LITTLE ROCK BRANCH
FEDERAL RESERVE BANK
OF ST. LOUIS

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THE PRESIDENT of a very prominent State member bank wrote a letter to the chief executive officer of an equally prominent nonmember institution, which reads in part as follows:

“Our experience with the Federal Reserve has been eminently satisfactory. Their examinations have been most helpful, their attitude most cooperative and courteous, and the general information which we obtain from them is reliable, accessible and promptly supplied.

“But I want to tell you the one specific reason why I cannot understand why any one would stay out of the System. Very briefly, it is this: In time of need this is a responsible, cooperative, semi-public body, charged with and conscious of a duty to be helpful in time of such need.

“The Federal Reserve System to me is a benefit that is parallel to the FDIC. I never want to be without either of them.”

The total membership of the Federal Reserve Bank of St. Louis is 395. The deposits in these member banks aggregate approximately $1,581,000,000, and amount to about two-thirds of the deposits of all banks in the Eighth District. In the past year, nine State Banks have joined the System in this District.
ACHIEVEMENTS of the SYSTEM have been succinctly stated in the following paragraph:

“The Federal Reserve System has become an integral part of American business and finance. Through the Interdistrict Settlement Fund it has made possible the more efficient, less costly, and speedier handling by member banks of check collections and transfers of funds. It has provided an elastic and adequate supply of currency, a concentration of bank reserves for greater usefulness, and an efficient fiscal agency for the Treasury. The ability of member banks to borrow on business paper which provides a ready market for the loans of customers, large and small, has tended to equalize the credit supply in all parts of the country, to eliminate seasonal credit strain, and give greater assurance that member banks can supply the credit requirements of their communities. Machinery has been set up to provide a national credit policy administered in the public interest and to insure unified action by the banking system in carrying out this policy.”

THE System: “The Federal Reserve Act instituted a great and vital banking system not simply to aid the banking community alone, but to give vision, scope and security to commerce and amplify the opportunities as well as to increase the capabilities of our industrial life.”—Quotation.

THE District: The Eighth Federal Reserve District is served by the Federal Reserve Bank of St. Louis and its branches in Little Rock, Louisville, and Memphis. It comprises all of Arkansas, all of Missouri except the western tier of counties, the southern portions of Illinois and Indiana, the western parts of Kentucky and Tennessee, and the northern half of Mississippi.
ADVANTAGES OF MEMBERSHIP

1. Facilities for rediscounting paper and obtaining advances on promissory notes.

2. Obtain currency and coin promptly when needed.

3. Direct use of Federal Reserve check collection facilities. Approximately 82 per cent of all banks in the United States are on the par list.


5. Transferring funds by telegraph.

6. Drawing drafts on Federal Reserve Banks.

7. Safekeeping of securities by the Federal Reserve Bank for member banks.


10. Benefit by the prestige and satisfaction afforded. State Bank members are indicated in the bank directories by a diamond-shaped symbol or otherwise, and their names and locations appear in the Federal Reserve Par List. Many National and State Bank members have greatly benefited by displaying the membership design and advertising the advantages it represents. Besides helping to attract new customers, membership is a source of satisfaction to the old ones, as well as to the stockholders, directors and officers.