

SUGGESTED OUTLINE OF ANNUAL REPORT OF FEDERAL RESERVE BOARD.

1 9 1 7

1. Prefatory Remarks:

- (a) Entry of U. S. into war and financial problem arising therefrom.
- (b) Consequent change in character of work done by Federal Reserve Banks and transformation of their functions.

2. Financial and Banking Situation at Entry into War:

- (a) Normal and stable conditions of Winter and Spring, 1916 - 1917.
 - (1) Conservative policy of F. R. Banks.
 - (2) Preliminary policies - preparation and distribution of new F. R. notes.
- (b) Character of work done by F. R. Banks as fiscal agents up to March, 1917.
- (c) Estimate of investment and banking strength of country at end of March 1917.

3. Opening of War and Placing of Loans:

- (a) Treasury policy toward Board and banks - development of fiscal agency function.
- (b) Organization for first loan:
 - (1) Work at banks of several districts.
 - (2) Policy of Board as to rediscounts.

- (c) Short term certificate methods - how applied - relation to bond issues.
- (d) Effect of first loan on banks of country.
 - (1) Easy disposal of bonds.
 - (2) Maintenance of liquidity.
- (e) Placing of second loan:
 - (1) Difficulties of time and conditions surrounding it.
 - (2) Methods adopted for sale of bonds.
 - (3) Effect on banks.
 - (4) Problems of investment market.

4. Strength of Reserve Banks:

- (a) Amendments of Federal Reserve Act.
 - (1) Reasons for and sketch of amendments.
 - (2) Effect of amendments on reserves held.
- (b) Relation of F. R. Banks to market.
 - (1) Policy as to purchases and discounts.
 - (2) Relation to nonmember banks.
- (c) Entry of State institutions into System.
 - (1) Sketch of origin and conditions of movement.
 - (2) Growth of resources.
 - (3) Critical estimate of effect of movement on system as a whole.

5. Underlying Financial Problems of Year:

- (a) Condition of general business.
- (b) Confidence and its maintenance.
- (c) Movement of gold into country up to midsummer and turn of tide.
- (d) Effort to check outward gold flow.
- (e) Foreign exchange situation - Board's policy.

6. Organization Problems:

- (a) Branch question - how Board established new offices.
- (b) Personnel at banks - Problems growing out of war.
- (c) Changes in directorates.
- (d) Board's own staff and expenses.

7. Summary and Forecast:

- (a) Net result of year.
- (b) Capacity of System under prospective demands.

11/13/17