



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

**STRICTLY CONFIDENTIAL**  
**CLASS I - FOMC**

TO: Federal Open Market Committee                      DATE: July 12, 1991  
FROM: Normand Bernard **N.B.**                      SUBJECT: Revision in Directive  
Sentence on Housing.

In the interest of factual accuracy, staff proposes a revision in the sentence on housing in the first paragraph of the latest directive approved on July 3. The sentence was drafted before information became available on the sizable drop in May in new single-family home sales. However, Chairman Greenspan referred to the drop in the course of his comments on the economy. Staff suggests deleting the reference to home sales as indicated below:

Housing starts rose over April and May and sales  
of new and existing homes continued to advance.

Please indicate whether or not you approve and initial and return this form to my office.

[ ] Approve.

[ ] Do not approve.