

FEDERAL RESERVE BANK OF CLEVELAND***Thirty-Fourth Annual Statement***

Cleveland 1, Ohio, January 5, 1949

To the Stockholders of the

Federal Reserve Bank of Cleveland:

There is presented herewith a condensed comparative statement of condition of the Federal Reserve Bank of Cleveland, including its Cincinnati and Pittsburgh branches, at the close of business December 31, 1948, and December 31, 1947, together with a comparison of earnings and expenses for the years 1948 and 1947.



President

COMPARATIVE STATEMENT OF CONDITION

| ASSETS | Dec. 31, 1948 | Dec. 31, 1947 |
|--|-----------------|-----------------|
| Gold certificates | \$1,442,156,161 | \$1,434,229,675 |
| Redemption fund—Federal Reserve Notes | 75,340,105 | 75,702,064 |
| TOTAL GOLD CERTIFICATE RESERVES | 1,517,496,266 | 1,509,931,739 |
| Other cash | 22,366,932 | 23,877,613 |
| TOTAL CASH | 1,539,863,198 | 1,533,809,352 |
| Discounts and advances | 17,706,500 | 6,790,037 |
| U. S. Government securities: | | |
| Bills | 526,077,000 | 1,040,322,000 |
| Certificates | 582,657,000 | 647,980,000 |
| Notes | 75,790,000 | 140,776,000 |
| Bonds | 1,052,386,000 | 271,995,000 |
| TOTAL U. S. GOVERNMENT SECURITIES | 2,236,910,000 | 2,101,073,000 |
| TOTAL LOANS AND SECURITIES | 2,254,616,500 | 2,107,863,037 |
| Federal Reserve Notes of other banks | 10,514,500 | 8,922,000 |
| Checks and other cash items in process of collection | 290,167,176 | 275,269,967 |
| Bank premises | 4,867,126 | 4,937,527 |
| Other assets | 14,213,471 | 10,788,765 |
| TOTAL ASSETS | \$4,114,241,971 | \$3,941,590,648 |
| LIABILITIES | | |
| Federal Reserve Notes | \$2,144,650,175 | \$2,139,962,405 |
| Deposits: | | |
| Member bank—reserve account | 1,510,026,621 | 1,386,872,595 |
| U. S. Treasurer—General account | 104,468,955 | 79,221,193 |
| Foreign | 58,484,400 | 30,597,000 |
| Other deposits | 12,347,294 | 12,185,626 |
| TOTAL DEPOSITS | 1,685,327,270 | 1,508,876,414 |
| Deferred availability items | 213,207,310 | 227,328,373 |
| Other liabilities | 1,085,994 | 1,383,680 |
| TOTAL LIABILITIES | 4,044,270,749 | 3,877,550,872 |
| CAPITAL ACCOUNTS | | |
| Capital paid in | 19,072,750 | 18,842,800 |
| Surplus (Section 7) | 43,967,550 | 42,172,710 |
| Surplus (Section 13b) | 1,005,665 | 1,005,665 |
| Other capital accounts | 5,925,257 | 2,018,601 |
| TOTAL LIABILITIES AND CAPITAL ACCOUNTS | \$4,114,241,971 | \$3,941,590,648 |
| Contingent liability on bills purchased for foreign correspondents | \$ 306,288 | \$ 228,812 |
| Commitments to make industrial loans | \$ 968,821 | \$ 1,642,065 |

COMPARISON OF EARNINGS AND EXPENSES
For the years 1948 and 1947

| | 1948 | 1947 |
|--|--------------|--------------|
| Current earnings..... | \$29,265,175 | \$15,189,482 |
| Current expenses..... | 6,757,536 | 6,277,763 |
| CURRENT NET EARNINGS..... | 22,507,639 | 8,911,719 |
| ADDITIONS TO CURRENT NET EARNINGS: | | |
| Profits on sales of U. S. Government securities (net)..... | 596,016 | 255,338 |
| All other..... | 69 | 43 |
| TOTAL ADDITIONS..... | 596,085 | 255,381 |
| DEDUCTIONS FROM CURRENT NET EARNINGS..... | | |
| Net additions..... | 486,186 | 102— |
| Transferred to reserves for contingencies..... | 3,906,750 | —0— |
| Paid U. S. Treasury (interest on outstanding F. R. notes)..... | 16,153,370 | 7,010,673 |
| Net earnings after reserves and payments to U. S. Treasury.... | 2,933,705 | 1,900,944 |
| Dividends paid..... | 1,138,865 | 1,123,392 |
| Withdrawn from surplus (Section 13b)..... | —0— | 1,461— |
| Transferred to surplus (Section 7)..... | \$ 1,794,840 | \$ 779,013 |

NUMBER OF MEMBER BANKS IN OPERATION IN FOURTH DISTRICT, DECEMBER 31, 1948

| | State | National | Total |
|--------------------------------|-------|----------|-------|
| Kentucky..... | 8 | 50 | 58 |
| Ohio—Cincinnati territory..... | 26 | 91 | 117 |
| Ohio—Cleveland territory..... | 158 | 150 | 308 |
| Pennsylvania..... | 38 | 170 | 208 |
| West Virginia..... | 5 | 8 | 13 |
| | 235 | 469 | 704 |

FEDERAL RESERVE BANK OF CLEVELAND

DIRECTORS 1949

GEO. C. BRAINARD (*Chairman*)
President and General Manager
 Addressograph-Multigraph Corporation
 Cleveland, Ohio

A. Z. BAKER (*Deputy Chairman*)
Chairman of the Board, The Cleveland Union Stock Yards
 Company, Cleveland, Ohio, and *President, American*
 Stock Yards Association, Cleveland, Ohio

JOHN D. BAINER, *Chairman of the Board,*
President and Trust Officer
 The Merchants National Bank and Trust Company
 of Meadville
 Meadville, Pennsylvania

L. H. LUND, *Vice President and Treasurer*
 Westinghouse Electric Corporation
 Pittsburgh, Pennsylvania

JOEL M. BOWLBY, *Chairman of the Board*
 The Eagle-Picher Company
 Cincinnati, Ohio

JOHN T. ROHR, *President*
 The Toledo Trust Company
 Toledo, Ohio

BEN R. CONNER, *President*
 The First National Bank of Ada
 Ada, Ohio

LEO L. RUMMELL, *Dean*
 College of Agriculture
 The Ohio State University
 Columbus, Ohio

ROSS PIER WRIGHT, *Secretary-Treasurer*
 Reed Manufacturing Company
 Erie, Pennsylvania

OFFICERS

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 W. D. FULTON *Vice President*
 JOHN W. KOSSIN *Vice President*
 ALFRED H. LANING *Vice President and Cashier*
 BENEDICT J. LAZAR *Vice President*
 MARTIN MORRISON *Vice President*
 DONALD S. THOMPSON *Vice President*
 ROGER R. CLOUSE *Assistant Vice President*
 H. E. J. SMITH *Assistant Vice President*
 PAUL C. STETZELBERGER *Assistant Vice President*

J. B. ANDERSON *Assistant Cashier*
 C. J. BOLTHOUSE *Assistant Cashier*
 G. H. EMDE *Assistant Cashier*
 J. R. LOWE *Assistant Cashier*
 JOSEPH M. MILLER *Assistant Cashier*
 G. R. ROSS *Assistant Cashier*
 WILBUR T. BLAIR *Counsel and Secretary*
 H. M. BOYD *Chief Examiner*
 C. F. EHNINGER *Auditor*
 L. M. HOSTETLER *Manager, Research Department*

MEMBER, FEDERAL ADVISORY COUNCIL

SIDNEY B. CONGDON, *President, The National City Bank of Cleveland, Cleveland, Ohio*

COUNSEL

Squire, Sanders & Dempsey
 Cleveland, Ohio

INDUSTRIAL ADVISORY COMMITTEE

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President and Treasurer
 The George S. Rider Company
 Cleveland, Ohio

SAM W. EMERSON, *President*
 The Sam W. Emerson Company
 Cleveland, Ohio

H. P. LADDS, *President*
 The National Screw and Manufacturing Company
 Cleveland, Ohio

C. F. HOOD, *President*
 The American Steel and Wire Company of New Jersey
 Cleveland, Ohio

W. WITHINGTON, *Director*
 The American Fork & Hoe Company
 Cleveland, Ohio

CINCINNATI BRANCH

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Chairman of the Board
 Ashland Oil & Refining Company
 Ashland, Kentucky

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 The Winters National Bank and Trust Company of Dayton
 Dayton, Ohio

ERNEST H. HAHNE, *President*
 Miami University
 Oxford, Ohio

JOSEPH B. HALL, *President*
 Kroger Company
 Cincinnati, Ohio

WALDO E. PIERSON, *President*
 The First National Bank of Cincinnati
 Cincinnati, Ohio

S. HEADLEY SHOUSE
Tobacco and livestock raiser
 Lexington, Kentucky

SPEARS TURLEY, *Vice President and Trust Officer*
 State Bank and Trust Company of Richmond, Kentucky
 Richmond, Kentucky

PITTSBURGH BRANCH

DIRECTORS 1949

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President and General Manager
 Joseph Horne Co.
 Pittsburgh, Pennsylvania

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 The Union National Bank of Pittsburgh
 Pittsburgh, Pennsylvania

R. E. BOWIE, *President*
 Security Trust Company
 Wheeling, West Virginia

HOWARD W. JORDAN, *President*
 Pennsylvania Rubber Company
 Jeannette, Pennsylvania

MONTFORT JONES
 Professor of Finance
 The University of Pittsburgh
 Pittsburgh, Pennsylvania

JOSIAH M. KOCH, *Vice President*
 Quaker State Oil Refining Corporation
 Oil City, Pennsylvania

T. C. SWARTS, *Executive Vice President*
 Woodlawn Trust Company
 Aliquippa, Pennsylvania

OFFICERS

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 HENRY N. OTT *Cashier*
 PHIL J. GEERS *Assistant Cashier*
 CLYDE HARRELL *Assistant Cashier*
 RICHARD G. JOHNSON *Assistant Cashier*

OFFICERS

JOHN W. KOSSIN *Vice President*
 ARTHUR G. FOSTER *Cashier*
 HUNTER NOLTE *Assistant Cashier*
 JOHN A. SCHMIDT *Assistant Cashier*
 ROY J. STEINBRINK *Assistant Cashier*