



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

REC'D IN RECORDS SECTION
JUN 29 1979
For: For Cur Oper
General

June 28, 1979

STRICTLY CONFIDENTIAL (FR)
CLASS I - FOMC

TO: Federal Open Market Committee

FROM: Murray Altmann *M.A.*

Yesterday, available members of the Foreign Currency Subcommittee (Chairman Miller, Vice Chairman Volcker, and Governor Partee acting as alternate in the absence of Governor Wallich) authorized operations for the day 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 \$150 million specified in paragraph 1B of the instructions. The Desk had requested the Subcommittee actions because of continuing pressure on the dollar in foreign exchange markets.

The Desk sold approximately \$460 million equivalent of German marks yesterday, half for System account and half for account of the Treasury. The Desk also sold about \$86 million equivalent of Swiss francs, all for System account. By the close of business yesterday, the System's overall open position in

FOR FOMC FILES
S. Belton

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foreign currencies had increased by about \$647 million since the Committee meeting on May 22. The intermeeting limit on the change in the overall open position had been raised to \$1 billion on June 21.

FOR FOMC FILES
S. Belton

T E L E G R A M

FEDERAL RESERVE COMMUNICATIONS SYSTEM

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON

JUN 29 1979

Fome; For Con Ope
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June 28, 1979

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CLASS I - FOMC

PRESIDENTS OF ALL FEDERAL RESERVE BANKS

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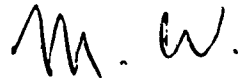
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ALTMANN

A handwritten signature in black ink, consisting of a stylized 'M' followed by a period and a 'W' followed by a period.

FOR FOMC FILES
S. Belton

T E L E G R A M

FEDERAL RESERVE COMMUNICATIONS SYSTEM

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON

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