

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON

X-9797

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD



January 19, 1937

Dear Sir:

Reference is made to the Board's letter of December 23, 1936 (X-9768) supplying certain code words for use in telegrams between the Federal Reserve Bank of New York and other Federal Reserve banks in connection with transactions in United States Government securities in the System Open Market Account.

Under the procedure adopted effective January 1, 1937, the number of telegrams and the number of entries in the Interdistrict Settlement Fund involved in purchase and sale transactions could be reduced considerably by making settlement between the New York bank and each other Federal Reserve bank in a single amount representing the net amount due to the Federal Reserve Bank of New York, or due from the Federal Reserve Bank of New York, as a result of such transactions on a given day. Accordingly, Mr. W. Randolph Burgess, Manager of the System Open Market Account, has suggested that two new code words be furnished for use in this manner in lieu of the code words furnished in the Board's letter referred to above.

Pursuant to this suggestion the following code words have been designated for use in connection with transactions in United States Government securities in the System Open Market Account and should be inserted

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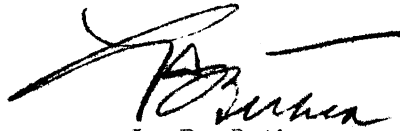
on page 134 of the Federal Reserve Telegraph Code, following the word

JUMTOLD:

JUMTYNE - We credit you today in the Interdistrict Settlement Fund, (A) \$_____ representing the net amount due you as a result of transactions today in United States Government securities in System Open Market Account as follows: Credits due you, (B) \$_____ par value, (C) \$_____ premium, (D) \$_____ accrued interest, (E) \$_____ discount, (F) \$_____ profit on sale, less credits due us, (G) \$_____ premium, (H) \$_____ accrued interest, (I) \$_____ discount, (J) \$_____ loss on sale. The classification of your pro rata share in total holdings at the close of business today is (K) \$_____ par value Treasury bills, (L) \$_____ par value Treasury notes, (M) \$_____ par value Treasury bonds.

JUMYAK - Credit us today in the Interdistrict Settlement Fund, (A) \$_____ representing the net amount due us as a result of transactions today in United States Government securities in System Open Market Account as follows: Credits due us, (B) \$_____ par value, (C) \$_____ premium, (D) \$_____ accrued interest, (E) \$_____ discount, (F) \$_____ loss on sale, less credits due you, (G) \$_____ premium, (H) \$_____ accrued interest, (I) \$_____ discount, (J) \$_____ profit on sale. The classification of your pro rata share in total holdings at the close of business today is (K) \$_____ par value Treasury bills, (L) \$_____ par value Treasury notes, (M) \$_____ par value Treasury bonds.

Very truly yours,



L. P. Bethea,
Assistant Secretary.

TO PRESIDENTS OF ALL FEDERAL RESERVE BANKS