



ANNUAL REPORT



FEDERAL RESERVE BANK OF ST. LOUIS

FOR YEAR ENDED
DECEMBER 31, 1942



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

A. WESSEL SHAPLEIGH, 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. ATTEBERY, Vice-President
C. M. STEWART, Vice-President and Secretary
L. H. CARSTARPHEN, General Counsel
H. H. EDMISTON, Asst. Vice-President
S. F. GILMORE, Assistant Cashier
FRANK N. HALL, Assistant Cashier
G. O. HOLLOCHER, Assistant Cashier
L. H. BAILEY, General Auditor
H. H. WEIGEL, Asst. Vice-President

FEDERAL ADVISORY COUNCIL MEMBER

RALPH C. GIFFORD, Louisville, Ky.

INDUSTRIAL ADVISORY COMMITTEE

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

LOUISVILLE BRANCH

DIRECTORS

PERRY B. GAINES, Chairman, Carrollton, Ky.
GEO. O. BOOMER, Louisville, Ky.
PHIL E. CHAPPELL, Hopkinsville, Ky.
WALLACE M. DAVIS, Louisville, Ky.
E. J. O'BRIEN, JR., Louisville, Ky.
LEE L. PERSISE, Salem, Ind.
CHAS. A. SCHACHT, Louisville, Ky.

OFFICERS

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

MEMPHIS BRANCH

DIRECTORS

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

OFFICERS

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

LITTLE ROCK BRANCH

DIRECTORS

I. N. BARNETT, JR., Chairman, Batesville, Ark.
A. F. BAILEY, Little Rock, Ark.
S. M. BROOKS, Little Rock, Ark.
CHAS. A. GORDON, Pine Bluff, Ark.
PAUL R. McCOY, Stuttgart, Ark.
A. E. McLEAN, Little Rock, Ark.
R. E. SHORT, Brinkley, Ark.

OFFICERS

A. F. BAILEY,
Managing Director
CLIFFORD WOOD,
Cashier
CLAY CHILDERS,
Assistant Cashier

FEDERAL RESERVE BANK OF ST. LOUIS

January 28, 1943.

*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, 1942, and December 31, 1941, together with comparative statements of operations for the years 1942 and 1941, and other data.

Very truly yours,

A handwritten signature in cursive script that reads "Chester C. Davis". The signature is written in dark ink and is positioned above the printed name of the President.

President.

COMPARATIVE STATEMENT OF CONDITION
ASSETS

	Dec. 31, 1942	Dec. 31, 1941
Gold certificates on hand and due from U. S. Treasury..\$	721,664,425	\$632,041,596
Redemption fund—F. R. notes.....	4,192,145	643,491
Other cash.....	19,246,787	17,601,813
Total reserves	745,103,357	650,286,900
Bills discounted:		
Secured by U. S. Government obligations, direct and guaranteed.....	45,000	0
Other bills discounted.....	75,000	0
Total bills discounted	120,000	0
Industrial advances	60,732	300,000
U. S. Government securities, direct and guaranteed:		
Bonds.....	133,223,000	73,695,000
Notes.....	64,170,500	39,053,000
Certificates of Indebtedness.....	49,662,000	0
Bills.....	40,764,000	521,000
Total U. S. Government securities, direct and guaranteed	287,819,500	113,269,000
Total bills and securities	288,000,232	113,569,000
Due from foreign banks	627	627
Federal Reserve notes of other banks	4,161,950	2,430,400
Uncollected items	75,178,873	49,584,893
Bank premises (net)	2,109,540	2,154,023
Other assets	4,158,313	2,026,207
Total assets	1,118,712,892	820,052,050

LIABILITIES

Federal Reserve notes in actual circulation	513,737,345	322,066,860
Deposits:		
Member banks—reserve account.....	446,424,519	363,642,898
U. S. Treasurer—general account.....	56,543,715	39,645,660
Foreign.....	20,968,855	22,904,237
Other deposits.....	12,257,701	12,593,560
Total deposits	536,194,790	438,786,355
Deferred availability items	56,580,437	47,310,905
Other liabilities	83,035	32,090
Total liabilities	1,106,595,607	808,196,210

CAPITAL ACCOUNTS

Capital paid in	4,549,450	4,416,550
Surplus (Section 7)	4,966,321	4,966,321
Surplus (Section 13b)	529,596	528,979
Other capital accounts	2,071,918	1,943,990
Total liabilities and capital accounts	1,118,712,892	820,052,550
Commitments to make industrial advances	1,686,500	1,225,965
Ratio of total reserves to deposit and Federal Reserve note liabilities combined	71.0%	85.5%

FINANCIAL RESULTS OF OPERATIONS

	Year 1942	Year 1941
Current earnings:		
Discounted bills	\$ 1,838	\$ 1,242
Industrial advances.....	982	3,015
Commitments to make industrial advances.....	9,177	4,179
U. S. Government securities.....	2,518,158	1,935,696
All other.....	22,203	21,763
Total current earnings.....	2,552,358	1,965,895
Current Expenses:		
Operating expenses	2,681,000	1,992,784
Less reimbursements for certain fiscal agency and other expenses.....	931,618	548,115
Net operating expense.....	1,749,382	1,444,669
Assessment for expenses of Board of Governors.....	52,994	55,265
Federal Reserve currency.....	255,926	109,437
Total current expenses.....	2,058,302	1,609,371
Current net earnings	494,056	356,524
Additions to current net earnings:		
Profits on sales of U. S. Government securities.....	153,088	60,214
All other.....	1,539	313
Total additions	154,627	60,527
Deductions from current net earnings:		
Special reserves on bank premises.....	0	120,468
Retirement System (Interest base adjustment).....	248,913	0
All other.....	1,913	309
Total deductions.....	250,826	120,777
Net deductions from current net earnings.....	96,199	60,250
Net earnings.....	397,857	296,274
Distribution of net earnings:		
Dividends paid to member banks.....	269,311	258,762
Transferred to surplus (Section 7).....	127,929	41,345
Transferred to surplus (Section 13b).....	617	3,833
Total.....	397,857	296,274
Surplus (Section 7) beginning of year.....	4,966,321	4,924,976
Addition, as above.....	127,929	41,345
Transferred to reserves for contingencies.....	127,929	0
Surplus (Section 7) end of year.....	4,966,321	4,966,321

VOLUME OF MAJOR OPERATIONS

	Year 1942	Year 1941
Checks (cash items) handled:		
U. S. Govt. checks and warrants:		
Number	7,993,171	8,477,015
Amount	\$ 2,383,953,000	\$ 1,244,844,000
All other checks:		
Number	61,384,573	60,347,480
Amount	\$21,859,104,000	\$18,723,825,000
Collections (non-cash items) handled:		
U. S. Govt. coupons paid:		
Number	897,477	888,859
Amount	\$ 19,324,000	\$ 16,175,000
Other collection items:		
Number	431,869	439,796
Amount	\$ 484,718,000	\$ 436,999,000
Transfers of funds:		
Number	59,495	60,905
Amount	\$ 6,434,370,000	\$ 5,591,639,000
Paper currency received and counted:		
Number	144,070,408	123,328,278
Amount	\$ 546,411,000	\$ 428,327,000
Coin received and counted:		
Number	142,910,423	124,973,097
Amount	\$ 12,560,000	\$ 13,441,000
Rediscounts, advances and commitments:		
Number	69	151
Amount	\$ 25,556,000	\$ 13,339,000
New issues, redemptions, and exchanges of securities as fiscal agent of:		
United States Government:		
Number	5,283,605	639,647
Amount	\$ 2,373,916,000	\$ 771,586,000
Government instrumentalities:		
Number	11,490	11,434
Amount	\$ 19,164,000	\$ 36,226,000
Coupons clipped from securities in custody*:		
Number	175,681	154,964

*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

Number of officers and employees of the parent bank and branches on December 31, 1942, was 1,135, the salaries of 475 being reimbursable on account of fiscal agency operations.

MEMBERSHIP

During 1942, fifteen State banks became members of the Federal Reserve Bank of St. Louis, and one member State bank converted into a national bank.

On December 31 there were 450 member banks, of which 318 were national banks and 132 were State banks and trust companies.

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

During the year 1942, the fifteen banks listed below, located in the Eighth Federal Reserve District, became members on the dates shown.

January 15	Montrose Savings Bank, Montrose, Mo.
February 16	O'Bannon Banking Company, Buffalo, Mo.
April 20	First National Bank of Magnolia, Magnolia, Ark.
June 9	Grant County Bank, Sheridan, Ark.
July 1	Tipton Farmers Bank, Tipton, Mo.
July 3	Old Capital Bank & Trust Company, Corydon, Ind.
July 22	The Union Bank, Loogootee, Ind.
August 6	State Bank of Hardinsburg, Hardinsburg, Ind.
August 14	State Street Bank & Trust Company, Quincy, Ill.
September 4	Mexico Savings Bank, Mexico, Mo.
September 11	The Exchange Bank & Trust Company, El Dorado, Ark.
September 25	Arkansas Trust Company, Hot Springs, Ark.
November 6	The Citizens State Bank, Petersburg, Ind.
November 16	The French Lick State Bank, French Lick, Ind.
November 21	The Citizens Loan & Trust Company, Washington, Ind.