

3. MEMBER BANK RESERVE REQUIREMENTS

[Per cent of deposits]

Effective date of change	Net demand deposits ¹			Time deposits	
	Central reserve city banks	Reserve city banks	Country banks	Central reserve and reserve city banks	Country banks
1917—June 21.....	13	10	7	3	3
1936—Aug. 16.....	19½	15	10½	4½	4½
1937—Mar. 1.....	22¾	17½	12¼	5¼	5¼
May 1.....	26	20	14	6	6
1938—Apr. 16.....	22¾	17½	12	5	5
1941—Nov. 1.....	26	20	14	6	6
1942—Aug. 20.....	24				
Sept. 14.....	22				
Oct. 3.....	20				
1948—Feb. 27.....	22				
June 11.....	24				
Sept. 16.....			16		7½
Sept. 24.....	26	22		7½	
1949—May 1.....			15		7
May 5.....	24	21		7	
June 30.....		20		6	
July 1.....			14		6
Aug. 1.....			13		
Aug. 11.....	23½	19½		5	
Aug. 16.....			12		5
Aug. 18.....	23	19			
Aug. 25.....	22½	18½			
Sept. 1.....	22	18			
1951—Jan. 11.....	23	19		6	
Jan. 16.....			13		6
Jan. 25.....	24	20			
Feb. 1.....			14		
1953—July 1.....			13		
July 9.....	22	19			
1954—June 16.....					5
June 24.....	21			5	
July 29.....	20	18			
Aug. 1.....			12		
1958—Feb. 27.....	19½	17½			
Mar. 1.....			11½		
Mar. 20.....	19	17			
Apr. 1.....			11		
Apr. 17.....	18½				
Apr. 24.....	18	16½			
1960—Sept. 1.....	17½				
Nov. 24.....			12		
Dec. 1.....	16½				
In effect Jan. 1, 1961.....	16½	16½	12	5	5
Present legal requirements:					
Minimum.....	² 10	10	7	3	3
Maximum.....	² 22	² 22	14	6	6

¹ Demand deposits subject to reserve requirements which, beginning with Aug. 23, 1935, have been total demand deposits minus cash items in process of collection and demand balances due from domestic banks (also minus war loan and Series E bond accounts during the period Apr. 13, 1943—June 30, 1947).

² From Aug. 23, 1935 to July 28, 1959, the minimum and maximum legal requirements against net demand deposits of central reserve city banks were 13 and 26 per cent, respectively, and the maximum for reserve city banks was 20 per cent.

NOTE.—All required reserves were held on deposit with Federal Reserve Banks, June 21, 1917, until late 1959. Since then, member banks have also been allowed to count vault cash as reserves, as follows: Country banks—in excess of 4 and 2½ per cent of net demand deposits effective Dec. 1, 1959, and Aug. 25, 1960, respectively. Central reserve city and reserve city banks—in excess of 2 and 2½ per cent effective Dec. 3, 1959, and Sept. 1, 1960, respectively. Effective Nov. 24, 1960, all vault cash.