

SIXTEENTH ANNUAL REPORT OF THE
FEDERAL RESERVE BANK OF ATLANTA

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ATLANTA, GEORGIA

DIRECTORS AND OFFICERS
FOR 1931
FEDERAL RESERVE BANK OF ATLANTA

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W. H. KETTIG, <i>Deputy Chairman</i> , Birmingham, Ala.	G. G. WARE, Leesburg, Fla.
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OFFICERS

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H. F. CONNIFF, <i>Deputy Governor</i>	E. P. PARIS, <i>General Auditor</i>
W. S. McLARIN, JR., <i>Assistant Deputy Governor</i>	J. W. HONOUR, <i>Assistant Auditor</i>
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R. A. SIMS, <i>Assistant Cashier</i>	
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P. L. T. BEAVERS, <i>Assistant Cashier</i>	
S. P. SCHUESSLER, <i>Assistant Cashier</i>	
L. M. CLARK, <i>Assistant Cashier</i>	

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Member of Federal Advisory Council

ROBERT S. PARKER, Atlanta, Ga.
General Counsel

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New Orleans, La.

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P. H. SAUNDERS, New Orleans, La.

F. W. FOOTE, Hattiesburg, Miss.

A. P. BUSH, Mobile, Ala.

J. D. O'KEEFE, New Orleans, La.

OFFICERS

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J. A. WALKER, *Assistant Manager*

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F. C. VASTERLING, *Assistant Cashier*

W. E. MILLER, *Assistant Auditor*

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OSCAR WELLS, Birmingham, Ala.
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DIRECTORS

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S. O. CHASE, Sanford, Fla.
FULTON SAUSSY, Jacksonville, Fla.
EDW. W. LANE, Jacksonville, Fla.
ARTHUR F. PERRY, Jacksonville, Fla.
G. G. WARE, Leesburg, Fla.

OFFICERS

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PAUL M. DAVIS, Nashville, Tenn.
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OFFICERS

JOEL B. FORT, JR., *Managing Director*
E. R. HARRISON, *Cashier*
L. W. STARR, *Assistant Cashier*

SAVANNAH AGENCY

J. H. BOWDEN, *Manager*

JAS. A. GOETHE, *Assistant Manager*

HAVANA AGENCY

H. C. FRAZER, *Manager*

A. H. ALSTON, *Assistant Manager*

LETTER OF TRANSMITTAL

Atlanta, Ga., February 11, 1931.

Sirs:

I have the honor to submit herewith the Sixteenth Annual Report of the Federal Reserve Bank of Atlanta, covering the year 1930.

Respectfully,

OSCAR NEWTON,

*Chairman of the Board and
Federal Reserve Agent*

Federal Reserve Board,
Washington, D. C.

GENERAL BUSINESS CONDITIONS

The general business depression of the past year has been reflected in all of the available series of statistics relating to agriculture, business, and industry in the six states which comprise the Sixth Federal Reserve District. Crop values in these states were lower in 1930 than they had been in a number of years, retail and wholesale trade was in smaller volume, production of pig iron and coal was less, and building and construction activity declined to the lowest level indicated in figures which are available for building permits back to 1919, and for contract awards back to 1923.

According to estimates by the United States Department of Agriculture, the value of the principal crops produced in these six states during 1930 was approximately 31 per cent less than in 1929, and was smaller than for any other recent year. These figures are based upon prices prevailing on December 1, which averaged about 24 per cent below those for December 1, 1929. The price of cotton on December 1, 1930, was approximately 42 per cent less than it was a year earlier.

Production of pig iron in Alabama during 1930 was 13 per cent less than in 1929, and lower than in other recent years. Output of bituminous coal in Alabama and Tennessee also declined. Production of electric power by public utility power plants declined 1.4 per cent in 1930 compared with 1929, but was somewhat larger than in other recent years.

Building permit statistics reported to the Federal Reserve Bank by 20 cities in the district declined 40 per cent, and contracts awarded in the district as a whole declined 29 per cent in 1930 compared with the year before, and were less than for any other year in available statistics.

Distribution of merchandise at retail, indicated in sales figures of 41 department stores located throughout the sixth district, declined 9 per cent, and sales by 107 wholesale firms declined 18 per cent, compared with 1929. Sales of life insurance in these six states during 1930 were 9 per cent less than in 1929.

Debits to individual accounts at 26 clearing house centers of the district were 16 per cent smaller during 1930 than in 1929. Daily average demand deposits of all member banks in the district were smaller for each month in 1930 than in the corresponding month of 1929, and daily average time deposits were smaller excepting in October and November than in corresponding months a year earlier.

Principal business indicators relating to the sixth district are summarized in the table following.

	(000 omitted)			
	1930	1929	1928	1927
Value of Principal Crops (1).....\$	834,282	\$ 1,201,286	\$ 1,073,090	\$ 1,091,206
Building Permits at 20 Cities.....\$	43,601	\$ 72,322	\$ 108,075	\$ 114,914
Building and Construction Contracts				
Awarded—District	233,117	\$ 328,594	\$ 330,878	\$ 380,773
Residential Contracts	46,001	\$ 76,461	\$ 106,687	\$ 111,275
All Others	187,116	\$ 252,133	\$ 224,191	\$ 269,498
Commercial Failures—Number (2).....	1,395	1,205	1,547	1,574
Commercial Failures—Liabilities	49,919	\$ 25,145	\$ 32,896	\$ 29,222
Retail Trade—Sales of 41 Dept. Stores....\$	62,859	\$ 69,010	\$ 70,579	\$ 69,932
Wholesale Trade—Sales of 107 Firms.....\$	100,074	\$ 122,656	\$ 120,729	\$ 126,416
Life Insurance Sales (1).....\$	473,987	\$ 521,228	\$ 508,422	\$ 508,339
Fertilizer Sales—Short Tons (1).....	2,747	2,606	2,661	2,033
Debits to Individual Accounts—26 Cities.....\$	13,175,783	\$ 15,713,342	\$ 15,152,479	\$ 15,422,373
Deposits of All Member Banks (3):				
Demand Deposits	498,707	\$ 550,424	\$ 593,646	\$ 622,434
Time Deposits	413,822	\$ 427,978	\$ 463,047	\$ 465,326
Bituminous Coal Production—Tons:				
Alabama	15,240	17,944	17,621	19,766
Tennessee	5,103	5,406	5,611	5,783
Pig Iron Production—Alabama, Tons.....	2,343	2,693	2,540	2,777
Active Furnaces—Alabama (4).....	14	16½	17	19¾
Production of Electric Power, k.w.				
hours—Total (1)	5,623,959	5,703,403	5,139,877	4,765,927
By Use of Water Power—k.w. hrs.	3,470,299	3,585,587	3,279,269	2,728,701
By Use of Fuels—k.w. hrs.....	2,153,660	2,117,816	1,860,608	2,037,226

(1) Combined totals for six states: Alabama, Florida, Georgia, Louisiana, Mississippi and Tennessee. (Parts of Louisiana, Mississippi and Tennessee are situated in other Federal Reserve Districts.)

(2) Actual number of failures—000 not omitted.

(3) December of each year.

(4) Average of monthly figures.

RESULTS OF OPERATION OF THE FEDERAL RESERVE BANK

Comparative Balance Sheets—The total resources and liabilities of the Federal Reserve Bank of Atlanta at the close of business on December 31, 1930, were smaller by \$22,741,000 than at the end of 1929, and were less than at the close of any year since 1923. Total resources and liabilities at the close of 1930 amounted to \$228,102,000, compared with \$250,843,000 a year earlier. Total cash reserves at the end of 1930 were \$159,425,000, and were greater by \$5,908,000 than a year earlier, and \$31,716,000 greater than at the close of 1928. Holdings of discounted bills on December 31, 1930, totaled \$18,068,000, smaller by \$11,279,000 than at the close of 1929, and less than at the end of any year since 1924. Holdings of bills bought in the open market at the close of 1930 amounted to \$15,756,000, and were smaller by \$3,440,000 than at the end of 1929, and were less than half the amount held at the close of 1928. Holdings of United States Government and other securities were less at the end of 1930 than for 1929. Total holdings of bills and securities, amounting to

\$42,301,000, were \$16,187,000 less than for 1929, and were the smallest at the close of any year since 1924. Federal Reserve notes of this bank were in actual circulation at the close of 1930 to the extent of \$133,854,000, smaller by \$9,230,000 than a year earlier, and less than at the end of any year since 1922, and total deposits were somewhat smaller than for other years since 1923. On page 15 of this report are shown comparative balance sheets of the Federal Reserve Bank of Atlanta for the past four years.

Earnings and Expenses—A table presented on page 16 of this report sets forth in detail the various items of income and expenditures, followed by profit and loss statements showing the disposition of earnings of the Federal Reserve Bank of Atlanta, for the past four years.

Total earnings for the year 1930 amounted to \$1,963,724, smaller by \$2,152,325, or 52.3 per cent, than for 1929, and the smallest since 1924. The decrease in earnings is only partly due to the fact that the rediscount rate was lower during 1930 than in 1929, but principally to the decline of 61.8 per cent in the volume of discounts handled. A larger volume of purchased bills was handled during 1930 than in any other year excepting 1925, but earnings from purchased bills were 42 per cent less than in 1929 because of lower rates. Volume of United States security purchases also increased, and earnings from these securities increased 84 per cent over those in 1929.

The cost of current operations of the Federal Reserve Bank during the year 1930, including costs of issue and redemption of Federal Reserve notes, amounted to \$1,372,882, a decrease of 9.3 per cent compared with the total of \$1,513,239 for 1929. Most of this decrease is due to the smaller cost connected with the printing of Federal Reserve notes, as current expenses omitting currency costs show a decrease of 1.1 per cent.

Current net earnings for the year (total earnings less current expenses) amounted to \$590,842, a decline of 77.3 per cent compared with the year 1929, and smaller than for any other year since 1917. After deductions for depreciation on bank premises and on furniture and equipment, reserves for probable losses and other deductions, there remained \$323,307, an amount sufficient to pay the regular dividend of six per cent per annum on the paid-in capital stock of the bank. No change in the surplus account was made, nor was a franchise tax paid to the United States Government for 1930.

MOVEMENT OF PRINCIPAL ASSET AND LIABILITY ITEMS

Total Bills and Securities—The average volume of reserve bank credit outstanding at the Federal Reserve Bank of Atlanta during the year 1930, as indicated by its total holdings of bills and securities, was approximately 37 per cent smaller than during 1929. This decrease was due to the lessened demand on the part of borrowing member banks, as holdings of bills bought in the open market averaged only slightly smaller in 1930 than in 1929, and average holdings of United States securities were more than twice as large. Total bills and securities held by this bank on January 8, the first weekly report date of 1930, amounted to 62.9 millions of dollars. This total was larger than that for any

other Wednesday during 1930. There were only two weekly report dates during 1929 when these total holdings were less than on January 8, 1930, these two dates falling on the last Wednesdays of June and December. From this high point for the year on January 8, these total holdings of bills and securities declined during the first three months of the year and on April 9, when they amounted to 37.6 millions, were smaller than on any other Wednesday during 1930, and were also at the lowest level for any other report date since May 6, 1925. This decline was followed by a sharp increase during the following three weeks, due in part to increased purchases of bills and partly to an increased demand for credit on the part of member banks. During most of the remainder of the year the movement of total bills and securities corresponded rather closely with changes in holdings of discounted bills, and at the close of the year amounted to 42.3 millions. This total is smaller than for most other weeks of the year, excepting only the four Wednesdays March 19 and 26 and April 2 and 9.

Bills Discounted for Member Banks—The decline in the demand on the part of borrowing member banks for reserve bank credit during 1930 is best reflected in the fact that average holdings of discounted paper during 1930 were less than half as large as in 1929. After declining from 76 millions on September 4, 1929, to 29 millions on December 31, this bank's holdings of discounted bills increased the following week, January 8, to 35.6 millions, and then declined during the first three months of the year to 14.5 millions on March 26. This was the lowest point for the year, and was followed by a rather sharp increase the latter part of April and May to 32.8 millions on June 4. There followed a gradual decline to 22.4 millions on November 12, when an increased demand for reserve bank credit resulted in increases in holdings of discounted bills to approximately 33 millions on December 3, higher than for any other Wednesday since January 8. From this point, however, there was a decrease for each of the remaining weeks of December to 18 millions on the last day of the year.

Bills Bought in the Open Market—Holdings of bills bought in the open market fluctuated between 18.5 millions on January 8, followed by a decline to 13.6 millions on April 9, and an increase during the next two weeks to 24.8 millions, the largest total for any Wednesday in the year. These holdings of purchased bills declined from that time to August 6 when, at 6.5 millions, they were the smallest of the year, and increased to 15.8 millions at the end of the year.

United States Securities—Average holdings of United States securities by this bank were more than twice as large during 1930 as in 1929. These holdings have been characterized by small fluctuations, and the changes of consequence have been few.

Cash Reserves—Cash reserves increased during the early weeks of 1930 from 146 millions on January 8 to 165 millions, the highest point for the year, on April 9. There followed a fluctuating decline to the lowest level of the year, at 127.7 millions, on August 27, and a subsequent increase to 159.4 millions at the close of the year.

Member Bank Reserve Deposits—Total member bank reserve deposits averaged slightly smaller during 1930 than in 1929, and fluctuations were not

great. On January 8 they amounted to 63.7 millions; on May 7, at 67 millions, they were larger, and on October 29, at 56.6 millions, they were smaller, than on other report dates of the year, and at the end of the year they amounted to 61 millions.

Federal Reserve Notes in Actual Circulation—On January 8, 1930, Federal Reserve notes of this bank were in actual circulation to the extent of 137.6 millions of dollars. This total was smaller than for any weekly report date after the introduction of the small size currency in July, 1929, up to the close of that year, but was larger than for any other Wednesday in 1930. The volume of notes in circulation declined for most weeks from January through September. A proportionately large increase the first week in October, occasioned by the shipment of approximately 24 millions of currency to Cuba for the account of another Federal Reserve Bank, was followed by declines during the remainder of October as part of these funds were returned. There was an increase in notes in circulation in November and through December 24, followed by a decline during the last week of the year.

Reserve Position—This bank's ratio of total reserves to deposit and Federal Reserve note liabilities combined averaged higher during 1930 than in 1929. On January 8 the reserve ratio was 71.7, the lowest for the year. It rose to 84.6, the highest for the year on April 9, declined to 72.7 on September 10, and was 81.0 at the close of the year.

On page 18 of this report will be found a table showing monthly averages of daily figures for the principal asset and liability items during 1930.

VOLUME OF DISCOUNTS AND PURCHASES OF BILLS AND SECURITIES

The total volume of bills discounted and purchased, United States securities bought in the open market and from other Federal Reserve Banks, and other investment operations of the Federal Reserve Bank of Atlanta during the year 1930 was \$711,037,000. This total is less than one-half as large as for 1929 or 1928, and is also smaller than for other recent years. Discounts were substantially smaller than in 1929 but purchases of bills and securities were somewhat greater.

The smaller demand for reserve bank credit in the sixth district during 1930 is indicated in the fact that the total volume of bills discounted or rediscounted for member banks during the year, not including bills discounted for Federal Intermediate Credit Banks, or discounts for non-member banks secured by adjusted service certificates, amounted to \$510,780,118, smaller by 61.8 per cent than the total of \$1,338,663,200 for 1929, and was also less than in other recent years. The monthly average number of member banks accommodated by the discount of paper during 1930 was 132, compared with 214 in 1929 and with 190 in 1928. Discounts of bills for Federal Intermediate Credit Banks, amounting to \$5,151,250, were less than half as large as in 1929 when they totaled \$10,431,250, and discounts for non-member banks secured by adjusted service certificates increased from \$51,007 in 1929 to \$62,019 in 1930.

Total discounts in 1930 were \$515,993,387, a decrease of 61.8 per cent compared with the total of \$1,349,145,457 for 1929.

Bills bought in the open market and from other Federal Reserve Banks in 1930 totaled \$133,070,629, and were 27 per cent greater than the total of \$104,803,711 for 1929.

During the year 1930 this bank purchased in the open market United States securities amounting to \$23,395,750, and its proportion of the System's purchases through the Special Investment Committee was \$31,181,500. These totals, together with other purchases amounting to \$5,550,000, make the total of United States securities purchased during 1930 amount to \$60,127,250, against \$49,071,000 in 1929. Federal Intermediate Credit Bank debentures were purchased in the amount of \$600,000, and this bank participated to the extent of \$1,245,991 in Investments through Foreign Banks.

VOLUME OF OPERATIONS IN PRINCIPAL DEPARTMENTS

During the year 1930 there were filed with the Federal Reserve Bank of Atlanta 10,100 applications for the rediscount or discount of paper, a decrease of 17.6 per cent compared with the number of applications received in 1929.

There were accepted for rediscount or discount during the year 1930, 63,285 notes amounting to \$515,993,000, a decrease of 15.8 per cent in number, and a decline of 61.8 per cent in amount, compared with corresponding figures for 1929.

Bills purchased in the open market during 1930 numbered 8,660, and amounted to \$124,290,000, showing increases of 24.9 per cent in number, and 18.6 per cent in amount, over bills purchased during 1929.

During 1930 there were received and counted 125,990,910 pieces of currency, amounting in value to \$564,128,000, a decrease of 5.9 per cent in number and a decline of 3.3 per cent in amount, compared with the year before. Coin received and counted during 1930 numbered 70,845,651 and amounted to \$12,787,000, showing increases of 12.6 per cent in number and 43.3 per cent in value, over coin handled during 1929.

Checks handled during 1930 numbered 31,496,000, and amounted in value to \$10,428,054,000, and were 2.5 per cent less in number and 14.4 per cent smaller in value than checks handled during 1929.

The number of government security coupons and other collection items handled during 1930 was 577,754, amounting to \$153,295,000, and were 6.2 per cent fewer in number and 12.7 per cent less in value, than those handled during the year 1929.

Transactions in United States securities by the Fiscal Agency Department during 1930, involving issues, redemptions and exchanges, numbered 34,885 and amounted in value to \$148,902,000, showing a decrease of 34.6 per cent in number, but an increase of 8.1 per cent in value, compared with those handled in 1929.

Transfers of funds during 1930 numbered 84,575, and amounted to \$2,562,525,000, a decrease of 13.6 per cent in number, but an increase of 3.4 per cent in amount, compared with transfers during 1929.

OPERATIONS OF THE FEDERAL RESERVE CLEARING SYSTEM

Transit Operations—During the year 1930 the Federal Reserve Bank of Atlanta handled 29,974,000 items (not including duplications on account of items handled by both the parent bank and one or more of its branches), amounting to \$10,285,873,000. The number of items was smaller by 526,000, or 1.7 per cent, than for 1929, but was larger than for other recent years, and the total amount for 1930 was smaller by \$1,641,464,000 than the total for 1929, and was also less than the total for other recent years. There were decreases in both number and amount of items handled which were drawn on member and par-remitting non-member banks in the sixth district, items drawn on the Federal Reserve Bank and its branches, and items forwarded to other Federal Reserve Banks and their branches, but a small increase in number and amount of items handled which were drawn on the United States Treasurer.

Clearings and Transfers through the Gold Settlement Fund—Each Federal Reserve Bank maintains with the Federal Reserve Board a Gold Settlement Fund for the purpose of expediting the settlement of current transactions between Federal Reserve Districts. Total payments by the Federal Reserve Bank of Atlanta to other Federal Reserve Banks through the Gold Settlement Fund during the year 1930, for clearings and transfers of funds, amounted to \$4,299,214,000, and total receipts from other Federal Reserve Banks through this Fund during 1930 were \$4,253,996,000. Total payments during 1930 were smaller by \$164,750,000 than in 1929, and total receipts declined \$222,388,000. There was a net loss in gold for the year amounting to \$45,218,000, as compared with a net gain during 1929 over the preceding year of \$12,420,000.

MOVEMENT OF MEMBERSHIP

At the beginning of the year 1930 there were 366 national banks and 62 state bank members of the Federal Reserve System in the sixth district, a total of 428 member banks. During 1930 there were two new national banks organized in the district, three state banks were admitted to membership, and five non-member state banks converted into national banks, thereby becoming members. There were, however, during the year numerous other changes in membership due to consolidations, withdrawals, suspensions and other causes, and the net losses for the year were 25 in the number of national banks, and 13 in the number of state bank members, a total reduction of 38 in the number of member banks in this district. These figures, with indications of the different changes affecting membership, are set out in detail in the table.

	<i>National</i>	<i>State</i>	<i>Total</i>
Active member banks on January 1, 1930.....	366	62	428
New national banks organized.....	+ 2		+ 2
Resumption following suspension.....	+ 1		+ 1
State banks admitted to membership.....		+ 3	+ 3
Conversion of non-member state banks to national banks.....	+ 5		+ 5
Conversion of state member bank to national bank.....	+ 1	- 1	
Absorption of state member bank by national bank.....		- 3	- 3
Absorption of national bank by state member bank.....	- 3		- 3
Consolidation of member bank with non-member state bank.....	- 6	- 2	- 8
Consolidations of national banks.....	- 8		- 8
Consolidation of state member banks.....		- 1	- 1
Voluntary withdrawal of state member banks.....		- 4	- 4
Suspensions and insolvency.....	- 17	- 5	- 22
Active member banks on December 31, 1930.....	341	49	390

BANK ORGANIZATION AND PERSONNEL

H. Lane Young, whose term as a Class A director expired December 31, 1930, was re-elected by member banks in Group 1 for the three-year term ending December 31, 1933.

J. A. McCrary, whose term as a Class B director expired December 31, 1930, was re-elected by member banks in Group 2 for the three-year term ending December 31, 1933.

George S. Harris, whose term as a Class C director expired December 31, 1930, was re-appointed by the Federal Reserve Board for the three-year term ending December 31, 1933.

Luke Lea, whose term as a Class B director expires December 31, 1931, resigned on November 14, 1930, and at a special election held in January, 1931, J. B. Hill, of Nashville, Tennessee, was elected for the unexpired portion of Mr. Lea's term.

Oscar Newton was re-appointed by the Federal Reserve Board as Chairman of the Board of Directors and Federal Reserve Agent, and W. H. Kettig was re-appointed Deputy Chairman.

J. P. Butler, of New Orleans, Louisiana, was re-elected member of the Federal Advisory Council from the Sixth Federal Reserve District for the year 1931.

On July 30, L. L. Magruder, Manager of the Havana Agency of this bank, died, and H. C. Frazer was advanced from Assistant Manager to succeed him, and A. H. Alston was elected Assistant Manager.

Creed Taylor, Deputy Governor, died on October 24, and at the November meeting of the Board of Directors, W. S. Johns, formerly General Auditor, was elected Deputy Governor, and E. P. Paris was elected General Auditor.

At the January 1931 meeting of the Board of Directors the resignation of W. S. McLarin, Jr., Managing Director of the Jacksonville Branch, was accepted, and Hugh Foster, formerly Deputy Governor, was elected to succeed him. H. F. Conniff, formerly Assistant Cashier, was elected Deputy Governor to succeed Mr. Foster, and W. S. McLarin, Jr., was elected Assistant Deputy Gov-

error. Other officers of the bank were re-elected at the January meeting for the year 1931.

The number of officers and employees of the Federal Reserve Bank of Atlanta, including its branches and agencies, on January 1, 1930, was 433, and on December 31, 1930, was 423, not including 8 and 10 temporary employees on those respective dates.

DEMAND AND TIME DEPOSITS

All Member Banks in the Sixth District

Net demand and time deposits have been reported monthly to the Federal Reserve Bank of Atlanta by all member banks in the sixth district since April, 1923. Except for declines in the summer of 1923 and 1924, which appear to have been seasonal, and other minor fluctuations, the general trend of net demand deposits rose sharply through November, 1925. Since then there has been a definite downward tendency, except for seasonal increases in the fall of each year, the low point for each year being much below that for the year before. During 1930 the course of demand deposits was definitely downward from February through August, followed by a small gain through November. In December, however, there was a decrease which carried the total to the lowest for any month since September, 1924. Time deposits increased in 1923 and 1924, and sharply in 1925, fluctuating during 1926 at about the level reached in December, 1925, and rising slightly in 1927 and in early 1928 through July, since which time the trend has been downward. These time deposits in 1930 increased from 434 millions in January to 450 millions in May, but since that time have declined each month except one (September) and in December were less than for any other month since August 1925. Prior to 1929 these deposit figures were for a definite date in each month, but beginning with that year they are monthly averages of daily figures. Comparisons for the past four years follow.

	(In millions of dollars)			
<i>Demand Deposits</i>	1930	1929	1928	1927
January	\$571	\$598	\$635	\$636
February	575	597	625	637
March	570	601	621	618
April	564	585	612	615
May	550	569	607	601
June	519	549	597	587
July	513	539	578	575
August	504	524	557	580
September	511	537	551	600
October	511	543	561	607
November	512	545	570	611
December	499	550	594	622
<i>Time Deposits</i>				
January	\$434	\$458	\$465	\$443
February	443	458	461	451
March	443	459	466	453
April	440	449	467	456
May	450	459	472	463
June	447	466	472	460

July	440	462	475	461
August	439	445	472	457
September	441	443	467	458
October	438	436	469	465
November	435	433	467	466
December	414	428	463	465

MOVEMENT OF PRINCIPAL ASSET AND LIABILITY ITEMS OF WEEKLY REPORTING MEMBER BANKS IN SELECTED CITIES

Weekly condition reports of selected member banks in Atlanta and other cities of the district indicate that during 1930 investment holdings of these banks, their loans on securities, and time deposits averaged somewhat larger than in 1929, but demand deposits, "all other" and total loans, and their borrowings from the Federal Reserve Bank, were smaller.

Total loans and investments of these banks on January 8, 1930, the first report date of the year, amounted to 623 millions, declining to 614 millions on March 12, and increasing the following week to 628 millions, the highest total of the year. From this date there was a decline to 584 millions on August 13, followed by an irregular increase to 605 millions on December 17, but on December 31 the low point for the year was reached at 577 millions. Loans on securities increased from 152 millions on January 8 to the high point for the year, at 167 millions, on March 19, but during the remainder of the year the trend was downward, and the lowest point for the year was reached on December 31, at 130 millions. All other loans, which include those for commercial, industrial and agricultural purposes, declined from the high level on January 8, at 347 millions, to 298 millions on August 13; this was followed by an irregular increase to 315 millions on December 24, with a decline to 307 millions on December 31. Investment holdings of these banks in United States Government and other securities increased from 124 millions on January 8 to a high point for the year at 153 millions on December 17, but on December 31 amounted to 140 millions.

Demand deposits of these banks were greatest, at 337 millions, on April 16, and smallest on December 24, at 299 millions, and time deposits increased from 226.5 millions on January 8 to 245 millions on November 12, but on December 31 were 229 millions.

Borrowings by these banks from the Federal Reserve Bank of Atlanta averaged a little less than thirty per cent as large during 1930 as in 1929. These borrowings declined from 25.4 millions on January 8 to 2.4 millions on April 9. There were fluctuations during the balance of the year, increasing to 18.2 millions on December 3 and falling to 12 millions on December 31.

NOTE—More detailed statistics concerning the operations of the Federal Reserve Bank of Atlanta, and of member banks in the sixth district, are carried in the Annual Report of the Federal Reserve Board which will be issued at a later date.

CONDITION OF FEDERAL RESERVE BANK OF ATLANTA

(IN THOUSANDS OF DOLLARS)

RESOURCES

	Dec. 31, 1930	Dec. 31, 1929	Dec. 31, 1928	Dec. 31, 1927
Gold with Federal Reserve Agent	\$129,900	\$126,880	\$ 96,377	\$145,772
Gold redemption fund with United States Treasury	2,237	2,669	3,974	1,688
Gold held exclusively against F. R. Notes	\$132,137	\$129,549	\$100,351	\$147,460
Gold settlement fund with F. R. Board	10,803	5,604	12,856	11,791
Gold and gold certificates held by bank	7,907	4,438	5,139	8,078
Total gold reserve	\$150,847	\$139,591	\$118,346	\$167,329
Reserves other than gold	8,578	13,926	9,363	11,946
Total reserves	\$159,425	\$153,517	\$127,709	\$179,275
Non-reserve cash	4,693	5,559	4,178	4,371
Bills discounted:				
Secured by U. S. Government obligations	\$ 487	\$ 2,680	\$ 9,467	\$ 8,053
Other bills discounted	17,581	26,667	31,553	20,149
Total bills discounted	\$ 18,068	\$ 29,347	\$ 41,020	\$ 28,202
Bills bought in open market	15,756	19,196	32,002	2,238
U. S. Government securities:				
Bonds	\$ 523	\$ 1,173	\$ 1,564	\$ 5,971
Treasury notes	4,380	3,377	4,311	893
Certificates and bills	2,974	5,395	1,380	6,721
Total U. S. Government securities	\$ 7,877	\$ 9,945	\$ 7,255	\$ 13,585
Other securities	600	—	—	260
Total bills and securities	\$ 42,301	\$ 58,488	\$ 80,277	\$ 44,286
Uncollected items	\$ 12,846	\$ 26,748	\$ 22,454	\$ 26,545
Bank premises	2,573	2,658	2,744	2,823
All other resources	6,263	3,873	1,520	1,361
Total resources	\$228,102	\$250,843	\$238,882	\$258,662
LIABILITIES				
F. R. Notes in actual circulation	\$133,854	\$143,084	\$134,966	\$144,097
Deposits:				
Member bank-reserve account	61,014	62,895	63,385	73,243
Government	1,211	2,485	1,944	1,532
Foreign banks	207	219	273	190
Other deposits	479	164	140	170
Total deposits	\$ 62,911	\$ 65,763	\$ 65,742	\$ 75,135
Deferred availability items	\$ 13,130	\$ 23,907	\$ 21,361	\$ 23,981
Capital paid in	5,346	5,384	5,231	5,175
Surplus	10,857	10,857	10,554	9,996
All other liabilities	2,004	1,848	1,028	278
Total liabilities	\$228,102	\$250,843	\$238,882	\$258,662
Ratio of total reserves to deposit and Federal reserve note liabilities combined (per cent).....				
	81.0	73.5	63.6	81.8
Contingent liability on bills purchased for foreign correspondents.....				
	\$ 15,642	\$ 21,320	\$ 13,567	\$ 9,380

EARNINGS AND EXPENSES OF THE FEDERAL RESERVE BANK OF ATLANTA

EARNINGS	1930	1929	1928	1927
Discounted bills	\$1,087,248	\$3,091,399	\$2,529,951	\$1,254,629
Purchased bills	417,294	716,782	687,533	332,593
United States securities.....	315,989	171,667	245,502	290,218
Deficient reserve penalties.....	24,139	39,735	32,996	25,900
Miscellaneous	119,054	96,466	82,174	164,499
Total earnings	<u>\$1,963,724</u>	<u>\$4,116,049</u>	<u>\$3,578,156</u>	<u>\$2,067,839</u>
CURRENT EXPENSES				
Salaries:				
Bank Officers	\$ 237,239	\$ 231,917	\$ 207,184	\$ 201,992
Clerical Staff	417,748	419,257	405,562	408,533
Special Officers	45,842	44,675	36,511	35,217
All other	35,516	38,788	37,656	39,408
Governors' Conferences	134	280	398	282
Federal Reserve Agents' Conferences.....	122	102	67	136
Federal Advisory Council.....	944	1,438	1,089	945
Directors' Meetings	23,223	24,358	22,651	23,243
Traveling expenses (1).....	22,676	19,006	19,368	17,582
Assessments for Federal Reserve Board expenses	29,398	30,499	28,590	32,177
Legal fees	8,222	8,186	11,323	9,144
Insurance (other than on currency and security shipments)	26,013	24,758	24,374	21,474
Insurance on currency and security shipments	46,241	42,624	35,600	33,167
Taxes on banking house.....	62,328	64,152	61,045	57,429
Light, heat and power.....	16,768	15,393	15,182	13,949
Repairs and alterations, banking house.....	12,044	8,501	18,891	7,013
Rent	5,351	5,379	6,120	5,626
Office and other supplies.....	20,275	26,317	21,659	20,482
Printing and stationery.....	28,557	29,511	30,321	29,354
Telephone	8,015	7,878	6,243	6,159
Telegraph	73,700	70,674	64,419	63,635
Postage	93,998	113,970	99,074	99,785
Expressage	39,591	42,505	36,918	31,692
Miscellaneous	38,367	36,219	35,620	36,966
Total exclusive of cost of currency.....	<u>\$1,292,312</u>	<u>\$1,306,387</u>	<u>\$1,225,865</u>	<u>\$1,195,390</u>
Federal reserve currency, including shipping charges:				
Original cost	\$ 71,057	\$ 199,393	\$ 19,914	\$ 59,861
Cost of redemption.....	9,513	7,459	7,355	8,905
Total current expenses	<u>\$1,372,882</u>	<u>\$1,513,239</u>	<u>\$1,253,134</u>	<u>\$1,264,156</u>
PROFIT AND LOSS ACCOUNT				
Earnings	\$1,963,724	\$4,116,049	\$3,578,156	\$2,067,839
Current expenses	1,372,882	1,513,239	1,253,134	1,264,156
Current net earnings.....	<u>\$ 590,842</u>	<u>\$2,602,810</u>	<u>\$2,325,022</u>	<u>\$ 803,683</u>

Additions to current net earnings.....	\$ 37,985	\$ 5,360	\$ 5,462	\$ 956
Deductions from current net earnings:				
Bank premises—depreciation	\$ 85,828	\$ 85,828	\$ 85,673	\$ 85,008
Furniture and equipment.....	11,934	38,225	49,980	48,460
Reserve for probable losses.....	194,990	696,500	403,018	—
All other	12,768	359,099	97,829	1,267
Total deductions	\$ 305,520	\$ 1,179,652	\$ 636,500	\$ 134,735
Net earnings available for dividends, surplus and franchise tax.....				
	\$ 323,307	\$ 1,428,518	\$ 1,693,985	\$ 669,904
Dividends paid	\$ 323,307	\$ 321,696	\$ 312,259	\$ 305,817
Transferred to surplus account.....	—	303,032	558,425	364,087
Franchise tax paid U. S. Government.....	—	803,790	823,301	—

REIMBURSABLE FISCAL AGENCY
EXPENSES

Salaries	\$ 5,280	\$ 5,130	\$ 5,289	\$ 5,220
All other	1,962	1,235	2,321	2,886
Total	\$ 7,242	\$ 6,365	\$ 7,610	\$ 8,106

(1) Other than those connected with governors' and agents' conferences and meetings of directors and of the advisory council.

FEDERAL RESERVE BANK OF ATLANTA

Monthly averages of daily figures—in millions

HOLDINGS OF BILLS AND SECURITIES																
	<i>Bills Discounted</i>		<i>Bills Bought</i>		<i>U. S. Securities</i>		<i>Total Bills and Securities</i>		<i>Cash Reserves</i>		<i>F. R. Note Circulation</i>		<i>Member Bank Reserve Deposits</i>		<i>Reserve Ratio</i>	
	1930	1929	1930	1929	1930	1929	1930	1929	1930	1929	1930	1929	1930	1929	1930	1929
Jan.	32	59	19	28	9	5	59	92	149	114	135	130	65	67	73.7	57.2
Feb.	25	56	19	21	9	4	53	81	153	126	132	130	64	68	76.9	63.3
March	22	52	17	13	9	4	48	68	158	146	132	138	65	68	80.0	70.4
April	19	64	20	9	9	4	48	77	157	133	129	135	65	66	79.5	65.6
May	28	73	18	8	9	3	54	85	146	120	127	133	63	65	75.9	60.5
June	30	66	10	8	10	4	50	77	148	125	127	129	61	63	77.6	64.1
July	29	69	9	6	11	3	49	78	139	133	119	141	61	62	76.3	64.8
Aug.	30	75	8	6	13	3	51	84	133	135	115	153	59	60	75.1	62.7
Sept.	28	70	12	13	13	3	53	86	131	139	115	157	60	61	74.4	62.4
Oct.	25	58	11	23	13	4	48	85	143	142	122	155	60	62	77.7	64.2
Nov.	27	59	10	23	10	8	47	91	145	133	123	154	59	61	78.5	61.2
Dec.	30	43	14	19	8	9	52	71	143	149	129	148	58	63	75.7	70.1

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VOLUME OF OPERATIONS IN PRINCIPAL DEPARTMENTS

FEDERAL RESERVE BANK OF ATLANTA

<i>Number of Pieces Handled</i>	1930	1929	1928	1927
Bills discounted:				
Applications	10,100	12,255	10,259	7,110
Notes discounted	63,285	75,189	60,473	47,155
Bills purchased in open market for own account..				
	8,660	6,931	9,268	5,828
Federal Intermediate Credit Bank Debentures bought under repurchase agreement				
	1	—	—	—
Currency received and counted				
	125,990,910	133,934,704	122,279,626	121,378,000
Coin received and counted				
	70,845,651	62,926,922	60,994,041	61,760,000
Checks handled				
	31,496,000	32,305,000	31,384,000	31,904,000
Collection items handled:				
U. S. Gov't coupons paid..	411,777	452,395	663,108	827,000
All other	165,977	163,671	154,739	158,000
U. S. securities—issues, redemptions and exchanges by Fiscal Agency department				
	34,885	53,311	169,416	138,000
Transfers of funds.....				
	84,575	97,924	85,470	76,000
<i>Amounts Handled</i>				
Bills discounted	\$ 515,993,000	\$ 1,349,145,000	\$ 1,326,634,000	\$ 667,521,000
Bills purchased:				
Bills purchased in open market for own account	124,290,000	104,804,000	96,854,000	63,315,000
Participation in investments through foreign banks	1,246,000	—	—	—
Federal Intermediate Credit Bank Debentures bought under repurchase agreement				
	600,000	—	—	—
Currency received and counted				
	564,128,000	583,131,000	536,362,000	538,462,000
Coin received and counted..				
	12,787,000	8,923,000	8,249,000	8,250,000
Checks handled				
	10,428,054,000	12,182,513,000	11,975,832,000	12,360,424,000
Collection items handled:				
U. S. Gov't coupons paid	5,911,000	6,371,000	6,074,000	6,737,000
All other	147,384,000	169,231,000	163,213,000	166,884,000
U. S. securities—issues, redemptions and exchanges by Fiscal Agency department				
	148,902,000	137,713,000	236,759,000	173,076,000
Tranfers of funds.....				
	2,562,525,000	2,477,543,000	2,296,725,000	2,281,756,000