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BANKING AND CURRENCY.

NOVEMBER 22, 1913.—Ordered to be printed, with the individual views of members of the committee.

Mr. OWEN (for himself, Messrs. O'GORMAN, REED, POMERENE, SHAFROTH, and HOLLIS), from the Committee on Banking and Currency, submitted the following

VIEWS.

[To accompany H. R. 7837.]

The chairman (Mr. Owen), on behalf of himself and his colleagues, Messrs. O'Gorman, Reed, Pomerene, Shafroth, and Hollis, submit the following memorandum:

The Committee on Banking and Currency, to which was referred the bill (H. R. 7837) to provide for the establishment of Federal reserve banks, etc., received the bill on September 18, 1913, and the members thereof, having been unable after two months to agree upon a report, the committee having divided into two sections, were compelled, finally, to agree to report the bill back to the Senate without recommendation from the committee acting as a committee, but submitting separately the respective views of the two sections of the committee.

The views of the Democratic section of the committee are embraced in the House bill, with certain interlined amendments submitted herewith (Exhibit A), and the following observations are made to explain the origin and principles of the measure, give a general outline of the changes which have been proposed in the House bill, the reasons therefor, etc.

AN OUTLINE OF THE INVESTIGATION MADE AFFECTING THE PRINCIPLES AND CONSTRUCTION OF THE PENDING MEASURE.

So many persons have been under the impression that Congress was inclined to act without sufficient consideration of the pending measure and the principles involved in it, that attention is called to the work which has been done preliminary to the drafting of the present bill.

It has been long understood that the American banking system was seriously defective in having no adequate safeguard against financial panic, against financial stringencies, and violent fluctuations of interest rates, so that immediately after the panic of 1907 a temporary measure providing against panic was passed by Congress in the Vreeland-Aldrich Act, approved May 30, 1908. This bill established the National Monetary Commission. The act gave authority and instruction to the commission as follows:

> It shall be the duty of this commission to inquire into and report to Congress, at the earliest date practicable, what changes are necessary or desirable in the monetary system of the United States or in the laws relating to banking and currency, and for this purpose they are authorized to sit during the session or recess of Congress at such times and places as they may deem desirable; to send for persons and papers; to administer oaths, to summon and compel the attendance of witnesses. * * * The commission shall have the power, through subcommittee or otherwise, to examine witnesses, and to make such investigations and examinations, in this or other countries, of the subjects committed to their charge as they shall deem necessary.

Under this instruction the National Monetary Commission conducted the most extensive and far-reaching investigation of the banking systems of the entire world, and published a series of reports including over 30 volumes and a vast compilation of literature involving over 2,500 volumes, and finally resulting in the recommendation of a central bank, privately controlled, which was submitted to the Senate of the United States under the title of "A bill to incorporate the National Reserve Association of the United States, and for other purposes." (Vol. I, p. 43.) This bill was introduced during the preceding Congress and was not considered. It was, however, reintroduced in the present Congress (63d Cong., 1st sess, S. 7) on April 13, 1913, and has been commonly referred to as "the Aldrich bill."

This bill provided substantially that the national reserve association should be established for 50 years with an authorized capital equal to 20 per cent of the capital of all banks eligible for membership with one-half paid in. It was provided that the Secretary of the Treasury, the Secretary of Agriculture, the Secretary of Commerce and Labor, and the Comptroller of the Currency, should be a committee to organize the national reserve association. It was to have a capital of $200,000,000 and 15 branches in 15 districts of the United States. Each branch was to be controlled by a board of directors chosen by the member banks, with power to make by-laws, etc., and the central national reserve association was to have 39 directors elected by the directors of the 15 branches, and 7 additional ex officio members of the board of directors, to wit, a governor of the national reserve association, 2 deputy directors, the Secretary of the Treasury, the Secretary of Agriculture, the Secretary of Commerce and Labor, and the Comptroller of the Currency, so that the Government had 4 representatives out of 46 members of the board of directors of the national reserve association. An executive committee of 9 members was provided with 1 representative of the Government, the Comptroller of the Currency, ex officio a member. Each branch bank was to have a manager and a deputy manager, appointed by the governor of the association.

The earnings of the association were to be 4 per cent annual dividend, cumulative, a 20 per cent surplus provided, and a division of the remainder between the United States and the shareholders.

The reserve association was made the principal fiscal agent of the United States. Provision was made for rediscounting notes and bills of exchange drawn for agricultural, industrial, and commercial purposes, having a maturity of not more than 28 days. The reserve association was given various powers to deal in gold coin or bullion, to purchase from subscribing banks bills of exchange, open foreign banking accounts, transfer deposit balances from one bank to another, etc.

It was required to keep 50 per cent reserve against demand liabilities, including deposit and circulating notes, with a tax upon any reserve deficiency.

It was authorized to purchase for a limited time the 2 per cent bonds of national banks, assume the redemption of the notes of such banks, and issue its own notes in lieu of such national-bank notes. It was authorized to have a cover for such note issues, either of 50 per cent of gold or other money of the United States, or bills of exchange arising out of commercial transactions, as defined by the act. These notes could be issued up to nine hundred millions without a gold cover under a special tax of 1½ per cent, and any notes in excess of $1,200,000,000 not covered by gold or lawful money could be taxed at 5 per cent, provided that the outstanding national-bank notes should be computed as a part of such issue. Its circulating notes were to be redeemed in lawful money and maintained at a parity.

The circulating notes of this association were to be received at par in payment of all taxes, excises, and other dues to the United States, and of all salaries and other debts and demands due by the United States, except obligations specifically payable in gold, and for all debts due from or by one bank or trust company to another, and for all obligations due to any bank or trust company.

The 2 per cent bonds purchased were to be exchanged for 3 per cent bonds payable in 50 years, and the association was to hold such bonds during its corporate existence, with the right, at the option of the Secretary of the Treasury, to sell fifty millions of such bonds annually after five years. It provided for the establishment of branches of banks to do a foreign banking business.

The Government of the United States was required absolutely to deposit all of its general funds with the national reserve association and its branches, after the organization of the association, and thereafter all receipts of the Government except its trust funds.

This bill was made a matter of general debate throughout the United States, was vigorously pressed by the friends of the measure, and discussed in all of the large cities of the Nation. It was indorsed by the American Banking Association, but, after abundant discussion, was condemned by the Democratic national convention at Baltimore on July 3, 1912, in the following language:

> We oppose the so-called Aldrich bill or the establishment of a central bank; and we believe the people of the country will be largely freed from panic and subsequent unemployment and business depression by such a systematic revision of our banking laws as will render temporary relief in localities where such relief is needed with protection from control or domination by what is known as the Money Trust.

The obvious reason for public disapproval of this bill was that the comparative independence of the various districts of the country was ignored, the concentration of banking power was very extreme, and finally it placed the national credit system in the control of private persons, without any adequate supervision or control by the Government of the United States, and proposed to allow these banks to issue the currency of the country as private corporations.

THE PUJO INVESTIGATION.

Under House resolutions 439 and 504, Sixty-Second Congress, second session, the so-called "Money Trust investigation" was conducted by the House of Representatives, beginning May 16, 1912. These hearings were published in 29 parts, consisting of thousands of pages, and with a most illuminating report showing the existence, substantially, of a vast concentration of power in the hands of a few men over the credit system of the United States.

THE GLASS INVESTIGATION.

These investigations were further continued by a subcommittee of the Committee on Banking and Currency of the House of Representatives, beginning on Tuesday, January 7, 1913, and directed by Hon. Carter Glass, chairman, according to the leading bankers and finencial experts of the country extended hearings, comprising a volume of 745 pages of printed testimony.

In addition to these extensive examinations by the National Monetary Commission, the Pujo investigation, and the Glass investigation various representatives of the American Banking Association were in frequent consultation with Chairman Glass of the House Committee on Banking and Currency, with the chairman of the Senate Committee on Banking and Currency, with the Secretary of the Treasury, and others who were concerned in the primary framing of the pending measure, so that the plea of some of the interests opposing the bill that the matter had not been properly investigated had no just foundation of fact. But in addition to these investigations and discussions the bill, when finally introduced in the House of Representatives, was discussed for many weeks in the Committee on Banking and Currency of the House, in the Democratic conference, and for many days in the House of Representatives, finally passing September 17, 1913.

THE SENATE INVESTIGATION.

Anticipating the action of the House of Representatives upon this bill, the Committee on Banking and Currency of the United States Senate began hearings on the bill September 2, 1913, holding their sessions from 10 o'clock in the morning until 5 and 6 in the evening and listening to various representatives of the American Banking Association, of credit associations, of business men, and of financial experts. These hearings when concluded and presented to the Senate in Senate Document No. 232, Sixty-third Congress, first session, on November 6, 1913, in three volumes, with index, make

3,259 pages. It is therefore obvious that great pains have been taken by the authorities of the United States and by the committees in Congress to proceed with the greatest caution and upon the fullest information in the adjustment of this very important measure.

When the hearings before the Senate Committee on Banking and Currency were concluded, the members of the committee discussed the bill for over two weeks, finally agreeing to submit their separate views in the form of the House bill, H. R. 7837, with certain amendments thereto, representing the respective views of the two sections of the committee.

Both sections of the committee, however, agreed on the great fundamentals of the bill—that is:

First. On the necessity for greater concentration of the banking reserves of the country.

Second. The volume of such reserves.

Third. The volume of the capital of the proposed banks.

Fourth. The mobilization of such reserves.

Fifth. The promotion of an open discount market.

Sixth. The provision for elastic currency; the issuance of Federal reserve notes.

Seventh. That the Federal reserve notes should be the obligations of the United States.

Eighth. That the system should be the regional Federal reserve bank system instead of a central bank; and

Ninth. The control of the system itself by the Government.

The two sections of the committee disagree upon the number of the Federal reserve banks, the method of subscribing for the stock of such banks, the method of electing the directors of such banks, the method of administering the regional reserve banks, and these differences arise, in the main, because of two schools of thought, one part of the committee believing in a central bank administered by a central board and the other part of the committee proposing to establish a number of comparatively independent district banks administered by boards of directors chosen from and representing the several districts, but under the strict supervisory control of the Government. The interests of the public are thus protected by Government supervision, and the vast and intricate technical detail of bank administration being placed in the hands of the bankers whose funds and whose business is involved.

THE PURPOSES OF THE BANKING AND CURRENCY BILL.

The chief purposes of the banking and currency bill is to give stability to the commerce and industry of the United States, prevent financial panics or financial stringencies; make available effective commercial credit for individuals engaged in manufacturing, in commerce, in finance, and in business to the extent of their just deserts; put an end to the pyramiding of the bank reserves of the country and the use of such reserves for gambling purposes on the stock exchange.

In order to accomplish these results there are certain great fundamentals recognized by all experts as essential and necessary, to wit:

First. The proper concentration of the bank reserves of the country under the control of the banks themselves, safeguarded by governmental supervision.

Second. A suitable banking capital as a margin of safety.

Third. Placing the larger part of the Government funds with such banks, where they may be used in the service of the national commerce.

Fourth. Authorizing the issuance of elastic currency against liquid commercial bills under proper safeguards.

Fifth. Establishing an open market for liquid commercial bills, by providing through the reserve banks a constant and unfailing market for such bills at a steady rate of interest.

Sixth. Finally, protecting the gold reserve of the United States by the same methods adopted in Europe, to wit, raising the rate of interest through the Federal reserve banks and authorizing such banks to acquire foreign bills when gold shipments are anticipated and taking other precautionary measures.

THE MECHANISM OF THE FEDERAL RESERVE BANK SYSTEM.

These important national ends are proposed to be obtained by the mechanism of eight Federal reserve banks organized with a capital equal to 6 per cent of the capital and surplus of the National and State banks in the several districts.

The eight districts are proposed to be laid off by an organization committee, who shall organize a Federal reserve bank with headquarters in a central city of each district, each bank to establish as many branches in its district as may be found expedient.

It is proposed that each Federal reserve bank shall have nine directors, six elected by the banks and three chosen by the Federal reserve board.

The entire system is proposed to be under the supervisory control of the Federal reserve board, consisting of the Secretary of the Treasury and six other members of such board appointed by the President and confirmed by the Senate.

The Federal reserve board is given very broad powers of supervision and is assisted by a Federal advisory council, consisting of one representative from each of the Federal reserve banks.

The details of the organization and the principles of the bill will be hereinafter more fully set forth.

FEDERAL RESERVE DISTRICTS.

The Federal reserve districts are proposed to be organized by the Secretary of the Treasury and not less than two members of the Federal reserve board (sec. 2), who shall summon expert aid and take testimony and lay out such Federal reserve districts, eight in number, according to the convenience and customary course of business, designating the city in which the district Federal reserve bank shall be located (p. 2).

When the districts shall have been laid out and the city determined in which such Federal reserve banks shall be located, five of the subscribing banks in such district are authorized to take out a charter in the same manner and with similar powers as a national bank (pp. 11 to 14), except that the business of the Federal reserve bank is confined to member banks and other Federal reserve banks and to the United States, except its open market operations, which may be with any responsible concern.

These banks are given, as a part of the charter rights, the right to issue Federal reserve bank notes against United States bonds in the same manner as a national bank, the purpose being to permit said banks to absorb as much of the 2 per cent bonds as the national banks may care to dispose of.

STOCK SUBSCRIPTION.

The amount of possible stock is placed at a sum equal to 6 per cent of the capital and surplus of national banks and State banks and trust companies, exclusive of savings banks, a possible total of about $150,000,000, one-half of which will be required to be paid in during a period of six months after the organization of said banks and one-half subject to call, with a double liability resting upon the subscribers against the amount subscribed.

The reasons for requiring the banks to subscribe to this stock with a double liability are—

First. To protect the large deposits of general funds which the United States will probably place with such banks.

Second. To protect the United States against the extension of credit through the Federal reserve notes, the obligations of the United States, loaned to the Federal reserve banks against commercial bills.

Third. To safeguard the system itself, to protect the large volume of reserves placed with such banks, and give to such banks the confidence of the world.

Fourth. To justify the Government in putting on the banks the prime responsibility of administering these banks and safeguarding their own reserves and their own capital stock, and making them responsible to the country for safeguarding the welfare of the national banking system, protecting the national gold supply under the safeguard of governmental supervision.

Every national bank located in a given district is required within 60 days after the passage of the act to signify its acceptance of the terms of the act, and every State bank eligible for membership is permitted to signify its assent in like manner.

Any national bank within such district failing to signify its assent may be discontinued as a reserve agent upon 30 days' notice by the organization committee or the Federal reserve board. And should any national bank within one year after the passage of the act fail to become a member bank of the system, it is required to cease to act as a national bank.

In the contingency that the capital stock is not fully subscribed by the banks of a given district, provision is made (p. 7) to offer such stock to public subscription, and on the contingency that such stock is not subscribed by the public the balance of the necessary capital may be allotted to the United States and sold by the Government at proper times and places.

All stock held by the public or by the Government will be voted by the directors of the Federal reserve bank of class C, representing the Government.

CONTROL OF THE FEDERAL RESERVE BANKS.

Each Federal reserve bank will be controlled by a board of nine directors—three of class A, elected by the banks; three of class B—business men—elected by the banks; and three of class C, appointed by the Federal reserve board to represent the United States.

One director of class C will be a Federal reserve agent and chairman of the board, and one a deputy Federal reserve agent and deputy chairman, representing expressly the interests of the United States at such bank and issuing Federal reserve notes to the reserve bank, holding the security therefor, and receiving such notes for safe-keeping when returned by the bank.

PROBABLE RESOURCES OF FEDERAL RESERVE BANKS.

The capital stock of 25,195 banks in the United States, including savings banks, amounts to $2,010,000,000; surplus, $1,585,000,000. Six per cent of this sum would be something over $200,000,000, and the total liability would make over $400,000,000. Assuming that one-half of these concerns enter the system, it would give a capital of $100,000,000, with over $50,000,000 paid in.

The total reserves which would be paid into the Federal reserve banks by 7,120 national banks, outside of reserve or central reserve cities, would be $166,000,000 (Exhibit B, p. 1); from 315 reserve city banks, $110,000,000; and from 52 central reserve city banks, $96,000,000, which, including an estimated deposit of $150,000,000 from the Government, would make an amount equal to $672,00,000.

If the State banks and trust companies come in, omitting the savings banks, it would add $279,000,000 of reserves and $21,000,000 of capital stock (Exhibit B, p. 6), making a total of $972,000,000.

These funds would not include any optional deposits that might be voluntarily placed with the Federal reserve bank by member banks.

DIVISION OF EARNINGS.

It is proposed in the pending bill to give the stockholders 6 per cent dividends, lay up a surplus of 20 per cent, and give the United States the additional earnings. The policy of limiting the dividends to 6 per cent is based upon the theory that these great public utility banks are not intended to be merely money-making banks, but that they are guardians of the public welfare, primarily safeguarding the member banks, protecting their reserves, safeguarding their credit, protecting them from panic or financial stringency, and being always prepared to furnish them with accommodation at a reasonable rate of interest. But these Federal reserve banks will also be charged with the duty of protecting the national gold reserve, protecting the national commerce, and in this way give stability to the manufacturing, industrial, commercial, and transportation enterprises of the United States. For this reason these banks ought to have no other motive than the public welfare, and the moving policy of the banks should not be to earn as much dividends as the commerce of the country could endure, but to protect our national commerce and our national-banking system at a fair profit.

STATE BANKS AND TRUST COMPANIES.

The bill (pp. 5 and 27) invites the State banks to become members where the capital stock, sound condition, subscription, and compliance with the rules of the system justifies. The State banks and trust companies, however, will be subjected to the same rules governing the national banks in regard to the limitation of liability which may be incurred by any one person to such banks, the prohibition of making purchase of or loans upon the stock of such banks, or withdrawal or impairment of capital, the payment of unearned dividends, the making of reports to the comptroller, and the right of examination of such banks, as if they were national banks, with the right, however, to accept the State examinations in lieu of the comptroller's examination where such examinations are satisfactorily made.

BANK EXAMINATIONS.

Under the proposed system the bank examinations are made much more carefully, the bank examiners put on salaries (p. 66). Loans, gratuities, or commissions are forbidden to either bank examiners or to officers or directors of member banks.

BANK RESERVES.

Very important changes are made in the matter of bank reserves (p. 59) by requiring the withdrawal of the legal reserves from other national banks after a period of three years, making the change that the country banks are required to keep 12 per cent of their demand liabilities and 5 per cent of their time deposits as reserves—two-twelfths in the Federal reserve bank for 14 months, and thereafter five-twelfths—leaving seven-twelfths after three years to be optionally kept either in the bank's own vaults or in the Federal reserve bank (p. 62). The reserve city banks are required to keep 18 per cent of their demand liabilities and 5 per cent of time deposits; three-eighteenths of such reserve for the first 14 months being kept in the Federal reserve bank, and thereafter six-eighteenths of said reserve, leaving twelve-eighteenths of such reserve to be kept after three years either in the bank's own vaults or in the Federal reserve bank, at its option (p. 63).

The central reserve city banks are required to maintain a reserve equal to 18 per cent of their demand liabilities and 5 per cent of their time deposits; for 14 months three-eighteenths of such reserves and thereafter six-eighteenths of such reserves with the Federal reserve bank, leaving twelve-eighteenths optional to be kept in the bank's own vaults or with the Federal reserve bank.

The State banks are permitted to keep their surplus legal reserves for three years with other State banks if the State law requires.

It is proposed that the reserves of the Federal reserve banks shall be not less than 35 per cent of gold or lawful money against their demand liabilities or Federal reserve notes in circulation (pp. 48 and 65.)

Some of the banks have objected that they would lose 2 per cent interest on so much of the deposits as they keep with the Federal reserve bank, and they seem to think they would not be sufficiently compensated by the obvious benefits of the Federal reserve banking system.

The answer to such objections is that the compensations in a financial way will far more than outweigh the loss of the 2 per cent interest, while the stability of the business of the bank, and the peace of mind it will give to the bankers in having freedom from constant anxiety, would more than compensate them, even if the financial advantages did not do so. The financial advantages are obvious—

First. The capital stock put into the system will be merely a transfer of funds obtained by taking a certain portion of the present deposits (however invested) into the form of this capital stock, earning 6 per cent net, free from tax, making the earning on such stock between 7 and 8 per cent, which is a higher return than any bank can possibly average upon its deposits.

Second. The reserves placed with the Federal reserve banks would not bear interest under the present bill (although this may possibly be found expedient at some future time when the system is established), but an average bank with a hundred thousand dollars ($100,000) capital and $550,000 average individual deposits, if it carried 5 per cent of its deposits as reserves with the Federal reserve bank, would carry only $27,500 with the Federal reserve bank, which it might use, if it saw fit, as a checking account for exchange purposes if it kept the account up to the required standard.

The earning power on $27,500 at 2 per cent would only be $550, and since the bank could borrow back an equal sum, at probably 4 per cent and lend it at 6 or 8 per cent, it could earn as much or more out of such rediscount as the interest at 2 per cent amounts to.

But it has a far larger earning power, because, under the old system, where every bank had to protect itself by keeping a high individual reserve, the country banks have carried on an average of over 21 per cent, and under this system they would have available the difference between 12 per cent legal reserves and 21 per cent actual reserves, which, on the deposits of an average bank of $550,000, would amount to $49,000, and which they could lend at 6 per cent instead of 2 per cent, as at present, giving such bank an additional earning power of $1,980 above its present earning power, if it saw fit to use these surplus reserves which they now carry, because of the fear of panic and financial stringency.

A very important consideration, however, would result from this improved system in giving an increased public confidence in the banks and which would attract a considerable amount of money which is not now deposited in banks at all and would thus enlarge the deposits of the bank and enlarge substantially their money-earning power.

Another important financial advantage to the bank would be that the larger use of their reserves would also result in an enlargement of deposits, entirely justified and on a safe basis, which would give them increased earning power. It is extremely short-sighted for a bank to imagine that its financial earnings would be in any wise harmed by the proposals of this measure. A very great psychological advantage is in giving peace of mind to the entire banking world, so long as business is conducted upon an honest, sensible basis.

PROBABLE READJUSTMENT OF CASH UNDER REQUIREMENT OF THE FEDERAL RESERVE ACT.

If all national banks enter the system and subscribe at the rate of 6 per cent of their capital ($1,056,345,786) and surplus ($725,333,629), or $106,900,764.90, paying one-sixth in cash, one-sixth in three months, and one-sixth in six months, the Federal reserve banks will have in six months a paid-up capital of $53,450,382, to which should be added about $150,000,000 of Government funds, which will be deposited with the Federal reserve banks, making a total of $203,450,382 cash, of which two-thirds *could* be used for discounting.

The relative proportion of subscription to the Federal reserve bank is as follows: Country banks, 55 per cent; reserve city banks, 26 per cent; and central reserve cities, 19 per cent.

Assuming that the banks will immediately avail themselves of the discounting privilege to the extent of one-third of this fund in the Federal reserve banks, the country banks will be entitled to 55 per cent of (one-third of $203,450,382) $67,816,794 = $37,299,236; the reserve city banks 26 per cent, or $17,632,366; and the central reserve cities 19 per cent, or $12,885,190.

Should the banks avail themselves of this privilege to the extent of one-half of this fund, the country banks will be entitled to 55 per cent of (one-half of $203,450,382) $101,725,191 = $55,948,855; the reserve city banks 26 per cent, or $26,448,549, and the central reserve city banks 19 per cent, or $19,327,787.

In the event the banks should avail themselves of the discount privilege to the extent of two-thirds of the fund in the Federal reserve banks, the country banks would be entitled to 55 per cent of (two-thirds of $203,450,382) $135,633,588 = $74,598,472; the reserve city banks 26 per cent, or $35,264,732, and the central reserve city banks 19 per cent, or $25,770,380.

The reserve requirement and the probable readjustment of cash in the several classes, respectively, under the Federal reserve act are as follows:

7,120 banks not in a reserve or central reserve city.

RESERVES.

12 per cent of demand liabilities ($3,136,329,730.27)	$376,359,567.63
5 per cent of time deposits ($459,377,757.19)	22,968,887.86
Total	399,328,455.49

	Cash in the banks' own vault.	Cash in the Federal reserve bank.	Optional, own vault or Federal reserve bank.	Optional, in own vault, in Federal reserve bank, reserve city bank, or in central reserve city bank.
First 14 months	4/12—$133,109,485	2/12—$66,554,742		6/12—$199,664,228
Between 14 and 36 months	4/12— 133,109,485	5/12—166,386,855		3/12— 99,832,114
After 36 months		5/12—166,386,855	7/12—$232,941,597	

PROBABLE READJUSTMENT OF CASH. COUNTRY BANKS.

(First 14 months.)

Cash on hand (Aug. 9, 1913) specie and legal tender	$250,702,980	
Cash available by discount of commercial paper (one-third basis)	37,299,236	
Cash required for stock subscription to Federal reserve banks		$29,397,710
Cash reserve required in own vault (four-twelfths)		133,109,485
Cash reserve required in Federal reserve banks (two-twelfths)		66,554,742
Cash surplus		[1] 58,940,279
	288,002,216	288,002,216

One-third basis.—Between 14 and 36 months, amount reserve required in the Federal reserve banks is increased three-twelfths, or $99,832,114, making a deficit of $40,891,835, and after 36 months, three-twelfths additional, or $99,832,114, must be kept either in Federal reserve banks or in banks' own vaults, making the total deficit after 36 months $140,723,949.

One-half basis.—Should the banks discount to the extent of one-half of the available fund in the Federal reserve banks (i. e., capital stock and United States funds) this deficit will be reduced by the difference between $37,299,236 (one-third basis) and $55,948,855 (one-half basis), or $18,649,619, leaving a deficit of $122,074,330.

Two-thirds basis.—If the banks discount to the extent of two-thirds of the fund in the Federal reserve banks, the deficit will be reduced by the difference between $37,299,236 (one-third basis) and $74,598,472 (two-thirds basis) or $37,299,236, leaving a deficit of $103,424,713.

315 reserve city banks.

RESERVES.

18 per cent of demand liabilities ($1,821,413,780.14)	$327,854,480.43
5 per cent of time deposits ($60,233,520.52)	3,011,676.03
Total	330,866,156.46

	Cash in the banks' own vaults.	Cash in the Federal reserve bank.	Optional, own vault or Federal reserve bank.	Optional, in own vault, in Federal reserve bank, reserve city bank, or in central reserve city bank.
First 14 months	6/18=$110,288,719	3/18=$55,144,359		9/18=$165,433,078
Between 14 and 36 months	6/18= 110,288,719	6/18=110,288,719		6/18= 110,288,719
After 36 months		6/18=110,288,719	12/18=$220,577,438	

PROBABLE READJUSTMENT OF CASH.

(First 14 months.)

Cash on hand (Aug. 9, 1913) specie and legal tender	$240,947,005	
Cash available by discount of commercial paper (one-third basis)	17,632,366	
Cash required for stock subscription to Federal reserve banks		$13,897,099
Cash reserve required in own vault (six-eighteenths)		110,288,719
Cash reserve required in Federal reserve banks (three-eighteenths)		55,144,359
Cash surplus		79,249,194
	258,579,371	258,579,371

One-third basis.—Between 14 and 36 months, amount of reserve required in Federal reserve banks is increased three-eighteenths, or $55,144,359, leaving still a surplus of $24,104,835, and after 36 months

[1] The above table does not include cash from possible rediscounts of reserve put in Federal reserve banks.

an additional six-eighteenths, or $110,288,719, must be kept either in banks' own vaults or in Federal reserve banks, causing a deficit of $86,183,884.

One-half basis.—Should the banks discount to the extent of one-half of the available fund in the Federal reserve banks, this deficit will be reduced by the difference between $17,632,366 (one-third basis) and $26,448,549, or $8,816,183, leaving a deficit of $77,367,701.

Two-thirds basis.—If the banks discount to the extent of two-thirds of the funds in the Federal reserve banks, the deficit will be reduced by the difference between $17,632,366 (one-third basis) and $35,264,-732, or $17,632,366, leaving a deficit of $59,735,355.

52 central reserve city banks.

RESERVES.

18 per cent of demand liabilities ($1,605,579,970.29)	$289,004,394.65
5 per cent of time deposits ($13,755,310.58)	687,765.53
Total	289,692,160.18

	Cash in the banks' own vaults.	Cash in the Federal reserve bank.	Optional, own vault or Federal reserve bank.	Optional, in own vault, in Federal reserve bank, reserve city bank, or central reserve city bank.
First 14 months	6/18=$96,564,053	3/18=$48,282,027	9/18=$144,846,080	
Between 14 and 36 months	6/18= 96,564,053	6/18= 96,564,053	6/18= 96,564,053	
After 36 months		6/18= 96,564,053	12/18= 193,128,107	

PROBABLE READJUSTMENT OF CASH.

(First 14 months.)

Cash on hand (Aug. 9, 1913) specie and legal tender	$407,519,389	
Cash available by discount of commercial paper (one-third basis)	12,885,190	
Cash required for stock subscription in Federal reserve banks		$10,155,572
Cash reserve required in own vaults (six-eighteenths)		96,564,053
Cash reserve required in Federal reserve banks (three-eighteenths)		48,282,026
Cash reserve required in own vault or Federal reserve banks (nine-eighteenths)		144,846,080
Cash surplus		120,556,848
	420,404,579	420,404,579

Although the percentages of cash reserve required in the banks' own vaults and in the Federal reserve banks change after 14 months and after 36 months, inasmuch as at all times the full reserve requirement must be either in the banks' own vaults or in the Federal reserve banks, the surplus cash remains the same.

One-half basis.—Should the banks discount to the extent of one-half of the available fund in the Federal reserve banks, this surplus would be increased by the difference between $12,885,190 (one-third basis) and $19,327,787 (one-half basis), or $6,442,597, making a surplus of $126,999,445.

Two-thirds basis.—If the banks discount to the extent of two-thirds of the funds in the Federal reserve banks, the surplus will be increased by the difference between $12,885,190 (one-third basis) and $25,770,380 (two-thirds basis), or $12,885,190, making a surplus of $133,442,038.

In addition to the paid-up capital of the Federal reserve banks ($53,450,382) and the deposit of Government funds ($150,000,000) the Federal reserve banks will have available for discount purposes the funds held by them as reserves of the member banks to within 33⅓ per cent, viz:

Reserves deposited—Available for loans to member banks.

FIRST 14 MONTHS.

Amount of reserve deposited with Federal reserve banks first 14 months:	
Country banks (two-twelfths of reserve requirement)	$66,554,742
Reserve city banks (three-eighteenths of reserve requirement)	55,144,359
Central reserve city banks (three-eighteenths of required reserve)	48,282,027
Total	169,981,128

If one-third of this fund is used for rediscounting purposes, the additional cash would amount to $56,660,376; if one-half is used, $84,940,564; and if two-thirds, $113,320,752.

BETWEEN 14 AND 36 MONTHS.

Amount of reserves deposited with Federal reserve banks 14 to 36 months:	
Country banks (five-twelfths of reserve requirement)	$166,386,855
Reserve city banks (six-eighteenths of reserve requirement)	110,288,719
Central reserve city banks (six-eighteenths of reserve requirement)	96,564,053
Total	373,239,627

Additional available cash as follows: One-third basis, $124,413,209; one-half basis, $186,619,814; and two-thirds basis, $248,826,418.

AFTER 36 MONTHS.

Country banks (five-twelfths of reserve requirement)	$166,386,855
Reserve city banks (six-eighteenths of reserve requirement)	110,288,719
Central reserve city banks (six-eighteenths of reserve requirement)	96,564,053
	373,239,627

Additional available cash as follows: One-third basis, $124,413,209; one-half basis, $186,619,814; and two-thirds basis, $248,826,418.

SUMMARY.

Condition of all national banks with respect to cash after probable redistribution under Federal reserve act.

FIRST 14 MONTHS.

[This table does not include cash obtained from rediscounting reserve money in Federal reserve banks.]

National bank system.	When one-third of Federal reserve bank funds are discounted.		When one-half of Federal reserve bank funds are discounted.		When two-thirds of Federal reserve bank funds are discounted.	
	Surplus.	Deficit.	Surplus.	Deficit.	Surplus.	Deficit.
Country banks	$58,940,279	....	$77,589,898	....	$96,239,515	....
Reserve city banks	79,249,194	....	88,065,377	....	96,881,560	....
Central reserve city banks	120,556,848	....	126,999,445	....	133,442,038	....
Surplus	258,746,321	....	292,654,720	....	326,563,113	....
Additional cash available if reserves ($169,981,128) of member banks are used for rediscount	56,660,376	....	84,940,564	....	113,320,752	....
Total surplus	315,406,697	....	377,595,284	....	439,883,865	....

Condition of all national banks with respect to cash after probable redistribution under Federal reserve act—Continued.

BETWEEN 14 AND 36 MONTHS.

National bank system.	When one-third of Federal reserve bank funds are discounted.		When one-half of Federal reserve bank funds are discounted.		When two-thirds of Federal reserve bank funds are discounted.	
	Surplus.	Deficit.	Surplus.	Deficit.	Surplus.	Deficit.
Country banks		$40,891,835		$22,242,216		$3,592,599
Reserve city banks	$24,104,835		$32,921,018		$41,737,201	
Central reserve city banks	120,556,848		126,999,445		133,442,038	
Surplus, including all banks		103,770,048		137,678,247		171,586,640
	144,661,683	144,661,883	159,920,463	159,920,463	175,179,239	175,179,239
Surplus	103,770,048		137,678,247		171,586,640	
All banks: Additional cash available if reserves ($373,239,627) of member banks are used for rediscount	124,413,209		186,619,814		248,826,418	
Total surplus	228,183,257		324,298,061		420,413,058	

AFTER 36 MONTHS.

Country banks		$140,723,949		$122,074,330		$103,424,711
Reserve city banks		86,183,884		77,367,701		59,735,345
Central reserve city banks	$120,556,848		$126,999,445		$133,442,038	
Deficit of all banks, to balance	106,350,985		72,442,586		29,718,018	
	226,907,833	226,907,833	199,442,031	199,442,031	163,160,056	163,160,066
Deficit, to balance, excluding cash from reserve discounts		106,350,985		72,442,586		29,718,018
Additional cash available if reserves ($373,239,627) of member banks are used for rediscount [1]	124,413,209		186,619,814		248,826,418	
Total surplus		18,062,224		114,177,228		219,108,400
	124,413,209	124,413,209	186,619,814	186,619,814	248,826,418	248,826,418
Total deficit or surplus for system where cash is obtained from rediscounting reserves as well as capital and United States deposits	[2] 18,062,224		[3] 114,177,228		[4] 219,108,400	

[1] The total reserve deposits are $373,239,627; one-third equals $124,413,209; one-half equals $186,619,814; two-thirds equal $248,826,418.

[2] $18,062,224 surplus is on theory of discounting one-third of capital, United States funds, and reserves.

[3] $114,177,228 surplus is on theory of discounting one-half of capital, United States funds, and reserves.

[4] $219,108,400 surplus is on theory of discounting two-thirds of capital, United States funds, and reserves.

All the capital could be loaned out, but only two-thirds of United States funds and of reserves.

These figures above relate only to the national banks. The State banks and trust companies must be provided with reserve money in sufficient quantity to enable them to enter the system without contracting loans.

Memorandum prepared by Robert L. Owen, showing amount of reserve money available by statement of Aug. 9, 1913.

	Number.	Demand liabilities.	Time deposits.	Cash on hand.	Date of report.
National banks............	7,488	$6,563,335,480.70	$533,364,588.29	[1] $899,169,374.00	Aug. 9, 1913
State banks................	14,011	2,444,100,836.73	[2] 636,910,746.06	[3] 246,247,125.00	June 4, 1913
Trust companies...........	1,515	2,600,505,985.19	[2] 970,855,018.71	[4] 285,384,815.00	Do.

[1] National banks have, also, not included in these figures, $42,637,771 national-bank notes and $3,650,042.38 minor coins; total, $46,287,813.38, which can not be counted as reserves under present laws.
[2] Represent savings deposits, time deposits not given.
[3] Includes $35,521,522 national-bank notes and minor coins.
[4] Includes $26,732,928 national-bank notes and minor coins.

Total reserve money, 246+285=531−62=459 millions

State banks........	$2,444, at 12%=$292		Own vaults..............................	$216	
	636, at 5%= 31	Total, $323	In Federal reserve banks..................	107	$323
Trust companies...	2,600, at 18%= 468		Own vaults..............................	344	
	970, at 5%= 48	Total, 516	In Federal reserve banks..................	172	516

Total requirements........................	839
Actual reserve cash..............................	459
Gross deficit................................	378
Credit cash from rediscounts one-half $279, on deposit Federal reserve banks ($172+107)........	139
Total net deficit...........................	239

The capital stock of State banks and trust companies excluding savings banks equals $459,000,000 with a surplus fund of $271,000,000, making a total of $730,000,000, which upon a 6 per cent basis would give an addition to the capital stock of the Federal reserve banks, if the State banks and trust companies entered it, of $43,000,000, which, if one-half were paid in cash, would add to the initial capital stock in cash $21,000,000 above the capital stock heretofore considered, and would therefore add a further deficit of $21,000,000 to the total net deficit of $239,000,000, making a total deficit of $260,000,000, as far as the State banks and trust companies are concerned.

It is insisted, however, that this contingency is not likely to arise, as many of the small State banks will not enter the system, and if it did arise, it could be taken care of—

First, by discounting of the funds of the Federal reserve banks.

Second, by an additional deposit of United States funds above the $150,000,000 heretofore estimated.

Third, or finally, by the issuance of Federal reserve notes, which should be counted as reserves for member banks if the Federal reserve board find it necessary.

Moreover, it might further be provided for by making the national-bank notes available for reserve money, since they are based on Government bonds and are already used by State banks under the present State laws as reserves. This contingency has been provided for by a proposed amendment giving the Federal reserve board (p. 38, line 15) the right to authorize the use as reserves of member banks Federal reserve notes or bank notes based on United States bonds.

FEDERAL RESERVE BOARD—ITS POWERS.

The Federal reserve board, consisting of the Secretary of the Treasury and six members appointed by the President of the United States and confirmed by the Senate for terms of six years (p. 31), are given the following powers:

POWERS OF THE FEDERAL RESERVE BOARD.

To readjust districts created by the organization committee and create new ones.

To regulate the establishment of branches of Federal reserve banks within Federal reserve district in which bank is located.

To designate three (class C) of the nine members of the board of directors of each Federal reserve bank, one of these to be chairman of the board with the title of "Federal reserve agent," and one "deputy Federal reserve agent."

The Federal reserve agent to maintain a local office of the Federal reserve board on the premises of the Federal reserve bank. He shall make regular reports to Federal reserve board and be its official representative.

To remove any director or officer of a Federal reserve bank for cause stated.

To remove chairman of Federal reserve bank without notice.

To establish by-laws governing applications from State banks and trust companies.

"Of the six persons * * * appointed (by the President), one shall be designated governor and one vice governor of the Federal reserve board." The governor, subject to supervision of the Secretary of the Treasury and board, shall be the acting managing officer of the Federal reserve board.

To levy a semiannual assessment upon the Federal reserve banks for estimated expenses for succeeding six months, together with deficit carried forward.

To examine at its discretion the accounts, books, and affairs of each Federal reserve bank or member bank and to require such statements and reports as it may deem necessary.

To require, or on application to permit, a Federal reserve bank to rediscount the paper of any other Federal reserve bank.

To suspend for a period not exceeding 30 days (and to renew such suspension for periods not to exceed 15 days), any and every reserve requirement specified in this act.

To supervise and regulate the issue and retirement of Treasury notes to Federal reserve banks.

To add to the number of cities classified as reserve and central reserve cities under existing law in which national banking associations are subject to the reserve requirements set forth in section 21 of this act, or to reclassify existing reserve or central reserve cities and to designate the banks therein situated as country banks, at its discretion.

To require the removal of officials of Federal reserve banks.

To require the writing off of doubtful or worthless assets upon the books and balance sheets of Federal reserve banks.

To suspend the further operations of any Federal reserve bank and appoint a receiver therefor.

To perform the duties, functions, or services specified or implied in this act.

To determine or define (subject to stipulations) the character of paper eligible for discount for member banks.

To prescribe regulations for purchase and sale by Federal reserve banks of bankers' bills, etc.

To review and determine the minimum rate of discount for member banks established by Federal reserve banks and fix weekly the discount rate reserve banks may discount for each other.

To authorize establishment of correspondents and agencies of Federal reserve banks in foreign countries.

To authorize the issue of Federal reserve Treasury notes.

To receive, through the local Federal reserve agent, applications from Federal reserve banks for notes, such applications to be accompanied by rediscounted notes for deposit as collateral security.

To require Federal reserve banks to maintain deposits in Treasury of United States in gold of 5 per cent of notes issued.

To grant in whole or in part or to reject entirely the application from Federal reserve banks for notes.

To establish rate of interest on notes issued.

To prescribe regulations for substitution of collateral.

To make and promulgate regulations governing the transfer of funds among Federal reserve banks.

To act, if desired, as clearing house for Federal reserve banks.

To require, in its discretion, Federal reserve banks to act as clearing houses for shareholding banks.

To require extra examinations of national banks when deemed necessary.

To determine and report annually to Congress fixed salaries of all bank examiners.

To assess upon banks in proportion to assets or resources the expenses of examinations.

To fix a date for such assessment.

To arrange for special or periodical examinations of member banks for account of Federal reserve banks.

To receive from Federal reserve banks information concerning the condition of any national bank in its district.

To order examinations of national banks in reserve cities as often as necessary.

To add to the list of cities in which national banks shall not be permitted to loan on real estate as described.

To receive applications from national banks having $1,000,000 or more capital for the establishment of branches in foreign countries, to reject or accept such applications, and to prescribe conditions under which such branches may be opened.

To require examinations of foreign branches as it may deem best.

(Pp. 31–38, 40, 45.)

FEDERAL ADVISORY COUNCIL.

In order to keep the Federal reserve board in intimate touch with the banking business of the country, the Federal advisory council is established, consisting of one representative from each Federal reserve bank with power to confer directly with the Federal reserve board, make proper representations and recommendations, call for information, etc. (p. 39). Many of the big banks quite urgently insisted that the bankers should have representation upon the Federal reserve board. This was denied for the obvious reason that the function of the Federal reserve board in supervising the banking system is a governmental function in which private persons or private interests have no right to representation except through the Government itself. The precedents of all civilized governments is against such a contention. It was believed that the Federal reserve board itself, consisting entirely of officers of the Government, might be made more efficient if it had the advice freely available of the Federal advisory council. Moreover, the operations of the Federal reserve board would in this way be subject to greater publicity and enable the banks of the country to have a greater measure of confidence in all of the operations of the Federal reserve board.

It was further believed that the banks of the country, which are invited or required to contribute a very large sum to the Federal reserve banks, would be more content by having an easy and convenient means provided by law of frequent conferences with the Federal reserve board and the opportunity to advise the board with regard to the financial, commercial, and industrial needs of the country.

CONCENTRATION OF RESERVES.

The reserves of the banks of the United States are now scattered without any system among over 25,000 individual banks. The present law permits the national banks in the country to keep nine-fifteenths of their reserves in the banks of reserve cities and permits banks of the reserve cities to keep one-half of their reserves in the central reserve cities, and permits the banks in the central reserve cities to keep only *one-fourth of these reserves of the reserves of the reserves* in cash. The effect of this system—the necessary effect of this system—is to concentrate in the hands of a few banks in the central reserve cities (who have diligently sought the reserves of other banks) to such an extent that the Nation's bank reserves are pyramided in a dangerous fashion in the hands of a few banks in the three central reserve cities and chiefly in certain banks in New York City. These central reserve city banks have been accustomed to pay 2 per cent on the deposit of these bank reserves placed with them, and having no place to which they themselves might go for rediscount they have fallen into the habit of placing very large sums out of these reserves, amounting to hundreds of millions, upon call on the New York Stock Exchange, for the simple reason that under the law of the stock exchange they can sell the stock collateral immediately on any day when money is actually needed. It may be ruinous to the borrower—it may wipe out his margin—it may cause him a disastrous loss; it may upset the interest rates of the country, excite alarm, and result in final panic; but it does furnish the money when needed.

We are advised by representative bankers in New York that the great banks there would be glad to improve the system by the establishment of Federal reserve banks strong enough to furnish money quickly on demand against good commercial bills, and thus enable the New York banks to withdraw their funds from the stock exchange (which has become the most gigantic gambling establishment in the world) and place such funds in the service of legitimate industry and commerce. This will be one of the great benefits of the pending measure—that is, that it will withdraw from gambling enterprises on the stock exchange the bank reserves of the country and enable such reserves to be used for the commerce of the Nation.

Attention is respectfully called to the fact that while in 1896 the shares sold on the New York Stock Exchange amounted to only a little over $3,000,000,000, in 1905 it was $21,000,000,000, in 1906 it was $23,000,000,000, in 1907—the year of the panic—the amount fell to $14,000,000,000, increasing in 1908 to $15,000,000,000, and in 1909 to $19,000,000,000. (National Monetary Commission Reports, vol. 21, p. 9.)

MAKING STABLE THE INTEREST RATES.

The extremely injurious character of this gambling on the stock market with the reserves of the country is shown by Table 29, National Monetary Commission Reports (vol. 21, p. 136), where during the year 1907 the range of interest for money was from 2 to 45 per cent in January, from 3 to 25 per cent for March, from 5 to 125 per cent in October, from 3 to 75 per cent in November, and from 2 to 25 per cent in December, with currency bringing a premium from 1 to 4 per cent during November and December. The blighting effect of these violent fluctuations of the interest rates is demonstrated by the rate charged for 90-day time loans, which during November and December, 1907, were running as high as 12 to 16 per cent, with no business done in time loans of a longer period during the entire month of November and no business being done at times on prime commercial bills during the same months. (Ibid.)

These violent fluctuations are the more astounding when compared with the extremely stable rates of interest which have long prevailed in Europe, as shown by the rates of discount for 50 years in England, France, Germany, Holland, and Belgium, where the rate has been steadily around 3 to 4 per cent. (See Senate hearings before Banking and Currency Committee, pp. 538–542, an abstract of which is submitted.)

Moreover, in Europe manufacturers, merchants, and business men could ALWAYS get money, while in the United States they have been absolutely ruined by thousands because of the denial of merited credit. This act will put an end to this deadly peril to American business.

TABLE III.—*Rate of discount, 1844–1909—The number of days at each rate arranged from the lowest rate to the highest.*

Rate.	Bank of England.[1]		Bank of France.[2]		Imperial Bank of Germany.		Bank of the Netherlands.[4]		National Bank of Belgium.[5]	
	Number of days.	Number of days per cent of total (total=1,000).	Number of days.	Number of days per cent of total (total=1,000).	Number of days.	Number of days per cent of total (total=1,000).	Number of days.	Number of days per cent of total (total=1,000).	Number of days.	Number of days per cent of total (total=1,000).
2 per cent	3,409	143	2,735	115	....	....	1,328	56	....	....
2¼ per cent	28	1	....	....	....	....	....	....	....	....
2½ per cent	3,599	151	2,579	108	....	....	5,058	212	3,169	147
3 per cent	5,859	246	7,828	329	3,073	129	8,013	336	9,412	437
3½ per cent	1,921	80	2,060	86	644	27	3,737	157	2,965	138
4 per cent	3,772	158	4,579	192	12,192	511	2,167	91	3,416	159
4½ per cent	608	26	353	15	1,626	68	811	34	698	32
5 per cent	2,195	92	2,061	86	4,094	172	1,823	76	944	44
5½ per cent	263	11	120	5	707	30	375	16	378	18
6 per cent	975	41	1,170	49	970	41	260	11	540	25
6½ per cent	91	4	8	....	72	3	150	6	....	....
7 per cent	633	26	286	12	269	11	135	5	27	....
7½ per cent	....	....	21	1	110	5	....	....	....	....
8 per cent	268	11	41	2	37	1	....	....	....	....
9 per cent	95	4	16	....	63	[illegible]	....	....	....	....
10 per cent	141	6	....	....	....	....	....	....	....	....
Total	23,857	1,000	23,857	1,000	23,857	1,000	23,857	1,000	21,549	1,000

[1] Lowest rate 2 per cent; highest rate 10 per cent.
[2] Lowest rate 2 per cent; highest rate 9 per cent.
[3] Lowest rate 3 per cent; highest rate 9 per cent.
[4] Lowest rate 2 per cent; highest rate 7 per cent.
[5] Lowest rate 2½ per cent; highest rate 6 per cent.

TABLE IV.—*Rate of discount, 1844-1909—The number of days at each rate, arranged from the highest number of days to the lowest.*

Bank of England.			Bank of France.			Imperial Bank of Germany.			Bank of the Netherlands.			Bank of Belgium.		
Days	Rate per cent.	Number of days per cent of total (total=1,000).	Days.	Rate per cent.	Number of days per cent of total (total=1,000).	Days.	Rate per cent.	Number of days per cent of total (total=1,000).	Days.	Rate per cent.	Number of days per cent of total (total=1,000).	Days.	Rate per cent.	Number of days per cent of total (total=1,000).
5,859	3	246	7,828	3	329	12,192	4	511	8,013	3	336	9,412	3	437
3,772	4	158	4,579	4	192	4,094	5	172	5,058	2½	212	3,416	4	159
3,559	2½	151	2,735	2	115	3,073	3	129	3,737	3½	157	3,169	2½	147
3,409	2	143	2,579	2½	108	1,626	4½	68	2,167	4	91	2,965	3½	138
2,195	5	92	2,061	5	86	970	6	41	1,823	5	76	944	5	44
1,921	3½	80	2,060	3½	86	707	5½	30	1,328	2	56	698	4½	32
975	6	41	1,170	6	49	644	3½	27	811	4½	34	540	6	25
633	7	26	353	4½	15	269	7	11	375	5½	16	378	5½	18
608	4½	26	286	7	12	110	7½	5	260	6	11	27	7	......
268	8	11	120	5½	5	72	6½	3	150	6½	6	......	.....	......
263	5½	11	41	8	2	63	9	2	135	7	5	......	.....	......
141	10	6	21	7½	1	37	8	1	......	.....	......	......	.....	......
95	9	4	16	9	......	......	.....	......	......	.....	......	......	.....	......
91	6½	4	8	6½	......	......	.....	......	......	.....	......	......	.....	......
28	2¼	1	......	.....	......	......	.....	......	......	.....	......	......	.....	......
23,857	.....	1,000	23,857	.....	1,000	23,857	.....	1,000	23,857	.....	1,000	21,549	.....	1,000

It will thus be seen that these great banks holding the national reserves have been able to furnish commerce with a very low rate of discount for nearly all the time and only occasionally have been compelled to raise the rate to a high point.

These low rates illustrate the enormous value of these great banks to European commerce and the urgent necessity for action by the United States along similar lines.

The stabilizing of the rate of interest in the United States will be one of the very important functions of the proposed Federal reserve system. The right of the Federal reserve board to fix the rate of interest which may be charged member banks by the Federal reserve banks and which the Federal reserve banks may charge each other would have a steadying effect upon the interest rate throughout the United States, and will enable the banks of the country to extend accommodation at a comparatively stable rate of interest upon a lower basis than heretofore, because the element of hazard of panic and of financial stringency will be removed by the proposed system.

MOBILIZATION OF RESERVES.

In addition to concentrating in the Federal reserve banks a substantial part of the reserves of the National and State banks and trust companies of the country and placing in such banks a respectable capital by stock subscriptions and a considerable volume of Government funds—approximately a total of about $700,000,000—it is proposed to make them perfectly mobile. In order to have these funds meet the purpose for which they were intended they must be kept in a liquid condition and made instantly mobile by keeping the investments of such banks either in actual gold and lawful money or in short-time commercial bills drawn against actual commercial transactions which are readily converted into money on short notice. (Sec. 14, p. 40, and sec. 15, p. 44.)

In pursuing this policy we have followed the experience of the great public utility banks of Europe. The European systems confine in large measure the holdings of the public utility banks to cash and liquid bills of very short maturities, the average length of time of the bills of the Bank of France not exceeding 28 days and the Reichsbank of Germany having no paper of longer maturity than 90 days, and a large part of its paper very short time paper. The Bank of England handles quite a large volume of paper, running 7 to 14 days. These public utility banks carefully avoid putting the funds in their custody in the form of investments which are not instantly convertible into money. This consideration is of the highest importance, because the Federal reserve banks holding the reserves of the reserves must be in a position to extend instant accommodation to any member bank requiring cash.

With a view to enlarging the volume of liquid paper based on actual shipments of goods, the reserve bank is authorized to discount acceptances and the member banks are authorized to accept bills of exchange against actual shipments of goods.

ELASTIC CURRENCY—FEDERAL RESERVE NOTES.

In order to render still more mobile and liquid the reserves held by the Federal reserve banks, elastic currency has been provided (sec. 17, p. 47) in the form of Federal reserve notes issued as obligations of the United States, redeemable in gold at the Treasury, or in gold or lawful money at the reserve banks, and receivable for all taxes and public dues, except customs. The exception of customs was intended to enable the Federal Government to command a supply of gold through the customhouses, if it should prove to be necessary, by compelling the customs to be paid in gold by foreign shippers.

These Federal reserve notes, while the obligations of the United States, and made redeemable in gold or lawful money at the Federal reserve banks and in gold only at the Treasury of the United States, are carefully surrounded by very numerous safeguards to make assurance doubly sure that they shall not at any time in reality tax the credit of the United States itself. The securities behind these notes are:

First. Commercial bills drawn against actual commercial transactions which have goods and merchandise behind the notes.

Second. Such notes have the credit of the maker of the commercial bill deemed good by the member banks.

Third. The indorsement by the member bank of such commercial bills.

Fourth. The double liability of the stockholders of the member bank so indorsing.

Fifth. Thirty-three and a third per cent of gold reserve in the Federal reserve bank.

Sixth. A first lien on all the assets of the Federal reserve bank.

Seventh. The stock of the indorsing member bank in the Federal reserve bank.

Eighth. The reserve balance of the indorsing member bank in the Federal reserve bank.

Ninth. A double liability of the member banks of the Federal reserve bank.

Tenth. The double liability of the stockholders of the member banks of the Federal reserve bank.

Eleventh. The surplus of the Federal reserve bank.

Twelfth. The earning power of such reserve bank, and finally the United States. There has never been issued a note with such safeguards surrounding it by any banking system of the world.

The commercial bills alone would never fail, because of their liquid character and short maturity. No apprehension whatever need be felt with regard to these notes ever taxing the Federal Treasury.

Since each bank is required to keep a gold reserve with the Treasury of the United States against such note issues, it is necessary to keep a record of the outstanding circulation emitted through each Federal reserve bank, and for this reason a descriptive number is placed upon the notes emitted through any Federal reserve bank so as to keep the record of notes outstanding issued through such banks. The effect of issuing Federal reserve notes against commercial bills is to make intensely mobile the assets of the Federal reserve bank and enable such bank at all times to respond instantly to the needs of national commerce. The emission of these notes is controlled by the Federal reserve board, which is authorized to control the volume of these notes and the terms upon which they shall be advanced to the Federal reserve bank and the conditions of retirement.

The Federal reserve board is authorized to tax the issue of the notes and also to fix the rate of interest on the discounts of the Federal reserve banks, and in this way keep a double check on the issuance of the Federal reserve notes.

While the Federal reserve notes are extremely well secured, it is made easy for member banks needing currency for seasonal demands or for any extraordinary emergency to obtain Federal reserve notes from the Federal reserve banks. The Federal reserve bank has only to deposit liquid commercial bills of a qualified class with the Federal reserve agent and obtain from him such Federal reserve notes, keeping, however, a minimum deposit of 33 per cent of gold against such Federal reserve notes as may be put in actual circulation. It is believed that in actual practice the gold reserves against such notes in circulation will be very large, much larger than the minimum requirement, especially if our proposed amendment is placed in the House bill, permitting the reserves against deposits and against the notes to be kept as a common fund. It is obvious that if a minimum requirement of 33 per cent against deposits and 33 per cent against notes in circulation is held as a common fund, anyone observing the statement merely from the standpoint of a depositor, if the deposits and the notes in circulation happened to be equal, would perceive that the reserves against deposits would appear as 66 per cent, and anyone looking at the reserves against the notes from that point of view would observe a reserve equal to 66 per cent of the notes in circulation.

It also is obvious that when there is a surplus reserve against the deposits far above 33 per cent there is no reason why the bank should not have the credit of this surplus appearing also in its favor as a reserve against notes in circulation, and it was upon the best advice obtainable that an amendment was proposed to section 17 permitting these reserves to be carried as a common fund, but in no contingency less than a 33 per cent gold reserve against the notes, as required in the House bill.

The retirement of these Federal reserve notes would, of course, be accomplished whenever the commercial bills were withdrawn by the member bank or by the Federal reserve bank from the hands of the Federal reserve agent, the Federal reserve agent in such contingency either receiving the notes back or a like volume of lawful money.

OPEN-MARKET OPERATIONS.

One of the most important features of this bill is the establishment of what is called an open market for bills of exchange and bankers' acceptances such as has long prevailed in Europe, but which has not existed to any great extent in the United States. In Europe the various banks and private bankers carry on a very large scale commercial bills of exchange and acceptances based on actual commercial transactions of short maturities and which are regarded as self-liquidating. Such bills have behind them actual merchandise for which a purchaser has been found, and these bills are held in their portfolios as almost the exact equivalent of cash, for the reason that the security of such bills is regarded as substantially perfect, their uniform and certain payment constant, and therefore there is an "open market" for such bills maintained by the great public banks, such as the Bank of France, the Reichsbank, the Bank of Belgium, the Bank of Netherlands, the Bank of England, etc., at a very low rate of interest.

It is now proposed that a constant market at a fairly uniform rate of interest be established in this country by establishing the Federal reserve bank with a large capital and large reserves and with the express power to discount for member banks commercial bills and acceptances of the qualified liquid class, and also to buy and sell in the open market such bills and bankers' acceptances as have been found merchantable and liquid by the experience of European banking systems. It is anticipated that the effect of this method will be to encourage banking houses to buy commercial bills of the qualified class, and in this way that we may greatly enlarge the market for the bills of manufacturers, merchants, and business men who are handling the actual commerce of the country. (Secs. 14 and 15, pp. 40–44.)

GOVERNMENT DEPOSITS WITH FEDERAL RESERVE BANKS.

It has been deemed of the highest importance to maintain the independent Treasury of the United States and not compel the Secretary of the Treasury to deposit every dollar of the public funds in the Federal reserve banks, but to provide that he may do so. The argument in favor of maintaining the independence of the Federal Treasury is overwhelmingly in favor of an independent Treasury and need not be recounted here.

The Government of the United States can advantageously to the banks and to itself place with the Federal reserve banks $150,000,000, or even a larger sum, but the process of collecting the revenue through revenue collectors scattered throughout the Nation, making local deposits, and the right of the Treasury Department to make disbursements in every part of the country through its numerous disbursing officers, makes it highly necessary to maintain the independence of the Treasury. We have, therefore, thought it proper to change the provision of section 16 in such a way as to accomplish this object (p. 46).

REFUNDING BONDS.

The House measure (sec. 19, p. 56) provided for retiring 5 per cent of the outstanding 2 per cent bonds held for national-bank circulation by the exchange of 3 per cent bonds without circulation privilege for such 2 per cent bonds, justly assumes that the Government will be compensated by the interest earned upon a like amount of Federal reserve notes.

We have preferred to absorb such of these bonds as would be offered on the market by permitting the Federal reserve banks to buy such 2 per cent bonds and issue Federal reserve bank notes against them just as the national banks do (p. 14), and have further permitted such Federal reserve banks, in section 19, to assume the redemption of not exceeding $36,000,000 of national-bank notes issued against such bonds and to take over such bonds and issue Federal reserve notes against such bonds, leaving the bonds with the Treasurer of the United States in trust in the form of 3 per cent bonds or 3 per cent annual notes, in this way assuring to the Government the earning power upon the circulation taking the place of the retired national-bank circulation (p. 58).

CLEARING CHECKS AND DRAFTS.

The House bill proposed to clear checks and drafts *at par*, but we propose an amendment providing that checks and drafts sent to the Federal reserve banks by member banks may be cleared, allowing the Federal reserve board to fix the charge which may be imposed for the service of clearing or collection rendered either by the Federal reserve bank or by the member banks, and with a provision that the act should not be construed to prohibit member banks from making reasonable charges for checks and drafts debited to their account, or for collecting and remitting drafts, or for exchange sold to its patrons. In this way the reserve banks are not put in competition with the country banks, but can serve them and their customers at a fair price. This amendment should remove the very serious objection of many of the country banks to the House provision, which they thought would interfere with their right to charge for exchange in making remittances (p. 55).

SAVINGS-BANK SECTION.

Your committee has struck out entirely the savings-bank section No. 27, for the reason that the national banks now, through the system of time deposits, carry on a savings-bank business very economically and at the same time use the funds in promoting the local enterprises. It was the practical judgment of all the small banks of the country that this section should not remain in the bill.

CHANGES IN THE NATIONAL-BANK ACT.

Several changes of importance in the national-bank act have been made, to which attention should be called:

First. Section 21 (p. 65) provides that the 5 per cent fund placed with the Secretary of the Treasury for the redemption of national-bank notes shall no longer be construed to be a part of the bank's reserves. This is justified because the reserves of the national banks have been made decidedly lower than they have been in the past.

Second. The law requiring bonds of national banks to be deposited before any national bank association shall be authorized to commence the banking business, as provided in section 5159 of the Revised Statutes, etc., is repealed by section 18 (p. 56). The obvious purpose of this section is to ultimately do away with the bond-secured circulation, which is inelastic and unscientific. The way to establish an improved system is thus made open.

Third. The bank examinations are more thoroughly provided for in section 23 (p. 66).

Fourth. The loans, gratuities, and commissions to bank officers or bank examiners are penalized by section 24 (p. 69).

Fifth. The stockholders' liabilities of national banks and of member banks is modified to establish the double liability and to prevent its evasion. (Sec. 25, p. 71.)

Sixth. Loans on farm lands are permitted to the extent of 25 per cent of the capital and surplus of a national bank and for a period of five years. This would make available possibly $400,000,000, but in actual practice it would not be likely to exceed a hundred million dollars under the terms of the bill, for the reason that the city banks do not make such loans, and where the banks have the authority they will probably not exercise it with any uniformity. P. 21

Seventh. The change of the reserves in the national banking law is a very important change, heretofore described, and which will be found set forth in section 20 (p. 59).

The House provision was changed so as to make the language more compact and to simplify it.

Eighth. Foreign branches were also provided for national banks having a capital and surplus of a million dollars or more, with the approval of the Federal reserve board. (Sec. 28, p. 77.)

This is a very important amendment and one of far-reaching importance to the foreign commerce of the United States, the purpose of which is so obvious as to need no explanation.

Many other amendments are needed in the national-bank act which this bill does not undertake to deal with, for the reason that it was of great importance that this bill should not be embarrassed by the consideration of questions which were not necessarily germane to the bill itself in establishing the Federal reserve system.

The National Monetary Commission did a very large amount of work looking toward the codification of the national-bank act, and this work has so far progressed that it may be easily submitted to the Senate during the next regular session, in such a form as to enable the matter to be disposed of and to make any other amendments which are necessary to the national-bank act, without embarrassing the present measure by considerations which are not necessarily a part of the Federal reserve system.

The proposed changes recommended by the undersigned are best set forth by submitting a print of the House bill with the parts struck out being placed in brackets and the amendments proposed being inserted in italics. (See Exhibit A.) The other exhibits are necessary to justify the amendments recommended.

Very respectfully submitted.

ROBERT L. OWEN, *Chairman.*
JAMES A. O'GORMAN.
JAMES A. REED.
ATLEE POMERENE.
JOHN F. SHAFROTH.
HENRY F. HOLLIS.

APPENDIX (WITH EXHIBITS).

EXHIBIT A.

H. R. 7837.

[Omit the part inclosed in brackets and insert the part printed in italic.]

AN ACT To provide for the establishment of Federal reserve banks, to furnish an elastic currency, to afford means of rediscounting commercial paper, to establish a more effective supervision of banking in the United States, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the short title of this act shall be the "Federal reserve act."

Wherever the word "bank" is used in this act, the word shall be held to include State bank, banking association, and trust company, except where national banks or Federal reserve banks are specifically referred to.

FEDERAL RESERVE DISTRICTS.

SEC. 2. [That within ninety days after the passage of this act, or as] *As* soon [thereafter] as practicable, the Secretary of the Treasury, [the Secretary of Agriculture, and the Comptroller of the Currency,] *and not less than two members of the Federal reserve board*, acting as "The reserve bank organization committee," shall designate [from among the reserve and central reserve cities now authorized by law a number of such] *eight* cities to be known as Federal reserve cities, and shall divide the continental United States, *including Alaska*, into districts, each district to contain one, *and only one*, of such Federal reserve cities. *The determination of said organization committee shall not be subject to review except by the Federal reserve board when organized: Provided*, That the districts shall be apportioned with due regard to the convenience and customary course of business [of the community] and shall not necessarily [coincide with the area of such] *be coterminous with any* State or States [as may be wholly or in part included in any given district]. The districts thus created may be readjusted and new districts may from time to time be created by the Federal reserve board [hereinafter established, acting upon a joint application made by not less than ten member banks desiring to be organized into a new district]. The districts thus constituted shall be known as Federal reserve districts and [shall] *may* be designated by number [according to the pleasure of the organization committee, and no Federal reserve district shall be abolished, nor the location of a Federal reserve bank changed, except upon the application of three-fourths of the member banks of such district]. *A majority of the organization committee shall constitute a quorum with authority to act.*

[The organization committee shall, in accordance with regulations to be established by itself, proceed to organize in each of the reserve cities designated as hereinbefore specified a Federal reserve bank. Each such Federal reserve bank shall include in its title the name of the city in which it is situated, as "Federal Reserve Bank of Chicago," and so forth. The total number of reserve cities designated by the organization committee shall be not less than twelve, and the organization committee shall be authorized to employ counsel and expert aid, to take testimony, to send for persons and papers, to administer oaths, and to make such investigations as may be deemed necessary by the said committee for the purpose of determining the reserve cities to be designated and organizing the reserve districts hereinbefore provided.

Every national bank located within a given district shall be required to subscribe to the capital stock of the Federal reserve bank of that district a sum equal to twenty per centum of the capital stock of such national bank fully paid in and unimpaired, one-fourth of such subscription to be paid in cash and one-fourth within sixty days after said subscription is made. The remainder of the subscription or any part thereof shall become a liability of the member bank, subject to call and payment thereof whenever necessary to meet the obligations of the Federal reserve bank under such terms and in accordance with such regulations as the board of directors of said Federal reserve bank may prescribe: *Provided*, That no]

Said organization committee shall be authorized to employ counsel and expert aid, to take testimony, to send for persons and papers, to administer oaths, and to make such investigation as may be deemed necessary by the said committee in determining the reserve districts and in determining the cities within such districts where such Federal reserve banks shall be severally located. The said committee shall supervise the organization, in each of the cities designated, of a Federal reserve bank, which shall include in its title the name of the city in which it is situated, as "Federal Reserve Bank of Chicago," and so forth.

Under regulations to be prescribed by the organization committee, every national banking association is hereby required and every eligible bank is hereby authorized to signify in writing, within sixty days after the passage of this act, its acceptance of the terms and provisions hereof. When such Federal reserve bank shall have been organized, every national banking association within that district shall be required and every eligible bank may be permitted to subscribe to the capital stock thereof in a sum equal to six per centum of the paid-up capital stock and surplus of such bank, one-sixth of such subscription to be payable on call of the organization committee or of the Federal reserve board, one-sixth within three months and one-sixth within six months thereafter, and the remainder of the subscription, or any part thereof, shall be subject to call when deemed necessary by the Federal reserve board, said payments to be in gold or gold certificates.

The shareholders of every Federal reserve bank shall be held individually responsible, equally and ratably, and not one for another, for all contracts, debts, and engagements of such bank to the extent of the amount of their subscriptions to such stock at the par value thereof in addition to the amount subscribed, whether such subscriptions have been paid up in whole or in part, under the provisions of this act.

Any national bank failing to signify its acceptance of the terms of this act within the sixty days aforesaid shall cease to act as a reserve agent, upon thirty days' notice, to be given within the discretion of the said organization committee or of the Federal reserve board.

Should any national banking association now organized fail, within one year after the passage of this act, to become a member bank under the provisions hereinbefore stated, or fail to comply with any of the provisions of this act applicable thereto, all of the rights, privileges, and franchises of such association granted to it under the national-bank act, or under the provisions of this act, shall be thereby forfeited. Any noncompliance with or violation of this act shall, however, be determined and adjudged by a proper circuit, district, or Territorial court of the United States in a suit brought for that purpose by the Comptroller of the Currency in his own name before the association shall be declared dissolved, and in cases of such violation, other than the failure to become a member bank under the provisions of this act, every director who participated in or assented to the same shall be held liable in his personal or individual capacity for all damages which said bank, its shareholders, or any other person shall have sustained in consequence of such violation.

Such dissolution shall not take away or impair any remedy against such corporation, its stockholders or officers, for any liability or penalty which shall have been previously incurred.

Should the subscriptions by banks to the stock of said Federal reserve banks or any one or more of them be, in the judgment of the organization committee, insufficient to provide the amount of capital required therefor, then and in that event the said organization committee may, under conditions and regulations to be prescribed by it, offer to public subscription at par such an amount of stock in said Federal reserve banks, or any one or more of them, as said committee shall determine, subject to the same conditions as to payment in and stock liability as provided for member banks.

No individual, copartnership, or corporation other than a member bank of its district shall be permitted to subscribe for or to hold at any time more than $10,000 par value of stock in any Federal reserve bank. Such stock shall be known as public stock and may be transferred on the books of the Federal reserve bank by the chairman of the board of directors of such bank.

Should the total subscriptions by banks and the public to the stock of said Federal reserve banks, or any one or more of them, be, in the judgment of the organization committee, insufficient to provide the amount of capital required therefor, then and in that event the said organization committee shall allot to the United States such an amount of said stock as said committee shall determine. Said United States stock shall be paid for at par out of any money in the Treasury not otherwise appropriated, and shall be held by the Secretary of the Treasury and disposed of for the benefit of the United States in such manner, at such times, and at such price, not less than par, as the Secretary of the Treasury shall determine.

Stock not held by member banks shall not be entitled to voting power in the hands of its holders, but the voting power thereon shall be vested in and be exercised solely by the class C directors of the Federal reserve bank in which said stock may be held, and who shall *be designated as "voting trustees." The voting power on said public stock shall be limited to one vote for each $15,000 par value thereof, fractional amounts not to be considered. The voting trustees shall exercise the same powers as member banks in voting for class A and class B directors.*

The Federal reserve board is hereby empowerd to adopt and promulgate rules and regulations governing the transfers of said stock and the exercise of the voting power thereon.

No Federal reserve bank shall commence business with a [paid-up and unimpaired] *subscribed* capital less in amount than [$5,000,000] *$3,000,000. The organization of reserve districts and Federal reserve cities shall not be construed as changing the present status of reserve cities and central reserve cities, except in so far as this act changes the amount of reserves that may be carried with approved reserve agents located therein.* The organization committee shall have power to appoint such assistants and incur such expenses in carrying out the provisions of this act as it shall deem necessary, and such expenses shall be payable by the Treasurer of the United States upon voucher approved by the Secretary of the Treasury, and the sum of $100,000, or so much thereof as may be necessary, is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, for the payment of such expenses.

[STOCK ISSUES] *BRANCH OFFICES.*

SEC. 3. [That the capital stock of each Federal reserve bank shall be divided into shares of $100 each. The outstanding capital stock shall be increased from time to time as member banks increase their capital stock or as additional banks become members, and may be decreased as member banks reduce their capital stock or cease to be members.] Each Federal reserve bank [may] *shall* establish branch offices [under regulations of the Federal reserve board at points within the Federal reserve district in which it is located: *Provided*, That the total number of such branches shall not exceed one for each $500,000 of the capital stock of said Federal reserve bank] *within the Federal reserve district in which it is located and also in the district of any Federal reserve bank which may have been suspended, such branches to be established and conducted at places and under regulations approved by the Federal reserve board.*

FEDERAL RESERVE BANKS.

[SEC. 4. The national banks in each Federal reserve district uniting to form the Federal reserve bank therein, hereinbefore provided for, shall under their seals, make an organization certificate, which shall specifically state the name of such Federal reserve bank so organized, the territorial extent of the district over which the operations of said Federal reserve bank are to be carried on, the city and State in which said bank is to be located, the amount of capital stock and the number of shares into which the same is divided, the names and places of doing business of each of the makers of said certificate and the number of shares held by each of them, and the fact that the certificate is made to enable such banks to avail themselves of the advantages of this act. The said organization certificates shall be acknowledged before a judge of some court of record or notary public; and shall be, together with the acknowledgment thereof, authenticated by the seal of such court, or notary, transmitted to the Comptroller of the Currency, who shall file, record, and carefully preserve the same in his office. Upon the filing of such certificate with the Comptroller of the Currency as aforesaid, the said Federal reserve bank so formed shall become a body corporate, and as such, and in the name designated in such organization certificate, shall have power to perform all those acts and to enjoy all those privileges and to exercise all those powers described in section fifty-one hundred and thirty-six, Revised Statutes, save in so far as the same shall be limited by the provisions of this act. The Federal reserve bank so incorporated shall have succession for a period of twenty years from its organization, unless sooner dissolved by act of Congress.]

Sec. 4. When the organization committee shall have established Federal reserve districts as provided in section two of this act, a certificate shall be filed with the Comptroller of the Currency showing the geographical limits of such districts and the Federal reserve city designated in each of such districts. The Comptroller of the Currency shall thereupon cause to be forwarded to each national bank located in each district, and to such other banks declared to be eligible by the organization committee which may apply therefor, an application blank in form to be approved by the organization committee, which blank shall contain a resolution to be adopted by the board of directors of each bank executing such application, authorizing a subscription to the capital stock of the Federal reserve bank organizing in that district in accordance with the provisions of this act.

When the minimum amount of capital stock prescribed by this act for the organization of any Federal reserve bank shall have been subscribed and allotted the organization committee shall designate any five banks of those whose applications have been received, to execute a certificate of organization, and thereupon the banks so designated shall, under their seals, make an organization certificate which shall specifically state the name of such Federal reserve bank so organized, the territorial extent of the district over which the operations of such Federal reserve bank are to be carried on, the city and State in which said bank is to be located, the amount of capital stock and the number of shares into which the same is divided, the name and place of doing business of each bank executing such certificate, and of all banks which have subscribed to the capital stock of such Federal reserve bank and the number of shares subscribed by each, and the fact that the certificate is made to enable those banks executing same, and all banks which have subscribed or may thereafter subscribe to the capital stock of such Federal reserve bank, to avail themselves of the advantages of this act.

The said organization certificate shall be acknowledged before a judge of some court of record or notary public; and shall be, together with the acknowledgment thereof, authenticated by the seal of such court, or notary, transmitted to the Comptroller of the Currency, who shall file, record and carefully preserve the same in his office.

Upon the filing of such certificate with the Comptroller of the Currency as aforesaid, the said Federal reserve bank so formed shall

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become a body corporate and as such, and in the name designated in such organization certificate, shall have power—

First. To adopt and use a corporate seal.

Second. To have succession for a period of twenty years from its organization unless it is sooner dissolved by an act of Congress, or unless its franchise becomes forfeited by some violation of law.

Third. To make contracts.

Fourth. To sue and be sued, complain and defend, in any court of law and equity as fully as natural persons.

Fifth. To appoint by its board of directors, elected as hereinafter provided, such officers as are not otherwise provided for in this act, to define their duties, require bonds of them and fix the penalty thereof, to dismiss such officers or any of them as may be appointed by them at pleasure, and to appoint others to fill their places.

Sixth. To prescribe by its board of directors by-laws not inconsistent with law, regulating the manner in which its general business may be conducted, and the privileges granted to it by law may be exercised and enjoyed.

Seventh. To exercise by its board of directors, or duly authorized officers or agents, all powers specifically granted by the provisions of this act and such incidental powers as shall be necessary to carry on the business of banking within the limitations prescribed by this act.

Eighth. Upon deposit with the Treasurer of the United States of any bonds of the United States in the manner provided by existing law relating to national banks, to receive from the Comptroller of the Currency circulating notes in blank, registered and countersigned as provided by law, equal in amount to the par value of the bonds so deposited, such notes to be issued under the same conditions and provisions of law which relate to the issue of circulating notes of national banks secured by bonds of the United States bearing the circulating privilege.

But no Federal reserve bank shall transact any business except such as is incidental and necessarily preliminary to its organization until it has been authorized by the Comptroller of the Currency to commence business under the provisions of this act.

Every Federal reserve bank shall be conducted under the [oversight] *supervision* and control of a board of directors [, whose powers shall be the same as those conferred upon the boards of directors of national banking associations under existing law, not inconsistent with the provisions of this act].

The board of directors shall perform the duties usually appertaining to the office of directors of banking associations and all such duties as are prescribed by law.

Said board shall administer the affairs of said bank fairly and impartially and without discrimination in favor of or against any member bank or banks and shall, subject to the provisions of law and the orders of the Federal reserve board, extend to each member bank such advancements and accommodations as may be safely and reasonably made with due regard for the claims and demands of other member banks.

Such board of directors shall be [constituted and elected] *selected* as hereinafter specified and shall consist of nine members, holding office for three years, and divided into three classes, designated as classes A, B, and C.

Class A shall consist of three members, who shall be chosen by and be representative of the stock-holding banks.

Class B shall consist of three members, who shall be representative of the general public interests of the reserve district.

Class C shall consist of three members, who shall be designated by the Federal reserve board.

No director of class B or of class C shall be an officer, director, or stockholder of a member bank. new

Directors of class A *and class B* shall be chosen in the following manner:

[It shall be the duty of the] *The* chairman of the board of directors of the Federal reserve bank of the district in which [each such] *the* bank is situated [to] *shall* classify the member banks of the [said] district into three general groups or divisions. Each [such] group shall contain as nearly as may be one-third of the aggregate number of [said] *the* member banks of the [said] district and shall consist, as nearly as may be, of banks of similar capitalization. The [said] groups shall be designated by number [at the pleasure of] *by* the chairman [of the board of directors of the Federal reserve bank].

At a regularly called [directors'] meeting *of the board of directors* of each member bank in the [Federal reserve] district [aforesaid, the board of directors of such member bank] *it* shall elect by ballot one of its own members as a district reserve elector and shall certify his name to the chairman of the board of directors of the Federal reserve bank of the district. The [said] chairman shall establish lists of the district reserve electors[, class A,] thus named by banks in each of the aforesaid three groups and shall transmit one list to each [such] elector in each group. [Every elector shall, within fifteen days of the receipt of the said list, select and certify to the said chairman from among the names on the list pertaining to his group, transmitted to him by the chairman, one name, not his own, as representing his choice for Federal reserve director, class A. The name receiving the greatest number of votes, not less than a majority, shall be designated by said chairman as Federal reserve director for the group to which he belongs. In case no candidate shall receive a majority of all votes cast in any group, the chairman aforesaid shall establish an eligible list, consisting of the three names receiving the greatest number of votes on the first ballot, and shall transmit said list to the electors in each of the groups of banks established by him. Each elector shall at once select and certify to the said chairman from among the three persons submitted to him his choice for Federal reserve director, class A, and the name receiving the greatest number of such votes shall be declared by the chairman as Federal reserve director, class A. In case of a tie vote the balloting shall continue in the manner hereinbefore prescribed until one candidate receives more votes than either of the others.

Directors of class B shall be chosen by the electors of the respective groups at the same time and in the same manner prescribed for directors of class A, except that they must be selected from a list of names furnished, one by each member bank, and such names shall in no case be those of officers or directors of any bank or banking association.]

Every elector shall, within fifteen days after the receipt of the said list, certify to the chairman his first, second, and other choices upon

the list, upon a preferential ballot, on a form furnished by the chairman of the board of directors of the Federal reserve bank of the district. Each elector shall make a cross opposite the name of the first, second, and other choices for a director of class A and for a director of class B, but shall not vote more than one choice for any one candidate.

Any candidate having a majority of all votes cast in the column of first choice shall be declared elected. If no candidate have a majority of all the votes in the first column, then there shall be added together the votes cast by the electors for such candidates in the second column to the votes cast for the several candidates in the first column. If any candidate then have a majority of the electors voting, by adding together the first and second choices, he shall be declared elected. If no candidate have a majority of electors voting when the first and second choices shall have been added, then the votes cast in the third column for other choices shall be added together in like manner, and the candidate then having the highest number of votes shall be declared elected. An immediate report of election shall be declared.

[They shall not accept office as such during the term of their service as directors of the Federal reserve banks. They] *Directors of class B* shall be fairly representative of the commercial, agricultural, or industrial interests of their respective districts. [The Federal reserve board shall have power at its discretion to remove any director of class B in any Federal reserve bank, if it should appear at any time that such director does not fairly represent the commercial, agricultural, or industrial interests of his district.]

Three directors belonging to class C shall be [chosen] *appointed* directly by the Federal reserve board, and shall [be] *have been for at least two years* residents of the district for which they are [selected] *appointed*, one of whom shall be designated by said board as chairman of the board of directors of the Federal reserve bank of the district to which he is appointed and shall be designated *by said board* as "Federal reserve agent." He shall be a person of tested banking experience; and in addition to his duties as chairman of the board of directors of the Federal reserve bank of the district to which he is appointed, he shall be required to maintain under regulations to be established by the Federal reserve board a local office of said board, which shall be situated on the premises of the Federal reserve bank of the district. He shall make regular reports to the Federal reserve board, and shall act as its official representative for the performance of the functions conferred upon it by this act. He shall receive an annual compensation to be fixed by the Federal reserve board and paid monthly by the Federal reserve bank to which he is designated. *One of the directors of class C shall be appointed by the Federal reserve board as deputy chairman and deputy Federal reserve agent to exercise the powers of the chairman of the board and Federal reserve agent in case of the absence or disability of his principal.*

Directors of Federal reserve banks shall receive, in addition to any compensation otherwise provided, a reasonable allowance for necessary expenses in attending meetings of their respective boards, which amount shall be paid by the respective Federal reserve banks. Any compensation that may be provided by boards of directors of Federal reserve banks for members of such boards shall be subject to review *and subsequent readjustment at any time* by the Federal reserve board.

The reserve bank organization committee may, in organizing Federal reserve banks for the first time, call such meetings of bank directors in the several districts as may be necessary to carry out the purposes of this act, and may exercise the functions herein conferred upon the chairman of the board of directors of each Federal reserve bank pending the complete organization of such bank.

At the first meeting of the full board of directors of each Federal reserve bank after organization it shall be the duty of the directors of classes A and B and C, respectively, to designate one of the members of each class whose term of office shall expire in one year from the first of January nearest to date of such meeting, one whose term of office shall expire at the end of two years from said date, and one whose term of office shall expire at the end of three years from said date. Thereafter every director of a Federal reserve bank chosen as hereinbefore provided shall hold office for a term of three years [; but the chairman of the board of directors of each Federal reserve bank designated by the Federal reserve board, as hereinbefore described, shall be removable at the pleasure of the said board, without notice, and his successor shall hold office during the unexpired term of the director in whose place he was appointed.] Vacancies that may occur in the several classes of directors of Federal reserve banks may be filled in the manner provided for the original selection of such directors, such appointees to hold office for the unexpired terms of their predecessors.

STOCK ISSUES; INCREASE AND DECREASE OF CAPITAL.

SEC. 5. [That shares] *The capital stock of each Federal reserve bank shall be divided into shares of $100 each. The outstanding capital stock shall be increased from time to time as member banks increase their capital stock and surplus or as additional banks become members, and may be decreased as member banks reduce their capital stock or surplus or cease to be members.* *Shares* of the capital stock of Federal reserve banks *owned by member banks* shall not be transferable, nor be [hypothecated] *hypothecable.* In case a member bank [increased] *increase* its capital *stock or surplus*, it shall thereupon subscribe for an additional amount of capital stock of the Federal reserve bank of its district equal to [twenty] *six* per centum of the [bank's own] *said* increase [of capital,] one-half of said subscription to be paid [in cash] in the manner hereinbefore provided for original subscription, and one-half [to become a liability of the member bank according to the terms of the original subscription] *subject to call of the Federal reserve board.* A bank applying for stock in a Federal reserve bank at any time after the [formation of the latter] *organization thereof* must subscribe for an amount of the capital *stock* of [said] *the* Federal reserve bank equal to [twenty] *six* per centum of the *paid-up* capital stock *and surplus* of said [subscribing] *applicant* bank, paying therefor its par value [in accordance with the terms prescribed by section two of this act] *plus one-half of one per cent a month from the period of the last dividend.* When the capital stock of any Federal reserve bank [has] *shall have* been increased either on account of the increase of capital stock of member banks or on account of the increase in the number of member banks, the board of directors shall [make and execute] *cause to be executed* a certificate to the Comptroller of the Currency showing [said] *the* increase in capital *stock*, the amount paid in, and by whom paid. In case a member bank reduces its capital stock it shall surrender a proportionate amount of its holdings in the capital of said Federal reserve bank, and in case a member bank goes into voluntary liquidation it shall surrender all of its holdings of the capital stock of said Federal reserve bank *and be released from its stock subscription not previously called.* In either case the shares surrendered shall be canceled and such member bank shall receive in payment therefor, under regulations to be prescribed by the Federal reserve board, a sum equal to its cash paid subscriptions on the shares surrendered *and one-half of one per cent a month from the period of the last dividend, not to exceed the book value thereof, less any liability of such member bank to the Federal reserve bank.*

SEC. 6. [That if any member bank shall become insolvent and a receiver be appointed, the stock held by it in said Federal reserve bank shall be canceled and the balance, after deducting from the amount of its cash-paid subscriptions all debts due by such insolvent bank to said Federal reserve bank, shall be paid to the receiver of the insolvent bank] *If any member bank shall be declared insolvent and a receiver appointed therefor, the stock held by it in said Federal reserve bank shall be canceled, and all cash-paid subscriptions on said stock, with one-half of one per centum per month from the period of last dividend, not to exceed the book value thereof, shall be first applied to all debts of the insolvent member bank to the Federal reserve bank, and the balance, if any, shall be paid to the receiver of the insolvent bank.* Whenever the capital stock of a Federal reserve bank is reduced, either on account of a reduction in capital stock of any member bank or of the liquidation or insolvency of [any such member] *such bank*, the board of directors shall [make and execute] *cause to be executed* a certificate to the Comptroller of the Currency showing such reduction of capital stock and the amount repaid to such bank.

DIVISION OF EARNINGS.

SEC. 7. [That after the payment of] *After* all necessary expenses [and taxes] of a Federal reserve bank *have been paid or provided for*, the member banks shall be entitled to receive an annual dividend of [five] *six* per centum on the paid-in capital stock, which dividend shall be cumulative. [One-half of the net earnings, after the aforesaid dividend claims have been fully met, shall be paid into a surplus fund until such fund shall amount to twenty per centum of the paid-in capital stock of such bank, and of the remaining one-half sixty per centum shall be paid to the United States and forty per centum to the member banks in the ratio of their average balances with the Federal reserve bank for the preceding year. Whenever and so long as the surplus fund of a Federal reserve bank amounts to twenty per centum of the paid-in capital stock and the member banks shall have received the dividends at the rate of five per centum per annum hereinbefore provided for, sixty per centum of all excess earnings shall be paid to the United States and forty per centum to the member banks in proportion to their annual average balances with such Federal reserve bank; all] *After the aforesaid dividend claims have been fully met, all the net earnings shall be paid to the United States as a franchise tax, excepting, however, that one-half of such earnings shall be first applied to the creation and maintenance of a surplus fund equal to twenty per centum of the capital stock of said bank. All net* earnings derived by the United States from Federal reserve banks shall [constitute a sinking fund to be held for] *be applied to* the reduction of the outstanding bonded indebtedness of the United States[, said reduction to be accomplished] under regulations to be prescribed by the Secretary of the Treasury. Should a Federal reserve bank be dissolved or go into liquidation, [the surplus fund of said bank] *any surplus remaining*, after the payment of all debts and dividend requirements as hereinbefore provided for, shall be paid to and become the property of the United States *and shall be similarly applied.*

Every Federal reserve bank incorporated under the terms of this act [and], the capital stock therein [held by member banks], *and the income derived therefrom* shall be exempt from Federal, State, and local taxation, except in respect to taxes upon real estate.

SEC. 8. [That any national banking association heretofore organized may upon application at any time within one year after the passage of this act, and with the approval of the Comptroller of the Currency, be granted, as herein provided, all the rights, and be subject to all the liabilities, of national banking associations organized subsequent to the passage of this act: *Provided*, That such application on the part of such associations shall be authorized by the consent in writing of stockholders owning not less than a majority of the capital stock of the association. Any national banking association now organized which shall not, within one year after the passage of this act, become a national banking association under the provisions hereinbefore stated, or which shall fail to comply with any of the provisions of this act applicable thereto, shall be dissolved; but such dissolution shall not take away or impair any remedy against such corporation, its stockholders or officers, for any liability or penalty which shall have previously been incurred.]

SEC. 9. [That any] *Any* bank [or banking association] incorporated by special law of any State or of the United States, or organized under the general laws of any State or of the United States, and having an unimpaired capital sufficient to entitle it to become a national banking association under the provisions of existing laws, may, by [the consent in writing] *vote* of the shareholders owning not less than fifty-one per centum of the capital stock of such bank or banking association, [and] with the approval of the Comptroller of the Currency [become a] *and acting through a committee, organize a national banking association with any name approved by the said comptroller, and transfer its business to such* national banking association [under its former name or by any name approved by the comptroller] *: Provided, however, That said acts are not in contravention of the State or local law.* The directors thereof may continue to be the directors of the association so organized until others are elected or appointed in accordance with the provisions of the law. When the comptroller has given to such bank or banking association a certificate that the provisions of this act have been complied with, such bank or banking association, and all its stockholders, officers, and employees, shall have the same powers and privileges, and shall be subject to the same duties, liabilities, and regulations, in all respects, as shall have been prescribed by this act [or] *and* by the national banking act for associations originally organized as national banking asssociations.

STATE BANKS AS MEMBERS.

SEC. 10. [That from and after the passage of this act any] *Any* bank [or banking association or trust company] incorporated by special law of any State, or organized under the general laws of any State or *of* the United States, may make application to *the reserve bank organization committee, pending organization, and thereafter to* the Federal reserve board [hereinafter created] for the right to subscribe to the stock of the Federal reserve bank organized or to be organized within the Federal reserve district where the applicant is located. The *organization committee or the* Federal reserve board, under such rules and regulations as it may prescribe, subject to the provisions of this section, [shall] *may* permit [such] *the* applying bank to become a stockholder in the Federal reserve bank of the district in which [such] *the* applying bank is located. Whenever the *organization committee or the* Federal reserve board shall permit [such] *the* applying bank to become a stockholder in the Federal reserve bank of the district [in which the applying bank is located], stock shall be issued and paid for under the rules and regulations in this act provided for national banks which become stockholders in Federal reserve banks.

[It shall be the duty of the] *The organization committee or the* Federal reserve board [to] *shall* establish by-laws for the general government of its conduct in acting upon applications made by the State banks and banking associations and trust companies [hereinbefore referred to] for stock ownership in Federal reserve banks. Such by-laws shall require applying banks not organized under Federal law to comply with the reserve *and capital* requirements and *to* submit to the [inspection] *examination* and [regulation provided for in this and other laws relating to national banks] *regulations prescribed by the organization committee or by the Federal reserve board.* No [such] applying bank shall be admitted to membership in a Federal reserve bank unless it possesses a paid-up unimpaired capital sufficient to entitle it to become a national banking association in the place where it is situated, under the provisions of the national banking act [, and conforms to the provisions herein prescribed for national banking associations of similar capitalization and to the regulations of the Federal reserve board].

Any bank becoming a member of a Federal reserve bank under the provisions of this section shall, in addition to the regulations and restrictions hereinbefore provided, be required to conform to the provisions of law imposed on the national banks and to such rules and regulations as the Federal reserve board may, in pursuance thereof, prescribe respecting the limitation of liability which may be incurred by any person, firm, or corporation to such banks, the prohibition against making purchase of or loans on stock of such banks, and the *withdrawal or impairment of capital, or the payment of unearned dividends.*

Such banks, and the officers, agents, and employees thereof, shall also be subject to the provisions of and to the penalties prescribed by sections fifty-one hundred and ninety-eight, fifty-two hundred and eight, fifty-two hundred, fifty-two hundred and one, and fifty-two hundred and eight and fifty-two hundred and nine of the Revised Statutes. The member banks shall also be required to make reports of the conditions and of the payments of dividends to the comptroller, as provided in sections fifty-two hundred and eleven and fifty-two hundred and twelve of the Revised Statutes, and shall be subject to the penalties prescribed by section fifty-two hundred and thirteen for the failure to make such report.

If at any time it shall appear to the Federal reserve board that a banking association or trust company organized under the laws of any State or of the United States *and having become a member bank* has failed to comply with the provisions of this section or the regulations of the Federal reserve board, it shall be within the power of the said board, *after hearing*, to require such banking association or trust company to surrender its stock in the Federal reserve bank; [in which it holds stock] upon [receiving from] such *surrender the* Federal reserve bank *shall pay* the cash-paid subscriptions to the said stock [in current funds] *with interest at the rate of one-half of one per centum per month* ~~interest~~, *computed from the last dividend, if earned, not to exceed the book value thereof, less any liability to said Federal reserve bank, except the subscription liability not previously called, which shall be canceled*, and said Federal reserve bank shall, upon notice from the Federal reserve board, be required to suspend said banking association or trust company from further privileges of membership, and shall within thirty days of such notice cancel and retire its stock and make payment therefor in the manner herein provided. *The Federal reserve board may restore membership upon due proof of compliance with the conditions imposed by this section.*

FEDERAL RESERVE BOARD.

SEC. 11. [That there shall be created a] *A* Federal reserve board[,] *is hereby created* which shall consist of seven members, including the Secretary of the Treasury, [the Secretary of Agriculture, and the Comptroller of the Currency,] who shall be [members] *a member* ex officio, and [four] *six* members appointed by the President of the United States, by and with the advice and consent of the Senate. In selecting the [four] *six* appointive members of the Federal reserve board, [not more than one of whom shall be selected from any one Federal reserve district,] the President shall have due regard to a fair representation of [different] *the financial, commercial, and* geographical divisions of the country. The [four] *six* members of the Federal reserve board appointed by the President and confirmed as aforesaid shall devote their entire time to the business of the Federal reserve board and shall each receive an annual salary of $10,000, together with an allowance for actual necessary traveling expenses [, and the Comptroller of the Currency, as ex officio member of said Federal reserve board, shall, in addition to the salary now paid him as comptroller, receive the sum of $5,000 annually for his services as a member of said board]. Of the [four] *six* members thus appointed by the President [not more than two shall be of the same political party, and] at least [one of whom] *two* shall be [a person] *persons* experienced in banking *or finance*. One shall be designated by the President to serve for [two] *one*, one for [four] *two*, one for [six] *three*, [and] one for [eight years] *four*, *one for five, and one for six years*, respectively, and thereafter each member so appointed shall serve for a term of [eight] *six* years unless sooner removed for cause by the President. Of the [four] *six* persons thus appointed, one shall be designated by the President as [manager] *governor* and one as vice [manager] *governor* of the Federal reserve board. The [manager] *governor* of the Federal reserve board, subject to the supervision of the [Secretary of the Treasury and] Federal reserve board, shall be the active executive officer of the Federal reserve board. *In case of vacancies, temporary appointments on the Federal reserve board may be made by the President when the Senate is not in session, to be immediately submitted to the Senate when it convenes. The Secretary of the Treasury may assign offices in the Department of the Treasury for the use of the Federal reserve board. Each member of the Federal reserve board shall within fifteen days after notice of appointment make and subscribe to the oath of office.*

The Federal reserve board shall have power to levy semiannually upon the Federal reserve banks, in proportion to their capital stock *and surplus*, an assessment sufficient to pay its estimated expenses *and salaries of its members and employees* for the half year succeeding the levying of such assessment, together with any deficit carried forward from the preceding half year.

The first meeting of the Federal reserve board shall be held in Washington, District of Columbia, as soon as may be after the passage of this act, at a date to be fixed by the reserve bank organization committee. The Secretary of the Treasury shall be ex officio chairman of the Federal reserve board. No member of the Federal reserve board shall be an officer or director of any bank, [or] banking institution, *trust company*, or Federal reserve bank nor hold stock in any bank, [or] banking institution, *or trust company*; and before entering upon his duties as a member of the Federal reserve board he shall certify under oath to the Secretary of the Treasury that he has complied with this requirement. Whenever a vacancy shall occur, other than by expiration of term, among the [four] *six* members of the Federal reserve board appointed by the President, as above provided, a successor shall be appointed by the President, with the advice and consent of the Senate, to fill such vacancy, and when appointed *he* shall hold office for the unexpired term of the member whose place he is selected to fill.

Nothing in this act contained shall be construed as taking away any powers heretofore vested by law in the Secretary of the Treasury which relate to the supervision, management, and control of the Treasury Department and bureaus under such department, and wherever any power vested by this act in the Federal reserve board or the Federal reserve agent appears to conflict with the powers of the Secretary of the Treasury, such powers shall be exercised subject to the supervision and control of the Secretary.

The Federal reserve board shall annually make a *full* report of its [fiscal] operations to the Speaker of the House of Representatives, who shall cause the same to be printed for the information of the Congress.

Section three hundred and twenty-four of the Revised Statutes of the United States shall be amended so as to read as follows: "[There shall be in the Department of the Treasury a bureau charged, except as in this act otherwise provided, with the execution of all laws passed by Congress relating to the issue and regulation of currency issued by or through banking associations, the chief officer of which bureau shall be called the Comptroller of the Currency, and shall perform his duties under the general direction of the Secretary of the Treasury, acting as the chairman of the Federal reserve board:" *Provided, however,* That nothing herein contained shall be construed to affect any power now vested by law in the Comptroller of the Currency or the Secretary of the Treasury] *There shall be in the Department of the Treasury a bureau charged with the execution of all laws passed by Congress relating to the issue and regulation of national currency secured by United States bonds and, under the general supervision of the Federal reserve board, of all Federal reserve notes, the chief officer of which bureau shall be called the Comptroller of the Currency and shall perform his duties under the general directions of the Secretary of the Treasury.*"

SEC. 12. [That the] *The* Federal reserve board [hereinbefore established] shall be authorized and empowered:

(a) To examine at its discretion the accounts, books, and affairs of each Federal reserve bank *and of each member bank* and to require such statements and reports as it may deem necessary. The said board shall publish once each week a statement showing the condition of each Federal reserve bank and a consolidated statement for all Federal reserve banks. Such statements shall show in detail the assets and liabilities of [such] *the* Federal reserve banks, single and combined, and shall furnish full information regarding the character of the [lawful] money held as reserve and the amount, nature, and maturities of the paper *and other investments* owned *or held* by Federal reserve banks.

(b) To permit or require[, in time of emergency,] Federal reserve banks to rediscount the discounted [prime] paper of other Federal reserve banks[, at least five members of the Federal reserve board being present when such action is taken and all present consenting to the requirement. The exercise of this compulsory rediscount power by the Federal reserve board shall be subject to an interest charge to the accommodated bank of not less than one nor greater than three per centum above the higher of the rates prevailing in the districts immediately affected] *at rates of interest to fixed each week by the Federal reserve board.*

(c) To suspend for a period not exceeding thirty days, [(] and *from time to time* to renew such suspension for periods not [to exceed] *exceeding* fifteen days[)], any [and every] reserve requirement specified in this act: *Provided,* That it shall establish a graduated tax upon the amounts by which the reserve requirements of this act may be permitted to fall below the level hereinafter specified, such tax to be uniform in its application to all *Federal reserve banks and to member* banks, *required to keep the same reserves*[; but said board shall not suspend the reserve requirements with reference to Federal reserve notes].

(d) [To supervise and regulate the issue and retirement of Federal reserve notes and to prescribe the form and tenor of such notes.] *To supervise and regulate through the bureau under the charge of the Comptroller of the Currency the issue and retirement of Federal reserve notes, and to prescribe rules and regulations under which such notes may be delivered by the comptroller of the Federal reserve agents applying therefor.*

(e) To add to the number of cities classified as reserve and central reserve cities under existing law in which national banking associations are subject to the reserve requirements set forth in section twenty of this act; or to reclassify existing reserve and central reserve cities [and to designate the banks therein situated as country banks at its discretion] *or to terminate their designation as such.*

(f) [To suspend the officials of Federal reserve banks and, for cause stated in writing with opportunity of hearing, require the removal of said officials for incompetency, dereliction of duty, fraud, or deceit, such removal to be subject to approval by the President of the United States] *To suspend or remove any officer or director of any Federal reserve bank, the cause of such removal to be forthwith communicated in writing by the Federal reserve board to the removed officer or director and to said bank.*

(g) To require the writing off of doubtful or worthless assets upon the books and balance sheets of Federal reserve banks.

(h) To suspend, for cause relating to violation of any of the provisions of this act, the operations of any Federal reserve bank and [appoint a receiver therefor] *take possession thereof and administer the same during the period of suspension.*

(i) To *require bonds of Federal reserve agents*, perform the duties, functions, or services specified or implied in this act, *and to make all rules and regulations necessary to enable said board effectively to perform the same.*

(j) To exercise general supervision over said Federal reserve banks.

(k) To authorize the use, as reserves of member banks, Federal reserve notes, or bank notes based on United States bonds, to the extent that said board may find necessary.

(l) To grant by special permit to national banks applying therefor the right to act as trustee, executor, or to exercise general trust powers under such rules and regulations as the said board may prescribe.

FEDERAL ADVISORY COUNCIL.

SEC. 13. There is hereby created a Federal advisory council, which shall consist of as many members as there are Federal reserve districts. Each Federal reserve bank by its board of directors shall annually select from its own Federal reserve district one member of said council, who shall receive [no compensation for his services, but may be reimbursed for actual necessary expenses] *such compensation and allowances as may be fixed by his board of directors subject to the approval of the Federal reserve board.* The meetings of said advisory council shall be held at Washington, District of Columbia, at least four times each year, and oftener if called by the Federal reserve board. The council may select its own officers and adopt its own methods of procedure, and a majority of its members shall constitute a quorum for the transaction of business. Vacancies in the council shall be filled by the respective reserve banks, and members selected to fill vacancies shall serve for the unexpired term.

The Federal advisory council shall have power, *by itself or through its officers*, (1) to [meet and] confer directly with the Federal reserve board on general business conditions; (2) to make oral or written representations concerning matters within the jurisdiction of said board; (3) to call for [complete] information and to make recommendations in regard to discount rates, rediscount business, note issues, reserve conditions in the various districts, the purchase and sale of gold or securities by reserve banks, open-market operations by said banks, and the general affairs of the reserve banking system.

POWERS OF FEDERAL RESERVE BANKS.

SEC. 14. [That any] *Any* Federal reserve bank may receive from any *of its* member [bank] *banks, and from the United States*, deposits of current funds in lawful money, national-bank notes, Federal reserve notes, or checks and drafts upon solvent banks *of the Federal reserve system*, payable upon presentation; or, solely for exchange purposes, may receive from other Federal reserve banks deposits of current funds in lawful money, national-bank notes, or checks and drafts upon solvent *member or other Federal reserve* banks, payable upon presentation.

Upon the indorsement of any *of its* member [bank] *banks*, any Federal reserve bank may discount notes, *drafts*, and bills of exchange arising out of *actual* commercial transactions; that is, notes, *drafts*, and bills of exchange issued or drawn for agricultural, industrial, or commercial purposes, or the proceeds of which have been used, or [may] *are to* be used, for such purposes, the Federal reserve board to have the right to determine or define the character of the paper thus eligible for discount, within the meaning of this act [; nothing herein]. *Nothing in this act* contained shall be construed to prohibit such notes, *drafts*, and bills of exchange, secured by staple agricultural products, or other goods, wares, or merchandise from being eligible for such discount; but such definition shall not include notes, *drafts*, or bills *covering merely investments or* issued or drawn for the purpose of carrying or trading in stocks, bonds, or other investment securities, *except bonds and notes of the Government of the United States.* Notes, *drafts*, and bills admitted to discount under the terms of this paragraph must have a maturity *at the time of discount* of not more than ninety days.

[Upon the indorsement of any member bank any Federal reserve bank may discount the paper of the classes hereinbefore described having a maturity of more than ninety and not more than one hundred and twenty days, when its own cash reserve exceeds thirty-three and one-third per centum of its total outstanding demand liabilities exclusive of its outstanding Federal reserve notes by an amount to be fixed by the Federal reserve board; but not more than fifty per centum of the total paper so discounted for any member bank shall have a maturity of more than ninety days.

Upon the indorsement of any member bank any] *Any* Federal reserve bank may discount acceptances of [such] *member* banks which are based on the exportation or importation *or domestic shipments* of goods and which [mature in] *have a maturity at time of discount of* not more than [six] *three* months, and bear the signature of at least one member bank in addition to that of the acceptor. The amount *of acceptances* so discounted shall at no time exceed one-half the capital stock *and surplus* of the bank for which the rediscounts are made.

The aggregate of such notes and bills bearing the signature or indorsement of any one person, company, firm, or corporation rediscounted for any one bank shall at no time exceed ten per centum of the unimpaired capital and surplus of said bank; but this restriction shall not apply to the discount of bills of exchange drawn in good faith against actually existing values.

Any national bank may [, at its discretion,] accept drafts or bills of exchange drawn upon it [having not more than six months sight to run] and growing out of transactions involving the importation, [or] exportation, *or domestic shipment* of goods *having not more than six months sight to run*; but no bank shall accept such bills to an amount equal at any time in the aggregate to more than one-half [the face value of] its paid-up [and unimpaired] capital *stock and surplus.*

[Section fifty-two hundred and two of the Revised Statutes of the United States is hereby amended so as to read as follows: No association shall at any time be indebted, or in any way liable, to an amount exceeding the amount of its capital stock at such time actually paid in and remaining undiminished by losses or otherwise, except on account of demands of the nature following:

First. Notes of circulation.

Second. Moneys deposited with or collected by the association.

Third. Bills of exchange or drafts drawn against money actually on deposit to the credit of the association, or due thereto.

Fourth. Liabilities to the stockholders of the association for dividends and reserve profits.

Fifth. Liabilities incurred under the provisions of sections two, five, and fourteen of the Federal reserve act.]

The Federal reserve board may authorize the reserve bank of the district to discount the direct obligations of member banks, secured by the pledge and deposit of satisfactory securities; but in no case shall the amount so loaned by a Federal reserve bank exceed three-fourths of the actual value of the securities so pledged.

The rediscount by any Federal reserve bank of any bills receivable and of domestic and foreign bills of exchange and acceptances shall be subject to such restrictions, limitations, and regulations as may be imposed by the Federal reserve board.

OPEN-MARKET OPERATIONS.

SEC. 15. [That any] *Any* Federal reserve bank may, under rules and regulations prescribed by the Federal reserve board, purchase and sell in the open market, *at home or abroad*, either from or to domestic or foreign banks, firms, corporations, or individuals, [prime] *cable transfers and* bankers' [bills] *acceptances* and bills of exchange of the kinds and maturities by this act made eligible for rediscount [, and cable transfers].

Every Federal reserve bank shall have power:

(a) to deal in gold coin and bullion [both] at home [and] *or* abroad, to make loans thereon, *exchange Federal reserve notes for gold, gold coin, or gold certificates*, and to contract for loans of gold coin or bullion, giving therefor, when necessary, acceptable security, including the hypothecation of United States bonds *or other securities which Federal reserve banks are authorized to hold*;

(b) to [invest in] *buy and sell, at home or abroad, bonds and notes of the* United States [bonds], and [bonds issued by any State, county, district, or municipality] *bills, notes, revenue bonds, and warrants with a maturity from date of purchase of not exceeding six months, issued in anticipation of the collection of taxes or in anticipation of the receipt of assured revenues by any State, county, district, or municipality of the United States, such purchases to be made in accordance with rules and regulations prescribed by the Federal reserve board*;

(c) to purchase from member banks and to sell, with or without its indorsement, bills of exchange arising out of commercial transactions, as hereinbefore defined [, payable in foreign countries; but such bills of exchange must have not exceeding ninety days to run and must bear the signature of two or more responsible parties, of which the last shall be that of a member bank];

(d) to establish [each week, or as much oftener as required] *from time to time*, subject to review and determination of the Federal reserve board, [a rate] *rates* of discount to be charged by [such] *the Federal reserve* bank for each class of paper, which shall be fixed with a view of accommodating [the] commerce [of the country] *and business;* [and]

(e) *to establish accounts with other Federal reserve banks for exchange purposes and*, with the consent of the Federal reserve board, to open and maintain banking accounts in foreign countries, *appoint correspondents*, and establish agencies in such countries wheresoever it may deem best for the purpose of purchasing, selling, and collecting [foreign] bills of exchange, and to buy and sell with or without its indorsement, through such correspondents or agencies, [prime foreign] bill of exchange arising out of *actual* commercial transactions which have not [exceeding] *more than* ninety days to run and which bear the signature of two or more responsible parties.

GOVERNMENT DEPOSITS.

SEC. 16. [That all] *The moneys* [now] held in the general fund of the Treasury, except the five per centum fund for the redemption of outstanding national-bank notes *and the funds provided in this act for the redemption of Federal reserve notes* [shall] *may*, upon the direction of the Secretary of the Treasury, [within twelve months after the passage of this act,] be deposited in Federal reserve banks, which banks [shall,] *when required by the Secretary of the Treasury, shall* act as fiscal agents of the United States; and [thereafter] the revenues of the Government *or any part thereof* [shall] *may* be [regularly] deposited in such banks, and disbursement [shall] *may* be made by checks drawn against such deposits.

No public funds of the Philippine Islands, or of the postal savings, or any Government funds, shall be deposited in the continental United States in any bank not belonging to the system established by this act: Provided, however, That nothing in this act shall be construed to deny the right of the Secretary of the Treasury to use member banks as depositaries.

[The Secretary of the Treasury shall, subject to the approval of the Federal reserve board, from time to time, apportion the funds of the Government among the said Federal reserve banks, distributing them, as far as practicable, equitably between different sections, and may, at their joint discretion, charge interest thereon and fix, from month to month, a rate which shall be regularly paid by the banks holding such deposits: *Provided*, That no Federal reserve bank shall pay interest upon any deposits except those of the United States.

No Federal reserve bank shall receive or credit deposits except from the Government of the United States, its own member banks, and, to the extent permitted by this act, from other Federal reserve banks. All domestic transactions of the Federal reserve banks involving loans made by such banks, rediscount operations or the creation of deposit accounts shall be confined to the Government and the depositing and Federal reserve banks, with the exception of the purchase or sale of Government or State securities or of gold coin or bullion.]

NOTE ISSUES.

SEC. 17. Federal reserve notes, to be issued at the discretion of the Federal reserve board for the purpose of making advances to Federal reserve banks *through the Federal reserve agents* as hereinafter set forth and for no other purpose, are hereby authorized. The said notes shall be obligations of the United States and shall be receivable for all taxes [, customs,] and other public dues, *except customs*. They shall be redeemed in gold [or lawful money] on demand at the Treasury Department of the United States, in the city of Washington, District of Columbia, or *in gold or lawful money* at any Federal reserve bank.

Any Federal reserve bank may [, upon vote of its directors,] make application to the local Federal reserve agent for such amount of the Federal reserve notes hereinbefore provided for as it may [deem best] *require*. Such application shall be accompanied with a tender to the local Federal reserve agent of collateral in amount equal to the sum of the Federal reserve notes thus applied for and issued pursuant to such application. The collateral security thus offered shall be notes and bills accepted for rediscount under the provisions of section 14 of this act, and the Federal reserve agent shall each day notify the Federal reserve board of *all* issues and withdrawals of *Federal reserve* notes to and by the Federal reserve bank to which he is accredited. The said Federal reserve board shall be authorized at any time to call upon a Federal reserve bank for additional security to protect the Federal reserve notes issued to it.

[Whenever any Federal reserve bank shall pay out or disburse Federal reserve notes issued to it as hereinbefore provided, it shall segregate in its own vaults and shall carry to a special reserve account on

its books gold or lawful money equal in amount to thirty-three and one-third per centum of the reserve notes so paid out by it, such reserve to be used for the redemption of said reserve notes as presented; but any Federal reserve bank so using any part of such reserve to redeem notes shall immediately carry to said reserve account an amount of gold or lawful money sufficient to make said reserve equal to thirty-three and one-third per centum of its outstanding Federal reserve notes.]

Every Federal reserve bank shall maintain reserves in gold or lawful money of not less than thirty-five per centum against its deposits and its Federal reserve notes in actual circulation, but the amount of gold in the Federal reserve bank, together with the amount deposited by it with the Treasury, shall be at least equal to thirty-three and one-third per centum of the Federal reserve notes issued to said bank and in actual circulation and not offset by gold or lawful money deposited with the Federal reserve agent. Notes so paid out shall bear upon their faces a distinctive letter and serial number, which shall be assigned by the Federal reserve board to each Federal reserve bank. Whenever Federal reserve notes issued through one Federal reserve bank shall be received by another Federal reserve bank they shall be [immediately] *promptly* returned for *credit or* redemption to the Federal reserve bank through which they were originally issued [, or shall be charged off against Government deposits and returned to the Treasury of the United States, or shall be presented to the said Treasury for redemption]. No Federal reserve bank shall pay out notes issued through another under penalty of a tax of ten per centum upon the face value of notes so paid out. Notes presented for redemption at the Treasury of the United States shall be paid *out of the redemption fund*, and, *if fit for circulation*, returned to the Federal reserve banks through which they were originally issued. Federal reserve notes received by the Treasury, otherwise than for redemption, [shall] *may* be exchanged for [lawful money] *gold* out of the [five per centum] redemption fund hereinafter provided and returned [as hereinbefore provided] to the reserve bank through which they were originally issued, *or they may be returned to such bank for the credit of the United States. Federal reserve notes unfit for circulation shall be returned by the Federal reserve agents to the Comptroller of the Currency for cancellation and destruction.*

The Federal reserve board shall [have power, in its discretion, to] require *each* Federal reserve [banks] *bank* to maintain on deposit in the Treasury of the United States a sum in gold [equal to five per centum of] *sufficient in the judgment of the Secretary of the Treasury for the redemption of* [such amount of] *the* Federal reserve notes [as may be] issued to [them under the provisions of this act] *such bank but in no event less than five per centum;* but such [five per centum] *deposit of gold* shall be counted and included as part of the thirty-three and one-third per centum reserve hereinbefore required. The [said] board shall [also] have the right, *acting through the Federal reserve agent*, to grant in whole or in part or to reject entirely the application of any Federal reserve bank for Federal reserve notes; but to the extent [and in the amount] that such application may be granted the Federal reserve board shall, through its local Federal reserve agent [deposit] *supply* Federal reserve notes [with] *to* the [banks] *bank* so applying, and such bank shall be charged with the amount of such notes and shall pay such rate of interest on said amount as may be established by the Federal reserve board, [which rate shall not be less than one-half of one per centum per annum,] ~~and the~~ amount of such Federal reserve notes so issued to any such bank shall, upon delivery, become a first and paramount lien on all the assets of such bank.

Any Federal reserve bank may at any time reduce its liability for outstanding Federal reserve notes by [the deposit of] *depositing, with its Federal reserve agent,* Federal reserve notes, [whether issued to such bank or to some other reserve bank, or lawful money of the United States,] *gold certificates,* or gold [bullion, with any Federal reserve agent, or with the Treasurer of the United States, and such reduction shall be accompanied by a corresponding reduction in the required reserve fund of lawful money set apart for the redemption of said notes and by the release of a corresponding amount of the collateral security deposited with the local Federal reserve agent].

The Federal reserve agent shall hold such gold certificates and gold available for exchange for the outstanding Federal reserve notes when offered by the reserve bank of which he is a director. Upon the request of the Secretary of the Treasury the Federal reserve board shall require the Federal reserve agent to transmit said gold to the Treasury of the United States for the redemption of such notes.

Any Federal reserve bank may at its discretion withdraw collateral deposited with the local Federal reserve agent for the protection of *its* Federal reserve notes deposited with it and shall at the same time substitute *therefor* other *like* collateral of equal [value] *amount* approved by the Federal reserve agent under regulations to be prescribed by the Federal reserve board.

In order to furnish suitable notes for circulation as Federal reserve notes, the Comptroller of the Currency shall, under the direction of the Secretary of the Treasury, cause plates and dies to be engraved in the best manner to guard against counterfeits and fraudulent alterations, and shall have printed therefrom and numbered such quantities of such notes in blank of the denominations of $1, $2, $5, $10, $20, $50, $100, as may be required to supply the Federal reserve banks. Such notes shall be in form and tenor as directed by the Secretary of the Treasury under the provisions of this act and shall bear the distinctive numbers of the several Federal reserve banks through which they are issued.

When such notes have been prepared, they shall be deposited in the Treasury, or in the subtreasury or mint of the United States nearest the place of business of each Federal reserve bank, and shall be held for the use of such bank subject to the order of the Comptroller of the Currency for their delivery, as provided by this act.

The plates and dies to be procured by the Comptroller of the Currency for the printing of such circulating notes shall remain under his control and direction, and the expenses necessarily incurred in executing the laws relating to the procuring of such notes, and all other expenses incidental to their issue and retirement, shall be paid by the Federal reserve banks, and the Federal reserve board shall include in its estimate of expenses levied against the Federal reserve banks a sufficient amount to cover the expenses herein provided for.

The examination of plates, dies, bed pieces, and so forth, and regulations relating to such examination of plates, dies, and so forth, of national-bank notes provided for in section fifty-one hundred and seventy-four, Revised Statutes, is hereby extended to include Federal reserve notes herein provided for.

Any appropriation heretofore made out of the general funds of the Treasury for engraving plates and dies, the purchase of distinctive paper, or to cover any other expense in connection with the printing of national-bank notes or notes provided for by the act of May thirtieth, nineteen hundred and eight, and any distinctive paper that may be on hand at the time of the passage of this act may be used in the discretion of the Secretary for the purposes of this act, and should the appropriations heretofore made be insufficient to meet the requirements of this act in addition to circulating notes provided for by existing law, the Secretary is hereby authorized to use so much of any funds in the Treasury not otherwise appropriated for the purpose of furnishing the notes aforesaid: Provided, however, That nothing in this section contained shall be construed as exempting national banks or Federal reserve banks from their liability to reimburse the United States for any expenses incurred in printing and issuing circulating notes.

[It shall be the duty of every Federal reserve bank to receive on deposit, at par and without charge for exchange or collection, checks and drafts drawn upon any of its depositors or by any of its depositors upon any other depositor and checks and drafts drawn by any depositor in any other Federal reserve bank upon funds to the credit of said depositor in said reserve bank last mentioned, nothing herein contained to be construed as prohibiting member banks from making reasonable charges to cover actual expenses incurred in collecting and remitting funds for their patrons.]

Every Federal reserve bank shall receive on deposit from member banks or from Federal reserve banks checks and drafts drawn upon any of its depositors, and when remitted by a Federal reserve bank, checks and drafts drawn by any depositor in any other Federal reserve bank or member bank upon funds to the credit of said depositor in said reserve bank or member bank. Nothing herein contained shall be construed as prohibiting a member bank from making reasonable charges for checks and drafts so debited to its account, or for collecting and remitting funds, or for exchange sold to its patrons. The Federal reserve board may, by rule, fix the charges to be collected by the member banks from its patrons whose checks are cleared through the Federal reserve bank and the charge which may be imposed for the service of clearing or collection rendered by the Federal reserve bank.

The Federal reserve board shall make and promulgate from time to time regulations governing the transfer of funds [at par] *and charges therefor* among Federal reserve banks *and their branches*, and may at its discretion exercise the functions of a clearing house for such Federal reserve banks, or may designate a Federal reserve bank to exercise such functions, and may also require each such bank to exercise the functions of a clearing house for its member banks.

SEC. 18. That so much of the provisions of section fifty-one hundred and fifty-nine of the Revised Statutes of the United States, and section four of the act of June twentieth, eighteen hundred and seventy-four, and section eight of the act of July twelfth, eighteen hundred and eighty-two, and of any other provisions of existing statutes, as require that before any national banking association shall be authorized to commence banking business it shall transfer and deliver to the Treasurer of the United States a stated amount of United States registered bonds be, and the same is hereby, repealed.

REFUNDING BONDS.

[SEC. 19. That upon application the Secretary of the Treasury shall exchange the two per centum bonds of the United States bearing the circulation privilege deposited by any national banking association with the Treasurer of the United States as security for circulating notes for three per centum bonds of the United States without the circulation privilege, payable after twenty years from date of issue, and exempt from Federal, State, and municipal taxation both as to income and principal. No national bank shall, in any one year, present two per centum bonds for exchange in the manner hereinbefore provided to an amount exceeding five per centum of the total amount of bonds on deposit with the Treasurer by said bank for circulation purposes. Should any national bank fail in any one year to so exchange its full quota of two per centum bonds under the terms of this act, the Secretary of the Treasury may permit any other national bank or banks to exchange bonds in excess of the five per centum aforesaid in an amount equal to the deficiency caused by the failure of any one or more banks to make exchange in any one year, allotment to be made to applying banks in proportion to their holdings of bonds. At the expiration of twenty years from the passage of this act every holder of United States two per centum bonds then outstanding shall receive payment at par and accrued interest. After twenty years from the date of the passage of this act national bank notes still remaining outstanding shall be recalled and redeemed by the national banking associations issuing the same within a period and under regulations to be prescribed by the Federal reserve board, and notes still remaining in circulation at the end of such period shall be secured by an equal amount of lawful money to be deposited in the Treasury of the United States by the banking associations originally issuing such notes. Meanwhile every national bank may continue to apply for and receive circulating notes from the Comptroller of the Currency based upon the deposit of two per centum bonds or of any other bonds bearing the circulation privilege; but no national bank shall be permitted to issue other circulating notes except such as are secured as in this section provided or to issue or to make use of any substitute for such circulating notes in the form of clearing-house loan certificates, cashier's checks, or other obligation.]

Sec. 19. Upon application by a Federal reserve bank the Secretary of the Treasury shall, for the account of such bank, assume the redemption of circulating notes of any national bank requesting the same and surrendering in writing the two per centum bonds held in trust by the Treasurer of the United States as security for its circulation. Such two per centum bonds shall, at the option of such Federal reserve bank, be reissued by the Secretary of the Treasury as bonds bearing three per centum interest, due July first, nineteen hundred and thirty-three, or as one-year notes renewable from year to year *until July first, nineteen hundred and thirty-three, and bearing interest at the rate of three per centum per annum. The amount of the redemption of such notes shall not exceed $36,000,000 per annum and shall be apportioned pro rata among the national banks applying for such redemption at the end of each quarterly period of any fiscal year. The circulating notes of any national bank, the redemption of which is so assumed, shall, when delivered to the Treasury for redemption, be canceled and redeemed out of funds to be furnished the Secretary of the Treasury by the Federal reserve bank making the application aforesaid; and the Federal reserve board shall thereupon deliver to the Federal reserve bank an equal amount of Federal reserve notes without interest or penalty of any kind, and the two per centum bonds aforesaid, or the three per centum bonds or notes issued in lieu thereof, shall be held in trust for such Federal reserve bank by the Treasurer of the United States as security for the redemption of such notes.*

BANK RESERVES.

[SEC. 20. That from and after the date when the Secretary of the Treasury shall have officially announced, in such manner as he may elect, the fact that a Federal reserve bank has been established in any designated district, every banking association within said district which shall have subscribed for stock in such Federal reserve bank shall be required to establish and maintain reserves as follows:

(a) If a country bank as defined by existing law, it shall hold and maintain a reserve equal to twelve per centum of the aggregate amount of its deposits, not including savings deposits hereinafter provided for. Five-twelfths of such reserve shall consist of money which national banks may under existing law count as legal reserve, held actually in the bank's own vaults; and for a period of fourteen months from the date aforesaid at least three-twelfths and thereafter at least five-twelfths of such reserve shall consist of a credit balance with the Federal reserve bank of its district. The remainder of the twelve per centum reserve hereinbefore required may, for a period of thirty-six months from and after the date fixed by the Secretary of the Treasury as hereinbefore provided, consist of balances due from national banks in reserve or central reserve cities as now defined by law. From and after a date thirty-six months subsequent to the date fixed by the Secretary of the Treasury as hereinbefore provided the said remainder of the twelve per centum reserve required of each country bank shall consist either in whole or in part of reserve money in the bank's own vaults or of credit balance with the Federal reserve bank of its district.

(b) If a reserve city bank as defined by existing law, it shall hold and maintain, for a period of sixty days from the date fixed by the Secretary of the Treasury as hereinbefore provided, a reserve equal to twenty per centum of the aggregate amount of its deposits, not including savings deposits hereinafter provided for, and permanently thereafter eighteen per centum. At least one-half of such reserve shall consist of money which national banks may under existing law count as legal reserve, held actually in the bank's own vaults. After sixty days from the date aforesaid, and for a period of one year, at least three-eighteenths and permanently thereafter at least five-eighteenths of such reserve shall consist of a credit balance with the Federal reserve bank of its district. The remainder of the reserve in this paragraph required may, for a period of thirty-six months from and after the date fixed by the Secretary of the Treasury as hereinbefore provided, consist of balances due from national banks in central reserve cities as now defined by law. From and after a date thirty-six months subsequent to the date fixed by the Secretary of the Treasury as hereinbefore provided, the said remainder of the eighteen per centum reserve required of each reserve city bank shall consist either in whole or in part of reserve money in the bank's own vaults or of credit balance with the Federal reserve bank of its district.

(c) If a central reserve city bank as defined by existing law, it shall hold and maintain for a period of sixty days from the date fixed by the Secretary of the Treasury as hereinbefore provided a reserve equal to twenty per centum of the aggregate amount of its deposits, not including savings deposits hereinafter provided for, and permanently thereafter eighteen per centum. At least one-half of such reserve shall consist of money which national banks may under existing law count as legal reserve, held actually in the bank's own vaults. After sixty days from the date aforesaid, and thereafter for a period of one year, at least three-eighteenths and permanently thereafter at least five-eighteenths of such reserve shall consist of a credit balance with the Federal reserve bank of its district. The remainder of the eighteen per centum reserve required of each central reserve city bank shall consist either in whole or in part of reserve money actually held in its own vaults or of credit balance with the Federal reserve bank of its district.]

Sec. 20. Demand liabilities within the meaning of this act shall comprise all liabilities maturing within thirty days, and time deposits shall comprise all deposits payable after thirty days.

When the Secretary of the Treasury shall have officially announced, in such manner as he may elect, the establishment of a Federal reserve bank in any district, every subscribing member bank shall establish and maintain reserves as follows:

(a) A bank not in a reserve or central reserve city as now or hereafter defined shall hold and maintain reserves equal to twelve per centum of the aggregate amount of its demand liabilities and five per centum of its time deposits, as follows:

In its vaults for a period of thirty-six months after said date four-twelfths thereof.

In the Federal reserve bank for a period of fourteen months after said date two-twelfths, and permanently thereafter five-twelfths.

For a period of thirty-six months after said date the balance of the reserves may be held in its own vaults, or in the Federal reserve bank, or in banks in reserve or central reserve city banks as now defined by law.

After said thirty-six months' period said reserves, other than those hereinbefore required to be held in the reserve bank, shall be held in the vaults of the member bank or in the Federal reserve bank, or in both, at its option.

(b) A bank in a reserve city, as now or hereafter defined, shall hold and maintain reserves equal to eighteen per centum of the aggregate

amount of its demand liabilities and five per centum of its time deposits, as follows:

In its vaults six-eighteenths thereof.

In the Federal reserve bank for a period of fourteen months after the date aforesaid at least three-eighteenths and permanently thereafter six-eighteenths of said reserve.

For a period of thirty-six months after said date the balance of said reserves shall be held in its vaults, in the Federal reserve bank, or in central reserve city banks as now defined by law.

After said thirty-six months' period all of said reserves, except those hereinbefore required to be held permanently in the Federal reserve bank, shall be held in its vaults or in the Federal reserve bank, or in both, at its option.

(c) A bank in a central reserve city as now or hereafter defined shall hold and maintain a reserve equal to eighteen per centum of the aggregate amount of its demand liabilities and five per centum of its time deposits, as follows:

In its vaults six-eighteenths thereof.

In the Federal reserve bank for a period of fourteen months after the date aforesaid at least three-eighteenths, and permanently thereafter six-eighteenths.

For a period of thirty-six months after said date the balance of said reserves shall be held in its own vaults or in the Federal reserve bank at its option.

After said thirty-six months' period all of said reserves, except those herein permanently required to be held in the Federal reserve bank, shall be held in its own vaults or in the Federal reserve bank, or both, at its option.

Any Federal reserve bank may receive from the member banks as reserves, not exceeding one-half of said installment thereof, eligible discounted paper properly indorsed and acceptable to the said reserve bank.

If a State bank or trust company is required by the laws of its State to keep its reserves either in its own vaults or with another State bank or trust company, such reserve deposits so kept in such State bank or trust company shall be construed, within the meaning of this section, as if they were reserve deposits in a national bank in a reserve or central reserve city for a period of three years after the Secretary of the Treasury shall have officially announced the establishment of a Federal reserve bank in the district in which such State bank or trust company is situate. Except as thus provided no member bank shall keep on deposit with any nonmember bank a sum in excess of ten per centum of its own paid-up capital and surplus. No member bank shall extend directly or indirectly the benefits of this system to a nonmember bank, except upon written permission of the Federal reserve board, under penalty of suspension.

The reserve carried by a member bank with a Federal reserve bank may, under the regulations and subject to such penalties as may be prescribed by the Federal reserve board, be checked against and withdrawn by such member bank for the purpose of meeting existing liabilities: Provided, however, That no bank shall at any time make new loans or shall pay any dividends unless and until the total reserve required by law is fully restored.

SEC. 21. [That so] *So* much of sections two and three of the act of June twentieth, eighteen hundred and seventy-four, entitled "An act fixing the amount of United States notes, providing for a redistribution of the national bank currency, and for other purposes," as provides that the fund deposited by any national banking association with the Treasurer of the United States for the redemption of its notes shall be counted as a part of its lawful reserve as provided in the act aforesaid, be, and the same is hereby, repealed. And from and after the passage of this act such fund of five per centum shall in no case be counted by any national banking association as a part of its lawful reserve.

SEC. 22. [That every Federal reserve bank] *In addition to the reserve required against the Federal reserve notes emitted by a Federal reserve bank, it* shall [at all times have on hand] *maintain* in its own vaults, in gold, or lawful money *other than Federal reserve notes*, a sum [equal to] not less than thirty-three and one-third per centum of its outstanding demand liabilities *other than its Federal reserve notes.*

The Federal reserve board may notify any Federal reserve bank whose lawful reserve shall be below the amount required to be [kept on hand] *maintained*, to make good such reserve; and if such bank shall fail for thirty days thereafter so to make good its lawful reserve, the Federal reserve board may [appoint a receiver to wind up the business of said bank] *suspend and take possession of such reserve bank and administer the same during the period of suspension.*

BANK EXAMINATIONS.

SEC. 23. [That the examination of the affairs of every national banking association authorized by existing law] *Every member bank* shall [take place] *be examined by the Comptroller of the Currency* at least twice in each calendar year and as much oftener as the Federal reserve board shall consider necessary [, in order to furnish a full and complete knowledge of its condition]. [The Secretary of the Treasury] *The Federal reserve board may authorize examinations by the State authorities to be accepted in the case of State banks and trust companies and* may [, however,] at any time direct the holding of a special examination. The person [assigned to the] making [of such] *the* examination [of the affairs] of any [national banking association] *member bank* shall have power to call together a quorum of the directors of such [association] *bank*, who shall, under oath, state to such examiner the character and circumstances of such of its loans or discounts as he may designate [; and from and after the passage of this act all bank examiners shall receive fixed salaries, the amount whereof shall be determined by the]. *The* Federal reserve board *shall fix the salaries of all bank examiners* and [annually reported] *make report thereof* to Congress. [But the] *The* expense of the examinations herein provided for shall be assessed by *authority of* the Federal reserve board upon the [associations] *banks* examined in proportion to assets or resources held by such [associations] *banks* upon [a date during the year in which such examinations are held to be established by the Federal reserve board. The Comptroller of the Currency shall so arrange the duties of national-bank examiners that no two successive examinations of any association shall be made by the same examiner] *the dates when the various banks are examined.*

In addition to the examinations made and conducted by the Comptroller of the Currency, every Federal reserve bank may, with the approval of the *Federal reserve agent or of the* Federal reserve board, [arrange] *provide* for special [or periodical] examination of [the] member banks within its district. Such examination shall be so conducted as to inform the Federal reserve bank under whose auspices it is carried on of the condition of its member banks and of the lines of credit which are being extended by them. Every Federal reserve bank shall at all times furnish to the Federal reserve board such information as may be demanded by the latter concerning the condition of any [national bank located] *member bank* within the district of the said Federal reserve bank.

No association shall be subject to any visitorial powers other than such as are authorized by law, or vested in the courts of justice, or such as shall be or shall have been exercised or directed by Congress, or either House thereof, or any committee thereof.

[The Federal reserve board shall as often as it deems best, and in any case not less frequently than four times each year, order an examination of national banking associations in reserve cities. Such examinations shall show in detail the total amount of loans made by each bank on demand, on time, and the different classes of collateral held to protect the various loans, and the lines of credit which are being extended by them.] The Federal reserve board shall, at least once each year, order an examination of each Federal reserve bank, and upon joint application of ten member banks the Federal reserve board shall order a special examination and report of the condition of any Federal reserve bank.

SEC. 24. [That no national] *No member* bank *or any officer, director, or employee thereof* shall hereafter make any loan or grant any gratuity to any examiner of such bank. Any bank *officer, director, or employee thereof* [offending against] *violating* this provision shall be deemed guilty of a misdemeanor and shall be *imprisoned not exceeding one year or* fined not more than $5,000, *or both;* and *fined* a further sum equal to the money so loaned or gratuity given [; and the officer or officers of a bank making such loan or granting such gratuity shall be likewise deemed guilty of a misdemeanor and each shall be fined not to exceed $5,000]. Any examiner accepting a loan or gratuity from any bank examined by him *or from an officer, director, or employee thereof* shall be deemed guilty of a misdemeanor and shall be *imprisoned not exceeding one year or* fined not more than $5,000, *or both;* and *fined* a further sum equal to the money so loaned or gratuity given; and shall forever thereafter be disqualified from holding office as a national-bank examiner. No national-bank examiner shall perform any other service for compensation [while holding such office] *for any bank or officer, director, or employee thereof.*

[No officer or director of a national bank shall receive or be beneficiary, either directly or indirectly, of any fee (other than a legitimate fee paid an attorney at law for legal services), commission, gift, or other consideration for or on account of any loan, purchase, sale, payment, exchange, or transaction with respect to stocks, bonds, or other investment securities or notes, bills of exchange, acceptances, bankers' bills, cable transfers or mortgages made by or on behalf of a national bank of which he is such officer or director.] *Other than the usual salary or director's fee paid to any officer, director, or employee of a member bank and other than a reasonable fee paid to such officer, director, or employee acting as an attorney at law for legal services rendered to such bank, no officer, director, employee, or attorney of a member bank shall be a beneficiary of or receive, directly or indirectly, any fee, commission, gift, or other consideration for or in connection with any transaction or business of the bank. No examiner, public or private, shall disclose the names of borrowers or the collateral for loans of a member bank to other than the proper officers of such bank without first having obtained the express permission in writing from the Comptroller of the Currency, except when ordered to do so by a court of competent jurisdiction, or by direction of the Congress of the United States, or either House thereof, or any committee thereof.* Any person violating any provision of this section shall be punished by a fine of not exceeding $5,000 or by imprisonment not exceeding [five years] *one year*, or both [such fine and imprisonment, in the discretion of the court having jurisdiction].

Except so far as already provided in existing laws this provision shall not take effect until [six months] *sixty days* after the passage of this act.

SEC. 25. [That from and after the passage of this act the] *The* stockholders of every [national banking association] *member bank* shall be held individually responsible for all contracts, debts, and engagements of such [association] *bank*, each to the amount of his stock therein, at the par value thereof in addition to the amount invested in such stock. The stockholders in any [national banking association] *member bank* who shall have transferred their shares or registered the transfer thereof within sixty days next before the date of the failure of such [association] *bank* to meet its obligations, *or with knowledge of such impending failure*, shall be liable to the same extent as if they had made no such transfer, *to the extent that the subsequent transferee fails to meet such liability*; but this provision shall not be construed to affect in any way any recourse which such shareholders might otherwise have against those in whose names such shares are registered at the time of such failure. [Section fifty-one hundred and fifty-one, Revised Statutes of the United States, is hereby reenacted except in so far as modified by this section.]

LOANS ON FARM LANDS.

SEC. 26. [That any] *Any* national banking association not situated in a reserve city or central reserve city may make loans secured by improved and unencumbered farm land, *situated within its Federal reserve district*, but no such loan shall be made for a longer time than [twelve months] *five years*, nor for an amount exceeding fifty per centum of the actual value of the property offered as security [, and such property shall be situated within the Federal reserve district in which the bank is located]. Any such bank may make such loans in an aggregate sum equal to twenty-five per centum of its capital and surplus.

The Federal reserve board shall have power from time to time to add to the list of cities in which national banks shall not be permitted to make loans secured upon real estate in the manner described in this section.

[SAVINGS DEPARTMENT.]

[SEC. 27. That any national banking association may, subsequent to a date one year after the organization of the Federal reserve board, make application to the Comptroller of the Currency for permission to open a savings department. Such application shall set forth that the directors of said national bank have by a majority vote apportioned a specified percentage of their paid-in capital and surplus to said savings department, and to that end have segregated specified assets for the uses of said department, or that cash capital for the said savings department has been, obtained by subscription to additional issues of the capital stock of said national bank: *Provided*, That the capital thus set apart for the uses of the proposed savings department aforesaid shall in no case be less than $15,000, or than a sum equal to twenty per centum of the paid-up capital and surplus of the said national bank.

In making the application aforesaid any national banking association may further apply for power to act as trustee for mortgage loans subject to the conditions and limitations herein prescribed or to be established as hereinafter provided.

Whenever the Comptroller of the Currency shall have approved any such application as hereinbefore provided, he shall so inform the applying bank, and thereafter it shall be authorized to receive savings deposits as so defined, and the organization and business conducted or possessed by said bank at the time of making said application, except such as has been specifically segregated for the savings department, and subsequent expansions thereof shall be known as the commercial department of the said bank. The said departments shall, to all intents and purposes, be separate and distinct institutions save and except as hereinafter expressly provided. The capital, surplus, deposits, securities, investments, and other property, effects, and assets of each of said departments shall, in no event, be mingled with those of the other department, or used, either in whole or in part, to pay any of the deposits of the other department until all of the deposits of its own department have been fully paid and satisfied. National banks may increase or diminish their capital stock in the manner now provided by law, but whenever such general increase or reduction of the capital stock of any national bank operating upon the provisions of this section shall be made such increase or reduction shall be apportioned between the commercial and savings departments of the said bank as its board of directors shall prescribe, notice of such increase or reduction, and of the apportionment thereof, being forthwith given to the Comptroller of the Currency; and any such national bank may increase or diminish the capital already apportioned to either its savings or commercial department to an extent not inconsistent with the provisions of this section, notifying the Comptroller of the Currency as hereinbefore provided. The savings department for which authority has been solicited and granted shall have control of the cash or assets apportioned to it as hereinbefore provided, and shall be organized under rules and regulations to be prescribed by the Comptroller of the Currency.

Both the savings and commercial departments so created shall, however, be under the control and direction of a single board of directors and of the general officers of said bank.

All business transacted by the commercial department of any such national bank shall be in every respect subject to the limitations and requirements provided in the national banking act as modified by this act, and such business shall henceforward be known as commercial business.

The savings department of each such national bank shall be authorized to accumulate and loan the funds of its depositors, to receive deposits of current funds, to purchase securities authorized by the Federal reserve board, to loan any funds in its possession upon real estate or other authorized security, and to collect the same with interest, and to declare and pay dividends or interest upon its deposits. The Federal reserve board is hereby authorized to exempt the savings departments of national banking associations from any and every restriction upon classes or kinds of business laid down in the national banking act, and it shall be the duty of the said board within one year after its organization to prepare and publish rules and regulations for the conduct of business by such savings departments. The said regulations shall require every national bank which shall conduct a savings department and a commercial department to segregate in its own vaults the cash and assets belonging to such departments, respectively, and shall prescribe the general forms of separate books of account to be used by each such department for its exclusive and individual use. The regulations aforesaid shall further specify the period of notice for the withdrawal of deposits made in the said savings department and shall forbid the acceptance of deposits by one department of such national bank from the other department of such bank. The Federal reserve board shall make and publish at its discretion lists of securities, paper, bonds, and other forms of investment, which the saving departments of national banks shall be authorized to buy or loan upon; and said lists need not be uniform throughout the United States, but shall be adapted to the conditions of business in different sections of the country.

It shall be the duty of every national bank to maintain, with respect to all deposit liabilities of its savings department, a reserve in money which may under existing law be counted as reserve, equal to not less than five per centum of the total deposit liabilities of such department, and every national bank authorized to maintain a savings department is hereby exempted from the reserve requirements of the national banking act and of this act in respect to the said deposit liabilities of its savings department, except as in this section provided. Every regulation made in pursuance of this section shall be duly published, and also posted in every member bank having a savings department.

Every officer, director, or employee of any member bank who shall knowingly or willfully violate any of the provisions of this section, or any of the regulations of the Federal reserve board, or of the Comptroller of the Currency, made under and by virtue of the provisions of this section, shall be guilty of a felony, and on conviction thereof shall be punished by a fine not exceeding $5,000 or by imprisonment not exceeding two years, or both, in the discretion of the court.]

FOREIGN BRANCHES.

SEC. 28. That any national banking association possessing a capital *and surplus* of $1,000,000 or more may file application with the Federal reserve board, upon such conditions and under such circumstances as may be prescribed by the said board, for the purpose of securing authority to establish branches in foreign countries *or dependencies of the United States* for the furtherance of the foreign commerce of the United States and to act, if required to do so, as fiscal agents of the United States. Such application shall specify, in addition to the name and capital of the banking association filing it, the [foreign country or countries or the dependencies of the United States] *place or places* where the banking operations proposed are to be carried on and the amount of capital set aside by the said banking association filing such application for the conduct of its foreign business at the branches proposed by it to be established in [foreign countries] *such place or places.* The Federal reserve board shall have power to approve or to reject such application if, in its judgment, the amount of capital proposed to be set aside for the conduct of foreign business is inadequate or if for other reasons the granting of such application is deemed inexpedient.

Every national banking association which shall receive authority to establish *foreign* branches [in foreign countries] shall be required at all times to furnish information concerning the condition of such branches as the Comptroller of the Currency upon demand, and the Federal reserve board may order special examinations of the said foreign branches at such time or times as it may deem best. Every such national banking association shall conduct the accounts of each foreign branch independently of the accounts of other foreign branches established by it and of its home office, and shall at the end of each fiscal period transfer to its general ledger the profit or loss accruing at each [such] branch as a separate item.

SEC. 29. [That all] *All* provisions of law inconsistent with or superseded by any of the provisions of this act [be, and the same are] *are to that extent and to that extent only* hereby[,] repealed[: *Provided*, That nothing]. *Nothing* in this act contained shall be construed to repeal the parity provision or provisions contained in an act approved March fourteenth, nineteen hundred, entitled "An act to define and fix the standard of value, to maintain the parity of all forms of money issued or coined by the United States, to refund the public debt, and for other purposes," *and the Secretary of the Treasury may for such purposes, or to strengthen the gold reserve, borrow gold on the security of United States bonds or for one-year notes bearing interest at a rate of not to exceed three per centum per annum, or sell the same if necessary to obtain gold. When the funds* *of the Treasury on hand justify, he may purchase and retire such outstanding bonds and notes.*

Sec. 29a. The provisions of the act of May thirtieth, nineteen hundred and eight, authorizing national currency associations, the issue of additional national-bank circulation, and creating a National Monetary Commission, which expires by limitation under the terms of such act on the thirtieth day of June, nineteen hundred and fourteen, are hereby extended to December thirty-first, nineteen hundred and fourteen, and sections fifty-one hundred and fifty-three, fifty-one hundred and seventy-two, fifty-one hundred and ninety-one, and fifty-two hundred and fourteen of the Revised Statutes of the United States, which were amended by the act of May twentieth, nineteen hundred and eight, are hereby reenacted to read as such sections read prior to May twentieth, nineteen hundred and eight, subject to such amendments or modifications as are prescribed in this act.

Sec. 30. That the right to amend, alter, or repeal this act is hereby expressly reserved.

Aggregate resources and liabilities of national banks, 1908 to 1912.

Classification.	1908 (July 15).	1909 (Apr. 28).	1910 (June 30).	1911 (June 7).	1912 (June 14).
	6,824 banks.	6,893 banks.	7,145 banks.	7,277 banks.	7,372 banks.
RESOURCES.					
Loans on real estate	....	$57,070,962.46	....	$65,112,003.29	$74,831,997.23
Loans on other collateral security	[1] $1,990,152,632.00	1,939,431,702.85	$2,050,590,293.00	2,004,993,992.88	2,135,767,904.39
Other loans and discounts	2,625,522,899.59	2,966,608,204.24	3,379,568,893.75	3,540,732,790.84	3,743,304,530.18
Overdrafts	24,705,023.68	24,584,055.22	25,743,314.27	23,397,257.78	19,849,391.65
United States bonds	732,599,187.16	740,167,972.67	748,797,808.97	754,744,891.34	783,497,975.72
State, county, and municipal bonds	[2] 179,384,137.05	156,612,965.93	[2] 161,998,193.97	176,284,278.64	210,426,073.39
Railroad bonds and stocks	[3] 507,425,613.60	351,371,083.96	298,692,105.00	361,221,071.31	384,321,275.41
Bank stocks	....	....	....	....	....
Bonds of other public-service corporations	....	148,643,966.78	153,025,132.00	182,297,622.00	195,707,108.25
Other stocks, bonds, etc	153,305,600.23	208,165,517.21	249,447,101.58	287,840,448.00	287,328,544.09
Due from other banks and bankers	1,104,458,684.94	1,232,556,106.45	1,201,606,823.38	1,376,785,821.33	1,424,091,680.31
Real estate, furniture, etc	198,279,190.33	215,966,786.14	236,463,370.67	253,009,304.09	266,625,008.70
Checks and other cash items	271,464,243.39	338,333,768.51	482,806,231.42	317,477,121.00	295,215,400.32
Cash on hand	889,213,394.43	926,776,902.82	865,452,856.21	998,061,441.05	996,142,823.46
Other resources	37,553,793.69	62,593,847.89	42,433,572.51	41,090,650.76	44,654,163.00
Total	8,714,064,400.09	9,368,883,843.13	9,896,624,696.73	10,383,048,694.31	10,861,763,877.16
LIABILITIES.					
Capital stock	919,100,850.00	933,979,903.00	989,567,114.00	1,019,633,152.25	1,033,570,675.00
Surplus fund	564,045,022.80	587,132,286.31	644,857,482.82	671,946,796.68	693,990,419.06
Other undivided profits	184,656,576.85	207,944,821.08	216,546,125.10	241,554,106.09	256,837,095.57
Dividends unpaid	2,849,822.39	1,130,750.07	15,144,463.48	1,851,823.47	1,622,560.16
Individual deposits	4,374,551,208.33	4,826,060,384.38	5,287,216,312.20	5,477,991,156.45	5,825,461,163.36
United States deposits [4]	130,266,023.63	70,401,818.99	54,541,349.41	48,455,641.54	58,945,980.66
Due to other banks and bankers	1,822,853,669.00	2,036,753,287.47	1,900,135,622.01	2,147,440,999.04	2,178,163,418.11
Other liabilities	715,741,227.09	705,480,591.83	788,616,227.71	774,175,018.79	813,172,565.21
Total	8,714,064,400.09	9,368,883,843.13	9,896,624,696.73	10,383,048,694.31	10,861,763,877.16

[1] Classification as of September call.
[2] Includes State, etc., and railway bonds held by Treasurer of United States to secure public deposits.
[3] Includes bonds of other corporations.
[4] Includes deposits of United States disbursing officers.

NOTE.—For consolidated statement of all banks, see text of this report.

Aggregate resources and liabilities of State banks from 1908 to 1912.

Classification.	1908	1909	1910	1911	1912
	11,220 banks.	11,319 banks.	12,166 banks.	12,864 banks.	13,381 banks.
RESOURCES.					
Loans on real estate......	$188,352,185	$414,820,580.12	$472,428,488.53	$489,660,852.27	$572,984,870.29
Loans on other collateral security..............	127,270,669	559,690,457.10	594,419,425.26	606,377,489.15	563,942,284.11
Other loans and discounts.	2,090,944,681	1,112,841,061.34	1,308,646,565.82	1,311,054,107.83	1,379,585,928.04
Overdrafts..............	29,447,901	34,316,574.20	30,972,194.87	32,322,218.37	32,860,093.94
United States bonds......	2,888,514	5,221,710.94	2,050,780.00	2,848,777.50	4,330,539.47
State, county, and municipal bonds..............	3,729,479	65,892,211.21	63,952,194.50	55,096,142.18	81,967,470.56
Railroad bonds and stock	2,698,260	75,096,949.01	69,343,008.35	75,753,959.88	71,549,647.21
Bank stocks..............	184,385	....	....	....	....
Bonds of other public service corporations.....	....	50,977,866.08	44,484,912.86	52,742,087.88	53,609,977.26
Other stocks, bonds, etc..	492,935,533	95,892,443.89	123,793,905.69	129,109,896.01	130,339,491.98
Due from other banks and bankers..............	549,297,603	491,961,365.43	485,361,856.14	525,822,785.89	530,161,901.29
Real estate, furniture, etc.	136,146,988	119,702,242.64	130,841,382.91	135,115,589.73	138,428,757.38
Checks and other cash items..................	71,251,438	75,096,440.72	105,187,734.98	77,855,345.68	77,752,380.52
Cash on hand............	308,736,342	227,039,134.90	240,580,836.12	236,662,497.38	241,756,724.48
Other resources..........	28,754,507	10,180,096.61	22,892,480.69	17,364,546.20	18,550,760.18
Total..............	4,032,638,485	3,338,669,134.19	3,694,958,766.81	3,747,786,296.35	3,897,770,826.71
LIABILITIES.					
Capital stock............	502,513,303	416,059,900.00	435,822,833.58	452,944,684.44	459,067,206.81
Surplus fund............	217,112,065	152,639,305.36	187,571,005.45	170,566,937.42	271,373,944.18
Other undivided profits..	86,503,972	91,213,767.57	65,678,941.67	92,785,739.26	....
Dividends unpaid........	682,749	1,039,492.86	2,441,796.41	1,235,652.15	829,045.40
Individual deposits.......	2,937,129,598	2,466,958,665.76	2,727,926,986.03	2,777,566,835.81	2,919,977,897.99
Due to other banks and bankers..............	207,432,967	158,958,549.87	129,768,527.09	144,578,103.41	142,644,643.99
Other liabilities..........	81,263,791	51,799,452.77	145,748,676.58	108,108,343.86	103,878,068.34
Total..............	4,032,638,485	3,338,669,134.19	3,694,958,766.81	3,747,786,296.35	3,897,770,826.71

Aggregate resources and liabilities of savings banks (mutual and stock savings) from 1907–8 to 1912.

Classification.	1907-8	1909	1910	1911	1912
	1,453 banks.	1,703 banks.	1,759 banks.	1,884 banks.	1,922 banks.
RESOURCES.					
Loans on real estate......	$1,440,061,503	$1,620,131,445.62	$1,832,097,713.03	$1,963,906,841.51	$2,087,677,677.90
Loans on other collateral security..............	66,624,785	232,893,152.92	226,704,806.91	205,912,380.77	240,472,906.77
Other loans and discounts.	364,362,059	177,977,493.04	233,707,955.82	243,857,140.37	259,374,577.22
Overdrafts..............	1,050,343	2,266,509.26	1,906,951.03	1,595,816.33	1,978,070.99
United States bonds......	13,860,545	43,566,428.18	32,082,745.00	13,226,534.10	29,031,138.45
State, county, and municipal bonds..............	587,155,390	710,159,543.86	743,463,260.89	779,927,236.80	776,431,140.75
Railroad bonds and stocks	618,193,416	769,960,508.90	783,704,137.70	792,998,933.33	794,083,005.58
Bank stocks..............	24,265,271	....	....	....	....
Bonds of other public service corporations.....	....	96,554,513.65	120,134,242.69	101,139,974.97	143,565,265.60
Other stocks, bonds, etc..	343,465,167	93,009,919.88	117,727,439.77	161,976,217.67	179,809,612.84
Due from other banks and bankers..............	163,616,708	218,477,832.87	214,327,121.92	242,389,433.46	258,280,430.86
Real estate, furniture, etc.	57,010,988	68,123,675.81	73,955,091.77	75,866,650.82	80,830,846.65
Checks and other cash items..................	779,228	3,944,728.46	5,397,201.49	4,552,812.46	4,594,881.48
Cash on hand............	43,483,533	32,697,021.94	50,880,340.23	42,408,336.78	45,452,063.85
Other resources..........	85,604,217	2,927,330.95	45,782,436.65	22,554,993.25	21,141,671.69
Total..............	3,809,533,152	4,072,710,105.34	4,481,871,444.90	4,652,313,302.62	4,922,723,290.63
LIABILITIES.					
Capital stock............	36,013,455	59,506,420.00	68,320,822.30	72,177,899.09	76,871,811.79
Surplus fund............	244,711,801	224,424,711.93	276,229,027.77	261,834,083.46	280,036,025.43
Other undivided profits..	39,412,250	62,160,100.11	53,814,779.06	77,264,792.69	89,595,370.89
Dividends unpaid........	....	92,707.96	364,639.25	51,294.48	262,835.16
Individual deposits.......	3,479,192,891	3,713,405,709.80	4,070,486,246.70	4,212,583,598.53	4,451,555,687.72
Due to other banks and bankers..............	3,187,417	8,234,513.44	6,690,451.96	8,084,294.10	10,181,417.50
Other liabilities..........	7,015,338	4,885,942.10	5,965,477.86	20,317,340.27	14,220,142.14
Total..............	3,809,533,152	4,072,710,105.34	4,481,871,444.90	4,652,313,302.62	4,922,723,290.63

Aggregate resources and liabilities of private banks from 1908 to 1912.

Classification.	1908	1909	1910	1911	1912
	1,007 banks.	1,497 banks.	934 banks.	1,116 banks.	1,110 banks.
RESOURCES.					
Loans on real estate	$19,610,740	$36,636,702.07	$22,746,018.18	$37,536,422.83	$[illegible],511.77
Loans on other collateral security	7,521,699	21,096,873.66	13,832,195.89	16,316,121.32	19,775,746.64
Other loans and discounts	80,226,816	103,569,194.24	70,224,281.77	71,559,680.21	65,106,577.60
Overdrafts	1,796,144	4,616,218.90	1,646,968.46	2,633,647.85	2,370,427.64
United States bonds	297,157	609,219.30	389,190.00	410,282.47	[illegible],117.74
State, county, and municipal bonds	1,100,443	3,228,802.32	2,336,285.00	2,466,506.72	2,486,180.30
Railroad bonds and stocks	550,901	1,213,577.66	584,460.18	448,547.28	1,412,833.27
Bank stocks	205,348	....	....	....	....
Bonds of other public service corporations	....	1,760,406.73	1,106,865.55	1,418,865.04	1,986,671.33
Other stocks, bonds, etc	5,821,879	6,187,297.87	5,992,780.67	5,125,443.71	7,667,677.09
Due from other banks and bankers	27,298,378	40,832,891.79	24,069,188.01	26,168,941.51	29,622,664.53
Real estate, furniture, etc	6,448,497	13,026,388.49	7,482,500.61	9,621,350.43	14,214,049.28
Checks and other cash items	1,529,589	1,387,731.95	704,623.55	1,039,498.54	860,206.87
Cash on hand	8,497,540	11,053,706.52	6,764,890.90	7,180,327.84	7,450,404.38
Other resources	636,349	1,037,343.91	2,135,304.04	889,584.93	1,063,320.94
Total	161,541,480	246,256,355.41	160,015,552.81	182,824,220.68	196,940,397.42
LIABILITIES.					
Capital stock	21,122,836	27,726,922.00	18,899,561.74	21,872,416.34	22,348,040.33
Surplus fund	5,556,230	10,195,237.01	6,541,431.06	7,329,974.38	9,333,680.83
Other undivided profits	3,475,238	5,533,006.44	3,160,559.55	3,421,956.92	4,250,634.46
Dividends unpaid	35,160	62,003.43	62,448.49	189,643.09	74,638.22
Individual deposits	126,673,158	193,263,224.31	124,644,003.22	142,277,224.21	152,494,618.90
Due to other banks and bankers	1,561,453	3,404,236.54	1,644,318.25	1,583,296.84	1,707,139.16
Other liabilities	3,117,396	6,071,725.68	5,063,230.50	6,149,706.90	6,731,645.52
Total	161,541,480	246,256,355.41	160,015,552.81	182,824,220.68	196,940,397.42

Aggregate resources and liabilities of loan and trust companies from 1908 to 1912.

Classification.	1908	1909	1910	1911	1912
	842 companies.	1,079 companies.	1,091 companies.	1,251 companies.	1,410 companies.
RESOURCES.					
Loans on real estate	$153,727,485	$377,318,280.19	$369,161,435.56	$467,531,456.44	$526,509,702.69
Loans on other collateral security	821,341,681	1,222,881,129.16	1,230,282,986.02	1,289,452,721.54	1,279,983,539.16
Other loans and discounts	404,412,308	460,550,859.39	655,016,724.24	668,650,649.78	900,350,886.96
Overdrafts	860,744	3,916,235.40	2,111,764.82	3,786,253.54	4,397,620.37
United States bonds	555,303	3,222,380.20	1,271,940.00	2,224,692.43	5,985,094.59
State, county, and municipal bonds	89,639,659	155,647,931.87	144,495,162.24	187,123,910.87	202,293,176.75
Railroad bonds and stocks	29,576,312	362,404,241.30	312,518,321.28	371,707,846.78	380,190,967.79
Bank stocks	4,805,843	....	....	....	....
Bonds of other public-service corporations	....	168,589,933.84	159,294,782.36	212,593,716.76	208,673,579.15
Other stocks, bonds, etc	651,298,154	468,914,756.87 300,324,823.03	541,978,126.32 382,683,343.96	341,128,520.22	421,996,627.13 ....
Due from other banks and bankers	391,573,223	578,243,506.14	467,643,271.31	617,605,590.28	605,669,597.26
Real estate, furniture, etc	97,112,461	127,216,448.81	125,486,325.05	143,081,102.71	157,188,159.08
Checks and other cash items	5,878,676	19,129,908.47	26,374,390.56	21,763,736.38	51,677,976.00
Cash on hand	118,398,874	254,447,910.16	260,129,890.91	269,825,566.23	282,151,463.26
Other resources	96,452,153	34,641,394.69	80,379,723.21	68,635,104.75	80,375,993.13
Total	2,865,632,876	4,068,534,982.65	4,216,850,061.52	4,665,110,868.71	5,107,444,382.27
LIABILITIES.					
Capital stock	278,408,759	362,763,223.09	367,333,556.37	385,782,933.44	418,985,771.77
Surplus fund	370,145,308	351,699,101.89	432,718,233.98	400,406,067.99	424,313,939.06
Other undivided profits	45,894,591	141,683,091.23	65,448,601.52	138,464,384.81	136,428,039.39
Dividends unpaid	467,115	985,990.44	2,842,956.53	2,360,771.04	850,048.81
Individual deposits	1,866,964,314	2,835,835,180.79	3,073,122,706.20	3,295,855,895.27	3,674,578,238.92
Due to other banks and bankers	163,014,678	276,753,308.05	187,141,876.31	319,368,254.43	299,938,456.82
Other liabilities	140,738,111	98,815,087.25	88,242,130.61	122,872,561.73	152,349,887.48
Total	2,865,632,876	4,068,534,982.65	4,216,850,061.52	4,665,110,868.71	5,107,444,382.27

Aggregate resources and liabilities of national and other reporting banks on or about June 30, 1908 to 1912.

Classification.	1908	1909	1910	1911	1012
	21,346 banks.	22,491 banks.	23,095 banks.	24,392 banks.	25,195 banks.
RESOURCES.					
Loans on real estate	$1,801,751,913.00	[1] $2,505,977,970.46	[1] $2,696,433,655.30	[1] $3,023,747,576.34	[1] $3,301,485,759.93
Loans on other collaterral security	3,012,911,466.00	3,975,993,315.69	4,115,839,707.08	4,123,052,705.66	4,239,942,380.07
Other loans and discounts	5,565,468,763.59	4,821,546,812.26	5,647,164,421.40	5,835,854,369.08	6,350,722,499.00
Overdrafts	57,880,155.68	69,699,592.98	62,381,198.45	63,735,198.87	61,455,604.59
United States bonds	750,200,706.16	792,787,711.29	784,592,463.97	773,455,177.84	823,266,866.97
State, county, and municipal bonds	[2] 861,009,108.05	1,091,541,455.19	1,116,245,096.69	1,200,898,075.21	1,273,554,050.84
Railroad bonds and stocks	1,158,444,501.60	1,560,006,360.83	1,464,842,032.51	1,602,130,358.08	1,631,544,479.26
Bonds of other public-service corporations	....	466,526,687.08	478,045,935.46	550,192,266.65	603,542,601.59
Bank stocks	29,460,847.00	....	....	....	....
Other stocks, bonds, etc	1,646,826,333.23	703,580,001.88	979,644,571.67	925,180,526.51	1,026,975,383.45
Due from other banks and bankers	2,236,244,596.94	2,562,071,702.68	2,393,008,260.76	2,788,772,572.47	2,847,992,843.98
Real estate, furniture, etc	494,998,124.33	544,035,541.89	574,231,671.01	616,693,997.78	657,299,660.36
Checks and other cash items	350,903,174.39	437,892,578.11	620,469,182.00	422,688,514.06	430,101,255.82
Cash on hand	1,368,329,683.43	1,452,014,676.34	1,423,806,814.37	1,554,147,169.28	1,572,953,479.43
Other resources	249,001,019.69	111,380,014.05	193,623,517.10	150,534,879.89	165,805,908.94
Total	19,583,419,393.09	21,095,054,420.72	22,450,320,522.77	23,631,083,382.67	24,986,642,774.18
LIABILITIES.					
Capital stock	1,757,159,203.00	1,800,036,368.00	1,879,943,887.99	1,952,411,085.56	2,010,843,505.70
Surplus fund	1,401,570,455.80	1,326,090,642.50	1,547,917,181.08	1,512,083,859.93	1,584,981,106.44
Other undivided profits	359,942,627.85	508,534,786.43	404,649,006.90	553,490,979.77	581,178,042.47
Circulation (national banks)	613,663,963.00	636,367,526.00	675,632,565.00	681,740,513.00	708,690,593.00
Dividends unpaid	94,034,846.39	3,310,944.76	20,856,304.16	5,689,184.23	3,639,127.75
Individual deposits	12,784,511,169.33	14,035,523,165.04	15,283,396,254.35	15,906,274,710.27	17,024,067,606.89
United States deposits	130,266,023.63	70,401,818.99	54,541,349.41	48,455,641.54	58,945,980.66
Due to other banks and bankers	2,198,050,204.00	2,484,103,895.37	2,225,380,795.62	2,621,054,947.82	2,632,635,075.58
Other liabilities	344,211,900.09	230,685,273.63	358,003,178.26	349,882,460.55	381,661,735.69
Total	19,583,410,393.09	21,095,054,420.72	22,450,320,522.77	23,631,083,382.67	24,986,642,774.18

[1] Includes mortgages owned. [2] Includes bonds of other corporations for national banks.

Summary of reports of condition from 25,195 banks in the United States and island possessions (including National, State, savings, and private banks and loan and trust companies), showing their condition at the close of business June 14, 1912.

RESOURCES.

Loans and discounts:		
Secured by real estate (including mortgages owned)	$3,301,485,759.93	
Secured by collateral other than real estate	4,239,942,380.07	
All other loans	6,350,722,499.00	
Overdrafts	61,455,604.59	
		$13,953,606,243.59

Bonds, securities, etc., including premiums thereon:		
United States bonds	$823, 266, 866. 97	
State, county, and municipal bonds	1, 273, 554, 050. 84	
Railroad bonds	1, 631, 544, 479. 26	
Bonds of other public-service corporations (including street and interurban railways bonds)	603, 542, 601. 59	
Other bonds, stocks, warrants, etc	1, 026, 975, 383. 45	
		$5, 358, 883, 382. 11
Banking house, furniture, and fixtures		550, 326, 884. 44
Other real estate owned		106, 972, 775. 92
Due from banks		2, 847, 992, 843. 93
Checks and other cash items		55, 236, 223. 74
Exchanges for clearing house		374, 865, 032. 08
Actual cash on hand:		
Gold coin	238, 389, 386. 74	
Gold certificates	[1] 643, 547, 000. 00	
Silver dollars	22, 957, 395. 00	
Silver certificates	194, 374, 169. 00	
Subsidiary and minor coins	37, 738, 008. 29	
Legal-tender notes	253, 122, 053. 00	
National-bank notes	108, 281, 687. 00	
Cash not classified	74, 543, 690. 40	
		1, 572, 953, 479. 43
Other resources		165, 805, 908. 94
Total resources		24, 986, 642, 774. 18

LIABILITIES.

Capital stock paid in		$2, 010, 843, 505. 70
Surplus		1, 584, 981, 106. 44
Undivided profits		581, 178, 042. 47
National-bank circulation		708, 690, 593. 00
Due to banks		2, 632, 635, 075. 58
Dividends unpaid		3, 639, 127. 75
Individual deposits subject to check without notice	$8, 323, 485, 623. 53	
Saving deposits or deposits in interest or savings department	6, 496, 192, 707. 60	
Certificates of deposit	1, 952, 784, 093. 94	
Certified checks	135, 241, 263. 20	
Cashier's checks outstanding	116, 363, 918. 62	
		17, 024, 067, 606. 89
United States deposits		58, 945, 980. 66
Notes and bills rediscounted		21, 836, 346. 24
Bills payable, including certificates of deposit representing money borrowed		127, 778, 722. 66
Other liabilities		232, 046, 666. 79
Total liabilities		24, 986, 642, 774. 18

Aggregate loans, resources, capital, and deposits for the fiscal years 1908 to 1912, inclusive, of banks reporting to Comptroller of the Currency.

[In millions of dollars.]

Year.	Number of banks.	Loans.	Resources.	Capital.	Individual deposits.
1908	21,346	$10,437.9	$19,583.4	$1,757.1	$12,784.5
1909	22,491	11,393.1	21,095.0	1,800.0	14,035.5
1910	23,095	12,521.7	22,450.3	1,879.9	15,283.3
1911	24,392	13,046.4	23,631.0	1,952.4	15,906.3
1912	25,195	13,953.6	24,986.6	2,010.8	17,024.0

[1] Includes $80,479,000 clearing-house certificates.

Principal items of resources and liabilities of State, savings, and private banks, loan and trust companies, and national banks, from 1863 to 1912.

[From 1863 to 1872, inclusive, data from various sources; from 1873 compiled from reports obtained by the Comptroller of the Currency.]

[Amounts in millions of dollars.]

Year.	Number of banks reporting.	Loans and discounts (including overdrafts).	Bonds, stocks, etc.	Due from banks and bankers.	Specie.	Paper currency.[1]	Total cash in bank.	Capital.	Surplus and profits.	Circulation.[2]	United States deposits.[3]	Individual deposits.	Due to banks.	Total assets.
1863	1,466	$648.6	$180.5	$96.9	$46.1	....	[4] $205.5	$405.0	....	$238.7	....	$393.7	$100.5	$1,191.7
1864	[5] 1,089	....	....	....	50.7	....	....	311.5	....	163.3	....	....	....	....
	[6] 467	70.7	93.4	33.3	....	....	47.6	75.2	$4.2	189.1	....	119.4	27.4	252.3
1865	1,960	362.4	404.3	103.0	9.4	$190.0	199.4	397.0	54.5	131.5	$58.0	641.0	157.8	1,126.5
1866	2,267	550.4	465.2	110.7	12.6	219.3	231.9	480.8	79.4	267.8	39.1	815.8	122.4	1,476.4
1867	2,279	588.5	443.1	100.0	11.1	194.5	205.6	483.8	93.9	291.8	33.3	876.6	112.5	1,494.1
1868	2,293	655.7	440.5	123.1	20.8	179.9	200.7	486.4	109.4	294.9	28.3	968.6	140.7	1,572.2
1869	2,354	686.3	414.6	107.6	18.5	144.0	162.5	489.7	126.0	292.7	12.8	1,032.0	129.0	1,564.2
1870	2,457	719.3	406.1	121.2	31.1	156.6	187.7	513.7	132.7	291.8	13.2	1,051.3	148.5	1,510.7
1871	2,796	789.4	419.9	143.8	19.9	174.1	194.0	561.7	143.1	315.5	11.1	1,251.6	176.4	1,730.6
1872	3,066	871.5	431.2	144.0	24.3	153.3	177.6	592.6	155.4	327.1	12.4	1,353.8	172.7	1,770.8
1873	[7] 1,968	1,439.9	713.2	167.1	[8] 27.9	....	218.2	532.9	215.6	340.2	15.1	1,421.2	178.6	2,731.3
1874	[7] 1,893	1,564.5	723.2	193.6	[8] 22.3	....	252.2	550.3	199.9	338.7	10.6	1,526.5	232.5	2,890.4
1875	3,336	1,748.1	793.1	195.0	[8] 19.0	....	238.7	592.6	254.2	318.1	10.2	1,787.0	194.7	3,204.6
1876	3,448	1,727.1	807.3	198.2	[8] 25.4	....	226.4	602.3	261.6	294.8	11.1	1,778.6	183.3	3,183.1
1877	3,384	1,720.9	841.2	184.6	[8] 21.3	....	230.5	614.2	260.5	290.4	10.9	1,813.6	170.1	3,204.1
1878	3,229	1,561.2	865.9	183.2	[8] 29.7	....	214.6	587.7	237.7	300.4	25.6	1,717.4	161.7	3,080.6
1879	3,335	1,507.4	1,032.9	204.0	[8] 42.7	....	216.3	580.4	246.1	307.7	252.1	1,694.2	187.9	3,212.6
1880	3,355	1,662.1	900.6	248.9	[8] 100.2	....	285.5	565.2	260.2	318.4	10.7	1,951.6	239.6	3,399.0
1881	3,427	1,901.9	500.9	346.1	[8] 129.5	....	295.0	572.3	292.0	312.5	12.2	2,296.8	314.7	3,869.1
1882	3,572	2,050.3	1,049.1	307.3	[8] 112.4	....	287.1	590.6	310.1	309.2	12.6	2,460.1	279.0	4,031.1
1883	3,835	2,133.6	951.2	392.8	[8] 116.2	....	321.0	625.6	347.8	312.2	13.9	2,568.4	288.2	4,208.0
1884	4,111	2,260.7	1,030.4	294.1	[8] 110.2	....	321.2	656.4	379.6	295.3	14.2	2,566.4	227.0	4,221.3
1885	4,350	2,272.3	952.0	432.9	[8] 179.0	....	414.3	678.0	362.0	269.2	14.0	2,734.3	293.0	4,426.9
1886	4,378	2,456.7	1,031.1	349.8	[8] 152.2	....	375.5	686.7	393.8	238.0	17.1	2,812.0	308.9	4,521.5
1887	6,179	2,944.9	999.9	632.1	[8] 165.1	....	432.8	806.8	460.2	166.8	23.2	3,308.2	350.1	5,203.7
1888	6,647	3,161.1	1,112.1	439.1	226.4	219.7	446.1	853.7	493.7	155.5	58.4	3,422.7	366.1	5,470.4
1889	7,293	3,475.2	1,111.9	513.7	[9] 221.5	277.6	499.1	893.3	531.9	129.0	46.7	3,778.1	434.6	5,940.9
1890	7,999	3,842.1	1,158.0	531.3	221.9	256.4	478.3	968.7	584.0	126.5	30.6	4,062.5	432.3	6,343.0
1891	8,641	3,965.9	1,042.5	652.6	217.3	261.8	479.1	1,029.7	619.2	124.0	25.9	4,196.8	415.7	6,562.1
1892	9,338	4,336.6	1,269.4	684.3	262.2	324.2	586.4	1,071.1	650.3	141.2	14.2	4,664.9	464.9	7,245.3
1893	9,492	4,368.6	1,354.1	549.2	210.9	305.0	515.9	1,091.8	689.3	155.1	13.7	4,627.3	419.9	7,192.3
1894	9,508	4,085.0	1,445.3	705.1	283.4	405.5	688.9	1,069.8	682.4	171.8	14.1	4,651.2	599.1	7,290.6
1895	9,818	4,268.8	1,565.2	714.4	246.3	384.8	631.1	1,060.3	699.3	178.8	13.2	4,921.3	600.5	7,609.6
1896	9,469	4,251.1	1,674.4	645.0	251.2	280.6	531.8	1,051.9	694.4	199.2	15.4	4,945.1	521.7	7,553.9
1897	9,457	4,216.0	1,732.3	781.4	297.7	330.5	628.2	1,012.3	712.7	196.6	16.4	5,004.7	673.4	7,822.1

1898	9,485	4,652.2	1,859.7	924.9	402.2	285.6	687.8	992.0	732.7	189.9	52.9	5,688.2	809.8	8,009.0
1899	9,732	5,177.6	2,179.0	1,203.1	449.1	274.2	723.3	973.6	761.1	199.4	76.3	6,768.7	1,046.4	9,004.9
1900	10,382	5,657.5	2,398.3	1,272.8	449.7	300.2	749.9	1,024.7	882.2	265.3	98.9	7,238.9	1,172.5	10,785.9
1901	11,406	6,425.2	2,821.2	1,448.0	479.0	328.5	807.5	1,076.1	955.6	319.0	99.1	8,460.6	1,333.0	12,357.5
1902	12,424	7,189.0	3,039.2	1,561.2	541.0	307.1	848.1	1,201.6	1,096.9	309.4	124.0	9,104.7	1,393.2	13,962.9
1903	13,684	7,738.9	3,400.1	1,570.6	478.2	379.0	857.2	1,321.9	1,273.4	359.2	147.3	9,553.6	1,475.9	14,803.1
1904	14,850	7,982.0	3,654.2	1,842.9	612.2	378.4	909.6	1,392.5	1,360.9	399.6	110.3	10,000.5	1,752.2	15,196.8
1905	16,410	9,027.2	3,987.9	1,981.9	617.3	376.8	994.1	1,463.2	1,439.5	445.4	75.3	11,350.7	1,904.3	16,918.2
1906	17,905	9,893.7	4,073.5	2,029.2	633.0	383.4	1,016.4	1,565.3	1,558.9	510.9	89.9	12,215.8	1,899.0	16,147.6
1907	19,746	10,763.9	4,377.1	2,135.6	719.5	394.2	1,113.7	1,690.8	1,645.0	547.9	180.7	13,099.6	2,875.4	19,645.0
1908	21,346	10,438.0	4,445.9	2,236.2	860.5	507.8	1,368.3	1,757.2	1,761.5	613.7	130.3	12,784.5	2,198.0	19,583.4
1909	22,491	11,373.2	4,614.4	2,562.0	1,044.6	407.4	1,452.0	1,800.0	1,834.6	636.3	70.4	14,035.5	2,484.1	21,095.0
1910	23,095	12,521.8	4,723.4	2,393.0	1,009.6	414.2	1,423.8	1,880.0	1,952.6	675.6	54.5	15,283.4	2,225.3	22,450.3
1911	24,392	13,046.4	5,051.9	2,788.8	1,110.7	443.4	1,554.2	1,952.4	2,065.6	681.7	48.5	15,906.3	2,621.1	23,631.1
1912	25,195	13,953.6	5,358.9	2,848.0	1,137.0	435.9	1,572.9	2,010.8	2,166.1	708.7	58.9	17,024.0	2,632.6	24,986.6

[1] Includes cash not classified.
[2] Includes State bank circulation.
[3] Includes deposits of United States disbursing officers.
[4] Specie funds and notes of other banks.
[5] From Homan's Banker's Almanac.
[6] National banks.
[7] Number of national banks only; number of State and savings banks not reported.
[8] Specie in national banks; incomplete for State banks.
[9] Includes coin certificates from 1889; specie for 1902 partially estimated.

NOTE.—Since 1873 the Comptroller of the Currency has collected and published statistics of State banks, but complete data for compiling these statistics for a number of years thereafter were available only for those States in which the banks were required to report to some State official. For recent years the statistics are practically complete.

National banks in the United States (7,488):	
Capital	$1,056,345,786
Surplus	725,333,629
Undivided profits	259,549,156
Circulation	724,459,849
Individual deposits	5,761,338,731
Total resources	10,876,852,343
State banks (13,381[1]):	
Capital	459,067,206
Surplus	177,307,042
Undivided profits	94,066,902
Individual deposits	2,919,977,897
Total resources	3,897,770,826
Mutual savings banks (630[1]):	
Surplus	248,983,429
Undivided profits	66,440,676
Individual deposits	3,608,657,828
Total resources	3,929,091,986
Stock savings banks (1,292[1]):	
Capital	76,871,811
Surplus	31,052,596
Undivided profits	23,154,694
Individual deposits	842,897,859
Total resources	993,631,303
Loan and trust companies (1,410[1]):	
Capital	418,985,771
Surplus	424,313,939
Undivided profits	136,428,039
Individual deposits	3,674,578,238
Total resources	5,107,444,382
Private banks (1,110[1])	
Capital	22,348,040
Surplus	9,333,680
Undivided profits	4,250,634
Individual deposits	152,494,618
Total resources	196,940,397
State, savings, and private banks, loan and trust companies (17,823[1]):	
Capital	977,272,830
Surplus	890,990,687
Undivided profits	324,340,946
Individual deposits	11,198,606,443
Total resources	14,124,878,897
All banks (25,309[2]):	
Capital	2,033,618,616
Surplus	1,616,324,316
Undivided profits	583,890,102
Individual deposits	17,959,945,174
Total resources	25,001,731,240

[1] Comptroller's report, 1912. [2] No dates given.

Classification of deposits in each class of banks as of June 14, 1912.

Classification.	Number of banks.	Individual deposits subject to check without notice.	Savings deposits or deposits in interest or savings department.	Certificates of deposit.
State banks	13,381	$1,609,117,069.91	$657,477,220.31	$610,207,548.25
Mutual savings banks	630	15,907,801.72	3,592,530,070.33	96,528.65
Stock savings banks	1,292	178,127,748.36	574,822,459.57	87,099,928.02
Loan and trust companies	1,410	2,319,055,959.95	910,850,167.60	395,983,407.02
Private banks	1,110	78,339,600.91	26,868,853.68	46,651,290.14
Total, State, etc., banks	17,823	4,200,548,180.85	5,762,548,771.49	1,140,038,702.08
National banks	7,372	4,122,937,442.68	733,643,936.11	812,745,391.86
Grand total	25,195	8,323,485,623.53	6,496,192,707.60	1,952,784,093.94

Classification.	Certified checks.	Cashiers' checks outstanding.	Total.
State banks	$32,254,762.10	$10,921,297.42	$2,919,977,897.99
Mutual savings banks	....	123,427.41	3,608,657,828.11
Stock savings banks	795,385.48	2,052,338.18	842,897,859.61
Loan and trust companies	16,658,017.77	32,030,686.58	3,674,578,238.92
Private banks	304,237.00	330,637.17	152,494,618.90
Total, State, etc., banks	50,012,402.35	45,458,386.76	11,198,606,443.53
National banks	85,228,860.85	70,905,531.86	[1] 5,825,461,163.36
Grand total	135,241,263.20	116,363,918.62	17,024,067,606.89

[1] United States deposits not included.

MEMORANDUM RELATIVE TO TABLES NO. 1 AND NO. 2.

As to the New York City figures of October 21, showing losses in loans of $26,272,715, and in cash of $29,059,727, while a gain of $79,102,171 in individual deposits is reported, attached Table No. 1 shows that this loss in cash was offset by an increase in exchanges for clearing house (an increase since August 9 of $94,038,000). By reference to Table No. 2 it will be noted that the column of cash reported by New York City banks shows this to be at an ebb in the fall of the year.

Relative to the item of loans and discounts and individual deposits comparisons for the past three years have been made (see Table No. 2) showing the amounts reported each date; also the amounts shown by all the reporting banks for comparison.

TABLE NO. 1.

Statement of New York City Banks for Oct. 21 compared with last call Aug. 9 and a year ago, Nov. 26, 1912.

RESOURCES.

	Oct. 21, 1913.	Aug. 9, 1913.	Nov. 26, 1912.
Loans	$910,635,000	$936,908,000	$874,616,000
Bond investment	225,398,000	233,893,000	232,580,000
Due from banks	122,536,000	85,133,000	93,503,000
Exchange for clearing house	149,811,000	55,773,000	178,700,000
Lawful money	273,986,000	300,707,000	257,690,000
Aggregate	1,722,684,000	1,655,642,000	1,682,275,000

LIABILITIES.

	Oct. 21, 1913.	Aug. 9, 1913.	Nov. 26, 1912.
National bank circulation	$45,847,000	$47,018,000	$48,382,000
Due to banks	641,256,000	656,385,000	586,043,000
Individual deposits	715,646,000	636,544,000	742,932,000
United States deposits	3,506,000	2,835,000	1,737,000
Bonds borrowed	8,247,000	8,221,000	7,819,000
Bills payable and rediscounted	7,873,000	2,977,000	500,000
Per cent reserve	25.37	26.42	24.69

TABLE No. 2.

Table showing loans, cash, and individual deposits held by New York City and total United States at each call for past three years.

Date of report.	Loans and discounts.		Cash.		Individual deposits.	
	New York City.	Total banks.	New York City.	Total banks.	New York City.	Total banks.
1913.						
Oct. 21	$910,635,729	$6,260,877,853	$271,647,803	$889,632,454	$715,646,351	$6,051,689,087
Aug. 9	936,908,444	6,168,555,525	300,707,530	899,169,371	636,544,180	5,761,338,731
June 4	886,966,803	6,143,028,132	292,517,948	913,982,640	704,998,318	5,953,461,551
Apr. 4	910,727,161	6,178,096,379	279,655,691	888,283,735	717,610,317	5,968,787,045
Feb. 4	953,792,810	6,125,029,165	304,643,384	933,417,231	754,284,535	5,985,432,295
1912.						
Nov. 26	874,616,719	6,058,982,029	257,690,470	859,098,737	742,932,490	5,744,561,069
Sept. 4	950,893,024	6,040,841,270	286,158,326	895,951,094	767,845,606	5,891,670,007
June 4	959,068,755	5,953,904,431	321,478,638	945,202,895	805,383,121	5,825,461,163
Apr. 18	939,218,163	5,882,166,597	303,486,295	931,689,162	742,693,664	5,712,051,088
Feb. 20	971,498,585	5,810,433,940	333,471,111	950,497,398	734,506,849	5,630,559,231
1911.						
Dec. 5	838,672,447	5,659,109,826	265,388,742	862,794,196	686,417,818	5,536,042,281
Sept. 1	885,628,747	5,663,411,073	304,359,507	895,475,406	766,024,815	5,489,995,011
June 7	903,566,432	5,610,838,787	329,815,391	946,330,109	776,964,554	5,477,991,156
Mar. 7	915,917,556	5,558,039,050	319,263,311	908,036,627	692,763,534	5,304,624,091
Jan. 7	808,646,569	5,402,642,351	259,659,227	836,267,359	562,020,067	5,113,221,817

Comparative statement showing the amount of loans and discounts, cash, and individual deposits held by national banks in reserve cities and country banks according to the geographical sections as shown by the reports of condition on Oct. 21, 1913, Aug. 9, 1913, and Nov. 26, 1912.

Loans and discounts.

Location.	Oct. 21, 1913.	Aug. 9, 1913.	Excess.	Nov. 26, 1912.	Excess.
Reserve city (Boston)	$205,136,237.15	$189,872,991.74	$15,263,245.41	$199,745,658.06	$5,390,579.09
Country banks	312,527,699.40	306,266,615.18	6,261,084.22	316,632,261.35	−4,104,561.95
New England States	517,663,936.55	496,139,606.92	21,524,329.63	516,377,919.41	1,286,017.14
New York City	910,635,729.74	936,908,444.96	−26,272,715.22	874,616,719.65	36,019,010.09
Other reserve cities	494,899,316.99	480,035,966.08	14,863,350.91	486,798,720.39	8,100,596.60
Country banks	874,833,692.00	859,979,495.86	14,854,196.14	839,552,426.03	35,281,265.97
Eastern States	2,280,368,738.73	2,276,923,906.90	3,444,831.83	2,200,967,866.07	79,400,872.66
Reserve cities	141,814,455.28	135,828,629.34	5,985,825.94	146,666,408.26	−4,851,952.98
Country banks	701,897,013.11	676,516,603.83	25,380,409.28	661,944,162.09	39,952,851.02
Southern States	843,711,468.39	812,345,233.17	31,366,235.22	808,610,570.35	35,100,898.04
Chicago	330,122,983.81	329,024,370.83	1,098,612.98	312,601,824.74	17,521,159.07
St. Louis	107,132,567.81	109,161,973.15	− 2,029,405.34	110,952,331.16	−3,819,763.35
Other reserve cities	456,236,681.96	447,140,265.47	9,096,416.49	438,271,155.67	17,965,526.29
Country banks	872,859,621.34	860,383,178.40	12,476,442.94	835,701,993.41	37,157,627.93
Middle Western States	1,766,351,854.92	1,745,709,787.85	20,642,067.07	1,697,527,304.98	68,824,549.94
Reserve cities	104,127,255.11	102,304,917.62	1,822,337.49	106,734,391.38	−2,607,136.27
Country banks	313,741,451.01	304,121,606.98	9,619,844.03	293,863,652.62	19,877,798.39
Western States	417,868,706.12	406,426,524.60	11,442,181.52	400,598,044.00	17,270,662.12
Reserve cities	244,156,733.21	242,464,891.17	1,691,842.04	251,048,414.08	−6,891,680.87
Country banks	189,083,069.30	186,767,969.78	2,315,099.52	182,303,054.13	6,780,015.17
Pacific States	433,239,802.51	429,232,860.95	4,006,941.56	433,351,468.21	−111,665.70
Hawaii (islands)	1,673,346.43	1,777,604.91	− 104,258.48	1,548,856.28	124,490.15
Total United States	6,260,877,853.65	6,168,555,525.30	92,322,328.35	6,058,982,029.30	201,895,824.15

Cash.

Location.	Oct. 21, 1913.	Aug. 9, 1913.	Excess.	Nov. 26, 1912.	Excess.
Reserve city (Boston)	$31,529,566.94	$30,835,728.90	$693,838.04	$28,330,982.90	$3,198,584.04
Country banks	25,128,955.62	22,148,520.49	2,980,435.13	24,116,564.86	1,012,390.76
New England States	56,658,522.56	52,984,249.39	3,674,273.17	52,447,547.76	4,210,974.80
New York City	271,647,803.12	300,707,530.79	−29,059,727.67	257,690,470.67	13,957,332.45
Other reserve cities	76,229,542.10	73,067,182.81	3,162,359.29	74,784,780.03	1,444,762.07
Country banks	78,765,243.36	71,943,066.99	6,822,176.37	73,137,302.59	5,627,940.77
Eastern States	426,642,588.58	445,717,780.59	−19,075,192.01	405,612,553.29	21,030,035.29
Reserve cities	16,087,878.16	16,036,642.04	51,236.12	18,261,383.50	−2,173,505.34
Country banks	47,809,667.59	41,959,202.75	5,850,464.84	45,322,748.71	2,486,918.88
Southern States	63,897,545.75	57,995,844.79	5,901,700.96	63,584,132.21	313,413.54
Chicago	83,662,072.25	82,446,563.40	1,215,508.85	80,566,974.75	3,095,097.50
St. Louis	21,576,157.79	24,365,294.99	−2,789,137.20	28,901,585.42	−7,325,427.63
Other reserve cities	62,033,701.68	64,452,236.35	−2,418,534.67	59,055,218.69	2,978,483.00
Country banks	72,076,410.82	69,653,160.29	2,423,250.53	67,707,300.98	4,369,109.84
Middle Western States	239,348,342.54	240,917,255.03	−1,568,912.49	236,231,079.83	3,117,262.71
Reserve cities	18,369,377.75	18,992,148.11	−622,770.36	18,121,982.50	247,395.25
Country banks	26,580,816.32	25,814,258.64	766,557.70	25,733,931.54	846,884.80
Western States	44,950,194.07	44,806,406.75	143,787.34	43,855,914.04	1,094,280.05
Reserve cities	38,066,699.76	37,563,067.10	503,632.66	37,013,550.17	1,053,149.59
Country banks	19,323,656.49	18,605,728.04	717,928.45	19,681,860.16	−358,203.67
Pacific States	57,390,356.25	56,168,795.14	1,221,561.11	56,695,410.33	694,945.92
Hawaii (islands)	744,904.65	579,042.80	165,861.85	672,100.25	72,804.40
Total United States	889,632,454.40	899,169,374.49	−9,536,920.09	859,098,737.71	30,533,716.69

Individual deposits.

Location.	Oct. 21, 1913.	Aug. 9, 1913.	Excess.	Nov. 26, 1912.	Excess.
Reserve city (Boston)	$189,658,386.31	$171,327,393.94	$18,330,992.37	$182,867,600.35	$6,790,785.96
Country banks	329,710,641.68	316,293,285.31	13,417,356.37	324,976,637.28	4,734,004.40
New England States	519 369,027.99	487,620,679.25	31,748,348.74	507,844,237.63	11,524,790.36
New York City	715,646,351.77	636,544,180.46	79,102,171.31	742,932,490.21	−27,286,138.44
Other reserve cities	419,121,734.38	382,364,158.05	36,757,576.33	421,847,095.98	− 2,725,361.60
Country banks	1,121,704,090.15	1,091,794,939.16	29,909,150.99	1,060,885,691.72	60,818,398.43
Eastern States	2,256,472,176.30	2,110,708,277.67	145,768,898.63	2,225,665,277.91	30,806,898.39
Reserve cities	116,329,649.84	114,385,960.67	1,943,689.17	122,414,380.05	− 6,084,730.21
Country banks	619,295,506.58	564,063,074.26	55,232,432.32	614,602,162.53	4,693,344.05
Southern States	735,625,156.42	678,449,034.93	57,176,121.49	737,016,542.58	− 1,391,386.16
Chicago	215,663,806.29	202,335,910.84	13,327,895.45	212,451,301.14	3,212,505.15
St. Louis	62,318,513.60	61,380,098.04	938,415.56	66,149,508.22	− 3,830,994.62
Other reserve cities	358,493,976.04	350,813,434.92	7,680,541.12	349,426,495.21	9,067,480.83
Country banks	986,772,876.06	989,324,535.82	−2,551,659.74	944,068,972.21	42,703,903.87
Middle Western States	1,623,249,172.91	1,603,853,979.62	19,395,192.39	1,572,096,276.78	51,152,896.23
Reserve cities	106,596,219.55	101,749,168.74	4,747,050.81	107,811,240.70	− 1,215,021.15
Country banks	350,744,292.63	337,568,482.99	13,175,809.64	333,002,898.60	17,741,394.03
Western States	457,340,512.18	439,317,651.73	18,022,860.45	440,814,139.30	16,526,372.88
Reserve cities	226,083,946.63	220,106,944.93	5,977,001.70	228,249,810.56	− 2,165,863.93
Country banks	231,658,953.09	219,371,538.90	12,287,414.19	230,882,045.82	776,907.27
Pacific States	457,742,899.72	439,478,483.83	18,264,415.89	459,131,856.38	− 1,388,956.66
Hawaii (islands)	1,890,143.07	1,915,624.74	— 25,481.67	1,992,739.33	− 102,596.26
Total United States	6,061,689,087.69	5,761,338,731.77	290,350,355.92	5,944,561,069.91	107,128,017.78

Bank balances reported Apr. 14, 1913.

	New York.	Chicago.	St. Louis.
Due to reserve cities	$153,987,595	$85,035,506	$36,406,146
Due from reserve cities	16,314,119	7,691,507	3,630,529
Net	137,673,476	77,343,999	32,775,617
Due to country banks	124,839,276	63,416,397	21,691,780
Due from country banks	4,321,843	586,549	295,932
Net	120,517,433	62,829,848	21,395,848
Due to all banks	278,826,871	148,451,904	58,097,926
Due from all banks	20,635,962	8,278,056	3,926,462
Net	258,190,909	140,173,848	54,171,464

Respectfully,

W. J. FOWLER,
Deputy Comptroller.

The amount and class of loans of all national banks on approximate dates in 1902 to 1910 and 1911 and 1912 are shown in the following table:

Date.	Number of banks.	On demand, paper with one or more individual or firm names.	On demand, secured by stocks, bonds, and other personal securities.	On time, paper with two or more individual or firm names.	On time, single-name paper (one person or firm), without other security.	On time, secured by stocks, bonds, and other personal securities, or on mortgages or other real estate security.	Total.
		Millions.	*Millions.*	*Millions.*	*Millions.*	*Millions.*	*Millions.*
Sept. 15, 1902	4,601	$237.3	$706.9	$1,176.4	$517.1	$642.4	$3,280.1
Sept. 9, 1903	5,042	283.1	717.3	1,207.5	558.1	655.4	3,481.4
Sept. 6, 1904	5,412	279.8	818.9	1,316.7	611.0	699.7	3,726.2
Aug. 25, 1905	5,757	320.1	854.1	1,382.2	689.1	753.0	3,998.5
Sept. 4, 1906	6,137	374.7	828.0	1,502.0	776.1	818.1	4,299.0
Aug. 22, 1907	6,544	428.2	832.9	1,648.7	899.5	869.2	4,678.5
Sept. 23, 1908	6,853	395.9	922.7	1,582.4	852.1	997.5	4,750.6
Sept. 1, 1909	6,977	441.5	957.3	1,698.4	971.5	1,060.1	5,128.8
Sept. 1, 1910	7,173	524.3	939.1	1,842.5	1,068.3	1,093.0	5,467.2
June 7, 1911	7,277	529.7	953.8	1,885.1	1,124.7	1,117.5	5,610.8
June 14, 1912	7,372	571.3	985.4	1,973.4	1,198.5	1,225.3	5,953.9

DISTRIBUTION OF MONEY IN THE UNITED STATES.

In the following table is shown the distribution of money in the United States, giving the amount in the Treasury as assets, amount in reporting banks, and elsewhere, from 1892 to 1912, inclusive:

Year ended June 30—	Coin and other money in the United States.	Coin and other money in Treasury as assets.[1]		Coin and other money in reporting banks.[2]		Coin and other money not in Treasury or banks.			In circulation, exclusive of coin and other money in Treasury as assets.	
		Amount.	Per cent.	Amount.	Per cent.	Amount.	Per cent.	Per capita.	Amount.	Per capita.
	Millions.	*Millions.*		*Millions.*		*Millions.*			*Millions.*	
1892	$1,752.2	$150.9	8.60	$586.4	33.48	$1,014.9	57.92	$15.50	$1,601.3	$24.60
1893	1,738.8	142.1	8.17	515.9	29.68	1,080.8	62.15	16.14	1,596.7	24.06
1894	1,805.5	144.2	7.99	688.9	38.17	972.4	53.84	14.21	1,661.3	24.56
1895	1,819.3	217.4	11.95	631.1	34.96	970.8	53.36	13.89	1,601.9	23.24
1896	1,799.9	293.5	16.31	531.8	29.55	974.6	54.14	13.65	1,506.4	21.44
1897	1,906.7	265.7	13.93	628.2	32.94	1,012.8	53.13	13.87	1,641.0	22.92
1898	2,073.5	235.7	11.37	687.7	33.17	1,150.1	55.46	15.43	1,837.8	25.19
1899	2,190.0	286.0	13.06	723.2	33.02	1,180.8	53.92	15.51	1,904.0	25.62
1900	2,339.7	284.6	12.16	749.9	32.05	1,305.2	55.79	17.11	2,055.1	26.93
1901	2,482.1	307.8	12.39	794.9	32.02	1,380.4	55.59	17.75	2,175.3	27.98
1902	2,563.2	313.9	12.24	837.9	32.69	1,411.4	55.07	17.90	2,249.3	28.43
1903	2,684.7	317.0	11.80	848.0	31.59	1,519.7	56.61	18.88	2,367.7	29.42
1904	2,803.5	284.3	10.14	982.9	35.06	1,536.3	54.80	18.77	2,519.2	30.77
1905	2,883.1	295.2	10.24	987.8	34.27	1,600.1	55.49	19.22	2,587.9	31.08
1906	3,069.9	333.3	10.86	1,010.7	32.92	1,725.9	56.22	20.39	2,736.6	32.32
1907	3,115.6	342.6	11.00	1,106.5	35.51	1,666.5	53.49	19.36	2,773.0	32.22
1908	3,378.8	340.8	10.08	1,362.9	40.34	1,675.1	49.58	19.15	3,038.0	34.72
1909	3,406.3	300.1	8.81	1,444.3	42.40	1,661.9	48.78	18.68	3,106.2	34.93
1910	3,419.5	317.2	9.27	1,414.6	41.37	1,687.7	49.36	18.68	3,102.3	34.33
1911	3,555.9	341.9	9.61	1,545.5	43.46	1,668.5	46.93	17.75	3,214.0	34.20
1912	3,648.8	364.3	9.98	1,563.8	42.86	1,720.7	47.16	17.98	3,284.5	34.34

[1] Public money in national-bank depositaries to the credit of the Treasurer of the United States not included.
[2] Money in banks of island possessions not included.

Cash on hand in banks reporting to the Comptroller of the Currency June 14, 1912.

Classification.	Number of banks.	Gold coin.	Gold certificates.	Silver dollars.	Silver certificates.
National banks	7,372	$149,294,417.78	$437,081,380.00	$12,637,221.00	$138,569,628.00
State banks	13,381	43,475,473.23	55,832,110.00	7,483,824.00	28,659,217.00
Mutual savings banks	630	2,613,101.74	3,040,620.00	21,575.00	1,522,101.00
Stock savings banks	1,292	13,099,102.11	3,292,340.00	809,660.00	1,445,841.00
Loan and trust companies	1,410	28,720,390.23	143,797,940.00	1,571,391.00	23,694,632.00
Private banks	1,110	1,186,901.65	502,700.00	433,724.00	482,750.00
Total	25,195	238,389,386.74	643,547,090.00	22,957,395.00	194,374,169.00

Classification.	Minor coins.	Legal tender.	National bank notes.	Cash not classified.	
National banks	$22,555,692.68	$188,440,207.00	$47,564,277.00	....	$996,142,823.46
State banks	9,884,265.50	35,374,475.00	24,568,164.00	$36,479,195.75	241,756,724.48
Mutual savings banks	245,994.27	1,378,566.00	3,370,411.00	3,993,692.28	16,186,061.29
Stock savings banks	828,452.46	2,579,310.00	3,400,118.00	3,811,178.99	29,266,002.56
Loan and trust companies	3,932,351.85	24,583,336.00	28,347,109.00	27,504,313.18	282,151,463.26
Private banks	291,251.53	766,159.00	1,031,608.00	2,755,310.20	7,450,404.38
Total	37,738,008.29	253,122,053.00	108,281,687.00	74,543,690.40	1,572,953,479.43

Schedule of loans running 90 days or less from Aug. 9, as shown by the reports of condition of 7,096 national banks.

	New York (36 banks).	Chicago (9 banks).	St. Louis (7 banks).	Central reserve cities (52 banks).	Other reserve cities (308 banks).	Country banks (6,736).	Total banks in United States (7,096).
A. On demand (one or more names)	$7,004,989	$6,196,249	$2,412,125	$15,613,363	$79,186,557	$157,344,961	$252,144,881
B. On demand, secured by stocks, bonds, etc	128,361,990	19,759,293	5,276,533	153,397,816	107,692,020	123,493,347	384,583,183
C. On time (two or more names)	125,527,742	73,754,071	23,814,102	223,095,915	305,571,196	766,028,358	1,294,695,469
D. On time, single name, without other security	116,680,948	52,386,018	11,096,501	180,163,467	243,326,078	350,301,629	773,791,174
E. On time, secured by stocks, bonds, etc	121,086,821	44,740,103	20,025,680	185,852,604	194,391,557	321,164,876	701,409,037
F. Secured by real estate mortgages, etc	303,812	208,864	12,951	525,627	3,647,050	17,258,736	21,431,413
90 days or less	498,966,302	197,044,598	62,637,892	758,648,792	933,814,458	1,735,591,907	3,428,055,157
Over 90 days	437,942,142	131,979,772	46,524,081	616,445,995	639,924,756	1,337,980,689	2,594,351,440
Total, all loans	936,908,444	329,024,370	109,161,973	1,375,094,787	1,573,739,214	3,073,572,596	6,022,406,597

Sept. 25, 1913, Office Comptroller of Currency.

The following table shows amount of cash, loans, individual deposits, and banks deposits held by national banks:

Capital, specie, circulation, etc., of the great European single banks of issue on or about June 30, 1906.

[Amounts are expressed in millions.]

	Capital.	Circulation.	Deposits.	Total specie.	Loans.
Imperial Bank of Germany	$28.9	$412.0	$149.9	$211.1	$345.7
Bank of Austria-Hungary	41.9	376.5	31.6	299.2	189.8
National Bank of Belgium	9.6	136.5	16.3	24.1	124.8
National Bank of Bulgaria	1.8	8.6	17.0	7.6	11.9
National Bank of Denmark	6.8	34.9	.8	27.2	13.7
Bank of Spain	28.9	305.7	134.2	200.2	154.4
Bank of Finland	1.9	18.2	4.2	5.2	11.7
Bank of France	35.2	908.8	189.1	803.4	255.3
National Bank of Greece	3.9	23.1	23.4	.4	21.6
Bank of Italy	28.9	213.3	90.6	152.7	91.6
Bank of Naples	11.6	66.6	16.1	32.8	34.5
Bank of Sicily	....	14.8	10.6	9.1	10.9
Bank of Norway	3.5	21.4	1.9	8.0	12.0
Bank of Netherlands	8.0	113.0	2.5	57.1	59.8
Bank of Portugal	14.6	74.5	29.3	13.7	26.5
National Bank of Roumania	2.9	43.1	....	15.0	25.2
Imperial Bank of Russia	28.3	591.0	109.8	455.9	208.3
Bank of England	70.8	146.8	280.3	187.8	156.8
National Bank of Servia	1.1	6.6	.6	4.5	2.3
Royal Bank of Sweden	11.9	52.2	12.2	20.6	37.0
Total (20 banks)	340.5	3,567.6	1,120.4	2,525.6	1,793.8

Savings banks, including postal savings banks. Number of depositors, amount of deposits, average deposits per deposit account and per inhabitant, by specified countries.

[Compiled by the Bureau of Foreign and Domestic Commerce, Department of Commerce and Labor, from the official reports of the respective countries.]

Countries.	Population.[1]	Date of report.	Form of organization.	Number of depositors.	Deposits.	Average deposit account.	Average deposit per inhabitant.
Austria	28,572,000	Dec. 31, 1909	Communal and private savings banks	4,119,295	$1,161,149,241	$281.88	$40.64
		Dec. 31, 1910	Postal savings banks, savings department	2,205,703	46,623,889	21.14	2.63
		....do....	Postal savings banks, check department	102,574	79,682,452	776.83	2.79
Belgium	7,501,000	Dec. 31, 1911	Government savings banks	2,901,753	194,534,158	67.04	25.93
		Dec. 31, 1910	Communal and private savings banks	46,997	11,679,721	248.52	1.56
Bulgaria	4,285,000	....do....	Postal savings banks	280,775	9,129,423	32.52	2.13
Chile	3,415,000	June 30, 1910	Caja de ahorros	268,731	10,543,275	39.23	3.09
Denmark[2]	2,757,000	Mar. 31, 1910	Communal and corporate savings banks	1,166,607	174,182,302	149.28	63.18
Egypt	11,626,000	Dec. 31, 1910	Government savings banks	104,095	2,255,664	21.67	.19
France	39,602,000	Dec. 31, 1911	Private savings banks	8,411,791	754,255,333	89.67	9.05
		Dec. 31, 1910	Postal savings banks	5,786,035	329,974,970	57.03	8.33
Algeria	5,232,000	Dec. 31, 1908	Municipal savings banks	19,301	934,380	48.41	.18
Tunis	1,923,000	Dec. 31, 1910	Postal savings banks	5,701	1,288,268	225.97	.67
Germany[3]	64,432,000	....do....	Public and corporate savings banks	21,534,034	3,993,775,184	185.46	61.98
Luxemburg	246,000	....do....	State savings bank	69,202	11,863,592	171.43	48.23
Hungary[4]	20,886,000	....do....	Postal savings banks, savings department	775,970	21,894,118	28.22	1.05
		....do....	Postal savings banks, check department	20,716	20,075,888	969.10	.96
Italy	34,687,000	June 30, 1911	Communal and corporate savings banks	2,294,063	472,879,910	206.13	13.63
		June 30, 1910	Postal savings banks	5,160,006	324,279,617	62.84	9.35
Japan	51,547,000	Dec. 31, 1910	Private savings banks	7,500,470	73,106,674	9.75	1.42
		Mar. 31, 1912	Postal savings banks	11,950,158	91,896,942	7.69	1.78
Formosa	3,341,000	Dec. 31, 1910	Private savings banks	6,779	121,327	17.90	.04
		Mar. 31, 1911	Postal savings banks	100,819	955,592	9.48	.28
China and Korea		....do....	....do....	207,195	3,096,571	14.95	....
Netherlands	5,945,000	Dec. 31, 1909	Private savings banks	433,209	41,718,485	96.30	7.02
		Dec. 31, 1910	Postal savings banks	1,510,033	66,039,592	43.73	11.11
Dutch East Indies	37,717,000	....do....	Private savings banks	13,228	2,887,566	218.29	.08
		Dec. 31, 1911	Postal savings banks	91,898	3,616,685	39.36	.10
Dutch Guiana	86,000	Dec. 31, 1910	....do....	9,478	337,925	35.65	3.86
Norway	2,393,000	....do....	Communal and private savings banks	1,001,310	135,886,457	135.71	56.78
Roumania[5]	6,866,000	July 1, 1910	Government savings banks	218,690	11,616,820	53.12	1.69
Russia[6]	163,779,000	June 30, 1912	State, including postal savings banks	8,189,734	784,117,885	95.74	4.79
Finland	3,120,000	Dec. 31, 1910	Private savings banks	291,603	44,068,779	151.13	14.12
		....do....	Postal savings banks	59,723	1,396,856	23.39	.45
Spain[7]	19,588,000	Dec. 31, 1910	Private savings banks	495,772	46,931,094	94.66	2.40
Sweden	5,522,000	Dec. 31, 1910	Communal and trustees savings banks	1,560,317	216,755,326	138.92	39.25
		Dec. 31, 1911	Postal savings banks	565,759	12,645,957	22.35	2.29
Switzerland	3,647,000	Dec. 31, 1908	Communal and private savings banks	1,899,332	303,196,216	159.63	83.11

United Kingdom [8]	45,289,000	Nov. 20, 1911	Trustee savings banks	1,849,043	258,083,128	139.58	5.70
		Dec. 31, 1911	Postal savings banks	12,370,646	859,027,319	69.44	18.97
British India [9]	244,127,000	Mar. 31, 1910	do	1,378,916	51,478,416	37.33	.21
Australia, Commonwealth	4,425,000	1910-11	Government, trustee, and joint-stock savings banks	1,600,112	289,039,353	180.64	65.32
New Zealand	1,008,000	Dec. 31, 1910	Postal savings banks	380,714	68,641,934	180.30	68.10
		do	Private savings banks	51,508	7,375,302	143.19	7.32
Canada [10]	7,205,000	June 30, 1912	Postal savings banks	146,310	42,683,232	291.73	5.92
		do	Dominion Government savings banks	35,031	14,171,966	404.55	1.97
British South Africa	6,745,000	1909-10	Government, post-office, and private savings banks	222,772	25,103,835	112.69	3.72
British West Indies	1,679,000	1909-10	Government and post-office savings banks	91,881	6,301,465	68.58	3.75
British colonies, n. e. s	20,427,000	1909-10	do	219,967	12,921,863	58.74	.63
Total, foreign countries	859,620,000			109,725,758	11,096,223,947	101.13	12.91
United States	95,411,000	Nov. 30, 1912	Postal savings banks [11]	300,000	28,000,000	93.33	
		June 14, 1912	Mutual and stock savings banks	10,010,304	4,451,818,523	444.72	46.66
Philippine Islands	8,460,000	June 30, 1912	Postal savings banks	35,802	1,177,435	32.89	.14

[1] The figures of population are for the nearest date to which the statistics of savings banks relate.
[2] Exclusive of 1,809 deposits of $173,011 in savings banks in Faroe Islands, and of data for savings departments of ordinary banks, which comprised 155,160 accounts, credited with $31,370,748 on Mar. 31, 1910.
[3] Exclusive of Brunswick
[4] No separate data available for private and communal savings banks in 1910. The ordinary banks savings banks, and land-credit banks of Hungary held 1,768,455 savings accounts credited with $699,288,107 on Dec. 31, 1910.
[5] Figures for the Casa d'Economie.
[6] Includes 38,958 depositors in school savings depositories, credited with $105,060. The above total is exclusive of $162,185,345 worth of securities held by the savings banks to the credit of depositors.
[7] The peseta has been converted at the rate of 18 cents. Data taken from "España Económica y Financiera," Oct. 21, 1911. Exclusive of data for savings departments of commercial banks, which comprised 124,657 accounts credited with $28,588,964 on Dec. 31, 1910.
[8] Exclusive of Government stock held for depositors, which, at the end of the year, amounted to $120,776,096 in the postal savings banks and to $12,934,743 in the trustee savings banks.
[9] Exclusive of the population of the feudatory States.
[10] Exclusive of data for special private savings banks, which on June 30, 1912, held deposits amounting to $40,828,420. The above total does not include the savings deposits in chartered banks ("Deposits payable after notice or on a fixed day"), which on June 30, 1912, amounted to $631,317,687.
[11] Number of offices, 12,823.

Bank of England.

ISSUE DEPARTMENT.

LIABILITIES.		ASSETS.	
Notes issued	£51,241,210	Government debt	£11,015,100
		Other securities	7,434,900
		Gold coin and bullion	32,791,210
	51,241,210		51,241,210

BANKING DEPARTMENT.

Proprietors' capital	£14,553,000	Government securities	£17,507,945
Rest	3,360,154	Other securities	36,211,089
Public deposits (including exchequer, savings banks, commissioners of national debt, and dividend accounts).	9,936,777	Notes	22,375,490
Other deposits	49,139,180	Gold and silver coin	912,633
7-day and other bills	18,046		
	77,007,157		77,007,157

J. G. NAIRNE, *Chief Cashier.*

Dated January 6, 1910.
The above is the statement as it appears in the weekly returns.

BALANCE SHEET, JAN. 6, 1910.

[Arranged so that it corresponds in form with the balance sheets of the other banks given here.]

LIABILITIES.		ASSETS.	
Capital and rest	£17,913,154	Gold coin and bullion and silver coin	£33,703,843
Notes in circulation	28,865,720	Government securities in both departments	28,523,045
7-day and other bills	18,046	Other securities	43,654,989
Public deposits	9,936,777		
Other deposits	49,139,180		
	105,872,877		105,872,877

[NOTE.—All per contra entries, as those of the notes of the banks held by themselves, etc., are omitted so as to show the real position of the accounts.]

It will thus be observed that the note issues are covered by 62.7 per cent gold. The public and private deposits are covered in the banking department by 38.3 per cent of notes and coin, nearly all such reserve being in notes, which, measured by actual gold, would make a gold reserve of only about 25 per cent against the deposits.

It will be observed under the tables of interest rates that this narrow margin has been supplemented by frequent changes of the rate of interest to attract gold from other countries when English commerce requires gold, and it would also appear that in 1847, 1857, and 1867 the Bank of England was permitted to issue legal-tender notes against commercial paper in times of panic in order to extend needed loans, restore confidence, and safeguard the commerce and industry of England.

Imperial Bank of Germany

BALANCE SHEET, DEC. 31, 1908.

[Marks converted as 20=£1.]

LIABILITIES.		ASSETS.		
Capital and reserve	£12,458,581	Gold in bars	£16,792,075	
Notes in circulation	96,771,474	German gold coin	21,620,898	
Amount due on clearing and current accounts	33,944,291			£38,412,973
Deposits (not bearing interest)	25,167	Divisional money		10,594,046
Sundry liabilities and reserve for doubtful debts	720,072			49,007,019
Net profits for 1907	1,537,287	Notes of imperial treasury (Reichskassenscheinen)		2,876,243
		Notes of other banks		505,105
		Bills held:		
		Due within 15 days		22,660,590
		Due at later dates		28,939,529
				51,600,119
		Bills on foreign places		6,457,493
				58,057,612
		Loans		8,796,468
		Securities		19,724,627
		Value of real property belonging to the bank		2,849,450
		Sundry assets		4,940,348
	146,756,872			146,756,872

[NOTE.—All per contra entries, as those of the notes of the banks held by themselves, etc., are omitted so as to show the real position of the accounts.]

It will be observed that the Bank of Germany carries 50 per cent of gold against its notes and 37.1 per cent of gold against its notes and deposits, but the Bank of Germany can also issue legal-tender notes against commercial paper of a qualified class.

It will be observed that the Bank of Germany also carries a large volume of quick assets. Thus the Bank of Germany, like the Bank of England and the Bank of France, holds its reserves liquid and always available for loaning for commercial and industrial needs.

20366 O—58——17

Bank of France.

BALANCE SHEET, DEC. 31, 1908.

[Francs converted as 25=£1.]

LIABILITIES.		
Capital of the bank		£7,300,000
Reserve and profits in addition to capital		1,700,774
Notes payable to bearer in circulation (head office and branches)		197,972,403
Drafts		914,397
Current account with the treasury		7,199,491
Current accounts and deposit accounts:		
Paris	£22,780,727	
Branches	2,721,524	
		25,502,251
Dividends unpaid, etc		1,876,386
		242,465,702

ASSETS.		
Coin and bullion at Paris and at the branches		£175,401,607
Bills due yesterday to be received this day		1,757
Amount of bills:		
Paris	£9,920,192	
Branches	18,886,626	
		28,806,818
Advances on securities:		
Paris	6,332,341	
Branches	14,478,603	
		20,810,944
Advances to Government (laws of June 9, 1857; June 13, 1878; Nov. 17, 1897)		7,200,000
Government stock reserve fund		519,230
Disposable funds, Government stock		3,985,234
Immovable funds, Government stock (law of June 9, 1857)		4,000,000
Amount appropriated to special reserve		336,298
Office and furniture of the bank and buildings at the branches, etc		1,403,814
		242,465,702

[NOTE.—All per contra entries, as those of the notes of the banks held by themselves, etc., are omitted so as to show the real position of the accounts.]

This table shows that the Bank of France carries 88 per cent in coin against notes, the coin including both gold and silver, however, and carries 75 per cent of coin against notes and deposits. Its authorized issue of notes is 5,800,000,000 francs, or £232,000,000, which leaves a margin of over £35,000,000 sterling, or $175,000,000 margin of notes, besides the quick assets which it constantly carries, just as the Bank of England does.

The need for large cash reserves in France is due to the fact that the check system (currency) against deposits is not developed in France as in England and in the United States

Bank of the Netherlands.

BALANCE SHEET, MAR. 31, 1909.

[Guilders converted as 12=£1.]

LIABILITIES.	
Capital	£1,666,667
Reserve	435,955
Notes in circulation	22,798,206
Transfers	173,200
Current accounts	539,849
Discount on—	
Inland bills	10,521
Foreign bills	3,060
Sundry liabilities	59,598
Net profit for distribution	90,360
	25,777,416

ASSETS.	
Coin, bullion, etc	£13,665,502
Inland bills	3,514,247
Foreign bills	1,550,309
Loan accounts	4,144,246
Advances on current accounts	1,882,021
Investments:	
Capital	332,662
Reserve	432,708
Sundry assets, buildings	255,721
	25,777,416

[NOTE.—All per contra entries, as those of the notes of the banks held by themselves, etc., are omitted so as to show the real position of the accounts.]

This bank carries gold against its notes of 58 per cent and gold against notes and deposits of 57 per cent, its deposits being very small.

National Bank of Belgium.

BALANCE SHEET, DEC. 31, 1908.

[Francs converted as 25=£1.]

LIABILITIES.		ASSETS.	
Capital paid up	£2,000,000	Specie and bullion	£6,326,529
Reserve fund	1,444,899	Bills discounted (bills in Belgium, £19,738,332; foreign bills, £7,421,639; total, £27,159,971)	27,159,971
Notes in circulation	32,275,122	Securities due for collection	193,849
Current accounts	4,028,662	Advances on Government securities	2,056,765
Stamp duty, share of profits due to the Government, employees' superannuation, provident funds, dividends due, etc	1,029,776	Government and reserve fund securities	3,418,343
		Securities for current accounts, etc	1,623,002
	40,778,459		40,778,459

[NOTE.—All per contra entries, as those of the notes of the banks held by themselves, etc., are omitted so as to show the real position of the accounts.]

The Bank of the Netherlands carries 58 per cent of gold against its notes and 57 per cent of gold against its notes and deposits. This bank only carries a very small line of deposits.

The National Bank of Belgium carries 19 per cent of gold against its notes and 17 per cent of gold against its notes and deposits.

The three great banks of England, France, and Germany, as above mentioned, practically provide the gold accommodation needed by western European commerce, the two latter banks, however, serving a useful local purpose.

Reserve of actual gold versus notes only, versus notes and deposits against deposits only.

Ratio of gold reserves against notes and deposits.	Versus notes only.	Versus both notes and deposits.	Versus deposits only.
	Per cent.	*Per cent.*	*Per cent.*
Bank of England	62.7	38.3	[1] 25
Reichsbank	50.0	37.1	....
Bank of France	88.0	75.0	....
Netherlands	58.0	67.9	....
Belgium	19.0	17.9	....

[1] Banking department.

TABLE I.—*Rate of discount—Number of changes in each year at the Banks of England, France, Germany, Holland (1844–1909), and Belgium (1851–1909.)*

Year	Bank of England.			Bank of France.			Bank of Germany			Bank of Holland.			Bank of Belgium.		
	Rise.	Fall.	Total.	Rise.	Fall.	Total.	Rise.	Fall.	Total.	Rise.	Fall.	Total.	Rise.	Fall.	Total.
	Per ct.	*Per ct.*	*Per ct.*	*Per ct.*	*Per ct.*	*Per ct.*	*Per ct.*	*Per ct.*	*Per ct.*	*Per ct.*	*Per ct.*	*Per ct.*	*Per ct.*	*Per ct.*	*Per ct.*
1844	......	1	1	(1)	(1)	(1)	1	......	1	(1)	(1)	(1)	(2)	(2)	(2)
1845	2	......	2	(1)	(1)	(1)	1	1	2	5	......	5	(2)	(2)	(2)
1846	......	1	1	(1)	(1)	(1)	1	1	2	......	2	2	(2)	(2)	(2)
1847	6	3	9	1	1	-	......	1	1	1	......	1	(2)	(2)	(2)
1848	......	3	3	(1)	(1)	(1)	1	1	2	1	3	4	(2)	(2)	(2)
1849	......	1	1	(1)	(1)	(1)	......	1	1	......	1	1	(2)	(2)	(2)
1850	1	......	1	(1)	(1)	(1)	(1)	(1)	(1)	......	1	1	(2)	(2)	(2)
1851	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
1852	......	2	2	......	1	1	(1)	(1)	(1)	(1)	(1)	(1)	......	1	1
1853	6	......	6	1	......	1	1	......	1	2	......	2	(1)	(1)	(1)
1854	1	1	2	1	1	2	......	1	1	(1)	(1)	(1)	(1)	(1)	(1)
1855	4	4	8	2	......	2	1	......	1	2	......	2	(1)	(1)	(1)
1856	2	5	7	1	1	2	3	1	4	3	......	3	1	......	1
1857	6	3	9	4	4	8	4	2	6	5	3	8	3	1	4
1858	......	6	6	......	4	4	1	4	5	......	6	6	......	4	4
1859	2	3	5	1	1	2	1	1	2	(1)	(1)	(1)	1	1	2
1860	8	3	11	1	......	1	(1)	(1)	(1)	(1)	(1)	(1)	1	1	2
1861	3	8	11	4	3	7	(1)	(1)	(1)	2	......	2	3	2	5
1862	2	3	5	1	3	4	(1)	(1)	(1)	2	2	4	1	2	3
1863	8	4	12	5	3	8	1	......	1	4	2	6	3	......	3
1864	7	8	15	4	7	11	3	1	4	5	4	9	2	4	6
1865	8	8	16	2	4	6	3	2	5	6	5	11	3	3	6
1866	5	9	14	2	5	7	1	7	8	4	7	11	2	4	6
1867	......	3	3	......	2	2	(1)	(1)	(1)	2	4	6	......	1	1
1868	2	......	2	(1)	(1)	(1)	(1)	(1)	(1)	......	2	2	(1)	(1)	(1)
1869	3	4	7	(1)	(1)	(1)	1	......	1	5	......	5	(1)	(1)	(1)
1870	4	6	10	4	......	4	2	3	5	4	8	12	2	3	5
1871	4	6	10	1	1	2	......	2	2	......	2	2	5	6	11
1872	9	5	14	......	1	1	1	......	1	5	1	6	6	3	9
1873	11	13	24	2	2	4	3	4	7	4	5	9	9	8	17
1874	6	7	13	......	2	2	2	2	4	......	3	3	3	6	9
1875	5	7	12	(1)	(1)	(1)	2	3	5	......	1	1	3	6	9
1876	1	4	5	......	1	1	3	3	6	(1)	(1)	(1)	......	2	2
1877	4	3	7	......	1	1	3	4	7	(1)	(1)	(1)	1	1	2
1878	6	4	10	1	......	1	1	2	3	2	......	2	2	1	3
1879	......	5	5	1	1	2	2	3	5	......	2	2	1	3	4
1880	1	1	2	1	1	2	2	3	5	(1)	(1)	(1)	1	1	2
1881	4	2	6	2	......	2	2	1	3	3	......	3	4	3	7

1882	3	3	6		3	3	2	2	4	5	3	8	4	6	10
1883	1	5	6		1	1		1	1		4	4		1	1
1884	4	3	7	(1)	(1)	(1)	(1)	(1)	(1)		1	1	1	1	2
1885	2	5	7	(1)	(1)	(1)	1	2	3		1	1	1	3	6
1886	4	3	7	(1)	(1)	(1)	3	2	5	(1)	(1)	(1)	2	4	4
1887	2	4	6	(1)	(1)	(1)		2	2	(1)	(1)	(1)	2		2
1888	4	5	9	2	2	4	2		2	(1)	(1)	(1)	4	2	6
1889	4	4	8		2	2	2	2	4	(1)	(1)	(1)	1	3	4
1890	4	7	11	(1)	(1)	(1)	2	1	3	4		4		2	2
1891	5	7	12	(1)	(1)	(1)	1	3	4		3	3	(1)	(1)	(1)
1892	1	3	4		1	1	1	1	2		1	1		1	1
1893	6	6	12	(1)	(1)	(1)	2	1	3	4	2	6	1		1
1894		2	2	(1)	(1)	(1)		2	2		2	2	(1)	(1)	(1)
1895	(1)	(1)	(1)		1	1	1		1	(1)	(1)	(1)		1	1
1896	3		3	(1)	(1)	(1)	2	1	3	2		2	1		1
1897	2	4	6	(1)	(1)	(1)	2	3	5		1	1	(1)	(1)	(1)
1898	3	3	6	1		1	4	2	6		1	1	1		1
1899	4	2	6	2		2	4	3	7	4		4	4	2	6
1900	1	5	6	1	3	4		3	3		3	3		2	2
1901	2	4	6	(1)	(1)	(1)	1	3	4	1		1		2	2
1902	1	2	3	(1)	(1)	(1)	1	2	3	(1)	(1)	(1)	(1)	(1)	(1)
1903	1	2	3	(1)	(1)	(1)	1	1	2	1		1	1	2	3
1904		2	2	(1)	(1)	(1)	1		1		1	1	(1)	(1)	(1)
1905	2	1	3	(1)	(1)	(1)	4	3	7	1	1	2	1		1
1906	4	2	6	(1)	(1)	(1)	3	2	5	3		3	1	2	3
1907	4	3	7	2		2	2	2	4	1	2	3	3		3
1908		6	6		2	2		6	6		3	3		5	5
1909	4	2	6	(1)	(1)	(1)	2	1	3	1	1	2	1		1
	202	241	443	50	65	115	91	105	196	94	94	188	86	106	192

[1] No change.

[2] Operations commenced in 1851.

TABLE II.—*Lowest and highest rates charged and extent of fluctuation during each year, Banks of England, France, Germany, Holland (1844-1909), and Belgium (1851-1909).*

Year.	Bank of England.			Bank of France.			Bank of Germany.			Bank of Holland.			Bank of Belgium.		
	Lowest rate.	Highest rate.	Fluctuation.	Lowest rate.	Highest rate.	Fluctuation.	Lowest rate.	Highest rate.	Fluctuation.	Lowest rate.	Highest rate.	Fluctuation.	Lowest rate.	Highest rate.	Fluctuation.
	Per ct.	*Per ct.*	*Per ct.*	*Per ct.*	*Per ct.*	*Per ct.*	*Per ct.*	*Per ct.*	*Per ct.*	*Per ct.*	*Per ct.*	*Per ct.*	*Per ct.*	*Per ct.*	*Per ct.*
1844	(1)	(1)	(1)	(1)	(1)	(1)	4	4½	½	(1)	(1)	(1)	(2)	(2)	(2)
1845	2½	3½	1	(1)	(1)	(1)	4	5	1	2½	5½	3	(2)	(2)	(2)
1846	3	3½	½	(1)	(1)	(1)	4	5	1	4	5½	1½	(2)	(2)	(2)
1847	3	8	5	4	5	1	4½	5	½	4	5	1	(2)	(2)	(2)
1848	3	5	2	(1)	(1)	(1)	4½	5	½	3	5	2	(2)	(2)	(2)
1849	2½	3	½	(1)	(1)	(1)	4	4½	½	2½	3	½	(2)	(2)	(2)
1850	2½	3	½	(1)	(1)	(1)	(1)	(1)	(1)	2	2½	½	(2)	(2)	(2)
1851	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
1852	2	2½	½	3	4	1	(1)	(1)	(1)	(1)	(1)	(1)	3	4	1
1853	2	5	3	3	4	1	4	5	1	2	3	1	(1)	(1)	(1)
1854	5	5½	½	4	5	1	4	5	1	(1)	(1)	(1)	(1)	(1)	(1)
1855	3½	7	3½	4	6	2	4	4½	½	3	4	1	(1)	(1)	(1)
1856	4½	7	2½	5	6	1	4	6	2	4	5½	1½	3	4	1
1857	5½	10	4½	5	9	4	5	7½	2½	4	7	3	3½	5½	2
1858	2½	8	5½	3	5	2	4	6½	2½	3	7	4	3	5	2
1859	2½	4½	2	3	4	1	4	5	1	(1)	(1)	(1)	3	4	1
1860	2½	6	3½	3½	4½	1	(1)	(1)	(1)	(1)	(1)	(1)	3	4	1
1861	3	8	5	4½	7	2½	(1)	(1)	(1)	3	4	1	3	5	2
1862	2	3	1	3½	5	1½	(1)	(1)	(1)	3½	4	½	3	4	1
1863	3	8	5	3½	7	3½	4	4½	½	3	5	2	3	5½	2½
1864	6	9	3	4½	8	3½	4½	7	2½	4½	7	2½	4	6	2
1865	3	7	4	3	5	2	4	7	3	3	6	3	3	6	3
1866	3½	10	6½	3	5	2	4	9	5	4½	7	2½	3	6	3
1867	2	3½	1½	2½	3	½	(1)	(1)	(1)	2½	4½	2	2½	3	½
1868	2	3	1	(1)	(1)	(1)	(1)	(1)	(1)	2½	3½	1	(1)	(1)	(1)
1869	2½	4½	2	(1)	(1)	(1)	4	5	1	2½	5	2½	(1)	(1)	(1)
1870	2½	6	3½	2½	6	3½	4	8	4	3	6	3	2½	6	3½
1871	2	5	3	5	6	1	4	5	1	3	4	1	2½	5½	3
1872	3	7	4	5	6	1	4	5	1	2½	5	2½	2½	5½	3
1873	3	9	6	5	7	2	4	6	2	4	6½	2½	3½	7	3½
1874	2½	6	3½	4	5	1	4	6	2	3½	5	1½	3½	6	2½
1875	2	6	4	(1)	(1)	(1)	4	6	2	3	3½	½	3	4½	1½
1876	2	5	3	3	4	1	3½	6	2½	(1)	(1)	(1)	2½	3½	1
1877	2	5	3	2	3	1	4	5½	1½	(1)	(1)	(1)	2½	3½	1
1878	2	6	4	2	3	1	4	5	1	3	4	1	2½	4½	2
1879	2	5	3	2	3	1	3	4½	1½	3	4	1	2½	4	1½
1880	2½	3	½	2½	3½	1	4	5½	1½	(1)	(1)	(1)	3	3½	½

1881	2½	5	2½	3½	5	1½	4	5½	1½	3½	4½	1	3½	5½	2
1882	3	6	3	3½	5	1½	4	6	2	3½	5½	2	3½	6	½
1883	3	5	2	3	3½	½	4	5	1	3½	5½	2	3½	4	½
1884	2	5	3	[1]	[1]	[1]	[1]	[1]	[1]	3	3½	½	3	4	[illegible]
1885	2	5	3	[1]	[1]	[1]	4	5	1	2½	3	½	3	4	1
1886	2	5	3	[1]	[1]	[1]	3	5	2	[1]	[1]	[1]	2½	4	½
1887	2	5	3	[1]	[1]	[1]	3	5	2	[1]	[1]	[1]	2½	3½	1
1888	2	5	3	2½	4½	2	3	4½	1½	[1]	[1]	[1]	2½	5	2½
1889	2½	6	3½	3	4	1	3	5	2	[1]	[1]	[1]	3	5	2
1890	3	6	3	[1]	[1]	[1]	4	5½	1½	2½	4½	2	3	4	1
1891	2½	5	2½	[1]	[1]	[1]	3	5½	2½	3	4½	1½	[1]	[1]	[1]
1892	2	3½	1½	2½	3	½	3	4	1	2½	3	½	2½	3	½
1893	2½	5	2½	[1]	[1]	[1]	3	5	2	2½	5	2½	2½	3	½
1894	2	3	1	[1]	[1]	[1]	3	5	2	2½	3½	1	[1]	[1]	[1]
1895	[1]	[1]	[1]	2	2½	½	3	4	1	[1]	[1]	[1]	2½	3	½
1896	2	4	2	[1]	[1]	[1]	3	5	2	2½	3½	1	2½	3	½
1897	2	4	2	[1]	[1]	[1]	3	5	2	3	3½	½	[1]	[1]	[1]
1898	2½	4	1½	2	3	1	3	6	3	2½	3	½	3	4	1
1899	3	6	3	3	4½	1½	4	7	3	2½	5	2½	3½	5	1½
1900	3	6	3	3	4½	1½	5	7	2	3½	5	1½	4	5	1
1901	3	5	2	[1]	[1]	[1]	3½	4½	1	3	3½	½	3	4	1
1902	3	4	1	[1]	[1]	[1]	3	4	1	[1]	[1]	[1]	[1]	[1]	[1]
1903	3	4	1	[1]	[1]	[1]	3½	4	½	3	3½	½	3	4	1
1904	3	3½	½	[1]	[1]	[1]	4	5	1	3	3½	½	[1]	[1]	[1]
1905	2½	4	1½	[1]	[1]	[1]	3	6	3	2½	3	½	3	4	1
1906	3½	6	2½	[1]	[1]	[1]	4½	7	2½	3	5	2	3½	4½	1
1907	4	7	3	3½	4	½	5½	7½	2	5	6	1	4	6	2
1908	2½	6	3½	3	3½	½	4	6½	2½	3	5	2	3	6	3
1909	2½	5	2½	[1]	[1]	[1]	3½	5	1½	2½	3	½	3	3½	½

[1] No change.

[2] Operations commenced in 1851.

TABLE III.—*Rate of discount, 1844–1909—The number of days at each rate, arranged from the lowest rate to the highest.*

Rate.	Bank of England.[1]		Bank of France.[2]		Imperial Bank of Germany.[3]		Bank of the Netherlands.[4]		National Bank of Belgium.[5]	
	Number of days.	Number of days per cent of total (total=1,000).	Number of days.	Number of days per cent of total (total=1,000).	Number of days.	Number of days per cent of total (total=1,000).	Number of days.	Number of days per cent of total (total=1,000).	Number of days.	Number of days per cent of total (total=1,000).
2 per cent	3,409	143	2,735	115	....	....	1,328	56	....	....
2¼ per cent	28	1	....	....	....	....	....	....	....	....
2½ per cent	3,599	151	2,579	108	....	....	5,058	212	3,169	147
3 per cent	5,859	246	7,828	329	3,073	129	8,013	336	9,412	437
3½ per cent	1,921	80	2,060	86	644	27	3,737	157	2,965	138
4 per cent	3,772	158	4,579	192	12,192	511	2,167	91	3,416	159
4½ per cent	608	26	353	15	1,626	68	811	34	698	32
5 per cent	2,195	92	2,061	86	4,094	172	1,823	76	944	44
5½ per cent	263	11	120	5	707	30	375	16	378	18
6 per cent	975	41	1,170	49	970	41	260	11	540	25
6½ per cent	91	4	8	....	72	3	150	6	....	....
7 per cent	633	26	286	12	269	11	135	5	27	....
7½ per cent	....	....	21	1	110	5	....	....	....	....
8 per cent	268	11	41	2	37	1	....	....	....	....
9 per cent	95	4	16	....	63	2	....	....	....	....
10 per cent	141	6	....	....	....	....	....	....	....	....
Total	23,857	1,000	23,857	1,000	23,857	1,000	23,857	1,000	21,549	1,000

[1] Lowest rate 2 per cent; highest rate 10 per cent.
[2] Lowest rate 2 per cent; highest rate 9 per cent.
[3] Lowest rate 3 per cent; highest rate 9 per cent.
[4] Lowest rate 2 per cent; highest rate 7 per cent.
[5] Lowest rate 2½ per cent; highest rate 7 per cent.

TABLE IV.—*Rate of discount, 1844–1909—The number of days at each rate, arranged from the highest number of days to the lowest.*

Bank of England.			Bank of France.			Imperial Bank of Germany.			Bank of the Netherlands.			Bank of Belgium.		
Days.	Rate per cent.	Number of days per cent of total (total=1,000).	Days.	Rate per cent.	Number of days per cent of total (total=1,000).	Days.	Rate per cent.	Number of days per cent of total (total=1,000).	Days.	Rate per cent.	Number of days per cent of total (total=1,000).	Days.	Rate per cent.	Number of days per cent of total (total=1,000).
5,859	3	246	7,828	3	329	12,192	4	511	8,013	3	336	9,412	3	437
3,772	4	158	4,579	4	192	4,094	5	172	5,058	2½	212	3,416	4	159
3,559	2½	151	2,735	2	115	3,073	3	129	3,737	3½	157	3,169	2½	147
3,409	2	143	2,579	2½	108	1,626	4½	68	2,167	4	91	2,965	3½	138
2,195	5	92	2,061	5	86	970	6	41	1,823	5	76	944	5	44
1,921	3½	80	2,060	3½	86	707	5½	30	1,328	2	56	698	4½	32
975	6	41	1,170	6	49	644	3½	27	811	4½	34	540	6	25
633	7	26	353	4½	15	269	7	11	375	5½	16	378	5½	18
608	4½	26	286	7	12	110	7½	5	260	6	11	27	7	
268	8	11	120	5½	5	72	6½	3	150	6½	6			
263	5½	11	41	8	2	63	9	2	135	7	5			
141	10	6	21	7½	1	37	8	1						
95	9	4	16	9										
91	6½	4	8	6½										
28	2¼	1												
23,857	.....	1,000	23,857	.....	1,000	23,857	.....	1,000	23,857	.....	1,000	21,549	.....	1,000

It will thus be seen that these great banks holding the national reserves have been able to furnish commerce with a very low rate of discount for nearly all the time and only occasionally have been compelled to raise the rate to a high point.

These low rates illustrate the enormous value of these great banks to European commerce and the urgent necessity for action by the United States along similar lines.

AMERICAN INTEREST RATES.

1906.

	Jan. 29.	Apr. 6.	June 18.	Sept. 4.	Nov. 12.
Cash (in thousands)	$668,303	$620,000	$651,233	$626,013	$634,550
Loans	4,071,041	4,141,176	4,206,890	4,298,983	4,366,045
Individual deposits	4,088,420	3,978,467	4,055,873	4,199,938	4,289,773
Bank deposits	1,595,494	1,557,257	1,555,267	1,589,001	1,599,943
Rates for money.					
New York call loans:					
Stock exchange—	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*
Range	2½-60	2-30	2-6	2-40	6-27
Average	8½	9½	3¼	9½	7¾
Banks and trust companies	4-50	4-6	2½-3	3-6	3-6
Time loans:					
30 days	8-8½	5-8	4-4½	....	....
60 days	4½-7	5-7½	3¾-5¾	7-7½	7-8
90 days	4½-6	5-6½	4-5	6½-8	6½-7½
4 months	4½-6	5-6	4½-5	7-7½	6½-7
5 months	4½-5¾	5-6	4¾-5	6½-6¾	6-6½
6 months	4½-5¾	5-6	4¾-5	6½-6¾	6-6½
7 months	4½-5¾	5-5½	5¼-5¾	....	6
Commercial paper:					
Double names—					
Choice 60 to 90 days	4-5	4¾-6	....	....	6-6½
Single names—					
Prime, 4 to 6 months	4¾-5½	4¾-6	....	....	6-6½
Good, 4 to 6 months	5½-6	5-6½	....	....	6-7½

1907.

	Jan. 26.	Mar. 22.	May 20.	Aug. 22.	Dec. 3.
Cash (in thousands)	$695,503	$656,226	$691,581	$701,623	$660,785
Loans	4,463,267	4,535,844	4,631,143	4,678,583	4,585,337
Individual deposits	4,115,650	4,269,511	4,322,880	4,319,035	4,176,873
Bank deposits	1,676,926	1,637,158	1,685,540	1,595,493	1,387,886
Rates for money.					
New York call loans:					
Stock exchange—	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*
Range	1¾-45	2-25	1¼-3	1¾-6	2-25
Average	5	6½	2¼	3	14
Banks and trust companies	2-3	3-6	1½-2¼	2-2½	....
Time loans:					
30 days	5½-7	6-8	2½-3½	5-6	15-18
60 days	4½-7	6-7½	3¼-4	5-6½	8-12
90 days	5-7	5¾-7	3¾-4¼	6-7	8-12
4 months	5½-6½	5¾-6½	4-4¾	6-7	7-8
5 months	5½-6½	5¾-6	4¼-4¾	6½-7	7
6 months	5½-6½	5½-6	4½-4¾	6½-7	6-8
7 months	....	....	....	....	6-7
Commercial paper:					
Double names—					
Choice, 60 to 90 days	5¾-6½	6-6½	5-5½	6-6½	8 nom.
Single names—					
Prime, 4 to 6 months	5¾-6½	6-6½	5-5½	6-6½	8 nom.
Good, 4 to 6 months	6½-7	6½-7	5½-6	6½-7	....

AMERICAN INTEREST RATES—continued.

1908.

	Feb. 14.	May 14.	July 15.	Sept. 23.	Nov. 27.
Cash (in thousands)	$788,395	$861,326	$849,018	$868,424	$844,759
Loans	4,422,353	4,528,346	4,615,675	4,750,612	4,840,367
Individual deposits	4,105,814	4,312,656	4,374,551	4,548,135	4,720,284
Bank deposits	1,584,426	1,692,421	1,822,853	1,941,665	1,958,831
Rates for money.					
New York call loans:					
Stock exchange—	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*
Range	1½-2½	1 -2	1 -1½	1 -2	1 -3
Average	1⅞	1⅜	1⅜	1½	1⅞
Banks and trust companies	1½-2	1 -1½	1	1 -1¼	1 -1½
Time loans:					
30 days	....	2 -2½	1½	....	....
60 days	3½-4½	2½-2¾	1¼-1½	1¾-2½	2½-3½
90 days	4 -4½	2¾-3	2 -3	2 -3	3 -3½
4 months	4½-4¾	3 -3½	2½-3½	2¾-3½	3½-4
5 months	4½-5	3½-4	2½-3¾	3 -3½	3½-4
6 months	4½-5	3¾-4	3½-4	3½-3¾	3½-4
7 months	....	4¼-4½	....	....	....
8 months	....	....	....	....	....
Commercial paper:					
Double names—					
Choice, 60 to 90 days	5½-6	3¾-4½	3½-4	3½-4	3½-4½
Single names—					
Prime, 4 to 6 months	5 -6	3¾-4½	3½-4	3¾-4½	4 -5
Good, 4 to 6 months	5½-6	4 -4½	4 -5	4½-5	4½

1909.

	Feb. 5.	Apr. 28.	June 23.	Sept. 1.	Nov. 16.
Cash (in thousands)	$860,117	$878,457	$885,915	$854,071	$804,860
Loans	4,840,766	4,963,110	5,035,883	5,128,882	5,148,787
Individual deposits	4,699,682	4,826,060	4,898,576	5,009,893	5,120,442
Bank deposits	2,035,169	2,046,753	2,034,663	2,018,813	1,886,260
Rates for money.					
New York call loans:					
Stock exchange—	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*
Range	1½-3	1½-2½	1½-2	2¼-3	3½-6
Average	2¼	1⅞	1⅞	2⅝	4⅜
Banks and trust companies	1½-2	1¼-1¾	1½-1¾	2¼-2¾	....
Time loans:					
30 days	....	....	....	....	....
60 days	2¼-2¾	2¼-2½	2 -2¼	2¾-3¼	4½-5¼
90 days	2½-3	2¼-2¾	2½-2¾	3¼-4	4½-5¼
4 months	2½-3	2½-2¾	2¾-3	3½-5	4½-5
5 months	2½-3¼	2¾-3	2¾-3½	3¾-5	4½-5
6 months	3 -3¼	2¾-3	3¼-3½	4½-5	4½-5
7 months	3¼-3½	3 -3¼	....	....	....
8 months	....	....	3½-4	....	....
Commercial paper:					
Double names—					
Choice, 60 to 90 days	3 -3¾	3 -3¾	3 -3½	3¾-4½	4¾-5½
Single names—					
Prime, 4 to 6 months	3¼-4	3½-4	3½-4	4 -5	5 -6
Good, 4 to 6 months	4 -4½	4 -4½	4 -4½	4½-5	5½-6½

AMERICAN INTEREST RATES—continued.

1910.

	Jan. 31.	Mar. 29.	June 30.	Sept. 1.	Nov. 10.
Cash (in thousands)	$833,079	$834,895	$820,773	$851,685	$816,071
Loans	5,229,503	5,432,093	5,430,150	5,467,638	5,450,644
Individual deposits	5,190,835	5,227,851	5,287,312	5,145,658	5,304,788
Bank deposits	1,966,594	1,988,000	1,900,135	1,943,691	1,906,360
Rates for money.					
New York call loans:					
Stock exchange—	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*
Range	½–14	1½–3½	2 –3½	1½–13	2 –4¾
Average	4¼	2¾	2¾	2	3½
Time loans:					
60 days	3¾– 4¾	3½–4	3 –3½	3½– 4½	4 –5¼
90 days	4 – 4¾	3½–4¼	3 –3¾	4 – 4½	4 –5¼
4 months	4 – 4½	3½–4½	3½–3¾	4½– 5	4 –5¼
5 months	4 – 4½	3¾–4½	3¾–4¼	4½– 5	4 –5
6 months	4 – 4½	3¾–4½	4 –4½	4½– 5	4 –5
Commercial paper:					
Double names—					
Choice, 60 to 90 days	4½– 5	4 –5	4½–5	5¼– 5¾	4¾–6
Single names—					
Prime, 4 to 6 months	4½– 5	4¼–5	4¾–5¼	5½– 6	4¾–6
Good, 4 to 6 months	5 – 5½	4¾–5¾	5 –6	6 – 6½	5½–6½

1911.

	Jan. 27.	Mar. 7.	June 7.	Sept. 1.	Dec. 5.
Cash (in thousands)	$856,267	$908,036	$946,331	$895,475	$862,794
Loans	5,402,642	5,558,039	5,610,787	5,663,411	5,659,109
Individual deposits	5,113,221	5,304,624	5,477,991	5,489,011	5,536,042
Bank deposits	1,991,188	2,224,719	2,147,441	2,088,187	2,085,106
Rates for money.					
New York call loans:					
Stock exchange—	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*
Range	1⅛–6	1½–2½	2 –2½	1¾–2½	2½–6
Average	3¼	2¼	2⅜	2¼	4
Time loans:					
30 days	3	....	....	....	3¾–5
60 days	3 –3¾	2½–2¾	2½–3	2¾–3½	3¾–4½
90 days	3 –3¾	2¾–3	2¾–3	3¼–3¾	3¾–4½
4 months	3¼–4	3 –3¼	2¾–3	3¾–4	4 –4½
5 months	3¼–4	3 –3½	3 –3¼	3¾–4	4 –4¼
6 months	3½–4	3 –3½	3¼–3½	3¾–4	4 –4¼
Commercial paper:					
Double names—					
Choice, 60 to 90 days	3½–4½	3½–4¼	3½–4	4 –5	4 –5
Single names—					
Prime, 4 to 6 months	3½–4½	3½–4¼	3¾–4	4½–5	4¼–5
Good, 4 to 6 months	4¼–5	4¼–5	4¼–5	5 –5½	4½–5½

AMERICAN INTEREST RATES—continued.

1912.

	Feb. 20.	Apr. 18.	June 14.	Sept. 4.	Nov. 26.
Cash	$850,497	$931,680	$945,203	$895,950	$859,098
Loans	5,810,433	5,882,166	5,953,904	6,040,841	6,058,962
Individual deposits	5,630,559	5,712,051	5,825,461	5,891,670	5,944,561
Bank deposits	2,381,214	2,248,2[illegible]4	2,178,163	2,177,488	2,101,805
Rates for money.					
Call loans, New York:					
Stock exchange—	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*
Range	1¾-2½	2 -5	2 -3	3 -7½	(1)
Average	2¼	3	2¾	4½	(1)
Time loans:					
30 days					(1)
60 days	2½-2¾	3 -3¼	3	4¾-6	(1)
90 days	2¾-3	3⅜-3⅝	3 -3¼	5 -6	(1)
4 months	3 -3¾	3½-4	3½-3¾	5 -6	(1)
5 months	3 -3½	3½-4	3¾-3⅞	5 -6	(1)
6 months	3 -3½	3½-4	3½-4	5 -6	(1)
Commercial paper:					
Double names—					
Choice, 60 to 90 days	3½-4	4 -4½	3¾-4¼	5 -6	(1)
Single names—					
Prime, 4 to 6 months	3½-4½	4 -4½	3¾-4¼	5½-6	(1)
Good, 4 to 6 months	4½	5	4 -4¾	6 -6½	(1)

1913.

	Feb. 4.	Apr. 4.	June 4.	Aug. 9.	
Cash (in thousands)	$933,417	$888,283	$913,962	$909,769	
Loans	6,125,029	6,178,096	6,143,028	6,168,555	
Individual deposits	5,985,432	5,968,787	5,953,461	5,761,338	
Bank deposits	2,310,560	2,192,345	2,120,551	2,108,550	
Rates for money.					
New York call loans:					
Stock exchange—				*Per cent.*	
Range				2 -2½	
Average				2¼	
Time loans:					
60 days				3½	
90 days				4½	
4 months				5	
5 months				5¾-6	
6 months				5¾-6	
Commercial paper:					
Double names—					
Choice, 60 to 90 days				6 -6½	
Single names—					
Prime, 4 to 6 months				6 -6½	
Good, 4 to 6 months				6½-7	

[1] None compiled.

Reports of New York City banks from January, 1907, to January, 1908, showing loans, individual deposits, and reserves during that period.

Date of call by office of the comptroller.	Banks reporting.	Loans.	Deposits.	Reserves held.	Per cent of reserves.
Jan. 26, 1907	40	$728,319,528	$857,875,410	$230,116,200	26.82
Mar. 22, 1907	37	688,703,472	803,590,176	211,379,340	26.30
May 20, 1907	39	752,566,083	866,332,979	233,329,867	26.93
Aug. 22, 1907	38	712,121,058	825,703,785	221,349,657	26.81
Dec. 3, 1907	40	775,181,207	824,394,509	180,448,128	21.89

It will be observed that the March statement shows loss of forty millions loans and fifty-four millions of deposits; the May statement a relative increase of sixty-four millions loans and sixty-two millions increase in deposits; the August statement a relative decrease in loans of forty millions and a decrease in deposits of forty-one millions; the December statement an increase in loans of sixty-three millions, with no increase of deposits. These violent changes and the violent fluctuations of the interest rates, running to 45 per cent in June and 125 per cent in October, explain the panic and the ruinous changes in stock values due to these contractions and expansions of credits by the unscrupulous manipulators of credits.

Fluctuation of principal stocks during 1907.

Name.	Capital.	Value of stock.												Range of prices.
		Jan. 12.	Feb. 4.	Mar. 4.	Apr. 6.	May.	June 8.	July.	Aug. 10.	Sept. 7.	Oct. 5.	Nov. 9.	Dec.	
1. Allis-Chalmers Co.	$19,820,000	43	14⅜	13⅛	12⅞	11⅞	10⅞	11½	10	6⅝	6⅞	5⅛	6⅞	27 to 4
2. Amalgamated Copper Co.	153,287,900	119⅛	111	110	97⅛	96	86⅝	92⅞	74⅝	71⅛	59⅞	48	48⅞	130 to 33
3. American Beet Sugar Co.	15,000,000	21⅜	18⅜	18⅛	16⅞	15⅛	13	16	11	12	11	8⅛	10	36 to 7
4. American Ice Securities Co.	19,029,400	85	83	81	80	72⅛	....	69⅞	54⅛	52	....	11½	16⅞	94 to 8
5. American Telephone & Telegraph Co.	131,551,400	130	128⅛	....	122	123	....	....	....	....	....	90	103	186 to 88
6. Baltimore & Ohio	152,165,500	119⅝	115	109⅝	101⅛	99⅛	96	98	90	91	89⅛	80	82⅞	125 to 55
7. Erie	112,379,900	42⅝	34⅛	33⅝	25⅛	24⅝	22⅛	25⅛	22	21⅞	18⅝	17⅞	16⅞	52 to 10
8. Great Northern	149,577,300	183⅛	166⅛	159⅛	138	136⅝	127⅞	135⅝	121⅛	128⅛	128	113½	119⅛	348 to 107
9. New York Central	178,292,100	132⅞	125⅝	124⅛	120⅛	116⅝	112⅛	114⅛	105⅛	105⅞	102⅛	98	98⅝	174 to 89
10. Southern Railway	119,900,000	31⅛	26⅝	25⅝	22⅜	21⅛	19⅛	20⅛	17⅞	16⅛	12⅛	12⅞	40	42 to 10
11. Tennessee Copper	5,000,000	....	....	51⅝	....	41	36⅞	39⅛	32⅛	36	30	22	27	....
12. Tennessee Coal & Iron	22,553,600	158	....	147	144	145	139	141⅛	....	....	....	....	....	166 to 25
13. Texas Pacific	38,760,000	35⅝	32	32⅝	29⅛	29	27⅝	31⅛	26	28	25⅝	18⅜	20⅛	54 to 13
14. Third Avenue	16,000,000	122	117⅛	116⅛	110	110	105	....	85	54	40	20	22	141 to 15
15. Union Pacific	195,479,100	180	171⅞	170⅜	141⅞	148⅛	136⅞	142⅞	127	131⅝	127	111⅛	116⅝	195 to 44
16. United States Steel Corporation	508,495,200	49⅝	43⅞	43⅞	37⅞	37⅛	34⅛	38⅞	31⅞	32⅛	26⅞	24⅝	27⅛	55 to 8
17. Wabash	38,000,000	17⅞	16⅛	14⅞	14⅛	14	12⅝	13⅞	12	12⅛	10	9	10⅛	36 to 6
18. Westinghouse E. & M.	29,996,350	149⅛	150	150	146⅛	143⅞	142⅛	142	141	133	122	47	70	233 to 32
Volume of sales for the week, in number of shares	....	4,932,000	6,295,615	5,802,476	6,176,753	3,786,059	3,169,313	2,301,758	4,436,982	2,588,258	2,481,097	1,817,591	4,613,552	....

Condition of 25,193 banks of all kinds, as shown by the Report of the Comptroller of the Currency, June 30, 1912.

COMPARATIVE BANK RESOURCES, 1864–1912.

[The national-bank notes are included in the demand obligations. The 5 per cent redemption fund is also included in the total cash.]

[Amounts in millions.]

Years.	Capital and surplus.	Loans and discounts.	Government deposits.	Total cash in all banks.	Total demand obligations.	Per cent of cash to obligations.
1864	$391.0	$70.7	....	$198.3	$544.8	$18.5
1865	451.5	362.4	$58.0	199.4	830.5	24.0
1866	561.2	550.4	39.1	231.9	1,122.7	20.0
1867	577.7	588.5	33.3	205.6	1,101.7	17.1
1868	595.8	655.7	28.3	200.7	1,291.8	15.5
1869	615.7	686.3	12.8	162.5	1,337.5	12.1
1870	646.4	719.3	13.2	187.7	1,356.3	13.9
1871	659.8	789.4	11.1	194.0	1,578.2	12.2
1872	748.0	871.5	12.4	177.6	1,693.3	11.6
1873	748.5	1,439.9	15.1	218.2	1,776.5	12.3
1874	750.2	1,564.5	10.6	252.2	1,875.8	13.4
1875	846.8	1,748.1	10.2	238.7	2,115.3	11.2
1876	863.9	1,727.1	11.1	226.4	2,084.5	10.8
1877	874.7	1,720.9	10.9	230.5	2,115.0	10.8
1878	825.4	1,561.2	25.6	214.6	2,043.4	10.5
1879	826.5	1,507.4	252.1	216.3	2,254.0	9.6
1880	825.4	1,662.1	10.7	285.5	2,279.7	12.5
1881	864.3	1,901.9	12.2	295.0	2,621.5	11.2
1882	900.7	2,050.3	12.6	287.1	2,781.9	10.5
1883	973.4	2,133.6	13.9	321.0	2,899.5	11.0
1884	1,036.0	2,260.7	14.2	321.2	2,875.9	11.1
1885	1,040.0	2,272.3	14.0	414.3	3,017.5	13.7
1886	1,080.5	2,456.7	17.1	375.5	3,067.1	12.9
1887	1,267.0	2,944.9	23.2	432.8	3,498.2	13.1
1888	1,347.4	3,161.1	58.4	446.1	3,636.6	13.0
1889	1,425.2	3,475.2	46.7	499.1	3,953.8	14.0
1890	1,552.7	3,842.1	30.6	478.3	4,219.6	11.3
1891	1,648.9	3,965.9	25.9	478.1	4,346.2	11.0
1892	1,721.4	4,336.6	14.2	586.4	4,820.3	12.1
1893	1,781.1	4,368.6	13.7	515.9	4,896.1	10.7
1894	1,752.2	4,085.0	14.1	688.9	4,837.1	14.2
1895	1,759.6	4,268.8	13.2	631.1	5,113.1	12.3
1896	1,756.3	4,251.1	15.4	531.8	5,160.7	10.3
1897	1,725.2	4,216.0	16.4	628.2	5,221.7	12.0
1898	1,724.7	4,652.2	52.9	687.8	5,831.0	11.7
1899	1,734.7	5,177.6	76.3	723.3	6,944.4	10.4
1900	1,906.9	5,657.5	98.9	749.9	7,603.1	9.8
1901	2,031.7	6,425.2	99.1	807.5	8,878.7	9.0
1902	2,298.5	7,189.0	124.0	848.1	9,838.1	8.9
1903	2,595.3	7,738.9	147.3	857.2	10,060.1	8.5
1904	2,753.4	7,982.0	110.3	990.6	10,509.9	9.4
1905	2,902.7	9,027.2	75.3	994.1	11,871.4	8.3
1906	3,224.2	9,893.7	89.9	1,016.4	12,816.6	7.9–6.5
1907	3,335.8	10,763.9	180.7	1,113.7	13,828.2	8.0–6.6
1908	3,513.7	10,438.0	130.3	1,368.3	13,528.5	10.0–8.6
1909	3,634.6	11,373.2	70.4	1,452.0	14,743.2	9.8–8.8
1910	3,832.5	12,521.7	54.5	1,423.8	16,013.5	8.8–8.0
911	4,018.0	13,046.0	48.4	1,554.1	16,640.5	9.3–8.0
1912	4,176.9	13,953.6	58.9	1,572.9	17,790.0	8.2

1912—25,000 banks in above table.

Monetary systems and approximate stocks of money, in the aggregate and per capita, in the principal countries of the world, Dec. 31, 1911.

	Countries.	Monetary standard	Monetary unit.	Population.	Stock of gold.			Stock of silver.			Uncovered paper	Per capita.				
					In banks and public treasuries.	In circulation.	Total.	Full tender.	Limited tender.	Total.		Gold.	Silver.	Paper.	Total.	
				Thousands.	*Thousands.*	*Thousands.*	*Thousands.*	*Thousands.*	*Thousands.*	*Thousands.*	*Thousands.*					
1	United States	Gold	Dollar	94,800	1,429,800	369,800	1,799,600	568,300	167,600	735,900	764,500	$18.98	$7.76	$8.07	$34.81	1
2	Austria-Hungary	do	Crown	49,400	265,700	90,600	356,300	Nil.	122,900	122,900	197,600	7.21	2.49	4.00	13.70	2
3	Belgium	do	Franc	7,300	36,500	...	...	8,700	2,400	11,100	139,000	5.00	1.52	19.04	25.56	3
4	British Empire:															4
5	Australia	do	Pound sterling	4,400	207,800	14,600	222,400	Nil.	10,000	10,000	...	50.54	2.27	...	52.81	5
6	Canada	do	Dollar	6,200	138,200	...	...	Nil.	7,700	7,700	79,100	22.29	1.24	12.76	36.29	6
7	United Kingdom.	do	Pound sterling	45,000	[1]375,000	335,800	[1]710,800	Nil.	116,800	116,800	115,200	15.80	2.59	2.56	20.95	7
8	India	do	Pound sterling and rupee.	295,000	[2]44,600	...	...	97,400	45,000	142,400	45,400	.14	.48	.16	.78	8
9	South Africa	do	Pound sterling	7,800	50,400	15,000	65,400	Nil.	20,000	20,000	...	8.38	2.56	...	10.94	9
10	Straits Settlements.[3]	do	Dollar	1,600	6,800	...	...	Nil.	19,000	19,000	7,500	4.25	11.88	4.68	20.81	10
11	Bulgaria	do	Lev	4,000	7,700	...	...	Nil.	4,800	4,800	9,900	1.93	1.20	2.47	5.60	11
12	Cuba	do	Peseta	2,100	...	...	42,000	Nil.	5,000	5,000	...	20.00	2.38	...	22.38	12
13	Denmark	do	Crown	2,700	19,800	18,500	38,300	Nil.	7,900	7,900	17,300	14.19	2.92	6.41	23.52	13
14	Egypt	do	Piaster	11,300	8,200	174,500	[4]182,700	Nil.	14,300	14,300	6,600	16.17	1.26	.58	18.01	14
15	Finland	do	Markkaa	2,900	6,900	3,700	10,600	Nil.	500	500	14,900	3.66	.17	5.13	8.96	15
16	France	do	Franc	39,300	635,000	565,000	[5]1,200,000	347,400	63,700	411,100	245,900	30.53	10.46	6.26	47.25	16
17	Germany	do	Mark	64,900	[6]205,700	...	...	Nil.	253,600	253,600	276,100	3.16	3.90	4.24	11.30	17
18	Greece	do	Drachma	2,600	2,500	1,900	4,400	Nil.	3,000	3,000	27,600	1.69	1.15	10.62	13.46	18
19	Haiti	do	Gourde	1,500	1,300	2,100	3,400	1,000	1,500	2,500	8,200	2.26	1.67	5.47	9.40	19
20	Italy	do	Lira	33,900	288,500	...	...	22,700	1,400	24,100	182,300	8.51	.71	5.38	14.60	20
21	Japan	do	Yen	52,200	117,000	16,900	133,900	Nil.	64,200	64,200	101,700	2.57	1.23	1.95	5.55	21
22	Mexico	do	Peso	15,000	31,200	...	...	52,000	4,000	56,000	51,200	2.08	3.73	3.41	9.22	22
23	Netherlands	do	Florin	5,900	56,400	19,200	75,600	Nil.	29,000	29,000	64,700	12.81	4.92	10.97	28.70	23
24	Norway	do	Crown	2,400	16,200	4,600	20,800	Nil.	3,700	3,700	8,700	8.67	1.54	3.62	13.83	24
25	Portugal	do	Milreis	5,400	6,500	8,000	14,500	Nil.	33,100	33,100	69,900	2.69	6.13	12.94	21.76	25
26	Roumania	do	Lei	6,800	30,600	2,100	32,700	Nil.	12,600	12,600	43,200	4.81	1.85	6.35	13.01	26
27	Russia	do	Ruble	160,100	611,700	334,600	946,300	Nil.	78,800	78,800	...	5.91	.49	...	6.40	27
28	Servia	do	Dinar	2,800	6,500	...	...	Nil.	1,300	1,300	4,900	2.32	.46	1.75	4.53	28
29	Siam	do	Tical	7,000	100	...	...	Nil.	52,200	52,200	2,100	.01	7.46	.30	7.77	29
30	South American States:															30
31	Argentina	do	Peso	7,000	248,300	...	...	Nil.	9,400	9,400	[8]692,200	35.47	1.34	98.89	135.70	31
32	Bolivia	do	Boliviano	2,300	7,900	...	...	Nil.	700	700	2,000	3.39	.30	.87	4.56	32
33	Brazil	do	Milreis	20,500	116,500	...	...	Nil.	25,000	25,000	[8]77,900	5.68	1.22	3.80	10.70	33
34	Chile	do	Peso	3,500	500	...	...	Nil.	8,500	8,500	19,000	.14	2.43	5.43	8.00	34
35	Colombia	do	Dollar	4,300	...	...	...	Nil.	...	...	[8]10,000	...	...	2.33	2.33	35
36	Ecuador	do	Sucre	1,500	3,300	2,100	5,400	Nil.	1,300	1,300	1,700	3.60	.87	1.13	5.60	36
37	Guiana—															37
38	British	do	Pound sterling	300	100	...	...	Nil.	400	400	100	.33	1.34	.33	2.00	38
39	Dutch	do	Florin	100	200	...	...	Nil.	300	300	300	2.00	3.00	3.00	8.00	39
40	French	do	Franc	100	100	...	...	Nil.	100	100	600	1.00	1.00	6.00	8.00	40
41	Paraguay	do	Peso	800	15,200	...	...	Nil.	...	...	42,900	19.00	...	53.63	72.63	41
42	Peru	do	Sol	4,500	8,300	3,900	12,200	Nil.	2,400	2,400	...	2.71	.53	...	3.24	42
43	Uruguay	do	Peso	1,100	15,200	...	...	Nil.	4,300	4,300	8,000	13.82	3.90	7.28	25.00	43
44	Venezuela	do	Bolivar	2,600	600	2,500	3,100	Nil.	10,800	10,800	800	1.19	4.15	.31	5.65	44
45	Spain	do	Peseta	19,700	74,900	138,200	213,100	Nil.	256,800	256,800	76,000	10.82	13.04	3.85	27.71	45
46	Sweden	do	Crown	5,400	22,800	3,200	26,000	Nil.	8,600	8,600	34,700	4.81	1.59	6.43	12.83	46
47	Switzerland	do	Franc	3,300	31,000	34,700	65,700	Nil.	13,500	13,500	27,900	19.91	4.09	8.45	32.45	47
48	Turkey	do	Piaster	24,000	14,900	127,500	142,400	Nil.	26,400	26,400	...	5.93	1.10	...	7.03	48
49	Central American States.	Silver[9]	Peso	5,300	1,300	100	1,400	Nil.	9,200	9,200	89,900	.26	1.74	16.96	18.96	49
	Total	...	...	1,040,600	5,167,600	...	...	1,097,500	1,523,700	2,621,200	3,567,500	...	...	...	...	

NOTE.—The blank spaces in this table signify that no satisfactory information is available

[1] Estimates for the United Kingdom prior to that for 1910 were for coin only; these figures include $100,000,000 for bullion in the Bank of England; also $12,200,000 gold belonging to Indian gold-standard reserve.

[2] This is the amount in the currency reserves. Fred. J. Atkinson, accountant general of India, in 1908, estimated the active rupee circulation at 2,040,000,000 rupees; small silver coin at 140,000,000 rupees.

[3] Includes Straits Settlements, the Malay States, and Johore

[4] This estimate is based upon a calculation made by Messrs. P. Arminjon and B. Michel in 1908, who estimated the stock of gold in the country at from 33 000 000 to 41,000,000 Egyptian pounds. The mean of these figures was adopted in this table last year. Since their estimate was made the net imports of gold into Egypt to Dec. 31, 1911, have amounted to $28,919,061; but as there is said to be a considerable absorption of gold for ornaments, no change in the estimate of the monetary stock has been made

[5] Estimate of A. De Foville, 1909.

[6] German war fund and Imperial Bank of Germany. No definite information as to other holdings. The coinage of gold since the establishment of the Empire, less recoinage, amounts to $1,125,023,299, but the exports are unknown, and there has been an industrial consumption.

[7] Gold conversion value.

[8] This amount has been reduced to a gold basis; that is, 100 pesos equal 1 United States gold dollar.

[9] Except Costa Rica and British Honduras (gold-standard countries).

Statement showing money in circulation from 1860 to 1912.

Year.	Gold in circulation.	United States notes in circulation.	Average gold value of United States notes.[1]	Gold certificates in circulation.	Silver in circulation.		Silver certificates in circulation.	National bank notes in circulation.	Total circulation per capita of national bank notes.	Capital of national banks.	Surplus of national banks.	Individual deposits of national banks.	Number of national banks.	Population.	Total circulation per capita.	Year.
					Standard silver dollars.	Subsidiary silver.										
1860..	$228,304,775	....	....	None.	(2)	(2)	None.	....	....	....	....	....	....	31,443,321	$13.85	1860
1861..	246,400,000	....	....	None.	(2)	(2)	None.	....	....	....	....	....	....	32,064,000	13.98	1861
1862..	309,697,744	$72,865,665	88.3	None.	(2)	(2)	None.	....	....	....	....	....	....	32,704,000	10.23	1862
1863..	570,394,038	312,481,418	68.9	None.	(2)	(2)	None.	....	....	$7,188,393.00	$128,030.26	$8,497,681.84	66	33,365,000	17.84	1863
1864..	644,641,478	415,115,990	49.2	None.	(2)	(2)	None.	$31,235,270	$0.09	86,782,802.00	2,010,286.10	122,166,536.40	508	34,046,000	19.67	1864
1865..	689,971,860	378,916,742	63.6	None.	(2)	(2)	None.	146,406,725	4.12	393,157,206.00	38,713,380.72	500,910,873.22	1,513	34,748,000	20.58	1865
1866..	648,591,701	327,792,305	71	None.	(2)	(2)	None.	276,116,170	7.77	415,472,369.00	53,359,277.64	564,616,777.64	1,664	35,469,000	18.99	1866
1867..	637,126,128	319,437,702	72.4	None.	(2)	(2)	None.	286,889,020	7.92	420,073,415.00	66,695,589.01	540,797,837.51	1,642	36,211,000	18.29	1867
1868..	655,886,198	328,571,665	71.6	None.	(2)	(2)	None.	295,151,410	7.98	420,634,511.00	77,995,761.40	580,940,820.85	1,643	36,973,000	18.42	1868
1869..	640,573,364	314,702,094	75.2	None.	(2)	(2)	None.	292,876,157	7.75	426,399,151.00	86,165,335.32	511,400,196.63	1,617	37,756,000	17.63	1869
1870..	651,284,427	324,962,638	87	None.	(2)	(2)	None.	289,719,714	7.51	435,356,004.00	94,705,740.34	507,368,618.67	1,648	38,558,371	17.51	1870
1871..	693,616,114	343,068,970	89.5	None.	(2)	(2)	None.	314,132,781	7.94	460,225,866.00	101,573,153.62	596,586,487.54	1,790	39,555,000	18.17	1871
1872..	716,548,708	346,168,680	89	None.	(2)	(2)	None.	332,276,164	8.18	482,606,252.00	111,410,248.98	598,114,679.26	1,940	40,596,000	18.27	1872
1873..	728,799,412	348,464,145	87.9	None.	(2)	(2)	None.	340,880,078	8.22	490,266,611.00	120,961,267.91	540,510,602.78	1,976	41,677,000	18.09	1873
1874..	751,083,051	371,421,452	89.9	None.	(2)	(2)	None.	340,265,544	7.97	495,802,481.00	130,485,641.37	682,846,607.45	2,027	42,796,000	18.13	1874
1875..	729,101,947	349,686,335	87	None.	(2)	(2)	None.	340,546,545	7.74	505,485,865.00	133,085,422.30	618,517,245.74	2,086	43,951,000	17.16	1875
1876..	702,609,388	331,447,378	89.8	None.	(2)	(2)	None.	316,120,702	7.00	497,482,016.00	131,390,664.67	619,350,223.06	2,082	45,137,000	16.12	1876
1877..	697,314,883	337,899,344	94.4	None.	(2)	(2)	None.	301,289,025	6.49	477,128,771.00	121,618,455.32	604,512,514.52	2,074	46,353,000	15.58	1877
1878..	704,132,634	320,905,895	99.2	None.	$1,209,251	$53,918,322	$7,080	311,724,361	6.13	464,874,996.00	116,402,118.84	598,805,775.56	2,055	47,598,000	15.32	1878
1879..	110,505,362	301,644,112	100	$15,279,820	81,036,439	61,346,584	414,480	321,404,996	6.16	454,498,515.00	115,429,031.93	755,459,996.01	2,052	48,866,000	16.75	1879
1880..	225,695,779	327,895,457	100	7,963,900	20,110,557	48,511,788	5,789,569	337,415,178	6.72	458,540,085.00	121,824,629.03	1,006,452,852.82	2,095	50,155,783	19.41	1880
1881..	315,312,877	328,126,924	100	5,759,520	29,342,412	46,839,364	39,110,729	349,746,293	6.81	465,639,835.00	129,867,493.92	1,102,679,163.71	2,164	51,316,000	21.71	1881
1882..	358,251,325	325,255,427	100	5,029,020	32,403,820	46,379,949	54,506,090	352,464,788	6.73	484,883,492.00	135,930,969.31	1,06[illegible],719.85	2,308	52,495,000	22.37	1882
1883..	344,653,495	323,242,177	100	59,807,370	35,651,450	46,474,299	72,620,686	348,598,488	6.49	511,837,575.00	144,800,252.13	1,10[illegible],118.23	2,529	53,693,000	22.93	1883
1884..	340,624,203	318,687,214	100	71,146,640	40,690,200	45,660,808	96,427,011	330,689,893	6.00	524,089,065.00	146,867,119.06	987,6[illegible],055.68	2,664	54,911,000	22.65	1884
1885..	341,668,411	331,218,637	100	126,729,730	39,086,969	43,702,921	101,530,946	309,124,222	5.50	529,360,725.00	150,155,549.52	1,111,429,914.98	2732	56,148,000	23.03	1885
1886..	358,219,575	323,812,699	100	76,044,375	52,668,623	46,173,990	88,116,225	304,976,044	6.09	550,698,675.00	159,573,479.21	1,169,716,413.13	2875	57,404,000	21.78	1886
1887..	376,540,681	326,667,219	100	91,225,437	55,548,721	48,583,865	142,118,017	276,855,203	4.71	580,733,094.42	175,246,408.26	1,235,757,941.59	3070	58,680,000	22.45	1887
1888..	391,114,033	300,000,040	100	121,094,650	55,527,396	50,362,314	200,759,657	245,306,780	4.16	593,848,247.29	187,292,469.97	1,331,265,617.08	3150	59,974,000	22.88	1888
1889..	376,481,568	316,439,191	100	117,130,229	54,457,299	51,477,164	257,155,565	207,220,633	3.38	617,840,164.67	198,508,794.14	1,436,402,685.65	3326	61,289,000	22.52	1889
1890..	374,258,923	334,688,977	100	130,830,859	56,278,749	54,032,587	297,556,238	181,604,937	2.90	657,877,225.00	214,965,633.67	1,485,095,855.70	3573	62,622,250	22.82	1890
1891..	407,319,163	343,207,360	100	120,063,069	58,826,179	58,219,220	307,235,966	162,220,646	2.54	677,356,927.00	228,221,530.31	1,602,052,766.59	3692	63,844,000	23.45	1891
1892..	408,568,824	309,559,904	100	141,093,619	56,817,462	63,293,704	326,693,465	167,221,517	2.56	689,698,017.50	239,931,932.08	1,764,456,177.11	3784	65,086,000	24.60	1892
1893..	408,535,663	319,059,426	100	92,642,189	56,929,673	65,469,866	326,823,848	174,669,786	2.63	681,812,960.00	246,739,602.09	1,539,399,795.23	3787	66,349,000	24.06	1893
1894..	495,976,730	266,589,602	100	66,339,849	52,564,662	58,510,957	326,990,726	200,718,200	2.96	666,271,045.00	244,937,179.48	1,695,489,346.08	3737	67,632,000	24.56	1894
1895..	479,637,961	263,648,985	100	48,381,309	51,986,043	60,350,014	319,622,941	206,953,051	3.00	656,956,245.00	246,177,563.53	1,720,550,241.03	3,706	68,934,000	26.24	1895
1896..	454,905,064	224,249,868	100	42,198,119	52,116,904	60,204,451	330,657,191	215,168,122	3.06	647,186,395.00	247,399,567.15	1,639,688,393.60	3,661	70,254,000	21.44	1896
1897..	517,589,688	245,954,622	100	37,285,339	51,940,281	59,616,409	357,849,312	226,318,003	3.16	629,655,365.00	246,416,688.48	1,916,630,252.25	3,607	71,592,000	22.92	1897
1898..	657,950,463	284,569,022	100	35,811,589	58,482,966	64,056,920	390,126,510	222,990,987	3.05	620,516,245.00	246,695,552.28	2,225,269,813.21	3,590	72,947,000	25.19	1898
1899..	679,738,050	308,351,842	100	32,655,919	61,481,426	69.065,824	402,136,617	237,805,439	3.19	606,725,265.00	250,367,691.89	2,380,610,361.43	3,602	74,318,000	25.62	1899
1900..	610,806,472	313,971,545	100	200,733,019	65,889,346	76.160,988	408,465,574	300,115,111	3.93	632,353,405.00	262,387,647.59	2,623,997,521.88	3,942	76,303,387	26.93	1900
1901..	629,790,765	330,045,406	100	247,036,359	66,921,323	79,235,214	429,643,556	345,110,800	4.43	665,340,664.00	287,170,337.92	2,964,417,965.82	4,291	77,754,000	27.98	1901
1902..	632,394,289	334,291,722	100	306,399,009	68,747,349	85,721,228	446,559,662	345,476,516	4.36	714,616,353.00	335,763,730.38	3,152,878,796.65	4,666	79,117,000	28.43	1902
1903..	617,266,739	334,248,567	100	377,258,559	72,391,240	92,726,694	454,733,013	399,996,709	4.09	758,315,170.00	375,503,102.21	3,176,201,572.89	5,118	80,487,000	29.42	1903
1904..	645,817,576	333,759,425	100	465,655,099	71,313,826	95,528,343	461,138,698	433,027,835	5.29	776,089,401.00	399,961,534.15	3,707,706,530.93	5,477	81,867,000	30.77	1904
1905..	651,063,589	332,420,697	100	485,210,749	73,584,336	101,437,707	454,864,708	480,028,849	5.76	808,328,658.00	420,785,055.00	3,989,582,834.59	5,833	83,260,000	31.08	1905
1906..	668,655,075	335,940,220	100	516,561,849	77,001,368	111,509,624	471,520,054	548,001,238	6.48	847,514,653.00	504,548,213.62	4,289,773,899.28	6,199	83,662,000	32.32	1906
1907..	561,697,371	342,270,055	100	600,072,299	81,710,444	121,777,401	470,211,225	589,242,125	7.08	901,681,682.00	549,614,684.05	4,176,873,717.48	6,625	86,074,000	32.22	1907
1908..	613,244,810	339,396,322	100	782,976,619	76,328,657	124,178,165	465,287,705	631,648,680	7.44	921,019,383.66	568,159,292.92	4,720,284,640.40	6,865	87,496,000	34.72	1908
1909..	599,337,698	340,118,267	100	615,005,449	71,987,900	132,331,798	477,717,324	665,538,806	7.48	953,963,472.81	603,246,750.20	5,120,442,963.08	7,006	88,926,000	34.93	1909
1910..	590,877,993	334,787,870	100	802,754,199	72,432,514	135,583,731	487,597,238	683,659,535	7.56	1,004,288,107.37	652,462,489.68	5,304,788,306.45	7,204	90,363,000	34.33	1910
1911..	589,295,538	338,989,122	100	943,435,618	72,446,049	139,421,723	453,543,696	687,701,283	7.31	1,026,440,500.00	672,891,252.01	5,536,042,281.16	7,328	93,983,000	34.20	1911
1912..	610,724,154	337,697,321	100	943,435,618	70,399,574	145,034,198	469,224,400	705,142,259	7.37	1,046,012,580.00	701,021,452.71	5,891,670,007.00	7,397	95,656,000	34.34	1912

[1] Specie payments suspended 1862 to 1879.

[2] No figures available.

Total of all State banks June 14, 1912, and all mutual savings banks, stock savings banks, private banks, loan and trust companies:

Capital	$964,235,780.49
Surplus	870,684,492.80

In case all banks and trust companies in the United States and the island possessions of the United States would join the different Federal reserve banks and take out their 20 per cent capital stock as provided in the act they would deposit in these regional banks the sum of $402,049,672.09.

TABLE No. 59.—*Abstract of reports of earnings and dividends of national banks in the United States for year ended July 1, 1912.*

[Figures in boldface type indicate loss.]

	Location.	Number of banks.	Capital stock.	Surplus.	Capital and surplus.	Gross earnings.	Charged off. Losses and premiums.	Charged off. Expenses and taxes.	Net earnings.	Dividends.	Ratios. Net earnings to capital and surplus.	Ratios. Dividends to capital and surplus.	Ratios. Dividends to capital.	
											Per cent.	Per cent.	Per cent.	
1	Maine	70	$7,850,000.00	$3,579,250.00	$11,429,250.00	$2,752,144.72	$281,220.42	$1,660,545.53	$810,378.77	$598,412.50	7.09	5.24	7.62	1
2	New Hampshire	56	5,235,000.00	3,083,800.00	8,318,800.00	1,728,723.49	276,888.29	713,958.28	737,876.92	497,316.68	8.87	5.98	9.50	2
3	Vermont	50	5,160,000.00	2,022,481.21	7,182,481.21	1,478,754.42	88,898.39	828,532.41	561,323.62	436,363.00	7.82	6.08	8.46	3
4	Massachusetts	167	30,317,500.00	17,490,750.00	47,808,250.00	9,194,782.64	781,424.82	5,134,246.28	3,279,111.54	2,288,352.00	6.86	4.79	7.55	4
5	Boston	20	24,950,000.00	20,630,500.00	45,580,500.00	12,140,184.26	1,006,905.52	8,021,796.90	3,111,482.84	2,127,000.00	6.83	4.67	8.53	5
6	Rhode Island	22	6,773,250.00	4,241,500.00	11,016,750.00	1,808,571.20	105,894.29	981,480.23	721,196.68	492,115.00	6.55	4.47	7.26	6
7	Connecticut	79	19,364,200.00	11,449,300.00	30,813,500.00	4,940,052.42	441,068.33	2,345,383.47	2,153,600.62	1,540,283.00	6.99	5.00	7.95	7
	New England States	464	99,651,950.00	62,497,581.21	162,149,531.21	34,043,213.15	2,982,300.06	19,685,942.10	11,374,970.99	7,979,843.18	7.02	4.92	8.01	
8	New York	416	46,785,100.00	32,138,689.67	78,923,789.67	21,345,497.95	1,858,041.83	12,463,219.69	7,024,236.43	4,498,596.50	8.90	5.69	9.60	8
9	Albany	3	2,100,000.00	2,200,000.00	4,300,000.00	1,811,075.13	115,073.97	1,306,953.80	389,047.36	283,081.00	9.05	6.58	13.48	9
10	Brooklyn	6	2,252,000.00	2,650,000.00	4,902,000.00	1,200,503.21	131,915.16	740,511.94	328,076.11	230,400.00	6.69	4.70	10.23	10
11	New York City	39	121,500,000.00	127,891,150.00	249,391,150.00	61,172,456.75	3,808,298.25	33,630,088.98	23,635,069.52	25,902,500.00	9.48	10.39	21.32	11
12	New Jersey	185	21,737,000.00	21,996,140.00	43,733,140.00	11,458,092.40	852,490.87	6,389,558.02	4,216,053.50	2,744,835.00	9.64	6.28	12.63	12
13	Pennsylvania	772	67,074,390.00	70,224,490.98	137,298,880.98	28,539,408.04	2,830,911.57	15,770,059.47	9,938,497.00	5,921,023.60	7.24	4.31	8.83	13
14	Philadelphia	32	22,055,000.00	43,350,000.00	65,405,000.00	12,982,741.49	747,236.31	8,177,177.40	3,938,327.78	2,572,500.00	6.02	3.93	11.66	14
15	Pittsburgh	24	28,700,000.00	25,217,530.00	53,917,530.00	13,300,141.60	2,353,452.01	7,662,420.49	3,284,269.10	2,724,000.00	6.09	5.05	9.49	15
16	Delaware	28	2,423,975.00	2,282,600.00	4,706,575.00	782,359.61	51,964.15	393,343.44	317,053.02	214,221.58	6.74	4.55	8.84	16
17	Maryland	90	5,292,000.00	3,741,622.96	9,033,622.96	2,285,956.34	104,268.48	1,435,371.19	746,316.67	473,285.00	8.26	5.24	8.94	17
18	Baltimore	17	12,290,710.00	7,720,010.00	20,010,720.00	3,832,198.30	587,171.53	2,098,099.54	1,146,927.23	1,126,656.50	5.73	5.63	9.17	18
19	District of Columbia	1	252,000.00	252,000.00	504,000.00	72,443.21	692.25	37,073.42	34,677.54	30,240.00	6.92	6.00	12.00	19
20	Washington	10	5,853,000.00	4,640,512.79	10,493,512.79	1,785,616.83	92,342.06	844,852.41	848,422.36	636,000.00	8.09	6.06	10.87	20
	Eastern States	1,633	338,312,175.00	344,304,716.40	682,616,891.40	160,428,741.86	13,623,838.44	90,957,729.80	55,847,173.62	47,352,319.18	8.18	6.94	14.00	
21	Virginia	129	17,308,500.00	11,547,684.00	28,856,184.00	6,754,485.97	366,650.05	3,975,828.78	2,412,007.14	1,512,390.00	8.36	5.24	8.74	21
22	West Virginia	108	9,587,000.00	5,650,159.76	15,237,159.76	3,539,338.07	330,681.13	1,999,291.62	1,209,365.32	920,019.14	7.94	6.04	9.60	22
23	North Carolina	73	8,585,000.00	2,649,273.00	11,234,273.00	2,694,031.84	80,608.37	1,421,848.40	1,101,575.07	679,550.00	9.81	6.05	7.92	23
24	South Carolina	43	5,460,000.00	1,934,250.00	7,394,250.00	2,291,668.38	165,702.58	1,383,995.37	741,970.43	501,538.00	10.03	6.78	9.19	24
25	Georgia	112	14,050,500.00	8,181,230.00	22,242,730.00	5,371,016.44	341,584.31	2,786,709.46	2,242,722.67	1,725,650.00	10.08	7.76	12.27	25
26	Savannah	2	900,000.00	700,000.00	1,600,000.00	408,009.84	78,071.77	95,213.90	234,724.17	57,500.00	14.67	3.59	6.39	26
27	Florida	45	6,080,000.00	2,707,700.00	8,787,700.00	2,922,701.82	222,446.54	1,667,590.98	1,032,665.30	495,050.00	11.75	5.63	8.14	27
28	Alabama	84	9,675,000.00	5,233,025.00	14,908,025.00	3,509,520.39	320,035.12	1,814,863.04	1,374,662.23	971,225.00	9.22	6.51	10.04	28
29	Mississippi	31	3,255,000.00	1,582,329.74	4,837,329.74	1,323,412.72	131,441.92	770,131.38	421,839.42	292,100.00	8.72	6.04	8.97	29
30	Louisiana	28	3,145,000.00	2,245,865.83	5,390,865.83	1,542,600.94	136,981.95	916,014.51	489,604.48	450,400.00	9.08	8.35	14.32	30
31	New Orleans	5	5,200,000.00	2,980,000.00	8,180,000.00	2,124,478.19	209,361.61	1,289,338.59	625,777.99	541,000.00	7.65	6.61	10.40	31
32	Texas	479	32,106,000.00	16,817,846.02	48,983,846.02	12,906,034.67	1,240,979.92	6,224,527.77	5,441,426.98	4,085,523.94	11.11	8.36	12.73	32
33	Dallas	4	2,650,000.00	2,350,000.00	5,000,000.00	1,570,189.61	147,898.67	721,261.39	701,029.55	448,000.00	14.02	8.96	16.91	33
34	Fort Worth	8	2,875,000.00	1,915,000.00	4,790,000.00	1,266,294.08	97,065.79	680,802.24	488,326.05	271,000.00	10.19	5.65	9.43	34
35	Galveston	2	500,000.00	250,000.00	750,000.00	201,617.75	27,510.80	106,436.13	67,670.82	36,000.00	9.02	4.80	7.20	35
36	Houston	5	4,600,000.00	1,190,000.00	5,790,000.00	1,873,676.04	191,887.12	987,498.20	694,290.72	667,000.00	11.99	11.52	14.50	36
37	San Antonio	6	2,100,000.00	1,080,000.00	3,180,000.00	822,617.87	14,030.05	380,133.15	428,454.67	279,000.00	13.47	8.77	13.29	37
38	Waco	6	1,450,000.00	308,300.00	1,758,300.00	518,629.28	51,725.52	302,485.28	164,418.48	359,000.00	9.35	20.42	24.76	38
39	Arkansas	48	4,960,000.00	1,776,020.00	6,736,020.00	1,830,428.83	114,980.03	1,013,674.72	701,764.08	497,350.80	10.42	7.38	10.03	39
40	Kentucky	136	12,045,900.00	4,793,067.22	16,838,967.22	3,234,884.28	397,524.51	1,674,349.56	1,163,010.21	943,543.60	6.91	5.60	7.83	40
41	Louisville	8	5,495,000.00	2,645,000.00	8,140,000.00	1,793,484.06	154,850.80	1,024,416.86	614,216.60	416,100.00	7.55	5.11	7.57	41
42	Tennessee	100	12,460,000.00	5,294,961.26	17,754,961.26	4,665,333.59	471,918.24	2,643,932.54	1,549,482.81	1,278,200.80	8.73	7.02	10.26	42
	Southern States	1,482	164,556,900.00	83,833,711.83	248,390,611.83	63,135,395.26	5,293,946.80	33,940,432.67	23,901,015.79	17,437,139.06	9.62	7.02	10.60	
43	Ohio	355	34,307,100.00	17,942,942.87	52,250,042.87	13,385,163.72	1,405,784.08	7,820,440.63	4,158,939.01	2,828,327.67	7.96	5.41	8.24	43
44	Cincinnati	8	13,900,000.00	6,300,000.00	20,200,000.00	3,926,987.25	2,547,714.73	2,011,509.84	632,237.32	1,370,000.00	3.13	6.78	9.86	44
45	Cleveland	7	9,350,000.00	4,050,000.00	13,400,000.00	3,611,365.32	363,523.60	2,334,291.00	913,550.12	803,600.00	6.82	5.99	8.59	45
46	Columbus	5	3,000,000.00	1,570,500.00	4,570,500.00	1,540,211.82	118,779.36	916,587.66	504,844.80	304,500.00	11.05	6.66	10.15	46
47	Indiana	250	21,133,000.00	9,305,180.54	30,438,180.54	7,989,472.97	555,682.22	4,798,906.11	2,634,884.64	1,875,433.86	8.66	6.16	8.87	47
48	Indianapolis	5	5,400,000.00	2,745,000.00	8,145,000.00	2,365,241.24	529,309.63	1,277,768.45	558,163.16	380,000.00	6.85	4.67	7.04	48
49	Illinois	432	31,235,000.00	17,450,455.84	48,685,455.84	13,238,909.21	1,015,964.64	7,598,102.75	4,624,841.82	3,518,100.00	9.50	7.23	11.26	49
50	Chicago	10	43,600,000.00	26,100,000.00	69,700,000.00	18,883,374.36	1,645,344.54	11,403,149.97	5,814,879.85	6,226,000.00	8.34	8.93	14.28	50
51	Michigan	96	10,260,000.00	5,342,300.00	15,602,300.00	5,140,553.05	315,809.51	3,304,144.57	1,520,598.97	959,731.96	9.75	6.15	9.35	51
52	Detroit	3	4,750,000.00	1,750,000.00	6,500,000.00	2,350,335.89	271,364.38	1,520,508.22	558,463.29	400,000.00	8.59	6.15	8.42	52
53	Wisconsin	122	11,180,000.00	4,593,400.00	15,773,400.00	5,319,816.92	365,420.24	3,555,703.36	1,398,693.32	1,285,450.00	8.87	8.15	11.50	53
54	Milwaukee	6	6,250,000.00	2,760,000.00	9,010,000.00	2,990,364.61	191,203.71	1,953,252.76	845,908.14	586,250.00	9.39	6.51	9.38	54
55	Minnesota	260	11,811,000.00	6,277,003.57	18,088,003.57	7,452,013.47	361,591.00	4,765,881.61	2,324,540.86	1,658,349.06	12.85	9.17	14.04	55
56	Minneapolis	5	6,800,000.00	5,860,000.00	12,660,000.00	3,308,701.77	99,823.15	2,101,640.42	1,107,238.20	708,000.00	8.75	5.59	10.41	56
57	St. Paul	5	4,100,000.00	3,450,574.24	7,550,574.34	2,140,506.80	289,559.98	1,134,375.03	716,570.79	440,200.00	9.49	5.83	10.74	57
58	Iowa	314	17,715,000.00	7,328,710.75	24,953,710.75	8,293,293.14	588,454.96	5,026,149.07	2,678,659.11	2,044,807.83	10.73	8.19	11.54	58
59	Cedar Rapids	3	400,000.00	308,000.00	708,000.00	510,755.01	36,387.86	361,887.71	112,479.44	61,000.00	15.89	8.63	15.25	59
60	Des Moines	4	2,000,000.00	600,000.00	2,600,000.00	982,581.78	95,892.93	551,655.93	285,032.92	154,000.00	10.96	5.92	7.70	60
61	Dubuque	3	600,000.00	130,000.00	730,000.00	207,782.47	5,350.40	131,974.99	70,467.08	50,000.00	9.65	6.85	8.33	61
62	Sioux City	5	950,000.00	400,000.00	1,350,000.00	606,340.30	43,948.34	429,770.89	132,621.07	86,000.00	9.82	6.37	9.05	62
63	Missouri	110	6,665,000.00	2,666,916.62	9,331,916.62	2,352,095.84	155,992.81	1,340,451.00	855,645.99	682,625.00	9.17	7.31	10.24	63
64	Kansas City	12	7,850,000.00	3,382,000.00	11,222,000.00	4,884,019.24	410,245.90	3,274,931.67	1,198,839.67	625,000.00	10.67	5.56	7.96	64
65	St. Joseph	4	1,100,000.00	675,000.00	1,775,000.00	711,830.21	61,330.60	507,648.39	142,841.22	96,500.00	8.05	5.44	8.77	65
66	St. Louis	8	20,400,000.00	11,990,000.00	32,390,000.00	7,816,242.93	870,398.61	5,270,111.58	1,675,744.44	2,259,000.00	8.17	6.97	11.07	66
	Middle Western States	2,086	274,756,100.00	142,887,984.53	417,644,084.53	119,937,918.42	12,344,925.54	73,390,852.30	34,202,140.58	29,402,275.18	8.19	7.04	10.70	
67	North Dakota	146	5,368,000.00	1,878,669.33	7,146,669.33	3,150,624.82	235,081.22	2,052,282.49	883,255.11	690,780.21	12.36	9.67	14.11	67
68	South Dakota	102	4,180,000.00	1,238,450.00	5,418,450.00	2,650,938.75	127,140.70	1,802,295.89	721,502.16	512,700.41	13.32	9.46	12.27	68
69	Nebraska	231	10,415,000.00	4,261,368.00	14,676,368.00	4,706,398.98	343,417.59	2,630,442.13	1,732,498.26	1,424,572.97	11.80	9.71	13.68	69
70	Lincoln	4	1,000,000.00	330,000.00	1,330,000.00	498,144.73	22,695.23	318,057.44	157,391.06	79,000.00	11.83	5.94	7.90	70
71	Omaha	7	3,700,000.00	2,810,000.00	6,510,000.00	2,515,282.42	272,052.11	1,508,550.79	734,679.52	348,000.00	11.29	5.35	9.41	71
72	South Omaha	3	1,100,000.00	390,000.00	1,490,000.00	548,852.27	38,742.50	358,194.94	151,914.83	90,000.00	10.20	6.08	8.18	72
73	Kansas	202	10,662,500.00	4,619,985.00	15,282,485.00	4,792,084.67	425,894.15	2,682,109.46	1,684,081.06	1,301,567.65	11.02	8.52	12.21	73
74	Kansas City	2	500,000.00	300,000.00	800,000.00	342,278.45	24,851.56	243,876.93	73,549.96	35,000.00	9.19	4.30	7.20	74
75	Topeka	2	300,000.00	160,000.00	460,000.00	190,871.94	15,999.32	130,818.12	44,054.50	34,000.00	9.58	7.39	11.33	75
76	Wichita	3	500,000.00	505,000.00	1,005,000.00	453,024.93	27,292.90	315,392.83	110,340.20	57,000.00	10.98	5.67	11.40	76
77	Montana	58	4,960,000.00	2,774,250.00	7,734,250.00	3,176,080.31	507,035.42	1,603,665.95	1,065,378.94	909,900.00	13.77	11.76	18.34	77
78	Wyoming	29	1,735,000.00	1,056,500.00	2,791,500.00	1,192,234.78	56,212.19	685,810.36	450,212.23	290,250.00	16.13	10.40	16.73	78
79	Colorado	118	6,690,000.00	3,079,290.74	9,769,290.74	3,350,315.87	505,514.43	1,872,416.74	972,384.70	769,950.00	9.95	7.88	11.51	79
80	Denver	6	3,600,000.00	3,902,000.00	7,502,000.00	2,961,449.27	393,887.29	1,707,209.54	860,292.44	472,750.00	11.47	6.30	13.13	80
81	Pueblo	3	650,000.00	450,000.00	1,100,000.00	463,135.21	102,244.84	239,733.46	121,156.91	73,000.00	11.01	6.64	11.23	81
82	New Mexico	39	2,080,000.00	990,350.00	3,070,350.00	1,216,074.79	128,099.17	694,943.85	393,031.77	372,500.00	12.80	12.13	17.82	82
83	Oklahoma	272	10,545,000.00	2,818,245.21	13,363,245.21	5,566,733.22	657,881.13	3,085,557.75	1,824,094.34	1,644,713.32	13.65	12.31	15.60	83
84	Muskogee	5	850,000.00	250,500.00	1,100,500.00	468,249.93	53,200.80	263,328.01	152,721.12	115,250.00	13.88	10.47	13.56	84
85	Oklahoma City	6	1,550,000.00	270,000.00	1,820,000.00	765,707.67	178,938.14	484,616.11	102,153.42	108,000.00	5.61	5.93	6.97	85
	Western States	1,238	70,295,500.00	32,064,608.28	102,360,108.28	39,069,043.01	4,115,386.79	22,718,353.79	12,235,302.43	9,329,943.56	11.95	9.11	13.27	
86	Washington	66	4,075,000.00	1,985,915.99	6,060,915.99	2,310,295.02	398,499.85	1,319,033.04	592,762.13	618,575.00	9.78	10.21	15.18	86
87	Seattle	6	4,200,000.00	1,370,000.00	5,570,000.00	2,263,475.87	266,136.02	1,375,774.73	621,565.12	589,000.00	11.16	10.57	14.02	87
88	Spokane	5	3,400,000.00	765,000.00	4,165,000.00	1,427,605.47	178,767.29	874,547.24	374,290.94	356,000.00	8.99	8.55	10.47	88
89	Tacoma	2	500,000.00	850,000.00	1,350,000.00	449,184.35	87,264.09	265,822.01	96,098.25	94,000.00	7.12	6.96	18.80	89
90	Oregon	76	4,611,000.00	2,093,187.14	6,704,187.14	2,092,837.50	228,490.56	1,041,513.15	822,833.79	638,936.19	12.27	9.53	13.86	90
91	Portland	4	4,000,000.00	1,827,000.00	5,827,000.00	1,879,815.83	317,441.19	949,909.26	612,495.38	448,158.20	10.51	7.69	11.20	91
92	California	197	18,872,800.00	7,931,647.55	26,804,447.55	7,891,103.62	684,537.27	4,264,739.74	2,941,826.61	1,769,480.00	10.98	6.60	9.38	92
93	Los Angeles	9	6,100,000.00	2,826,000.00	8,926,000.00	2,987,864.93	342,330.68	1,529,056.66	1,116,477.59	908,250.00	12.51	10.18	14.89	93
94	San Francisco	9	28,250,000.00	14,805,000.00	43,055,000.00	7,308,656.18	644,953.44	3,717,608.94	2,946,033.80	2,265,000.00	6.84	5.26	8.02	94
95	Idaho	48	2,940,000.00	1,392,240.90	4,332,240.90	1,580,550.84	203,558.89	915,828.57	461,163.38	375,100.00	10.64	8.66	12.76	95
96	Utah	17	1,155,000.00	440,186.45	1,595,186.45	790,162.58	50,895.88	361,120.91	378,145.79	240,382.65	23.71	15.07	20.81	96
97	Salt Lake City	5	2,150,000.00	965,000.00	3,115,000.00	899,180.80	160,822.70	626,917.77	111,440.33	166,000.00	3.58	5.33	7.72	97
98	Nevada	11	1,742,000.00	474,000.00	2,216,000.00	569,941.39	128,486.44	289,174.49	152,280.46	159,020.00	6.87	7.18	9.13	98
99	Arizona	13	1,105,000.00	725,000.00	1,830,000.00	668,758.58	104,815.22	347,532.61	216,410.75	127,000.00	11.83	6.94	11.49	99
100	Alaska	2	100,000.00	53,500.00	153,500.00	157,998.81	95,587.46	91,541.33	29,129.98	....	18.98	....	....	100
	Pacific States	470	83,200,800.00	38,503,678.03	121,704,478.03	33,277,461.77	3,892,586.98	17,970,180.45	11,414,694.34	8,754,852.04	9.38	7.19	10.52	
101	Hawaii	4	610,000.00	254,426.42	864,426.42	151,476.62	3,145.54	67,025.60	81,305.48	44,500.00	9.41	5.15	7.30	101
	United States	7,307	[1] 1,031,383,425.00	[1] 704,346,706.70	1,735,730,131.70	450,043,250.09	42,256,130.15	258,730,516.71	149,056,603.23	120,300,872.22	8.59	6.93	11.66	

[1] Capital and surplus as shown at the close of the year.

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Daily statement of the United States Treasury at close of business Sept. 16, 1913.

CASH ASSETS AND LIABILITIES.

General Fund.

ASSETS.

Cash.

In Treasury offices:	
Gold coin	$48,698,805.49
Gold certificates	64,872,850.00
Standard silver dollars	3,740,127.00
Silver certificates	13,183,004.00
United States notes	5,837,393.00
Treasury notes of 1890	4,488.00
Certified checks on banks	301,582.00
National-bank notes	[1] 151,792,262.02
Subsidiary silver coin	18,527,844.36
Fractional currency	347.26
Minor coin	1,108,335.63
Silver bullion (available for subsidiary coinage)	2,091,539.21
	210,658,577.97
In national-bank depositaries:	
To credit of Treasurer United States	62,676,478.39
To credit of postmasters, judicial officers, etc	6,346,620.86
In treasury, Philippines:	
To credit of Treasurer United States	3,016,856.05
To credit of disbursing officers	3,430,796.73
Total	286,129,330.00

LIABILITIES.

Current liabilities.

In Treasury offices:	
Disbursing officers' balances	$76,262,786.16
Outstanding warrants	1,823,348.93
Outstanding Treasurer's checks	7,476,697.99
Post Office Department balances	12,361,628.16
Postal-savings balances	1,509,009.54
Judicial officers' balances, etc	6,343,080.42
National-bank notes, redemption fund [2]	20,666,426.00
National-bank 5 per cent fund	28,071,077.85
Assets of failed national banks	10,110,129.54
Coupons and interest checks	131,107.19
Miscellaneous (exchanges etc.)	7,171,832.34
Total	171,927,124.12
Subtract checks not cleared	23,472,913.67
	148,454,210.45
In national-bank depositaries:	
Judicial officers' balances, etc	6,346,620.86
Outstanding warrants	509,200.06
In treasury, Philippines:	
Disbursing officers' balances	3,430,796.73
Outstanding warrants	1,291,932.00
	160,032,760.10
Net balance in general fund	126,096,569.90
Total	286,129,330.00

THE CURRENCY TRUST FUNDS THE GENERAL FUND, AND THE GOLD RESERVE FUND.

ASSETS.

Currency trust funds:	
Gold coin	$866,618,964.00
Gold bullion	217,615,205.00
Total gold	1,084,234,169.00
Silver dollars	488,916,000.00
Silver dollars of 1890	2,614,000.00
Total currency trust funds	1,575,764,169.00
General fund: Total cash assets, as above	286,129,330.00
Gold reserve fund:	
Gold coin	100,000,000.00
Gold bullion	50,000,000.00
Grand total cash assets in Treasury	2,011,893,499.00

LIABILITIES.

Outstanding certificates:		
Gold certificates outstanding		$1,084,234,169.00
Silver certificates outstanding		488,916,000.00
Treasury notes outstanding		2,614,000.00
Total outstanding certificates		1,575,764,169.00
General fund liabilities and balance:		
Total liabilities, as above		160,032,760.10
Balance in general fund, as above	$126,096,569.90	
Gold reserve	[3] 150,000,000.00	
Total net balances		276,096,569.90
		2,011,893,499.00

[1] This includes $48,118,368.02 which the Treasury has redeemed and for which it will receive payment from national banks.

[2] The act of July 14, 1890, provides that deposits made by national banks to redeem circulating notes shall be covered into the Treasury as miscellaneous receipts and that the Treasury shall redeem from the general cash the circulating notes which come into its possession subject to redemption.

[3] Reserved against $346,681,016 of United States notes and $2,614,000 of Treasury notes of 1890.

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Bonds, Sept. 13, 1913.

Kinds of bonds.	Rate of interest.	Total amount outstanding.	Bonds held for national banks. Total.	To secure circulation.	To secure deposits of public moneys. Value at par.	Value at rate approved by department.
GOVERNMENT.						
I. U. S. loan of 1925, at par	4	$118,489,900	$37,992,400	$34,390,700	$3,601,700	$3,601,700
I. U. S. loan of 1908–1918.....at par	3	63,945,460	25,891,200	22,132,200	3,759,000	3,759,000
I. U. S. Panama of 1961.....at par	3	50,000,000	17,296,200	....	17,296,200	17,296,200
I. U. S. consol of 1930, at par	2	646,250,150	616,521,300	603,775,900	12,745,400	12,745,400
I. U. S. Panama of 1936.....at par	2	54,631,980	54,249,360	52,964,860	1,284,500	1,284,500
I. U. S. Panama of 1938.....at par	2	30,000,000	29,424,140	28,822,140	602,000	602,000
II. Philippine loans, at par	4	16,000,000	5,967,000	....	5,967,000	5,967,000
II. Porto Rico loans, at par	4	5,225,000	1,821,000	....	1,821,000	1,821,000
II. District of Columbia......at par	3.65	6,949,650	933,000	....	933,000	933,000
II. Territory of Hawaii, 3½ per cent bonds at 90 per cent of par: all other Hawaiian bonds at market value not exceeding par	([1])	6,515,000	1,998,000	....	1,998,000	1,950,900
MISCELLANEOUS.						
III. Philippine Railway Co.	4	8,551,000	918,000	....	918,000	600,271
III. Manila Railroad Co., at 90 per cent of market value, not exceeding 90 per cent par	4	6,735,000	10,000	....	10,000	6,750
IV. State, county, city, and other securities[2]	([1])	....	33,609,254	....	33,609,254	22,576,308
Total		1,013,293,140	826,630,854	742,085,800	84,545,054	73,144,029

[1] Various.

[2] As security for deposits made in connection with crop movement Government bonds are accepted at par, other bonds at 75 per cent of market value, and commercial paper at 65 per cent of face value.

Other outstanding bonds, $186,662,286.

When banks have occasion to withdraw bonds held by the Treasurer to secure deposits of public moneys, the following shall be the order of withdrawal: Group IV, Group III, Group II, and Group I.

Bonds within a group may be interchanged by banks if desired, but bonds in a lower group may not be substituted for those in a higher group, except that an initial substitution of bonds of a lower group for those of a higher group may be made to an amount not to exceed 30 per cent of the total security value of bonds held for a particular bank. National-bank depositaries which have not as yet taken out the full amount of circulation authorized by law may withdraw United States 2's and substitute for them bonds in Group II, provided the 2's as withdrawn shall be used as security for additional circulation.

Paper currency of the United States, by denominations, outstanding June 30, 1912.

Denominations.	United States notes.	Treasury notes, 1890.	National-bank notes.	Gold certificates.	Silver certificates.	Total.
$1	$1,830,994	$373,606	$343,588		$161,327,436	$163,875,624
$2	1,374,959	241,744	164,312		62,854,116	64,635,131
$5	169,049,930	688,160	141,565,470		227,178,187	538,481,747
$10	114,137,926	898,470	328,508,870	$226,435,300	20,757,611	690,738,177
$20	12,192,432	434,970	224,856,140	256,496,964	4,488,670	498,469,176
$50	1,841,375	14,550	16,373,800	55,053,055	4,417,760	77,700,540
$100	4,696,400	166,500	35,032,350	80,127,550	480,220	120,503,020
$500	4,470,000		89,500	18,239,000	22,000	22,820,500
$1,000	38,077,000	111,000	23,000	66,765,500	23,000	104,999,500
$5,000				95,020,000		95,020,000
$10,000	10,000			241,920,000		241,930,000
Fractional parts			50,684			50,684
Total	347,681,016	2,929,000	747,007,714	1,040,057,369	481,549,000	2,619,224,099

Classification of cash in banks June 14, 1912.

Classification.	7,372 national banks.	17,823 State, etc., banks.	25,195 reporting banks.
Gold coin	$149,294,417.78	$89,094,968.96	$238,389,386.74
Gold certificates	356,602,380.00	206,465,716.00	563,068,096.00
Gold clearing-house certificates	80,479,000.00		80,479,000.00
Silver dollars	12,637,221.00	10,320,174.00	22,957,395.00
Silver certificates	138,569,628.00	55,804,541.00	194,374,169.00
Subsidiary and minor coin	22,555,692.68	15,182,315.61	37,738,008.29
Legal-tender notes	188,440,207.00	64,681,846.00	253,122,053.00
National-bank notes	47,564,277.00	60,717,410.00	108,281,687.00
Cash not classified		74,543,684.40	74,543,684.40
Total	996,142,823.46	576,810,655.97	1,572,953,479.43

Distribution of money in the United States.

Year ended June 30—	Coin and other money in the United States.	Coin and other money in Treasury as assets.[1]		Coin and other money in reporting banks.[2]		Coin and other money not in Treasury or banks.			In circulation, exclusive of coin and other money in Treasury as assets.	
		Amount.	Per cent.	Amount.	Per cent.	Amount.	Per cent.	Per capita.	Amount.	Per capita.
	Millions.	*Millions.*		*Millions.*		*Millions.*			*Millions.*	
1892	$1,752.2	$150.9	8.60	$586.4	33.48	$1,014.9	57.92	$15.50	$1,601.3	$24.60
1893	1,738.8	142.1	8.17	515.9	29.68	1,080.8	62.15	16.14	1,596.7	24.06
1894	1,805.5	144.2	7.99	688.9	38.17	972.4	53.84	14.21	1,661.3	24.56
1895	1,819.3	217.4	11.95	631.1	34.96	970.8	53.36	13.89	1,601.9	23.24
1896	1,799.9	293.5	16.31	531.8	29.55	974.6	54.14	13.65	1,506.4	21.44
1897	1,906.7	265.7	13.93	628.2	32.94	1,012.8	53.13	13.87	1,641.0	22.92
1898	2,073.5	235.7	11.37	687.7	33.17	1,150.1	55.46	15.43	1,837.8	25.19
1899	2,190.0	286.0	13.06	723.2	33.02	1,180.8	53.92	15.51	1,904.0	25.62
1900	2,339.7	284.6	12.16	749.9	32.05	1,305.2	55.79	17.11	2,055.1	26.93
1901	2,483.1	307.8	12.39	794.9	32.02	1,380.4	55.59	17.75	2,175.3	27.98
1902	2,563.2	313.9	12.24	837.9	32.69	1,411.4	55.07	17.90	2,249.3	28.43
1903	2,684.7	317.0	11.80	848.0	31.59	1,519.7	56.61	18.88	2,367.7	29.42
1904	2,803.5	284.3	10.14	982.9	35.06	1,536.3	54.80	18.77	2,519.2	30.77
1905	2,883.1	295.2	10.24	987.8	34.27	1,600.1	55.49	19.22	2,587.9	31.08
1906	3,069.9	333.3	10.86	1,010.7	32.92	1,725.9	56.22	20.39	2,736.6	32.32
1907	3,115.6	342.6	11.00	1,106.5	35.51	1,666.5	53.49	19.36	2,773.0	32.22
1908	3,378.8	340.8	10.08	1,362.9	40.34	1,675.1	49.58	19.15	3,038.0	34.72
1909	3,406.3	300.1	8.81	1,444.3	42.40	1,661.9	48.78	18.68	3,106.2	34.93
1910	3,419.5	317.2	9.27	1,414.6	41.37	1,687.7	49.36	18.68	3,102.3	34.33
1911	3,555.9	341.9	9.61	1,545.5	43.46	1,668.5	46.93	17.75	3,214.0	34.20
1912	3,648.8	364.3	9.98	1,563.8	42.86	1,720.7	47.16	17.98	3,284.5	34.34

[1] Public money in national-bank depositaries to the credit of the Treasurer of the United States not included.
[2] Money in banks of island possessions not included.

PLANKS OF DEMOCRATIC AND REPUBLICAN PLATFORMS ON BANKING AND CURRENCY SINCE 1896.

1896.

Democratic.

INTEREST-BEARING BONDS.

We are opposed to the issuing of interest-bearing bonds of the United States in time of peace, and condemn the trafficking with banking syndicates, which, in exchange for bonds and at an enormous profit to themselves, supply the Federal Treasury with gold to maintain the policy of gold monometallism.

AGAINST NATIONAL BANKS.

Congress alone has the power to coin and issue money, and President Jackson declared that this power could not be delegated to corporations or individuals. We therefore denounce the issuance of notes intended to circulate as money by national banks as in derogation of the Constitution, and we demand that all paper which is made a legal tender for public and private debts, or which is receivable for dues to the United States, shall be issued by the Government of the United States, and shall be redeemable in coin.

Republican.

FINANCE.

The Republican Party is unreservedly for sound money. It caused the enactment of the law providing for the resumption of specie payments in 1879; since then every dollar has been as good as gold.

We are unalterably opposed to every measure calculated to debase our currency or impair the credit of our country. We are therefore opposed to the free coinage of silver except by international agreement with the leading commercial nations of the world, which we pledge ourselves to promote, and until such agreement can be obtained the existing gold standard must be preserved. All our silver and paper currency must be maintained at parity with gold, and we favor all measures designed to maintain inviolably the obligations of the United States of all our money, whether coin or paper, at the present standard, the standard of the most enlightened nations of the earth.

1900.

Democratic.

THE CURRENCY BILL DENOUNCED.

We denounce the currency bill enacted at the last session of Congress as a step forward in the Republican policy which aims to discredit the sovereign right of the National Government to issue all money, whether coin or paper, and to bestow upon national banks the power to issue and control the volume of paper money for their own benefit. A permanent national-bank currency, secured by Government bonds, must have a permanent debt to rest upon, and if the bank currency is to increase the debt must also increase. The Republican currency scheme is therefore a scheme for fastening upon the taxpayers a perpetual and growing debt.

We are opposed to this private corporation paper circulated as money but without legal-tender qualities, and demand the retirement of the national-bank notes as fast as Government paper or silver certificates can be substituted for them.

Republican.

FREE COINAGE OF SILVER OPPOSED.

We declare our steadfast opposition to the free and unlimited coinage of silver. No measure to that end could be considered which was without the support of the leading commercial countries of the world. However firmly Republican legislation may seem to have secured the country against the peril of base and discredited currency, the election of a Democratic President could not fail to impair the country's credit and to bring once more into question the intention of the American people to maintain upon the gold standard the parity of their money circulation. The Democratic Party must be convinced that the American people will never tolerate the Chicago platform.

1904.

THE GOLD STANDARD MUST BE UPHELD.

We believe it to be the duty of the Republican Party to uphold the gold standard and the integrity and value of our national currency. The maintenance of the gold standard, established by the Republican Party, can not safely be committed to the Democratic Party, which resisted its adoption, and has never given any proof since that time of belief in it or fidelity to it.

1908.

BANKING.

The panic of 1907, coming without any legitimate excuse, when the Republican Party had for a decade been in complete control of the Federal Government, furnishes additional proof that it is either unwilling or incompetent to protect the interests of the general public. It has so linked the country to Wall Street that the sins of the speculators are visited upon the whole people. While refusing to rescue the wealth producers from spoliation at the hands of the stock gamblers and speculators in farm products, it has deposited Treasury funds, without interest and without competition, in favorite banks. It has used an emergency for which it is largely responsible to force through Congress a bill changing the basis of bank currency and inviting market manipulation, and has failed to give to the 15,000,000 depositors of the country protection in their savings.

We believe that in so far as the needs of commerce require an emergency currency, such currency should be issued and controlled by the Federal Government and loaned on adequate security to national and State banks. We pledge ourselves to legislation under which the national banks shall be required to establish a guaranty fund for the prompt payment of the depositors of any insolvent national bank, under an equitable system which should be available to all State banking institutions wishing to use it.

We favor a postal savings bank if the guaranteed bank can not be secured, and believe that it should be so constituted as to keep the deposited money in the communities where the depositors live. But we condemn the policy of the Republican Party in proposing postal savings banks under a plan of conduct by which they will

We approve the emergency measure adopted by the Government during the recent financial disturbance, and especially commend the passage by Congress of the law designed to protect the country from a repetition of such a stringency. The Republican Party is committed to the development of a permanent currency system responding to our greater needs and the appointment of a national monetary commission by the present Congress which will impartially investigate all the proposed methods and insure the early realization of this purpose.

The present currency laws have fully justified their adoption, but an expanding commerce, a marvelous growth in wealth and population, multiplying the centers of distribution, increasing the demand for the movement of crops in the West and South, and entailing periodic changes in the monetary condition, disclose the need of a more elastic and adaptable system. Such a system must meet the requirements of agriculturists, manufacturers, merchants, and business men in general; must be automatic in operation, minimizing the fluctuations in the interest rates; and all must be in harmony with the Republican doctrine, which insists that every dollar shall be based upon and as good as gold.

POSTAL SAVINGS.

We favor the establishment of a postal savings bank system for the convenience of the people and the encouragement of thrift.

aggregate the deposits of the rural communities and deposit the same while under Government charge in the banks of Wall treet, thus depleting the circulating medium of the producing regions and unjustly favoring the speculative markets.

1912.

BANKING LEGISLATION.

We oppose the so-called Aldrich bill or the establishment of a central bank, and we believe the people of the country will be largely freed from panics and consequent unemployment and business depression by such a systematic revision of our banking laws as will render temporary relief in localities where such relief is needed, with protection from control or dominion by what is known as the Money Trust.

Banks exist for the accommodation of the public and not for the control of business. All legislation on the subject of banking and currency should have for its purpose the securing of these accommodations on terms of absolute security to the public and of complete protection from the misuse of the power that wealth gives to those who possess it.

We condemn the present methods of depositing Government funds in a few favored banks, largely situated in or controlled by Wall Street, in return for political favors, and we pledge our party to provide by law for their deposit by competitive bidding in the banking institutions of the country, national and State, without discrimination as to locality, upon approved securities and subject to call by the Government.

RURAL CREDITS.

Of equal importance with the question of currency reform is the question of rural credits or agricultural finance. Therefore we recommend that an investigation of agricultural credit societies in foreign countries be made, so that it may be ascertained whether a system of rural credits may be devised suitable to conditions in the United States; and we also favor legislation permitting national banks to loan a reasonable proportion of their funds on real estate security.

We recognize the value of vocational education and urge Federal appropriations for such training and extension teaching in agriculture in cooperation with the several States.

BANKING AND CURRENCY.

The Republican Party has always stood for a sound currency and safe banking methods. It is responsible for the resumption of specie payment and for the establishment of the gold standard. It is committed to the progressive development of our banking and currency system. Our banking arrangements to-day need further revision to meet the requirements of current conditions. We need measures which will prevent the recurrence of money panics and financial disturbances and which will promote the prosperity of business and the welfare of labor by producing constant employment. We need better currency facilities for the movement of crops in the West and South. We need banking arrangements under American auspices for the encouragement and better conduct of our foreign trade. In attaining these ends the independence of individual banks, whether organized under national or State charters, must be carefully protected, and our banking and currency system must be safeguarded from any possibility of domination by sectional, financial, or political interests.

It is of great importance to the social and economic welfare of this country that its farmers have facilities for borrowing easily and cheaply the money they need to increase the productivity of their land. It is as important that financial machinery be provided to supply the demand of farmers for credit as it is that the banking and currency systems be reformed in the interest of general business. Therefore we recommend and urge an authoritative investigation of agricultural credit societies and corporations in other countries and the passage of State and Federal laws for the establishment and capable supervision of organizations having for another purpose the loaning of funds to farmers.

LAWFUL MONEY.

Memorandum prepared for the Treasury Department by Mr. Broughton.

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, August 22, 1913.

The terms "lawful money" and "legal tender" are different names for the same thing. The term "lawful money" originated in the act of February 25, 1862, authorizing the issue of United States notes. It was probably used in subsequent acts, because the term was comprehensive and, notwithstanding the fact that gold and silver coins were not then in circulation, it would necessarily embrace them, as well as legal-tender notes, whenever specie payments should be resumed. However, commonly the term "lawful money" has been applied to the United States notes. "Legal tender" is a quality given a circulating medium by Congress, and possessing this quality it becomes "lawful money."

The fact is interesting that the Continental Congress which authorized the issues of Continental currency did not ordain it legal tender, but asked the States to do so; it is stated all did so except Rhode Island.

Act of February 25, 1862, authorizing the issue of United States notes: "* * * and such notes herein authorized shall be receivable in payment of all taxes, internal duties, excises, debts, and demands of every kind due to the United States, except duties on imports, and of all claims and demands against the United States of every kind whatsoever, except for interest upon bonds and notes, which shall be paid in coin, and shall also be lawful money and a legal tender in payment of all debts, public and private, within the United States, except duties on imports and interest as aforesaid."