

Meeting of Federal Open Market Committee

July 9, 1973

MINUTES OF ACTIONS

A meeting of the Federal Open Market Committee was held on Monday, July 9, 1973, at 4:30 p.m., at the call of Chairman Burns. This was a telephone conference meeting, and each individual was in Washington, D. C., except as otherwise indicated in parentheses in the following list of those participating:

PARTICIPATING: Mr. Burns, Chairman
Mr. Hayes, Vice Chairman (New York)
Mr. Brimmer
Mr. Daane
Mr. Francis (St. Louis)
Mr. Holland
Mr. Mitchell
Mr. Morris (Boston)
Mr. Sheehan
Mr. Clay, Alternate for Mr. Balles
Mr. Winn, Alternate for
Mr. Mayo (Cleveland)

Mr. Broida, Secretary
Mr. Altmann, Assistant Secretary
Mr. O'Connell, General Counsel
Mr. Partee, Senior Economist
Mr. Bryant, Associate Economist
Mr. Coombs, Special Manager,
System Open Market
Account (New York)
Mr. Bodner, Deputy Special Manager,
System Open Market
Account (New York)

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Mr. Coyne, Assistant to
the Board of Governors
Messrs. Gemmill and Pizer, Advisers,
Division of International Finance,
Board of Governors
Mr. Pardee, Assistant Vice President,
Federal Reserve Bank of
New York (New York)
Mr. Balbach, International Economist,
Federal Reserve Bank of
St. Louis (St. Louis)


Secretary's Note: No actions were taken at this meeting.

However, following the meeting Chairman Burns, pursuant to an action of the Committee on March 20, 1973, approved the following increases in System swap lines, and the corresponding amendments to paragraph 2 of the authorization for foreign currency operations, effective July 10, 1973: \$1 billion each in the lines with the central banks of Canada, France, Germany, and Japan; \$750 million in the line with the Bank of Italy; \$400 million each in the lines with the central banks of Belgium and Switzerland; \$250 million in the line with the BIS providing for swaps of dollars against "other" European currencies; and \$200 million in the line with the Netherlands Bank. Effective the same date and pursuant to an action of the Committee on June 19, 1973, the swap lines with the central banks of Austria, Denmark, Mexico, Norway and Sweden were increased by \$50 million each and paragraph 2 of the authorization was correspondingly amended. Accordingly, effective July 10, 1973, the table in paragraph 2 of the authorization for foreign currency operations was amended to read as follows:

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<u>Foreign bank</u>	<u>Amount of arrangement (millions of dollars equivalent)</u>
Austrian National Bank	250
National Bank of Belgium	1,000
Bank of Canada	2,000
National Bank of Denmark	250
Bank of England	2,000
Bank of France	2,000
German Federal Bank	2,000
Bank of Italy	2,000
Bank of Japan	2,000
Bank of Mexico	180
Netherlands Bank	500
Bank of Norway	250
Bank of Sweden	300
Swiss National Bank	1,400
Bank for International Settlements:	
Dollars against Swiss francs	600
Dollars against other European currencies	1,250


Secretary