

T E L E G R A M

FEDERAL RESERVE COMMUNICATIONS SYSTEM

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON

REC'D IN RECORDS SECTION
APR 3 1979
Form: For Cur Oper
General

April 3, 1979

STRICTLY CONFIDENTIAL (FR)
CLASS I - FOMC

PRESIDENTS OF ALL FEDERAL RESERVE BANKS

Available members of the Foreign Currency Subcommittee (Vice Chairman Volcker, Governor Wallich, and Governor Partee serving as alternate member) yesterday authorized operations that would result in (1) a change in the System's overall open position in foreign currencies in excess of the daily limit of \$300 million specified in paragraph 1A of the Committee's procedural instructions and (2) a change in the System's net position in a single foreign currency in excess of the daily limit of \$300 million for operations associated with repayment of swap drawings, specified in paragraph 1B. The Subcommittee also suspended the limit of \$600 million on intermeeting changes in the overall open position specified in paragraph 1A. The operations were authorized to take advantage of an opportunity to buy \$445 million equivalent of marks directly from the German Federal Bank. The marks were purchased to repay outstanding swap debt.

ALTMANN

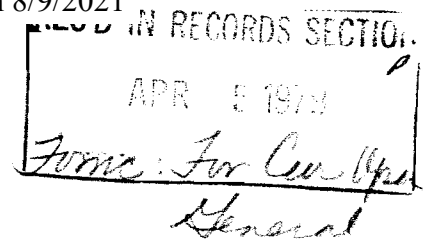
M. W.

FOR FOMC FILES
S. Belton

Date File



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON, D. C. 20551



April 3, 1979

STRICTLY CONFIDENTIAL (FR)
CLASS I - FOMC

TO: FEDERAL OPEN MARKET COMMITTEE

FROM: Murray Altmann *M. W.*

Available members of the Foreign Currency Subcommittee (Vice Chairman Volcker, Governor Wallich, and Governor Partee serving as alternate member) yesterday authorized operations that would result in (1) a change in the System's overall open position in foreign currencies in excess of the daily limit of \$300 million specified in paragraph 1A of the Committee's procedural instructions and (2) a change in the System's net position in a single foreign currency in excess of the daily limit of \$300 million for operations associated with repayment of swap drawings, specified in paragraph 1B. The Subcommittee also suspended the limit of \$600 million on intermeeting changes in the overall open position specified in paragraph 1A. The operations were authorized to take advantage of an opportunity to buy \$445 million equivalent of marks directly from the German Federal Bank. The marks were purchased to repay outstanding swap debt.

FOR FOMC FILES
S. Belton

Date File

REC'D IN RECORDS SECTION
APR 5 1979
Forms For Cur Oper
General

T E L E G R A M

FEDERAL RESERVE COMMUNICATIONS SYSTEM

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON

April 3, 1979

STRICTLY CONFIDENTIAL (FR)
CLASS I - FOMC

HOLMES - NEW YORK
PARDEE - NEW YORK

Given below is the text of a message transmitted to the FOMC members today.

"Available members of the Foreign Currency Subcommittee (Vice Chairman Volcker, Governor Wallich, and Governor Partee serving as alternate member) yesterday authorized operations that would result in (1) a change in the System's overall open position in foreign currencies in excess of the daily limit of \$300 million specified in paragraph 1A of the Committee's procedural instructions and (2) a change in the System's net position in a single foreign currency in excess of the daily limit of \$300 million for operations associated with repayment of swap drawings, specified in paragraph 1B. The Subcommittee also suspended the limit of \$600 million on intermeeting changes in the overall open position specified in paragraph 1A. The operations were authorized to take advantage of an opportunity to buy \$445 million equivalent of marks directly from the German Federal Bank. The marks were purchased to repay outstanding swap debt."

ALTMANN

M.W.

Date Filed

FOR FOMC FILES
S. Belton