

THE CHAIRMAN OF THE
COUNCIL OF ECONOMIC ADVISERS
WASHINGTON

November 26, 1963

MEMORANDUM FOR THE PRESIDENT

Subject: Suggested Presidential Call to Keith Funston, President
of the New York Stock Exchange

In talking to Walter Jenkins during lunch, I told him of the fine performance of the stock market today. I noted the healthy influence many securities firms have had in reassuring their customers. They undoubtedly helped shift the balance from a flood of "sell" orders to a flood of "buy" orders.

I suggested that you might want to call Keith Funston, President of the New York Stock Exchange, to acknowledge the fine job that was done by Wall Street and the securities industry. Walter thought this would be a good idea. I have now checked it out with Douglas Dillon. He agrees.

We think a brief phone call would be a pleasant surprise to Funston. We think it should not be made public. But undoubtedly the word would spread in the financial community.

The main points to make with Funston might be:

1. Closing the stock market promptly Friday was a wise move.
2. The Stock Exchange and the securities industry are to be complimented on the way they reassured investors.
3. The Stock Exchange had obviously handled today's surge efficiently and well.
4. You might want to ask Funston what he expects the stock market to do from here on out.

Walter W. Heller

Note: At the close at 3:30 today, the Dow-Jones industrial average was 743, up 32 points over the close on Friday, and 11 points above the level just before President Kennedy was shot.

Volume for the day was between nine and ten million shares.