

# FEDERAL RESERVE BANK OF ST. LOUIS



**REPORT TO STOCKHOLDERS  
FOR THE YEAR ENDED DECEMBER 31, 1937**



# FEDERAL RESERVE BANK OF ST. LOUIS

March 7, 1938.

## **To the Stockholders of the Federal Reserve Bank of St. Louis:**

There are furnished herein the following statements of the Federal Reserve Bank of St. Louis, including its Louisville, Memphis, and Little Rock Branches:

- (1) Assets and liabilities as of December 31, 1937 and 1936;
- (2) Earnings, expenses, and profit and loss account for the years 1937 and 1936;
- (3) Volume of major operations during 1937; membership and personnel at end of the year;
- (4) Directors, officers, Federal Advisory Council member, and Industrial Advisory Committee.

Statistics pertaining to this bank and the member banks will also be found in the annual report of the Board of Governors of the Federal Reserve System, Washington, D. C.

Yours very truly,

**WILLIAM McC. MARTIN,**

**President.**

## COMPARATIVE STATEMENT OF CONDITION

### ASSETS

	<u>Dec. 31, 1937</u>	<u>Dec. 31, 1936</u>
Gold certificates on hand and due from U. S. Treasury..	\$282,454,813	\$255,381,011
Redemption fund—Federal Reserve notes.....	791,613	1,570,018
Other cash .....	16,105,348	16,465,076
<b>Total reserves .....</b>	<b><u>299,351,774</u></b>	<b><u>273,416,105</u></b>
<b>Bills discounted:</b>		
Secured by U. S. Govt. obligations, direct or fully guaranteed.....	22,000	600
Other bills discounted.....	625	39,000
<b>Total bills discounted.....</b>	<b><u>22,625</u></b>	<b><u>39,600</u></b>
<b>Bills bought in open market.....</b>	<b><u>2,482</u></b>	<b><u>86,481</u></b>
<b>Industrial advances .....</b>	<b><u>236,876</u></b>	<b><u>424,366</u></b>
<b>U. S. Government securities:</b>		
Bonds .....	32,969,000	23,381,000
Treasury notes.....	50,669,500	63,901,000
Treasury bills.....	28,844,000	28,527,000
<b>Total U. S. Government securities.....</b>	<b><u>112,482,500</u></b>	<b><u>115,809,000</u></b>
<b>Total bills and securities.....</b>	<b><u>112,744,483</u></b>	<b><u>116,359,447</u></b>
<b>Due from foreign banks.....</b>	<b>2,591</b>	<b>3,739</b>
<b>Federal Reserve notes of other reserve banks.....</b>	<b>1,973,160</b>	<b>2,036,300</b>
<b>Uncollected items.....</b>	<b>28,770,847</b>	<b>33,948,179</b>
<b>Bank premises (net).....</b>	<b>2,340,904</b>	<b>2,389,662</b>
<b>All other assets .....</b>	<b>1,369,058</b>	<b>184,441</b>
<b>TOTAL ASSETS.....</b>	<b><u>446,552,817</u></b>	<b><u>428,337,873</u></b>

### LIABILITIES

Federal Reserve notes in actual circulation.....	182,087,885	183,579,540
<b>Deposits:</b>		
Member bank—reserve account.....	204,984,009	182,277,242
United States Treasurer — general account.....	8,779,133	6,952,331
Foreign bank .....	5,204,607	2,970,479
Other deposits.....	5,818,492	8,696,232
<b>Total deposits.....</b>	<b><u>224,786,241</u></b>	<b><u>200,896,284</u></b>
<b>Deferred availability items.....</b>	<b>29,282,495</b>	<b>33,557,657</b>
<b>Capital paid in.....</b>	<b>3,867,500</b>	<b>3,781,800</b>
<b>Surplus (Section 7).....</b>	<b>4,667,176</b>	<b>4,654,737</b>
<b>Surplus (Section 13b).....</b>	<b>545,151</b>	<b>545,151</b>
<b>Reserve for contingencies.....</b>	<b>1,214,737</b>	<b>1,194,074</b>
<b>All other liabilities.....</b>	<b>101,632</b>	<b>128,630</b>
<b>TOTAL LIABILITIES.....</b>	<b><u>446,552,817</u></b>	<b><u>428,337,873</u></b>
<b>Ratio of total reserves to deposit and Federal Reserve   note liabilities combined (per cent).....</b>	<b>73.6</b>	<b>71.1</b>
<b>Contingent liability on bills purchased for foreign   correspondents.....</b>	<b>50,893</b>	
<b>Commitments to make industrial advances.....</b>	<b>176,200</b>	<b>1,061,286</b>

## FINANCIAL RESULTS OF OPERATIONS

### CURRENT EARNINGS

	Year 1937	Year 1936
Discounted bills.....	\$ 5,075	\$ 1,495
Purchased bills.....	662	798
Industrial advances.....	15,801	20,385
Commitments to make industrial advances.....	11,514	17,736
U. S. Government securities.....	1,752,810	1,804,145
All other.....	16,872	18,658
Total current earnings.....	1,802,734	1,863,217

### CURRENT EXPENSES

Total operating expenses.....	1,606,758	1,726,908
Less reimbursements for certain fiscal agency and other expenses.....	360,892	417,436
Net operating expenses.....	1,245,866	1,309,472
Assessment for expenses of Board of Governors.....	51,615	49,908
Federal Reserve currency:		
Original cost.....	62,214	80,095
Cost of redemption.....	11,398	11,210
Total current expenses.....	1,371,093	1,450,685

### PROFIT AND LOSS ACCOUNT

Current earnings.....	1,802,734	1,863,217
Current expenses.....	1,371,093	1,450,685
Current net earnings.....	431,641	412,532
Additions to current net earnings:		
Profits on sales of U. S. Government securities.....	116,947	308,766
All other.....	1,801	13,878
Total additions.....	118,748	322,644
Deductions from current net earnings:		
Reserves for contingencies.....		301,355
Prior service contributions to Retirement System.....	144,900	144,902
Assessment for building for Board of Governors.....	42,080	59,653
All other.....	452	4,101
Total deductions.....	187,432	510,011
Net deductions from current net earnings.....	68,684	187,367
Net earnings.....	362,957	225,165
Paid U. S. Treasury (Section 13b).....	4,152	
Dividends paid.....	229,420	225,724
Withdrawn from surplus (Section 13b).....		559
Transferred to surplus (Section 7).....	129,385	

## VOLUME OF MAJOR OPERATIONS

During Year 1937	Number (Pieces)	Aggregate Amounts
<b>Checks (cash items) handled:</b>		
U. S. Govt. checks and warrants.....	8,703,444	\$ 536,324,000
All other checks.....	49,153,935	12,750,807,000
<b>Collections (noncash items) handled:</b>		
U. S. Govt. coupons paid.....	759,248	16,124,000
Other collection items.....	813,154	424,960,000
Transfers of funds.....	64,518	3,789,214,000
Paper currency received and counted.....	120,352,379	433,284,000
Coin received and counted.....	126,666,056	13,979,000
Rediscounts, advances and commitments....	408	25,773,000
<b>New issues, redemptions, and exchanges of securities as fiscal agent of:</b>		
United States Government.....	198,772	385,279,000
Government instrumentalities .....	18,445	25,365,000
Coupons clipped from securities in custody	192,616	(See *)

\*In addition to securities, a large volume of bills, notes, warehouse receipts, etc., was held in custody for member banks, the U. S. Treasury, Reconstruction Finance Corporation, and other Government agencies, departments, and officials.

### MEMBERSHIP

During 1937, six State banks and trust companies became members of the Federal Reserve Bank of St. Louis, and one member State bank converted into a national bank.

Three national banks in this district were chartered, three went into liquidation, and one consolidated with another national bank, in course of the year.

On December 31 there were 392 member banks, of which 317 were national banks and 75 were State banks and trust companies. The deposits of the member banks amounted to about two-thirds of the deposits of all banks in the district.

### PERSONNEL

The number of officers and employees of the parent bank and branches on December 31, 1937, was 653, the salaries of 149 being reimbursable on account of fiscal agency operations.

*Roster March 7, 1938*  
**FEDERAL RESERVE BANK OF ST. LOUIS**

**DIRECTORS**

**CLASS C**

WILLIAM T. NARDIN, Chairman of the Board  
and Federal Reserve Agent, St. Louis  
OSCAR G. JOHNSTON, Scott, Miss.  
JOHN R. STANLEY, Evansville, Ind.

**CLASS A**

JOHN G. LONSDALE, St. Louis  
MAX B. NAHM, Bowling Green, Ky.  
G. R. CORLIS, Anna, Ill.

**CLASS B**

J. W. HARRIS, St. Louis  
HARVEY C. COUCH, Pine Bluff, Ark.  
M. P. STURDIVANT, Glendora, Miss.

**OFFICERS**

WILLIAM MCC. MARTIN, President	A. H. HAILL, Asst. Cashier
F. GUY HITT, First Vice-President	S. F. GILMORE, Asst. Cashier
OLIN M. ATTEBERY, Vice-President	FRANK N. HALL, Asst. Cashier
JOHN S. WOOD, Vice-President	G. O. HOLLOCHER, Asst. Cashier
C. M. STEWART, Cashier and Secretary	O. C. PHILLIPS, Asst. Cashier
L. H. BAILEY, General Auditor	A. E. DEBRECHT, Asst. Auditor

**LEGAL COUNSEL**

JAS. G. MCCONKEY, St. Louis

**FEDERAL ADVISORY COUNCIL**

MEMBER, WALTER W. SMITH, St. Louis

**INDUSTRIAL ADVISORY COMMITTEE**

WM. K. NORRIS, Chairman, St. Louis	HENRY S. GRAY, Louisville, Ky.
JACOB VAN DYKE, Vice-Chairman, St. Louis	M. E. FINCH, Memphis, Tenn.
MAURICE WEIL, St. Louis	L. J. BUB, Secretary

**LOUISVILLE BRANCH**

**DIRECTORS**

J. B. HILL, Chairman, Louisville, Ky.  
WM. R. COBB, Louisville, Ky.  
A. H. ECKLES, Hopkinsville, Ky.  
PERRY B. GAINES, Carrollton, Ky.  
W. P. PAXTON, Paducah, Ky.  
FRANK D. RASH, Louisville, Ky.  
J. O. SANDERS, Huntingburg, Ind.

**OFFICERS**

FRANK D. RASH,  
Managing Director  
C. A. SCHACHT,  
Cashier  
STANLEY B. JENKS,  
Asst. Cashier

**MEMPHIS BRANCH**

**DIRECTORS**

J. HOLMES SHERARD, Chairman, Sherard, Miss.  
RUFUS C. BRANCH, Pecan Point, Ark.  
DOUGLAS W. BROOKS, Memphis, Tenn.  
W. H. GLASGOW, Memphis, Tenn.  
WM. R. KING, Memphis, Tenn.  
B. A. LYNCH, Blytheville, Ark.  
WILLIS POPE, Columbus, Miss.

**OFFICERS**

W. H. GLASGOW,  
Managing Director  
S. K. BELCHER,  
Cashier  
C. E. MARTIN,  
Asst. Cashier

**LITTLE ROCK BRANCH**

**DIRECTORS**

H. H. TUCKER, Chairman, Little Rock, Ark.  
A. F. BAILEY, Little Rock, Ark.  
I. N. BARNETT, Batesville, Ark.  
F. KRAMER DARRAGH, Little Rock, Ark.  
PAUL R. MCCOY, Stuttgart, Ark.  
A. E. MCLEAN, Little Rock, Ark.  
JAMES H. PENICK, Little Rock, Ark.

**OFFICERS**

A. F. BAILEY,  
Managing Director  
M. H. LONG,  
Cashier  
CLIFFORD WOOD,  
Asst. Cashier