

DATE October 12, 1937

TO: Chairman Douglas

FROM: Paul P. Bourrich

SUBJECT: Foreign Stock Transactions, October 11.

Reports from 34 member firms of the New York Stock Exchange show a net sales balance for foreign account for transactions on Monday, October 11, of about \$4,700,000. Allowing for the reports still missing from four additional firms, this is the largest daily sales balance since April 29 and the eighth consecutive sales balance since October 1, the longest unbroken series of sales balances since the latter part of April. Since that time daily balances have exceeded \$4,000,000 on only two occasions, both in September and both on the selling side.

Sales bore a ratio to purchases of over 3:1, an entirely unprecedented relation indicating the one-sided nature of foreign transactions.

Selling was particularly heavy - in relation to the usual volume of trading and to the estimated holdings of American stocks - for Dutch account; in this connection it may be recalled that Dutch investors have repeatedly been reported to be particularly interested in U.S. Steel common.

The largest sales balance in our history of these records was on April 29 - 8,563,000. If you want to discuss this matter with me, I will be glad to talk with you.

Chairman's
PAPERSBox 16
NAFA