Federal Reserve Bank
of St. Louis

REPORT TO STOCKHOLDERS
FOR THE YEAR ENDED DECEMBER 31, 1941
FEDERAL RESERVE BANK OF ST. LOUIS

DIRECTORS

CLASS C
WILLIAM T. NARDIN, Chairman of the Board
and Federal Reserve Agent, St. Louis, Mo.
OSCAR G. JOHNSTON, Deputy Chairman, Scott, Miss.
DOUGLAS W. BROOKS, Memphis, Tenn.

CLASS A
SIDNEY MAESTRE, St. Louis, Mo.
MAX B. NAHM, Bowling Green, Ky.
G. R. CORLIS, Anna, Ill.

CLASS B
J. W. HARRIS, St. Louis, Mo.
H. H. TUCKER, Little Rock, Ark.
JOHN R. STANLEY, Evansville, Ind.

OFFICERS
CHESTER C. DAVIS, President
F. GUY HITT, First Vice-President
OLIN M. ATTEBERRY, Vice-President
C. M. STEWART, Cashier and Secretary
L. H. CARSTARPHEN, General Counsel
HENRY H. EDMISTON, Assistant Vice-President
H. H. WEIGEL, Assistant Vice-President
A. H. HAILL, Asst. Cashier
S. F. GILMORE, Asst. Cashier
FRANK N. HALL, Asst. Cashier
G. O. HOLLOCHER, Asst. Cashier
H. H. BAILEY, General Auditor
L. J. BUB, Secretary

FEDERAL ADVISORY COUNCIL MEMBER
S. E. RAGLAND, Memphis, Tenn.

INDUSTRIAL ADVISORY COMMITTEE
WM. K. NORRIS, Chairman, St. Louis, Mo.
JACOB VAN DYKE, Vice-Chm., St. Louis, Mo.
MAURICE WEIL, St. Louis, Mo.
M. E. FINCH, Memphis, Tenn.
FOSTER H. EMBRY, Louisville, Ky.*
L. J. BUB, Secretary

LOUISVILLE BRANCH
DIRECTORS
PERRY B. GAINES, Chairman, Carrollton, Ky.
GEO. O. BOOMER, Louisville, Ky.
PHIL E. CHAPPELL, Hopkinsville, Ky.
RALPH C. GIFFORD, Louisville, Ky.
E. J. O'BRIEN, Jr., Louisville, Ky.
J. O. SANDERS, Huntingburg, Ind.
CHAS. A. SCHACHT, Louisville, Ky.

OFFICERS
CHAS. A. SCHACHT, Managing Director
FRED BURTON, Cashier
STANLEY B. JENKS, Asst. Cashier

MEMPHIS BRANCH
DIRECTORS
J. P. NORFLEET, Chairman, Memphis, Tenn.
V. J. ALEXANDER, Memphis, Tenn.
OLIVER BENTON, Jackson, Tenn.
RUFUS C. BRANCH, Pecan Point, Ark.
W. H. GLASGOW, Memphis, Tenn.
B. A. LYNCH, Blytheville, Ark.
J. HOLMES SHERARD, Sherard, Miss.

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

LITTLE ROCK BRANCH
DIRECTORS
R. E. SHORT, Chairman, Brinkley, Ark.
A. F. BAILEY, Little Rock, Ark.
I. N. BARNETT, Jr., Batesville, Ark.
S. M. BROOKS, 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
CLIFFORD WOOD, Cashier
CLAY CHILDERS, Asst. Cashier

*Term begins 3-1-42.

— 2 —

January 23, 1942.
January 23, 1942.

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

There is submitted herein a comparative statement of the condition of the Federal Reserve Bank of St. Louis, including its Louisville, Memphis, and Little Rock Branches, at the close of business December 31, 1941, and December 31, 1940, together with comparative statements of operations for the years 1941 and 1940, and other data.

Very truly yours,

CHESTER C. DAVIS,

President.
## COMPARATIVE STATEMENT OF CONDITION

### ASSETS

<table>
<thead>
<tr>
<th></th>
<th>Dec. 31, 1941</th>
<th>Dec. 31, 1940</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gold certificates on hand and due from U. S. Treasury</td>
<td>$632,041,596</td>
<td>$494,577,525</td>
</tr>
<tr>
<td>Redemption fund—Federal Reserve notes</td>
<td>643,491</td>
<td>169,305</td>
</tr>
<tr>
<td>Other cash</td>
<td>17,601,813</td>
<td>16,482,214</td>
</tr>
<tr>
<td><strong>Total reserves</strong></td>
<td>650,286,900</td>
<td>511,228,571</td>
</tr>
</tbody>
</table>

**Bills discounted:**

- Secured by U. S. Government obligations, direct and guaranteed: 0 0
- Other bills discounted: 0 28,410

**Total bills discounted:** 0 28,410

**Industrial advances:** 300,000 0

**U. S. Government securities, direct and guaranteed:**

- Bonds: 73,695,000 55,507,500
- Notes: 39,053,000 38,868,000
- Bills: 521,000 0

**Total U. S. Government securities:** 113,269,000 94,375,500

**Total bills and securities:** 113,569,000 94,403,910

**Due from foreign banks:** 627 627

**Federal Reserve notes of other banks:** 2,430,400 2,896,150

**Uncollected items:** 49,584,893 52,650,867

**Bank premises (net):** 2,154,023 2,318,319

**Other assets:** 2,026,207 1,916,612

**Total assets:** 820,052,050 665,415,056

### LIABILITIES

**Federal Reserve notes in actual circulation:** 322,066,860 221,147,230

**Deposits:**

- Member banks—reserve account: 363,642,898 326,872,451
- United States Treasurer—general account: 39,643,660 23,892,502
- Foreign: 22,904,237 23,248,036
- Other deposits: 12,593,560 7,167,303

**Total deposits:** 438,786,355 381,180,292

**Deferred availability items:** 47,310,905 51,417,675

**Other liabilities:** 32,090 56,431

**Total liabilities:** 808,196,210 653,801,628

### CAPITAL ACCOUNTS

**Capital paid in:** 4,416,550 4,211,650

**Surplus (Section 7):** 4,966,321 4,924,976

**Surplus (Section 13b):** 528,979 532,812

**Other capital accounts:** 1,943,990 1,943,990

**Total liabilities and capital accounts:** 820,052,550 665,415,056

**Commitments to make industrial advances:** 1,225,965 299,193

**Ratio of total reserves to deposit and Federal Reserve note liabilities combined:** 85.5% 84.9%
## FINANCIAL RESULTS OF OPERATIONS

<table>
<thead>
<tr>
<th>Current earnings:</th>
<th>Year 1941</th>
<th>Year 1940</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discounted bills</td>
<td>$1,242</td>
<td>$2,332</td>
</tr>
<tr>
<td>Purchased bills</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Industrial advances</td>
<td>3,015</td>
<td>818</td>
</tr>
<tr>
<td>Commitments to make industrial advances</td>
<td>4,179</td>
<td>3,105</td>
</tr>
<tr>
<td>U. S. Government securities</td>
<td>1,935,696</td>
<td>1,894,530</td>
</tr>
<tr>
<td>All other</td>
<td>21,763</td>
<td>19,994</td>
</tr>
<tr>
<td><strong>Total current earnings</strong></td>
<td><strong>1,965,895</strong></td>
<td><strong>1,920,779</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Current expenses:</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating expenses</td>
<td>1,992,784</td>
<td>1,744,225</td>
</tr>
<tr>
<td>Less reimbursements for certain fiscal agency and other expenses</td>
<td>548,115</td>
<td>468,856</td>
</tr>
<tr>
<td><strong>Net operating expenses</strong></td>
<td><strong>1,444,669</strong></td>
<td><strong>1,275,369</strong></td>
</tr>
<tr>
<td>Assessment for expenses of Board of Governors</td>
<td>55,265</td>
<td>50,617</td>
</tr>
<tr>
<td>Federal Reserve currency</td>
<td>109,437</td>
<td>47,222</td>
</tr>
<tr>
<td><strong>Total current expenses</strong></td>
<td><strong>1,609,371</strong></td>
<td><strong>1,373,208</strong></td>
</tr>
</tbody>
</table>

| Current net earnings                  | 356,524   | 547,571   |

| Additions to current net earnings:    |           |           |
| Profits on sales of U. S. Government securities | 60,214 | 528,208 |
| All other                             | 313       | 60,894    |
| **Total additions**                   | **60,527** | **589,102** |

| Deductions from current net earnings: |           |           |
| Special reserve on bank premises      | 120,468   | 150,000   |
| All other                             | 309       | 101       |
| **Total deductions**                  | **120,777** | **150,101** |

| Net additions to current net earnings | —60,250   | 439,001   |

| Net earnings                          | 296,274   | 986,572   |

| Distribution of net earnings:         |           |           |
| Dividends paid to member banks        | 258,762   | 248,242   |
| Transferred to surplus (Section 7)    | 41,345    | 744,005   |
| Transferred from surplus (Section 13b)| 3,833     | 5,675     |
| **Total**                             | **296,274** | **986,572** |

| Surplus (Section 7) beginning of year | 4,924,976 | 4,709,180 |
| Addition, as above                    | 41,345    | 744,005   |
| Transferred to reserve for contingencies | 0        | 528,209   |
| **Surplus (Section 7) end of year**   | **4,966,321** | **4,924,976** |
## Volume of Major Operations

<table>
<thead>
<tr>
<th>Activity</th>
<th>Year 1941</th>
<th>Year 1940</th>
</tr>
</thead>
<tbody>
<tr>
<td>Checks (cash items) handled:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>U. S. Govt. checks and warrants:</td>
<td>Number: 8,477,015</td>
<td>Number: 10,113,638</td>
</tr>
<tr>
<td></td>
<td>Amount: $1,244,844,000</td>
<td>Amount: $716,008,000</td>
</tr>
<tr>
<td>All other checks:</td>
<td>Number: 60,347,480</td>
<td>Number: 56,016,827</td>
</tr>
<tr>
<td></td>
<td>Amount: $18,723,825,000</td>
<td>Amount: $14,507,619,000</td>
</tr>
<tr>
<td>Collections (noncash items) handled:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>U. S. Govt. coupons paid:</td>
<td>Number: 888,859</td>
<td>Number: 949,095</td>
</tr>
<tr>
<td></td>
<td>Amount: $16,175,000</td>
<td>Amount: $16,320,000</td>
</tr>
<tr>
<td>Other collection items:</td>
<td>Number: 439,796</td>
<td>Number: 426,458</td>
</tr>
<tr>
<td></td>
<td>Amount: $436,999,000</td>
<td>Amount: $352,524,000</td>
</tr>
<tr>
<td>Transfers of funds:</td>
<td>Number: 60,905</td>
<td>Number: 54,713</td>
</tr>
<tr>
<td></td>
<td>Amount: $5,591,639,000</td>
<td>Amount: $4,022,419,000</td>
</tr>
<tr>
<td>Paper currency received and counted:</td>
<td>Number: 123,328,278</td>
<td>Number: 105,332,613</td>
</tr>
<tr>
<td></td>
<td>Amount: $428,327,000</td>
<td>Amount: $352,294,000</td>
</tr>
<tr>
<td>Coin received and counted:</td>
<td>Number: 124,973,097</td>
<td>Number: 115,511,517</td>
</tr>
<tr>
<td></td>
<td>Amount: $13,441,000</td>
<td>Amount: $12,426,000</td>
</tr>
<tr>
<td>Rediscounts, advances and commitments:</td>
<td>Number: 151</td>
<td>Number: 138</td>
</tr>
<tr>
<td></td>
<td>Amount: $13,339,000</td>
<td>Amount: $8,087,000</td>
</tr>
<tr>
<td>New issues, redemptions, and exchanges of securities as fiscal agent of:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>United States Government:</td>
<td>Number: 639,647</td>
<td>Number: 208,036</td>
</tr>
<tr>
<td></td>
<td>Amount: $771,586,000</td>
<td>Amount: $573,323,000</td>
</tr>
<tr>
<td>Government instrumentalities:</td>
<td>Number: 11,434</td>
<td>Number: 16,228</td>
</tr>
<tr>
<td></td>
<td>Amount: $36,226,000</td>
<td>Amount: $15,604,000</td>
</tr>
<tr>
<td>Coupons clipped from securities in custody*:</td>
<td>Number: 154,964</td>
<td>Number: 156,083</td>
</tr>
</tbody>
</table>

*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.
FEDERAL RESERVE BANK OF ST. LOUIS

PERSONNEL

The number of officers and employees of the parent bank and branches on December 31, 1941, was 824, the salaries of 209 being reimbursable on account of fiscal agency operations.

MEMBERSHIP

During 1941, twenty-one State banks became members of the Federal Reserve Bank of St. Louis, and one nonmember State bank converted into a national bank.

On December 31 there were 437 member banks, of which 319 were national banks and 118 State banks and trust companies.

The deposits in these member banks aggregate approximately 75 per cent of the deposits in all commercial banks of this district.

During the year 1941, the twenty-two banks listed below, located in the Eighth Federal Reserve District, became members on the dates shown.

February 18 Bank of Eldon, Eldon, Mo.
February 28 Fayette County Bank, St. Elmo, Ill.
March 12 State Bank of Farina, Farina, Ill.
March 22 Citizens State Bank, Fair Play, Mo.
March 31 Illinois National Bank of Quincy, Quincy, Ill.
April 17 The St. Charles Savings Bank, St. Charles, Mo.
April 21 Elk Horn Bank & Trust Company, Arkadelphia, Ark.
April 28 The Merchants and Planters Bank, Camden, Ark.
May 16 The Clay City Banking Company, Clay City, Ill.
June 21 Bank of Middletown, Middletown, Ky.
June 26 Du Quoin State Bank, Du Quoin, Ill.
July 5 Paris Savings Bank, Paris, Mo.
August 14 Farmers Bank of Polo, Polo, Mo.
September 6 The State Bank of Salem, Salem, Ind.
September 8 Community Bank, Steelville, Mo.
September 9 Teutopolis State Bank, Teutopolis, Ill.
September 9 The Farmers and Merchants Bank of Vandalia, Vandalia, Ill.
September 13 Bank of Lincoln County, Elsberry, Mo.
September 17 The Union Savings Bank of St. Charles, St. Charles, Mo.
December 20 The First State Bank of Dongola, Dongola, Ill.
December 29 The Maries County Bank, Vienna, Mo.
GROSS DEPOSITS, LOANS, ETC., OF
REPORTING MEMBER BANKS
In St. Louis, Louisville, Memphis, Little Rock and Evansville.
1941

CURVE 1: Gross Deposits.
" 2: Loans, including Bills Rediscounted with Federal Reserve Bank.
" 3: Investments.
" 4: Borrowings from Federal Reserve Bank.

(AT CLOSE OF BUSINESS EACH WEDNESDAY)