>		<u>\$277,500,000</u>

5

STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF ALL FEDERAL  
RESERVE BANKS FROM JANUARY 16 TO JANUARY 22, 1930, INCLUSIVE

TRANSACTIONS IN GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>
New York	\$12,740,000	Misc. Gov't Sec.	\$12,740,300	Misc. Gov't Sec.
Atlanta	224,450	" " "	207,900	" " "
Minneapolis	770,850	" " "	624,850	" " "
Totals	<u>\$13,735,300</u>		<u>\$13,573,050</u>	

BANKERS ACCEPTANCES  
(000 Omitted)

	<u>Holdings</u>	<u>Purchased</u>	<u>By Allot-</u>	<u>Matur-</u>	<u>Holdings</u>	<u>Other Holdings</u>	
	<u>Jan.15</u>	<u>Own Mkt.</u>	<u>ment from</u>	<u>ities</u>	<u>Jan.22</u>	<u>Close Jan.22/30</u>	
			<u>New York</u>	<u>&amp; Sales</u>		<u>Sales</u>	<u>Other</u>
						<u>Contracts</u>	<u>Bills</u>
Boston	\$ 8,694	\$ 1,627 R.	0	\$ 316	\$ 10,005	\$ 8,340	\$ 76
New York	38,166	5,370 "	0	12,136	31,400	81,527	339
		18,215 A.					
Phila.	8,486	1,608 R.	0	1,883	8,211	0	100
Cleveland	19,143	0	3,740	434	22,449	0	107
Richmond	11,693	473 "	1,735	2,407	11,494	0	43
Atlanta	17,217	965 "	1,710	2,617	17,275	0	1,439
Chicago	28,412	1,107 "	3,464	6,542	26,441	2,960	138
St. Louis	12,664	0	2,330	1,823	13,171	0	57
Minn.	7,391	0	1,581	575	8,397	0	24
Kan. City	1,889	0	0	971	918	0	31
Dallas	9,813	592 "	1,525	994	10,936	330	31
San Fran.	30,022	3,761 "	2,130	2,649	33,264	4,837	71
Totals	\$193,590	\$33,718	\$18,215	\$33,347	\$193,961	\$97,994	\$2,436

Bills held overnight by New York for distribution to other F. R. Banks - - 3,998

Total - - - - \$6,434

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

MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDING JANUARY 22, 1930  
(000 Omitted)

	<u>1-30 days</u> <u>4 - 4 1/4%</u>	<u>31-60 days</u> <u>4 - 4 1/4%</u>	<u>61-90 days</u> <u>4 - 4 1/4%</u>	<u>Over 90 days</u> <u>4%</u>	<u>Total</u>
Boston	\$ 651	\$ 736	\$ 187	\$53	\$ 1,627
New York	13,780	6,889	2,916	0	23,585
Philadelphia	101	269	1,238	0	1,608
Richmond	133	195	145	0	473
Atlanta	158	159	648	0	965
Chicago	104	973	30	0	1,107
Dallas	477	99	16	0	592
San Fran.	<u>641</u>	<u>1,498</u>	<u>1,622</u>	<u>0</u>	<u>3,761</u>
Totals	<u>\$16,045</u>	<u>\$10,818</u>	<u>\$6,802</u>	<u>\$53</u>	<u>\$33,718</u>

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES DURING WEEK ENDING JANUARY 22, 1930  
(000 Omitted)

(Excluding Sales Contracts)

	<u>Government</u> <u>Securities</u>	<u>Bankers</u> <u>Acceptances</u>	<u>Total</u>
Purchased	\$13,735	\$33,718	\$47,453
Sold	13,573	0	13,573
Matured	0	<u>33,347</u>	<u>33,347</u>
		\$ 371+	\$ 533+
		<u>3,081-(Net Change</u>	<u>3,081-(Net Change</u>
		1-day holdover	1-day holdover
		& other bills)	& other bills)
Totals	<u>\$ 162+</u>	<u>\$ 2,710-</u>	<u>\$ 2,546-</u>

HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES JANUARY 22, 1930  
(000 Omitted)

(Including Sales Contracts)

	<u>Within</u> <u>15-days</u>	<u>16-30</u> <u>days</u>	<u>31-60</u> <u>days</u>	<u>61-90</u> <u>days</u>	<u>91-days</u> <u>6 months</u>	<u>Over 6</u> <u>months</u>	<u>Total</u>
Gov't Securities	\$ 0	\$ 0	\$ 79,981	\$ 0	\$71,878	\$324,803	\$476,662
Bills Purchased	<u>154,156</u>	<u>41,457</u>	<u>70,537</u>	<u>31,355</u>	<u>884</u>	<u>0</u>	<u>298,389</u>
Totals	<u>\$154,156</u>	<u>\$41,457</u>	<u>\$150,518</u>	<u>\$31,355</u>	<u>\$72,762</u>	<u>\$324,803</u>	<u>\$775,051</u>

January 18, 1930

Dear Mr. Matteson:

I acknowledge receipt of and shall bring to the attention of the members of the Federal Reserve Board your letter of January 17th, enclosing report of transactions in Government securities and bankers' acceptances as reported to your Committee for the period from January 9, 1930 to January 15, 1930 inclusive.

Very truly yours,

E. M. McClelland,  
Assistant Secretary

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



*Mr. Riefler ✓  
Smead ✓  
Callier*

**FEDERAL RESERVE BANK  
OF NEW YORK**

RECEIVED  
JAN 18 1930  
DIVISION OF RESEARCH  
AND STATISTICS

CONFIDENTIAL

January 17, 1930

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

Dear Mr. Goldenweiser:

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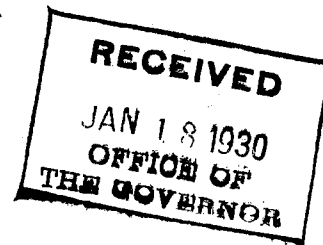
Very truly yours,



W. B. Matteson  
Secretary, Open Market  
Investment Committee

Encl.

**FEDERAL RESERVE BANK  
OF NEW YORK**

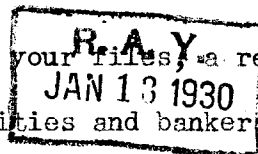


P E R S O N A L

January 17, 1930

Dear Governor Young:

We are enclosing, for your files, 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 9, 1930 to January 15, 1930 inclusive, together with data received by the Committee from the Federal reserve banks.



Very truly yours,

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

W. B. Matteson  
Secretary, Open Market  
Investment Committee

Honorable Roy A. Young,  
Governor, Federal Reserve Board,  
Washington, D. C.

Encl.

DECLASSIFIED

Authority E.O. 10501

FOR SPECIAL CIRCULATION

PLEASE READ CAREFULLY, INITIAL AND RETURN TO SECRETARY'S OFFICE

✓ Gov. Young    Mr. Hamlin ✓    Mr. Jones ✓  
 Mr. Platt ✓    Mr. Miller ✓    Mr. Cunningham ✓    Mr. Foley ✓

FEDERAL RESERVE BANK

OF NEW YORK

RECEIVED

JAN 18 1930  
 OFFICE OF  
 THE GOVERNOR

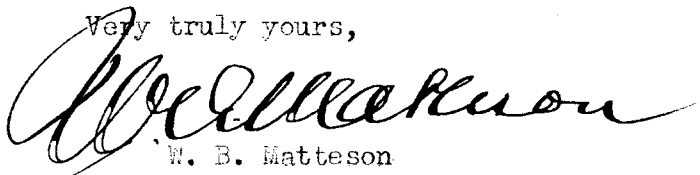
CONFIDENTIAL

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Very truly yours,



W. B. Matteson  
 Secretary, Open Market  
 Investment Committee

Honorable Roy A. Young,  
 Governor, Federal Reserve Board,  
 Washington, D. C.

Encl.

CONFIDENTIAL

## REPORT OF OPEN MARKET INVESTMENT COMMITTEE WEEK ENDED JANUARY 15, 1930

Holdings of Earning Assets of Federal Reserve Banks from January 16, 1929 to Date  
(000 Omitted)

		TOTAL EARNING ASSETS	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS DISCOUNTED
			Outright Purchases	Sales Contracts	Outright Purchases	Sales Contracts	
-1929-							
Jan.	16	\$1,551,231	\$208,008	\$30,335	\$420,651	\$60,588	\$ 821,824
Jan.	30	1,467,039	109,026	2,745	382,029	53,580	820,634
Feb.	27	1,463,032	164,985	1,415	308,308	25,767	952,482
Mar.	27	1,409,712	165,965	4,345	191,627	16,800	1,024,130
Apr.	24	1,280,601	139,112	10,670	119,244	21,931	974,513
May	29	1,258,502	137,132	7,440	103,416	14,503	988,194
June	26	1,262,428	129,717	19,810	71,207	11,632	1,016,747
July	31	1,308,014	126,579	20,704	44,988	29,579	1,075,714
Aug.	28	1,291,562	126,566	18,755	95,266	61,248	973,627
Sept.	25	1,375,467	125,973	26,086	179,449	84,485	944,399
Oct.	30	1,648,742	259,848	32,840	310,774	29,111	991,038
Nov.	27	1,514,460	322,063	4,035	250,044	7,271	912,349
Dec.	31	1,547,517	487,292	23,295	236,974	155,235	632,421
-1930-							
Jan.	8	1,384,324	476,542	8,300	197,257	121,910	567,615
Jan.	15	1,259,623	476,500	2,560	203,105	120,242	442,336

CHANGES IN EARNING ASSET HOLDINGS (EXCLUSIVE OF SALES CONTRACTS)  
DURING WEEK ENDED JANUARY 15, 1930  
(000 Omitted)

	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS DISCOUNTED	
	Balance Jan. 15	Net Change	Balance Jan. 15	Net Change	Balance Jan. 15	Net Change
Boston	\$ 26,873	\$1,023+	\$ 8,694	\$2,818+	\$ 19,180	\$ 3,264-
New York	210,801	3,810+	38,166	1,230-	70,626	60,551-
Philadelphia	42,898	1,092+	8,486	1,225+	49,817	6,878-
Cleveland	30,266	787+	19,143	1,772+	77,669	1,301-
Richmond	9,902	343+	11,693	523+	29,918	2,643-
Atlanta	8,833	18-	17,217	46-	32,884	2,744-
Chicago	70,376	1,976+	28,412	1,234+	86,865	10,054-
St. Louis	19,266	10,000-	12,664	2,401+	16,448	2,422-
Minneapolis	16,771	333+	7,391	130+	4,238	4,966-
Kansas City	3,063	0	1,889	1,497-	25,811	7,468-
Dallas	25,635	612+	9,813	995+	12,945	3,225-
San Francisco	11,816	0	30,022	4,095+	15,935	19,763-
N.Y. holdovers and other bills			9,515	6,574-		
Totals	\$476,500	\$ 42-	\$203,105	\$5,848+	\$442,336	\$125,279-

COMMENT ON CHANGES WEEK ENDED JANUARY 15, 1930

Total earning assets of the System showed a decrease of \$124,701,000 for the current statement week. The approximate changes by classification consisted of an increase of \$5,850,000 in outright purchases of bankers acceptances and decreases of \$40,000 in outright purchases of government securities, \$125,280,000 in bills discounted and \$7,410,000 in investments held under sales contracts. The latter decrease consisted of \$5,740,000 in government securities and \$1,670,000 in bankers acceptances. Bills discounted at \$442,336,000 were at their lowest point since February 1928.

Money  
Market

Call money began the period under review at rates unchanged from the level prevailing at the close of the previous week which was a 4 1/2 per cent renewal followed before the close of the day by a decline in the new loan rate to 4 per cent on the Exchange and to 3 1/2 per cent in the outside market. In the three business days prior to the 15th, however, the Exchange rate held all day at the renewal level and money was not available in the outside market at concessions. On the 15th, there was a return of the easier conditions, which first developed early in the month; the rate for the new loans on the Exchange again was reduced to 4 per cent from the 4 1/2 per cent renewal figure and outside loans were to be had at 3 1/2 per cent. In general, the call loan market closed the week in the same condition as at the beginning, and the only change of note for the week was the slight firmness that developed on the approach of the mid-month interest and dividend date.

For the week as a whole there was a continued movement of funds into New York from other parts of the country and also a further reduction in currency circulation, which, together with a moderate increase in Reserve Bank bill holdings, permitted the retirement of more than \$60,000,000 of New York City borrowings. On January 14, the money market banks were completely out of debt at the Reserve Bank, for the first time since November 26, 1924, and on the following day their indebtedness was less than \$20,000,000.

Time money was quoted throughout the week at 4 1/2 bid, 4 3/4 per cent asked, with little actual trading done. Ninety day loans were made in small amounts at 4 3/4 per cent and 60s at 4 1/2 per cent.

The prevailing quotation for prime commercial paper declined during the latter part of the week to a range of 4 3/4 - 5 per cent. Sales at 4 3/4 per cent, which during the latter part of the previous week had applied only to especially prime names of short maturity, this week included a sizable volume of the regularly quoted prime paper of the usual maturity. There generally was an active demand for paper on the part of the banks, and in fact this inquiry was reported by the dealers to have been in more satisfactory volume than the amount of new paper coming into the market from commercial borrowers.

Government  
Security  
Market

There was very little demand in the market for United States Government securities during the current statement week. Some good sized blocks (principally short-term issues) were offered in the market as a result of which dealers' portfolios increased materially and prices of all issues showed fractional losses for the week.

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

<u>Issue</u>		<u>Price</u>	<u>Net Change</u>	<u>Approx. Yield</u>
5 1/8% Cert. of Ind. due Mar.	15, 1930	100 8/32	-3/32	3.46
4 7/8% " " " " June	16, 1930	100 18/32	-4/32	3.47
3 1/8% " " " " Sept.	15, 1930	99 24/32	-4/32	3.51
3 1/2% Treasury Notes " Mar.	15, 1932	99 14/32	-6/32	3.77
3 1/2% " " " " Sept.	15, 1932	99 14/32	-6/32	3.72
3 1/2% " " " " Dec.	15, 1932	99 14/32	-6/32	3.70
U. S. Treasury Bills " Mar.	17, 1930	3 5/8% to 3 1/8% discount		

## 3

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

Issue	Price	Net Change	Issue	Price	Net Change
1st 3 1/2s	99 12/32	- 4/32	Treas. 4s 1944-54	106 28/32	-17/32
1st 4 1/4s	100 22/32	- 8/32	" 4 1/4s 1947-52	110 30/32	-12/32
4th 4 1/4s	100 30/32	-10/32	" 3 3/4s 1946-56	103 31/32	-14/32
			" 3 3/8s 1943-47	99 12/32	-11/32
			" 3 3/8s 1940-43	99 12/32	- 4/32

Bankers  
Acceptances

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

Reports  
week  
ending  
Jan. 15

In Boston dealers reported a good supply of bills during the past week with the demand only fair. Bills as a whole did not move freely with little preference shown as to maturities. Total sales by dealers were about the same as the previous week and included \$3,000,000 to the Reserve bank, the heaviest since last summer. Most of these bills were offered on sales contract. Accepting banks had fewer new bills to offer although the supply was more than ample for the demand. Bills forwarded to offices in other cities exceeded the amount of bills from such offices. The Reserve bank's portfolio showed a slight increase. In New York the supply of bills fell off substantially this week as compared with the past few weeks. The demand also fell off but was about equal to the supply. The expected investment demand did not develop and at the close of last week dealers, whose portfolios were very high, increased their bid and asked rates 1/8 per cent on 30s, 60s and 90s to 4 1/8 bid, 4 per cent asked. Endorsed bills 1/8 less. This resulted in substantial offerings to the Reserve bank for System Account this week by banks. Dealers also sold the same bank substantial amounts of the shorter maturities during the week and reduced their aggregate portfolios by approximately \$28,000,000. Philadelphia reports that its acceptance market was less active. Dealers' offerings to the Reserve bank at its rates were quite substantial with very little outside buying. There were few new bills on the market and dealers' portfolios were lower. In Chicago dealers reported continued dullness in the bill market. Dallas reports that the bill market in its district was quiet during the past week; offerings to the Reserve bank were less than during the previous week.

OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

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

Sale of \$	900,000	-	4 7/8%	certificates of indebtedness due June 16, 1930	account Alien Property Custodian
	1,000,000	-	4 1/4%	Fourth Liberty Loan bonds, account Government Life Insurance Fund	
	125,000	-	3 1/2%	Treasury notes due March 15, 1930-32, account German Special Deposit Account	
<u>\$2,025,000</u>	<u>Total Sales</u>				

During the current statement week the Open Market Investment Committee took over from the Federal Reserve Bank of St. Louis and apportioned to the other participating banks \$10,000,000 of its participation of government securities in the System Account. These securities were taken over at the market prices at the request of the Federal Reserve Bank of St. Louis owing to its reaching a point where it may have difficulty in providing collateral against notes, as mentioned in last week's report. This transaction did not affect the amount of the total holdings in the Account, which remained unchanged at the close of business Wednesday, January 15, 1930, at \$277,500,000. The participation by Federal reserve banks and the classification of issues at the close of the statement week are as follows:

PARTICIPATION BY FEDERAL RESERVE BANKS

Boston	\$ 26,129,000
New York	97,300,500
Philadelphia	27,876,000
Cleveland	20,101,000
Richmond	8,749,500
Atlanta	6,226,000
Chicago	50,448,500
St. Louis	10,641,000
Minneapolis	9,147,500
Kansas City	3,060,000
Dallas	15,647,500
San Francisco	2,173,500

Totals	<u>\$277,500,000</u>
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RECAPITULATION OF HOLDINGS BY MATURITIES

Mar. 15, 1930 - 5 1/8% C/I	\$ 18,310,000
Mar. 17, 1930 - Treas. Bills	50,250,000
June 16, 1930 - 4 7/8% C/I	46,300,000
Sept. 15, 1930 - 3 1/8% "	64,825,000
Mar. 15, 1932 - 3 1/2% T/N	12,360,000
Sept. 15, 1932 - 3 1/2% "	12,225,000
Dec. 15, 1932 - 3 1/2% "	38,780,000
4th 4 1/4% Liberty Bonds	33,950,000

<u>\$277,500,000</u>
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	<u>Purchases</u>	<u>Sale</u>
Boston	\$ 1,023,000	\$ 0
New York	3,810,000	0
Philadelphia	1,091,500	0
Cleveland	787,000	0
Richmond	342,500	0
Chicago	1,975,500	0
St. Louis	0	10,000,000
Minneapolis	358,000	0
Dallas	612,500	0
	<u>          </u>	<u>          </u>
Totals	<u>\$10,000,000*</u>	<u>\$10,000,000*</u>

### OTHER TRANSACTIONS IN GOVERNMENT SECURITIES

BANKERS ACCEPTANCES  
(000 Omitted)

Bills held over night by New York for distribution to other F. R. Banks -	6,928
" " " " " " " " " " foreign correspondents	28

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



6

MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDING JANUARY 15, 1930  
(000 Omitted)

	<u>1-30 days</u> <u>4 - 4 1/8%</u>	<u>31-60 days</u> <u>4%</u>	<u>61-90 days</u> <u>4 - 4 1/8%</u>	<u>Over 90-days</u> <u>4%</u>	<u>Total</u>
Boston	\$ 204	\$ 1,073	\$ 1,449	\$633	\$ 3,359
New York	16,888	25,478	8,851	222	51,439
Philadelphia	3	742	1,093	0	1,838
Richmond	560	0	90	0	650
Atlanta	144	116	43	0	303
Chicago	195	763	17	0	975
Kansas City	20***	0	0	0	20
Dallas	244	105**	101	35	483
San Francisco	428	2,722	1,811	0	4,961
Totals	<u>\$18,686</u>	<u>\$30,999</u>	<u>\$13,455</u>	<u>\$888</u>	<u>\$64,028</u>

\*Purchased at 3 7/8 to 4%,      \*\* Purchased at 4 1/2%.

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES DURING WEEK ENDING JANUARY 15, 1930  
(000 Omitted)

(Excluding Sales Contracts)

	<u>Government</u> <u>Securities</u>	<u>Bankers</u> <u>Acceptances</u>	<u>Total</u>
Purchased	\$11,779	\$64,028	\$75,807
Sold	11,821	0	11,821
Matured	0	51,606	51,606
		<u>\$12,422+</u>	<u>\$12,380+</u>
		6,574-(Net Change	6,574-(Net Change
		1-day holdover	1-day holdover
		& other bills)	& other bills)
Totals	<u>\$ 42-</u>	<u>\$ 5,848+</u>	<u>\$ 5,806+</u>

HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES JANUARY 15, 1930  
(000 Omitted)

(Including Sales Contracts)

	<u>Within</u> <u>15-days</u>	<u>16-30</u> <u>days</u>	<u>31-60</u> <u>days</u>	<u>61-90</u> <u>days</u>	<u>91-days</u> <u>6 months</u>	<u>Over 6</u> <u>months</u>	<u>Total</u>
Gov't Securities	\$ 2,560	\$ 0	\$26,839	\$61,450	\$64,977	\$323,234	\$479,060
Bills Purchased	190,321	34,104	65,473	32,273	1,177	0	323,348
Totals	<u>\$192,881</u>	<u>\$34,104</u>	<u>\$92,312</u>	<u>\$93,723</u>	<u>\$66,154</u>	<u>\$323,234</u>	<u>\$802,408</u>

January 11, 1930

Dear Mr. Matteson:

I acknowledge receipt of your letter of the 10th instant, enclosing report of transactions in Government securities and bankers' acceptances as reported to your Committee for the period from January 2, 1930 to January 8, 1930, inclusive.

Very truly yours,

E. M. McClelland,  
Assistant Secretary

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

*Mr. Riefler  
J. M. Smead  
Callahan*

**FEDERAL RESERVE BANK  
OF NEW YORK**

**RECEIVED**  
JAN 11 1930  
DIVISION OF RESEARCH  
AND STATISTICS

CONFIDENTIAL

January 10, 1930

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

Dear Mr. Goldenweiser:

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, 1930 to January 8, 1930 inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,

*W. B. Matteson*

W. B. Matteson  
Secretary, Open Market  
Investment Committee

Encl.

**FEDERAL RESERVE BANK  
OF NEW YORK**

R. A. Y.  
JAN 1 1930

P E R S O N A L

January 10, 1930

Dear Governor Young:

We are enclosing, for your files, 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, 1930 to January 8, 1930 inclusive, together with data received by the Committee from the Federal reserve banks.

Very truly yours,



W. B. Matteson  
Secretary, Open Market  
Investment Committee

Honorable Roy A. Young,  
Governor, Federal Reserve Board,  
Washington, D. C.

Encl.

## FOR SPECIAL CIRCULATION

PLEASE READ PROMPTLY, INITIAL AND RETURN TO SECRETARY'S OFFICE

✓ Gov. Young

Mr. Hamlin ✓

Mr. James ✓

✓ Mr. Platt

Mr. Miller ✓

Mr. Cunningham ✓

Mr. Pole ✓

FEDERAL RESERVE BANK

OF NEW YORK

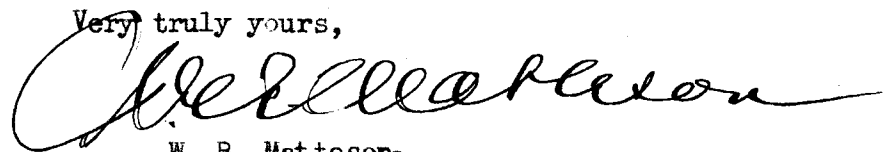
CONFIDENTIAL

January 10, 1930

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Very truly yours,



W. B. Matteson  
Secretary, Open Market  
Investment Committee

Honorable Roy A. Young,  
Governor, Federal Reserve Board,  
Washington, D. C.

CONFIDENTIAL

## REPORT OF OPEN MARKET INVESTMENT COMMITTEE WEEK ENDED JANUARY 8, 1930

Holdings of Earning Assets of Federal Reserve Banks from Jan. 9, 1929 to Date  
(000 Omitted)

	TOTAL EARNING ASSETS	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS
		Outright	Sales	Outright	Sales	DISCOUNTED
-1929-		Purchases	Contracts	Purchases	Contracts	
Jan. 9	\$1,602,714	\$196,992	\$42,250	\$425,802	\$51,298	\$ 876,547
Jan. 30	1,437,039	109,026	2,745	382,029	53,580	820,634
Feb. 27	1,463,032	164,985	1,415	308,308	25,767	952,482
Mar. 27	1,409,712	165,965	4,345	191,627	16,800	1,024,130
Apr. 24	1,280,601	139,112	10,670	119,244	21,931	974,513
May 29	1,258,502	137,132	7,440	103,416	14,503	988,194
June 26	1,262,428	129,717	19,810	71,207	11,632	1,016,747
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Aug. 28	1,291,562	126,566	18,755	95,266	61,248	973,627
Sept. 25	1,375,467	125,973	26,086	179,449	84,485	944,399
Oct. 30	1,648,742	259,848	32,840	310,774	29,111	991,038
Nov. 27	1,514,460	322,063	4,035	250,044	7,271	912,349
Dec. 31	1,547,517	487,292	23,295	236,974	155,235	632,421
-1930-						
Jan. 8	1,384,324	476,542	8,300	197,257	121,910	567,615

CHANGES IN EARNING ASSET HOLDINGS (EXCLUSIVE OF SALES CONTRACTS)  
DURING WEEK ENDED JANUARY 8, 1930  
(000 Omitted)

	GOVERNMENT SECURITIES		BANKERS ACCEPTANCES		BILLS DISCOUNTED	
	Balance	Net	Balance	Net	Balance	Net
	Jan. 8	Change	Jan. 8	Change	Jan. 8	Change
Boston	\$ 25,850	\$ 0	\$ 5,876	\$ 2,106+	\$ 22,444	\$ 4,200-
New York	206,991	10,365-	39,396	15,460-	131,177	40,582-
Philadelphia	41,806	0	7,261	1,180-	56,695	9,082-
Cleveland	29,479	0	17,371	5,426-	78,970	2,251+
Richmond	9,559	0	11,170	2,119-	32,561	6,378-
Atlanta	8,851	94-	17,263	566-	35,628	6,281+
Chicago	68,400	0	27,178	5,211-	96,919	15,749-
St. Louis	29,266	0	10,263	528+	18,870	932+
Minneapolis	16,438	435-	7,261	651+	9,204	973-
Kansas City	3,063	0	3,386	4,775-	33,279	3,630+
Dallas	25,023	145+	8,818	9-	16,170	2,879+
San Francisco	11,816	0	25,925	765-	35,698	3,815-
N.Y. holdovers and other bills			16,089	7,491-		
Totals	\$476,542	\$10,749-	\$197,257	\$39,717-	\$567,615	\$64,806-

COMMENT ON CHANGES WEEK ENDED JANUARY 8, 1930

Total earning assets of the System showed a decrease of \$163,193,000 for the current statement week. The approximate changes by classification consisted of decreases of \$10,750,000 and \$39,715,000 respectively, in outright purchases of government securities and bankers acceptances, \$64,805,000 in bills discounted and \$48,320,000 in investments held under sales contracts. The latter decrease consisted of \$14,995,000 in government securities and \$33,325,000 in bankers acceptances. Bills discounted are now under \$600,000,000.

Money  
Market

Immediately after the turn of the year there was the usual seasonal movement of call money rates to lower levels. On Thursday, January 2, the Exchange rate held steady at 6 per cent, but outside accommodation was arranged at 5 1/2 per cent, and on Friday the Exchange rate declined from a renewal level of 6 per cent to a closing rate of 5 per cent. On Monday there was a reduction from 5 to 4 1/2 per cent, and on each of the succeeding two days from 4 1/2 renewal rate to 4 per cent close. The demand for funds, evidenced by the volume of new loans actually placed, was small, and as offerings were rather large, concessions were made in the outside market on each of the days under review. Outside market rates worked as low as 3 1/2 and 3 per cent in the latter part of the week. This easing in rates accompanied a marked decline in the reserve requirements of the New York City banks, reflecting in part the return to the call loan market of funds withdrawn at the year-end by out-of-town banks and others, and the consequent retirement of call loans which had been taken over temporarily by the New York City banks. Other important elements of ease were the continued return of currency to the Reserve Bank and a substantial inflow of funds to New York from other parts of the country, following reductions in the amount of currency in circulation outside of New York. These gains of funds resulted in a liquidation of over \$100,000,000 of Reserve Bank credit outstanding in this market; decreases in Federal Reserve bill and security holdings accounted for the larger part of this reduction, but the New York City banks also were able to effect a net retirement of \$30,000,000 of borrowings.

Time money was fairly active at the opening of the period, with short dated loans made at 4 3/4 per cent. Later in the period, the nominal quotation eased slightly to 4 1/2 bid, 4 3/4 per cent offered, as against 4 3/4 bid, 5 per cent offered in the previous week, but the volume of loans placed generally was very small.

The prevailing rate for prime commercial paper remained 5 per cent, though toward the end of the week a small volume of especially choice paper of short maturity was sold at 4 3/4 per cent, a condition which has not prevailed since about the middle of December. The indications are that the anticipated improvement in both the demand for and supply of paper after the first of the year has to some extent become a reality.

Government  
Security  
Market

The trading in Government issues has been light with the demand chiefly for the long-term bonds, most of which advanced fractionally in price. On the other hand, there was some selling during the current statement week of the short-term Governments which had been fairly heavily purchased during the last few days of the year for tax purposes, which resulted in these issues showing fractional losses in price for the week.

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

	<u>Issue</u>	<u>Price</u>	<u>Net Change</u>	<u>Approx. Yield</u>
5 1/8% Cert. of	Ind. due Mar. 15, 1930	100 11/32	-5/32	3.12
4 7/8% " " "	June 16, 1930	100 22/32	-5/32	3.24
3 1/8% " " "	Sept. 15, 1930	99 28/32	-3/32	3.31
3 1/2% Treasury Notes	" Mar. 15, 1932	99 20/32	-3/32	3.65
3 1/2% " " "	Sept. 15, 1932	99 20/32	-3/32	3.63
3 1/2% " " "	Dec. 15, 1932	99 20/32	-3/32	3.62
U. S. Treasury Bills	" Mar. 17, 1930	3 1/4% to 2 7/8% discount		

3

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

<u>Issue</u>	<u>Price</u>	<u>Net Change</u>		<u>Issue</u>	<u>Price</u>	<u>Change</u>
1st 3 1/2s	99 16/32	- - -	Treas. 4s	1944-54	107 13/32	+3/32
1st 4 1/4s	100 30/32	- 8/32	"	4 1/4s 1947-52	111 10/32	+4/32
4th 4 1/4s	101 8/32	- 4/32	"	3 3/4s 1946-56	104 13/32	+6/32
			"	3 3/8s 1943-47	99 23/32	+9/32
			"	3 3/8s 1940-43	99 16/32	+2/32

Bankers  
Acceptances

Dealers' offerings of unendorsed bankers acceptances were at the following rates during the current statement week: 3 7/8 per cent for 30s, 60s and 90s, 4 per cent for 120s and 4 1/8 per cent for 180-day bills, which represents a reduction of 1/8 per cent on 30s, 60s and 90s.

Reports  
week  
ending  
Jan. 8

Boston reports that bill dealers in its district had more bills to offer during the past week than for several months past, with the demand only fair. As dealers' portfolios have been fairly heavy for several weeks, with the demand only moderate, they were obliged to forward over \$9,500,000 of their acceptances to their offices in other cities. Offerings to the Reserve Bank increased somewhat during the past period, most of the bills offered being held on sales contract. In New York the supply of bills continued very heavy during the week. The outside demand, while better than it has been for the past few weeks, was exceeded very substantially by the supply and dealers' aggregate portfolios increased by about \$40,000,000 to the highest point they have ever been. Offerings to the Reserve Bank for System Account were light. Philadelphia reports that its bill market was a little more active during the past week. New bills in its district were principally cotton bills. Dealers reported portfolios very high and offerings heavier than for some time. The demand while narrow showed some improvement. Chicago reports that there was practically no demand in its district for bills at the present rates. Dallas reports that its local market was rather quiet during the statement week with some improvement reflected in the demand. Offerings to the Reserve Bank were slightly larger than during the previous week, consisting principally of very short maturities.



OPERATIONS FOR ACCOUNT OF UNITED STATES TREASURY

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

Sale of \$	500,000	-	4	7/8%	certificates of indebtedness, due June 16, 1930,	
					account Government Life Insurance Fund	
	2,000,000	-	4	1/4%	Fourth Liberty Loan bonds, account Government	
					Life Insurance Fund	
	1,500,000	-	4	7/8%	certificates of indebtedness, due June 16, 1930,	
					account Alien Property Custodian	
	150,000	-	3	1/2%	Treasury notes, due March 15, 1930-32, account	
					German Special Deposit Account	
<u>\$4,150,000</u>	<u>Total Sales</u>					

SYSTEM SPECIAL INVESTMENT ACCOUNT - GOVERNMENT SECURITIES

There was no transaction in the System Special Investment Account during the current statement week, the total holdings remained unchanged at the close of business Wednesday, January 8, 1930, at \$277,500,000. The participation by Federal reserve banks and the classification of issues at the close of the statement week are as follows:

PARTICIPATION BY FEDERAL RESERVE BANKSRECAPITULATION OF HOLDINGS BY MATURITIES

Boston	\$ 25,106,000	Mar. 15, 1930 - 5 1/8% C/I	\$ 18,310,000
New York	93,490,500	Mar. 17, 1930 - Treasury Bills	50,250,000
Philadelphia	26,784,500	June 16, 1930 - 4 7/8% C/I	46,800,000
Cleveland	19,314,000	Sept. 15, 1930 - 3 1/8% "	64,825,000
Richmond	8,407,000	Mar. 15, 1932 - 3 1/2% T/N	12,360,000
Atlanta	6,226,000	Sept. 15, 1932 - 3 1/2% "	12,225,000
Chicago	48,473,000	Dec. 15, 1932 - 3 1/2% "	38,780,000
St. Louis	20,641,000	4th 4 1/4% Liberty Bonds	33,950,000
Minneapolis	8,789,500		
Kansas City	3,060,000		
Dallas	15,035,000		
San Francisco	<u>2,173,500</u>		
Totals	<u>\$277,500,000</u>		<u>\$277,500,000</u>

Owing to the Federal Reserve Bank of St. Louis reaching a point where it may have difficulty in providing collateral against notes, it asked to be relieved of \$10,000,000 of its participation of government securities in the System Account. These securities were taken over by the Committee on Friday, January 10, at the market prices and apportioned to the participating banks which agreed to take over their proportionate share in this purchase.

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STATEMENT OF TRANSACTIONS AFFECTING THE INVESTMENT ACCOUNT OF  
ALL FEDERAL RESERVE BANKS FROM JANUARY 2 TO JANUARY 8, 1930 INCLUSIVE

TRANSACTIONS IN GOVERNMENT SECURITIES

	<u>Purchases</u>	<u>Issue</u>	<u>Sales</u>	<u>Issue</u>
New York	\$21,685,000	Misc. Gov't Sec.	\$ 2,050,000	Misc. Gov't Sec.
			30,000,000	1930-32 - 3 1/2% T/N
Atlanta	415,150	Misc. Gov't Sec.	509,100	Misc. Gov't Sec.
Minneapolis	537,800	Misc. Gov't Sec.	973,800	Misc. Gov't Sec.
Dallas	145,000	Misc. Gov't Sec.	0	-
Totals	\$22,782,950		\$33,532,900	

BANKERS ACCEPTANCES  
(000 Omitted)

	<u>Holdings Dec. 31</u>	<u>Purchased Own Mkt.</u>	<u>By Allot- ment from New York</u>	<u>Matur- ities &amp; Sales</u>	<u>Holdings Jan. 8</u>	<u>Other Holdings Close Jan. 8, 1930</u>	<u>Sales Contracts</u>	<u>Other Bills</u>
Boston	\$ 3,770	\$ 2,359 R	\$ 0	\$ 253	\$ 5,876	\$ 10,511	\$ 76	
New York	54,856	13,023 "	0	28,483	59,396	98,931	339	
		20,081 A						
Phila.	8,441	1,385 R	0	2,565	7,261	0	100	
Cleve.	22,797	0	3,564	8,990	17,371	0	327	
Richmond	13,289	599 "	1,936	4,654	11,170	0	43	
Atlanta	17,829	1,790 "	2,042	4,398	17,263	0	1,202	
Chicago	32,389	615 "	4,524	10,350	27,178	5,042	138	
St. Louis	9,735	0	2,420	1,892	10,263	0	37	
Minn.	6,610	0	1,445	794	7,261	0	24	
Kan. City	8,161	40 "	0	4,815	3,386	0	31	
Dallas	8,827	661 "	1,584	2,254	8,818	37	31	
San Fran.	26,690	2,248 "	2,566	5,579	25,925	7,389	71	
Totals	\$213,394	\$42,801	\$20,081	\$75,027	\$181,168	\$121,910	\$ 2,419	
Bills held over night by New York for distribution to other Federal Reserve Banks - - - - -							1,937	
Bills held over night by New York for distribution to foreign correspondents - - - - -							11,733	
Total - - - - -							\$16,089	

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

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MATURITIES AND RATES ON BILLS PURCHASED WEEK ENDING JANUARY 8, 1930  
(000 Omitted)

	<u>1-30 days</u> <u>4 - 4 1/8%</u>	<u>31-60 days</u> <u>4 - 4 1/8%</u>	<u>61-90 days</u> <u>4 - 4 1/8%</u>	<u>Over 90-days</u> <u>4%</u>	<u>Total</u>
Boston	\$ 130	\$ 1,929	\$ 300	\$ 0	\$ 2,359
New York	23,094	5,928	3,834	248	33,104
Philadelphia	375	235	775	0	1,385
Richmond	0	399	200	0	599
Atlanta	956	334	500	0	1,790
Chicago	332	233	50	0	615
Kansas City	0	40*	0	0	40
Dallas	175	350	73	63	661
San Francisco	<u>434</u>	<u>1,360</u>	<u>387</u>	<u>67</u>	<u>2,248</u>
Totals	<u>\$25,496</u>	<u>\$10,808</u>	<u>\$6,119</u>	<u>\$378</u>	<u>\$42,801</u>

\*Purchased at 4 1/2%

RECAPITULATION OF PURCHASES AND SALES OF GOVERNMENT SECURITIES  
AND BANKERS ACCEPTANCES DURING WEEK ENDING JANUARY 8, 1930  
(000 Omitted)

(Excluding Sales Contracts)

	<u>Government Securities</u>	<u>Bankers Acceptances</u>	<u>Total</u>
Purchased	\$22,783	\$42,801	\$65,584
Sold	33,532	0	33,532
Matured	0	<u>75,027</u>	<u>75,027</u>
		<u>\$32,226-</u>	<u>\$42,975-</u>
		7,491-(Net Change	7,491-(Net Change
		1-day holdover	1-day holdover
		& other bills)	& other bills)
Totals	<u>\$10,749-</u>	<u>\$39,717-</u>	<u>\$50,466-</u>

HOLDINGS OF GOVERNMENT SECURITIES AND BANKERS ACCEPTANCES JANUARY 8, 1930  
(000 Omitted)

(Including Sales Contracts)

	<u>Within 15-days</u>	<u>16-30 days</u>	<u>31-60 days</u>	<u>61-90 days</u>	<u>91-days 6 months</u>	<u>Over 6 months</u>	<u>Total</u>
Gov't Securities	\$ 8,300	\$ 0	\$ 0	\$87,789	\$65,002	\$323,751	\$484,842
Bills Purchased	<u>207,684</u>	<u>42,908</u>	<u>45,295</u>	<u>22,684</u>	<u>596</u>	<u>0</u>	<u>319,167</u>
Totals	<u>\$215,984</u>	<u>\$42,908</u>	<u>\$45,295</u>	<u>\$110,473</u>	<u>\$65,598</u>	<u>\$323,751</u>	<u>\$804,009</u>