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FEDERAL RESERVE BOARD

WASHINGTON

H. PARKER WILLIS, SECRETARY  
SHERMAN P. ALLEN, ASST. SECRETARY  
AND FISCAL AGENT

ADDRESS REPLY TO  
FEDERAL RESERVE BOARD

X-1068

July 17, 1918.

Dear Sir:

Enclosed herewith I am handing you a copy of the Federal Reserve Bulletin for July, which has just been issued. On pages 597-600 you will find a statement of a new service which the Board is planning and which is designed to furnish information with respect to business conditions. A reading of this statement will afford a fairly comprehensive idea of what is intended. The complete development of the plan will require several months; but it is desired to begin the publication of the different factors in the proposed series of business indices as soon as possible and without waiting for the completion of the whole series. The data relating to banking - and to discount and interest rates particularly - are those which should receive first attention, and it is therefore requested that you consider carefully sub-section (d) in the statement to which reference has already been made. The Board desires that you will obtain and transmit on the 15th of each month, or where the 15th falls on a Sunday or a holiday, on the next business day thereafter, data regarding high and low rates, also rates at which the bulk of the several classes of paper shown below was discounted or purchased during the preceding 30-day period.

1. Prevailing rate of discount charged by banks to customers for prime commercial paper such as is now eligible under the Federal Reserve Act:

- (a) running 30 - 60 - 90 - days
  - (b) running 4 to 6 months.
2. Prevailing rates for prime commercial paper purchased in open market.
- (a) running 30 - 60 - 90 days.
  - (b) running 4 to 6 months.
3. Prevailing rates charged on inter-bank loans (bills payable).
4. Prevailing rates of interest for bankers acceptances of 60 to 90 days maturities, both endorsed and unendorsed.
5. Prevailing rate of interest for demand paper secured by prime stock exchange collateral or other current collateral.
6. Prevailing rate of interest for time paper secured by collateral mentioned in 5.
- (a) running 3 months.
  - (b) running 3 to 6 months.

In addition to the foregoing it is desired that you obtain and transmit these same data for the years 1911, 1912 and 1913, quotations, likewise, to be for the months ending the 15th throughout the period covered. In case the class of paper generally handled by banks in your district is different from those enumerated, please so state and give quotations for the class of paper typical of your district. It is suggested that the larger member banks in your district that have been active discounters or purchasers in the past of the various classes of paper above described may be able to furnish the desired information from their own records. This will insure uniform

treatment and continuity of the data, moreover, these data will represent actual transactions and not merely nominal quotations, such as are likely to be furnished by bill brokers and commercial paper houses.

Kindly advise the Board at your early convenience by telegraph furnishing these data for the month ending July 15, 1918, for your city and advise how soon you will be able to transmit the figures for past years; also whether they can be obtained in the same way at the places in which your branches, if any, are located.

Yours very truly,

Secretary.

Chairman and Federal Reserve Agent,  
Federal Reserve Bank,