

**FEDERAL RESERVE BANK
OF RICHMOND**

THIRTY-FOURTH ANNUAL REPORT
— YEAR 1948 —

RICHMOND, VA., January 12, 1949.

*To Member Banks
of the Fifth Federal Reserve District:*

There is submitted herein a comparative statement of the condition of the Federal Reserve Bank of Richmond at the close of business December 31, 1948, and December 31, 1947, together with a comparative statement of profit and loss for the years 1948 and 1947, and other operating data.

Very truly yours,



President.

COMPARATIVE STATEMENT OF CONDITION

<u>ASSETS:</u>	<u>DECEMBER 31, 1948</u>	<u>DECEMBER 31, 1947</u>
Gold certificates	\$ 971,500,150.66	\$1,044,280,825.59
Redemption Fund for Federal Reserve notes.....	57,788,449.00	60,478,979.00
TOTAL GOLD CERTIFICATE RESERVES.....	1,029,288,599.66	1,104,759,804.59
Other cash	20,826,361.94	19,619,827.71
Discounts and advances	10,591,125.00	3,094,400.00
Industrial loans	65,121.53	30,297.63
 U. S. GOVERNMENT SECURITIES:		
Bills	356,374,000.00	636,584,000.00
Certificates	394,702,000.00	485,785,000.00
Notes	51,341,000.00	105,536,000.00
Bonds	712,905,000.00	203,909,000.00
TOTAL U. S. GOVERNMENT SECURITIES.....	1,515,322,000.00	1,431,814,000.00
TOTAL LOANS AND SECURITIES.....	1,525,978,246.53	1,434,938,697.63
Due from foreign banks	2,392.71	4,661.87
Federal Reserve notes of other banks	33,918,110.00	22,290,730.00
Uncollected items	243,580,107.99	253,489,365.53
Bank premises	2,556,637.83	2,637,401.11
Other assets	9,682,210.71	8,219,725.35
TOTAL ASSETS	2,865,832,667.37	2,845,960,213.79
 LIABILITIES:		
Federal Reserve notes	1,657,802,235.00	1,741,896,375.00
DEPOSITS:		
Member bank—reserve account	848,900,856.66	784,771,935.64
U. S. Treasurer—general account	69,936,749.52	43,913,368.04
Foreign	31,149,300.00	16,121,000.00
Other	5,918,874.07	2,061,918.84
TOTAL DEPOSITS	955,905,780.25	846,868,222.52
Deferred availability items	212,326,502.15	221,554,500.65
Other liabilities	623,983.71	762,150.42
TOTAL LIABILITIES	2,826,658,501.11	2,811,081,248.59
 CAPITAL ACCOUNTS:		
Capital paid in	8,717,400.00	8,220,500.00
Surplus (Section 7)	22,416,667.53	21,210,350.11
Surplus (Section 13b)	3,349,144.81	3,349,144.81
Other capital accounts	4,690,953.92	2,098,970.28
TOTAL LIABILITIES AND CAPITAL ACCOUNTS	2,865,832,667.37	2,845,960,213.79
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Contingent liability on Bills Purchased for Foreign Correspondents.....	163,131.73	120,557.02
Commitments to make industrial loans	130,621.87	77,736.96

COMPARATIVE PROFIT AND LOSS ACCOUNT

	1948	1947
EARNINGS:		
Discounts and advances	\$ 259,604.26	\$ 134,814.86
Interest earned on industrial loans under Section 13b	2,350.87	511.42
Fees received on commitments to make industrial loans	1,119.78	633.45
Interest on U. S. Government securities	19,411,677.52	9,884,764.94
Other earnings	22,316.19	20,641.30
Total Current Earnings	19,697,668.62	10,041,365.97
EXPENSES:		
Operating expenses (including depreciation on bank premises) after deducting reimbursements received for certain Fiscal Agency and other expenses.....	4,338,742.01	3,841,666.80
Assessments for expenses of Board of Governors	158,693.82	128,359.77
Cost of Federal Reserve Currency	430,229.12	364,448.35
Total Net Expenses	4,927,664.95	4,334,474.92
Current Net Earnings	14,769,403.67	5,706,891.05
ADDITIONS TO AND DEDUCTIONS FROM CURRENT NET EARNINGS:		
Profits on sales of U. S. Government securities	396,690.48	167,375.48
Withdrawal from reserves for losses on industrial loans and miscellaneous assets resulting therefrom	24,210.06
Sundry additions	358.03	1,737.61
Total Additions	397,048.51	193,323.15
Sundry deductions	4,586.88	8,065.16
Net Additions	392,461.63	185,257.99
Transferred to Reserves for Contingencies	2,592,032.93	38,601.82
AVAILABLE FOR DIVIDENDS, PAYMENT TO TREASURER OF U. S. AND SURPLUS ACCOUNT...	12,569,832.37	5,853,547.22
Dividends paid member banks	508,236.53	485,085.22
Payment to Treasurer of U. S.—Interest on outstanding Federal Reserve Notes.....	10,855,278.42	4,808,290.03
Addition to Surplus Account (Section 7).....	1,206,317.42	534,298.65
Payment to Treasurer of U. S. under Section 13b of F. R. Act.....	1,992.35
Addition to Surplus Account (Section 13b).....	23,880.97
Total	12,569,832.37	5,853,547.22

SURPLUS ACCOUNT (Section 7)

Balance at close of previous year	21,210,350.11	20,676,051.46
Addition a/c profits for year	1,206,317.42	534,298.65
BALANCE AT CLOSE OF CURRENT YEAR.....	22,416,667.53	21,210,350.11

SURPLUS ACCOUNT (Section 13b)

Balance at close of previous year.....	3,349,144.81	3,325,263.84
Addition account recoveries of losses of previous years.....	23,880.97
BALANCE AT CLOSE OF CURRENT YEAR.....	3,349,144.81	3,349,144.81

CAPITAL STOCK ACCOUNT

(Representing amount paid in, which is 50% of amount subscribed)

Balance at close of previous year	8,220,500.00	7,770,750.00
Issued during the year	499,900.00	457,150.00
Cancelled during the year	8,720,400.00	8,227,900.00
BALANCE AT CLOSE OF CURRENT YEAR.....	3,000.00	7,400.00
BALANCE AT CLOSE OF CURRENT YEAR.....	8,717,400.00	8,220,500.00

VOLUME OF PRINCIPAL OPERATIONS

CHECKS HANDLED:	Total Number of Items	Total Amount	Average Amount Per Item	Daily Averages	
				Number of Items	Amount
YEAR 1948 (301 days).....	137,356,000	\$52,241,370,000	\$380	456,332	\$173,559,369
YEAR 1947 (299 days).....	132,044,000	49,068,737,000	372	441,619	164,109,488
YEAR 1946 (300 days).....	128,903,000	41,695,704,000	323	429,677	138,985,680
YEAR 1945 (303 days).....	118,938,000	35,241,788,000	296	392,535	116,309,531
YEAR 1944 (307 days).....	110,683,000	32,645,462,000	295	360,531	106,337,010
YEAR 1943 (307 days).....	100,844,000	31,083,430,000	308	323,482	101,248,958
YEAR 1942 (302 days).....	92,257,000	25,756,755,000	279	305,487	85,287,268
YEAR 1941 (299 days).....	87,796,000	20,410,680,000	232	293,632	68,263,144
YEAR 1940 (301 days).....	79,938,000	15,474,834,000	194	265,575	51,411,409
YEAR 1939 (299 days).....	76,814,000	13,720,123,000	179	256,903	45,886,699
YEAR 1938 (301 days).....	74,114,000	12,145,850,000	164	246,226	40,351,661
YEAR 1937 (301 days).....	71,878,000	13,174,474,000	183	238,798	43,769,016
YEAR 1936 (301 days).....	69,683,000	11,897,385,000	171	231,505	39,526,196
YEAR 1935 (301 days).....	59,518,000	10,436,538,000	175	197,734	34,672,884
YEAR 1930 (301 days).....	54,109,000	12,795,015,000	236	179,764	42,508,355
YEAR 1925 (302 days).....	48,171,677	14,038,542,000	291	159,509	46,485,238
YEAR 1920 (304 days).....	33,731,801	11,505,945,224	341	110,960	37,848,504

NON-CASH COLLECTION ITEMS RECEIVED:

	<u>1948</u>	<u>1947</u>
Number	354,296	267,589
Amount	\$ 182,555,000	\$ 318,144,000

TRANSFERS OF FUNDS FOR MEMBER BANKS:

Number	72,952	68,538
Amount	\$18,360,311,000	\$16,113,753,000

INTERDISTRICT SETTLEMENT FUND DAILY TRANSIT CLEARINGS:

Total received from F. R. Banks and Branches	\$27,708,924,000	\$25,346,098,000
Total paid to F. R. Banks and Branches	27,357,704,000	25,034,987,000

CURRENCY AND COIN HANDLED:

Currency received (including new notes):

Number of notes	369,032,349	354,617,849
Amount	\$ 2,130,315,483	\$ 2,043,918,388

Currency paid out (including notes returned for redemption):

Number of notes	367,975,096	358,731,412
Amount	\$ 2,115,371,360	\$ 2,043,338,959

Coin received (including new coin):

Number of coins	509,649,367	485,218,895
Amount	\$ 39,357,995	\$ 37,214,802

Coin paid out (including coin returned for redemption):

Number of coins	506,337,770	488,533,438
Amount	\$ 39,147,458	\$ 37,303,540

VOLUME OF PRINCIPAL OPERATIONS

(Continued)

	1948	1947
U. S. GOVERNMENT SECURITIES (EXCLUSIVE OF SAVINGS BONDS AND ARMED FORCES LEAVE BONDS) ISSUED, EXCHANGED AND REDEEMED:		
Number	108,000	133,000
Amount	\$ 2,159,516,000	\$ 2,133,028,000
U. S. SAVINGS BONDS—ISSUED:		
Number	3,698,000	3,606,000
Issue price	\$ 396,910,000	\$ 376,296,000
U. S. SAVINGS BONDS—REDEEMED:		
Number	7,001,000	7,840,000
Redemption value	\$ 369,513,000	\$ 360,403,000
U. S. SAVINGS BONDS HELD IN SAFEKEEPING FOR OWNERS ON LAST DAY OF YEAR:		
Number	153,000	154,000
Amount	\$ 37,837,000	\$ 32,694,000
ARMED FORCES LEAVE BONDS—ISSUES:		
Number of stubs processed	30,000	126,000
Amount of stubs processed	\$ 4,543,000	\$ 21,058,000
ARMED FORCES LEAVE BONDS—REDEMPTIONS:		
Number	130,000	515,000
Amount	\$ 29,294,000	\$ 108,467,000
COUPONS PAID—FROM DIRECT AND FULLY GUARANTEED GOVERNMENT OBLIGATIONS:		
Number	656,000	658,000
Amount	\$ 49,869,000	\$ 46,953,000
U. S. GOVERNMENT CHECKS AND WARRANTS RECEIVED:		
Number	22,155,000	22,023,000
Amount	\$ 3,418,231,000	\$ 4,205,115,000
WITHHELD TAXES—RECEIVED AND CREDITED TO TREASURY:		
Number of Depository Receipts	232,000	228,000
Amount	\$ 369,051,000	\$ 371,725,000

PERSONNEL

Number of officers and employees at end of year:		
Officers	24	24
Employees	1,273	1,302
Total.....	1,297	1,326

MEMBER BANKS

Number of member banks at end of year:		
National banks	339	339
State banks	139	136
Total.....	478	475

**DIRECTORS AND OFFICERS
FOR YEAR 1949**

DIRECTORS

CHARLES P. McCORMICK,
CHAIRMAN OF THE BOARD AND
FEDERAL RESERVE AGENT.
J. BROCKENBROUGH WOODWARD, JR.,
DEPUTY CHAIRMAN OF THE BOARD.

Class A

WARREN S. JOHNSON, 1949, WILMINGTON, N. C.	PRESIDENT, PEOPLES SAVINGS BANK & TRUST Co., WILMINGTON, N. C.
JOHN A. SYDENSTRICKER, 1950, MARLINTON, W. VA.	CASHIER, FIRST NATIONAL BANK IN MARLINTON, MARLINTON, W. VA.
JAMES D. HARRISON, 1951, BALTIMORE, Md.	PRESIDENT, FIRST NATIONAL BANK, BALTIMORE, Md.

Class B

H. L. RUST, JR., 1949, WASHINGTON, D. C.	PRESIDENT, H. L. RUST COMPANY, WASHINGTON, D. C.
CARY L. PAGE, 1950, GREENVILLE, S. C.	PRESIDENT AND TREASURER, JACKSON MILLS, WELLFORD AND IVA, S. C.
CHARLES C. REED, 1951, RICHMOND, VA.	PRESIDENT, WILLIAMS & REED, INC., WHOLESALE DRY GOODS, RICHMOND, VA.

Class C

J. BROCKENBROUGH WOODWARD, JR., 1949, NEWPORT NEWS, VA.	PRESIDENT AND GENERAL MANAGER, NEWPORT NEWS SHIPBUILDING AND DRY DOCK Co., NEWPORT NEWS, VA.
CHARLES P. McCORMICK, 1950, BALTIMORE, Md.	PRESIDENT AND CHAIRMAN OF BOARD, McCORMICK & COM- PANY, INC., MFRS. OF TEAS, SPICES, EXTRACTS, INSECTI- CIDES, ETC., BALTIMORE, Md.
W. G. WYSOR, 1951, RICHMOND, VA.	MANAGEMENT COUNSEL, SOUTHERN STATES COOPERATIVE, INC., RICHMOND, VA.

OFFICERS

HUGH LEACH,
PRESIDENT.

J. S. WALDEN, JR., FIRST VICE PRESIDENT.	K. BRANTLEY WATSON, DIRECTOR OF PERSONNEL.
EDWARD A. WAYNE, VICE PRESIDENT.	EDWARD WALLER, JR., ASSISTANT CASHIER.
R. W. MERCER, VICE PRESIDENT.	JOSEPH M. NOWLAN, ASSISTANT CASHIER.
E. A. KINCAID, VICE PRESIDENT.	W. B. WAKEHAM, ASSISTANT CASHIER.
CLAUDE L. GUTHRIE, VICE PRESIDENT AND CASHIER.	UPTON S. MARTIN, ASSISTANT CASHIER.
C. B. STRATHY, VICE PRESIDENT.	R. S. BROCK, JR., AUDITOR.
W. R. MILFORD, VICE PRESIDENT.	N. L. ARMISTEAD, CHIEF EXAMINER.
R. L. CHERRY, VICE PRESIDENT.	MAXWELL G. WALLACE, COUNSEL.

MEMBER FEDERAL ADVISORY COUNCIL

ROBERT V. FLEMING, 1949,
PRESIDENT & CHAIRMAN OF THE BOARD,
THE RIGGS NATIONAL BANK,
WASHINGTON, D. C.

INDUSTRIAL ADVISORY COMMITTEE

J. G. HOLTZCLAW, *Chairman*
PRESIDENT, VIRGINIA ELECTRIC & POWER Co.,
RICHMOND, VA.

WALKER D. STUART, PRESIDENT, RICHMOND HARDWARE Co., RICHMOND, VA.	W. L. MANNING, PRESIDENT, ROSEMARY MANUFACTURING Co., ROANOKE RAPIDS, N. C.
OVERTON D. DENNIS, DOMINION OIL COMPANY, RICHMOND, VA.	JOHN L. WHITEHURST, PRESIDENT AND TREASURER, BURT MACHINE Co., INC., BALTIMORE, Md.

DIRECTORS AND OFFICERS

FOR YEAR 1949

(Continued)

BALTIMORE BRANCH

DIRECTORS

GEORGE M. MOORE, 1949, CLARKSBURG, W. VA.	VICE PRESIDENT, THE UNION NATIONAL BANK, CLARKSBURG, W. VA.
EUGENE G. GRADY, 1949, BALTIMORE, MD.	PRESIDENT, THE WESTERN NATIONAL BANK, BALTIMORE, MD.
W. BLADEN LOWNDES, 1950, BALTIMORE, MD.	PRESIDENT, FIDELITY TRUST COMPANY, BALTIMORE, MD.
HOLMES D. BAKER, 1951, FREDERICK, MD.	PRESIDENT, THE CITIZENS NATIONAL BANK, FREDERICK, MD.
L. VINTON HERSHEY, 1949, HAGERSTOWN, MD.	PRESIDENT AND GENERAL MANAGER, HAGERSTOWN SHOE CO., HAGERSTOWN, MD.
JAMES M. SHRIVER, 1950, WESTMINSTER, MD.	PRESIDENT, THE B. F. SHRIVER COMPANY, WESTMINSTER, MD.
JAMES E. HOOPER, 1951, BALTIMORE, MD.	VICE PRESIDENT, WILLIAM E. HOOPER & SONS COMPANY, BALTIMORE, MD.

OFFICERS

W. R. MILFORD, VICE PRESIDENT.
D. F. HAGNER, CASHIER.
J. A. JOHNSTON, ASSISTANT CASHIER.
A. C. WIENERT, ASSISTANT CASHIER.
B. F. ARMSTRONG, ASSISTANT CASHIER.

CHARLOTTE BRANCH

DIRECTORS

ALLEN H. SIMS, 1949, GASTONIA, N. C.	EXECUTIVE VICE PRESIDENT AND TRUST OFFICER, CITIZENS NATIONAL BANK IN GASTONIA, GASTONIA, N. C.
GEORGE S. CROUCH, 1949, CHARLOTTE, N. C.	PRESIDENT, UNION NATIONAL BANK, CHARLOTTE, N. C.
N. S. CALHOUN, 1950, GREENSBORO, N. C.	PRESIDENT, SECURITY NATIONAL BANK, GREENSBORO, N. C.
THOMAS J. ROBERTSON, 1951, COLUMBIA, S. C.	PRESIDENT, THE FIRST NATIONAL BANK OF SOUTH CAROLINA, COLUMBIA, S. C.
W. A. L. SIBLEY, 1949, UNION, S. C.	VICE PRESIDENT AND TREASURER, MONARCH MILLS, UNION, S. C.
R. E. EBERT, 1950, GREENVILLE, S. C.	PRESIDENT, DIXIE HOME STORES, INC., GREENVILLE, S. C.
R. FLAKE SHAW, 1951, GREENSBORO, N. C.	EXECUTIVE VICE-PRESIDENT, NORTH CAROLINA FARM BUREAU FEDERATION, GREENSBORO, N. C.

OFFICERS

R. L. CHERRY, VICE PRESIDENT.
S. A. LIGON, CASHIER.
R. L. HONEYCUTT, ASSISTANT CASHIER.
E. C. MONDY, ASSISTANT CASHIER.