

Truman L. ...

BOARD OF GOVERNORS
of the
FEDERAL RESERVE SYSTEM

Statement for the Press

For immediate release

June 29, 1949

The authority under which the Board of Governors of the Federal Reserve System issued Regulation W, establishing minimum down payments and maximum maturities for consumer instalment credit, expires June 30, 1949 and the regulation will not be effective after that date. Notice to this effect is being sent to those who, in accordance with the regulation's provisions, have filed registration statements with a Federal Reserve Bank.

The temporary authority granted by Congress for increased reserves likewise expires June 30 and the Board has accordingly revised the supplement to Regulation D, under which the following reserve requirements will be effective with the beginning of the next reserve period (June 30 for central reserve city and reserve city member banks and July 1 for other member banks): Against net demand deposits - 24 per cent for central reserve city member banks, 20 per cent for reserve city member banks, and 14 per cent for other member banks; against time deposits - 6 per cent for member banks of all classes. The changed requirements will result in a reduction of approximately \$800,000,000 in required reserves.