

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

DEC 28 1979

Fome General

Date December 20, 1979

Office Correspondence

To ~~Board Members (individually addressed)~~
From Murray Altmann *M.A.*

Subject: _____

CONFIDENTIAL (FR)
CLASS II - FOMC

In response to the wire sent yesterday, all available members of the Committee have voted to approve the Manager's recommendation for a temporary increase to \$4 billion in the intermeeting limit on changes in System holdings specified in paragraph 1(a) of the authorization for domestic open market operations.

DATE

DEC 28 1979

T E L E G R A M

FEDERAL RESERVE COMMUNICATIONS SYSTEM

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON

December 20, 1979

CONFIDENTIAL (FR)
CLASS II - FOMC

TIMLEN - NEW YORK
BLACK - RICHMOND
KIMBREL - ATLANTA
MAYO - CHICAGO
BALLES - SAN FRANCISCO

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ALTMANN

M.A.

DATE

DEC 28 1979

T E L E G R A M

FEDERAL RESERVE COMMUNICATIONS SYSTEM

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON

December 20, 1979

CONFIDENTIAL (FR)
CLASS II - FOMC

STERNLIGHT - NEW YORK

The following message was transmitted to FOMC members yesterday:

"The Manager for Domestic Operations advises that outright purchases, net, of Treasury and Federal Agency securities for System Account since the November meeting of the Committee have amounted to about \$2.5 billion, reducing the leeway available for further net purchases during the period before the next meeting to about \$500 million under the intermeeting limit of \$3 billion on changes in System holdings specified in paragraph 1(a) of authorization for domestic open market operations. The System has provided a large volume of reserves to counter the effects of seasonal increases in currency in circulation. Current projections indicate a need for additional provision of reserves before the next meeting of the Committee if reserves are to grow in accordance with desired paths.

DATE

DEC 28 1979

T E L E G R A M

FEDERAL RESERVE COMMUNICATIONS SYSTEM

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON

-2-

"In order to provide flexibility for Desk operations, the Manager recommends that the limit specified in paragraph 1(a) be raised \$1 billion to \$4 billion for the period ending with the close of business on January 9, 1980. Governor Schultz, acting as Chairman of the Committee in the absence of Chairman Volcker, concurs in the recommendation.

"Please advise promptly whether you vote to approve the increase in the limit."

All available members of the Committee have voted to approve the recommendation.

ALTMANN

M. A.

DATE

DEC 28 1979

T E L E G R A M

FEDERAL RESERVE COMMUNICATIONS SYSTEM

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON

December 20, 1979

CONFIDENTIAL (FR)
CLASS II - FOMC

MORRIS - BOSTON
EASTBURN - PHILADELPHIA
WINN - CLEVELAND
ROOS - ST. LOUIS
WILLES - MINNEAPOLIS
GUFFEY - KANSAS CITY
BAUGHMAN - DALLAS

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yesterday:

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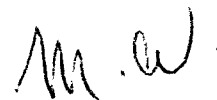
-2-

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ALTMANN



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BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

FILED IN RECORDS SECTION
DEC 28 1979
Date December 20, 1979

Office Correspondence

To _____
From See attached list
Murray Altmann *M. A.*

Subject: _____

CONFIDENTIAL (FR)
CLASS II - FOMC

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"Please advise promptly whether you vote to approve the increase in the limit."

All available members of the Committee have voted to approve the recommendation.

D A T E

REC'D IN RECORDS SECTION
DEC 8 1979

cc: Mr. Axilrod
Mr. Bernard
Mr. Coyne
Mr. Ertin
Mrs. Farar
Mr. G. Henry
Mr. Keir
Mr. Kichline
Mr. Petersen
Mr. Truman
Mr. Zeisel

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

DEC 28 1979
Fome General

Office Correspondence

Date December 19, 1979

To Board Members (individually addressed)

Subject: _____

From Murray Altmann *M.A.*

CONFIDENTIAL (FR)
CLASS II - FOMC

Attached is a copy of a telegram being sent today to the President-Members of the FOMC. If you vote to approve the Manager's recommendation, please indicate by initialing below and returning this memorandum to my office.

Attachment

DATE

T E L E G R A M

DEC 3 8 1979

FEDERAL RESERVE COMMUNICATIONS SYSTEM

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON

December 19, 1979

CONFIDENTIAL (FR)
CLASS II - FOMCTIMLEN - NEW YORK
BLACK - RICHMOND
KIMBREL - ATLANTA
MAYO - CHICAGO
BALLES - SAN FRANCISCO

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DEC 28 1979

T E L E G R A M

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WASHINGTON

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