

A meeting of the executive committee of the Federal Open Market Committee was held in the offices of the Board of Governors of the Federal Reserve System in Washington on Thursday, March 19, 1936, at 5:55 p. m.

PRESENT: Mr. Eccles, Chairman
Mr. Ransom
Mr. Szymczak
Mr. Harrison
Mr. Fleming

Mr. Morrill, Secretary
Mr. Wyatt, General Counsel
Mr. Burgess, Vice President, Federal Reserve Bank of New York

Mr. Harrison called attention to the fact that, pursuant to the by-laws adopted by the Federal Open Market Committee, the Committee had granted certain authority to the executive committee and had selected the Federal Reserve Bank of New York as the bank through which transactions should be executed for the System open market account. He also pointed out that as a practical matter it would be necessary for the Federal Reserve Bank of New York to have authority from the executive committee to carry on certain operations in the interest of the proper administration of the System open market account.

Thereupon, pursuant to motions duly made and seconded, the executive committee, by unanimous vote, granted authority to the Federal Reserve Bank of New York between now and the next meeting of the Federal Open Market Committee, (1) to replace maturing securities in the System account by the purchase of like amounts of bills or of notes maturing within two years, (2) to make shifts, up to an aggregate of \$25,000,000, of securities in the account into other Government securities having maturities within a range of one year from those of the securities sold, (3)

3/19/36

-2-

upon approval by a majority of the members of the executive committee, which might be obtained by telephone, telegraph, or mail, to make any other shifts over and above \$25,000,000 as might be found to be desirable within the limits of the authority granted by the Federal Open Market Committee, (4) to effect, with the approval of a majority of the executive committee, which might be obtained by telephone, telegraph or mail, such reallocations of securities between the Federal reserve banks as may be desirable in accordance with the practice which it has followed under the formula and authority of the Federal Open Market Committee as constituted prior to March 1, 1936.

Thereupon the meeting adjourned.

Chester Morris
Secretary.

Approved:

W. C. C. C.
Chairman.