

OF THE
FEDERAL RESERVE SYSTEM

REC'D IN RECORDS SECTION
DEC 21 1978
Date December 8, 1978
Fomic General

Office Correspondence

To Board Members (individually addressed)

Subject: _____

From Murray Altmann *MAN, U.*

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 Manager's recommendation, please indicate by initialing below and returning this memorandum to my office.

Attachment

Date Filed

FOR FOMC FILES
S. Belton

TELEGRAM

FEDERAL RESERVE COMMUNICATIONS SYSTEM

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON

DEC 21 1978
FOMC General

December 8, 1978

STRICTLY CONFIDENTIAL (FR)
CLASS I - FOMC

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

According to nearly final estimates, M-1 declined at an annual rate of about 4-1/4 per cent in November and M-2 grew at a rate of about 4-1/2 per cent. Staff projections for the November-December period suggest growth in M-1 and M-2 at rates of about 1/4 per cent and 6-1/4 per cent, respectively; for M-2, the projected rate of growth is close to the lower limit of the 6 to 9-1/2 per cent range specified by the Committee in the directive issued at the November meeting.

The behavior of the aggregates might call for a reduction in the objective for the Federal funds rate to about the 9-3/4 per cent lower limit of its specified range. Under current circumstances, however, Chairman Miller recommends that the Desk be instructed to continue to aim for a Federal funds rate of about 9-7/8 per cent during the period before the next meeting of the Committee unless growth of the aggregates appears to weaken significantly further.

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

FOR FOMC FILES
S. Bolton

ALTMANN

M.W.

*Original filed in
attached to 12/8/78 memo.
dated 12/8/78*

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

DEC 21 1978

FOMC General

Date December 11, 1978

Office Correspondence

To Board members (individually addressed) Subject: _____

From Murray Altmann *M.A.* _____

STRICTLY CONFIDENTIAL (FR)
CLASS I - FOMC

In response to the wire sent to FOMC members on Friday, December 8, 1978, all available Committee members have voted to approve Chairman's recommendation. First Vice President Timlen responded as alternate for President Volcker.

Mr. Baughman, in casting his favorable vote, suggested that the Committee consult further prior to any lowering of the funds rate target.

Original filed as attach. sent to 12/18/78 memo from Altmann to Bd Members

W. to Feb.

FOMC FILES
S. Belton

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

REC'D IN RECORDS SECTION
DEC 21 1978
Date December 11, 1978
Form 100

Office Correspondence

To Board Staff (see attached list)

Subject: _____

From Murray Altmann *M. A.*

STRICTLY CONFIDENTIAL (FR)
CLASS I - FOMC

For your information, the following wire was sent to FOMC members on Friday, December 8, 1978.

"According to nearly final estimates, M-1 declined at an annual rate of about 4-1/4 per cent in November and M-2 grew at a rate of about 4-1/2 per cent. Staff projections for the November-December period suggest growth in M-1 and M-2 at rates of about 1/4 per cent and 6-1/4 per cent, respectively; for M-2, the projected rate of growth is close to the lower limit of the 6 to 9-1/2 per cent range specified by the Committee in the directive issued at the November meeting.

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*Original filed as attached
12/8/78 memo from
Murray Altmann to Board members
Date Filed*

FOMC FILES
S. Bolton

- 2 -

of the Committee unless growth of the aggregates appears to weaken significantly further.

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

All available members of the Committee have voted to approve the Chairman's recommendation. First Vice President Timlen responded as alternate for President Volcker.

Mr. Baughman, in casting his favorable vote, suggested that the Committee consult further prior to any lowering of the funds rate target.

Mr. Axilrod
Mr. Bernard
Mr. Coyne
Mr. Kichline
Mr. Ettin
Mr. Keir
Mr. O'Connell
Mr. Truman
Ms. Farar

FOR FOMC FILES
S. Bolton

REC'D IN RECORDS SECTION
DEC 21 1978
Fomc General

T E L E G R A M

FEDERAL RESERVE COMMUNICATIONS SYSTEM

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON

December 11, 1978

STRICTLY CONFIDENTIAL (FR)
CLASS I - FOMC

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

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*Original filed re attachment
to 12/8/78 memo from Act. -
Board of Governors Date file*

FOR FOMC FILES
S. Bolton

- 2 -

of the Committee unless growth of the aggregates appears to weaken significantly further.

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

All available members of the Committee have voted to approve the Chairman's recommendation. First Vice President Timlen responded as alternate for President Volcker.

Mr. Baughman, in casting his favorable vote, suggested that the Committee consult further prior to any lowering of the funds rate target.

ALTMANN

M.A.

FOR FOMC FILES
S. Belton

REC'D IN RECORDS SECTION
DEC 21 1978
Fomic General

T E L E G R A M

FEDERAL RESERVE COMMUNICATIONS SYSTEM

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON

December 11, 1978

STRICTLY CONFIDENTIAL (FR)
CLASS I - FOMC

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

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ALTMANN

M.A.

*Original found in attch 1. 17
to 12/14/78 memo for -
to see a 1st memo here*

Date - 1/10

FILES
G. Belton

T E L E G R A M

FEDERAL RESERVE COMMUNICATIONS SYSTEM

DEC 21 1978

Fome: General

**BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON**

December 11, 1978

STRICTLY CONFIDENTIAL (FR)
CLASS I - FOMC

HOLMES - NEW YORK
STERNLIGHT - NEW YORK

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Mr. Baughman, in casting his favorable vote, suggested that the Committee consult further prior to any lowering of the funds rate target.

ALTMANN

M. W.

*copy filed as attachment
12/15/78 memo from Altman
to Board members*

Date File

FOR FOMC FILES
S. Belton