

**FOURTH ANNUAL REPORT**  
**OF THE**  
**FEDERAL RESERVE BANK**  
**OF BOSTON**

**FOR THE YEAR ENDED DECEMBER 31, 1918**



**WASHINGTON**  
**GOVERNMENT PRINTING OFFICE**  
**1919**



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**LETTER OF TRANSMITTAL.**

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FEDERAL RESERVE BANK,  
*Boston, Mass., January 15, 1919.*

SIR: I have the honor to submit herewith the fourth annual report of the Federal Reserve Bank of Boston covering the operations of that bank for the period from January 1, 1918, to December 31, 1918.

Respectfully, yours,

FREDERIC H. CURTISS,  
*Chairman and Federal Reserve Agent.*

Hon. W. P. G. HARDING,  
*Governor, Federal Reserve Board,*  
*Washington, D. C.*

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## FEDERAL RESERVE BANK OF BOSTON.

### *Directors.*

PHILIP R. ALLEN, East Walpole, Mass.	EDWARD S. KENNARD, Rumford, Me.
THOMAS P. BEAL, Boston, Mass.	JESSE H. METCALF, Providence, R. I.
FREDERIC H. CURTISS, Chairman, Boston, Mass.	EDMUND R. MORSE, Proctor, Vt.
THOMAS W. FARNUM, New Haven, Conn.	CHARLES G. WASHBURN, Worcester, Mass.
ALLEN HOLLIS, Deputy Chairman, Concord, N. H.	

ARTHUR H. WEED, Secretary.

### *Officers.*

CHARLES A. MORSS, Governor.	FREDERIC H. CURTISS, Federal Reserve Agent.
CHARLES E. SPENCER, Jr., Deputy Governor.	RUSSELL B. SPEAR, Assistant Federal Reserve Agent.
CHESTER C. BULLEN, Deputy Governor and Cashier.	HARRY A. SAUNDERS, Assistant Cashier.
FRANK W. CHASE, Assistant Cashier.	I. WALLACE SWEETSER, Assistant Cashier.
WILLIAM N. KENYON, Assistant Cashier.	WILLIAM WILLETT, Assistant Cashier.
ERNEST M. LEAVITT, Assistant Cashier.	HARRY F. CURRIER, Auditor.



# FOURTH ANNUAL REPORT OF THE FEDERAL RESERVE BANK OF BOSTON.

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## INTRODUCTION.

The past year, the second of the Nation's participation in the war, has produced marked changes in the character of the industrial and financial activities of the New England district.

As the year progressed the increasing demands of the Government for carrying on the war have by degrees taken precedence over those for civilian purposes, so that on November 11, at the time of the signing of the armistice, the energies and resources of this community were largely directed and subservient to the successful prosecution of the war.

During the year there have been placed in New England, through the banks of the district, over \$1,000,000,000 of Government securities—Treasury certificates, Liberty loans, and war-savings certificates, besides over \$300,000,000 of Federal taxes collected. These loans and taxes have been financed where necessary through rediscounts with the Federal Reserve Bank of Boston. That these sums have been raised without undue financial disturbance, and that the loaning rates for money have been kept steady and not unduly high is an indication of the satisfactory operations of the Federal Reserve Bank and the Federal Reserve system.

Schedule 4 shows the fiscal operations of the Government during the year.

## FINANCIAL RESULTS OF OPERATION.

The increased demands by member banks for rediscounts and loans to finance Government needs have brought large earnings to the Federal Reserve Bank. The net earnings for the year 1918 distributable, after making allowance for depreciation, amounted to \$3,305,000.

Dividends at the rate of 6 per cent per annum were declared on June 6, 1918, and December 5, 1918, payable to stockholding banks as of June 30, 1918, and December 31, 1918. These dividends amounted in the aggregate to \$384,000. Of the surplus earnings one-half, or \$1,460,500, was carried to the bank's surplus account, and an equal amount was set aside as a reserve for the payment of the franchise tax to the United States Government as required by the Federal Reserve Act.

Schedules 1 and 2 show earnings in detail as compared with the year 1917.

Schedule 3 shows a comparative statement of the condition of the bank on December 31, 1917, and December 31, 1918. The important changes in the balance sheet will be referred to under the proper headings in this report, the increase in most of the items clearly indicating the enlarged activities of the bank.

#### GENERAL BUSINESS AND BANKING CONDITIONS IN THE DISTRICT.

As the year 1918 advanced the pressure of the Government to meet war demands became increasingly heavy. Both business men and bankers were urged to give preference to industries essential to the prosecution of the war and to Government and other essential securities, and eventually the Government needs became so great that Federal control was necessary. Early in January the Capital Issues Committee assumed jurisdiction over the issue of new securities, and later, through the War Industries Board and other boards, labor and material were conserved for the Government's use.

Although Government regulations, price fixing, and constant demands for money have brought unusual burdens, banks and merchants have, with but few exceptions, made unprecedented profits. The competition for labor, skilled and unskilled, has also proved a serious problem and has forced wages to a plane hitherto unknown. Unrest and inefficiency of labor have been pronounced during this period, employees leaving one industry to go to another offering higher pay and refusing to remain steadily employed.

Money rates, during the year, both time and demand, for commercial needs, have remained practically steady at 6 per cent, being influenced by the rates charged by the Federal Reserve Bank. Rates on loans secured by Government bonds varied from  $4\frac{1}{4}$  per cent to 5 per cent, being similarly influenced.

Immediately after the armistice, the Government began canceling many of its war contracts, and the manufacturer was brought face to face with the readjustment of his business to a peace basis. Peace, however, found domestic business quite generally in a satisfactory state, low inventories being prevalent with the manufacturer, wholesaler, and retailer. The large amount of raw material held by the Government, the uncertainty of the future trend of demand for raw material from foreign countries, together with the prevailing high prices both for labor and material, have resulted in a considerable slowing down of industrial activities, and are causing business to await future developments before going ahead.

The demand of the Government for money to settle its contracts and to support the large Army still in camps in this country and

overseas is so great that the banks are being called upon continuously to subscribe to war loans and have been increasing their demands for rediscounts with the Federal Reserve Bank.

It is expected that after the first of the year 1919, with the accumulation of investment money, the banks of the district will have more money to lend, but unless there should be a heavy recession in general business not looked for at the present time rates are not expected to be materially lower until after the next Liberty loan.

#### DISCOUNT OPERATIONS.

The bulk of loan operations of the Federal Reserve Bank of Boston during the year 1918 was made up of borrowings on account of Government financing. As will be seen from the appended schedules, borrowings for commercial purposes have been comparatively small. Boston banks have become accustomed to borrow large amounts on notes secured by Government obligations for short periods, usually one day, whenever their reserve requirements necessitated temporary replenishing.

The total loans of the Federal Reserve Bank at the end of 1917, including notes and acceptances rediscounted with other Federal Reserve Banks or sold with this bank's indorsement, amounted to about \$120,000,000. On February 12, 1918, this loan account had been reduced to about \$62,000,000, and although later temporarily increased, further liquidation by member banks brought the loan account down on May 16 to about \$58,000,000, which was the low point of the year. During the next few weeks the Federal Reserve Bank rediscounted for other Federal Reserve Banks, but these rediscounts never at one time exceeded \$10,000,000.

From May 16 to the end of the year there was a steady increase in the bank's loans, a material expansion being shown between June 27 and July 11, when \$148,000,000 of redeposits in connection with the Federal taxes were withdrawn from member banks. Although the high point reached at that period was somewhat reduced, from August 17 there was a steady increase in the bank's loan account, owing to the withdrawal of Government funds deposited in connection with the Liberty loan, reaching \$157,000,000 on November 1, when rediscounts were resorted to with other Federal Reserve Banks. From that time to the end of the year this bank, in order to maintain its reserve more nearly on a parity with that of the Federal Reserve system, was obliged from time to time to rediscount member bank loans, or sell acceptances to other Federal Reserve Banks. Schedule 5 shows rediscounts with other Federal Reserve Banks.

The demands for accommodation from member banks, because of Government withdrawals, were very large during this period, the loans increasing to \$165,000,000 on November 12, and to \$168,000,000

on November 28. The latter was the highest point reached during the year. It is estimated that if there had not been recourse to other Federal Reserve Banks the loans would have reached a high point of \$232,000,000 on December 13. Schedules 6 and 7 and accompanying charts contain detailed figures covering all fluctuations.

#### TRADE ACCEPTANCES.

Very satisfactory progress has been made during the past year in the use of trade acceptances by the merchants in the New England district.

While it is difficult to procure accurate information as to the character of this development, the records of the Federal Reserve Bank show a large increase in the number and volume of trade acceptances that have been offered for rediscount by the member banks of the district. Trade acceptances have for the most part been received for rediscount from the out-of-town banks, the large Boston banks as a rule not being inclined to encourage their use. On the other hand, there has been a considerable increase in the different lines of trade which have found this character of financing attractive.

The bank has, as in the past, maintained a differential rate in favor of the trade acceptance as compared with the ordinary commercial bill.

#### BANKERS' ACCEPTANCES.

The past year has shown a marked growth, both in number and volume, of bankers' acceptances created by banks in this district. While it is not practicable to show the increase in volume of acceptances created by all the banks in the district, the increase in those of national banks is shown by Schedule 8.

Fully as important, however, is the satisfactory progress that has been made in creating a broader market, not only for the acceptances originating in this district, but also for those created by banks elsewhere in the country. To encourage this distribution, during the past year, the Federal Reserve Bank has maintained differential rates between indorsed and unindorsed bills and has discouraged the direct offering of bills by the accepting banks, taking such acceptances only as rediscounts and at the discount rate ruling for other commercial paper, while at the same time holding itself open to purchase the same bills at current rates, even though unindorsed, from brokers and other banks than the accepting banks.

A differential has also been maintained by the Federal Reserve Bank between indorsed and unindorsed bills, and on bills of varying maturities, encouraging the offering of short-time bills to the Federal Reserve Bank.

To encourage brokers to handle acceptances, the Federal Reserve Bank has made advances to them on acceptances with agreements to repurchase. These advances have been made on favorable terms, and this practice has also been adopted by several of the larger Boston banks. This policy has tended to distribute acceptances more freely, not only into the portfolios of large city banks, but also to out-of-town banks, both commercial and savings. The Massachusetts savings banks have taken advantage of the law passed last May which allows such investments.

Frequent conferences with officials of accepting banks have not only brought about a more satisfactory character of acceptance but have also been a benefit in developing a policy which has materially broadened their market.

It would appear desirable to have a policy adopted by Federal Reserve Banks with reference to bankers' acceptances, so that on the date of payment the proceeds would be available as reserve funds by the holding bank.

During the year the number of accepting national banks has increased from 32 to 40 and, as will be seen by Schedule 10, six additional banks have been given the special privilege of accepting up to 100 per cent of their capital and surplus.

#### UNITED STATES SECURITIES.

The holdings of United States securities have shown several changes during the year. Early in the year member banks, having purchased certificates of indebtedness and wishing to obtain funds for short periods, sold small amounts to this bank with their agreement to repurchase, but after a few months the practice was discontinued.

In connection with the handling of subscriptions to the first Liberty loan, there was allotted to this bank \$2,600,000 of 3½ per cent bonds in excess of the subscriptions received. On June 29, 1918, on vote of the directors of the bank, these were taken over from the Treasury Department and paid for. On July 8, \$2,000,000 were sold to the War Finance Corporation. During the balance of the year, several sales were made until the bank had disposed of its entire holdings.

Several small amounts of Liberty loan bonds of different issues were taken over by the bank from one source or another, until at the end of the year our holdings, exclusive of bonds sold on the installment plan, amounted to about \$8,000. There were also \$529,000 conversion 3s remaining unsold from the conversion of 2 per cent bonds into 3 per cent bonds and one-year notes.

It has been the policy of the Government during the current year to pay its one-year notes on maturity instead of renewing, as it is

privileged to do. Of the \$1,416,000 United States notes held at the close of last year, \$750,000 matured October 1, 1918, and were paid. As these had been pledged to secure Federal Reserve bank notes, a like amount of one-year 2 per cent certificates of indebtedness was purchased and pledged in their place. In addition there have been purchased \$6,000,000 2 per cent certificates of indebtedness to be pledged against Federal Reserve bank note circulation, making the total amount of notes and certificates so pledged at the end of the year \$7,416,000.

During December, anticipating withdrawals from Government depositaries, the Treasurer of the United States on several occasions sold to the Federal Reserve Bank one and two day 2 per cent certificates of indebtedness, the proceeds being credited to his account. The largest amount held at any one time was \$18,000,000, the total so purchased being \$67,000,000.

#### RESERVE POSITION.

Enlargement of the bank's activities has had the effect of causing marked fluctuations in its reserve position, as shown by Schedule 11 and accompanying charts.

The amount of gold held by the bank has varied widely but with a decided upward tendency. Banks in this district, both member and nonmember, have turned over their gold freely to the Boston Federal Reserve Bank, taking Federal Reserve notes in exchange.

Several conflicting factors account prominently for the reserve fluctuations: First, the increase in gold holdings mentioned above; second, the large increase in required reserves due to larger net deposits and increased note issues; third, the heavy rediscounts by member banks following Government withdrawals of funds on deposit with member and nonmember banks; fourth, the placing of call loans in New York City by banks holding large Government deposits and the consequent temporary losses by this bank of gold, through the settlement fund.

From the end of August until the close of the year there was a downward tendency in the reserve position of the bank, due to the expansion of the bank's loan account and to the increase in Federal Reserve notes outstanding. The former condition was brought about through large transfers by the Government to other Federal Reserve districts to meet its heavy payments, causing a loss of gold, and the latter was caused by increased need for circulation, requiring larger gold reserves.

#### MOVEMENT OF MEMBERSHIP.

The movement to convert national banks into nonmember trust companies, so prevalent in this district in the early days of the

Federal Reserve system, has entirely abated and several of the banks which gave up national bank charters to operate under State laws have made application and been admitted to membership in the Federal Reserve Bank of Boston during the year. The only bank to surrender its entire holdings of Federal Reserve Bank stock was the Yale National Bank, of New Haven, which consolidated with the First National Bank of New Haven.

Three new national banks have commenced business and 18 trust companies have been admitted to membership, making a net increase in members of 20. The total number of member banks at the end of 1918 was 423, holding 133,835 shares of stock, compared with 403 banks, holding 117,169 shares at the end of 1917.

#### RELATIONS WITH NATIONAL-BANK MEMBERS.

Continued progress has been made during the past year in developing a closer relationship between the Federal Reserve Bank and its members. The payment by the Federal Reserve Bank of shipping charges on currency, assumption of the cost of telegrams, and free collections of checks and other items have been appreciated by all member banks.

In order to maintain closer relations with those banks located in Vermont and New Hampshire, E. A. Davis, cashier of the National White River Bank, of Bethel, Vt., was procured to act as the representative of this bank in that section and to instruct the bank's members regarding the various facilities available for their use.

The fullest cooperation in the matter of placing Liberty loans and certificates of indebtedness has been secured both from members and nonmembers, and member banks have not hesitated to seek rediscounts when their needs demanded.

Applications for fiduciary powers were received from numerous national banks during the first part of the year, and with the amendments of the Federal Reserve Act in September, allowing an increased scope, many banks which had formerly been granted the limited powers allowed, applied for the additional powers now available. Schedules 16 and 17 show the banks given these special powers.

#### RELATIONS WITH STATE BANKS AND TRUST COMPANIES.

As in the case of the national banks, the activities of this bank as fiscal agent have brought it into closer touch with the trust companies during the year.

The larger banks have been favorably inclined toward the system and many have made application and been admitted to membership. During the year 18 trust companies became members, making over 65 per cent of the resources of eligible trust companies represented in the system.

Several reasons can be ascribed for the failure of others to become members, the principal ones being (1) The banking laws of several of the New England States are not such as to encourage membership in the reserve system; (2) the character of the business of many trust companies is more nearly that of savings banks than commercial banks, and as such membership is not particularly attractive either from the viewpoint of the bank or of the Federal Reserve system; (3) Some banks are waiting for neighboring banks to move first; (4) Many of the smaller banks have not as yet given the matter sufficient study to realize the possibilities to themselves as members.

Liberty loan operations have caused many nonmembers to borrow from the Federal Reserve Bank through members, and this has resulted in bringing them to appreciate more fully the services rendered by this bank to the community.

During the last few months much interest has been manifested in membership by medium-sized and small trust companies, and several applications have been received. Schedule 14 shows all member trust companies.

#### CREDIT DEPARTMENT AND BANK EXAMINATIONS.

The credit department, in so far as it pertains to commercial credits, has increased its scope but little during the year. Statements on all notes or trade acceptances of over \$5,000 are required, but no attempt has been made to give the service of checking credits to member banks. Accepting banks and bankers have been investigated, and where their bills have been purchased unindorsed they have been required to furnish statements.

The nucleus of an examining department has been established and is working in conjunction with the credit department. Statements of condition of member banks are carefully analyzed and every attempt made to keep in close touch with their condition. State member banks are either examined annually by this bank's examining department, or a representative participates in the examination by the State authorities or public accountants, although in some cases the examinations of State banking departments have been accepted without participation.

#### DEPOSITS.

Member bank deposits with this bank have shown a steady increase throughout the year, having expanded from about \$80,000,000 at the end of 1917 to an average of about \$100,000,000 toward the end of 1918. This has been due to increase in membership by the admission of trust companies during the year and the increase which member banks in general have had in their own deposits, necessitating the carrying by them of larger reserves.

Taken as a whole, little trouble has been experienced in having member banks maintain the required reserves, although at times members have been inclined to allow their accounts to drop below the requirements, taking care to see that their balances were built up during the month so that no average deficiency occurred. It may be found desirable at an early date to obtain weekly instead of monthly reports of required reserve. The policy of penalizing those which have insufficient reserves has been continued throughout the year.

#### PERIODIC REPORTS REGARDING MEMBER BANKS

The system of weekly reports of member banks in the larger centers, begun late last year, has been continued. Weekly reports of clearings of banks in the principal cities of the district are received each week.

There have been four calls by the Federal Reserve Board for conditions of member trust companies during the year and six calls by the Comptroller of the Currency for the conditions of national banks. Copies of these reports have been received by the Federal Reserve Bank.

A report of at least two examinations of each national bank is received each year from the chief national bank examiner, and at least one examination is made of each other member, as mentioned elsewhere.

#### FISCAL AGENCY OPERATIONS FOR TREASURY DEPARTMENT.

##### CERTIFICATES OF INDEBTEDNESS AND GOVERNMENT DEPOSITS.

Fiscal operations of the Government have been a more dominant factor in the activities of the Federal Reserve Bank than in any previous year, becoming increasingly heavy as the year advanced and as participation of the country in the European war became greater. Throughout the entire year, as will be seen by Schedule 22, the Treasury Department made offerings of United States certificates almost fortnightly—certificates issued in anticipation of the payment of taxes and those to be refunded by Liberty loan bonds. As regards issues other than those for tax purposes, each Federal Reserve district was allotted an amount based on a percentage of its banking resources. To handle these frequent offerings, a committee was formed, consisting of Storer P. Ware, chairman; Charles A. Morss, governor; and Frederic H. Curtiss, Federal Reserve agent. This committee was supplemented by representatives from 16 centers in the district. The committee urged every bank to set aside 2½ per cent of its resources every two weeks to invest in certificates, and in time most of the banks were able to adopt this program. Schedule 23 shows the amount of subscriptions in the district.

Many subscribing banks paid for their certificates by crediting the Government on their books, deposits being secured by collateral as specified by the Treasury Department. These deposits were gradually withdrawn by the Government and placed on deposit with the Federal Reserve Bank, being checked against or transferred by the Government, as needed. At each withdrawal, which was on a uniform percentage basis from each bank, members financed themselves when necessary through rediscounting with the Federal Reserve Bank. Fluctuations of rediscounts in the Federal Reserve Bank, shown by chart D, illustrate graphically how this demand was met. A similar method of financing was adopted in connection with the payment of Federal taxes on June 15. These taxes amounted in New England to over \$300,000,000. These payments falling largely on the Boston banks, a great part of the receipts was deposited with those banks, proportionate to the amount drawn on each. These deposits were likewise secured by collateral and gradually withdrawn. Schedules 24 and 25 and accompanying chart show details of Government deposits.

#### FLOTATION OF LIBERTY LOANS.

The organization built up during the first and second campaigns was maintained and further improved to handle the third and fourth Liberty loans.

The chairman of the Liberty loan committee was the governor of the Federal Reserve Bank of Boston, Charles A. Morss. The active management was in the hands of N. Penrose Hallowell, executive chairman; J. R. Macomber, assistant executive chairman; James Dean, chairman of distributing committee; and Mrs. F. L. Higginson, chairman of the women's committee.

The handling of these loans and other fiscal operations has required a large increase in the banking force and accommodations. Details of the loans are contained in Schedules 26 to 34.

The epidemic of influenza which continued until almost the end of the fourth Liberty loan campaign prevented all forms of public demonstrations, which had proved so effectual in previous campaigns, and other methods to stimulate subscriptions had to be adopted. Individual solicitations had to be increased and the Federal Reserve Bank established a 4 per-cent 90-day rate on rediscounts of loans on bonds of the fourth Liberty loan in order to stimulate subscriptions against future income.

The quota allotted to this district for the third campaign was \$250,000,000 and for the fourth campaign, \$500,000,000. The subscriptions received were \$354,537,250, or 141 per cent, and \$632,221,850, or 126 per cent, respectively.

## WAR-SAVINGS CERTIFICATES.

Until November 15, 1918, the war-savings campaign was conducted by the Treasury Department. The Federal Reserve Bank simply carried and distributed stamps to the qualified agents. Early in November, acting under instructions from Washington, the campaign for war savings was placed under the direction of the governors of the Federal Reserve banks. Until the end of the year, the same organization as in the past has been continued. Frequent meetings have been held by the governor with the chairmen of the different State committees, and efforts have been made to stimulate sales of war-savings and thrift stamps. After the first of the year, Mrs. F. L. Higginson, chairman of the women's Liberty loan committee, will become district chairman of the war-savings campaign, and she is at present perfecting an organization whereby that important work will be placed in the hands of committees of women, who will work closely in touch with the Liberty loan organizations, and who hope to develop a general campaign for thrift and economy throughout the district. Schedule 35 shows sales by States.

## CAPITAL ISSUES COMMITTEE.

Acting under instructions from the Federal Reserve Board, following a request from the Secretary of the Treasury, a committee was formed to pass on all applications with "respect to capital expenditures or the issue of new securities" originating within the New England district. This committee reported its conclusions to a central committee in Washington, the reports being based upon whether such expenditures or issues were compatible with the national interest.

This committee consisted of Frederic H. Curtiss, chairman; Charles A. Morss, vice chairman; Charles Francis Adams, Henry G. Bradlee, Philip Cabot, Allen Curtis, Henry B. Day, Francis R. Hart, James F. Jackson, John E. Oldham, and Robert Winsor. Its first meeting was held on February 1, 1918, and thereafter weekly.

The committee acted under the direction of the Federal Reserve Board until April 5, 1918, when the War Finance Corporation law went into effect. After that date these same persons, together with Thomas W. Farnum, Allan Forbes, Arthur M. Heard, Robert W. Huntington, Frank W. Matteson, Edmund R. Morse, and H. M. Verrill, continued to serve as a permanent committee until they were authorized to dissolve on December 31, 1918. The committee secured the services of George Tyson as a consulting member and E. H. Kirtledge as secretary. The bankers and brokers of the district gave their fullest support to the activities of the committee.

Schedule 36 shows to some extent the scope of the committee's activities. The committee, besides assuming jurisdiction over securities, supervised to a large extent the bank loans of public utilities and assisted in investigating and recommending needed Federal legislation to safeguard the public against issues of fraudulent securities.

#### WAR FINANCE CORPORATION.

The War Finance Corporation has been called upon to assist to a very limited extent in the New England district. In those cases where advances have been made, the Federal Reserve Bank has acted as agent, delivering funds furnished by the corporation and receiving and holding securities and documents as directed by it.

#### FEDERAL RESERVE NOTE ISSUES.

The amount of Federal Reserve notes outstanding has increased steadily throughout the year, the gold held by the bank being thus increased and conserved. The amount outstanding at the end of the year was considerably more than double the amount on January 1, 1918, as is shown by Schedules 37 and 38.

Under arrangements between the bank and the Federal Reserve agent, the total bill holdings of the bank are pledged at all times as security for these notes in addition to the required gold reserve. The large demand for currency has necessitated the printing and maintenance of a larger supply, and the standing order on file in Washington for notes of this bank has been increased several times during the year.

Under the amendment to the Federal Reserve Act of September 26, 1918, authorizing the issuance of Federal Reserve notes of \$500, \$1,000, \$5,000, and \$10,000 denominations, orders have been filed for an amount aggregating \$52,000,000 of these denominations for this bank. Including notes in process of printing and the above notes of large denominations, it is intended to have available at all times a supply aggregating about \$225,000,000.

#### FEDERAL RESERVE BANK NOTES.

Under the law providing for the temporary retirement of a large quantity of silver certificates and the melting of the silver dollars, against which these were issued, this bank has put into circulation nearly \$7,000,000 of Federal Reserve bank notes. These are secured by United States notes and certificates, and are issued in denominations of \$1, \$2, and \$5.

#### POSITION OF COMMERCIAL BANKS AS THE RESULT OF WAR FINANCING.

Apart from temporary Government deposits in the banks, deposits at the end of the year show very little change in volume from that shown at a similar date in 1917, the general movement being an in-

crease in demand deposits and a decrease in time deposits. Schedule 40 shows a comparison of items of thirty-six of the larger banks in the district in December, 1917, and December, 1918.

The heavy increase in the amount of United States securities owned is due largely to the holding of short-time Treasury certificates, the bank holdings of Liberty loan bonds showing a rather moderate increase. On the other hand, there is a heavy increase in loans secured by United States securities.

While banks were urged to purchase short-term certificates of indebtedness as they were issued, they have been discouraged from tying up their commercial deposits in long-term Government bonds. Banks were urged during the war period to conserve their resources for Government uses, to assist industries engaged in war work, and to curtail as far as possible, credits to industries not essential to the war.

#### POLICY TO BE PURSUED IN RESTORING LIQUIDITY OF BANKS.

As the industries of this district when hostilities ceased were largely given to Government work, the cancellation of war orders will probably bring about a considerable reduction in commercial loans. Banks of the district are carrying a very large volume of loans against Liberty bonds, and on December 31 about 75 per cent of the loans in the Federal Reserve Bank and of loans discounted by that bank with other Federal Reserve Banks were against Government securities. As early as possible, means should be taken to encourage liquidation of such loans. The most effective means would appear to be the gradual increasing of the Federal Reserve Bank's discount rate on bond-secured loans. How fast and how far this rate should be increased will depend on its effect on the future offering of Government securities and the rate at which such securities are offered. No other method than by rate increase seems practicable, although banks should be urged to bring some pressure on their borrowers of this class, either by increasing rates or by demanding an additional margin of collateral. How soon this war paper can be liquidated, it is difficult to say. If liquidation comes in commercial loans, banks may liquidate their Federal Reserve Bank borrowings, but as soon as the Government's requirements have been met, liquidation should be steadily and consistently forced by the Federal Reserve Bank increasing its rates.

#### INTERNAL ORGANIZATION.

There have been several changes in the official organization of the bank during the year. Charles A. Morss, class B director, having been chosen governor of the bank, resigned as a director

during the first half of the year, and Philip R. Allen, of East Walpole, Mass., was elected by banks in group 1, on July 1, 1918, to fill the unexpired term, running until January 1, 1921. The Federal Reserve Board, on August 6, appointed Jesse H. Metcalf, of Providence, R. I., a class C director, to fill the unexpired term of Andrew J. Peters, who had resigned to become mayor of Boston. This term runs until January 1, 1920. The terms of Arthur M. Heard, class A director, and Charles G. Washburn, class B director, expired January 1, 1919. Under the amendments to the Federal Reserve Act in September, 1918, Mr. Heard was not eligible for reelection, being an officer of a bank in a different group from that which he represented as director of this bank.

Elections were held during the fall months. Charles G. Washburn was reelected and Edward S. Kennard, cashier of the Rumford National Bank of Rumford, Me., was elected to succeed Arthur M. Heard. The terms of these directors expire January 1, 1922.

Allen Hollis, class C director, whose term expired January 1, 1919, was reappointed by the Federal Reserve Board for a term running to January 1, 1922, and was redesignated as vice chairman. At a meeting of the board of directors held January 3, 1918, Daniel G. Wing, president of the First National Bank of Boston, was reelected as a member of the Federal Advisory Council.

The growth of the bank has necessitated the election of additional officers. On January 3, Charles E. Spencer, jr., treasurer of the Colonial Trust Co. of Waterbury, Conn., was elected deputy governor, taking office February 1, 1918. On January 31, William N. Kenyon was elected assistant cashier, to take effect February 1, 1918, and on March 28, Frank W. Chase and L. Wallace Sweetser were elected assistant cashiers to take effect April 1, 1918.

The clerical force of the bank has been doubled during the year, there being 499 employees on December 31, as compared with 256 at the end of 1917. Of this force, about 60 per cent are women. In addition, about 86 clerks are employed by the Liberty loan committee.

#### CLEARINGS AND COLLECTIONS.

The check collection department has had rapid growth during the year, the clerical force having increased from 35 to 109. The number of New England items has increased from 9,000 to approximately 35,000 loose checks a day, not including checks received from Boston banks. The latter are received in packages divided by banks on which drawn. This method has not been entirely satisfactory, and it is expected that before long all checks will be received loose and be sorted by the Federal Reserve Bank. The daily average of Government checks has increased from 2,500 to

7,500. Boston Clearing House checks have increased correspondingly.

The large increase in checks handled was brought about by two factors: First, the elimination on June 15 of the service charge for collection; second, by the New York Clearing House rule, which made it necessary for New York banks to collect all checks through the Federal Reserve Banks, if they were unable to collect them as expeditiously through their other correspondents. Previous to the elimination of the service charge, it was customary to make a per item charge sufficient to cover the actual cost of collection. This cost is now absorbed by the Federal Reserve Bank.

The collection system for time items, while not so well developed as that for check collections, has made considerable progress during the year. The elimination of the service charge on checks also applied to time collections and brought about an increase necessitating the enlargement of that department. All items are collected free except for the charge made to the Federal Reserve Bank by the collecting agent, and a charge of 15 cents on items returned unpaid. The time collection system, however, is far from satisfactory, and some uniform basis for collection charges should be agreed upon by the Federal Reserve Banks instead of leaving the charge subject to the pleasure of the collecting bank.

#### GOLD SETTLEMENT FUND.

Commencing in May, the Federal Reserve agent of Boston transferred to the gold settlement fund the entire amount of gold certificates held by him against Federal Reserve notes, and these are now held in Washington, subject to his order.

Schedule 12 shows the amounts cleared during the year, not including direct transfers caused by special transactions and which did not enter into clearing, such as transfers between the bank and the Federal Reserve agent of Boston.

#### BANKING QUARTERS.

One of the most serious problems which the large increase in the Federal Reserve Bank's activities has produced has been to secure adequate quarters in which to house its large force of clerks and to properly handle the immense volume of work that this increased activity has brought about.

At the beginning of the year the bank occupied about 16,000 square feet of working space, its quarters, besides the main banking room at 53 State Street, extending to 84 State Street and 131 State Street. These were later increased by renting a building at 20 Kilby Street, besides additional space in 53 and 84 State Street.

This has given the bank, at the end of the year, about 40,000 square feet of working floor space. Having banking quarters so poorly located has prevented economic and efficient handling of work and a permanent building was deemed vital.

After careful survey of the available sites, the board of directors voted to purchase the land and building at 95 Milk Street. This property, covering about 13,363 square feet of land, was purchased on June 27 for slightly over \$1,000,000. The lot has a frontage of 63.51 feet on Post Office Square and of about 129 feet on Pearl Street, and is conveniently situated with respect to the financial section of Boston. It is proposed to tear down the present building and to erect at an early date a building which will accommodate all of the bank's activities.

In order that this subject might be given careful consideration and study, a building committee was appointed by the board of directors, consisting of E. R. Morse, chairman; Charles G. Washburn, Philip R. Allen, Charles A. Morss, governor; and Frederic H. Curtiss, Federal Reserve agent.

#### CONCLUSION.

Business and banking have not as yet had time to adjust themselves since the signing of the armistice. The impetus of war work is still felt in almost every trade, and the year has ended with most of the industries fairly active, and with a strong demand for money, the continued requirements of the Government for loans more than offsetting any liquidation of Government commitments on war contracts. As yet there is no marked oversupply of labor in the district. The readjustment of New England industries from a war to a peace basis will be no easy task, as this is largely an industrial community.

The raw material market will, no doubt, within a short time adjust itself, but the problem of labor is more difficult to solve. If the mills and manufacturers of New England are to be dependent upon domestic trade, there must be reasonable protection for them from foreign competition, and if on foreign trade, they must be in a position to compete against scales of wages prevailing in the industrial centers of other countries. Manufacturers must be able to transport goods and finance sales to foreign markets in a satisfactory manner, if they are to compete with foreign-made goods.

The large increase in our merchant marine, it is expected, will make it possible to transport goods economically in American bottoms, and the large banks in New England are organized and fitted to give satisfactory service in financing any foreign demand for goods manufactured in the district.

The readjustment of the industries of the district and the liquidation of the heavy loans now being carried by the banks through the financing of subscriptions to Government securities will require the most careful study and handling, both by the local bankers and by the officials of the Federal Reserve Bank.

EXHIBIT A.—*Movement of principal earning assets of the Federal Reserve Bank of Boston during the calendar year 1918.*

[In thousands of dollars; i. e., 000 omitted.]

	Discounted paper secured by United States war obligations.	Other discounted paper.	(1+2.)	Bills bought in open market.	Total bills discounted and bought.	Per cent (1+5).	Total earning assets.
	1	2	3	4	5	6	7
Jan. 4.	39,730	17,591	57,321	9,633	66,954	59.3	69,758
Jan. 11.	37,103	14,104	51,210	5,832	57,042	65.1	59,846
Jan. 18.	39,187	11,441	50,628	6,350	56,978	68.8	61,932
Jan. 25.	40,214	12,630	52,844	9,307	62,151	64.7	67,105
Feb. 1.	38,720	10,943	49,663	11,724	61,387	63.1	66,191
Feb. 8.	37,510	10,526	48,036	13,757	61,793	60.7	64,597
Feb. 15.	44,160	11,643	55,803	14,923	70,726	62.4	73,550
Feb. 21.	48,567	10,869	59,436	16,287	75,723	64.1	79,247
Mar. 1.	50,822	10,137	60,959	21,685	82,644	61.5	85,803
Mar. 8.	49,813	10,436	60,249	8,072	68,321	72.9	71,475
Mar. 15.	46,530	8,201	54,731	9,477	64,208	72.5	67,217
Mar. 22.	46,905	9,924	56,829	11,475	68,304	68.7	71,448
Mar. 29.	40,103	10,638	50,741	12,746	63,487	67.7	65,801
Apr. 5.	47,933	10,805	58,738	13,589	72,327	66.2	74,743
Apr. 12.	46,966	9,946	56,912	13,475	70,387	66.7	72,719
Apr. 19.	41,436	8,137	49,573	14,267	63,840	64.9	66,172
Apr. 26.	44,594	9,713	54,307	16,606	70,913	62.9	73,195
May 3.	43,256	8,826	52,082	18,618	70,700	61.2	72,852
May 10.	40,805	9,460	50,265	18,862	69,127	59.0	71,164
May 17.	26,203	9,846	36,049	21,037	57,086	45.9	59,123
May 24.	31,242	10,035	41,277	22,314	63,591	49.1	65,628
May 31.	32,134	11,681	43,815	23,060	66,875	48.1	69,032
June 7.	35,165	11,848	47,013	21,811	68,824	51.1	70,981
June 14.	36,481	11,575	48,056	21,303	69,359	52.6	71,516
June 21.	33,457	12,387	45,844	20,336	66,180	50.6	68,212
June 28.	34,843	16,360	51,203	21,638	72,841	47.8	74,843
July 5.	50,578	21,929	72,507	22,241	94,748	53.4	99,404
July 12.	58,132	27,192	85,324	26,267	111,591	52.1	113,947
July 19.	57,810	28,363	86,173	24,683	110,856	52.1	113,401
July 26.	64,518	26,656	91,174	24,297	115,471	55.9	118,000
Aug. 2.	61,565	22,905	84,470	20,636	105,106	58.6	107,644
Aug. 9.	60,728	24,229	84,957	18,938	103,895	58.5	106,432
Aug. 16.	42,814	22,167	64,981	21,616	86,597	49.4	88,959
Aug. 23.	46,603	20,811	67,414	26,440	93,854	49.7	96,212
Aug. 30.	51,439	20,749	72,188	28,746	100,934	51.0	103,292
Sept. 6.	62,611	19,374	81,985	29,353	111,338	56.2	113,496
Sept. 13.	65,887	17,617	83,504	29,821	113,325	58.1	115,279
Sept. 20.	67,555	16,504	84,059	29,311	113,370	59.6	115,324
Sept. 27.	71,246	15,594	86,840	35,842	122,682	58.1	124,636
Oct. 4.	76,516	13,139	89,655	46,968	136,623	56.0	139,576
Oct. 10.	73,205	11,830	85,035	53,825	138,860	53.4	143,813
Oct. 18.	67,306	11,079	78,385	59,744	138,129	48.7	141,083
Oct. 25.	77,591	11,653	89,244	55,880	145,124	53.5	148,077
Nov. 1.	93,849	10,635	104,484	43,863	148,347	63.3	154,523
Nov. 8.	116,843	11,616	128,459	30,710	159,169	73.4	165,345
Nov. 15.	134,813	11,472	146,285	11,941	158,226	85.2	164,401
Nov. 22.	130,908	12,578	143,486	15,448	148,934	81.2	154,763
Nov. 29.	131,096	12,619	143,715	25,229	168,944	77.6	175,700
Dec. 6.	122,877	12,747	135,624	16,942	152,566	80.5	159,385
Dec. 13.	127,797	10,840	138,637	14,630	153,267	83.4	160,116
Dec. 20.	108,438	9,224	117,662	12,843	130,505	83.1	133,027
Dec. 27.	116,328	13,814	130,142	15,944	146,086	79.6	154,607

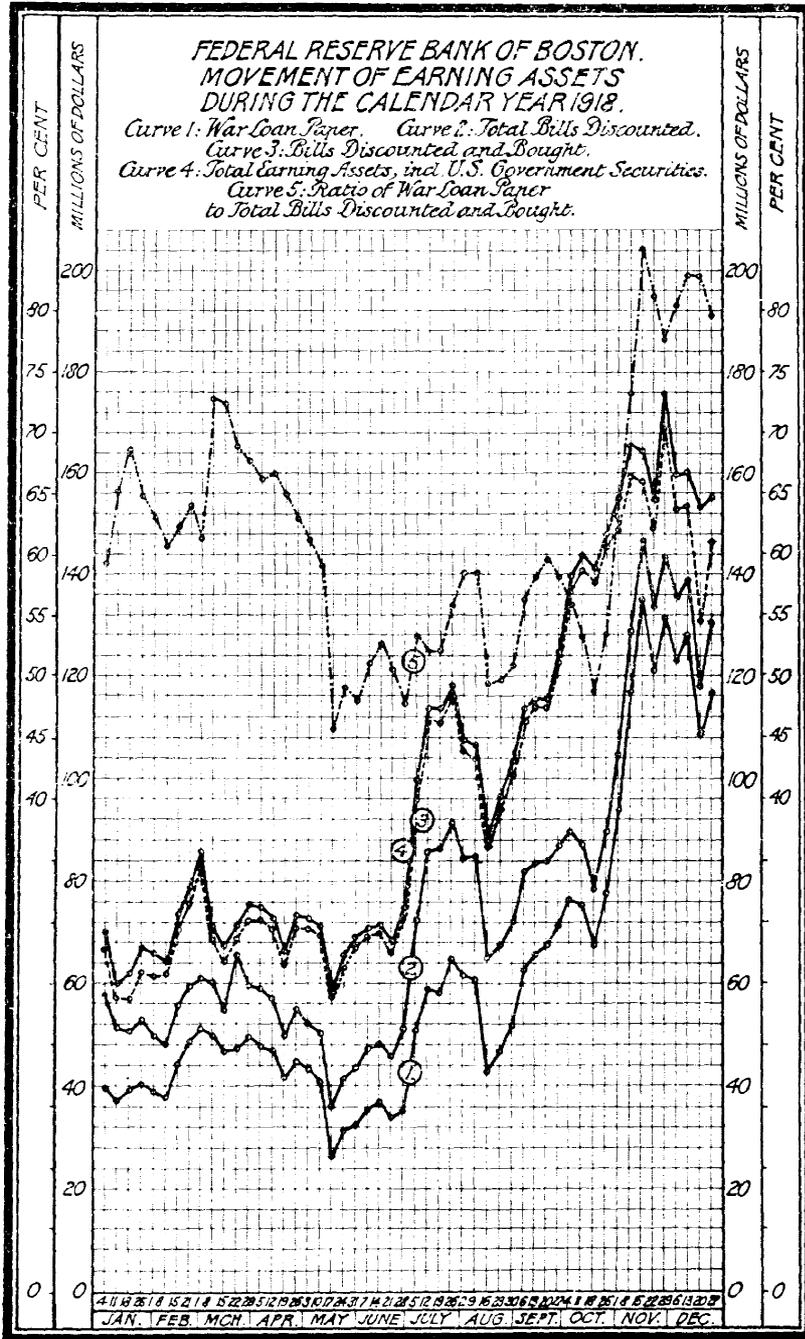


CHART A.

ANNUAL REPORT OF FEDERAL RESERVE BANK OF BOSTON. 25

EXHIBIT B.—Movement of cash reserves, net deposits, Federal reserve note liabilities and the reserve percentage of the Federal Reserve Bank of Boston during the calendar year 1918.

[In thousands of dollars; i. e., 000 omitted.]

	Total cash reserves.	Net deposits.	Federal Reserve notes in actual circulation.	(2+3.)	Ratio of cash reserves to net deposit and Federal Reserve note liabilities combined.
	1	2	3	4	5
Jan. 4.	80,408	69,791	74,246	144,037	55.8
Jan. 11.	94,650	73,076	75,308	148,384	63.8
Jan. 18.	106,414	87,505	74,682	162,187	65.6
Jan. 25.	103,530	88,459	75,872	164,331	63.0
Feb. 1.	92,886	76,257	76,434	152,691	60.8
Feb. 8.	106,072	85,438	78,755	164,193	64.6
Feb. 15.	87,574	73,390	80,985	154,375	56.7
Feb. 21.	98,291	86,973	83,701	170,674	57.6
Mar. 1.	91,455	83,041	87,273	170,314	53.7
Mar. 8.	110,497	86,096	88,908	175,004	63.1
Mar. 15.	110,005	80,124	89,932	170,056	64.7
Mar. 22.	114,706	88,084	90,844	178,928	64.1
Mar. 29.	118,737	94,480	92,359	187,269	63.4
Apr. 5.	116,237	87,659	88,978	183,637	63.3
Apr. 12.	122,937	90,081	98,138	188,219	65.3
Apr. 19.	133,596	93,022	99,437	192,451	69.4
Apr. 26.	135,658	100,068	101,467	201,535	67.3
May 3.	126,150	99,101	102,547	191,648	65.8
May 10.	127,714	99,377	102,484	191,861	66.6
May 17.	137,710	86,991	102,818	189,809	72.6
May 24.	135,353	91,040	102,898	193,938	69.8
May 31.	143,597	100,960	104,475	205,435	69.9
June 7.	146,612	103,013	107,327	210,340	69.7
June 14.	139,718	98,156	107,808	203,964	68.5
June 21.	138,026	89,002	109,955	198,957	69.4
June 28.	132,912	88,324	112,533	200,914	66.2
July 5.	133,236	107,245	118,328	225,573	59.1
July 12.	145,442	131,149	121,153	252,302	57.6
July 19.	113,799	98,199	121,466	219,665	51.8
July 26.	109,863	94,517	125,759	220,276	49.9
Aug. 2.	116,975	88,099	128,844	216,943	53.9
Aug. 9.	140,326	107,249	131,725	238,974	58.7
Aug. 16.	140,317	88,533	132,857	221,390	63.4
Aug. 23.	150,000	104,053	134,157	238,210	63.0
Aug. 30.	147,403	105,846	136,817	242,663	60.7
Sept. 6.	140,992	104,507	141,840	246,347	57.2
Sept. 13.	147,900	110,396	144,288	254,684	58.1
Sept. 20.	138,551	99,472	145,576	245,048	56.5
Sept. 27.	137,810	105,521	148,053	253,574	54.3
Oct. 4.	127,713	104,648	152,981	257,629	49.6
Oct. 10.	131,446	110,062	155,320	265,382	49.5
Oct. 18.	127,928	102,510	155,629	258,139	49.6
Oct. 25.	143,694	128,988	151,792	280,780	51.2
Nov. 1.	109,166	100,075	152,460	252,535	43.2
Nov. 8.	133,125	132,907	153,267	286,174	46.5
Nov. 15.	121,186	120,544	152,980	273,524	44.3
Nov. 22.	113,350	104,193	150,983	255,176	44.4
Nov. 29.	106,501	118,012	150,906	268,918	39.6
Dec. 6.	117,488	111,273	151,943	263,216	44.6
Dec. 13.	111,919	102,160	155,817	257,977	43.4
Dec. 20.	106,131	83,512	161,359	244,871	43.3
Dec. 27.	115,168	91,835	163,205	255,040	45.2

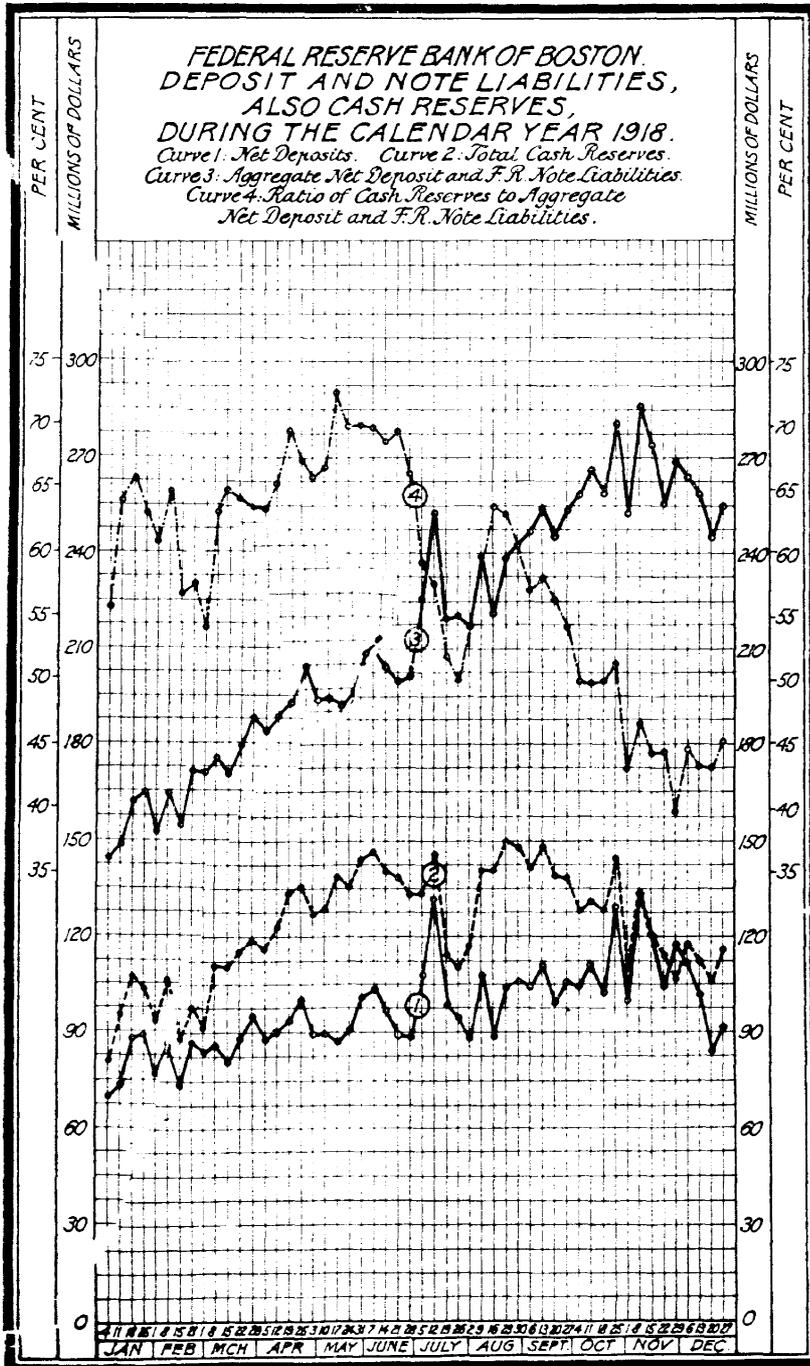


CHART B.

SCHEDULE 1.—*Income and expense.*

Expense.	1917	1918	Income.	1917	1918
Paid in lieu of dividends on stock canceled.....	\$3,926.85	\$271.89	Balance Jan. 1.....	\$11,596.56	
Current expenses.....	51,288.75	151,852.48	Bills discounted for member banks.....	571,117.13	\$3,068,027.38
Directors' fees.....	5,781.10	1,230.00	Acceptances purchased.....	502,397.30	931,700.98
Rent.....	15,246.49	25,681.56	State, city, and town notes.....	5,202.73	
Salaries.....	93,193.65	274,361.49	Interest on United States securities.....	94,784.86	107,719.03
Exchange paid.....	69.10	245.71	Profit on United States securities.....	11,101.60	41,821.34
Cost of Federal Reserve notes.....	102,621.37	167,828.00	Penalties for deficient reserves.....	6,105.39	18,425.71
Assessment for expenses of Federal Reserve Board.....	21,226.35	29,554.02	Sundry profits.....	7,299.67	212,760.27
Real estate expenses.....		27,811.14			
Furniture and equipment.....	8,973.83	24,173.97			
Difference account.....	814.83	4,557.70			
Repairs and alterations.....	10,450.00	61,894.92			
Sundries.....	1,462.24	3,554.20			
Transit department.....	8,255.87	101,529.38			
Real estate charged off.....		209,000.00			
To balance.....	886,294.79	3,304,908.25			
Total.....	1,209,605.24	4,380,454.71	Total.....	1,209,605.24	4,380,454.71

SCHEDULE 2.—*Distribution of net earnings.*

	Year ending Dec. 31, 1917.	Year ending Dec. 31, 1918.		1917	1918
Dividend paid member banks.....	\$597,828.54	\$383,908.25	Available for distribution.....	\$886,294.79	\$3,304,908.25
Reserve for depreciation on United States securities.....	138,266.25				
Balance.....	150,200.00	2,921,000.00			
	886,294.79	3,304,908.25		886,294.79	3,304,908.25
	1918	1919	Jan. 2, balance.....	1918	1919
Reserve for franchise tax.....	75,100.00	1,460,500.00		150,200.00	2,921,000.00
Carried to surplus account.....	75,100.00	1,460,500.00			
	150,200.00	2,921,000.00		150,200.00	2,921,000.00

SCHEDULE 3.—*Comparative balance sheet, Dec. 31, 1917, and Dec. 31, 1918.*

	Dec. 31, 1917.	Dec. 31, 1918.
RESOURCES.		
Earning assets:		
Bills discounted secured by United States war obligations.....	\$43,897,569.83	\$129,515,666.97
Other bills discounted (commercial).....	21,981,798.52	13,059,656.44
Acceptances purchased.....	9,037,506.01	15,084,299.96
United States bonds.....	600,750.00	537,750.00
United States short-term obligations.....	2,194,000.00	7,416,000.00
Total.....	77,723,615.39	156,613,373.37
Reserve cash:		
Gold, coin and certificates.....	18,690,000.00	3,317,260.00
Gold settlement fund.....	16,977,000.00	37,292,607.33
Bank of England sterling gold account.....	3,675,000.00	408,021.21
Other lawful money.....	3,574,560.00	2,287,793.10
Total.....	42,917,460.00	43,305,681.64

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SCHEDULE 3.—Comparative balance sheet, Dec. 31, 1917, and Dec. 31, 1918—Contd.

	Dec. 31, 1917.	Dec. 31, 1918.
RESOURCES—continued.		
Reserves against Federal Reserve notes:		
Gold with Federal Reserve agent.....	\$40,896,820.00	\$59,733,330.00
Gold redemption fund.....	2,000,000.00	7,812,380.00
Other resources:		
Interest accrued on United States securities.....	21,958.75	33,133.69
Due from Liberty loan subscriptions.....	118,035.40	567,480.00
Expense, Liberty loan, etc. (recoverable).....	144,167.62	573,091.80
Items in process of collection <sup>1</sup> .....	15,007,383.44	52,910,810.45
Exchanges for clearing house and cash items.....	3,216,597.70	10,548,466.02
Federal Reserve notes and other cash on hand.....	4,661,035.81	13,809,622.36
Due from Government depositories.....	66,489,691.55	30,014,655.68
Redemption fund Federal Reserve bank notes.....		320,400.00
Real estate for bank quarters.....		800,000.00
Total.....	253,196,771.66	377,042,425.01
LIABILITIES.		
Capital fund:		
Capital paid in.....	5,858,450.00	6,691,750.00
Surplus.....	75,100.00	1,535,600.00
Deposits:		
Due to member banks, reserve account.....	82,842,197.76	101,806,494.59
Due to Federal Reserve banks, collected funds <sup>1</sup> .....	3,870,139.46	17,467,049.53
Due to banks, uncollected funds <sup>1</sup> .....	13,780,544.93	29,969,374.00
Due to Treasurer of United States, general account.....	2,419,414.94	10,499,061.56
Due to Treasurer of United States, special account.....	66,489,691.55	30,014,655.68
Cashiers' checks outstanding.....	20,416.38	411,417.98
Other liabilities:		
Federal Reserve notes outstanding.....	77,296,820.00	168,986,330.00
Federal Reserve bank notes outstanding.....		6,889,000.00
Unearned discount and interest.....	468,896.64	467,850.01
Reserve for depreciation and interest.....		93,341.66
Reserve for franchise tax.....	75,100.00	1,460,500.00
Mortgage on real estate.....		750,000.00
Total.....	253,196,771.66	377,042,425.01
Liability for rediscounts with other Federal Reserve banks.....	44,477,789.09	48,962,693.27

<sup>1</sup> Offsetting items to be cleared through gold-settlement fund.

SCHEDULE 4.—Items of interest from the schedules of this and other official reports in connection with the fiscal operations of the United States in this district during 1918.

RECEIPTS.

Proceeds of the second Liberty loan and final payment Jan. 15, 1918.....	\$42,000,000
Proceeds of the third Liberty loan.....	355,000,000
Proceeds of the fourth Liberty loan and payments of Dec. 31, 1918.....	560,000,000
Proceeds of United States tax certificates (1918).....	\$62,000,000
Proceeds of United States tax certificates (1919).....	100,000,000
Proceeds of United States certificates (third Liberty loan).....	214,000,000
Proceeds of United States certificates (fourth Liberty loan).....	381,000,000
Proceeds of United States certificates (fifth Liberty loan).....	92,000,000
Total certificates sold.....	849,000,000
Federal taxes collected.....	311,000,000
Proceeds of war savings stamps to Dec. 1, 1918.....	54,000,000

DISBURSEMENTS.

Expenditures disbursed by check.....	1,167,000,000
Transfers to other Federal Reserve banks, net.....	581,000,000
Total United States certificates paid.....	609,000,000

SCHEDULE 5.—Transactions with other Federal Reserve Banks.

	Acceptances allotted to and rediscounts with—		Acceptances allotted by and rediscounts for—	
	Acceptances.	Rediscounts.	Acceptances.	Rediscounts.
New York.....	\$20,118,745		\$4,973,582	
Philadelphia.....	12,926,908		1,528,831	
Cleveland.....	15,249,557	\$25,223,947		
Richmond.....			1,940,214	\$3,485,450
St. Louis.....				3,000,006
Minneapolis.....	7,338,923	20,032,100		2,498,477
Kansas City.....	5,037,199			
Dallas.....				2,000,000
San Francisco.....	14,369,921			
Total.....	75,041,253	45,256,047	12,195,627	12,983,933

<sup>1</sup> Represents a repurchase, before maturity, of acceptances sold to another Federal Reserve Bank.  
<sup>2</sup> Includes \$205,214 of discounted trade acceptances.

SCHEDULE 6.—Maturities of invested funds on last day of each month, 1918.

	Within 15 days.	16 to 30 days.	31 to 60 days.	61 to 90 days.	Over 90 days.	Total.
January.....	\$7,260,607.00	\$4,201,636.64	\$10,266,870.74	\$41,599,277.57		\$63,328,391.95
February.....	15,310,545.37	7,636,843.93	15,553,582.45	43,854,262.61	86,236.00	82,361,470.36
March.....	11,410,624.69	8,886,990.48	39,355,805.75	13,533,558.89	4,475.00	73,191,454.81
April.....	42,844,800.50	6,362,382.24	15,406,640.21	6,002,280.38	927.00	70,617,030.33
May.....	16,236,141.56	9,177,357.06	12,965,018.05	28,495,707.79	1,272.50	66,875,496.96
June.....	16,129,385.56	12,196,011.21	34,437,479.31	10,347,824.04	7,574.50	73,118,274.62
July.....	65,427,550.06	13,687,004.60	17,720,477.64	13,012,445.16	25,221.16	109,872,698.62
August.....	36,113,229.99	13,160,917.28	20,290,722.29	30,087,233.13	13,573.00	99,665,675.69
September.....	54,622,459.58	12,257,240.13	45,343,514.53	14,299,226.04	842,056.56	128,064,496.84
October.....	39,695,092.43	22,884,716.98	9,276,232.55	36,369,377.10	30,003.04	108,255,422.10
November.....	53,420,151.67	8,474,961.32	66,722,182.30	14,483,884.21	32,053.04	143,133,232.54
December.....	46,273,134.94	38,892,259.94	36,703,662.05	10,834,135.09	872,131.39	133,575,323.41

SCHEDULE 7.—Maturities of commercial paper and trade acceptances at time of discount for member banks (rediscounts secured by United States obligations not included).

	15 days or less.	16 to 30 days.	31 to 60 days.	61 to 90 days.	Over 90 days.	Total.
January.....	\$4,940,842.86	\$2,077,970.58	\$2,306,021.32	\$1,957,627.97	\$35,250.00	\$11,317,712.73
February.....	8,631,816.10	496,505.97	1,466,247.40	1,517,832.32	40,000.00	12,152,401.79
March.....	5,365,867.56	1,136,779.20	3,097,966.76	2,414,969.09	36,259.43	12,051,842.64
April.....	4,084,190.95	447,721.32	1,454,916.12	2,840,466.89	23,310.92	8,850,606.20
May.....	3,065,000.41	1,300,405.78	2,145,837.92	2,527,223.11	138,342.33	9,176,809.55
June.....	3,613,275.74	1,645,681.67	2,519,039.94	3,985,465.44	19,959.52	11,783,422.31
July.....	5,613,633.65	3,123,510.93	5,092,147.32	6,607,342.24	54,742.18	20,491,376.32
August.....	2,304,369.95	1,621,607.80	1,913,107.87	1,535,285.90	72,132.78	7,446,504.30
September.....	3,565,719.54	1,221,534.56	2,597,690.17	2,914,018.82	2,700.00	10,301,663.09
October.....	1,462,043.39	1,052,532.83	3,268,778.71	2,374,837.39	48,103.04	8,206,295.36
November.....	2,905,282.20	1,276,678.09	2,287,310.10	2,742,662.44	110,511.87	9,322,444.70
December.....	2,900,648.85	927,088.05	1,979,526.47	4,963,084.08	995,882.27	11,796,229.72
Total.....	48,452,691.20	16,328,016.78	30,128,590.10	36,410,816.29	1,577,194.34	132,897,308.71

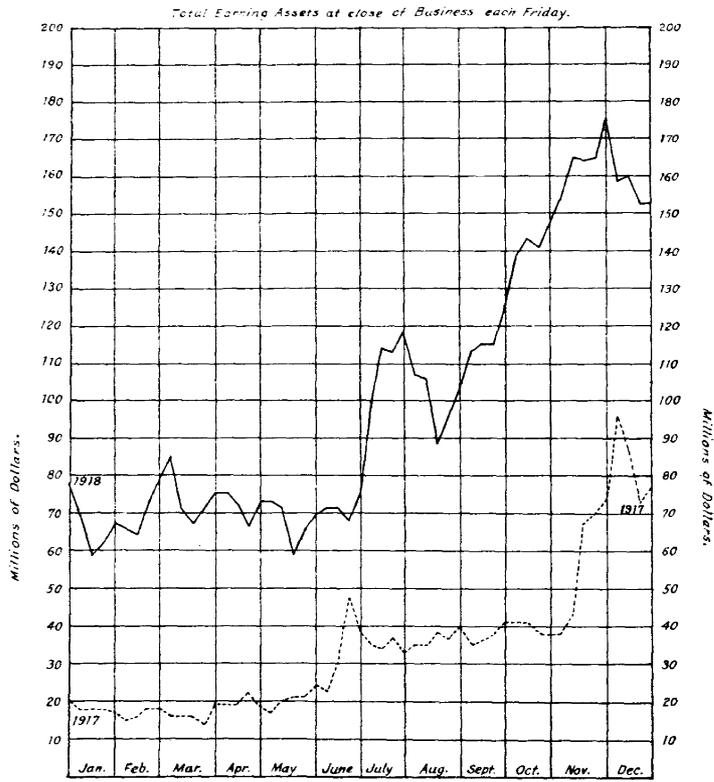
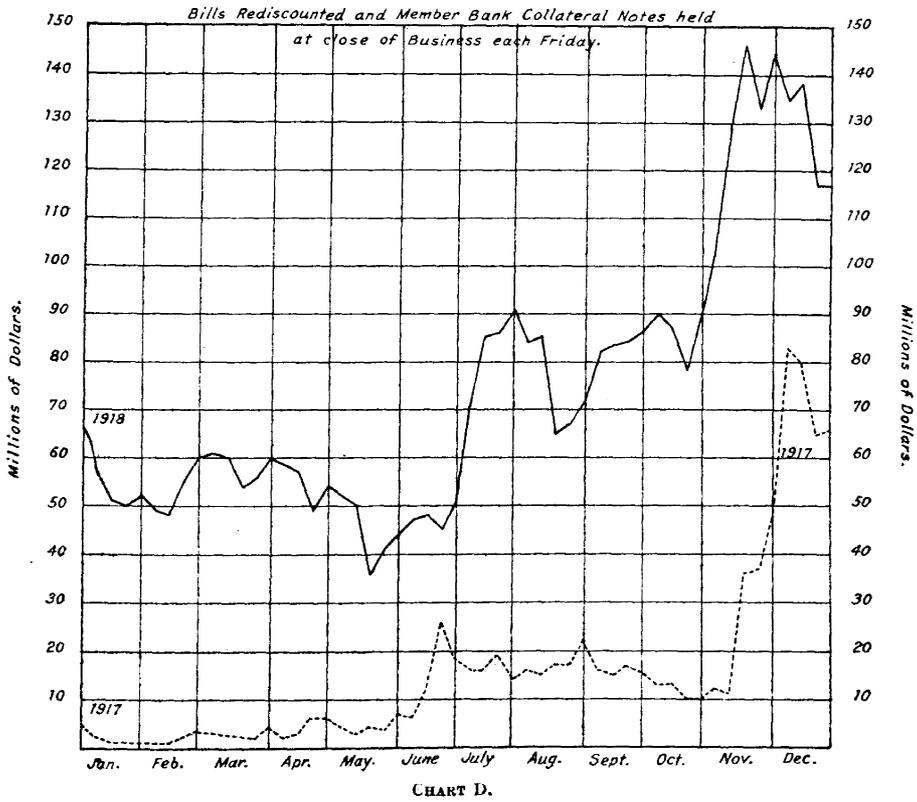


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SCHEDULE 8.—*Acceptance liability of national banks in New England at date of Comptroller's calls 1917-18.*

1917		1918	
Mar. 5.....	\$24,372,000	Mar. 4.....	\$58,373,000
May 1.....	25,459,000	May 10.....	49,704,000
June 20.....	33,147,000	June 29.....	48,599,000
Sept. 11.....	35,082,000	Aug. 31.....	48,744,000
Nov. 20.....	44,500,000	Nov. 1.....	57,937,000
Dec. 31.....	49,558,000	Dec. 31.....	59,759,000

SCHEDULE 9.—*Acceptances.*

	Foreign acceptances purchased.				Domestic acceptances purchased.			
	Number.		Amount.		Number.		Amount.	
	1917	1918	1917	1918	1917	1918	1917	1918
January.....	90	150	\$2,522,546	\$5,782,302	20	71	\$515,292	\$2,219,399
February.....	187	291	4,461,805	8,021,246	19	121	800,416	3,177,431
March.....	163	245	4,803,854	7,793,672	8	150	353,407	3,332,815
April.....	17	201	786,937	5,675,454	20	102	458,149	3,263,609
May.....	233	309	9,077,342	8,060,987	57	194	1,140,471	5,226,176
June.....	185	165	6,153,140	5,910,878	70	124	2,390,740	3,227,240
July.....	67	210	2,300,664	7,666,570	22	148	1,102,781	4,301,286
August.....	228	272	6,068,808	11,280,146	49	269	1,253,165	7,461,252
September.....	409	219	10,654,363	11,191,263	102	285	3,958,850	8,492,786
October.....	97	602	4,179,893	21,493,691	54	437	1,400,099	11,607,466
November.....	373	474	7,831,447	17,520,488	79	533	3,505,018	11,314,325
December.....	123	400	3,891,621	15,054,694	266	329	8,508,144	7,599,840
Total.....	2,172	3,538	62,732,420	125,451,391	766	2,763	25,386,532	71,223,695

	Foreign trade acceptances purchased.				Bankers' acceptances to create dollar exchange purchased.		Trade acceptances discounted.	Foreign trade acceptances discounted.
	Number.		Amount.		Number.	Amount.	Amount.	Amount.
	1917	1918	1917	1918	1918	1918	1918	1918
January.....							\$1,681,760	
February.....		9		\$525,200			623,541	
March.....		40		377,598			1,441,003	
April.....							287,007	
May.....		2		250,000			901,692	
June.....		3		258,670			1,053,260	
July.....							525,841	\$25,994
August.....	24		\$229,553				602,987	
September.....	101		2,020,406				541,833	496,967
October.....	8		60,733		26	\$1,252,000	498,977	590,153
November.....	50		499,881		12	800,000	454,511	116,565
December.....	45		597,664	279,430	1	50,000	445,041	
Total.....	228	54	3,408,237	11,690,896	37	2,102,000	9,057,453	1,229,679

<sup>1</sup> In addition, \$398,340 of domestic trade acceptances were purchased during August.

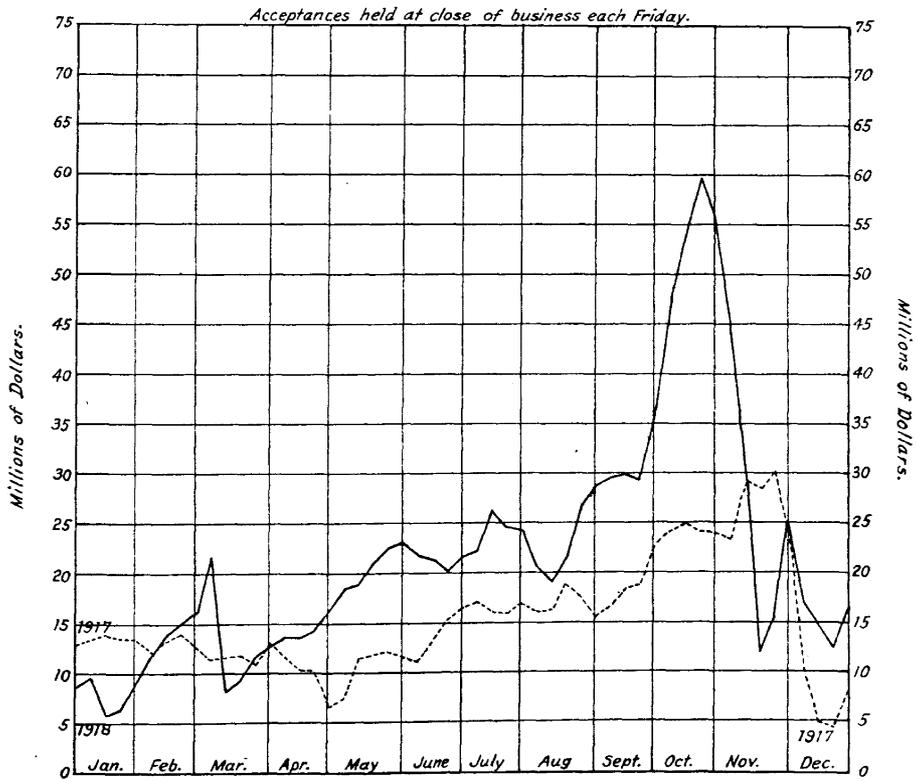


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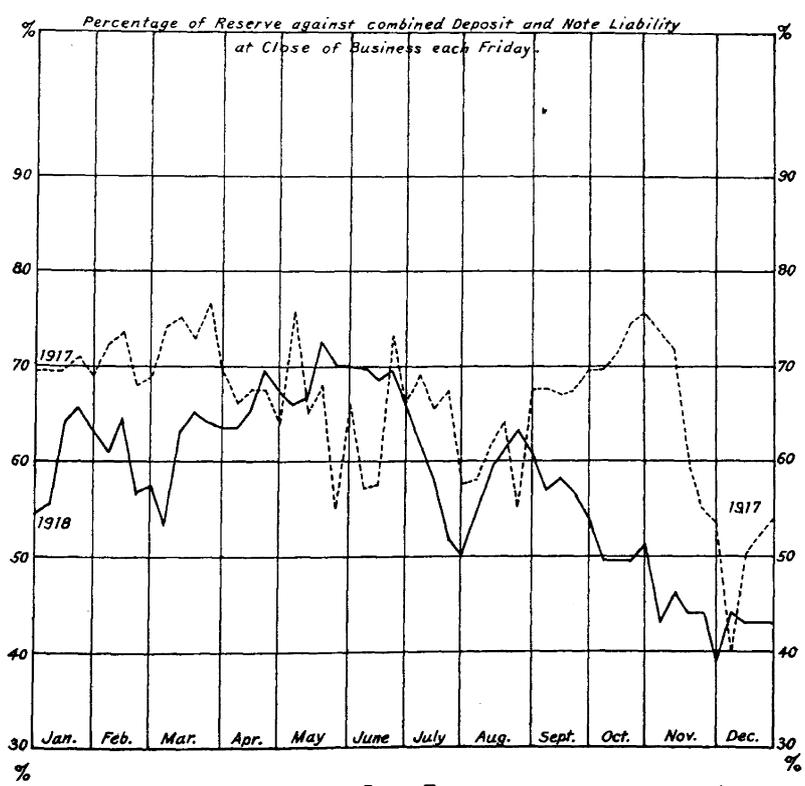
SCHEDULE 10.—All banks granted permission to accept up to 100 per cent of their capital and surplus.

Date granted.	Name.	Location.
May 8, 1918	Beacon Trust Co.	Boston, Mass.
Apr. 14, 1915	First National Bank	Do.
Apr. 24, 1918	Fourth Atlantic National Bank	Do.
Mar. 30, 1916	Merchants National Bank	Do.
June 7, 1915	National Shawmut Bank	Do.
Dec. 11, 1917	National Union Bank	Do.
May 25, 1916	Old Colony Trust Co.	Dp.
Jan. 27, 1916	Second National Bank	Do.
July 28, 1916	Webster & Atlas National Bank	Do.
Apr. 11, 1918	Dedham National Bank	Dedham, Mass.
Nov. 13, 1917	Massasoit-Pocasset National Bank	Fall River, Mass.
Oct. 5, 1917	Safety Fund National Bank	Fitchburg, Mass.
July 1, 1918	Phoenix National Bank	Hartford, Conn.
Nov. 6, 1917	Mechanics National Bank	New Bedford, Mass.
July 12, 1917	Blackstone-Canal National Bank	Providence, R. I.
Dec. 17, 1918	Merchants National Bank	Do.
Jan. 25, 1918	Springfield National Bank	Springfield, Mass.
May 4, 1916	Merchants National Bank	Worcester, Mass.
Oct. 27, 1917	Hartford Aetna National Bank	Hartford, Conn.
Dec. 16, 1918	Providence National Bank	Providence, R. I.

SCHEDULE 11.—Reserve position on first of each month.

[000 omitted.]

Date.	Net deposits.	Federal Reserve notes in circulation, net.	Total combined liability.	Required reserve.	Total reserve.	Excess reserve.	Per cent reserve.
January	\$79,306	\$73,602	\$152,908	\$57,197	\$86,132	\$28,935	56
February	76,256	76,434	152,690	57,262	92,886	35,624	61
March	83,041	87,273	170,314	63,973	91,455	27,482	54
April	93,416	93,047	186,463	69,914	118,715	48,801	64
May	98,749	102,264	201,013	75,467	136,117	60,650	68
June	101,349	104,603	205,952	77,313	143,790	66,477	70
July	80,819	113,437	194,256	73,661	123,703	50,042	64
August	89,666	127,571	217,571	82,545	113,680	31,135	51
September	91,912	138,783	230,695	87,682	129,624	41,942	55
October	95,283	151,765	247,049	94,055	132,201	39,146	54
November	100,105	152,460	252,565	96,020	109,166	13,146	43
December	110,453	154,007	264,460	100,261	119,385	19,124	45



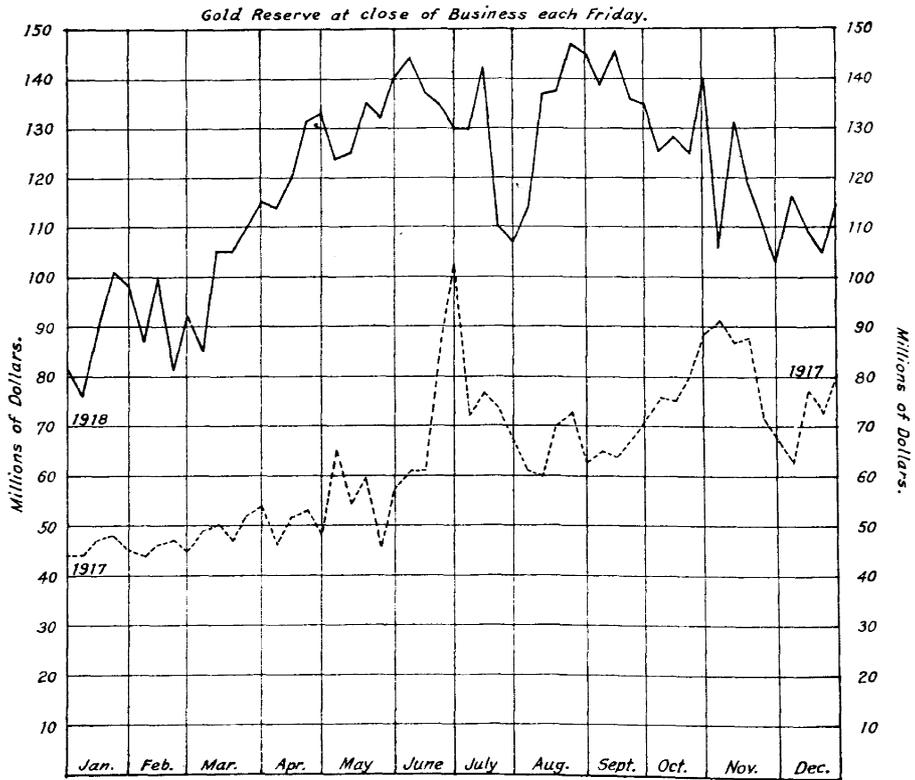


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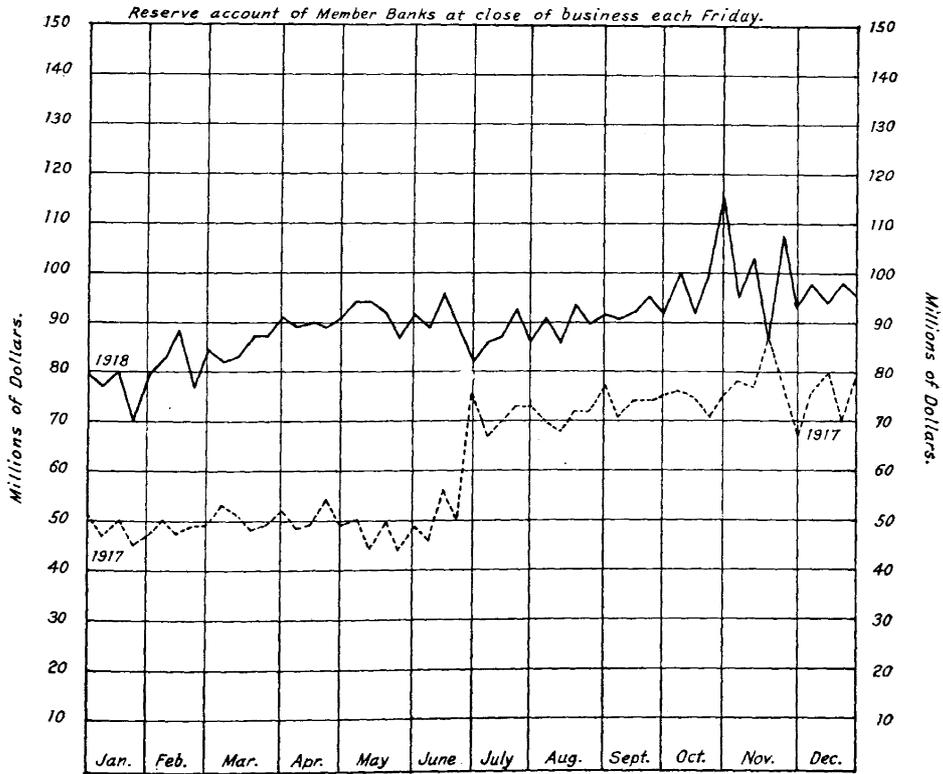


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SCHEDULE 12.—*Monthly operations of gold settlement fund.*

[000 omitted.]

Month.	Total credits. <sup>1</sup>	Total debits. <sup>1</sup>	Gained through weekly settlements.	Loss through weekly settlements.	Net gain for month.
January.....	\$270,559	\$276,622	\$30,284	\$24,221	\$6,063
February.....	183,990	194,318	17,866	7,538	10,328
March.....	199,078	216,038	19,333	2,373	16,960
April.....	254,995	269,505	16,638	2,148	14,510
May.....	306,385	300,857	8,005	13,533	<sup>2</sup> 5,528
June.....	263,532	259,507	3,700	7,725	<sup>2</sup> 4,025
July.....	358,666	328,893	1,957	31,730	<sup>2</sup> 29,773
August.....	297,999	339,433	41,434	.....	41,434
September.....	289,366	276,077	7,944	21,233	<sup>2</sup> 13,289
October.....	506,839	468,274	14,104	52,669	<sup>2</sup> 38,565
November.....	383,406	380,351	24,688	27,743	<sup>2</sup> 3,055
December.....	434,652	477,126	42,474	.....	42,474
Total.....	3,749,467	3,787,001	228,447	190,913	37,534

<sup>1</sup> Does not include direct transfers.

<sup>2</sup> Loss.

SCHEDULE 13.—*New national banks taking out stock in the Federal Reserve Bank.*

Mattapan National Bank, Boston, Mass.....	Feb. 19, 1918
Manufacturers National Bank, Cambridge, Mass.....	Apr. 3, 1918
State National Bank, Lynn, Mass.....	June 1, 1918

SCHEDULE 14.—*Member trust companies.*

City.	Name of bank.	Date admitted.
<b>MAINE.</b>		
Bangor.....	Merrill Trust Co.....	Mar. 14, 1918
Portland.....	Fidelity Trust Co.....	Mar. 18, 1918
<b>MASSACHUSETTS.</b>		
Arlington.....	Menotomy Trust Co.....	Nov. 9, 1918
Boston.....	American Trust Co.....	Sept. 4, 1917
	Beacon Trust Co.....	Jan. 15, 1918
	Commonwealth Trust Co.....	Feb. 12, 1917
	International Trust Co.....	June 9, 1917
	Liberty Trust Co.....	Mar. 12, 1918
	Metropolitan Trust Co.....	Dec. 7, 1917
	Old Colony Trust Co.....	Aug. 24, 1915
	State Street Trust Co.....	Dec. 26, 1918
	U. S. Trust Co.....	Apr. 9, 1918
Cambridge.....	New England Trust Co.....	Dec. 14, 1918
	Charles River Trust Co.....	Dec. 11, 1917
	Harvard Trust Co.....	Mar. 6, 1918
Fitchburg.....	Fitchburg Bank & Trust Co.....	Feb. 25, 1917
Holyoke.....	Hadley Falls Trust Co.....	Jan. 19, 1918
Lawrence.....	Merchants Trust Co.....	Feb. 27, 1918
Lynn.....	Security Trust Co.....	Oct. 14, 1918
Newton.....	Newton Trust Co.....	Nov. 6, 1917
Norwood.....	Norwood Trust Co.....	Aug. 14, 1917
Salem.....	Naumkeag Trust Co.....	Oct. 28, 1918
Winchester.....	Winchester Trust Co.....	May 29, 1917
Worcester.....	Worcester Bank & Trust Co.....	Dec. 26, 1917
<b>RHODE ISLAND.</b>		
Providence.....	Industrial Trust Co.....	Nov. 9, 1917
	Rhode Island Hospital Trust Co.....	Mar. 13, 1918
	Union Trust Co.....	Sept. 24, 1918
<b>CONNECTICUT.</b>		
South Manchester.....	Manchester Trust Co.....	Dec. 30, 1918
New Haven.....	Union & New Haven Trust Co.....	Dec. 15, 1917
Waterbury.....	Colonial Trust Co.....	Apr. 6, 1918
New Britain.....	New Britain Trust Co.....	Aug. 21, 1918

SCHEDULE 15.—Member trust companies compared with total trust companies in this district:

	Member trust companies.			Total trust companies. <sup>1</sup>		
	Number.	Capital surplus. <sup>2</sup>	Deposits.	Number.	Capital surplus. <sup>2</sup>	Deposits.
Maine.....	2	\$1,731,000	\$16,789,000	50	\$10,148,000	\$79,784,000
New Hampshire.....				14	2,117,000	15,760,000
Vermont.....				36	4,838,000	50,164,000
Massachusetts.....	22	43,915,000	385,395,000	100	75,757,000	547,032,000
Rhode Island.....	3	17,019,000	134,214,000	13	20,557,000	145,733,000
Connecticut.....	4	3,306,000	14,675,000	64	16,863,000	108,195,000
Total.....	31	65,971,000	551,073,000	277	130,220,000	946,677,000

<sup>1</sup> Figures from 1918 edition "Trust companies."

<sup>2</sup> Includes undivided profits.

SCHEDULE 16.—Banks granted fiduciary powers under section 11 (k) of the Federal Reserve Act.

Date.	Name.	Location.
Jan. 21	National Bank of Bellows Falls.....	Bellows Falls, Vt.
Jan. 28	City National Bank.....	Berlin, N. H.
Feb. 9	County National Bank.....	Bennington, Vt.
Apr. 24	First National Bank.....	Reading, Mass.
Do...	Springfield National Bank.....	Springfield, Mass.
Do...	Phoenix National Bank.....	Hartford, Conn.
June 3	Blackstone National Bank.....	Uxbridge, Mass.
July 27	Peoples National Bank.....	Barre, Vt.
Aug. 20	National Union Bank.....	Boston, Mass.

SCHEDULE 17.—Banks granted fiduciary powers under section 11 (k) of the Federal Reserve Act, as amended by the act of Sept. 26, 1918.

Date.	Name.	Location.
Dec. 4	Manufacturers National Bank <sup>1</sup> .....	Waterbury, Conn.
Do...	Phoenix National Bank <sup>1</sup> .....	Hartford, Conn.
Do...	Waterbury National Bank.....	Waterbury, Conn.
Do...	First National Bank.....	New Haven, Conn.
Do...	do.....	Hartford, Conn.
Do...	do. <sup>1</sup> .....	Wallingford, Conn.
Dec. 6	do. <sup>1</sup> .....	Boston, Mass.
Do...	Merchants National Bank <sup>1</sup> .....	Worcester, Mass.
Do...	do.....	Salem, Mass.
Do...	Webster & Atlas National Bank <sup>1</sup> .....	Boston, Mass.
Do...	Safety Fund National Bank <sup>1</sup> .....	Fitchburg, Mass.
Do...	Crocker National Bank <sup>1</sup> .....	Turners Falls, Mass.
Do...	First National Bank <sup>1</sup> .....	Gardner, Mass.
Do...	Mechanics National Bank <sup>1</sup> .....	New Bedford, Mass.
Do...	Mechanics National Bank <sup>1</sup> .....	Boston, Mass.
Do...	Fourth-Atlantic National Bank <sup>1</sup> .....	Do.
Do...	Central National Bank.....	Lynn, Mass.
Do...	Canal National Bank <sup>1</sup> .....	Portland, Me.
Do...	Merchants National Bank <sup>1</sup> .....	Leominster, Mass.
Do...	Chicopee National Bank <sup>1</sup> .....	Springfield, Mass.
Do...	Second National Bank <sup>1</sup> .....	Boston, Mass.
Do...	Bay State National Bank.....	Lawrence, Mass.
Do...	Peoples National Bank <sup>1</sup> .....	Marlboro, Mass.
Dec. 12	Chapin National Bank <sup>1</sup> .....	Springfield, Mass.
Do...	Manufacturers National Bank <sup>1</sup> .....	Lynn, Mass.

<sup>1</sup> Supplementary application for additional fiduciary powers.

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SCHEDULE 18.—Amounts due to member banks and rediscounts for member banks, by States.

	Reserve accounts.		Rediscounts. Dec. 31, 1918. <sup>1</sup>	Ratio of re- discounts to re- serve accounts, Dec. 31, 1918.
	Dec. 31, 1917.	Dec. 31, 1918.		
Maine.....	\$3,317,195.05	\$4,155,555.98	\$1,126,936.85	27.11
New Hampshire.....	2,203,338.09	2,265,575.13	447,057.80	19.73
Vermont.....	1,558,536.24	1,560,675.31	605,506.90	38.79
Massachusetts.....	63,691,658.07	76,358,009.76	9,134,642.09	11.95
Rhode Island.....	5,526,049.59	9,272,003.10	1,146,850.23	12.36
Connecticut.....	6,544,638.54	8,188,378.02	373,462.57	4.56
Total.....	\$2,841,415.58	101,800,197.30	12,834,456.44	12.12

<sup>1</sup> Does not include rediscounts secured by United States obligations or member banks' collateral notes.

SCHEDULE 19.—Reserves of national banks in New England as reported by Comptroller of the Currency.

Date.	Total reserve.	Required reserve.	Excess reserve.
Dec. 31, 1917.....	\$59,948,000	\$55,557,000	\$4,391,000
Mar. 4, 1918.....	57,001,000	55,866,000	1,135,000
May 10, 1918.....	61,274,000	56,021,000	5,253,000
June 29, 1918.....	56,392,000	54,900,000	<sup>1</sup> 1,492,000
Aug. 31, 1918.....	59,032,000	59,041,000	<sup>1</sup> 9,000
Nov. 1, 1918.....	63,115,000	63,472,000	357,000

<sup>1</sup> Deficit.

SCHEDULE 20.—Condition of national banks in New England on dates of comptroller's calls, 1918.

[000 omitted.]

Date.	Net amount upon which reserve is required.	Loans.	Borrowed from Federal Reserve Bank, including rediscounts.	Borrowed elsewhere, including rediscounts.	Total borrowings.	Per cent borrowed at Federal Reserve Bank.
Mar. 4.....	\$696,469	\$661,860	\$73,467	\$2,890	\$76,357	96.2
May 1.....	697,779	714,788	64,741	4,186	68,927	93.9
June 29.....	705,450	735,411	33,068	5,140	38,208	86.5
Aug. 31.....	734,418	694,072	43,138	4,132	47,270	91.2
Nov. 1.....	786,518	797,579	112,878	1,877	114,755	98.4

SCHEDULE 21.—Comparison of items reported by member banks in selected cities, 1918.

[000 omitted.]

	Number of banks.	United States securities owned.	Loans secured by United States securities.	Other loans.	Net demand deposits.	Reserve.
Jan. 1.....	36	\$28,426	\$44,142	\$659,419	\$528,147	\$56,722
Feb. 1.....	38	31,978	49,800	701,823	603,074	60,214
Mar. 1.....	38	53,693	31,613	691,976	602,747	58,993
Apr. 5.....	38	47,335	34,528	728,383	611,766	61,727
May 3.....	41	75,865	33,582	772,229	662,882	66,720
June 7.....	42	60,543	52,816	771,650	666,094	63,158
July 5.....	42	55,943	52,346	784,842	650,476	61,931
Aug. 2.....	42	75,875	47,228	776,760	658,741	65,967
Sept. 6.....	42	101,476	40,029	762,252	659,755	63,782
Oct. 4.....	44	154,322	40,475	768,186	683,727	72,065
Nov. 1.....	44	120,530	116,826	784,349	682,006	66,732
Dec. 6.....	44	100,816	110,075	757,899	696,756	74,897

SCHEDULE 22.—*Certificates of indebtedness sales and payments.*

THIRD LOAN CERTIFICATES.

Date.	Due.	Rate (per cent).	Allotment to sell.	Total issued.	Paid for by credit.	Number of days before final withdrawal of deposits.
Jan. 22.....	Apr. 22.....	4	\$30,000,000	\$20,025,000	\$17,589,000	42
Feb. 8.....	May 9.....	4	35,000,000	29,134,000	24,800,000	46
Feb. 27.....	May 28.....	4½	33,000,000	35,369,000	30,059,000	43
Mar. 20.....	June 18.....	4½	33,000,000	53,690,000	49,264,500	33
Apr. 10.....	July 9.....	4½	35,000,000	39,731,000	36,084,000	27
Apr. 20.....	July 18.....	4½	35,000,000	36,468,000	27,167,000	32
Total.....			201,000,000	214,417,000	185,024,500	.....

FOURTH LOAN CERTIFICATES.

June 25.....	Oct. 25.....	4½	\$8,000,000	\$64,590,000	\$58,593,000	24
July 19.....	Nov. 7.....	4½	65,000,000	56,233,500	51,922,000	23
July 23.....	Nov. 21.....	4½	43,300,000	48,267,500	45,165,000	37
Aug. 6.....	Dec. 5.....	4½	43,300,000	49,509,000	46,100,000	30
Sept. 3.....	Jan. 2.....	4½	43,300,000	57,424,000	52,885,000	28
Sept. 17.....	Jan. 16.....	4½	52,000,000	54,710,000	51,103,000	26
Oct. 1.....	Jan. 30.....	4½	43,300,000	50,338,500	47,016,000	25
Total.....			358,200,000	381,152,500	352,784,000	.....

FIFTH LOAN CERTIFICATES.

Dec. 5.....	May 6.....	4½	\$52,000,000	\$47,901,000	\$44,200,000	25
Dec. 19.....	May 20.....	4½	43,300,000	45,010,500	41,490,000	20
Total.....			95,300,000	92,911,500	84,600,000	.....

1918 TAX CERTIFICATES.

Jan. 2.....	June 25.....			16,163,500	\$13,219,000	71
Feb. 15.....	do.....			8,793,500	7,535,000	41
Mar. 15.....	do.....			6,735,500	4,864,000	38
Apr. 15.....	do.....			6,071,500	4,051,000	43
May 15.....	do.....			24,538,000	22,238,000	34
Total.....				62,339,000	51,937,000	.....

1919 TAX CERTIFICATES.

Aug. 20.....	July 15.....	4		\$12,025,500	\$10,353,000	92
Nov. 7.....	Mar. 15.....	4½		88,728,000	72,700,000	35
Total.....				100,753,500	83,053,000	.....

SCHEDULE 23.—*Distribution by issues of certificates of indebtedness sold.*

THIRD LIBERTY LOAN.

Dated.	National banks.			Trust companies.			Other banks and individuals.			Total.	
	Number.	Amount.	Per cent of issue.	Number.	Amount.	Per cent of issue.	Number.	Amount.	Per cent of issue.	Number.	Amount.
Jan. 22.....	109	\$12,131,000	61	45	\$7,407,000	37	14	\$487,000	2	168	\$20,025,000
Feb. 8.....	261	16,902,000	58	111	11,072,000	38	23	1,160,000	4	395	29,134,000
Feb. 27.....	247	20,681,500	60	140	14,130,500	39	23	557,000	1	410	35,369,000
Mar. 20.....	232	36,031,500	67	115	16,842,000	31	30	816,500	2	377	53,690,000
Apr. 10.....	168	27,757,000	70	90	10,768,000	27	21	1,206,000	3	279	36,084,000
Apr. 22.....	184	22,669,500	62	104	12,253,000	24	25	1,545,500	4	313	36,468,000
Total.....	350	136,172,500	64	193	72,472,500	34	182	5,772,000	2	625	214,417,000

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SCHEDULE 23.—Distribution by issues of certificates of indebtedness sold—Continued.  
FOURTH LIBERTY LOAN.

Dated.	National banks.			Trust companies.			Other banks and individuals.			Total.	
	Number.	Amount.	Per cent of issue.	Number.	Amount.	Per cent of issue.	Number.	Amount.	Per cent of issue.	Number.	Amount.
June 25.....	304	\$39,817,500	62	162	\$22,545,500	35	35	\$2,227,000	3	501	\$64,590,000
July 9.....	310	30,953,500	55	162	21,064,500	37	54	4,255,500	8	526	56,273,500
July 23.....	286	24,191,000	51	138	22,191,500	45	58	1,885,000	4	580	48,267,500
Aug. 6.....	296	26,178,000	53	157	19,900,500	40	90	3,430,500	7	543	49,509,000
Sept. 3.....	290	32,199,000	56	161	21,421,500	37	102	3,803,500	7	553	57,424,000
Sept. 17.....	294	28,702,500	53	145	22,425,500	41	86	3,582,000	6	525	54,710,000
Oct. 1.....	234	25,074,000	50	123	23,744,000	47	51	1,560,500	3	418	50,378,500
Total	1 381	207,115,500	54	1 237	153,293,000	40	1 120	20,744,000	6	1 738	381,152,500

<sup>1</sup> Actual number of different subscribers.

SCHEDULE 24.—Report of payments by credit and withdrawals since Jan. 1, 1918.

	Payment by credit.	Withdrawals.	Date.	Balance.
January.....	\$64,000,000	\$78,500,000	Jan. 1, 1918	\$68,500,000
February.....	52,000,000	50,000,000	Feb. 1, 1918	52,000,000
March.....	57,000,000	36,000,000	Mar. 1, 1918	54,000,000
April.....	81,000,000	105,000,000	Apr. 1, 1918	75,000,000
May.....	177,500,000	92,000,000	May 1, 1918	51,000,000
June.....	200,000,000	166,500,000	June 1, 1918	136,500,000
July.....	144,000,000	212,000,000	July 1, 1918	170,000,000
August.....	79,000,000	109,000,000	Aug. 1, 1918	102,000,000
September.....	109,000,000	121,000,000	Sept. 1, 1918	72,000,000
October.....	318,000,000	143,000,000	Oct. 1, 1918	60,000,000
November.....	141,000,000	296,000,000	Nov. 1, 1918	235,000,000
December.....	126,000,000	177,000,000	Dec. 1, 1918	80,000,000
Jan. 1, 1919			Jan. 1, 1919	29,000,000
Total.....	1,548,500,000	1,586,000,000		

SCHEDULE 25.—Redeposits of internal-revenue funds.

REDEPOSITS.	
June 11, 1918.....	\$3,755,600
June 12, 1918.....	4,747,000
June 13, 1918.....	6,531,000
June 14, 1918.....	10,302,000
June 15, 1918.....	19,160,000
June 17, 1918.....	48,471,400
June 18, 1918.....	17,426,000
June 19, 1918.....	6,755,000
June 20, 1918.....	3,996,000
June 21, 1918.....	4,840,000
June 22, 1918.....	857,000
June 24, 1918.....	2,220,000
June 25, 1918.....	1,076,000
June 26, 1918.....	14,465,000
June 27, 1918.....	1,134,000
June 28, 1918.....	785,000
June 29, 1918.....	1,505,000
July 1 and 2, 1918.....	340,000
July 3, 1918.....	57,000
	<u>148,423,000</u>
WITHDRAWALS.	
Advance payments.....	\$1,113,000
June 27.....	28,706,400
July 2.....	29,551,600
July 3.....	29,665,000
July 9.....	26,724,150
July 11.....	32,662,850
	<u>148,423,000</u>

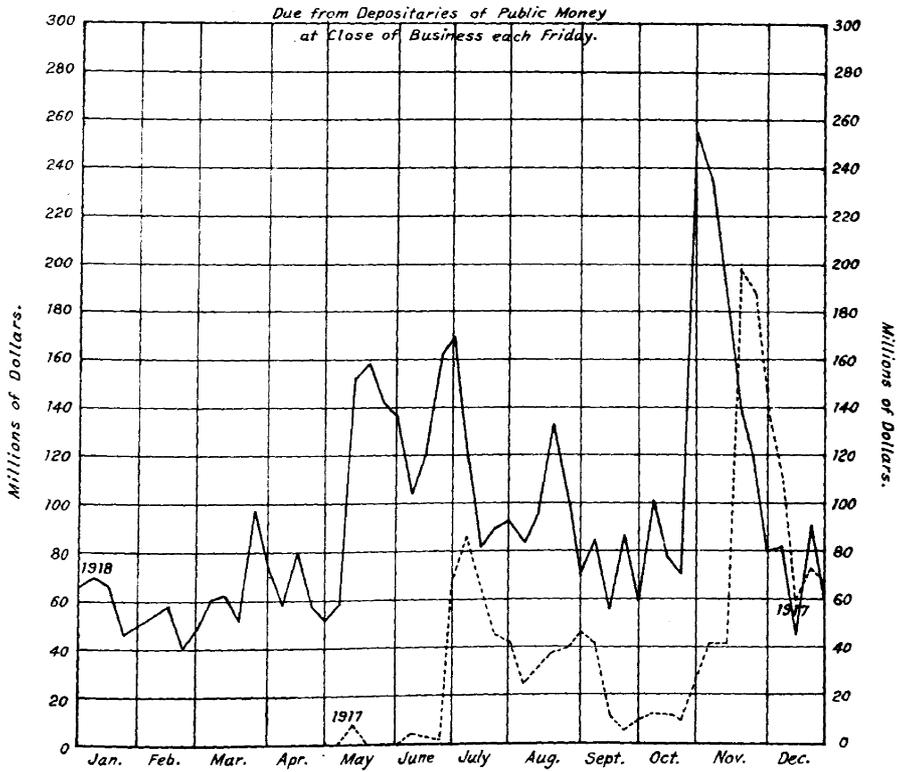


CHART I.

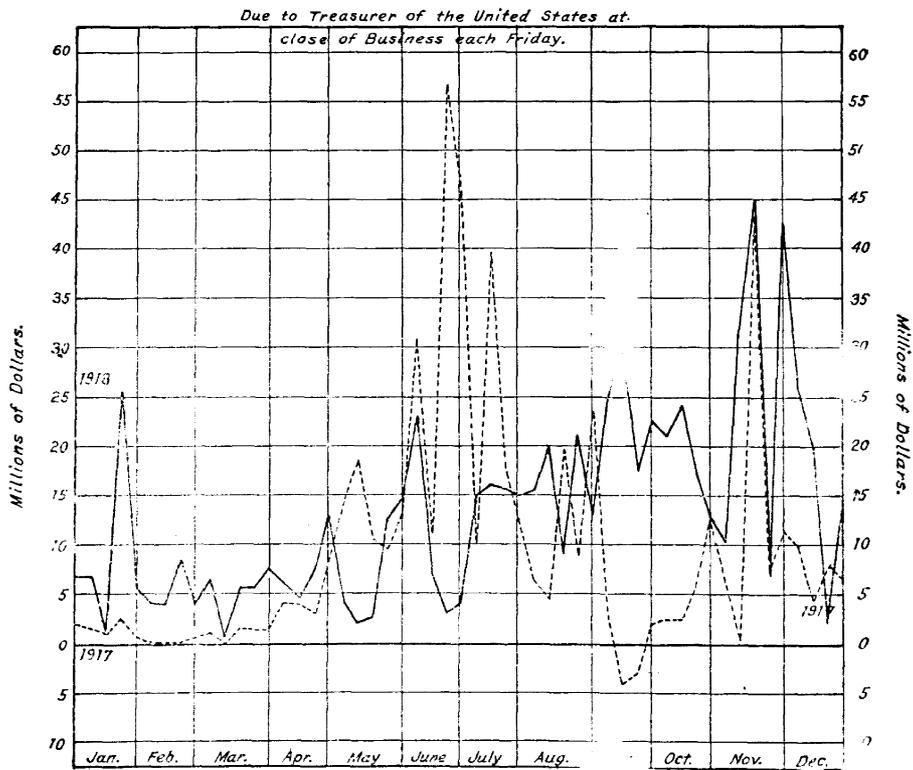


CHART J.

ANNUAL REPORT OF FEDERAL RESERVE BANK OF BOSTON. 45

SCHEDULE 26.—Subscriptions to Liberty loan bonds.

1918	Third Liberty loan.		1918	Fourth Liberty loan.	
	Day.	Total.		Day.	Total.
Apr. 9.....	\$20,421,600	\$20,421,600	Sept. 30.....	\$44,290,800	\$44,290,850
Apr. 10.....	15,145,900	35,567,500	Oct. 1.....	22,867,300	67,158,150
Apr. 11.....	10,793,700	46,361,200	Oct. 2.....	29,200,800	96,409,000
Apr. 12.....	7,325,500	53,686,700	Oct. 3.....	24,644,300	121,053,300
Apr. 13.....	7,506,400	61,193,100	Oct. 4.....	22,544,600	143,597,900
Apr. 15.....	7,449,100	68,642,200	Oct. 5.....	24,157,700	167,755,650
Apr. 16.....	11,691,700	80,333,900	Oct. 7.....	13,839,150	181,594,800
Apr. 17.....	10,743,750	91,077,700	Oct. 8.....	17,521,100	199,115,900
Apr. 18.....	9,152,100	100,229,800	Oct. 9.....	21,413,950	220,529,850
Apr. 19.....	10,155,300	110,385,100	Oct. 10.....	14,942,150	235,472,000
Apr. 20.....	3,319,000	113,704,150	Oct. 11.....	14,000,400	249,522,400
Apr. 22.....	9,112,400	122,816,600	Oct. 12.....	10,683,750	260,206,150
Apr. 23.....	8,881,300	131,697,900	Oct. 14.....	17,027,800	277,234,000
Apr. 24.....	12,356,300	144,054,300	Oct. 15.....	12,204,000	289,528,000
Apr. 25.....	10,488,100	154,542,400	Oct. 16.....	37,075,900	327,603,950
Apr. 26.....	12,319,700	166,862,100	Oct. 17.....	37,837,700	375,441,700
Apr. 27.....	17,056,400	183,918,550	Oct. 18.....	34,988,400	410,430,100
Apr. 29.....	12,619,400	196,538,000	Oct. 19.....	48,696,900	459,127,000
Apr. 30.....	12,539,400	209,077,450	Oct. 21.....	85,193,000	544,320,100
May 1.....	12,803,700	221,971,150	Oct. 22.....	30,748,000	575,068,150
May 2.....	22,200,800	244,172,000	Oct. 23.....	57,153,700	632,221,850
May 3.....	18,159,800	262,331,850			
May 4.....	21,917,000	284,248,900			
May 6.....	21,047,800	305,296,700			
May 7.....	17,348,400	322,645,200			
May 8.....	11,091,600	333,736,800			
May 9.....	20,800,400	354,537,200			

SCHEDULE 27.—Liberty loan subscriptions through Federal Reserve Bank of Boston.

Size of subscription.	Third loan.	Fourth loan.
\$50 to \$10,000.....	\$189,597,600	\$264,402,700
\$10,050 to \$50,000.....	50,892,800	111,497,450
\$50,000 to \$100,000.....	32,220,000	68,348,600
\$100,000 to \$200,000.....	24,219,200	54,750,950
\$200,000 and over.....	57,607,500	133,222,100
Total.....	354,537,250	632,221,850

SCHEDULE 28.—The Liberty loans.

State.	Number of subscribers.		Subscriptions.	
	Third loan.	Fourth loan.	Third loan.	Fourth loan.
Maine.....	77,259	118,270	\$18,348,100	\$27,694,150
New Hampshire.....	55,632	103,905	14,252,000	21,979,050
Vermont.....	41,972	62,038	9,330,700	15,315,450
Massachusetts.....	608,401	910,228	228,329,700	405,354,500
Rhode Island.....	104,324	128,101	28,717,700	61,300,300
Connecticut.....	164,767	325,092	55,558,950	100,528,400
Total.....	952,355	1,647,634	354,537,250	632,221,850

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SCHEDULE 29.—*Liberty loan subscriptions of principal cities of New England.*

	Third loan.		Fourth loan.	
	Estimated number of subscribers.	Amount.	Estimated number of subscribers.	Amount.
Boston.....	201,900	\$77,202,500	139,336	\$139,800,000.
Brockton.....	14,144	2,733,500	14,315	4,817,400
Cambridge.....	22,316	4,585,725	46,555	8,800,850
Fall River.....	18,886	5,463,950	16,967	8,931,650
Hartford, Conn.....	29,780	21,045,250	72,286	36,422,600
Holyoke, Mass.....	12,707	2,934,500	57,730	5,336,850
Lawrence, Mass.....	40,707	4,415,500	85,892	7,402,200
Lowell, Mass.....	9,712	4,192,350	31,266	8,354,350
Lynn, Mass.....	8,967	3,391,550	89,336	6,476,075
Manchester, N. H.....	15,734	4,054,500	11,879	7,386,340
New Bedford, Mass.....	23,315	5,840,800	96,652	8,707,550
New Haven, Conn.....	35,763	7,702,550	64,102	15,507,600
Portland, Me.....	25,549	4,278,850	58,571	6,054,550
Providence, R. I.....	100,619	17,486,450	73,029	38,103,300
Somerville, Mass.....	8,102	1,583,700	18,516	3,076,000
Springfield, Mass.....	38,048	7,502,500	88,926	16,147,350
Waterbury, Conn.....	30,497	5,759,350	73,141	8,977,200
Worcester, Mass.....	43,779	8,462,400	145,986	19,239,150

SCHEDULE 30.—*Character of Liberty loan payments.*

SECOND LOAN.

Date.	By cash.	By credit, Government deposit.	Certificates of indebtedness.	Total.	Accrued interest.
Cash sales.....	\$14,245,150.00	\$3,084,100.00	.....	\$17,329,250.00	.....
2 per cent payments.....	4,055,738.00	5,153,004.00	.....	9,208,742.00	.....
Nov. 15.....	55,630,311.50	170,328,176.50	\$40,435,000.00	266,393,488.00	.....
Dec. 15.....	14,183,028.28	59,793,191.55	.....	73,976,219.83	\$106,799.83
Jan. 15.....	6,397,980.02	35,750,717.02	.....	42,148,697.04	419,597.04
Total.....	94,512,207.80	274,109,189.07	40,435,000.00	409,056,396.87	526,396.87

THIRD LOAN.

Cash sales.....	\$13,056,150.00	\$23,208,900.00	\$13,415,500.00	\$49,680,550.00	.....
May 9.....	18,579,541.07	108,941,621.43	43,172,500.00	170,693,662.50	.....
May 28.....	7,851,470.42	36,551,792.35	4,911,500.00	49,314,762.77	.....
July 18.....	10,483,010.07	39,176,294.97	.....	49,659,305.04	.....
Aug. 15.....	5,671,195.46	30,426,761.62	.....	36,097,957.08	.....
Total.....	55,641,367.02	238,305,370.37	61,499,500.00	355,446,237.39	\$908,987.39

FOURTH LOAN.

Cash sales.....	\$14,694,150.00	\$53,235,500.00	\$4,700,000.00	\$72,629,650.00	.....
Oct. 24.....	42,556,486.13	214,358,733.87	94,247,500.00	351,162,730.00	.....
Nov. 21.....	12,374,479.04	67,543,038.43	6,985,500.00	86,903,018.07	.....
Dec. 19.....	8,396,782.16	41,185,043.87	.....	49,581,826.03	.....
Total.....	78,021,907.93	376,322,316.17	105,933,000.00	560,277,224.10	\$323,224.10

SCHEDULE 31.—Transactions during the fourth Liberty loan payments.

[000 omitted.]

Week ending, 1918—	Total payments on account of Liberty loan and certificates.	Redeposits with qualified depositaries.	Payments by certificates.	Certificates cashed.	Member banks reserve accounts, increase.	Loans and rediscounts, increase.	Withdrawals from depositaries.	Transfers out of district by Treasury.	Gain in settlement fund through clearing. <sup>1</sup>
Oct. 18.....	\$20,900	\$16,400			\$7,000	\$4,200	\$24,700	\$13,000	\$9,900
Oct. 25.....	337,800	211,500	\$96,200	\$44,300	17,500	7,000	25,900	1,000	16,000
Nov. 1.....	29,000	14,400	4,500	500	<sup>2</sup> 19,100	13,400	35,400	24,000	<sup>2</sup> 20,900
Nov. 8.....	48,500	42,300			7,800	21,800	89,700	1,000	3,200
Nov. 15.....	13,000	9,400			<sup>2</sup> 15,200	19,100	52,800	23,000	<sup>2</sup> 7,800
Nov. 22.....	88,800	67,500	6,300	72,300	21,000	15,900	92,500	45,000	<sup>2</sup> 12,500
Total.....	538,000	361,500	107,000	117,100	19,000	<sup>2</sup> 81,400	321,000	107,000	<sup>2</sup> 11,900

<sup>1</sup> Does not include direct transfers.

<sup>2</sup> Decrease.

<sup>3</sup> Rediscounted with other Federal Reserve banks \$65,000,000 of this amount.

SCHEDULE 32.—Liberty loan conversions.

	Issued.	Exchanged into—			Exchanged by other Federal Reserve banks.	Outstanding.
		3½s.	4s.	4½s.		
First loan interim certificates:						
Allotment.....	\$265,017,900	\$167,453,400	\$63,828,100		\$35,582,000	\$769,100
Other Federal Reserve banks.....	2,614,700					
Total.....	267,632,600	167,453,400	63,828,100		35,582,000	769,100
First 3½s.....	267,632,600		9,390,150	\$378,350		<sup>1</sup> 156,888,750
First 4s.....	73,218,250		48,832,800			<sup>1</sup> 24,384,450
Second 4s.....	408,530,000		317,633,550			190,896,450

<sup>1</sup> Difference between amount issued by this bank and amount presented for conversion.

SCHEDULE 33.—Bond and certificate deliveries.

THIRD LIBERTY LOAN.

	Bond coupons.	Bonds registered.	Certificates of indebtedness.	1918 tax certificates.
	Pieces.	Pieces.	Pieces.	Pieces.
\$50.....	1,090,798	12,531		
100.....	409,412	23,131		
500.....	42,282	4,911	6,873	1,460
1,000.....	131,732	4,573	34,449	7,075
5,000.....	5,206	511	10,674	2,609
10,000.....	5,243	965	9,656	3,561
50,000.....		57		
100,000.....		27	266	14,268
Total.....	1,684,673	46,706	61,918	28,973

SCHEDULE 33.—*Bond and certificate deliveries*—Continued.

## FOURTH LIBERTY LOAN.

	Bond coupons.	Bonds registered.	Certificates of indebtedness.	1919 tax certificates.
	<i>Pieces.</i>	<i>Pieces.</i>	<i>Pieces.</i>	<i>Pieces.</i>
\$50.....	759,725	2,560		
100.....	384,967	4,923		
500.....	42,096	1,159	9,237	1,842
1,000.....	162,838	1,185	43,724	6,794
5,000.....	6,425	140	21,938	2,927
10,000.....	8,396	212	17,722	4,053
50,000.....		24		
100,000.....		8	509	374
<b>Total.....</b>	<b>1,364,447</b>	<b>10,211</b>	<b>92,130</b>	<b>15,990</b>

SCHEDULE 34.—*United States certificates of indebtedness redeemed from Jan. 1, 1918, to Dec. 31, 1918.*

	Cash redemption.	Bond payments.	For new issues.	Government withdrawals.	Tax payments.	Total.
Jan. 22 to Apr. 22.....	\$15,099,000		\$3,859,000	\$2,218,000		\$21,176,000
Feb. 8 to May 9.....	14,444,000	\$14,271,000				28,715,000
Feb. 27 to May 28.....	24,402,500	9,680,000		1,566,500		35,655,000
Mar. 20 to June 18.....	45,549,500	7,974,000				53,523,500
Apr. 10 to July 9.....	22,229,000	17,618,500				39,847,500
Apr. 22 to July 18.....	24,759,500	11,950,000				36,709,500
Nov. 30 to June 25.....	7,804,000				\$8,046,500	15,850,500
Jan. 2 to June 25.....	8,101,500				9,550,500	17,652,000
Feb. 15 to June 25.....	4,993,000				4,237,500	9,230,500
Mar. 15 to June 25.....	2,282,500				4,837,500	7,120,000
Apr. 15 to June 25.....	1,221,500				6,262,000	7,483,500
May 15 to June 25.....	9,591,000				5,402,000	14,993,000
June 25 to Oct. 24.....	45,233,500	17,781,500				63,015,000
July 9 to Nov. 7.....	4,575,000	9,067,000	5,000			55,647,000
July 23 to Nov. 21.....	38,098,500	8,638,000	706,000			47,442,500
Aug. 6 to Dec. 5 (called Nov. 21).....	33,713,500	11,560,000	319,000			45,592,500
Sept. 3 to Jan. 2 (called Dec. 19).....	34,459,000	21,922,500	135,000			56,516,500
Sept. 17 to Jan. 16.....		17,337,500	1,015,000			18,352,500
Oct. 1 to Jan. 30.....		20,684,000	885,000			21,569,000
Aug. 20 to July 15.....			8,797,500		200,000	8,997,500
Nov. 7 to Mar. 15.....					424,000	424,000
<b>Total.....</b>	<b>381,566,500</b>	<b>168,490,000</b>	<b>15,721,500</b>	<b>3,784,500</b>	<b>38,960,000</b>	<b>608,522,500</b>

SCHEDULE 35.—*War-savings stamps issued during year 1918.*

	Number of war savings stamps issued.	Number of thrift stamps issued.	Total amount sold.
Boston.....	117,279	335,884	\$58,996.51
Massachusetts (outside Boston).....	179,710	607,295	898,186.36
Maine.....	141,331	454,659	702,120.10
New Hampshire.....	166,109	292,279	766,391.04
Vermont.....	125,649	159,433	564,398.28
Rhode Island.....	177,705	443,445	852,386.21
Connecticut.....	159,265	705,705	839,184.29
Sundries.....	7		
<b>Total.....</b>	<b>1,067,055</b>	<b>2,998,700</b>	<b>15,192,162.79</b>

<sup>1</sup> Amount issued by Federal Reserve Bank of Boston. The Treasury Department reports total sales of \$54,685,000 in this district up to Dec. 1, 1918.

SCHEDULE 36.—*Capital Issues Committee.*

	Approved.		Disapproved.	
	Number.	Amount.	Number.	Amount.
District opinions rendered:				
Public service.....	4	\$276,000		
Municipal.....	27	770,775	2	\$34,800
Industrial.....	17	1,115,225	5	370,000
Total.....	48	2,162,000	7	401,800
Central opinions rendered:				
Public service.....	49	52,046,971.47	1	200,000
Municipal.....	45	10,377,045.83	6	1,600,000
Industrial.....	97	99,428,796.67	21	28,874,080
Total.....	191	161,852,813.97	28	30,674,080
	Applications withdrawn.		Applications transferred.	
	Number.	Amount.	Number.	Amount.
Public service.....	4	\$4,053,775		
Municipal.....	3	2,140,000	2	\$10,000
Industrial.....	15	5,670,950	2	1,150,000
Total.....	22	11,864,725	4	1,330,000

Business operations postponed during the war, 43; total, \$10,895,200.

Business for capital purposes approved, 25; total, \$9,172,791.

Public-service corporation notes registered, \$43,844,025.

SCHEDULE 37.—*Federal Reserve notes issued by Federal Reserve agent.*

	Outstanding on first of month.	Issued during month.	Retired during month.	Net increase.
January.....	\$77,296,820	\$5,540,000	\$2,102,700	\$3,437,300
February.....	80,734,120	9,420,000	1,374,575	8,015,415
March.....	88,779,535	7,760,000	1,086,050	6,673,950
April.....	95,453,485	11,980,000	2,245,575	9,734,465
May.....	105,187,950	8,300,000	4,075,610	4,224,390
June.....	107,412,340	10,500,000	3,239,000	7,261,000
July.....	116,673,340	16,500,000	2,452,150	14,017,850
August.....	130,721,190	13,500,000	2,556,570	10,943,470
September.....	141,664,660	16,000,000	2,707,300	13,292,700
October.....	154,957,360	14,010,000	2,287,450	11,752,550
November.....	166,709,910	2,640,000	7,012,190	4,372,190
December.....	162,337,720	13,900,000	7,251,390	6,648,610
Total.....		130,080,000	38,390,490	91,689,510

<sup>1</sup> Decrease.

SCHEDULE 38.—*Number of Federal Reserve notes issued and retired by denominations.*

	Outstanding Jan. 1, 1918.	Issued.	Retired.	Outstanding Dec. 31, 1918.
Fives.....	2,566,832	5,292,000	2,412,092	5,446,740
Tens.....	4,047,743	4,980,000	1,844,266	7,183,477
Twenty's.....	689,754	2,236,000	260,851	2,664,903
Fifty's.....	74,987	70,000	18,725	126,262
Hundreds.....	64,408	56,000	17,341	103,067
Total.....	7,443,724	12,634,000	4,553,275	15,524,449

## SCHEDULE 39.—Inter-district Federal Reserve note movement.

Bank.	Received from—	Sent to—	Net excess returned.
New York.....	\$15,729,700	\$27,182,800	\$11,453,100
Philadelphia.....	2,176,000	2,374,800	198,800
Cleveland.....	340,970	2,145,540	1,804,570
Richmond.....	734,750	1,620,600	885,850
Atlanta.....	494,850	622,250	127,400
Chicago.....	1,017,250	2,219,810	1,202,560
St. Louis.....	403,515	380,400	<sup>1</sup> 23,115
Minneapolis.....	114,500	338,700	224,200
Kansas City.....	61,600	450,000	388,400
Dallas.....	419,450	176,500	<sup>1</sup> 242,950
San Francisco.....	167,720	420,300	252,580
Total.....	21,660,305	37,931,700	16,271,395

<sup>1</sup> Excess received.

## SCHEDULE 40.—Principal items from statement of selected banks, Dec. 28, 1917, and Dec. 27, 1918.

[000 omitted.]

	Number of banks.	United States certificates of indebtedness.	Total United States securities owned.	Loans secured by United States bonds and certificates.	All other loans and investments.	Reserve with Federal Reserve Bank.	Cash in vault.	Net demand deposits on which reserve is computed.	Time deposits.	Government deposits.
Boston:										
1917.....	14		\$14,188	\$36,753	\$489,467	\$46,537	\$18,369	\$408,104	\$28,433	\$33,767
1918.....	14	\$45,921	61,172	69,055	462,268	45,727	17,231	449,855	22,227	26,762
Outside of Boston:										
1917.....	22		14,238	7,389	169,952	10,185	6,711	120,043	48,452	5,707
1918.....	22	14,374	34,420	16,069	175,720	10,346	7,597	127,298	50,117	7,596

## SCHEDULE 41.—Amount of checks handled by the transit department.

[000 omitted.]

	On banks in Boston Clearing House.		On other banks in this district.			
	1917	1918	Received from Boston banks.		Received from other banks.	
			1917	1918	1917	1918
January.....	\$128,625	\$341,288	\$63,272	\$76,733	\$19,540	\$44,692
February.....	130,031	288,249	52,326	66,470	17,938	43,562
March.....	188,669	347,749	64,364	91,118	21,788	47,853
April.....	195,460	405,416	67,646	94,130	26,957	54,561
May.....	209,634	442,529	71,096	98,310	32,686	59,995
June.....	269,424	580,929	70,958	100,511	36,389	127,931
July.....	288,942	501,702	74,640	116,980	34,370	75,392
August.....	289,565	456,349	72,286	142,491	34,834	82,741
September.....	264,028	425,558	67,992	132,202	34,079	83,837
October.....	292,272	612,811	83,132	150,409	38,927	126,280
November.....	357,385	598,042	84,105	142,774	41,100	131,603
December.....	353,688	587,616	82,047	142,664	42,845	135,317
Total.....	2,947,723	5,588,238	853,864	1,354,792	381,453	1,013,764

X [SCHEDULE 41.—Amount of checks handled by the transit department—Continued.

	On Treasurer of United States.		On banks in other districts.		Total.	
	1917	1918	1917	1918	1917	1918
January.....	\$3,918	\$53,693	\$63,589	\$115,432	\$278,944	\$631,838
February.....	2,467	49,067	69,303	84,305	272,065	531,653
March.....	3,950	62,452	86,059	92,665	344,830	641,837
April.....	3,886	64,188	103,066	113,823	397,015	732,118
May.....	3,777	82,473	103,043	101,513	420,236	784,820
June.....	10,121	89,943	125,289	98,339	512,181	997,653
July.....	21,625	105,785	129,308	129,361	548,885	929,220
August.....	23,867	156,068	116,865	115,132	537,417	952,781
September.....	31,243	108,790	95,340	117,629	492,682	868,016
October.....	39,531	124,663	97,404	145,919	551,266	1,160,082
November.....	49,831	123,211	98,228	122,909	630,649	1,118,539
December.....	51,981	147,094	93,276	90,160	623,837	1,102,851
Total.....	246,197	1,167,427	1,180,770	1,327,187	5,610,007	10,451,408

SCHEDULE 42.—Collateral department—Coupons cut.

	Number of banks.	Number of coupons.	Amount of coupons.
May.....	257	62,559	\$651,341
June.....	142	15,941	127,297
July.....	74	2,191	47,320
August.....	73	1,637	43,135
September.....	217	65,150	318,607
October.....	114	6,424	158,672
November.....	307	37,137	708,569
December.....	230	14,530	179,257
Total.....	1,414	205,569	2,234,198

SCHEDULE 43.—Discount rates.

	Maturities of 15 days or less.	Maturities of 16 to 90 days.	Agricultural and live-stock paper, 91 days to 6 months.	Trade acceptances.	Secured by United States obligations.		
					15 days or less.	16 to 90 days.	Carrying coupon rate fourth Liberty loan bond, 16 to 90 days.
Dec. 12, 1917.....	4	5	5	4	3½	4	.....
Jan. 7, 1918.....	4	5	5	4½	3½	4	.....
Apr. 8, 1918.....	4	4½	5	4½	4	4½	.....
Oct. 1, 1918.....	4	4½	5	4½	4	4½	4

SCHEDULE 44.—Money rates in Boston; 1918.

	January.	February.	March.	April.	May.	June.
Demand money.....	6-6	6-6	6-6	5-6	5-6	5-6
Commercial paper discounted:						
90 days or under.....	5½-6	5½-6	5½-6	5½-6	5½-6	5½-6
Over 90 days.....	5½-6½	5½-6½	5½-6½	5½-6½	5½-6½	5½-6½
Commercial paper purchased:						
90 days or under.....	5½-6	5½-6	5½-6	5½-6	5½-6	6-6
Over 90 days.....	5½-6½	5½-6½	5½-6½	5½-6½	5½-6½	5½-6½
Bank borrowings.....	5½	5½	5½	5½	5½	5½
Acceptances:						
Indorsed.....	3½-4½	3½-4½	4½-4½	5½-4½	4½-4½	4½-4½
Unindorsed.....	4-4½	4-4½	4½-4½	4½-4½	4½-4½	4½-4½
Year money.....	6	6	6	6	6	6
Town notes.....	4.75-5.63	5.06-5.39	5.0-5.74	5.06-5.72	4.69-5.50	4.43-5.04
Loans secured by United States obligations.....	4-5	4-5	4-5	4-5	4½-5	4½-5

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SCHEDULE 44.—*Money rates in Boston, 1918—Continued.*

	July.	August.	Septem-ber.	October.	Novem-ber.	Decem-ber.
Demand money.....	5½-6	6-6	6-6	6-6	6-6	5½-6
Commercial paper discounted:						
90 days or under.....	5½-6	5½-6	5½-6½	6-6½	6-6½	5½-6½
Over 90 days.....	5½-6	5½-6	5½-6½	6-6½	6-6½	6-6½
Commercial paper purchased:						
90 days or under.....	4½-6	6-6	6-6½	6-6½	6-6½	5½-6½
Over 90 days.....	6-6	6-6	6-6½	6-6½	6-6½	6-6½
Bank borrowings.....	5½	5½	5½	5½	5½	5½
Acceptances:						
Indorsed.....	4-4½	4-4½	4-4½	4½-5	4½-5	4½-5
Unindorsed.....	4½-4½	4-4½	4½-4½	4½-5	4½-4½	4½-4½
Year money.....	6	6	6	6	6	6
Town notes.....	4.22-5	4-4.38	4.19-4.65	4.70-4.91	4.24-4.60	4-4.37
Loans secured by United States obligations.....	4½-5	4½-5	4½-5	4½-5	4½-5	4½-5

SCHEDULE 45.—*Bank clearings in New England.*

[Figures in thousands of dollars from clearing-house cities.]<sup>1</sup>

	1915	1916	1917	1918	1918 <sup>2</sup>
January.....	774,008	1,040,224	1,237,922	1,349,779	
February.....	670,835	952,310	1,063,847	1,108,908	
March.....	783,254	1,099,879	1,159,100	1,288,689	
April.....	851,617	1,060,009	1,199,335	1,414,114	
May.....	803,485	1,076,603	1,200,624	1,619,670	
June.....	780,657	1,056,426	1,251,661	1,720,029	
July.....	829,872	1,041,174	1,308,358	1,588,308	
August.....	702,790	890,888	1,195,002	1,481,533	
September.....	704,006	940,031	1,107,104	1,306,456	
October.....	1,008,557	1,172,621	1,374,657	1,751,890	2,477,136
November.....	1,019,200	1,298,280	1,447,019	1,650,132	2,571,875
December.....	999,816	1,234,647	1,365,268	1,631,683	2,967,972
Total.....	9,928,097	12,863,092	14,903,897	17,911,191	8,026,983

<sup>1</sup> As reported in the Commercial and Financial Chronicle.

<sup>2</sup> As reported to Federal Reserve Board, includes all checks on members of clearing houses, whether "cleared" or not.

SCHEDULE 46.—*Building activity in New England.*

	First half year.	Second half year.	Total.
1912.....	\$102,960,000	\$68,207,000	\$171,167,000
1913.....	86,174,000	113,291,000	199,465,000
1914.....	89,212,000	82,655,000	171,867,000
1915.....	88,475,000	74,471,000	162,946,000
1916.....	106,880,000	74,998,000	181,888,000
1917.....	99,950,000	103,150,000	203,100,000
1918.....	73,142,000	125,732,000	198,874,000
Average.....	92,400,000	81,063,000	161,913,000

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SCHEDULE 47.—*Business through the port of Boston.*

[000 omitted.]

	Exports.		Imports.		Excess of imports	
	1917	1918	1917	1918	1917	1918
January.....	\$24,193	\$20,910	\$32,419	\$31,656	\$8,226	\$10,746
February.....	22,390	11,294	21,743	15,965	1,647	4,671
March.....	19,707	21,108	21,816	27,106	5,109	5,998
April.....	20,509	22,369	25,810	27,527	5,301	5,158
May.....	18,034	23,889	20,306	35,147	2,272	11,258
June.....	14,882	17,262	21,158	37,551	6,276	20,292
July.....	13,913	20,725	16,415	22,611	2,502	1,886
August.....	17,286	12,936	14,350	17,422	1,936	4,486
September.....	10,815	10,534	14,117	17,674	3,302	7,140
October.....	14,495	19,326	8,033	25,096	1,646	5,770
November.....	13,513	19,257	9,356	28,243	1,457	6,986
December.....	19,141	22,987	26,658	22,862	7,517	1,125
Total.....	208,878	222,597	235,181	306,863	26,303	84,266

<sup>1</sup> Excess of exports.

SCHEDULE 48.—*Commercial failures in New England.<sup>1</sup>*

	1916		1917		1918	
	Number.	Liabilities.	Number.	Liabilities.	Number.	Liabilities.
Maine.....	220	\$1,994,616	151	\$1,424,353	135	\$1,516,696
New Hampshire.....	63	223,117	49	380,768	38	243,919
Vermont.....	59	602,544	48	422,831	36	363,240
Massachusetts.....	928	10,326,675	895	10,777,064	739	13,010,340
Rhode Island.....	113	586,464	105	503,488	121	683,456
Connecticut.....	307	2,132,970	319	8,642,146	272	4,167,709
Total.....	1,690	15,866,386	1,567	22,150,650	1,344	19,885,360

<sup>1</sup> Figures as reported by R. G. Dun & Co.

