

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

Office Correspondence

To Board Members (individually addressed)

From Arthur L. Broida *ALB*

Subject: _____

REC'D IN RECORDS SECTION
Date <u>June 15, 1978</u> ⁰
JUN 19 1978
<i>FOMC: General</i>

STRICTLY CONFIDENTIAL (FR)
CLASS I FOMC

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

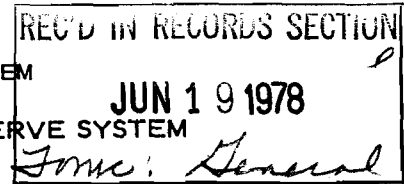
Attachment

DATE

T E L E G R A M

FEDERAL RESERVE COMMUNICATIONS SYSTEM

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON



June 15, 1978

STRICTLY CONFIDENTIAL (FR)
CLASS I FOMC

VOLCKER - NEW YORK
EASTBURN - PHILADELPHIA
WINN - CLEVELAND
WILES - MINNEAPOLIS
BAUGHMAN - DALLAS

On the basis of revised data for the first two weeks of June, projection of M-1 growth in May-June period has been raised to 7.5 per cent annual rate, near upper limit of 3-8 per cent Committee range. At same time, projection of M-2 growth for 2-month period has been reduced to 7.5 per cent, well within its 4-9 per cent range.

Strength of the aggregates suggests need for Committee consultation looking toward further instruction to the Desk. In view of proximity of next week's FOMC meeting, Chairman Miller recommends that Desk be instructed to continue aiming for 7½ per cent Federal funds rate at this time.

Please advise promptly whether you vote to approve Chairman's recommendation.

BROIDA

BWB

DATE

T E L E G R A M

FEDERAL RESERVE COMMUNICATIONS SYSTEM

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON

REC'D IN RECORDS SECTION JUN 19 1978 <i>Fomic General</i>

June 16, 1978

STRICTLY CONFIDENTIAL (FR)
CLASS I FOMC

VOLCKER - NEW YORK
MORRIS - BOSTON
BLACK - RICHMOND
KIMBREL - ATLANTA
MAYO - CHICAGO
ROOS - ST. LOUIS
GUFFEY - KANSAS CITY
BALLES - SAN FRANCISCO

For your information, the following wire was sent to FOMC members late yesterday.

"On the basis of revised data for the first two weeks of June, projection of M-1 growth in May-June period has been raised to 7.5 per cent annual rate, near upper limit of 3-8 per cent Committee range. At same time, projection of M-2 growth for 2-month period has been reduced to 7.5 per cent, well within its 4-9 per cent range.

"Strength of the aggregates suggests need for Committee consultation looking toward further instruction to the Desk. In view of proximity of next week's FOMC meeting, Chairman Miller recommends that Desk be instructed to continue aiming for 7½ per cent Federal funds rate at this time.

"Please advise promptly whether you vote to approve Chairman's recommendation."

D A T E

T E L E G R A M

FEDERAL RESERVE COMMUNICATIONS SYSTEM

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON

REC'D IN RECORDS SECTION
JUN 19 1978

-2-

All available FOMC members have voted to approve Chairman's recommendation. First Vice President Timlen responded as alternate for President Volcker, who is out of the country. Governor Jackson was unavailable and did not vote.

BROIDA

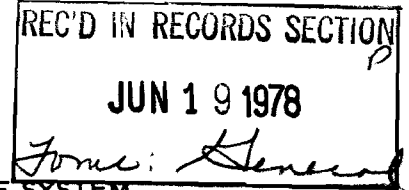


DATE

T E L E G R A M

FEDERAL RESERVE COMMUNICATIONS SYSTEM

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON



June 16, 1978

STRICTLY CONFIDENTIAL (FR)
CLASS I FOMC

TIMLEN - NEW YORK
EASTBURN - PHILADELPHIA
WINN - CLEVELAND
WILLES - MINNEAPOLIS
BAUGHMAN - DALLAS

In response to the wire sent to FOMC members late yesterday, all available FOMC members have voted to approve Chairman's recommendation. First Vice President Timlen responded as alternate for President Volcker, who is out of the country. Governor Jackson was unavailable and did not vote.

BROIDA

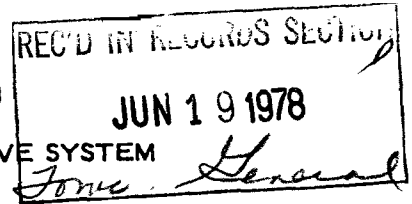
CRB

DATE

T E L E G R A M

FEDERAL RESERVE COMMUNICATIONS SYSTEM

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON.



June 16, 1978

STRICTLY CONFIDENTIAL (FR)
CLASS I FOMC

STERNLIGHT - NEW YORK
PARDEE - NEW YORK

All available FOMC members have voted to approve Chairman's recommendation. First Vice President Timlen responded as alternate for President Volcker, who is out of the country. Governor Jackson was unavailable and did not vote.

BROIDA

A handwritten signature in cursive, appearing to be "CB" or similar initials.

DATE

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

Office Correspondence

REC'D IN RECORDS SECTION
Date JUN 16 1978
James General

To FOMC Records
From Arthur L. Broida *ALB*

Subject: _____

STRICTLY CONFIDENTIAL (FR)
CLASS I FOMC

Because President Baughman of the Dallas Bank was attending a meeting in Marthas Vineyard, Mass., he did not receive my telegram of yesterday transmitting Chairman Miller's recommendation with respect to the Desk's target for the Federal funds rate.

I reached President Baughman by telephone this morning and read him the text of the message. He indicated to me that he wanted to be recorded as voting affirmatively, and that he would confirm this by wire on his return to the Dallas Bank.

DATE