

A meeting of the executive committee of the Federal Open Market Committee was held in the offices of the Board of Governors of the Federal Reserve System in Washington on Tuesday, November 30, 1937, at 10:30 a.m.

PRESENT: Mr. Eccles, Chairman
Mr. Harrison, Vice Chairman
Mr. McKee
Mr. Ransom
Mr. Sinclair

Messrs. Davis, Szymczak, McKinney, Martin
and Day, Members of the Federal Open
Market Committee

Mr. Morrill, Secretary
Mr. Wyatt, General Counsel
Mr. Dreibelbis, Assistant General Counsel
Mr. Burgess, Manager of the System Open
Market Account
Mr. Carpenter, Assistant Secretary of the
Board of Governors of the Federal Re-
serve System

Upon motion duly made and seconded, and
by unanimous vote, the minutes of the meeting
of the executive committee held on November
9, 1937, were approved.

Reference was then made to the action taken at the meeting
of the executive committee on November 9, 1937, in directing the Fed-
eral Reserve Bank of New York to increase during the succeeding two
weeks the amount of Government securities held in the System open
market account by \$50,000,000. It was stated that when \$37,825,000
of securities had been purchased in accordance with this authority it
was agreed by the members of the executive committee by telephone
that, in view of market conditions, no additional securities should

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be acquired. Mr. Burgess then outlined the other transactions which had been effected in the System open market account since the meeting of the executive committee on November 9 and up to and including November 29, 1937.

Upon motion duly made and seconded, and by unanimous vote, the transactions in the account since the period covered by similar action taken by the executive committee at its meeting on November 9, 1937, up to and including November 29, 1937, were approved, ratified and confirmed.

Upon motion duly made and seconded, and by unanimous vote, it was decided to recommend to the full Committee that, in view of the fact that circumstances had changed very considerably since the meeting of the Federal Open Market Committee on June 9, 1937, when the executive committee was requested to study the proposed plan for purchases of Treasury bills by the Federal reserve banks, the matter be laid on the table.

Thereupon the meeting recessed to reconvene following the meeting of the Federal Open Market Committee.


Secretary.

Approved:


Chairman.

The meeting of the executive committee of the Federal Open Market Committee was reconvened in the offices of the Board of Governors of the Federal Reserve System in Washington on December 1, 1937, at 6:15 p.m.

PRESENT: Mr. Eccles, Chairman
Mr. Harrison, Vice Chairman
Mr. McKee
Mr. Ransom
Mr. Sinclair

Messrs. Davis, Szymczak, McKinney, Martin,
and Day, Members of the Federal Open
Market Committee

Mr. Morrill, Secretary
Mr. Wyatt, General Counsel
Mr. Goldenweiser, Economist
Mr. Williams, Associate Economist
Mr. Dreibelbis, Assistant General Counsel
Mr. Burgess, Manager of the System Open
Market Account
Mr. Carpenter, Assistant Secretary of
the Board of Governors of the Federal
Reserve System
Mr. Thurston, Special Assistant to the
Chairman of the Board of Governors
of the Federal Reserve System

The committee agreed that in view of the actions taken at the meeting of the Federal Open Market Committee this afternoon the only action required by the executive committee at this time was to grant to the Federal Reserve Bank of New York the usual authority to replace maturing securities and to make shifts of securities in the open market account.

Thereupon, upon motion duly made and seconded, and by unanimous vote, the executive committee directed the Federal Reserve Bank of New York, until

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the adjournment of the next meeting of the executive committee and superseding all directions and authorizations given at previous meetings,

(1) To replace maturing securities in the System open market account by purchases of like amounts of Treasury bills or Treasury notes maturing within two years;

(2) To make such other shifts of securities in the account (which may be accomplished when desirable through replacement of maturing securities) as may be necessary in the practical administration of the account, up to an aggregate of \$100,000,000 of purchases and a like amount of sales or redemptions;

(3) To increase or decrease temporarily the amount of securities in the account between weekly statement dates by not more than \$25,000,000 when necessary in making replacements or shifts pursuant to the above provisions of this resolution, provided that the amount of securities in the account as of any weekly statement date shall not be changed from that of the preceding weekly statement date except in accordance with the following clause of this resolution; and

(4) Upon approval by a majority of the members of the executive committee, which may be obtained by telephone, telegraph, or mail, to make such other shifts or such purchases or sales (which would include authority to allow maturities to run off without replacement) for the account as may be found to be desirable within the limits of the authority granted to the executive committee by the Federal Open Market Committee.

Thereupon the meeting adjourned.

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Secretary.

Approved:

McCaskey
Chairman.