

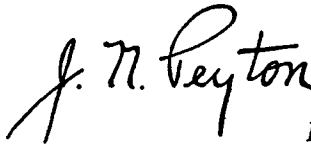
FEDERAL RESERVE BANK OF MINNEAPOLIS

January 20, 1939.

TO THE STOCKHOLDERS OF THE
FEDERAL RESERVE BANK OF MINNEAPOLIS:

We are pleased to present a comparative statement of condition of the Federal Reserve Bank of Minneapolis at the close of business December 31, 1938, and December 31, 1937, together with comparison of earnings and expenses and volume of operations in principal departments of the bank for the years 1938 and 1937.

Respectfully submitted,


President.

STATEMENT OF CONDITION

RESOURCES

	Dec. 31, 1938	Dec. 31, 1937
Gold Certificates on Hand and Due from U. S. Treasury.....	\$241,452,227.50	\$185,747,038.71
Redemption Fund—F. R. Notes.....	605,582.12	445,958.09
Other Cash	7,786,155.24	9,671,749.67
Total Reserves	\$249,843,964.86	\$195,864,746.47
Bills Discounted:		
Secured by U. S. Government Obligations direct or fully guaranteed	\$ 43,000.00	
Other Bills Discounted.....	90,657.72	\$ 174,980.81
Total Bills Discounted.....	\$ 133,657.72	\$ 174,980.81
Bills Bought in Open Market.....	1,903.25	1,903.25
Industrial Advances	964,090.22	636,851.23
U. S. Government Securities:		
Bonds	\$ 18,633,500.00	\$ 24,331,500.00
Treasury Notes	25,636,000.00	37,392,000.00
Treasury Bills	12,546,000.00	21,285,000.00
Total U. S. Government Securities.....	\$ 56,815,500.00	\$ 83,008,500.00
Total Bills and Securities.....	\$ 57,915,151.19	\$ 83,822,235.29
Due from Foreign Banks.....	1,992.60	1,986.41
F. R. Notes of other F. R. Banks.....	1,427,900.00	1,920,000.00
Uncollected Items	16,888,921.57	18,078,393.63
Bank Premises	1,524,700.89	1,477,340.02
Other Resources	1,095,946.15	1,229,411.54
Total Resources	\$328,698,577.26	\$302,394,113.36

LIABILITIES

Federal Reserve Notes in Actual Circulation.....	\$136,856,785.00	\$137,569,170.00
Deposits:		
Member Bank—Reserve Account.....	113,567,601.59	126,011,198.87
U. S. Treasurer—General Account.....	43,294,457.46	4,339,424.48
Foreign Bank	4,587,160.14	3,990,198.57
Other Deposits	3,778,731.19	3,227,235.08
Total Deposits	\$165,227,950.38	\$137,568,057.00
Deferred Availability Items.....	\$ 17,479,914.81	\$ 18,082,089.10
Other Liabilities	94,574.23	177,717.68
Total Liabilities	\$319,659,224.42	\$293,397,033.78
Capital Accounts:		
Capital Paid in.....	\$ 2,903,350.00	\$ 2,893,050.00
Surplus (Section 7).....	3,153,413.69	3,153,413.69
Surplus (Section 13b).....	1,001,162.98	1,001,162.98
Other Capital Accounts.....	1,981,426.17	1,949,452.91
Total Liabilities and Capital Accounts.....	\$328,698,577.26	\$302,394,113.36

EARNINGS AND EXPENSES

	1938	1937
Current Earnings	\$ 1,100,471.62	\$ 1,350,358.70
Current Expenses	1,011,923.31	1,052,859.28
Current Net Earnings.....	\$ 88,548.31	\$ 297,499.42
Additions to Current Net Earnings:		
Profits on Sales of U. S. Government Securities.....	\$ 281,350.93	\$ 82,118.73
All Other	203,930.07	85,478.27
Total Additions	\$ 485,281.00	\$ 167,597.00
Deductions from Current Net Earnings:		
Special Reserve and Charge-Offs on Bank Premises.....	\$ 9,162.47	\$ 41,837.39
Assessment for Building for Board of Governors.....		33,087.60
All Other	191,369.39	98,763.22
Total Deductions	\$ 200,531.86	\$ 173,688.21
Net Additions to or Deductions from Current Net Earnings	+284,749.14	—6,091.21
Net Earnings	\$ 373,297.45	\$ 291,408.21
Transferred from Surplus (Section 13-B).....		\$ 1,751.23
Paid U. S. Treasurer (Section 13-B).....	\$ 1,004.92	
Dividends Paid	174,231.27	174,057.31
Transferred to Surplus (Section 7).....	198,061.26	119,102.13

VOLUME OF OPERATION IN PRINCIPAL DEPARTMENTS

	1938		1937	
	Number	Amounts (In Thousands)	Number	Amounts (In Thousands)
Bills Discounted	231	\$ 2,423	232	\$ 16,189
Industrial Loans: Advances	65	836	39	182
Commitments	35	718	14	124
Currency Received and Counted.....	39,542,720	184,827	45,705,410	215,717
Coin Received and Counted.....	30,560,552	3,405	22,719,445	2,992
Checks Handled	34,008,262	5,334,977	32,707,590	5,631,803
Collection Items Handled:				
U. S. Government Coupons Paid*.....	622,582	13,746	641,795	14,188
All Other	867,171	319,561	820,567	379,621
Issues, Redemptions and Exchanges by Fiscal Agency Department:				
U. S. Government Direct Obligations.....	149,395	257,798	186,502	216,906
All Other	9,501	10,885	12,146	16,246
Transfers of Funds.....	27,564	1,670,875	31,516	1,988,923

*Includes coupons from obligations guaranteed by the United States.

DIRECTORS

Class A	Business Affiliation
H. C. Hansen.....	Churchs Ferry, North Dakota
M. O. Grangaard.....	Vice-President, First National Bank & Trust Co., Minneapolis, Minnesota
J. R. McKnight.....	President, Pierre National Bank, Pierre, South Dakota

Class B	Business Affiliation
Albert P. Funk.....	President, La Crosse Rubber Mills Co., La Crosse, Wisconsin
W. O. Washburn.....	President, W. O. Washburn & Sons, 500 Robert Street, Saint Paul, Minnesota
J. E. O'Connell.....	President, Eddy's Bakeries, Inc., Helena, Montana

Class C	Business Affiliation
Vacant	Chairman of the Board and Federal Reserve Agent
Walter C. Coffey.....	Deputy Chairman of the Board, Dean and Director, Department of Agriculture, University of Minnesota, Saint Paul, Minnesota
W. D. Cochran.....	President, W. D. Cochran Freight Lines, Iron Mountain, Michigan

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O. S. Powell, First Vice-President

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H. C. Core, Assistant Cashier	A. R. Larson, Assistant Cashier
Wm. E. Peterson, Assistant Cashier	Otis R. Preston, Assistant Cashier

T. H. Hodgson, Assistant Counsel
F. C. Dunlop, Auditor
A. W. Mills, Assistant Auditor
Sigurd Ueland, Counsel
Rolf Ueland, Assistant Counsel

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Trustee and Vice-President, Farmers and Mechanics Savings Bank, Minneapolis, Minnesota
Director, Northwestern National Bank & Trust Co., Minneapolis, Minnesota

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A. R. McDermott.....	Vice-President, Montana National Bank, Billings, Montana
Alex Cunningham	Vice-President and Treasurer, Western Life Insurance Co., Helena, Montana

OFFICERS

R. E. Towle, Managing Director
A. A. Hoerr, Cashier
C. J. Larson, Assistant Cashier