

FEDERAL RESERVE BOARD

WASHINGTON

X-3661

March 8, 1923.

SUBJECT: Holdings of Certificates Maturing March 15, 1923.

Dear Sir:

Information recently collected by the Federal Reserve Board for the Treasury Department shows that the Federal Reserve Banks hold Treasury certificates maturing March 15th amounting to over \$63,000,000 and the Board directs me to state that it is strongly of the opinion that certificates maturing March 15th should be allowed to run off without reinvestment. This is in accordance with the agreement reached at the conference of Governors held in Washington on May 2-4, 1922, with relation to investments of the Federal Reserve Banks in short term Government securities. There seem to be clear indications that the season is approaching when increased rediscounts will more than make good this amount in the earning assets of the Federal Reserve Banks.

Yours very truly,

Acting Governor.

To Chairmen of all Federal Reserve Banks.