



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

STRICTLY CONFIDENTIAL (FR)
CLASS I - FOMC

TO: Federal Open Market Committee

FROM: Normand Bernard

N.B.

In light of the very recent strength of the dollar, staff proposes dropping the word "slight" shown in line 28 of the draft directive. The new sentence would read as follows:

In foreign exchange markets, the trade-weighted value of the dollar in terms of the other G-10 currencies FLUCTUATED WIDELY OVER declined further over the first several weeks of the intermeeting period but ENDED THE PERIOD HIGHER ON BALANCE ~~it~~ has stabilized more recently.