

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

Office Correspondence

Date November 6, 1939To Chairman EcclesSubject: Treasury cash requirementsFrom Henry Edmiston

CONFIDENTIAL

It occurs to me that the summary table below might be helpful to you in connection with the detailed monthly cash requirements table in my memorandum of November 4. For this purpose, I have deducted old age and railroad retirement taxes from cash budget receipts and shown the amounts added to these reserve accounts. The reason why the unemployment trust funds and the old age reserves do not increase quite so much as was shown on the public debt table of the previous memorandum is because of noncash interest payments which are reinvested in special issues.

TREASURY CASH REQUIREMENTS
November 1, 1939, to June 30, 1940
(In millions of dollars)

Cash budget receipts ^{1/}		3,560
Cash budget expenditures		<u>5,610</u>
Cash budget deficit		2,050
Cash nonbudget expenditures		<u>120</u>
Total cash deficit		2,170
Treasury cash balance November 1, 1939		1,190
<u>Add</u>		
U. S. Savings bonds	565	
Unemployment trust funds	425	
Old age and railroad retirement reserves	440	
Net sales of guaranteed obligations	<u>50</u>	
Total	1,480	<u>1,480</u>
<u>Deduct</u>		
Cash deficit above		<u>2,170</u>
Treasury cash balance, June 30, 1940		500

1/ Excluding old age and railroad retirement taxes.