

THE SECRETARY OF THE TREASURY  
WASHINGTON

March 22, 1934

The President,  
The White House.

My dear Mr. President:

I am enclosing herewith the memorandum which you dictated to me over the telephone, as to your policy in regard to the stock exchange bill. I thought you might like to have it for possible future reference.

Yours sincerely,  
Henry Morgenthau

Enclosure.

The objective is this:

That speculative trading must be very greatly curtailed — that means, inevitably, a much smaller volume of trading on the stock exchanges; it means also of necessity the requirement of very large margins and sufficient flexibility in some agency of government to increase margin requirements if the minimum amount provided in the bill itself does not in practice greatly curtail speculative trading.