

STATEMENT FOR THE PRESS

Released for publication
Friday afternoon, Jan. 8;
not earlier.

St. 4795
Federal Reserve Board,
January 7, 1926.

CHANGES IN CONDITION OF MEMBER BANKS IN LEADING CITIES DURING 1925.

During the year 1925 member banks in leading cities increased their total loans and investments by \$1,100,000,000 to \$19,700,000,000, a larger total than at any previous time. There was little change for the year in net demand deposits of these banks, while their time deposits increased by \$500,000,000. These changes are shown in a statement issued by the Federal Reserve Board based on weekly reports of condition for 71.9 member banks in about 100 leading cities.

Loans of the reporting banks which stood at \$13,068,000,000 on December 31, 1924, went up gradually to \$13,593,000,000 at the middle of September and then more rapidly to a new maximum of \$14,235,000,000 on December 30. The increase during the year was principally in loans secured by corporate stocks and bonds, which went up by \$1,092,000,000 at all reporting banks and \$457,000,000 at reporting banks in New York City. These loans now constitute about 40.5 per cent of total loans as compared with 35.7 per cent at the end of 1924. Loans secured by U.S. Government obligations declined \$25,000,000, while "All other" loans increased by \$100,000,000, and now constitute 58.3 per cent of total loans and discounts as compared with 62.8 per cent a year ago. Loans of reporting member banks in the New York Federal reserve district increased by \$421,000,000, and for all reporting banks in other districts by \$746,000,000. The largest relative increases in other districts were: Chicago - \$168,000,000; San Francisco - \$145,000,000; Cleveland - \$129,000,000; Philadelphia - \$93,000,000; Boston - \$84,000,000; Atlanta - \$71,000,000; and Richmond - \$54,000,000.

Investments in United States securities reached the maximum for the year, \$2,710,000,000, by the middle of January, decreased gradually to a low point of \$2,472,000,000 on November 18, and stood at \$2,516,000,000 at the end of the year, a reduction of about \$129,000,000 since December 31, 1924. Holdings of corporate stocks and bonds, which aggregated \$2,886,000,000 at the end of 1924, increased to the 1925 maximum of \$2,967,000,000 on July 1, and stood at \$2,945,000,000 on December 30.

Total loans and investments showed but little change to the end of May when they were \$18,593,000,000 as compared with \$18,599,000,000 at the end of 1924. Between that time and the middle of September they increased gradually to \$19,048,000,000, and thereafter more rapidly to \$19,697,000,000 at the end of the year.

Net demand deposits went down from \$13,254,000,000 on December 31, 1924 to \$12,588,000,000 on March 25, and then gradually increased, with temporary fluctuations, to \$13,261,000,000 at the end of the year. Time deposits show a practically continuous increase from the December 31 total of \$4,849,000,000 to the 1925 maximum of \$5,360,000,000 on November 25, after which there was a slight decline to \$5,348,000,000 on December 30. The principal changes in net demand deposits by Federal reserve districts during the year were decreases of \$82,000,000 and \$31,000,000 for the New York and Minneapolis districts, respectively, and an increase of \$42,000,000 for the Atlanta district. All Federal reserve districts except St. Louis show increases in time deposits, of which the largest were San Francisco - \$129,000,000; Chicago - \$99,000,000; Boston - \$78,000,000; and Cleveland - \$63,000,000.

Borrowings of all reporting member banks at their reserve banks after the seasonal drop in January rose rather steadily throughout the year and aggregated \$555,000,000 at the end of 1925 as compared with \$154,000,000 on December 31, 1924. Increased borrowings are reported for all Federal reserve districts, the principal increases being as follows: New York - \$203,000,000; Chicago - \$78,000,000; Boston and Cleveland - \$22,000,000 each; Richmond - \$18,000,000; and Atlanta - \$17,000,000. The larger volume of borrowings by member banks from the Federal reserve banks in 1925 was due chiefly to the withdrawal by the Federal reserve banks of about \$190,000,000 of Federal reserve bank credit through the liquidation of a part of their holdings of U. S. securities and bankers' acceptances, and to the export demand for about \$150,000,000 of gold.

PRINCIPAL RESOURCES AND LIABILITIES OF REPORTING MEMBER BANKS IN LEADING CITIES
(In thousands of dollars)

	All reporting member banks			Reporting member banks in New York City			Reporting member banks in Chicago		
	Dec. 30 1925	Dec. 23 1925	Dec. 31 1924	Dec. 30 1925	Dec. 23 1925	Dec. 31 1924	Dec. 30 1925	Dec. 23 1925	Dec. 31 1924
Number of reporting banks - - - - -	719	719	737	61	61	67	46	46	46
Loans and discounts, gross:									
Secured by U. S. Government obligations -	170,107	174,240	194,974	54,096	56,342	67,447	16,374	16,893	23,212
Secured by stocks and bonds - - - - -	5,759,678	5,602,044	4,667,760	2,430,601	2,274,383	1,973,919	649,528	645,468	500,625
All other loans and discounts - - - - -	8,305,604	8,341,323	8,205,684	2,243,442	2,263,912	2,320,390	665,007	682,507	718,744
Total loans and discounts - - - - -	14,235,389	14,117,607	13,068,418	4,728,139	4,594,637	4,361,756	1,330,909	1,344,868	1,242,581
Investments:									
U. S. Pre-war bonds - - - - -	222,210	224,153	261,319	29,830	29,791	41,999	3,364	3,364	4,088
U. S. Liberty bonds - - - - -	1,367,327	1,383,316	1,387,597	508,343	507,866	541,957	103,913	106,924	81,575
U. S. Treasury bonds - - - - -	430,094	443,251	361,515	176,488	189,869	159,918	16,315	16,340	22,642
U. S. Treasury notes - - - - -	333,499	324,067	501,583	144,023	146,526	191,923	59,473	47,244	83,449
U. S. Treasury certificates - - - - -	162,838	180,055	133,296	38,808	39,334	63,611	1,252	3,095	10,559
Other bonds, stocks and securities - - -	2,945,168	2,911,869	2,885,541	798,845	795,174	871,135	206,068	198,692	203,985
Total investments - - - - -	5,461,636	5,471,711	5,530,856	1,696,337	1,708,560	1,870,543	390,385	375,659	406,298
Total loans and investments - - - -	19,697,025	19,589,318	18,599,274	6,424,476	6,303,197	6,232,299	1,721,294	1,720,527	1,648,879
Reserve balances with F. R. Banks - - - -	1,733,935	1,662,903	1,679,777	783,763	720,835	749,050	172,934	159,767	173,014
Cash in vault - - - - -	338,031	360,898	323,849	82,425	93,465	77,754	26,392	29,197	31,917
Net demand deposits - - - - -	13,260,670	13,063,497	13,254,328	5,309,917	5,188,575	5,401,345	1,168,335	1,154,458	1,180,418
Time deposits - - - - -	5,348,036	5,308,071	4,848,846	809,564	797,432	817,004	500,590	507,213	452,678
Government deposits - - - - -	225,646	257,315	165,903	56,165	63,401	25,878	14,284	15,427	17,183
Bills payable and redis. with F. R. Banks:									
Secured by U. S. Government obligations -	371,252	324,375	114,059	194,337	121,765	29,540	35,295	24,154	925
All other - - - - -	183,829	222,280	40,426	23,675	27,328	1,435	19,584	19,812	150
Total borrowings from F. R. Banks - -	555,081	546,655	154,485	218,012	149,093	30,975	54,879	43,966	1,075

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Released for publication Friday afternoon, January 8, 1926; not earlier.

St. 4795b.

PRINCIPAL RESOURCES AND LIABILITIES OF ALL REPORTING MEMBER BANKS IN EACH FEDERAL RESERVE DISTRICT AS AT CLOSE OF BUSINESS, DECEMBER 30, 1925.
(In thousands of dollars)

Federal Reserve District	Boston	New York	Phila.	Cleve.	Rich.	Atlanta	Chicago	St. Louis	Minn.	Kans. Cy.	Dallas	San Fran.	Total
Number of reporting banks	41	101	54	75	72	36	100	33	24	67	49	67	719
Loans and discounts, gross:													
Secured by U.S. Govt. oblig.	11,476	59,056	11,674	22,183	6,522	6,429	23,745	10,695	2,394	4,184	3,412	8,337	170,107
Secured by stocks & bonds	348,509	2,688,132	394,853	497,013	145,178	95,718	858,900	206,841	70,064	102,940	77,663	273,867	5,759,678
All other loans & discounts	665,518	2,565,423	359,689	758,084	378,477	428,588	1,201,274	306,876	171,700	322,052	235,376	912,547	8,305,604
Total loans and discounts	1,025,503	5,312,611	766,216	1,277,280	530,177	530,735	2,083,919	524,412	244,158	429,176	316,451	1,194,751	14,235,389
Investments:													
U. S. Pre-war bonds	9,660	39,766	9,488	32,546	25,550	14,731	19,008	12,957	7,096	8,983	17,239	25,186	222,210
U. S. Liberty bonds	84,442	600,199	49,024	149,938	30,534	14,789	170,358	23,162	27,395	53,217	19,141	139,628	1,367,827
U. S. Treasury bonds	18,752	191,850	18,127	34,970	7,610	5,847	53,210	10,662	12,477	17,131	5,496	53,962	430,094
U. S. Treasury notes	4,386	152,041	7,331	24,857	1,761	2,048	72,822	6,945	18,659	13,428	5,430	23,791	333,499
U. S. Treasury certificates	20,504	41,110	8,817	22,169	3,802	6,653	12,439	6,035	6,927	4,276	3,853	26,253	162,838
Other bonds, stocks and securities	216,491	1,111,020	250,713	353,167	62,865	53,875	436,924	111,321	43,005	78,073	23,658	204,056	2,945,168
Total investments	354,235	2,135,986	343,500	617,647	132,122	97,943	770,761	171,082	115,559	175,108	74,817	472,876	5,461,636
Total loans and investments	1,379,738	7,448,597	1,109,716	1,894,927	662,299	628,678	2,854,680	695,494	359,717	604,284	391,268	1,667,627	19,697,025
Reserve balances with F.R. Bk.	96,872	840,114	82,055	109,719	40,592	44,972	244,747	47,771	26,059	56,640	30,849	113,545	1,733,935
Cash in vault	25,251	101,214	20,690	37,440	16,730	12,811	56,790	9,726	6,442	14,825	11,388	24,724	338,031
Net demand deposits	911,320	5,874,892	773,484	983,870	377,400	358,878	1,748,473	431,178	230,281	483,953	281,326	805,615	13,260,670
Time deposits	394,731	1,195,253	206,179	742,990	202,044	223,817	1,021,275	206,497	108,713	141,394	95,287	809,856	5,348,036
Government deposits	21,709	63,858	21,174	22,677	6,892	11,298	28,523	6,254	3,176	2,098	8,556	29,431	225,646
Bills payable and rediscounts with F. R. Bank:													
Secured by U.S. Govt. oblig.	8,911	229,885	14,460	18,760	12,398	7,259	60,783	3,129	175	2,617	1,444	11,431	371,252
All other	24,187	31,178	7,241	27,231	20,038	16,101	30,547	7,987	580	5,601	1,235	11,903	183,829
Due to banks	135,598	1,126,518	175,010	44,203	35,636	23,601	381,306	82,277	56,540	101,651	36,806	112,058	2,311,204
Due from banks	35,006	105,927	71,429	30,849	18,782	14,223	166,109	29,296	21,329	48,444	25,150	57,268	623,812

BANKERS' BALANCES OF REPORTING MEMBER BANKS IN FEDERAL RESERVE BANK CITIES

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