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October 21, 2021

The Honorable Jerome Powell
Chair
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue NW
Washington, D.C. 20551

Dear Chair Powell:

I write regarding a news report that reveals important information about the ongoing ethics scandal involving trades in stocks, bonds, and other investments by Federal Reserve officials. According to this report, published in today's *New York Times*, Fed officials were warned about the ethics risks of these financial moves on March 23, 2020 via an email from the Fed's ethics office, which indicated that they should "avoid unnecessary trading for a few months as the Fed dived deeper into markets."¹

This email is important because it "shows that central bank ethics officers—and officials in general—were aware that active trading could look bad when the Fed was taking emergency action to try to save markets and its policymakers had vast access to sensitive information."²

The Fed has not released this email, or any other ethics advice given to Fed officials during the time period when it was heavily involved in financial markets in response to the COVID-19 pandemic. I am writing to ask that you release this information immediately, so that Congress and the public can evaluate the extent to which Fed officials may have known of the risks from their trading, and if they ignored calls by ethics officials to avoid this scandalous behavior.

Sincerely,



Elizabeth Warren
Chair
Subcommittee on Economic Policy

¹ New York Times, Jeanna Smialek, Fed Ethics Office Warned Officials to Curb Unnecessary Trading During Rescue, Oct. 21, 2021, <https://www.nytimes.com/2021/10/21/business/economy/federal-reserve-ethics-trading.html>.

² *Id.*