

The Papers of Charles Hamlin (mss24661)

360_07_001-

Hamlin, Charles S., Scrap Book – Volume 170, FRBoard Members

205.001 - Hamlin Charles S
Scrap Book - Volume 170
FRBoard Members

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Office Correspondence

Date July 9, 1941

To The Files

Subject: _____

From Mr. Coe

M.P.C.

After correspondence with Mrs. Hamlin (see letters of May 25 and June 4, 1941) the items attached hereto and listed below, because of their possible confidential character, were taken from volume 170 of Mr. Hamlin's scrap book and placed in the Board's files:

VOLUME 170

Page 7

Report by Prof. Sprague at conference held by Gov. Crissinger, Mr. Hamlin, Mr. James and Col. McIntosh.

Page 9

Memo from Mr. Smead to Mr. Platt re Location of State bank and trust company members of the Federal Reserve System.

Page 11

Memo from Mr. Smead to Mr. Eddy attaching statements re cost of land and buildings at Richmond and Baltimore.

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Memo to Board from Mr. Smead re Branches of member and nonmember banks, December 31, 1926.

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Memo to Mr. Hamlin from Mr. Goldenweiser re Status of gold standard in certain countries.

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Memo to Mr. Hamlin from Mr. Goldenweiser transmitting a memo showing that the statement in the New York Times that Canada had prohibited exports to the U.S. was a mistake.

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Letter to all Federal Reserve Agents re Condition of member banks as of March 23, 1927.

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Memo to Mr. Hamlin from Mr. Vest re Earmarked Gold in Bank of England as Part of Reserve of F.R. Banks.

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Preliminary memorandum relative to open market policy.

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Earnings and Expenses of F.R. Banks.

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Letter to Rep. McFadden re chain banking.

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Letter to Chairmen of all F.R. Banks re Increase in Operating Efficiency at F.R. Banks.

See DA

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FEDERAL RESERVE BOARD FILE
111.1

Report by Professor Sprague at informal conference held July 24, 1925:

Present: Governor Crissinger
Mr. Hamlin
Mr. James
Col. McIntosh

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...e bank examiners are exceed-
...e an unsatisfactory condition
or danger signal months and years before the banks go under. In attempt-
ing to bring about any remedies I think it is well to constantly bear in
mind that there has been no doubt a very much larger number of failures in
this period since 1921 than we are very likely to experience in the future,
at least in our life time. I do not think we have need to feel that the sit-
uation is one that requires drastic measures necessarily. Bearing that in
mind, and also the necessity of avoiding as far as possible measures which
would hamper a well managed bank, I am at present inclined to urge a group
of proposals which I can run over very rapidly.

First, it seems pretty clear that we have a very large group of small
banks that are so small, not merely in capital but in resources, that they
simply cannot make a living and set aside any appreciable amounts of money
to take care of losses, this even in the event that they are well managed,
and one may generally assume that the smaller group of banks cannot very
well be well managed, they simply have not got the business experience back
of them, or the opportunity for diversification of loans. We are having
some data prepared trying to determine the size of a bank which may presuma-
bly earn a living. Whether a bank has to have \$200,000 of loans and invest-
ments, or more or less, there must be some figure at which banks are too
small to be either profitable or safe. I think without that we can reach

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FEDERAL RESERVE BOARD FILE
111. 1

I have been concentrating my attention very largely on banks which have failed, and I find that the reports of the bank examiners are exceedingly enlightening. In general, they indicate an unsatisfactory condition or danger signal months and years before the banks go under. In attempting to bring about any remedies I think it is well to constantly bear in mind that there has been no doubt a very much larger number of failures in this period since 1921 than we are very likely to experience in the future, at least in our life time. I do not think we have need to feel that the situation is one that requires drastic measures necessarily. Bearing that in mind, and also the necessity of avoiding as far as possible measures which would hamper a well managed bank, I am at present inclined to urge a group of proposals which I can run over very rapidly.

First, it seems pretty clear that we have a very large group of small banks that are so small, not merely in capital but in resources, that they simply cannot make a living and set aside any appreciable amounts of money to take care of losses, this even in the event that they are well managed, and one may generally assume that the smaller group of banks cannot very well be well managed, they simply have not got the business experience back of them, or the opportunity for diversification of loans. We are having some data prepared trying to determine the size of a bank which may presumably earn a living. Whether a bank has to have \$200,000 of loans and investments, or more or less, there must be some figure at which banks are too small to be either profitable or safe. I think without that we can reach

no conclusion, nothing which would be reliable in the authorization of new charters. Then we can inquire into the prospects of developing a profitable volume of business. We might apply it to the problem of the amount of capital required to organize a bank, possibly restoring the original requirement of the national law of \$50,000. When one takes into account the higher prices and growth of wealth in the country and the ease of communication, it would seem reasonable to conclude that the \$50,000 bank would be no more difficult to organize than the \$25,000 bank was in 1900. We, of course, cannot demand that the \$25,000 banks come up to \$50,000 at once, although I think the requirement might be inserted that any bank - any small bank of small capitalization - with deposits of say ten times the capital would be expected at once to increase its capital investment, but I should not want to go further than that as regards the existing banks that have capital under \$50,000.

The next group of proposals that I have in mind relate to the effectiveness of examinations. The examinations, it seems to me, indicate certain very clear deficiencies, not as regards the quality of the examinations, but arising out of the enormous number of cases in which you find there are affiliations between state and national institutions, or by means of affiliated companies. The most striking case is the Bell banks, in which a trust company owned 3% of the stock of one of the national banks. The trust company was not a member and consequently the national bank examiners did not show the real situation. The bank examiner might as well have examined one-half of the assets of a national bank and then gone home. I am suggesting that along the line of the Clayton Act for interlocking directors, we might perhaps apply that principle a little in the matter of safe-guarding the deposits by requiring that as a qualification for directorship on two or

more banks, state and national, that the state institution must file copies of the state examinations with the Comptroller of the Currency as a condition of the director serving on the national bank as well as the state institution. This matter of affiliated banks is something to which very little attention has been given in connection with the discussion of branch banking. This is to my mind the most injurious sort of branch banking that exists. From the point of view of safety in a branch banking system you want a central office with more or less records in the office as to what is going on in all the offices. In affiliated cases you have nothing. There are the affiliated finance companies that are not banks proper, but which feed assets into one or another banks in the chain and you need to know about these concerns. This you see is for the purpose of securing information, but as regards the use of the information, assuming you find you have adequate information, ****

A great many banks seem to be formed by people with the object of securing a larger amount of accommodation than that they would be able to secure if connected with a going bank. A sound principle would seem to me would be for officers and directors to borrow less frequently from their banks than outside business might be disposed to do. A very large proportion of failed banks and banks in a weakened condition that have not failed show clear evidence of undesirably large loans to directors and to officers, either straight loans or to companies in which they are interested. As a means of attacking this problem, I am suggesting that no loans should be made to any officer or director of a national bank unless he has furnished a financial statement of his condition, and that such financial statements be required also of all corporations in which such officer or director is interested or in control, as a precedent condition of the granting of any loan. We may

except from this requirement loans placed upon readily marketable securities or collateral. In the second place, I am suggesting that the endorsements and guarantees of the paper of the corporations, the majority of stock of which is owned by any one person, should be included in the guarantees and endorsements of that person in connection with the limitations as to aggregate lines set forth in Section 5200.

Then we come to a more controversial proposition, at least, I think it would prove to be more controversial. We find plenty of evidence of persistent violations of the various provisions of the national banking law and evidence of non-effective management, management which is likely to result subsequently in the insolvency of a bank, evidence of undue control by a particular officer of a bank using it one way or another for his own purposes with very little apparent control exercised by the other officers and directors. I am prepared to suggest that a special board be appointed, perhaps consisting of the Comptroller of the Currency, the Governor of the Federal Reserve Board and the Secretary of the Treasury, which by unanimous vote will have the power to remove officers or directors of national banks on evidence of persistent violation of the law or of incapacity for management. This power should not be lodged in any one person, it should be exercised with great care and, therefore, I am inclined to think a unanimous vote would be necessary. If such power were lodged anywhere, I doubt if it would have to be used frequently. There are an enormous number of cases, however, in the examiners' reports which are clear evidence that given individuals ought not to be connected with the banks. You cannot perhaps get the directors to act formally in the premises. I have come across numbers of cases in which the examiners commented very unfavorably upon a cashier, or upon a vice-president, running

the bank, but further commented upon the unwillingness and all sorts of reasons why the directors would not remove him; some times their inability was because he controlled the stock.

Another point relates to the swapping of paper between banks, especially small banks in an endeavor to do more business than their resources warrant, or in an endeavor to avoid the loaning limitations of the law. The reports show no evidence of any obligations on the part of the bank which has placed the paper but very frequently some kind of obligation, moral or otherwise, seems to be in the background and recognized by the bank. I suggest in meeting this in part, perhaps, a provision to the following effect: That no obligation shall be assumed or incurred by a national bank in connection with the sale or hypothecation of any of its assets which has not definitely been recorded upon the proper books of the bank at the time the transaction is consummated. If such transaction was not so recorded, the bank should not be permitted in any way to assume the obligation. I think banks ought to try to sell such paper as brokers do on the basis of the paper. If paper is bought on the basis of the bank it is virtually in the nature of an acceptance.

I am making ^{very} a few suggestions regarding Section 5200, the first being related to those provisions which make no limitation on amount. Commercial and business paper is one of those which has been among such since the formulation of the national banking system, and was borrowed from the New York State law, and borrowed at a time when most transactions involving the sale of goods resulted in the appearance of notes or bills of exchange. I am suggesting that inasmuch as there is no limitation on the amount there ought to be a more definite indication of the kind of paper that can be taken. I am suggesting that the pro-

vision read "Commercial or business paper taken in payment of goods at the time of sale or delivery" in order that this commercial or business paper shall be current. The paper, of course, should be "actually owned". I am inclined also to think that it should include a provision which would eliminate what the British call "pig on pork", that is, sales of goods between related business concerns, - the vendor ought to be entirely independent of the buyer. If you do not place any limitation of this type upon the bills of exchange and commercial paper, then it appears to me that there ought to be a limitation as to the amount, as there is in the New York law, which in addition to the 10% limitation has a further limitation of 40% on the aggregate amount which may be loaned on every kind of paper. On the whole, I rather prefer a definition of the kind of paper that can be taken in an unlimited amount rather than a blanket limitation on the aggregate which may be loaned in every way. The first McFadden Bill contained a new provision relating to guarantees and endorsements permitting 15% in addition to the usual 10% of paper other than bills of exchange and business paper guaranteed by the borrower. That was designed to cover miscellaneous kinds of loans, including renewals of business notes and obligations in connection with real estate and so on. I am suggesting a more definite indication of what is to be covered, very definitely excluding accommodation paper and suggesting that the guarantees of corporations owned largely by one man be included in his guarantees for this 15% limitation. This is about as far as I have gotten as yet with Section 5200. I have not tackled the commodity clause of that section as yet. I do not intend to formulate any opinion until after I have been to Texas and other cotton states, as I do not feel that I understand the conditions well enough.

(In answer to a question regarding assessments made by the Comptroller of the Currency on stockholders of national banks, the following statement was made:)

The question of how to handle weak banks is one that is brought to my attention in reading the examiners' reports. There are cases of weak banks being absorbed by other banks not very strong and then the whole outfit going under. There are also cases of assessments on the capital of weak banks and then after the assessment being made the bank going under. It is my impression that it is dangerous for a bank to absorb a weak bank unless the absorbing bank is very strong or well managed. An assessment on a weak bank accomplishes little or nothing if no change occurs in the management. I do not think we have reached any conclusion as to any legislation possible to cover that. Bank assessments should be paid in a less time than 90 days and it might be feasible that the obligation should rest upon the owner of the stock at the time the assessment was directed. That would cover the point the Comptroller made about transferring stock - one could not relieve oneself of the assessment by sale of stock.

We now come to a matter which relates more directly to the conduct of the Federal reserve banks than any of the other points raised. Liquidation of failed banks this year will, it is estimated, return to the depositors 41 cents. Before the Federal Reserve System the liquidation, it appears, averaged 80 cents. This, I think, may be attributed not to more serious economic conditions, but to the partial liquidation of banks before they fail, a liquidation which is more extensive than was formerly the case and that is made possible through the larger borrowing possibility which banks have at the reserve banks in addition to the facilities which they have always had with city correspondents.

I have had figures taken off which show that the liquidation before failure is mainly in demand deposits. Over 30% reduction of demand deposits have occurred in the twelve months' prior to the failure of banks in the last year as contrasted with 10% of time deposits. This clearly indicates to my mind that the savings depositor is not getting a square deal under the existing arrangement. He is not as alert and does not know as much about the condition of tottering banks and doesn't get out from under. We assume that a good deal of the reduction of time deposits was also brought about by persons who had demand deposits and were in the know. There are two possible remedies to my mind, the chief one relates to reserve banks lending to habitual borrowers and the other has to do with some form of segregation of assets. I consider the Federal Reserve Act itself over emphasized the feature of eligibility as a determining factor of rediscounting and there is over estimation of the potency of the rediscount rate as a means of control. The rediscount rate is a means of control in the New York District, but clearly is not in the Minneapolis District. A bank acting under the law must necessarily liquidate its superior assets when borrowing from a reserve bank and unless the additional business the rediscounting bank is able to handle is equally good as that represented by paper that is rediscounted the bank is in a less satisfactory condition as a result of its dealings with the Federal reserve bank. My conclusion is that the primary matter to be determined by the reserve banks in lending to a member bank is the character of the management of the bank and the general character of business the bank is conducting. If it has an unsatisfactory management very little or nothing should be loaned to it, regardless of the quality of the paper it puts up because you

are jeopardizing the interests of the depositors of that bank in so doing.

One test that a bank is a proper borrower at a reserve bank in normal times seems to me to be its ability to liquidate all of its loans and stay out of the reserve bank for one or more months in every year. I do not hold that you can adopt that as a rigid policy that is always to be followed.

Different things may happen in different sections. I think it should be clearly understood by member banks that the safe line of borrowing consists of taking care of the peculiar requirements in their localities and nothing more. I believe it is a good policy also to have a system of segregation of assets for the benefit of the savings depositors which will not involve the adoption of restrictive provisions as to the investment of savings deposits. What is needed is to provide that the savings depositors shall have their fair share of the assets and that none of the assets represented by their deposits shall be taken as the basis for loans elsewhere in order to provide the banks with funds to meet withdrawals by the commercial depositors. I think it would be possible to segregate real estate mortgage loans since those loans are related as regards their amount to the total deposits held by national banks. There are a number of states which have segregation at the present time. Massachusetts, California and Texas have highly restrictive provisions regarding the investment of savings deposits. Michigan has a most liberal law. Banks in that state cannot invest savings funds as freely as funds in the commercial department, but they have a pretty wide range. The same sort of investment can be made by both departments. I have in mind making some inquiries in Michigan as to whether they have any difficulty in keeping the assets of the two departments separate. If there were segregation, some of the reserve banks could not have taken all of the collateral they have taken, because some of the

stuff would have been in the savings department.

With regards the practice of the Federal reserve banks taking excess collateral, I think as a general policy it is bad. When you come to a specific scheme for restoring a bank to a sound condition it might hamper the reserve bank if there was an absolute prohibition against taking extra collateral, but I think it is damnable to take a lot of extra collateral from a poorly managed bank and let it get worse. A reserve bank should stand on the assets which a member bank puts up for rediscount. A certain amount of risk of the type which would force the reserve banks to pay regard to the condition of the borrower is to my mind highly desirable just as it is in running a commercial bank and dealing with individual customers.

The principles of the Federal Reserve Act, it seems to me, could be applied pretty well if membership in the Federal Reserve System were limited to the 500 largest city banks in this country. It is perfectly unfitted for this country bank problem.

My last proposition is this: I think the analysis and research work of the Federal Reserve Board has been altogether too much concerned with general business conditions and the operations of the New York money market, and not enough concerned with banking operations and conditions affecting banking in particular sections of the country. I do not think it of particular importance for the Federal Reserve Board to announce the money conditions last May, for instance, but rather it should undertake such problems as those of dealing with the effect on running bank in Iowa arising by reason of the enormous increase in mortgage accommodations there during the last few years. Take these reports of bank failures, reports of weak banks, etc. I think one or two men could properly spend all of their time in an analysis of these peculiar cases. It is along these lines, I believe, that the Board should

develop research work, also the various reserve banks should do so, insofar as they concern the local situations.

The control of branches is an interesting matter about which I know very little. I mean the branches of Federal reserve banks. I am going to visit all of the reserve banks, except New York and San Francisco, and I hope to get some light on this matter in connection with my other investigations.

Office Correspondence

FEDERAL RESERVE
BOARDDate November 5, 1926.To Mr. FlattSubject: Location of state bank and trustFrom Mr. Smeadcompany members of the Federal Reserve
System.

In accordance with your request we have prepared the statement attached hereto showing the number of state bank and trust company members which are located in cities having a population of 25,000 or over and the number located in smaller cities and towns in each state.

Of the 156 cities with a population of 25,000 or over in which state bank members are located, 20 have clearing house associations which according to the Bankers directory conduct examinations of clearing house member banks. These cities, which are written in capital letters in the attached statement, had 188 state bank members on June 30 of which 95 were not members of the local clearing house. On the same date there were 243 state bank members in cities having a population of 25,000 or more in which the clearing house associations do not examine the member banks, and 972 state bank members in cities and towns having a population of less than 25,000, none of which are in cities in which the local clearing house conducts examinations of its member banks. In addition to the 20 cities referred to above, 12 others listed below, in which there are no state bank members, have clearing house associations which conduct bank examinations.

	<u>Population</u>		<u>Population</u>
Hutchinson, Kansas	25,970	Ogden, Utah	38,869
Kansas City, Kans.	123,743	Oklahoma City, Okla.	139,947
La Crosse, Wis.	30,421	St. Paul, Minn.	246,001
Minneapolis, Minn.	425,435	Seattle, Wash.	315,685
Nashville, Tenn.	136,220	Tulsa, Okla.	124,478
New Haven, Conn.	178,927	Wichita, Kans.	81,245

SUMMARY BY STATES

A. Banks in cities in which Clearing Houses conduct examinations of clearing house members.

State	Clearing house members		Clearing house non-members*	
	Number	Total resources	Number	Total resources
Massachusetts				
Boston	9	\$438,777,000	-	-
New York				
New York City	15	3,612,777,000	24	\$1,135,087,000
New Jersey				
Newark	7	172,221,000	-	-
Pennsylvania				
Philadelphia	6	309,806,000	9	169,423,000
Alabama				
Montgomery	1	2,668,000	-	-
Louisiana				
New Orleans	6	214,436,000	1	1,538,000

Office Correspondence

FEDERAL RESERVE
BOARD

Date _____

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State	Clearing house members		Clearing house non-members*	
	Number	Total resources	Number	Total resources
Kentucky				
Louisville	-	-	4	59,364,000
Ohio				
Cleveland	5	775,922,000	3	37,576,000
Columbus	1	26,230,000	-	-
Indiana				
Indianapolis	1	24,000,000	-	-
Illinois				
Chicago	13	1,104,514,000	17	125,678,000
Michigan				
Detroit	8	564,145,000	3	78,007,000
Wisconsin				
Milwaukee	2	73,131,000	1	7,598,000
Missouri				
Kansas City	1	121,830,000	1	2,409,000
St. Louis	8	232,958,000	29	107,954,000
Colorado				
Denver	1	19,532,000	1	4,384,000
Oregon				
Portland	2	12,129,000	-	-
California				
Los Angeles	3	476,252,000	-	-
Pasadena	1	4,361,000	-	-
Utah				
Salt Lake City	3	25,802,000	2	8,675,000
Total	93	8,211,491,000	95	1,737,693,000

*Includes banks which clear through members of the clearing house as follows:
New Orleans - 1 ; Chicago - 11; Detroit - 1; Milwaukee - 1; and St. Louis - 6.

B. Banks in cities in which the local clearing house, if any, does not
conduct examinations of clearing house members.

State	Banks in cities with a population of 25,000 or over		Banks in cities with a population under 25,000	
	Number	Total resources	Number	Total resources
Maine	2	\$30,036,000	2	\$5,365,000
New Hampshire	-	-	1	1,204,000
Massachusetts	13	146,416,000	4	17,291,000
Rhode Island	4	289,789,000	-	-
Connecticut	2	16,616,000	1	2,251,000

Office Correspondence

FEDERAL RESERVE
BOARD

Date _____

To _____ Subject: _____

From _____

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State	Banks in cities with a population of 25,000 or over		Banks in cities with a population under 25,000	
	Number	Total resources	Number	Total resources
New York	20	769,033,000	45	108,077,000
New Jersey	26	305,822,000	27	84,374,000
Pennsylvania	33	457,309,000	44	102,910,000
Delaware	3	37,374,000	1	1,695,000
Maryland	3	89,047,000	2	1,635,000
Virginia	6	70,148,000	6	3,332,000
West Virginia	3	26,315,000	14	12,496,000
North Carolina	3	70,015,000	6	9,284,000
South Carolina	1	3,754,000	15	16,290,000
Georgia	7	107,626,000	58	24,753,000
Florida	3	38,878,000	7	10,476,000
Alabama	5	57,899,000	16	8,682,000
Mississippi	-	-	6	12,633,000
Louisiana	2	8,748,000	3	3,127,000
Texas	2	7,547,000	111	44,898,000
Arkansas	6	42,303,000	27	22,561,000
Kentucky	1	3,559,000	2	4,036,000
Tennessee	4	80,414,000	6	2,776,000
Ohio	24	383,653,000	51	59,245,000
Indiana	8	44,688,000	9	6,468,000
Illinois	13	71,728,000	43	41,859,000
Michigan	19	218,340,000	129	168,594,000
Wisconsin	2	11,419,000	21	24,571,000
Minnesota	-	-	22	25,154,000
Iowa	5	50,770,000	75	69,428,000
Missouri	3	12,667,000	20	16,576,000
North Dakota	-	-	2	529,000
South Dakota	-	-	10	6,219,000
Nebraska	-	-	10	5,025,000
Kansas	-	-	7	4,677,000
Montana	2	15,471,000	29	20,469,000
Wyoming	-	-	2	618,000
Colorado	-	-	2	912,000
New Mexico	-	-	2	516,000
Oklahoma	-	-	3	1,232,000
Washington	3	16,399,000	41	29,918,000
Oregon	-	-	35	22,312,000
California	14	1,034,976,000	13	29,900,000
Idaho	-	-	19	10,684,000
Utah	-	-	21	15,190,000
Arizona	1	13,780,000	2	616,000
Total	243	4,532,539	972	1,060,858,000

NUMBER AND TOTAL RESOURCES OF STATE BANK AND TRUST COMPANY MEMBERS ON
JUNE 30, 1926, IN CITIES HAVING A POPULATION OF 25,000 OR OVER

(Amounts in thousands of dollars)

City	Population	Number of banks	Total resources	City	Population	Number of banks	Total resources
<u>Maine</u>				<u>New Jersey</u>			
Bangor	26,664	1	13,434	Atlantic City	53,287	3	17,566
Portland	75,333	1	16,602	Bayonne	88,767	1	9,215
Other cities		2	5,365	Bloomfield	25,955	3	10,652
<u>New Hampshire</u>				Camden	128,642	1	16,704
Other cities		1	1,204	E. Orange	59,967	2	22,971
<u>Massachusetts</u>				Elizabeth	103,947	2	10,869
Arlington	25,125	1	4,289	Hoboken	68,166	1	8,359
BOSTON	781,529	9	438,777	Jersey City	315,280	3	94,909
Cambridge	120,053	2	21,601	Montclair	32,922	2	20,321
Fall River	129,662	1	8,090	NEWARK	452,513	7	172,221
Fitchburg	44,034	1	5,909	Passaic	68,979	1	10,630
Holyoke	60,892	1	11,365	Paterson	141,695	1	13,456
Lawrence	95,136	1	9,374	Perth Amboy	47,136	2	10,515
Lynn	103,147	1	9,702	Plainfield	31,748	3	23,789
Newton	53,364	1	17,049	Union City	63,117	1	35,866
Quincy	60,131	1	5,536	Other cities		27	84,374
Salem	42,821	1	6,790	<u>Pennsylvania</u>			
Waltham	34,926	1	8,108	Allentown	92,151	3	8,057
Worcester	192,242	1	38,603	Butler	25,230	1	6,451
Other cities		4	17,291	Chester	68,507	1	8,277
<u>Rhode Island</u>				Easton	36,810	1	9,111
Providence	267,918	4	289,789	Erie	112,571	1	6,576
<u>Connecticut</u>				Harrisburg	83,422	2	10,691
New Britain	68,039	1	6,518	Hazleton	36,143	3	19,299
Waterbury	98,411	1	10,098	New Castle	49,842	1	5,955
Other cities		1	2,251	Norristown	34,836	1	6,366
<u>New York</u>				PHILADELPHIA	1,979,364	15	479,229
Amsterdam	35,260	1	4,600	Pittsburgh	631,563		
Binghamton	71,915	1	8,960	Reserve city		6	299,050
Buffalo	538,016	4	439,170	Outside res.cy.		2	14,383
Elmira	48,359	1	11,603	Reading	112,707	2	14,520
Kingston	27,049	1	6,289	Scranton	142,266	1	17,311
NEW YORK	6,500,000			Wilkes Barre	77,644	2	7,083
Cen. Res. City		33	4,629,561	Williamsport	42,656	2	11,471
Reserve city		6	118,303	York	50,000	4	12,708
Niagara Falls	57,033	1	19,029	Other cities		44	102,910
Rochester	316,786	1	61,081	<u>Delaware</u>			
Rome	29,049	1	5,552	Wilmington	122,049	3	37,374
Schenectady	92,786	1	18,657	Other cities		1	1,695
Syracuse	182,003	3	130,969	<u>Maryland</u>			
Utica	101,604	3	41,252	Baltimore	796,296	3	89,047
Watertown	32,836	1	10,886	Other cities		2	1,635
White Plains	27,428	1	10,985				
Other cities		45	108,077				

NUMBER AND TOTAL RESOURCES OF STATE BANK AND TRUST COMPANY MEMBERS ON
JUNE 30, 1926, IN CITIES HAVING A POPULATION OF 25,000 OR OVER

(Amounts in thousands of dollars)

City	Population	Number of banks	Total resources	City	Population	Number of banks	Total resources
<u>Virginia</u>				<u>Texas</u>			
Norfolk	164,105	1	8,352	El Paso	104,929	1	3,958
Petersburg	35,712	1	4,797	San Antonio	198,069	1	3,589
Richmond	186,403	4	56,999	Other cities		111	44,898
Other cities		6	3,332	<u>Arkansas</u>			
<u>West Virginia</u>				<u>Kentucky</u>			
Charleston	49,019	1	13,386	Ft. Smith	31,643	1	1,118
Wheeling	56,208	2	12,929	Little Rock	74,216	5	41,185
Other cities		14	12,496	Other cities		27	22,561
<u>North Carolina</u>				<u>Tennessee</u>			
Charlotte	53,318	2	22,938	Lexington	46,895	1	3,559
Winston-Salem	69,031	1	47,077	LOUISVILLE	259,259	4	59,364
Other cities		6	9,284	Other cities		2	4,036
<u>South Carolina</u>				<u>Ohio</u>			
Charleston	73,125	1	3,754	Akron	208,435	4	65,531
Other cities		15	16,290	Canton	106,260	1	5,791
<u>Georgia</u>				<u>Indiana</u>			
Atlanta	227,710	3	25,700	Cincinnati	409,333	6	150,274
Savannah	93,134	4	81,926	CLEVELAND	936,485		
Other cities		58	24,753	Reserve city		6	755,210
<u>Florida</u>				Outside res. cy.			
Jacksonville	95,450	1	1,227	COLUMBUS	279,836	1	26,230
Miami	69,754	1	8,760	Lima	46,717	1	4,020
Tampa	94,743	1	28,891	Mansfield	31,820	1	2,821
Other cities		7	10,476	Middletown	30,823	1	2,616
<u>Alabama</u>				Newark			
Birmingham	205,670	3	38,890	Portsmouth	30,461	1	3,705
Mobile	65,955	2	19,009	Steubenville	39,087	1	3,450
MONTGOMERY	46,481	1	2,668	Toledo	31,973	2	11,198
Other cities		16	8,682	Warren	287,380	3	90,272
<u>Mississippi</u>				Youngstown			
Other cities		6	12,633	Other cities	159,970	2	37,022
<u>Louisiana</u>				Other cities			
Baton Rouge	27,832	1	3,358	Elkhart	27,104	1	5,044
NEW ORLEANS	414,493	7	215,974	Evansville	93,601	1	2,352
Shreveport	57,857	1	5,390	Hammond	50,385	1	8,380
Other cities		3	3,127	INDIANAPOLIS	358,819	1	24,000
				Marion	26,674	1	3,443
				Richmond	30,495	1	4,137
				South Bend	80,091	2	11,875
				Terre Haute	71,071	1	9,457
				Other cities		9	6,468

NUMBER AND TOTAL RESOURCES OF STATE BANK AND TRUST COMPANY MEMBERS ON
JUNE 30, 1926, IN CITIES HAVING A POPULATION OF 25,000 OR OVER

(Amounts in thousands of dollars)

City	Population	Number of banks	Total resources	City	Population	Number of banks	Total resources
<u>Illinois</u>				<u>North Dakota</u>			
Belleville	26,969	1	4,470	Other cities		2	529
CHICAGO	2,995,239			<u>South Dakota</u>			
Cen. res. cy.		10	1,051,591	Other cities		10	6,219
Reserve city		20	178,601	<u>Nebraska</u>			
Cicero	62,238	2	6,345	Other cities		10	5,025
E. St. Louis	71,423	1	6,926	<u>Kansas</u>			
Evanston	43,883	2	14,237	Other cities		7	4,677
Joliet	40,578	2	14,380	<u>Montana</u>			
Oak Park	51,423	2	11,882	Butte	42,867	2	15,471
Quincy	37,478	1	11,307	Other cities		29	20,469
Rock Island	40,073	1	1,855	<u>Wyoming</u>			
Springfield	63,923	1	10,326	Other cities		2	618
Other cities		43	41,859	<u>Colorado</u>			
<u>Michigan</u>				DENVER	280,911	2	23,916
Bay City	48,907	3	19,118	Other cities		2	912
DETROIT	1,242,044	11	642,152	<u>New Mexico</u>			
Flint	130,316	4	40,628	Other cities		2	516
Grand Rapids	153,698	3	54,601	<u>Oklahoma</u>			
Highland Park	72,289	2	35,860	Other cities		3	1,232
Jackson	57,972	2	4,471	<u>Washington</u>			
Lansing	70,753	1	11,483	Everett	29,303	1	2,225
Pontiac	47,455	1	18,216	Spokane	108,897	2	14,174
Port Huron	29,954	1	7,652	Other cities		41	29,918
Saginaw	72,100	2	26,311	<u>Oregon</u>			
Other cities		129	168,594	PORTLAND	282,383	2	12,129
<u>Wisconsin</u>				Other cities		35	22,312
Madison	46,385	1	6,168	<u>California</u>			
MILWAUKEE	509,192	3	80,729	Long Beach	91,182	1	11,739
Sheboygan	33,535	1	5,251	LOS ANGELES	674,641	3	476,252
Other cities		21	24,571	PASADENA	56,732	1	4,361
<u>Minnesota</u>				Sacramento	72,260	1	9,251
Other cities		22	25,154	San Francisco	558,410	11	1,012,339
<u>Iowa</u>				San Jose	43,551	1	1,647
Cedar Rapids	51,477	1	3,171	Other cities		13	29,900
Davenport	62,558	1	24,469	<u>Missouri</u>			
Des Moines	145,053	3	23,130	Joplin	29,902	1	5,870
Other cities		75	69,428	KANSAS CITY	367,481	2	124,239
<u>Missouri</u>				St. Joseph	78,342	1	2,678
Joplin	29,902	1	5,870	ST. LOUIS	821,543		
KANSAS CITY	367,481	2	124,239	Reserve city		12	242,519
St. Joseph	78,342	1	2,678	Outside res. cy.		25	98,393
ST. LOUIS	821,543			So. St. Joseph	77,403	1	4,119
Reserve city		12	242,519	Other cities		20	16,576
Outside res. cy.		25	98,393				
So. St. Joseph	77,403	1	4,119				
Other cities		20	16,576				

NUMBER AND TOTAL RESOURCES OF STATE BANK AND TRUST COMPANY MEMBERS ON
 JUNE 30, 1926, IN CITIES HAVING A POPULATION OF 25,000 OR OVER

(Amounts in thousands of dollars)

City	Population	Number of banks	Total resources	City	Population	Number of banks	Total resources
<u>Idaho</u>							
Other cities		19	10,684				
<u>Utah</u>							
SALT LAKE CITY	130,948	5	34,477				
Other cities		21	15,190				
<u>Arizona</u>							
Phoenix		1	13,780				
Other cities		2	616				



Office Correspondence

FEDERAL RESERVE
BOARD

See A.H.

Date April 22, 1927

To Mr. Eddy

Subject: 11

From Mr. Smead

2-8095
G.P.O.

Attached hereto are the two statements you requested regarding the cost of land and buildings at Richmond and Baltimore.

Volume 170
Page 11

COST OF LAND AND BUILDINGS AT RICHMOND AND BALTIMORE

DECEMBER 31, 1926

Richmond -	
Cost of Land	\$202,025
Cost of buildings including vaults and fixed machinery and equipment	2,441,853
Total	2,643,878
Less charge-offs and reserves	901,831
Net book value	1,742,047

Baltimore -	
Building site:	
Land	250,487
Miscellaneous building expenses	345
Total	250,832
Less charge-offs	63,343
Net Book value	187,489

Banking house to be sold:	
Cost of land	120,000
Cost of building	81,023
Total	201,023
Charge-offs	21,023
Net book value	180,000

		Ratio to	
Richmond and Baltimore combined -		Capital	Capital and surplus
Cost of land	572,512	9.4	3.1
Cost of buildings including vaults and fixed machinery and equipment	2,523,221	41.4	13.8
Total	3,095,733	50.8	16.9
Less charge-offs and reserves	986,197	16.2	5.4
Net book value	2,109,536	34.6	11.5

COST OF LAND AND BUILDINGS AT RICHMOND AND BALTIMORE
(Including estimated cost of new building at Baltimore)

DECEMBER 31, 1926

Richmond -	
Cost of land	\$202,025
Cost of buildings including vaults and fixed machinery and equipment	<u>2,441,853</u>
Total	2,643,878
Less charge-offs and reserves	<u>901,831</u>
Net book value	1,742,047

Baltimore -	
Building site:	
Cost of land	250,487
Buildings (congressional limit)	<u>1,025,000</u>
Total	1,275,487
Less charge-offs	<u>63,343</u>
Net book value	1,212,144

Banking house to be sold -	
Cost of land	120,000
Cost of building	<u>81,023</u>
Total	201,023
Less charge-offs	<u>21,023</u>
Net book value	180,000

		Ratio to Capital Capital and surplus	
Richmond and Baltimore combined -			
Cost of land	572,512	9.4	3.1
Cost of buildings including fixed machinery and equipment (Baltimore new building at \$1,025,000)	<u>3,547,876</u>	58.2	19.4
Total	4,120,388	67.6	22.5
Less charge-offs and reserves	<u>986,197</u>	16.2	5.4
Net book value	3,134,191	51.4	17.1

April 27, 1927.

To: Federal Reserve Board

From Mr. Smead

SUBJECT: Branches of member and non-member banks, Dec. 31, 1926.
St. 5334.

New branch bank record. Based on information received from the Federal reserve agents in response to the Board's letter St. 5120 of October 14, 1926, a loose-leaf record has been prepared showing all branches of both member and nonmember banks in operation in the United States. The record shows the name and location of the bank operating branches; the population of the town or city in which the parent bank is located; the city and street address of each branch; whether the branch, if not in the same city as its head office, is in contiguous or in non-contiguous territory; whether it was established de novo (as a branch) or whether an independent bank was taken over and converted into a branch, with the capital and deposits of the bank taken over, if available; and the date on which the branch was established or acquired by the present parent institution. Provision is also made for summarizing the information semi-annually with respect to each bank, the summary to show the number of branches in operation, the number established and discontinued during the current six-month period, and the capital, surplus and deposits of the parent bank and its branches.

An effort was also made originally to distinguish between full-fledged branches and so-called additional offices or teller's windows but this was abandoned, partly because such a distinction is not made by many of the state banking departments or in the recent McFadden Act. Therefore, in the new record and in the compilations based thereon all so-called additional offices have been considered as branches.

It is intended to keep the record of branches of both member and nonmember banks as nearly up to date and complete as practicable, so that it may be used as the basis of such statistical data on the subject of branch banking as the Board may require from time to time.

General status of branch banking, Dec. 31, 1926. The status of branch banking in the United States is shown in the attached statement which consists of first, a summary by states, classes of banks, population groups, and location of branches, and second, details by cities and by classes of banks, with the population of each city in which a bank that operates branches is located.

The summary shows that out of a total of 28,000 banks in the United States on December 31, 1926, 789 banks in 401 cities were operating 2,777 branches. If mutual savings and private banks are excluded, in order to obtain figures comparable with previous compilations, it is found that 730 banks were operating 2,690 branches at the end of 1926, as compared with 735 banks with 2,572 branches in December 1925, and 686 banks with 2,243 branches in June 1924. There was during 1926, therefore, an increase of 118 in the number of branches in operation (exclusive of branches of mutual savings and private banks) and a nominal decrease in the number of parent banks operating the branches, this decrease being more than accounted for by consolidations of banks having branches.

The following table shows the total number of banks of each class, the number which were operating branches, and the number of branches at the end of 1925 and 1926 and in June 1924.

	Number of banks		Number of branches
	Total	Operating branches	
National banks			
December 1926	7,906	141	404
December 1925	8,048	132	332
June 1924	8,080	108	248
Member state banks			
December 1926	1,354	195	1,363
December 1925	1,441	197	1,280
June 1924	1,570	191	1,137
Nonmember state banks			
December 1926	*17,650	394	923
December 1925	*18,163	406	950
June 1924	18,520	387	858
Total exclusive of mutual savings and private banks			
December 1926	26,910	730	2,690
December 1925	27,652	735	2,572
June 1924	28,170	686	2,243
Mutual savings banks, Dec. 1926	*620	50	75
Private banks, Dec. 1926	*495	9	12

*June figures, based on annual report, Comptroller of the Currency.

Principal states and cities in which branches are located. As indicated in the summary table submitted herewith, branch banking is confined to 21 states and the District of Columbia. Four-fifths of the total number of branches are located in 8 states - a large number of them in the big cities. This is brought out in the following tabulation which shows figures for December 1926 and December 1925 for the principal states and principal cities in which branches are in operation (figures being exclusive of branches of mutual savings and private banks):

	Number of branches		
	December 1926	December 1925	Increase
California	666	640	26
New York	488	441	47
Michigan	393	384	9
Ohio	227	213	14
Pennsylvania	116	112	4
Louisiana	104	95	9
Massachusetts	101	88	13
Maryland	98	95	3
Total, 8 States	2,193	2,068	125
Total, United States	2,690	2,572	118
New York City	391	370	21
Detroit	284	278	6
Los Angeles	213	189	24
Philadelphia	74	72	2
San Francisco	73	71	2
Cleveland	70	70	-
Buffalo	61	57	4
Boston	48	38	10
New Orleans	46	41	5
Cincinnati	44	43	1
Baltimore	40	39	1
Toledo	36	35	1
Grand Rapids	35	28	7
Total, 13 cities	1,415	1,331	84
Total, United States	2,690	2,572	118

Size of cities in which banks operating branches are located. The McFadden amendment to the Federal Reserve and the National Bank acts authorizes the operation of branches by National banks with the following limitations, (except that branches already in existence ^{may} be continued in operation though in excess of the limitations prescribed):

Banks in towns and cities with population of -

- 100,000 and over - indefinite number of branches subject to the determination of Comptroller of the Currency.
- 50,000 to 100,000 - 2 branches
- 25,000 to 50,000 - 1 branch
- Less than 25,000 - no branches

On December 31, 1926, member and nonmember banks in the above population groups were operating branches as follows:

	Number of cities in which parent banks are located	Number of banks	Number of branches			
			Total	In Head office city	In contig. territory	In non-contiguous territory
Banks located in towns and cities with population of -						
100,000 or more	53	370	2,067	1,715	111	241
50,000 to 100,000	37	71	128	97	8	23
25,000 to 50,000	35	51	92	57	3	32
Less than 25,000	276	297	490	59	28	403
Total	401	789	2,777	1,928	150	699

It will be seen that at the end of last year 490 branches were being operated by 297 member and nonmember banks in 276 towns and cities that had a population of less than 25,000 - cities in which national banks, under the recent amendment, cannot establish branches. The amendment apparently does not require nonmember banks in such cities, upon admission to membership, to discontinue local branches even though established after the passage of the McFadden bill.

Number of branches operated by individual banks. Of interest in connection with the size of cities is the number of branches operated by individual banks. As shown by the summary, 446 or over one half of the total of 789 banks that operate branches have only 1 branch, 131 have 2 branches, 124 have 3-5 branches, 38 have 6-10 branches, and only 50 have more than 10 branches. Of the 50 banks that have more than 10 branches, all but 4 are located in cities with a population of over 100,000, 1 in a city of 25,000-50,000 population, and 3 in towns of less than 25,000 population. The following table shows the size of individual branch banking systems according to population groups and according to classes of banks.

	Total	Number of banks with branches				
		1 branch	2 branches	3-5 branches	6-10 branches	Over 10 branches
<u>By population groups</u>						
Banks located in towns and cities with population of -						
100,000 or more	370	160	57	76	31	46
50,000 to 100,000	71	46	12	10	3	-
25,000 to 50,000	51	30	14	6	-	1
Less than 25,000	297	210	48	32	4	3
Total	789	446	131	124	38	50
<u>By classes of banks</u>						
National banks	141	86	26	13	8	8
Member state	195	78	28	41	18	30
Nonmember state	394	235	70	66	12	11
Mutual savings	50	41	4	4	-	1
Private	9	6	3	-	-	-

The names and location of the banks operating 30 or more domestic branches are shown below:

<u>Number of branches</u>	<u>Location and name of parent bank</u>	
100	San Francisco	Bank of Italy (Recently consolidated with Liberty Bank of America to form a national bank, and now has 278 branches)
57	" "	Mercantile Trust Co.
31	" "	Liberty Bank (Nonmember. Consolidated with Bank of America to form Liberty Bank of America, which consolidated with Bank of Italy to form a national bank).
95	Los Angeles	Pacific Southwest Trust & Savings Bank
49	"	Security Trust and Savings Bank
34	"	Merchants National Trust and Savings Bank
45	"	California Bank (nonmember)
62	New York City	Corn Exchange Bank
40	"	Bank of the Manhattan Co.
52	Cleveland	Cleveland Trust Co.
48	Detroit	Wayne County and Home Savings Bank
45	Detroit	Peoples State Bank
33	Buffalo	Marine Trust Co.

Banks operating branches outside head office city: Of the 789 banks that operate branches, 473 have branches only in the head office city, 268 only outside the head office city, and 48 both in and outside the head office city. The branches of national banks are, of course, nearly all confined to the head office city, but in the case of member state banks 55 out of 195 had outside branches, and in the case of nonmember state banks 230 out of 394 had outside branches. The following tabulation shows the number of banks of each class which had branches inside and outside the cities in which the parent bank is located:

	<u>Number of banks operating branches</u>			
	<u>Total</u>	<u>In head office city only</u>	<u>Outside head office city only</u>	<u>In and outside H.O. city</u>
Total - all banks	789	473	268	48
National banks	141	129	7	5
Member state banks	195	140	35	20
Nonmember state banks	394	164	209	21
Mutual savings banks	50	37	11	2
Private banks	9	3	6	-

While a large majority of branches are located in the same city as the parent bank, there were 849 branches in operation outside the head office city at the end of 1926. Of these 849 branches, 150 were in territory contiguous to the corporate limits of the head office cities, including 43, 31 and 15, respectively, in the vicinity of Los Angeles, San Francisco and Cleveland. California has the largest number of branches located outside parent bank cities - 337 out of 849 in the United States, but there are also a considerable number in Louisiana,

Maine, Maryland, North Carolina, Ohio, Tennessee, and Virginia. The following tabulation shows the number of branches located in the same cities as the parent banks, in contiguous territory, and in non-contiguous territory, by classes of banks:

	Number of banks	Number of branches			
		Total	In Head office city	In con- tiguous territory	In non- contiguous territory
Total - all banks	789	2,777	1,928	150	699
National banks	141	404	377	8	19
Member state banks	195	1,363	1,037	89	237
Nonmember state banks	394	923	449	41	433
Mutual savings	50	75	61	12	2
Private banks	9	12	4	-	8

Proportion of deposits held by banks operating branches. The banks which operate branches represent in many cases a very large part of the banking resources of the state or community, as will be seen from the table below which compares total deposits of banks that operate branches with deposits of all banks, for certain states and for the United States as a whole:

(Amounts in thousands of dollars)

	Number of banks		Number of branches	Total deposits	
	Total*	Operating branches		All banks*	Banks opera- ting branches
UNITED STATES					
Total	28,025	789	2,777	54,629,210	19,657,282
National banks	7,906	141	404	20,851,667	5,692,203
Member state	1,354	195	1,363	13,656,498	9,805,544
Nonmember state	17,650	394	923	12,410,173	2,389,840
Mutual savings	620	50	75	7,577,623	1,751,958
Private	495	9	12	133,249	17,737
California - total	625	88	668	3,399,689	2,468,889
National	268	16	85	981,716	407,597
Member state	31	16	355	1,441,776	1,390,656
All other	326	56	228	976,197	670,636
New York - total	1,153	105	507	15,140,952	9,229,514
National	546	26	128	4,925,958	2,834,272
State member	109	38	286	5,176,666	4,787,156
All other	498	41	93	5,038,328	1,608,086
Michigan - total	785	68	397	1,744,567	1,023,523
National	134	11	20	470,353	236,848
State member	157	34	328	873,356	715,539
All other	494	23	49	400,858	71,136
Ohio - total	1,079	52	227	2,506,573	1,202,461
National	347	5	5	738,206	75,708
State member	83	22	158	1,090,517	959,272
All other	649	25	64	677,850	167,481

Massachusetts - total	444	78	132	3,614,274	1,421,359
National	155	16	49	1,153,675	692,498
Member state	26	16	28	504,062	438,748
All other	263	46	55	1,956,537	290,113
Louisiana - total	239	40	104	433,109	258,571
National	33	1	8	108,878	11,698
Member state	11	8	45	191,474	176,178
All other	195	31	51	132,757	70,695

*Nonmember bank figures in these columns are for June 1926, based on annual report, Comptroller of the Currency.

The figures given above indicate that deposits of those member state banks in California which operate branches represent 96 per cent of the total deposits of all member state banks in California; in New York this ratio is 92 per cent, Ohio 88 per cent, and Michigan 82 per cent. For national banks, corresponding ratios are 42 per cent in California, 58 per cent in New York, 50 per cent in Michigan, and 60 per cent in Massachusetts.

Method of establishment of branches: About 70 per cent of the branches now in operation came into existence de novo, i.e., they were not conversions of independent banks, and in addition it is probable that in a considerable number of cases the banks which were acquired and converted into branches had been organized in the first instance to provide a legal way for existing banks to obtain branches. The branches in operation at the end of 1926 are classified according to the method of establishment as follows:

	Total branches	Established de novo (as branches)	Banks con- verted into branches	Not reported.
National banks	404	297	83	24
Member state	1,363	957	353	53
Nonmember state	923	648	204	71
Mutual savings	75	54	1	20
Private	12	4	-	8
Total	2,777	1,960	641	176

Of the 641 branches which were originally independent banks, 241 are in California, 111 in New York, and 68 in Ohio.

Year in which branches were established. The new branch bank record shows the date on which each branch was established, except in the case of branches acquired from other institutions by consolidation or purchase. In the latter case the date is that on which the branch was first operated by the present parent institution. On this basis it is found of the 2,777 branches in operation on December 31, 1926, 353 were established or acquired in 1926, 1,536 in the six years from 1920-1925, and 830 prior to 1920.

Of interest in reflecting the rapid growth of branch banking in recent years is the following information, which was published in the recent annual report of the Federal Reserve Agent at New York, showing the number of branches which were in operation in the second Federal reserve district on June 30 of each year since

1917, this tabulation being based on the branches which were still in existence on June 30, 1926:

	<u>Number of branches</u>
1917	168
1918	175
1919	189
1920	216
1921	247
1922	273
1923	324
1924	362
1925	410
1926	474

State laws affecting branch banking. No information has been received at the Board's offices to show that there was any change during 1926 in the provisions of state laws relating to branch banking, which were discussed in the June 1926 Federal Reserve Bulletin, pages 401 and 402. As indicated in the Bulletin and in the summary statement submitted herewith, the establishment of branches was permitted at the end of 1926, expressly or by implication, in 21 states and the District of Columbia, but in two of these states (West Virginia and Wyoming) there were no branches in operation; in 17 states the establishment of branches was prohibited, though in 7 of these states branches which were in operation prior to the passage of the prohibitory legislation were allowed to continue in operation; and in 10 states the laws did not provide for or prohibit the establishment of branches.

While there was apparently no action taken last year in the various states with relation to branch banking, there has been some activity since the passage of the McFadden Act. In New Jersey a bill was passed in March permitting the operation of branches by state banks, the number of branches being restricted according to the same population grouping as contained in the McFadden bill. In Pennsylvania the legislature recently passed an anti-branch-banking bill (not yet signed by the Governor), which prohibits the establishment of branches except in those cities in which national banks were operating prior to March 1, 1927. In Massachusetts, where branches may be established only under specific authority of the legislature, an attempt was recently made by the Governor to have the State Board of Bank Incorporation empowered to permit the establishment of branches, but the effort was not successful. In Nebraska, the laws of which contained no provision with respect to branch banking, a bill was passed early in April by the legislature prohibiting the establishment of branches, but no information has been received as to whether the bill was signed by the Governor. The only branches in operation in Nebraska are two branches of national banks, located in South Omaha.

Chain banking. The reports on branch banking submitted by the Federal reserve agents were accompanied, at the Board's request, with such data regarding chain banking as could be obtained without too much difficulty. This information necessarily is not on a uniform basis, due to the difficulty of properly defining chain banking and to the different conditions prevailing in the various states. These data will be reviewed in a separate memorandum.

Foreign branches of American banks. The statements attached hereto relate only to domestic branches of American banks. Data in the Board's files show that on December 31, 1926, 8 American banks were operating 72 branches outside the United States, and 4 American foreign banking corporations (all subsidiaries of member banks) were operating 33 such branches under agreement with the Federal Reserve Board. Following is a summary of the number and location of foreign branches of American banks and American foreign banking corporations:

	<u>Number of banks</u>	<u>Number of branches</u>
National banks	3	57
Member state	4	14
Nonmember state	1	1
American foreign banking corporations	<u>4</u>	<u>*33</u>
Total	12	105

Number of branches by countries in which located

England	12	Java	1	Dominican	
France	4	Straits		Republic	7
Belgium	4	Settlements	1	Haiti	9
Spain	2	Cuba	27	Argentina	4
Italy	2	Panama	3	Brazil	3
China	9	Canal Zone	1	Chile	2
Hongkong	1	Porto Rico	1	Peru	1
Japan	4	Philippine		Uruguay	1
India	3	Islands	2	Venezuela	1

In addition to the above, one American bank has a representative in Paris, one has an agency in Brazil and one a collection agency in Mexico City, and one American foreign banking corporation has two agencies in Haiti.

*Includes 8 branches in China, 4 in Japan, 3 in India, 1 in Java, and 1 in Straits Settlements, which have since been taken over by a member bank from a subsidiary American foreign banking corporation.

BANKS OPERATING BRANCHES, DECEMBER 31, 1926; SUMMARY CLASSES OF BANKS, POPULATION GROUPS, AND STATES.

St. 5334

State	Number of cities in which banks are located	Number of banks having branches					Number of branches				
		1 branch	2 branches	3-5 branches	6-10 branches	Over 10 branches	Total	Total	In head office city	In contiguous territory	In non-contig. territory
UNITED STATES											
Total	401	446	131	124	38	50	789	2,777	1,928	150	699
National	74	86	26	13	8	8	141	404	377	8	19
Member state	102	78	28	41	18	30	195	1,363	1,037	89	237
Nonmember state	290	235	70	66	12	11	394	923	449	41	433
Mutual savings	28	41	4	4	-	1	50	75	61	12	2
Private	7	6	3	-	-	-	9	12	4	-	8
BANKS LOCATED IN CITIES WITH POPULATION OF											
100,000 or more	53	160	57	76	31	46	370	2,067	1,715	111	241
50,000 to 100,000	37	46	12	10	3	-	71	128	97	8	23
25,000 to 50,000	35	30	14	6	-	1	51	92	57	3	32
Less than 25,000	276	210	48	32	4	3	297	490	59	28	403
BRANCH BANKING PERMITTED											
Arizona	7	3	2	1	-	1	7	22	-	-	22
California	50	42	13	16	6	11	88	668	331	76	261
Delaware	4	1	2	1	1	-	5	15	1	-	14
Dist. of Columbia	1	5	2	3	-	-	10	20	20	-	-
Georgia	19	15	5	1	1	-	22	38	12	1	25
Kentucky	1	2	-	2	-	-	4	12	12	-	-
Louisiana	30	24	6	5	4	1	40	104	52	1	51
Maine	21	10	5	9	-	-	24	53	4	1	48
Maryland	17	18	5	9	1	3	36	114	58	5	51
Massachusetts	40	58	10	7	2	1	78	132	116	13	3
Michigan	33	36	10	6	4	12	68	397	390	2	5
Mississippi	10	7	3	-	-	1	11	25	1	-	24
Nebraska	1	2	-	-	-	-	2	2	2	-	-
New Jersey	8	8	4	1	-	-	13	20	10	8	2
New York	15	47	18	19	9	12	105	507	506	-	1
North Carolina	34	25	6	8	1	-	40	74	8	2	64
Ohio	21	24	5	13	6	4	52	227	194	22	11
Pennsylvania	18	57	15	11	-	-	83	127	118	3	6
Rhode Island	5	5	1	2	-	1	9	27	10	6	11
South Carolina	5	2	2	1	2	-	7	25	7	2	16
Tennessee	15	13	4	2	1	2	22	56	24	1	31
Virginia	25	25	8	4	-	-	37	59	28	4	27
NEW BRANCHES PROHIBITED											
Alabama	5	4	-	-	-	1	5	19	-	1	18
Arkansas	2	1	1	-	-	-	2	3	-	-	3
Indiana	3	3	-	1	-	-	4	8	7	-	1
Minnesota	1	-	-	2	-	-	2	6	6	-	-
Oregon	1	1	-	-	-	-	1	1	-	1	-
Washington	4	3	2	-	-	-	5	7	4	-	3
Wisconsin	5	5	2	-	-	-	7	9	7	1	1

NOTE: Of the states shown above under the heading "Branch Banking Permitted," Kentucky and Nebraska did not (on December 31, 1926) expressly provide for the establishment of branches. No branches were reported in operation in the 20 states not shown above. Of these 20 states, West Virginia and Wyoming permit branch banking, although there were none in operation; Iowa, Kansas, Montana, New Hampshire, North Dakota, Oklahoma, South Dakota and Vermont do not expressly provide for or prohibit establishment of branches; and Colorado, Connecticut, Florida, Idaho, Illinois, Missouri, Nevada, New Mexico, Texas and Utah prohibit establishment of branches.

BANKS OPERATING BRANCHES, DECEMBER 31, 1926, BY CITIES IN WHICH LOCATED
St. 5334

State, city or town, and population	Number of banks having branches					Number of branches				
	1 branch	2 bran- ches	3-5 bran- ches	6-10 bran- ches	Over 10 bran- ches	Total	Total	In head of- fice city	In con- tigu- ous terri- tory	In non- contig. terri- tory
<u>UNITED STATES</u>										
Total	446	131	124	33	50	789	2,777	1,928	150	699
National banks	86	26	13	8	8	141	404	377	8	19
Member state	78	23	41	13	30	195	1,363	1,037	89	237
Nonmember state	235	70	66	12	11	394	923	449	41	433
Mutual savings	41	4	4	-	1	50	75	61	12	2
Private	6	3	-	-	-	9	12	4	-	8
<u>ARIZONA</u>										
Total	3	2	1	-	1	7	22	-	-	22
Member state	1	-	-	-	1	2	12	-	-	12
Nonmember state	2	2	1	-	-	5	10	-	-	10
Chandler 1,013										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Flagstaff 3,186										
Nonmember state	-	-	1	-	-	1	4	-	-	4
Globe 7,044										
Nonmember state	-	1	-	-	-	1	2	-	-	2
Phoenix 38,669										
Member state	-	-	-	-	1	1	11	-	-	11
Prescott 5,010										
Nonmember state	-	1	-	-	-	1	2	-	-	2
Tombstone 1,178										
Member state	1	-	-	-	-	1	1	-	-	1
Tucson 26,733										
Nonmember state	1	-	-	-	-	1	1	-	-	1
<u>CALIFORNIA</u>										
Total	42	13	16	6	11	88	668	331	76	261
National banks	9	2	1	2	2	16	85	75	3	7
Member state	5	2	2	2	5	16	355	143	59	153
Nonmember state	28	8	13	2	4	55	226	111	14	101
Mutual Savings	-	1	-	-	-	1	2	2	-	-
Alameda 31,876										
Nonmember state	1	-	-	-	-	1	1	1	-	-
Alhambra 5,021										
National	1	-	-	-	-	1	1	1	-	-
Alturas 979										
Nonmember state	-	1	-	-	-	1	2	-	-	2
Alvarado 1,032										
Nonmember state	-	1	-	-	-	1	2	-	-	2
Anaheim 5,526										
Nonmember state	-	1	-	-	-	1	2	-	-	2
Antioch 1,936										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Auburn 2,289										
Nonmember state	1	-	1	-	-	2	4	-	-	4
Bakersfield 23,487										
National	1	-	-	-	-	1	1	1	-	-
Member state	-	-	1	-	-	1	3	-	-	3
Balboa 810										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Berkeley 66,209										
Nonmember state	-	-	1	-	-	1	3	3	-	-
Biggs 683										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Bishop 1,304										
Nonmember state	-	-	1	-	-	1	3	-	-	3

BANKS OPERATING BRANCHES, DECEMBER 31, 1926, BY CITY IN WHICH LOCATED

St. 5334

State, city or town and population	Number of banks having branches					Total	Number of branches			
	1 branch	2 branches	3-5 branches	6-10 branches	Over 10 branches		Total	In head office city	In contiguous territory	In non-contig. territory
<u>CALIFORNIA</u> (Cont'd)										
Colusa 1,846										
Nonmember state	-	-	1	-	-	1	3	-	-	3
Crockett 1,845										
National	1	-	-	-	-	1	1	1	-	-
Fillmore 1,597										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Fort Jones 331										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Grass Valley 4,006										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Guerneville 800										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Hermosa Beach 5,000										
Nonmember state	1	-	-	-	-	1	1	1	-	-
Jackson 1,601										
Nonmember state	-	-	1	-	-	1	3	-	-	3
Lancaster 800										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Lawndale 3,000										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Lemoore 1,355										
National	1	-	-	-	-	1	1	-	-	1
Long Beach 91,182										
National	1	-	-	-	-	1	1	1	-	-
Member state	1	-	-	-	-	1	1	1	-	-
Nonmember state	-	-	1	-	-	1	4	3	-	1
Los Angeles 674,641										
National	2	-	-	2	2	6	71	65	3	3
Member state	-	-	-	-	2	2	144	77	30	37
Nonmember state	1	-	-	-	3	4	91	71	10	10
Merced 3,974										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Newman 1,251										
Nonmember state	-	-	1	-	-	1	3	-	-	3
Oakland 253,700										
National	1	-	-	-	-	1	1	1	-	-
Nonmember state	1	-	-	1	-	2	11	11	-	-
Pasadena 56,732										
National	-	1	-	-	-	1	2	2	-	-
Nonmember state	-	1	-	-	-	1	2	2	-	-
Pinole 1,000										
Nonmember state	-	-	1	-	-	1	3	-	-	3
Quincy 528										
Member state	1	-	-	-	-	1	1	-	-	1
Sacramento 72,260										
National	-	1	-	-	-	1	2	2	-	-
Nonmember state	1	-	1	-	-	2	4	2	-	2
Salinas 4,308										
Member state	-	1	-	-	-	1	2	-	-	2
Nonmember state	1	-	-	-	-	1	1	-	-	1
San Bernardino 22,823										
Nonmember state	1	1	-	-	-	2	3	-	-	3
San Diego 106,047										
Nonmember state	1	-	1	1	-	3	13	5	2	6
San Francisco 557,530										
National	-	-	1	-	-	1	3	-	-	3
Member state	1	1	1	2	3	8	202	65	29	108
Nonmember state	1	-	2	-	1	4	40	8	2	30
Mutual savings	-	1	-	-	-	1	2	2	-	-
San Jose 43,551										
Nonmember state	-	1	-	-	-	1	2	2	-	-

BANKS OPERATING BRANCHES, DECEMBER 31, 1926, BY CITIES IN WHICH LOCATED

St. 5334

Page 3

State, city or town and population	Number of banks having branches					Number of branches				
	1 branch	2 bran- ches	3-5 bran- ches	6-10 bran- ches	Over 10 bran- ches	Total	Total	In head of- fice city	In con- tigu- ous terri- tory	In non- contig. terri- tory
<u>CALIFORNIA</u> (Cont'd)										
San Leandro 5,703 Nonmember state	-	-	1	-	-	1	3	-	-	3
Santa Cruz 10,917 National	1	-	-	-	-	1	1	1	-	-
Santa Monica 19,445 Nonmember state	1	-	-	-	-	1	1	1	-	-
Santa Rosa 9,098 Nonmember state	1	-	-	-	-	1	1	-	-	1
Sausalito 2,790 Member state	1	-	-	-	-	1	1	-	-	1
Sebastopol 1,493 Nonmember state	1	-	-	-	-	1	1	-	-	1
Stockton 47,287 Nonmember state	2	-	-	-	-	2	2	1	-	1
Susanville 918 Nonmember state	-	1	-	-	-	1	2	-	-	2
Taft 3,317 Nonmember state	1	-	-	-	-	1	1	-	-	1
Turlock 3,394 Member state	1	-	-	-	-	1	1	-	-	1
Valley Ford 100 Nonmember state	-	1	-	-	-	1	2	-	-	2
Walnut Creek 538 Nonmember state	1	-	-	-	-	1	1	-	-	1
Woodland 4,147 Nonmember state	1	-	-	-	-	1	1	-	-	1
<u>DELAWARE</u>										
Total	1	2	1	1	-	5	15	1	-	14
Member state	1	-	-	-	-	1	1	1	-	-
Nonmember state	-	2	1	1	-	4	14	-	-	14
Dover 4,042 Nonmember state	-	1	-	-	-	1	2	-	-	2
Georgetown 1,710 Nonmember state	-	-	1	-	-	1	3	-	-	3
Selbyville 462 Nonmember state	-	1	-	-	-	1	2	-	-	2
Wilmington 122,049 Member state	1	-	-	-	-	1	1	1	-	-
Nonmember state	-	-	-	1	-	1	7	-	-	7
<u>DISTRICT OF COLUMBIA</u>										
Washington 497,906 National	3	1	1	-	-	5	9	9	-	-
Nonmember state	2	1	2	-	-	5	11	11	-	-
<u>GEORGIA</u>										
Total	15	5	1	1	-	22	38	12	1	25
National	1	1	1	-	-	3	7	6	-	1
Member state	4	1	-	1	-	6	15	2	1	12
Nonmember state	10	2	-	-	-	12	14	4	-	10
Private	-	1	-	-	-	1	2	-	-	2
Atlanta 227,710 National	-	1	1	-	-	2	6	5	-	1
Augusta 55,245 Nonmember state	1	-	-	-	-	1	1	1	-	-

BANKS OPERATING BRANCHES, DECEMBER 31, 1926, BY CITIES IN WHICH LOCATED

St. 5334 Page 4

State, city or town and population	Number of banks having branches					Total	Number of branches			
	1 branch	2 bran- ches	3-5 bran- ches	6-10 bran- ches	Over 10 bran- ches		Total	In head of- fice city	In con- tigu- ous terri- tory	In non- contig. terri- tory
<u>GEORGIA (Cont'd)</u>										
Brunswick 16,809										
Member state	-	1	-	-	-	1	2	-	1	1
Buford 2,500										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Cairo 1,908										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Columbus 44,244										
Nonmember state	-	1	-	-	-	1	2	2	-	-
Cornelia 2,000										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Douglas 3,401										
Nonmember state	-	1	-	-	-	1	2	-	-	2
Douglasville 2,159										
Member state	1	-	-	-	-	1	1	-	-	1
Folkston 397										
Nonmember state	1-	-	-	-	-	1	1	-	-	1
Glenwood 592										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Greenville 760										
Member state	1	-	-	-	-	1	1	-	-	1
Hahira 864										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Lumpkin 934										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Mt. Vernon 722										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Pelham 2,640										
Member state	1	-	-	-	-	1	1	-	-	1
Rome 13,905										
National	1	-	-	-	-	1	1	1	-	-
Savannah 93,134										
Member state	1	-	-	1	-	2	10	2	-	8
Nonmember state	1	-	-	-	-	1	1	1	-	-
Senobia 906										
Private	-	1	-	-	-	1	2	-	-	2
<u>KENTUCKY</u>										
Louisville 259,259										
National	2	-	1	-	-	3	7	7	-	-
Member state	-	-	1	-	-	1	5	5	-	-
<u>LOUISIANA</u>										
Total	24	6	5	4	1	40	104	52	1	51
National	-	-	-	1	-	1	8	-	-	8
Member state	2	1	2	2	1	8	45	39	-	6
Nonmember state	22	5	3	1	-	31	51	13	1	37
Alexandria 20,651										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Arabi 262										
Nonmember state	1	-	-	-	-	1	1	1	-	-
Arcadia 1,240										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Bogalusa 8,245										
Nonmember state	1	-	-	-	-	1	1	1	-	1
Colfax 1,449										
Nonmember state	1	-	-	-	-	1	1	1	-	-
Coushatta 962										
Nonmember state	1	-	-	-	-	1	1	-	-	1

BANKS OPERATING BRANCHES, DECEMBER 31, 1926, BY CITIES IN WHICH LOCATED

St. 5334

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State, city or town, and population .	Number of banks having branches					Total	Number of branches		
	1 branch	2 bran- ches	3-5 bran- ches	6-10 bran- ches	Over 10 bran- ches		Total	In head of- fice city	In con- tigu- ous terri- tory
<u>LOUISIANA Cont'd)</u>									
Covington 2,942									
Nonmember state	2	-	-	-	-	2	2	-	2
Crowley 6,108									
Nonmember state	1	-	-	-	-	1	1	-	1
Franklinton 964									
Nonmember state	-	1	-	-	-	1	2	-	2
Gretna 7,197									
Member state	-	1	-	-	-	1	2	-	2
Nonmember state	-	1	-	-	-	1	2	-	2
Haynesville 903									
Nonmember state	1	-	-	-	-	1	1	1	-
Homer 3,305									
Nonmember state	1	-	-	-	-	1	1	-	1
Houma 5,160									
Nonmember state	1	-	-	-	-	1	1	-	1
Lafayette 7,855									
Nonmember state	-	-	1	-	-	1	5	-	5
Lake Charles 14,015									
National	-	-	-	1	-	1	8	-	8
Leesville 2,518									
Nonmember state	-	-	1	-	-	1	3	-	2
Mansura 829									
Nonmember state	-	-	1	-	-	1	3	-	3
Many 663									
Nonmember state	1	-	-	-	-	1	1	-	1
Marksville 1,185									
Nonmember state	-	1	-	-	-	1	2	-	2
Napoleonville 1,171									
Nonmember state	1	-	-	-	-	1	1	-	1
New Orleans 414,493									
Member state	-	-	1	2	1	4	38	38	-
Nonmember state	-	-	-	1	-	1	8	8	-
Opelousas 4,437									
Member state	1	-	-	-	-	1	1	-	1
Nonmember state	1	-	-	-	-	1	1	-	1
Port Allen 920									
Nonmember state	1	-	-	-	-	1	1	-	1
Shreveport 57,857									
Member state	1	-	-	-	-	1	1	1	-
Nonmember state	1	-	-	-	-	1	1	1	-
St. Joseph 734									
Nonmember state	1	-	-	-	-	1	1	-	1
Sunset 433									
Nonmember state	1	-	-	-	-	1	1	-	1
Thibodaux 3,526									
Nonmember state	1	-	-	-	-	1	1	-	1
Vidalia 1,206									
Nonmember state	1	-	-	-	-	1	1	-	1
Ville Platte 1,364									
Member state	-	-	1	-	-	1	3	-	3
Nonmember state	-	1	-	-	-	1	2	-	2
Winnsboro 1,176									
Nonmember state	1	1	-	-	-	2	3	-	3

BANKS OPERATING BRANCHES, DECEMBER 31, 1926, BY CITY IN WHICH LOCATED

St. 5334

Page 6

State, city or town, and population	Number of banks having branches					Number of branches				
	1 branch	2 bran- ches	3-5 bran- ches	6-10 bran- ches	Over 10 bran- ches	Total	Total	In head of- fice city	In con- tigu- ous terri- tory	In non- contig. terri- tory
MAINE										
Total	10	5	9	-	-	24	53	4	1	48
Member state	1	-	3	-	-	4	11	1	-	10
Nonmember state	9	5	6	-	-	20	42	3	1	38
Augusta 14,624										
Nonmember state	-	-	1	-	-	1	5	-	-	5
Bangor 26,644										
Member state	-	-	1	-	-	1	4	-	-	4
Nonmember state	-	-	1	-	-	1	3	-	-	3
Bar Harbor 3,622										
Nonmember state	-	1	-	-	-	1	2	-	1	1
Belfast 5,083										
Nonmember state	-	-	1	-	-	1	3	-	-	3
Calais 6,084										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Dover-Foxcroft 2,071										
Nonmember state	-	1	-	-	-	1	2	-	-	2
Ellsworth 3,058										
Member state	-	-	1	-	-	1	3	-	-	3
Fort Kent 4,237										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Guilford 1,687										
Nonmember state	-	1	-	-	-	1	2	-	-	2
Lewiston 34,390										
Nonmember state	-	-	1	-	-	1	3	-	-	3
Lincoln 1,586										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Oldtown 6,956										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Patten 1,498										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Portland 75,333										
Member state	-	-	1	-	-	1	3	1	-	2
Nonmember state	1	-	1	-	-	2	6	3	-	3
Rockland 8,109										
Nonmember state	-	-	1	-	-	1	4	-	-	4
Rumford 9,224										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Sanford 11,621										
Member state	1	-	-	-	-	1	1	-	-	1
Skowhegan 5,981										
Nonmember state	1	-	-	-	-	1	1	-	-	1
South Paris 1,793										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Westbrook 9,873										
Nonmember state	-	1	-	-	-	1	2	-	-	2
York Village 1,230										
Nonmember state	-	1	-	-	-	1	2	-	-	2
MARYLAND										
Total	18	5	9	1	3	36	114	58	5	51
National	2	2	-	-	-	4	6	6	-	-
Member state	-	-	1	-	1	2	19	19	-	-
Nonmember state	13	3	8	1	1	26	73	18	4	51
Mutual savings	3	-	-	-	1	4	16	15	1	-
Annapolis 12,633										
Nonmember state	-	1	-	-	-	1	2	-	-	2

BANKS OPERATING BRANCHES, DECEMBER 31, 1926, BY CITIES IN WHICH LOCATED

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State, city or town, and population	Number of banks having branches					Number of branches				
	1 branch	2 bran- ches	3-5 bran- ches	6-10 bran- ches	Over 10 bran- ches	Total	Total	In head of- fice city	In con- tigu- ous terri- tory	In non- contig. terri- tory
<u>MARYLAND (Cont'd)</u>										
Baltimore 796,296										
National	2	2	-	-	-	4	6	6	-	-
Member state	-	-	1	-	1	2	19	19	-	-
Nonmember state	2	2	1	1	-	6	16	15	1	-
Mutual savings	3	-	-	-	1	4	16	15	1	-
Bel Air 1,091										
Nonmember state	-	-	1	-	-	1	3	-	-	3
Cambridge 7,467										
Nonmember state	-	-	-	-	1	1	20	-	-	20
Chestertown 2,537										
Nonmember state	1	-	2	-	-	3	7	-	-	7
Crisfield 4,241										
Nonmember state	2	-	-	-	-	2	2	2	-	-
Elkton 2,660										
Nonmember state	-	-	1	-	-	1	3	-	-	3
Frederick 12,035										
Nonmember state	-	-	2	-	-	2	8	-	-	8
Hagerstown 31,357										
Nonmember state	-	-	1	-	-	1	4	1	-	3
Hillsboro 222										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Hyattsville 2,675										
Nonmember state	1	-	-	-	-	1	1	-	1	-
Overlea 1,500										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Rockville 1,145										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Seat Pleasant 3,000										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Sparrows Point 4,025										
Nonmember state	1	-	-	-	-	1	1	-	1	-
Takoma Park 3,168										
Nonmember state	1	-	-	-	-	1	1	-	1	-
Towson 3,530										
Nonmember state	1	-	-	-	-	1	1	-	-	1
<u>MASSACHUSETTS</u>										
Total	58	10	7	2	1	78	132	116	13	3
National	9	2	2	2	1	16	49	49	-	-
Member State	10	3	3	-	-	16	28	27	1	-
Nonmember state	20	2	-	-	-	22	24	22	1	1
Mutual savings	19	3	2	-	-	24	31	18	11	2
Adams 13,525										
National	1	-	-	-	-	1	1	1	-	-
Arlington 25,155										
Mutual savings	-	1	-	-	-	1	2	2	-	-
Belmont 15,256										
Nonmember state	1	-	-	-	-	1	1	1	-	-
Mutual savings	1	-	-	-	-	1	1	1	-	-
Beverly 22,701										
Nonmember state	1	-	-	-	-	1	1	1	-	-
Boston 781,529										
National	3	-	1	2	1	7	36	36	-	-
Member state	4	1	1	-	-	6	10	10	-	-
Nonmember state	2	-	-	-	-	2	2	2	-	-
Mutual savings	3	-	-	-	-	3	3	3	-	-

BANKS OPERATING BRANCHES, DECEMBER 31, 1926, BY CITIES IN WHICH LOCATED

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State, city or town, and population	Number of banks having branches					Total	Number of branches			
	1 branch	2 branches	3-5 branches	6-10 branches	Over 10 branches		Total	In head of- fice city	In con- tigu- ous terri- tory	In non- contig. terri- tory
<u>MASSACHUSETTS (Cont'd)</u>										
Brockton 65,731										
National	1	-	-	-	-	1	1	1	-	-
Nonmember state	1	-	-	-	-	1	1	1	-	-
Brookline 42,633										
Nonmember state	-	1	-	-	-	1	2	2	-	-
Cambridge 120,053										
Member state	1	1	-	-	-	2	3	3	-	-
Nonmember state	2	-	-	-	-	2	2	2	-	-
Fall River 129,662										
Nonmember state	1	-	-	-	-	1	1	1	-	-
Fitchburg 44,034										
National	1	-	-	-	-	1	1	1	-	-
Member state	1	-	-	-	-	1	1	1	-	-
Mutual savings	1	-	-	-	-	1	1	1	-	-
Gardner 18,770										
Nonmember state	1	-	-	-	-	1	1	-	1	-
Harwich 1,846										
Mutual savings	1	-	-	-	-	1	1	-	-	1
Holyoke 60,892										
Member state	1	-	-	-	-	1	1	1	-	-
Lawrence 95,136										
Member state	1	-	-	-	-	1	1	1	-	-
Lowell 110,542										
Mutual savings	1	-	-	-	-	1	1	-	1	-
Lynn 103,147										
Member state	1	-	-	-	-	1	1	1	-	-
Nonmember state	1	-	-	-	-	1	1	1	-	-
Mutual savings	2	-	-	-	-	2	2	-	2	-
Medford 47,627										
Nonmember state	2	-	-	-	-	2	2	2	-	-
Mutual savings	1	-	-	-	-	1	1	1	-	-
Melrose 20,148										
Nonmember state	1	-	-	-	-	1	1	1	-	-
Norham 7,012										
Nonmember state	1	-	-	-	-	1	1	1	-	-
New Bedford 120,494										
National	1	1	-	-	-	2	3	3	-	-
Mutual savings	-	-	1	-	-	1	3	3	-	-
Newton 53,364										
Member state	-	-	1	-	-	1	5	5	-	-
Newton Center 7,425										
Mutual savings	1	-	-	-	-	1	1	-	-	1
No. Attleborough 9,238										
Mutual savings	1	-	-	-	-	1	1	-	1	-
Palmer 10,359										
Mutual savings	-	1	-	-	-	1	2	-	2	-
Pittsfield 47,241										
Mutual savings	-	1	-	-	-	1	2	1	1	-
Plymouth 13,178										
Mutual savings	1	-	-	-	-	1	1	1	-	-
Quincy 60,131										
Member state	1	-	-	-	-	1	1	1	-	-
Nonmember state	1	-	-	-	-	1	1	1	-	-
Rockland 7,544										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Somerville 99,206										
Nonmember state	2	-	-	-	-	2	2	2	-	-
Mutual savings	1	-	-	-	-	1	1	1	-	-
South Weymouth 3,036										
Nonmember state	-	1	-	-	-	1	2	2	-	-

State, city or town, and population	Number of banks having branches					Total	Number of branches			
	1 branch	2 bran- ches	3-5 bran- ches	6-10 bran- ches	Over 10 bran- ches		Total	In head of- fice city	In con- tigu- ous terri- tory	In non- contig. terri- tory
<u>MASSACHUSETTS (Cont'd)</u>										
Springfield 142,224										
National	-	-	1	-	-	1	3	3	-	-
Nonmember state	1	-	-	-	-	1	1	1	-	-
Uxbridge 5,384										
Mutual savings	1	-	-	-	-	1	1	-	1	-
Wakefield 15,611										
Mutual savings	1	-	-	-	-	1	1	1	-	-
Waltham 34,926										
Member state	-	1	-	-	-	1	2	1	1	-
Ware 8,525										
Mutual savings	1	-	-	-	-	1	1	-	1	-
Wareham 4,415										
Mutual savings	1	-	-	-	-	1	1	-	1	-
Watertown 25,480										
National	1	-	-	-	-	1	1	1	-	-
Wellesley 6,224										
National	-	1	-	-	-	1	2	2	-	-
Whitinsville 6,090										
Mutual savings	1	-	-	-	-	1	1	-	1	-
Worcester 192,242										
National	1	-	-	-	-	1	1	1	-	-
Member state	-	-	1	-	-	1	3	3	-	-
Nonmember state	1	-	-	-	-	1	1	1	-	-
Mutual savings	-	-	1	-	-	1	3	3	-	-
<u>MICHIGAN</u>										
Total	36	10	6	4	12	68	397	390	2	5
National	9	1	-	1	-	11	20	20	-	-
Member state	13	5	2	3	11	34	323	327	-	1
Nonmember state	12	3	4	-	1	20	45	43	2	-
Private	2	1	-	-	-	3	4	-	-	4
Adrian 12,508										
Member state	1	-	-	-	-	1	1	1	-	-
Albion 9,261										
Member state	1	-	-	-	-	1	1	1	-	-
Alpena 11,101										
Member state	1	-	-	-	-	1	1	1	-	-
Ann Arbor 22,178										
Member state	1	-	-	-	-	1	1	1	-	-
Nonmember state	1	-	-	-	-	1	1	1	-	-
Baldwin 471										
Private	1	-	-	-	-	1	1	-	-	1
Battle Creek 42,336										
National	1	-	-	-	-	1	1	1	-	-
Nonmember state	1	-	-	-	-	1	1	1	-	-
Bay City 48,907										
Member state	1	1	-	-	-	2	3	3	-	-
Nonmember state	-	-	1	-	-	1	4	4	-	-
Detroit 1,242,044										
National	2	1	-	-	-	3	4	4	-	-
Member state	-	-	-	1	9	10	261	261	-	-
Nonmember state	-	1	1	-	1	3	19	19	-	-
Ecorse 10,000										
Nonmember state	1	-	-	-	-	1	1	1	-	-
Flint 130,316										
National	1	-	-	-	-	1	1	1	-	-
Member state	1	-	1	1	-	3	10	10	-	-
Fordson 1,519										
Nonmember state	1	-	-	-	-	1	1	1	-	-

BANKS OPERATING BRANCHES, DECEMBER 31, 1926, BY CITIES IN WHICH LOCATED
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State, city or town and population	Number of banks having branches					Number of branches				
	1 branch	2 branches	3-5 branches	6-10 branches	Over 10 branches	Total	Total	In head of-office city	In contiguous territory	In non-contig. territory
<u>MICHIGAN (Cont'd)</u>										
Grand Haven 7,205										
Member state	1	-	-	-	-	1	1	1	-	-
Grand Rapids 153,698										
National	-	-	-	1	-	1	9	9	-	-
Member state	-	-	-	-	2	2	26	26	-	-
Grosse Pointe Pk. 1,355										
Nonmember state	1	-	-	-	-	1	1	1	-	-
Hamtramck 81,731										
Nonmember state	1	1	1	-	-	3	6	4	2	-
Highland Park 72,289										
Member state	-	1	-	1	-	2	8	8	-	-
Nonmember state	1	-	-	-	-	1	1	1	-	-
Ionia 6,935										
Member state	1	-	-	-	-	1	1	1	-	-
Jackson 57,972										
National	2	-	-	-	-	2	2	2	-	-
Kalamazoo 53,613										
Nonmember state	-	-	1	-	-	1	3	3	-	-
Lansing 79,753										
Member state	-	1	-	-	-	1	2	2	-	-
Leonia 380										
Member state	1	-	-	-	-	1	1	-	-	1
Ludington 8,310										
National	1	-	-	-	-	1	1	1	-	-
Member state	1	-	-	-	-	1	1	1	-	-
Menominee 8,907										
Member state	1	-	-	-	-	1	1	1	-	-
Monroe 14,224										
Member state	1	-	-	-	-	1	1	1	-	-
Muskegon 43,088										
National	1	-	-	-	-	1	1	1	-	-
Nonmember state	2	-	-	-	-	2	2	2	-	-
Oscoda 1,122										
Private	-	1	-	-	-	1	2	-	-	2
Plymouth 2,857										
Nonmember state	1	-	-	-	-	1	1	1	-	-
Pontiac 47,455										
Member state	-	1	-	-	-	1	2	2	-	-
Port Huron 29,954										
Member state	-	1	-	-	-	1	2	2	-	-
Nonmember state	-	1	-	-	-	1	2	2	-	-
Saginaw 72,100										
National	1	-	-	-	-	1	1	1	-	-
Member state	1	-	1	-	-	2	4	4	-	-
Shelby 1,288										
Private	1	-	-	-	-	1	1	-	-	1
Three Rivers 5,209										
Nonmember state	1	-	-	-	-	1	1	1	-	-
Wyandotte 23,771										
Nonmember state	1	-	-	-	-	1	1	1	-	-
<u>MISSISSIPPI</u>										
Total	7	3	-	-	1	11	25	1	-	24
National	1	-	-	-	-	1	1	-	-	1
Member state	-	-	-	-	1	1	12	-	-	12
Nonmember state	6	3	-	-	-	9	12	1	-	11
Batesville 1,050										
Nonmember state	1	-	-	-	-	1	1	-	-	1

BANKS OPERATING BRANCHES, DECEMBER 31, 1926, BY CITIES IN WHICH LOCATED

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State, city or town, and population	Number of banks having branches					Total	Number of branches			
	1 branch	2 bran- ches	3-5 bran- ches	6-10 bran- ches	Over 10 bran- ches		Total	In head of- fice city	In con- tigu- ous terri- tory	In non- contig. terri- tory
<u>MISSISSIPPI (Cont'd)</u>										
Bay St. Louis 3,033										
Nonmember state	-	1	-	-	-	1	2	-	-	2
Blue Mountain 654										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Grenada 3,402										
Member state	-	-	-	-	1	1	12	-	-	12
Holly Springs 2,113										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Jackson 23,698										
Nonmember state	1	-	-	-	-	1	1	1	-	-
Macon 2,051										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Moss Point 3,340										
National	1	-	-	-	-	1	1	-	-	1
Pascagoula 6,082										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Tupelo 5,055										
Nonmember state	-	2	-	-	-	2	4	-	-	4
<u>NEBRASKA</u>										
Omaha 211,768										
National	2	-	-	-	-	2	2	2	-	-
<u>NEW JERSEY</u>										
Total	8	4	1	-	-	13	20	10	8	2
National	1	1	-	-	-	2	3	1	2	-
Member state	4	2	-	-	-	6	8	5	2	1
Nonmember state	3	1	1	-	-	5	9	4	4	1
Asbury Park 13,674										
Nonmember state	1	-	-	-	-	1	1	-	1	-
Bayonne 88,767										
Nonmember state	1	-	-	-	-	1	1	1	-	-
Camden 128,642										
National	1	-	-	-	-	1	1	-	1	-
Nonmember state	-	1	-	-	-	1	2	-	1	1
East Orange 59,967										
Member state	1	-	-	-	-	1	1	-	1	-
Nonmember state	1	-	-	-	-	1	1	1	-	-
Jersey City 315,280										
National	-	1	-	-	-	1	2	1	1	-
Member state	-	2	-	-	-	2	4	3	-	1
Nonmember state	-	-	1	-	-	1	4	2	2	-
Newark 452,513										
Member state	1	-	-	-	-	1	1	1	-	-
Paterson 141,695										
Member state	1	-	-	-	-	1	1	1	-	-
Union City 63,117										
Member state	1	-	-	-	-	1	1	-	1	-
<u>NEW YORK</u>										
Total	47	18	19	9	12	105	507	506	-	1
National	12	6	2	1	5	26	128	128	-	-
Member state	9	4	13	7	5	38	286	286	-	-
Nonmember state	9	7	4	1	2	23	74	74	-	-
Mutual savings	14	-	-	-	-	14	14	14	-	-
Private	3	1	-	-	-	4	5	4	-	1

BANKS OPERATING BRANCHES, DECEMBER 31, 1926, BY CITY IN WHICH LOCATED
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State, city or town, and population	Number of banks having branches					Total	Total	Number of branches		
	1 branch	2 bran- ches	3-5 bran- ches	6-10 bran- ches	Over 10 bran- ches			In head of- fice city	In con- tigu- ous terri- tory	In non- contig. terri- tory
<u>NEW YORK (CON'D)</u>										
Albany 113,344										
National	1	-	-	-	-	1	1	1	-	-
Nonmember state	1	-	-	-	-	1	1	1	-	-
Buffalo 538,016										
National	-	-	1	-	-	1	5	5	-	-
Member state	-	-	1	2	1	4	56	56	-	-
Private	1	-	-	-	-	1	1	-	-	1
Kingston 27,049										
Member state	1	-	-	-	-	1	1	1	-	-
Mt. Vernon 50,382										
Nonmember state	-	1	-	-	-	1	2	2	-	-
New Rochelle 44,222										
Nonmember state	1	-	-	-	-	1	1	1	-	-
New York 6,500,000										
National	8	4	1	1	5	19	115	115	-	-
Member state	2	3	10	5	4	24	212	212	-	-
Nonmember state	6	5	3	1	2	17	64	64	-	-
Mutual savings	13	-	-	-	-	13	13	13	-	-
Private	2	1	-	-	-	3	4	4	-	-
Niagara Falls 57,033										
Member state	1	-	-	-	-	1	1	1	-	-
North Tonawanda 17,356										
Nonmember state	1	-	-	-	-	1	1	1	-	-
Rochester 316,786										
Member state	-	-	1	-	-	1	4	4	-	-
Nonmember state	-	-	1	-	-	1	3	3	-	-
Mutual savings	1	-	-	-	-	1	1	1	-	-
Schenectady 92,786										
Member state	1	-	-	-	-	1	1	1	-	-
Syracuse 182,003										
National	1	-	-	-	-	1	1	1	-	-
Member state	1	1	1	-	-	3	8	8	-	-
Troy 72,223										
National	1	-	-	-	-	1	1	1	-	-
Utica 101,604										
National	-	1	-	-	-	1	2	2	-	-
Member state	3	-	-	-	-	3	3	3	-	-
Watertown 32,836										
National	1	-	-	-	-	1	1	1	-	-
Yonkers 113,647										
National	-	1	-	-	-	1	2	2	-	-
Nonmember state	-	1	-	-	-	1	2	2	-	-
<u>NORTH CAROLINA</u>										
Total	25	6	8	1	-	40	74	8	2	64
National	2	1	-	-	-	3	4	4	-	-
Member state	2	1	1	-	-	4	9	1	-	8
Nonmember state	21	4	7	1	-	33	61	3	2	56
Aberdeen 858										
Nonmember state	-	-	-	1	-	1	6	-	-	6
Akoskie 1,429										
Nonmember state	1	1	-	-	-	2	3	-	-	3
Asheville 31,474										
Nonmember state	1	-	-	-	-	1	1	1	-	-
Avondale 525										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Biltmore 172										
Nonmember state	1	-	-	-	-	1	1	-	-	1

BANKS OPERATING BRANCHES, DECEMBER 31, 1926, BY CITIES WHICH LOCATED

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State, city or town, and population	Number of banks having branches					Total	Number of branches			
	1 branch	2 bran- ches	3-5 bran- ches	6-10 bran- ches	Over 10 bran- ches		Total	In head of- fice city	In con- tigu- ous terri- tory	In non- contig. terri- tory
<u>NORTH CAROLINA (Cont'd)</u>										
Bonlee 178										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Chapel Hill 1,483										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Concord 10,331										
Nonmember state	-	-	1	-	-	1	3	-	-	3
Danbury 410										
Nonmember state	-	-	1	-	-	1	3	-	-	3
Durham 42,258										
Nonmember state	2	-	-	-	-	2	2	-	1	1
Elizabeth City 9,208										
Member state	-	1	-	-	-	1	2	-	-	2
Erwin 518										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Fayetteville 9,537										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Forest City 2,312										
Member state	1	-	-	-	-	1	1	-	-	1
Gastonia 16,899										
Nonmember state	-	-	1	-	-	1	3	-	-	3
Greensboro 47,132										
National	-	1	-	-	-	1	2	2	-	-
Nonmember state	-	-	1	-	-	1	5	1	-	4
Greenville 5,772										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Hendersonville 3,720										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Leaksville 1,606										
Nonmember state	-	1	-	-	-	1	2	1	1	-
Marshall 748										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Mooresboro 228										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Mt. Airy 4,752										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Mt. Olive 2,297										
Nonmember state	1	-	-	-	-	1	1	-	-	1
New Bern 12,218										
Nonmember state	-	-	1	-	-	1	5	-	-	5
Rutherfordton 1,693										
Nonmember state	-	1	-	-	-	1	2	-	-	2
Senford 2,977										
Nonmember state	-	1	-	-	-	1	2	-	-	2
Shelby 3,609										
Nonmember state	-	-	1	-	-	1	3	-	-	3
Stanley 584										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Tarboro 4,568										
Member state	1	-	-	-	-	1	1	-	-	1
Wallace 648										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Wendell 1,239										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Whiteville 1,664										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Wilson 12,818										
Nonmember state	1	-	1	-	-	2	5	-	-	5
Winston-Salem 69,031										
National	2	-	-	-	-	2	2	2	-	-
Member state	-	-	1	-	-	1	5	1	-	4

BANKS OPERATING BRANCHES, DECEMBER 31, 1926, BY CITIES IN WHICH LOCATED
St. 5334 Page 14

State, city or town, and population	Number of banks having branches					Total	Number of branches			
	1 branch	2 bran- ches	3-5 bran- ches	6-10 bran- ches	Over 10 bran- ches		Total	In head of- fice city	In con- tigu- ous terri- tory	In non- contig. terri- tory
<u>OHIO</u>										
Total	24	5	13	6	4	52	227	194	22	11
National	5	-	-	-	-	5	5	5	-	-
Member state	5	4	6	3	4	22	158	131	20	7
Nonmember state	14	1	7	3	-	25	64	58	2	4
Akron 208,435										
Member state	1	1	1	-	-	3	7	5	-	2
Nonmember state	1	-	1	-	-	2	4	4	-	-
Berea 2,959										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Berlin Heights 514										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Canton 106,260										
Nonmember state	-	-	1	-	-	1	4	4	-	-
Cincinnati 409,333										
Member state	-	2	2	-	2	6	34	32	2	-
Nonmember state	2	-	3	-	-	5	12	12	-	-
Cleveland 936,485										
National	2	-	-	-	-	2	2	2	-	-
Member state	-	-	1	1	2	4	84	65	15	4
Nonmember state	3	-	-	-	-	3	3	3	-	-
Columbus 279,836										
Member state	-	-	-	1	-	1	10	10	-	-
Columbus Grove 1,768										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Conneaut 10,336										
Member state	1	-	-	-	-	1	1	-	1	-
Dayton 172,942										
Nonmember state	-	-	1	1	-	2	10	10	-	-
Findlay 18,246										
National	1	-	-	-	-	1	1	1	-	-
Nonmember state	1	-	-	-	-	1	1	1	-	-
Jackson 5,842										
Nonmember state	1	-	-	-	-	1	1	-	1	-
Lima 46,717										
Nonmember state	1	-	-	-	-	1	1	1	-	-
Lockland 4,007										
National	1	-	-	-	-	1	1	1	-	-
Martins Ferry 15,549										
Nonmember state	1	-	-	-	-	1	1	1	-	-
Marysville 3,635										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Middleton 30,823										
Member state	-	1	-	-	-	1	2	2	-	-
Minerva 2,261										
Member state	1	-	-	-	-	1	1	-	-	1
Toledo 287,380										
Member state	1	-	1	1	-	3	14	14	-	-
Nonmember state	-	1	1	2	-	4	23	22	1	-
Troy 7,260										
National	1	-	-	-	-	1	1	1	-	-
Youngstown 159,970										
Member state	1	-	1	-	-	2	5	3	2	-

BANKS OPERATING BRANCHES, DECEMBER 31, 1926, BY CITIES IN WHICH LOCATED

St. 5334

Page 15

State, city or town, and population	Number of banks having branches					Total	Number of branches			
	1 branch	2 bran- ches	3-5 bran- ches	6-10 bran- ches	Over 10 bran- ches		Total	In head of- fice city	In con- tigu- ous terri- tory	In non- contig. terri- tory
<u>PENNSYLVANIA</u>										
Total	57	15	11	-	-	83	127	118	3	6
National	16	4	1	-	-	21	29	29	-	-
Member state	13	1	3	-	-	17	25	23	1	1
Nonmember state	24	10	5	-	-	39	62	56	2	4
Mutual savings	3	-	2	-	-	5	10	10	-	-
Private	1	-	-	-	-	1	1	-	-	1
Altoona 66,148										
National	1	1	-	-	-	2	3	3	-	-
Ardmore 20,000										
Nonmember state	-	1	-	-	-	1	2	-	2	-
Bethlehem 62,828										
Nonmember state	-	1	-	-	-	1	2	2	-	-
Chester 68,507										
National	2	1	-	-	-	3	4	4	-	-
Member state	1	-	-	-	-	1	1	-	-	1
Nonmember state	1	-	-	-	-	1	1	-	-	1
Conshohocken 8,842										
Nonmember state	1	-	-	-	-	1	1	1	-	-
Glenside 1,831										
Member state	1	-	-	-	-	1	1	-	1	-
Nonmember state	1	-	-	-	-	1	1	1	-	-
Hazleton 36,143										
Member state	1	-	-	-	-	1	1	1	-	-
Johnstown 71,475										
National	1	-	-	-	-	1	1	1	-	-
Nonmember state	1	-	-	-	-	1	1	1	-	-
McKees Rocks 18,077										
National	1	-	-	-	-	1	1	1	-	-
Media 4,109										
Nonmember state	-	1	-	-	-	1	2	-	-	2
Norristown 34,836										
Member state	1	-	-	-	-	1	1	1	-	-
Philadelphia 1,979,364										
National	10	2	-	-	-	12	14	14	-	-
Member state	6	-	3	-	-	9	16	16	-	-
Nonmember state	16	7	4	-	-	27	44	44	-	-
Mutual savings	3	-	2	-	-	5	10	10	-	-
Pine Grove 1,778										
Private	1	-	-	-	-	1	1	-	-	1
Pittsburgh 631,536										
Nonmember state	2	-	-	-	-	2	2	2	-	-
Reading 112,707										
National	-	-	1	-	-	1	5	5	-	-
Member state	2	-	-	-	-	2	2	2	-	-
Nonmember state	-	-	1	-	-	1	4	4	-	-
Salix 219										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Upper Merion 528										
Nonmember state	1	-	-	-	-	1	1	1	-	-
Williamsport 42,656										
National	1	-	-	-	-	1	1	1	-	-
Member state	1	1	-	-	-	2	3	3	-	-

BANKS OPERATING BRANCHES, DECEMBER 31, 1926, BY CITIES IN WHICH LOCATED

St. 5334

Page 16

State, city or town and population	Number of banks having branches					Number of branches				
	1 branch	2 bran- ches	3-5 bran- ches	6-10 bran- ches	Over 10 bran- ches	Total	Total	In head of- fice city	In con- tigu- ous terri- tory	In non- contig. terri- tory
<u>RHODE ISLAND</u>										
Total	5	1	2	-	1	9	27	10	6	11
Member state	-	1	2	-	1	4	22	7	4	11
Nonmember state	3	-	-	-	-	3	3	1	2	-
Mutual savings	2	-	-	-	-	2	2	2	-	-
Providence 267,918										
Member state	-	1	2	-	1	4	22	7	4	11
Mutual savings	1	-	-	-	-	1	1	1	-	-
South Kingston (Wakefield) 2,716										
Nonmember state	1	-	-	-	-	1	1	-	1	-
Westerly 11,177										
Nonmember state	1	-	-	-	-	1	1	-	1	-
Woonsocket 49,681										
Nonmember state	1	-	-	-	-	1	1	1	-	-
Smithfield (Greenville) 1,230										
Mutual savings	1	-	-	-	-	1	1	1	-	-
<u>SOUTH CAROLINA</u>										
Total	2	2	1	2	-	7	25	7	2	16
National	-	1	-	1	-	2	8	6	2	-
Member state	2	-	-	-	-	2	2	1	-	1
Nonmember state	-	1	1	1	-	3	15	-	-	15
Aiken 4,103										
Nonmember state	-	-	-	1	-	1	9	-	-	9
Charleston 73,125										
National	-	1	-	1	-	2	8	6	2	-
Member state	1	-	-	-	-	1	1	1	-	-
Chesterfield 856										
Nonmember state	-	-	1	-	-	1	4	-	-	4
Florence 13,182										
Member state	1	-	-	-	-	1	1	-	-	1
Marion 3,892										
Nonmember state	-	1	-	-	-	1	2	-	-	2
<u>TENNESSEE</u>										
Total	13	4	2	1	2	22	56	24	1	31
National	4	1	1	-	-	6	9	9	-	-
Member state	-	1	-	-	-	1	2	2	-	-
Nonmember state	9	2	1	1	2	15	45	13	1	31
Bells 1,025										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Bolivar 1,031										
Nonmember state	-	-	1	-	-	1	3	-	-	3
Bristol 8,370										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Chattanooga 66,575										
National	1	-	-	-	-	1	1	1	-	-
Nonmember state	-	1	-	-	-	1	2	-	1	1
Covington 3,410										
Nonmember state	-	-	-	1	-	1	6	-	-	6
Jefferson City 1,414										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Johnson City 14,362										
National	1	-	-	-	-	1	1	1	-	-

BANKS OPERATING BRANCHES, DECEMBER 31, 1926, BY CITY IN WHICH LOCATED

St. 5334

Page 17

State, city or town and population	Number of banks having branches					Total	Number of branches			
	1 branch	2 bran- ches	3-5 bran- ches	6-10 bran- ches	Over 10 bran- ches		Total	In head of- fice city	In con- tigu- ous terri- tory	In non- contig. terri- tory
<u>TENNESSEE</u> (Cont'd)										
Knoxville 95,464										
National	1	-	-	-	-	1	1	1	-	-
Nonmember state	1	-	-	-	-	1	1	1	-	-
Livingston 1,215										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Memphis 174,533										
Member state	-	1	-	-	-	1	2	2	-	-
Monterey 1,445										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Nashville 136,220										
National	1	1	1	-	-	3	6	6	-	-
Nonmember state	1	-	-	-	2	3	24	12	-	12
Trenton 2,751										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Waynesboro 775										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Winchester 2,203										
Nonmember state	-	1	-	-	-	1	2	-	-	2
<u>VIRGINIA</u>										
Total	25	8	4	-	-	37	59	28	4	27
National	6	1	1	-	-	8	12	10	-	2
Member state	1	-	1	-	-	2	6	6	-	-
Nonmember state	18	7	2	-	-	27	41	12	4	25
Abingdon 2,532										
National	1	-	-	-	-	1	1	1	-	-
Bedford 3,243										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Charlottesville 11,211										
National	1	-	-	-	-	1	1	1	-	-
Cherrydale 2,520										
Nonmember state	-	1	-	-	-	1	2	-	-	2
Clintwood 460										
Nonmember state	-	1	-	-	-	1	2	-	-	2
Columbia 200										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Drakes Branch 660										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Falls Church 4,759										
Nonmember state	1	-	-	-	-	1	1	-	1	-
Gloucester 262										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Keller 223										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Keysville 493										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Lebanon 469										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Leesburg 1,545										
National	1	-	-	-	-	1	1	-	-	1
Louisa 289										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Norfolk 164,105										
National	2	-	-	-	-	2	2	2	-	-
Nonmember state	3	1	-	-	-	4	5	3	1	1
Parksley 601										
Nonmember state	-	1	-	-	-	1	2	-	-	2
Portsmouth 59,029										
Nonmember state	1	-	-	-	-	1	1	-	1	-

BANKS OPERATING BRANCHES, DECEMBER 31, 1926, BY CITIES IN WHICH LOCATED

St. 5334

Page 18

State, city or town and population	Number of banks having branches					Number of branches				
	1 branch	2 bran- ches	3-5 bran- ches	6-10 bran- ches	Over 10 bran- ches	Total	Total	In head of- fice city	In con- tigu- ous terri- tory	In non- contig. terri- tory
<u>VIRGINIA (Cont'd)</u>										
Radford 4,627										
Nonmember state	1	-	-	-	-	1	1	-	1	-
Richmond 190,000										
National	-	1	1	-	-	2	6	6	-	-
Member state	1	-	1	-	-	2	6	6	-	-
Nonmember state	1	1	2	-	-	4	12	9	-	3
Staunton 10,633										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Tappohonock 422										
Nonmember state	-	1	-	-	-	1	2	-	-	2
Urbanna 387										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Wakefield 784										
Nonmember state	-	1	-	-	-	1	2	-	-	2
Warrenton 1,545										
National	1	-	-	-	-	1	1	-	-	1
Williamsburg 2,462										
Nonmember state	1	-	-	-	-	1	1	-	-	1
<u>ALABAMA</u>										
Total	4	-	-	-	1	5	19	-	1	18
Member state	1	-	-	-	-	1	1	-	-	1
Nonmember state	3	-	-	-	1	4	18	-	1	17
Athens 3,323										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Decatur 4,752										
Nonmember state	-	-	-	-	1	1	15	-	-	15
Ensley 9,037										
Nonmember state	1	-	-	-	-	1	1	-	1	-
Georgiana 1,550										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Guin 596										
Member state	1	-	-	-	-	1	1	-	-	1
<u>ARKANSAS</u>										
Total	1	1	-	-	-	2	3	-	-	3
Nonmember state	1	1	-	-	-	2	3	-	-	3
Prescott 2,691										
Nonmember	1	-	-	-	-	1	1	-	-	1
Yellville 615										
Nonmember state	-	1	-	-	-	1	2	-	-	2
<u>INDIANA</u>										
Total	3	-	1	-	-	4	8	7	-	1
Member state	-	-	1	-	-	1	5	5	-	-
Nonmember state	3	-	-	-	-	3	3	2	-	1
Clay City 1,226										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Fort Wayne 97,846										
Nonmember state	1	-	-	-	-	1	1	1	-	-
Indianapolis 358,819										
Member state	-	-	1	-	-	1	5	5	-	-
Nonmember state	1	-	-	-	-	1	1	1	-	-

BANKS OPERATING BRANCHES, DECEMBER 31, 1926, BY CITIES IN WHICH LOCATED

St. 53 Page 19

State, city or town, and population	Number of banks having branches					Total	Number of branches			
	1 branch	2 bran- ches	3-5 bran- ches	6-10 bran- ches	Over 10 bran- ches		Total	In head of- fice city	In con- tigu- ous terri- tory	In non- contig. terri- tory
<u>MINNESOTA</u>										
Minneapolis 425,430										
National	-	-	2	-	-	2	6	6	-	-
<u>OREGON</u>										
Milton 1,747										
National	1	-	-	-	-	1	1	-	1	-
<u>WASHINGTON</u>										
Total	3	2	-	-	-	5	7	4	-	3
National	1	1	-	-	-	2	3	3	-	-
Member state	-	1	-	-	-	1	2	1	-	1
Nonmember state	2	-	-	-	-	2	2	-	-	2
Cle Elum 2,661										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Colville 2,000										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Everett 30,000										
Member state	-	1	-	-	-	1	2	1	-	1
Seattle 400,000										
National	1	1	-	-	-	2	3	3	-	-
<u>WISCONSIN</u>										
Total	5	2	-	-	-	7	9	7	1	1
National	-	1	-	-	-	1	2	2	-	-
Member state	4	1	-	-	-	5	6	5	1	-
Nonmember state	1	-	-	-	-	1	1	-	-	1
De Pere 5,165										
Nonmember state	1	-	-	-	-	1	1	-	-	1
Ellsworth 1,043										
Member state	1	-	-	-	-	1	1	1	-	-
Madison 46,385										
Member state	1	-	-	-	-	1	1	1	-	-
Milwaukee 509,192										
National	-	1	-	-	-	1	2	2	-	-
Member state	1	1	-	-	-	2	3	3	-	-
Sturgeon Bay 4,553										
Member state	1	-	-	-	-	1	1	-	1	-

Office Correspondence

FEDERAL RESERVE
BOARD57
Date May 3, 1927

To Mr. Hamlin

Subject: Status of gold standard in

From Mr. Goldenweiser
E.G.G.

certain countries

2-406

The United States and Canada are the only countries in which the gold standard in the fullest meaning of the term is completely in operation at the present time. The elements that enter into the full operation of the gold standard are: (1) Freedom of exports and imports of gold; (2) Redemption of paper money in gold; (3) Obligation of government to purchase all gold offered at a fixed rate; (4) Obligation to mint all gold offered into coin; and (5) Freedom of gold coins in circulation. While there is not much gold coin in circulation in this country, there is no obstacle in the way of any individual who wishes to obtain gold coin and to pay it out into circulation. In all the other countries of the world there is at the present time some limitation upon the gold standard. Several gradations have developed in this respect. Some countries have adopted the gold bullion standard; some the gold exchange standard, and others have left the management of the gold policy in the discretion of the central bank.

England.

During the war England did not formally suspend the gold standard, but accomplished the same result by administrative methods. In 1920 gold exports were formally prohibited and in 1925 the gold standard act once more permitted them. By this act the Bank of England is obliged to sell gold freely in bars of approximately 400 ounces (worth about \$8,000) of fine gold at the price of £3 17s 10½d. This establishes in England the gold bullion standard. Bank of England notes are not redeemable in gold and the mint is under no obligation to coin gold bullion presented to it by anyone except the Bank of England.

Office Correspondence

To _____

Subject _____

From _____

2-4496

- 2 -

Germany

According to the bank law of August 30, 1924, Germany is on the gold exchange standard, because the Reichsbank notes are redeemable "in gold or gold coin at par or in foreign exchange at the current rates of exchange." This provision, however, is not to go into effect until so voted by a concurrent resolution of the managing board and the general council of the Reichsbank. For the present, therefore, Germany is not on the gold standard nor on the gold exchange standard.

Netherlands

In the Netherlands the central bank has discretion in redeeming its notes and in selling gold for export. In practice, gold is sold only when foreign exchanges are above parity and only for export to such countries as permit the free export of gold. Dr. Vissering told me, for instance, that they refuse to sell gold for export to Germany.

Switzerland

In Switzerland the matter of the redemption of notes and the export of gold is largely left to the discretion of the national bank. In view of conditions in the country during the past few years, the gold standard has been in practical operation, but as a matter of law Switzerland is not on the gold standard.

Sweden

By the provisions of the act of April 1, 1924, the Riksbank resumed specie payments and its notes became redeemable in gold. The embargo on gold exports has been removed, but gold imports are still under the control of the central bank.

Office Correspondence

FEDERAL RESERVE
BOARDDate
rate

To _____

Subject: _____

From _____

2-1026

- 3 -

Canada

On June 30, 1926, Canada returned to the gold standard. On that day the war-time provisions suspending the redemption of Dominion notes in gold and restricting gold exports expired by limitation.

Japan

In Japan the export of gold, except under special license, has been prohibited since September 12, 1917. While the notes of the Bank of Japan are legally redeemable in gold, they have not been actually so redeemed since the outbreak of the world war.

Office Correspondence

FEDERAL RESERVE
BOARDSee DA

Date May 4, 1927

To Mr. Hamlin

Subject: 61From Mr. Goldenweiser
*208*2-8495
G.P.O.

I transmit herewith a memorandum from Mr. Cummings, which shows that the statement in the New York Times that Canada had prohibited exports to the United States was a mistake.

Volume 170
Page 61

Office Correspondence

FEDERAL RESERVE
BOARD

Date May 4 1927

To Mr Goldenweiser

Subject:

From Mr Cummings

2-404

The following note, which appeared in The Monetary Times of Canada for March 11, may explain the newspaper statement which Mr. Hamlin has in mind. Under the heading "No Gold Embargo," a statement issued by the Canadian Department of Finance is quoted as follows:

"With reference to rumors which have been published in certain New York newspapers that Canada has placed an embargo on gold shipments, Hon. J. A. Robb, Minister of Finance, who is confined at his home in Valleyfield, Que., by illness, on being communicated with, stated that the rumors were absolutely without foundation. He said that the question of an embargo had not even been considered and that the situation is normal, namely, that if the banks wish gold for any purpose whatever, they may secure it from the Department of Finance as unusual on the presentation of Dominion notes. The department is at a loss to understand how the rumor can have originated."

The rumor which is denied in the above quotation was published in the New York Times of March 8, and probably in other New York papers. The Times noted that word had been received by New York banks that the Government of Canada had announced its refusal to permit further shipments of gold from the Dominion to the United States, *and* that this report had resulted in further depreciation of Canadian exchange.

"It is understood," the Times continued, "that the Canadian Government took the position that the supply of gold 'earmarked' for possible shipment to the United States had been exhausted and that further transfers would involve the use of the Dominion's reserve."

See M
8)

FEDERAL RESERVE BOARD

WASHINGTON

ADDRESS OFFICIAL CORRESPONDENCE TO
THE FEDERAL RESERVE BOARD

May 7, 1927,
St. 5361.

SUBJECT: Condition of Member Banks
as of March 23, 1927.

Dear Sir:

For your information there is enclosed herewith a preliminary statement regarding the condition of all member banks combined as of March 23, 1927. The Board's Member Bank Call Report (No. 35) showing detailed figures for all member banks and for State bank members will be ready for distribution in the near future.

Very truly yours,

E. M. McClélland,
Assistant Secretary.

Enclosure ;

Volume 170
Page 87

LETTER TO ALL FEDERAL RESERVE AGENTS*

Loans and investments of all member banks on March 23 aggregated \$32,154,000,000, an increase of \$258,000,000 since December 31, 1926, the preceding call date. Reserve city banks reported an increase of \$326,000,000, country banks \$82,000,000, and Chicago central reserve city banks \$23,000,000, while New York central reserve city banks reported a decrease of \$171,000,000. Loans and discounts including overdrafts, totaled \$22,532,000,000, a decrease of \$374,000,000 since December 31 but an increase of \$526,000,000 since April 12, 1926. The principal changes in this item since December 31, 1926, were decreases of \$296,000,000 and \$63,000,000 in the New York and Chicago districts, and of from \$25,000,000 to \$30,000,000 in the Boston, Philadelphia and Atlanta districts and an increase of \$47,000,000 in the San Francisco district. Investments in United States securities were \$446,000,000 larger and in other securities \$186,000,000 larger than on December 31, an increase of \$227,000,000 in security holdings being reported by banks in central reserve cities, of \$304,000,000 by banks in reserve cities and of \$101,000,000 by country banks.

Total deposits aggregated \$33,725,000,000, a decrease of \$783,000,000 since December 31, but an increase of \$855,000,000 since April 12, 1926. Demand deposits increased \$8,000,000 during the year, while time deposits increased \$863,000,000. An increase of \$164,000,000 in demand deposits in the New York district, \$80,000,000 in the Cleveland district and small increases in the Kansas City and Dallas districts were nearly offset by decreases in the other 3 districts, the largest decrease, \$111,000,000, being reported by banks in the Atlanta district. All districts reported increases in time deposits, the largest being New York - \$275,000,000, San Francisco - \$207,000,000, Philadelphia - \$96,000,000, Cleveland - \$91,000,000, and Boston - \$79,000,000. Amounts due to banks and bankers were \$32,000,000 more than on April 12, 1926. The decrease of \$783,000,000 in total deposits since December 31 is attributable largely to a decrease in the amount of float carried by the member banks, uncollected items having decreased \$991,000,000 of which \$854,000,000 was in exchanges for clearing house and checks on other banks in same place. New York central reserve city banks show a decrease of \$814,000,000 in total deposits since December 31, those in Chicago of \$60,000,000 and country banks of \$46,000,000, while other reserve city banks reported an increase of \$137,000,000.

In the attached tables are figures by Federal reserve districts for all member banks and System figures for state bank and trust company members and for national banks.

Changes in the principal resources and liabilities as compared with figures for December 31, 1926, and April 12, 1926, were as follows:

	March 23, 1927	Dec. 31, 1926	Apr. 12, 1926
		Increase (+) or decrease (-) since	
Loans & discounts (incl. overdrafts) . . .	\$22,532,000,000	-\$374,000,000	+\$526,000,000
United States securities	3,835,000,000	+ 446,000,000	+ 4,000,000
Other bonds, stocks and securities . . .	5,787,000,000	+ 186,000,000	+ 554,000,000
Total loans and investments	32,154,000,000	+ 258,000,000	+ 1,084,000,000
Demand deposits	16,831,000,000	-\$808,000,000	+ 8,000,000
Time deposits	11,818,000,000	+ 378,000,000	+ 863,000,000
Government deposits	407,000,000	+ 173,000,000	+ 27,000,000
Due to banks and bankers	3,881,000,000	- 173,000,000	+ 32,000,000
Certified and cashiers' checks	789,000,000	- 353,000,000	- 75,000,000
Acceptances outstanding	535,000,000	- 16,000,000	+ 9,000,000
Bills payable and rediscounts	546,000,000	- 213,000,000	- 84,000,000

*Demand deposits plus certified and cashiers' checks outstanding and less exchanges and other uncollected items decreased \$159,000,000.

RESOURCES AND LIABILITIES OF MEMBER BANKS ON MARCH 23, 1927, AND DECEMBER 31, 1926.

St. 5361b

	State Banks		National Banks	
	March 23, 1927	December 31, 1926	March 23, 1927	December 31, 1926
Loans and discounts (including overdrafts)	\$8,877,505,000	\$9,329,236,000	\$13,654,914,000	\$13,577,314,000
U. S. securities	1,185,952,000	1,109,536,000	2,649,199,000	2,279,427,000
Other bonds, stocks and securities	2,117,524,000	2,094,858,000	3,669,252,000	3,505,850,000
Total loans and investments	12,180,981,000	12,533,630,000	19,973,365,000	19,362,591,000
Cash in vault	165,475,000	171,176,000	372,830,000	351,420,000
Reserve with F. R. Banks	921,097,000	850,662,000	1,400,317,000	1,359,386,000
Items with Federal Reserve Banks in process of collection	230,367,000	266,982,000	443,145,000	543,268,000
Due from banks and bankers	478,146,000	519,549,000	1,418,237,000	1,545,969,000
Exchanges for clearing house, and checks on other banks in same place	521,760,000	990,616,000	700,910,000	1,086,474,000
All other resources	935,777,000	1,027,960,000	1,376,057,000	1,419,961,000
Total resources	15,433,603,000	16,360,575,000	25,684,861,000	25,669,069,000
Demand deposits	6,406,070,000	6,876,386,000	10,424,639,000	10,762,262,000
Time deposits	4,763,589,000	4,908,504,000	7,054,105,000	6,531,355,000
U. S. deposits	167,764,000	98,403,000	239,086,000	135,713,000
Certified and cashiers' checks	386,406,000	556,524,000	402,116,000	584,578,000
Due to banks and bankers	1,100,988,000	1,216,681,000	2,780,427,000	2,837,759,000
Total deposits	12,824,817,000	13,656,498,000	20,900,373,000	20,851,667,000
Bills payable and rediscounts	147,390,000	229,557,000	399,043,000	530,309,000
Acceptances outstanding	274,698,000	277,334,000	259,901,000	273,629,000
Capital stock paid in	788,519,000	793,524,000	1,459,691,000	1,409,923,000
Surplus fund	753,214,000	739,208,000	1,238,960,000	1,216,141,000
All other liabilities	644,965,000	664,454,000	1,426,893,000	1,387,400,000

ALL MEMBER BANKS (7,822 NATIONAL BANKS AND 1,322 STATE BANKS) - ABSTRACT OF CONDITION REPORTS
ON MARCH 23, 1927, BY FEDERAL RESERVE DISTRICTS
(In thousands of dollars)

St. 5361a

	Total U. S. 9,144 banks	District No. 1 415 banks	District No. 2 924 banks	District No. 3 770 banks	District No. 4 846 banks	District No. 5 571 banks	District No. 6 471 banks	District No. 7 1,319 banks	District No. 8 602 banks	District No. 9 743 banks	District No. 10 984 banks	District No. 11 817 banks	District No. 12 682 banks
RESOURCES													
Loans and discounts	22,514,115	1,709,526	6,745,767	1,595,684	2,169,098	1,008,970	905,638	3,332,905	931,865	539,815	785,124	667,086	2,122,637
Overdrafts	18,304	430	2,573	491	1,279	658	1,823	2,352	1,667	692	1,504	1,726	3,109
U. S. Govt. securities	3,835,151	255,739	1,183,807	247,173	411,282	131,424	113,807	493,243	146,861	134,337	194,040	123,319	400,119
Other bonds, stocks and securities	5,785,776	493,844	1,810,971	677,256	661,263	149,266	137,757	768,449	251,714	187,310	178,915	50,040	419,991
Total loans and investments	32,154,346	2,459,539	9,743,118	2,520,604	3,242,922	1,290,318	1,159,025	4,596,949	1,332,107	862,154	1,159,583	842,171	2,945,856
Customers' liability on account of acceptances	500,232	48,453	351,551	11,736	8,451	9,214	12,506	26,377	757	584	200	2,832	27,571
Banking house, furniture, and fixtures	1,012,103	65,772	212,998	79,563	132,847	60,921	55,596	154,428	40,081	23,762	45,251	40,783	100,101
Other real estate owned	178,230	7,899	15,064	11,653	21,297	12,747	12,991	26,706	7,748	12,978	14,714	12,671	21,762
Cash in vault	538,305	39,834	109,591	42,082	59,777	29,832	32,449	82,921	22,136	18,959	28,435	24,211	48,078
Reserve with F. R. Banks	2,321,414	142,872	929,202	138,391	194,278	70,751	69,360	316,516	80,965	50,717	89,173	62,783	176,406
Items with F.R. banks in process of collection	673,512	57,386	207,567	53,791	69,989	43,889	28,738	72,465	35,560	7,254	35,039	26,313	35,521
Due from banks, bankers, and trust companies	1,896,383	84,994	182,240	105,424	185,496	102,055	143,649	314,242	125,568	99,188	199,661	143,791	210,075
Exchanges for clearing house, and checks on other banks in same place	1,222,670	38,435	894,504	42,111	31,306	15,890	15,670	90,262	14,424	6,414	14,792	7,717	51,145
Outside checks and other cash items	101,676	4,413	24,590	2,507	8,215	2,530	2,847	22,082	2,283	3,524	4,451	2,849	21,385
Redemption fund and due from U. S. Treasurer	32,480	2,321	4,252	2,825	4,119	2,990	1,992	4,250	2,009	1,386	1,756	2,178	2,402
U. S. securities borrowed	32,820	3,119	222	1,223	9,390	2,023	3,690	5,661	3,568	141	822	363	2,598
Other securities borrowed	8,701	21	1,090	100	702	82	1,337	3,409	24	5	278	181	1,472
Other assets	445,592	36,247	256,455	15,026	20,165	3,820	8,412	49,443	14,673	4,824	3,875	2,489	30,163
TOTAL	41,118,464	2,991,305	12,932,444	3,027,036	3,988,954	1,647,062	1,548,262	5,765,711	1,681,903	1,091,890	1,598,030	1,171,332	3,674,535

C.

ALL MEMBER BANKS (7,822 NATIONAL BANKS AND 1,322 STATE BANKS) - ABSTRACT OF CONDITION REPORTS
ON MARCH 23, 1927, BY FEDERAL RESERVE DISTRICTS (In thousands of dollars)

St. 5361b

	Total U. S.	District No. 1	District No. 2	District No. 3	District No. 4	District No. 5	District No. 6	District No. 7	District No. 8	District No. 9	District No. 10	District No. 11	District No. 12
LIABILITIES													
Capital stock paid in	2,248,210	158,557	619,281	159,204	216,877	116,448	99,315	314,633	112,815	63,410	92,558	95,262	199,850
Surplus fund	1,992,174	141,607	649,004	271,508	241,177	87,561	65,660	248,413	62,504	33,932	43,305	43,493	104,010
Undivided profits, less expenses and taxes paid	845,596	79,008	290,777	85,914	82,154	34,403	26,856	105,795	31,699	15,918	20,283	23,955	48,834
Reserved for taxes, interest, etc., accrued	139,315	12,032	44,259	7,364	13,412	5,196	3,908	28,737	4,023	3,996	3,891	2,335	10,162
Due to F. R. Banks	47,221	5,237	15,440	6,271	3,554	10,615	1,590	1,468	128	-	104	2,020	794
Due to banks, bankers, and trust companies	3,834,194	166,508	1,400,072	199,942	261,836	136,077	160,400	594,579	184,477	111,012	246,316	131,147	241,828
Certified and cashiers' or treas- urers' checks outstanding	788,522	18,704	570,699	15,004	19,596	11,198	9,316	51,325	7,961	8,788	15,234	11,414	49,283
Demand deposits	16,830,709	1,311,660	5,840,449	1,126,443	1,473,229	581,654	592,095	2,219,610	660,568	380,567	785,429	613,015	1,245,990
Time deposits	11,817,694	890,963	2,527,820	975,913	1,479,320	538,140	447,148	1,932,931	513,973	430,377	330,719	175,663	1,574,727
United States deposits	406,850	39,132	112,072	45,592	30,294	21,906	25,170	42,309	14,205	7,272	10,033	15,049	43,816
Total deposits	33,725,190	2,432,204	10,466,552	2,369,165	3,267,829	1,299,590	1,235,719	4,842,222	1,381,312	938,016	1,387,835	948,308	3,156,438
Agreements to repurchase U.S. Govt. or other securities sold	13,248	761	9,140	32	485	92	50	159	875	45	233	1,190	186
Bills payable	415,296	25,408	152,031	40,953	35,081	15,759	24,153	45,962	10,930	4,467	5,649	6,497	43,406
Notes & bills rediscounted	131,137	12,413	9,483	11,687	9,856	11,698	22,876	25,731	7,879	2,371	5,930	1,332	9,881
Acceptances of other banks and foreign bills of exchange or drafts sold with indorsement	205,382	22,831	147,194	2,335	10,643	1,642	4,610	7,042	984	12	134	474	7,481
Letters of credit & trav. checks sold for cash and outstanding	25,015	625	17,790	377	2,288	366	24	2,529	114	27	77	37	761
Acceptances executed for customers	505,586	49,062	351,817	9,764	7,926	10,161	16,349	27,455	806	661	198	2,832	28,555
Acceptances executed by other banks for account of reporting banks	29,013	1,437	22,105	2,756	850	67	444	630	2	108	2	-	612
National-bank notes outstanding	642,067	45,970	83,506	55,595	81,741	58,729	39,530	84,406	40,061	27,401	34,587	43,224	47,317
United States securities borrowed	32,845	3,119	222	1,223	9,390	2,048	3,690	5,661	3,568	141	822	363	2,598
Other securities borrowed	8,701	21	1,090	100	702	82	1,337	3,409	24	5	278	181	1,472
Other liabilities	159,689	6,250	68,193	9,059	8,543	3,220	3,741	22,927	24,307	1,380	2,248	1,849	7,972
TOTAL	41,118,464	2,991,305	12,932,444	3,027,036	3,988,954	1,647,062	1,548,262	5,765,711	1,681,903	1,091,890	1,598,030	1,171,332	3,674,535

C.

Office Correspondence

FEDERAL RESERVE
BOARD94
See BH
Date May 12, 1927.

To Mr. Hamlin

Subject: Earmarked Gold in Bank of England
as Part of Reserve of Federal
Reserve Banks.

From Mr. Vest.

You have requested to be advised of the Board's action during the war period in permitting gold held in the Bank of England to the credit of and earmarked for the Federal Reserve Bank of New York to be counted as a part of the reserve of the Federal reserve banks.

It appears from the records that Governor Strong addressed a letter to the Federal Reserve Board dated June 6, 1917, asking that certain gold held by the Bank of England and earmarked for the Federal Reserve Bank of New York be permitted to be counted as part of the reserve of the Federal Reserve Bank of New York and of other Federal reserve banks participating in the transaction. At a meeting on June 7, 1917, the Board agreed to authorize the transmission of a letter permitting such gold held abroad to be counted as reserves of Federal reserve banks provided that the amount should never exceed \$50,000,000. or 10% of the total gold holdings of the participating Federal reserve banks, whichever amount should be the larger, and further that the fact of this gold holding should be shown on the statements of the Federal reserve banks. It was agreed that the substance of the letter should be telegraphed to Mr. McAdoo and Mr. Harding (who were absent) for their approval before transmitting it. Their approval was secured and the letter was transmitted.

At a meeting of the Board held on August 14, 1919, it was voted that the Federal Reserve Bank of New York be permitted to hold earmarked gold for safekeeping with the National Bank of Belgium up to 90,000,000 marks of German gold, being all or a part of the German gold coin purchased by the Federal Reserve Bank of New York and then held in the National Bank of Belgium, but that such gold should be transferred to the Bank of England and there earmarked for the Federal Reserve Bank of New York as promptly as this could be done in an orderly manner, having in mind the possible needs of the Treasury for the shipment of gold to Spain. In a statement for publication dated September 6, 1919, it was stated that this gold when received and held earmarked for Federal reserve banks by the Bank of England "will increase the gold reserves of the Federal reserve banks and thus bring about a rise in their reserve percentage."

At a meeting of the Board held on January 28, 1921, it was decided to notify all Federal reserve banks that beginning on Saturday, February 5, 1921, they should cease to regard earmarked gold in foreign countries as a part of their reserves. Advice to this effect was given Federal Reserve Agents by telegram dated January 31, 1921.

Respectfully,

*George B. Vest*George B. Vest,
Assistant Counsel.

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GBV MD

May 9, 1927.

cc: [unclear]
Revised Copy May 11
99

PRELIMINARY MEMORANDUM RELATIVE TO OPEN MARKET POLICY

The principal transactions in the Special Investment Account since the last Governors Conference were reviewed in the chairman's report to the committee on March 21, and copies of this report were sent to all Governors. In accordance with the action taken at that meeting, purchases of 25 million dollars of securities were made in the market to replace March 15 maturities, and the Special Investment Account was thus restored to 200 million dollars, which is approximately the same amount as has been maintained for the past two years. Recent transactions resulting from large purchases of gold, are described hereafter.

General Credit Situation

For many months business has been active and has continued to maintain, and in some directions even to exceed, the rate of production and consumption of immediately preceding years, although a number of recent developments have been of a character which might have had a widespread unfavorable effect had the general business and financial situation not been fundamentally sound. These developments are, of course, the extensive floods in the lower Mississippi Valley, some overproduction and price declines in the oil industry, disturbing financial developments in Japan, reduced production and consequently reduced working time for labor in two or three large automobile concerns, and not so recently the collapse of a number of real estate and building speculations and of one or two large installment finance companies.

The total volume of credit in use, estimated from the reports of the reporting member banks, is now about a billion and a half dollars larger than a year ago. The considerable expansion of the last two

See Minutes

months has been distributed between increases in commercial loans, security loans and investments. On the other hand, the total amount of credit extended by the Reserve banks is about one hundred million dollars less than this time last year. As the net gold imports (excluding the movement now under way) within this period were about 105 millions, the reduction of Reserve bank credit has about offset gold imports.

The figures for Reserve System earning assets are as follows:

	(in millions)	
	<u>April 27, 1927</u>	<u>April 28, 1926.</u>
Bills discounted - - - - -	444	514
Bills bought in open market - - - - -	242	199
U. S. Securities - - - - -	318	389
Total bills and securities - - - - -	1006	1114

While total discounts at the Reserve banks are smaller than a year ago, the difference is largely due to reduced borrowings by country banks as reporting banks in principal centers are borrowing nearly as much as they did a year ago. Money rates are about 1/2 per cent. above this time last year, as shown by the following table. The present tendency is for higher rates than last year. For example, time money is 3/8 higher than last year. 90-day bills are 1/2 higher, and Treasury certificates and notes show an even larger increase. The New York discount rate is 1/2 per cent. higher.

	Money rates at New York	
	<u>April 28, 1927</u>	<u>April 28, 1926</u>
Call money - - - - - *	4	* 3 1/2
Time money - 90-day - - - - -	4 3/8	4
Prime commercial paper - - - - -	4-4 1/4	4 4 1/4
Bills - 90-day unendorsed - - - - -	3 5/8	3 1/8
Treasury certificates and notes -		
maturing June 15 - - - - -	3.46	2.51
maturing September 15 - - - - -	3.51	3.07
Federal Reserve Bank of New York -		
rediscount rate - - - - -	4	3 1/2
Federal Reserve Bank of New York -		
buying rate for 90-day bills - - -	3 3/4	3 1/2

* Prevailing rate for preceding week.

A review of the general credit situation, of rates and business, brings out the following striking facts:

(1) That the general level of interest rates in New York, where changes of rates generally originate, is about 1/2 of one per cent, above last year, the discount rate of the Federal reserve bank also being 1/2 of one per cent. higher.

(2) The amount of bank credit employed for conducting the country's business, at a volume certainly much above the average of the last few years, is only \$1,500,000,000 above what it was last year.

(3) While irregularly distributed between the classes of goods, the general level of commodity prices has experienced a considerable fall, and over the greater part of the past year the decline in prices has been in both agricultural and non-agricultural commodities. Considering the reluctance of member banks to borrow from the Reserve banks, coupled with the considerable decline in interest rates which is occurring in Europe, the question is raised as to whether the somewhat greater restraint now being applied to the extension of credit at the money center (New York), coupled with the reduction of the total of the open market investment account over the past 18 months or two years from \$500,000,000 to less than \$200,000,000, has not gradually had the effect of exercising some pressure, imperceptible in any change over a short period, but now becoming apparent when examined as to its effects over a longer period.

Gold Movements

Between January 1 and May 1 of this year, gold imports into the United States have amounted to about \$110,000,000, including \$8,000,000 from Japan, and exports during the same period were \$26,000,000. Net imports during this period were therefore \$84,000,000. Inasmuch as approximately \$14,000,000 of the gold exported was gold which had been earmarked before

the period under discussion, about \$98,000,000 was the net amount added to the monetary gold supply of the country during the first four months of the year. This gold movement, together with the imports of 1926, account largely for the fact that the System's earning assets show a decline during the past year, in spite of an increase of some billion and a half dollars in bank credit.

Entirely apart from the movement of gold referred to above, there have been some significant developments since May 1, not included in the above figures. During the last part of April, the Bank of France recovered approximately \$90,000,000 of gold from the Bank of England by the repayment of its credit to the Bank of England. Of this \$90,000,000, \$12,000,000 arrived in New York last week, \$18,000,000 is still on the water, and \$60,000,000 was purchased by the Federal Reserve Bank of New York on May 6 and is now held by the Bank of England under earmark for account of the New York bank. In addition to this Bank of France gold, \$2,500,000 has recently been imported from Australia, and another \$2,500,000 more is now on the water from Australia and expected to arrive in this country this week.

A somewhat disturbing factor arose in the probability of the importation and sale to the Federal Reserve Bank of New York of the \$90,000,000 of gold, negotiations for the purchase of which had been concluded by one of the New York member banks from the Bank of France. It was learned that space had been reserved on the steamers and arrangements had been made for shipping the entire amount of gold; in fact, one shipment was about to arrive in New York, and others were being loaded. In view of this situation, after consulting with all the members of the Open Market Investment Committee and with the Federal Reserve Board by telephone, it was arranged to purchase from the Bank of France all of the gold - nearly \$60,000,000 - which had not been shipped, and to sell the

Bank of France a like amount of the September maturity of certificates of indebtedness held in the Open Market Investment account. By this arrangement, the money market status remained unchanged, except as to the gold which had already been shipped, leaving the committee in position to determine later at its meeting whether these securities should be replaced or not. Securities were sold to offset \$9,000,000 of the \$12,000,000 already arrived, but no arrangements have been made for sales to offset the balance of the gold which will arrive from London and from Australia, amounting in all to about \$20,000,000. With the sale already made and further sales, if made to offset further gold arrivals, the securities remaining in the System's portfolio account will be a little over \$100,000,000, too small an amount to afford security against possible future developments. This will be appreciated, for example, if the \$90,000,000 now purchased had arrived at a time when we had no portfolio of government securities available. It is clear, therefore, that the committee must from now on give careful attention to meeting this gold problem, either by increasing its portfolio in anticipation of future developments, or by adopting other measures. The method of doing so should be determined with regard to whether the time has or has not arrived when the Federal Reserve System can afford to put new funds in the market, the effect of which would be to reduce the borrowings of member banks, principally in New York, and possibly to reduce the System's holdings of bills. There are various possibilities for dealing with the gold problem as a whole which have never heretofore been discussed in the committee's report and which are now submitted simply for discussion. None of them are recommended at this time, but are intended simply as a summary of all possibilities. They are:

- (1) The committee could replace the securities sold to the Bank of France. The immediate effect would be to reduce the amount of member

bank borrowings in New York, which are now running on the average at from \$100,000,000 to \$150,000,000.

(2) Those Federal reserve banks which have considerable holdings of long time bonds could dispose of those bonds, realize their profit and repurchase through the committee as a part of the committee's account, an equivalent amount of short time securities. These, with other short term government securities owned by individual Reserve banks, could be added to the System holdings without reducing the total earning assets of the individual Reserve banks, and thus increase the committee's account to over \$200,000,000.

(3) Arrangements might be made with the Secretary of the Treasury for somewhat increasing balances carried with the Federal reserve banks, and reducing the amount carried with special depository banks.

(4) Some or all of the \$75,000,000 of 2 per cent. Panama Canal bonds could be called and the national bank notes issued against them retired. Further purchases of the 2 per cent. Consols of 1930 could be made in anticipation of their possible retirement in 1930, as contemplated by the Secretary of the Treasury in his report of 1924.

(5) By gradual stages, or all at once, the time schedule of the Par Collection System could be adjusted so as to increase the volume of uncollected checks and correspondingly reduce the reserve of members.

(6) Plans could be undertaken for retiring the greenbacks, which however would require legislation.

(7) Further amounts of the capital of the Federal reserve banks could be called.

(8) The reclassification of reserve cities could be gradually undertaken so as to increase reserve requirements.

(9) A readjustment of the relations of the Reserve banks to the market for gold could be effected if the Secretary of the Treasury saw fit

as authorized by law, to discontinue paying cash up to 98 per cent. of the value of imported gold, thus throwing the market for gold entirely upon the Federal reserve banks and enabling them to reduce the gold point for imported gold by the equivalent of a loss of interest for the period during which payment would be delayed. By reason of our Treasury practice, the United States is today paying the highest price of any world market for gold.

(10) The Federal Reserve Board, of course, after adequate study, could revise the definition of what constitutes a time deposit, thus raising the reserve requirements. This is probably justified by the fact that something like 60 per cent. of the increase in bank deposits in the United States over the past ten years consists of that class of deposits which require only 3 per cent. reserve.

(11) A revision of the regulations of the Federal Reserve Board in relation to the maintenance of reserves, by averaging reserves for a period of a week in Federal reserve bank cities, and two weeks in the rest of the country, could have the practical effect of somewhat increasing the amount which member banks must borrow.

(12) The Federal Reserve Board could revise its ruling relative to currency in transit, which in effect reduces reserve requirements in those districts where the ruling is now applied.

The above comprehend most, if not all, of the possible measures available for dealing with the problem of gold imports in view of our reduced portfolio. They are submitted for consideration and study.

The possibility of gold imports must not be overlooked, and may indeed be imminent. The underlying causes of such a movement would be:

(1) The continued maintenance of our present level of interest

rates, somewhat higher than a year ago, in the face of declining interest rates and reducing bank rates in Europe.

(2) The fact that our technical practice in dealing with gold makes this the best market in which to sell it and one of the most difficult from which to export it.

(3) The possibility, regarded by some as the probability, that within the next two years Germany will be forced to ship us large amounts of gold in order to meet reparation payments in the standard year.

(4) Heavy foreign payments to meet the service on all foreign loans.

Nor must the possibility be overlooked that conditions may change rapidly and instead of experiencing a large addition to our gold reserve, there is indeed a possibility, although more remote, that within the next few years we may sustain a large loss of gold.

Gold exports from this country can arise from two causes:

(1) The first is the perfectly normal movement resulting from exchange rates reaching a level at which it is cheaper to make payments abroad by shipping gold than by buying exchange.

(2) The other, however, can occur irrespective of the gold shipping point, because of large balances held in this country for account of foreign governments and foreign banks of issue, which, as in the case of Germany, may decide to take gold for reserve purposes, irrespective of the gold point.

No danger need be apprehended as to a normal export of gold, but we might sustain a large loss of gold under the second category at any time, and that we are now prepared to deal with successfully because of the large proportion of such balances held by the Federal reserve bank,

the export of which could easily be provided for by our purchasing the securities now held for account of our foreign correspondents. The only embarrassment likely to occur as a result of such a demand will be due to the lack of an adequate supply of American gold coin, concerning which discussion has been had from time to time with the Treasury.

Looking, therefore, to the future, that is, say for the next three years, the committee is of the opinion that the policy of the Federal Reserve System should be to prepare itself to deal with either a large import movement of gold or a large export movement of gold. Any other position would expose the System to the charge of lack of foresight.

In view of the many alternatives to be considered, and especially in view of the fact that whatever may be the policy of the System it will involve taking a definite position as to the money market, the committee prefers to defer any recommendation until after discussion with the Federal Reserve Board and a definite expression of their views.

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EARNINGS AND EXPENSES OF FEDERAL RESERVE BANKS

APRIL 1927 - Total earnings of the Federal reserve banks in April were \$3,294,000 - \$165,000 less than in March, and \$550,000 lower than in April, 1926. A decrease of \$93,000 in earnings from purchased bills and United States securities as compared with March and a decline of the same amount in miscellaneous earnings was partly offset by an increase of \$21,000 in earnings from discounted bills. The reduction in miscellaneous earnings was due principally to losses on Treasury certificates sold.

Current expenses (exclusive of cost of currency) aggregated \$2,159,000 as compared with \$2,145,000 in the month preceding and \$2,152,000 in April 1926.

FIRST FOUR MONTHS OF 1927 - During the first four months of the year earnings totaled \$13,643,000, as compared with \$15,304,000 for the corresponding period last year and \$12,400,000 for the first four months of 1925.

Current expenses (exclusive of the cost of Federal reserve currency) amounted to \$8,572,000 during the four-month period, an increase of about \$60,000 over the corresponding period last year.

After providing for all current expense and dividend requirements, the Federal reserve banks on April 30 had a balance of \$1,901,000 available for depreciation allowances, surplus and franchise taxes, as compared with a balance of \$3,826,000 at the end of April 1926. Earnings of the Federal reserve bank of Richmond on April 30 were \$55,070 less than expense and dividend requirements.

(St. 5369-a)

CONFIDENTIAL
Not for publication

EARNINGS AND EXPENSES OF FEDERAL RESERVE BANKS, APRIL 1927.

St. 5369

Federal Reserve Bank	Month of April 1927							Year 1927				
	Earnings				Current expenses		Current net earnings	Annual rate of current net earnings on average paid-in capital	Current net earnings to Apr. 30	Dividends accrued to Apr. 30	Balance available for depreciation allowances, surplus, franchise tax, etc.	
	From dis-counted bills	From pur-chased bills and U. S. securities	From other sources	Total	Exclusive of cost of currency	Total					On Apr. 30	On Mar. 31
Boston	\$79,373	\$101,853	25	\$183,052	\$155,641	\$164,487	\$18,565	Per cent 2.5	\$284,720	\$177,350	\$107,370	\$133,441
New York	391,757	415,577	8,108	815,442	497,332	559,020	256,422	8.1	1,061,620	751,872	309,748	245,280
Philadelphia	146,181	87,491	6,901	240,573	157,260	184,456	56,117	5.3	312,141	255,887	56,254	64,955
Cleveland	178,290	163,231	9,766	351,287	198,842	212,350	138,937	12.2	535,728	276,007	259,721	189,924
Richmond	73,822	47,775	4,337	125,934	105,403	116,041	9,893	2.0	67,993	123,063	*55,070	*34,101
Atlanta	111,552	44,953	9,931	166,436	101,596	110,341	56,095	13.5	245,106	100,663	144,443	113,649
Chicago	189,048	249,066	23,053	461,167	311,503	332,328	128,839	9.2	786,283	337,858	448,425	404,410
St. Louis	53,252	139,627	845	193,724	114,747	115,322	78,402	18.0	199,266	105,761	93,505	41,535
Minneapolis	21,060	78,529	1,316	100,905	84,691	88,816	12,089	4.9	90,169	60,468	29,701	33,111
Kansas City	38,737	116,442	21,919	177,098	139,185	139,637	37,461	10.8	169,495	83,848	85,647	69,221
Dallas	14,556	100,935	2,381	117,872	96,765	97,089	20,783	5.9	114,858	85,764	29,094	29,641
San Francisco	176,634	180,617	3,219	360,470	196,142	201,078	159,392	21.1	570,000	177,480	392,520	279,193
TOTAL:												
Apr. 1927	1,474,262	1,726,096	93,602	3,293,960	2,159,107	2,320,965	972,995	9.2	4,437,379	2,536,021	1,901,358	1,570,259
Mar. 1927	1,453,135	1,819,581	186,593	3,459,309	2,144,905	2,310,700	1,148,609	10.6				
Apr. 1926	1,766,676	1,812,361	264,676	3,843,713	2,152,464	2,298,413	1,545,300	15.5	6,214,160	2,388,274	3,825,886	2,885,830

FEDERAL RESERVE BOARD

DIVISION OF BANK OPERATIONS

MAY 11, 1927.

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WASHINGTON

May 18, 1927.

My dear Congressman:

The Federal Reserve Board has considered your letter of May 2nd enclosing a copy of a letter addressed by you to the Comptroller of the Currency with reference to chain banking in the United States through the purchase by holding companies or investment trusts of the controlling stock interests of banks. You suggest that the Federal Reserve Board adopt administrative measures calculated to control or prevent the growth of this form of banking control among State bank members of the Federal Reserve System.

The Federal Reserve Board is powerless under the law to take the action which you suggest. There is no provision of statute which confers upon the Board any authority to regulate or prohibit the holding of the stock of State member banks by any group or corporation. In this connection you will recall that in a letter addressed to you under date of January 8, 1926, (a copy of which is enclosed herewith - see pages 8 to 10) the Federal Reserve Board took occasion to recommend as amendments to your bill H.R. 2, then pending in Congress, provisions designed to secure adequate information regarding national banks and State member banks which are closely related in management, operation or interests to other banking institutions, and in particular to afford some check upon the abuses frequently occurring in chain banking. The suggestion of the Federal Reserve Board on this subject was not adopted.

The Board has attempted in prescribing conditions upon which State banks may be admitted to the Federal Reserve System to effect some degree of control over chain banking. Among the conditions of membership with which State banks entering the Federal Reserve System are required to comply is the following:

"Such bank or trust company, except after applying for and receiving the permission of the Federal Reserve Board, shall not consolidate with or absorb or purchase the assets of any other bank or branch bank for the purpose of operating such bank or branch bank as a branch of the applying bank; nor directly or indirectly, through affiliated corporations or otherwise, acquire an interest in another bank in excess of 20 per cent of the capital stock of such other bank; nor directly or indirectly promote the establishment of any new bank for the purpose of acquiring such an interest in it; nor make any ar-

rangement to acquire such an interest."

This condition of membership was incorporated in the Board's Regulations of 1924 and has been prescribed for every State bank admitted to membership since that time. Under the provisions of the recently enacted McFadden Act, however, the Board appears to be without authority to continue to impose a condition of membership of this kind. Section 9 of the Federal Reserve Act, as amended by the McFadden Act, provides that the Federal Reserve Board may permit State banks to become members of the Federal Reserve System, subject to the provisions of the Federal Reserve Act "and to such conditions as it may prescribe pursuant thereto." As there is no provision in the Federal Reserve Act which seems expressly or by necessary implication to authorize the imposition of a condition of membership designed to control or prohibit chain banking among State member banks, the Federal Reserve Board will be unable in the future to prescribe such a condition.

Inasmuch as the existing law contains no provision designed to check or control chain banking, the remedy lies with Congress. The Board will be very glad to do anything in its power to assist your Committee in making a study of chain banking.

By direction of the Board.

Very truly yours,

D. R. Crissinger,
Governor.

Honorable Louis T. McFadden,
House of Representatives,
Washington, D. C.

(Enclosure)

Excerpt from Board's letter of January 8, 1926, to Honorable Louis T. McFadden, Chairman of the Committee on Banking and Currency of the House of Representatives (pages 8-10), referred to in the Board's letter of May 18, 1927, to Congressman McFadden.

"2. That Section 5240 of the Revised Statutes of the United States, as amended, be further amended by adding at the end thereof a new paragraph reading as follows:

'Whenever in the judgment of the Comptroller of the Currency any national banking association is so closely related in management, operation or interest to any other bank, banking association, trust company, securities company or investment company that an examination of such national banking association fails to disclose its true condition in the absence of detailed information regarding such other related institution, such national banking association shall (a) obtain from such related institution and furnish to the Comptroller of the Currency a copy of a report of an examination of such related institution made by the State authorities simultaneously with an examination of such national banking association made by examiners appointed by the Comptroller of the Currency, or (b) by such other means as may be deemed satisfactory by the Comptroller of the Currency, furnish to the Comptroller of the Currency detailed information regarding the condition and operation of such related institution. In such cases the Comptroller of the Currency may, upon request, furnish the State Supervisor of Banking, or other similar officers, copies of reports of examination of such related national banking association. If any national banking association shall fail to comply with the requirements of this paragraph after a demand for such compliance has been made by the Comptroller of the Currency, the Comptroller shall report the facts in the case to the Federal Reserve Board, which may, after a hearing, issue an order depriving such national banking association of the privilege of receiving any discounts, advancements or accommodations from the Federal reserve bank of which it is a member until it has complied fully with all demands made by the Comptroller of the Currency pursuant to the provisions of this paragraph. The Federal Reserve Board shall send a copy of such order by registered mail to such national banking association and a copy to the Federal reserve bank of which it is a member; and, after receipt of said order, such Federal reserve bank shall not rediscount any paper for, or make any loan, advancement, or other extension of credit to, such national banking association until said Federal reserve bank has been notified by the Federal Reserve Board that such national banking association has complied fully with the requirements of this paragraph.'

"This proposal is designed to secure adequate information regarding national banks which are related to other institutions and in particular to afford some check upon certain abuses frequently engaged in by chains of banks. During the last few years a number of such chains have collapsed,

and investigation shows that when a national bank is in such a chain an examination of it fails to disclose its true condition, due to the shifting of assets back and forth between the various institutions which make up the chain.

"3. That Section 9 of the Federal Reserve Act as amended be further amended by inserting therein, immediately after the sixth paragraph thereof, a new paragraph reading as follows:

"Whenever in the judgment of the Federal Reserve Board any member bank is so closely related in management, operation and interest to any other bank, banking association, trust company, securities company or investment company that an examination of such member bank fails to disclose its true condition in the absence of detailed information regarding such other related institution, such member bank shall (a) obtain from such related institution and furnish to the Federal Reserve Board a copy of a report of an examination of such related institution made by the State authorities simultaneously with an examination of such member bank, or (b) by such other means as may be deemed satisfactory by the Federal Reserve Board, furnish to the Federal Reserve Board detailed information regarding the condition and operations of such related institution. In such cases the Federal Reserve Board may, upon request, furnish the State Supervisor of Banking, or other similar officers, copies of reports of any examination of such related member bank which has been made by . . . direction of the Federal Reserve Board or of the Federal reserve bank by examiners selected or approved by the Federal Reserve Board. If any member bank shall fail to comply with the requirements of this paragraph after a demand for such compliance has been made by the Federal Reserve Board, said Board may, after a hearing, issue an order depriving such member bank of the privilege of receiving any discounts, advancements or accommodations from the Federal reserve bank of which it is a member until it has complied fully with all demands made by the Federal Reserve Board pursuant to the provisions of this paragraph. The Federal Reserve Board shall send a copy of such order by registered mail to such member bank and a copy to the Federal reserve bank of which it is a member, and, after receipt of said order, such Federal reserve bank shall not rediscount any paper for, or make any loan, advancement, or other extension of credit to, such member bank until said Federal reserve bank has been notified by the Federal Reserve Board that such member bank has complied fully with the requirements of this paragraph."

"This proposal is similar to the preceding and is intended to apply to State banks and trust companies which are members of the Federal Reserve System. At present the only penalty for non-compliance with any provision of the Federal Reserve Act by State member banks is that provided for in the seventh paragraph of Section 9 of the Federal Reserve Act, which authorizes the Federal Reserve Board to expel from the Federal Reserve System any State member bank which fails to comply with the provisions of that Section. The penalty suggested above is less drastic but is nevertheless thought to be sufficient."

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FEDERAL RESERVE BOARD

WASHINGTON

ADDRESS OFFICIAL CORRESPONDENCE TO
THE FEDERAL RESERVE BOARD

May 19, 1927.
St. 5359

SUBJECT: Increase in Operating Efficiency
at Federal Reserve Banks.

Dear Sir:

A report was recently prepared for the information of the Federal Reserve Board, in which an effort was made to measure the increase in operating efficiency at the head offices of the several Federal reserve banks since 1923. While it is recognized that the results shown cannot be taken as an accurate measurement in each instance of the increase in operating efficiency, it is thought that they are sufficiently correct to constitute a fairly reliable measure of the very gratifying improvement achieved in operating efficiency during the past few years. The Board feels that you and your bank will be interested in this report, and accordingly a copy is enclosed herewith for your confidential use.

Very truly yours,

Walter L. Eddy,
Secretary.

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Page 145

Enclosure.

CHAIRMAN OF EACH FEDERAL RESERVE BANK. *

May 7, 1927
St. 5359

TO: Mr. James

SUBJECT: Increase in operating efficiency

FROM: Mr. Smead

at Federal reserve banks.

Since 1922 the Federal reserve banks have been submitting reports to the Federal Reserve Board showing the cost of operating each function and expense unit in the banks and branches. These reports have been submitted principally to give the Board and the banks a more adequate basis for comparing costs between the respective banks and of keeping a check on the trend of costs in the several expense units. Although experience has demonstrated that no exact conclusions as to comparative efficiency can be drawn from differences in unit costs at the several Federal reserve banks for reasons which are now well known, the reports have served their purpose exceedingly well by bringing to the attention of the banks those operations where costs appeared to be relatively high. While expenses would undoubtedly have been reduced materially had no functional expense reports ever been submitted, it is known that in many cases substantial savings were effected as a direct result of information shown in these reports.

It has been generally known that the personnel of the reserve banks has been steadily decreasing during the past 4 years, notwithstanding a substantial increase in the volume of work handled, but heretofore the task of measuring this increased efficiency has not been satisfactorily accomplished. In studying this problem Mr. Van Fossen has constructed two indices which seem to satisfactorily measure the increased efficiency in each of the 12 expense units for which figures on the volume of work handled are available. These indices bring out the relative increase in the output per employee and per unit of cost during 1924, 1925, and 1926, as compared with 1923. Briefly, it may be stated that the method of constructing these indices was to compute the estimated number of employees that would have been required and the estimated expense that would have been incurred in each of the 12 expense units in 1924, 1925, and 1926, respectively, had there been no change in efficiency as compared with the 1923 level, and then to divide this estimated number of employees and the estimated cost by the actual number of employees and the actual cost for each year as given in the functional expense reports. The estimated number of employees needed in each year based on the 1923 scale was obtained by dividing the volume of work performed in the given year by the average number of units handled per employee in 1923. Similarly, the estimated expense on the 1923 scale was determined by multiplying the number of units handled in the given year by the 1923 unit cost.

It should be borne in mind that these indices are based on figures for 1923, and as the relative degree of efficiency was not the same at all banks at that time it should not be expected that the indices of output per employee or per unit cost would show the same degree of improvement at all banks or even in all expense units in the same bank. In other words a more pronounced increase in the index number in one instance as compared with another merely indicates a greater improvement in efficiency since 1923 but does not necessarily imply a present higher level of efficiency, since a bank or operating unit which was very efficient in 1923 would not show as large an increase as would have been the case had it been at a lower level of efficiency in 1923.

The principal point to be brought out, however, and one which is conclusively demonstrated by the indices, is that all banks are now operating relatively much more efficiently than they were a few years ago. To cite a few outstanding instances, the output per employee in the Currency Receiving and Sorting unit increased from a base of 100 in 1923 to 108 in 1924, 123 in 1925, and 138 in 1926. In the Country Checks unit the increases were to 111 in 1924, 122 in 1925, and 127 in 1926. During the same period the output for a given expense outlay in the Currency Receiving and Sorting unit rose from the 1923 base of 100 to 110 in 1924, 124 in 1925, and 135 in 1926. Similarly, in the Country Checks unit there was a rise to 120 in 1924, 136 in 1925 and 143 in 1926.

While about one-half of the employees of the banks are engaged in the work of the 12 expense units for which we have a measurement of the volume of the work performed, it does not follow, of course, that the trend of expenses in these units is indicative of the trend of expenses for the bank as a whole. For example, expenses in the General Overhead Non-Controllable function, which does not include any salary expenses but is made up largely of the cost of currency, must be considered as more or less in the nature of fixed charges not susceptible to material reduction. The expenses of the General Overhead Controllable and Provision of Space functions, while more susceptible to reduction in cost through increased efficiency, should not be expected to show the same ^{relative} reduction as is shown for the principal operating departments. In most of the other expense units for which there is no measurement of the volume of work, an analysis of the figures indicates that expenses have not increased in proportion to the increase in the volume of work, and it is probable that the increase in efficiency is approximately the same in these units as a whole as in the 12 units for which we have a measurement of the volume of work handled.

Leaving out of account the Fiscal Agency function, in which the volume of work has been declining substantially for a number of years and which is not strictly a banking function, the index of employee efficiency for all departments (assuming no change in efficiency in the General Overhead and Provision of Space functions and for all other units the same increase as in the 12 measured units) rose from 100 in 1923 to 110 in 1924, 122 in 1925, and 129 in 1926, while the index of cost efficiency was 109 in 1924, 119 in 1925, and 125 in 1926, as will be seen from the following table:

	Average number of employees		Cost of operation		Index of employment efficiency	Index of cost efficiency
	Actual	On 1923 scale	Actual	On 1923 scale		
General Overhead Noncontrollable						
1923	-	-	\$3,914,678	\$3,914,678	-	100
1924	-	-	3,364,429	3,364,429	-	100
1925	-	-	3,842,027	3,842,027	-	100
1926	-	-	3,867,986	3,867,986	-	100
General Overhead Controllable						
1923	127	127	1,545,104	1,545,104	100	100
1924	124	124	1,459,420	1,459,420	100	100
1925	118	118	1,383,324	1,383,324	100	100
1926	116	116	1,457,329	1,457,329	100	100
Provision of Space (less rent received)						
1923	619	619	2,354,179	2,354,179	100	100
1924	669	669	2,195,797	2,195,797	100	100
1925	760	760	2,401,577	2,401,577	100	100
1926	771	771	2,415,898	2,415,898	100	100
Twelve measured expense units						
1923	3,826	3,826	5,720,273	5,720,273	100	100
1924	3,681	4,077	5,407,703	6,117,734	111	113
1925	3,423	4,281	4,979,200	6,446,072	125	129
1926	3,442	4,568	4,945,081	6,887,014	133	139
All other, except Fiscal Agency						
1923	4,100	4,100	9,056,790	9,056,790	100	100
1924	3,849	*4,263	9,281,475	*10,500,133	111	113
1925	3,459	*4,326	8,521,500	*11,031,934	125	129
1926	3,390	*4,500	8,382,505	*11,674,315	133	139
Total, except Fiscal Agency						
1923	8,672	8,672	22,591,024	22,591,024	100	100
1924	8,323	9,133	21,708,824	23,637,513	110	109
1925	7,760	9,485	21,127,628	25,104,934	122	119
1926	7,719	9,955	21,068,799	26,302,542	129	125

*Same proportionate increase assumed as calculated for the twelve measured units.

The ratios of output per employee and output per unit cost have been worked out for the Federal reserve banks singly and combined (head offices only) for each of the 12 expense units for which volume of work figures are available. These tables are attached hereto and the results for each bank as a whole are summarized below:

INDICES OF OUTPUT PER EMPLOYEE AND PER UNIT COST OF
THE FEDERAL RESERVE BANKS (HEAD OFFICES ONLY)

(Based on figures for 12 expense units for which figures on the volume of work performed are available, using 1923 as a base of 100)

Federal Reserve Bank	Output per employee - index			Output per unit of cost - index		
	1924	1925	1926	1924	1925	1926
Boston	101	108	111	102	110	114
New York	113	128	140	109	125	137
Philadelphia	109	125	128	113	132	138
Cleveland	109	120	125	114	126	132
Richmond	103	137	169	106	138	162
Atlanta	99	110	125	103	131	155
Chicago	114	123	119	120	134	135
St. Louis	118	133	158	132	149	176
Minneapolis	111	122	126	121	137	136
Kansas City	121	146	160	128	153	167
Dallas	120	131	146	135	152	172
San Francisco	107	137	153	103	142	167
TOTAL	111	125	133	113	129	139

It will be noted that for some of the smaller units in several of the banks the volume of the work performed and the number of employees are too small to make it safe to draw definite conclusions regarding the trend in expenses, especially as in a number of cases the employees are engaged on a given operation only part of their time, and consequently the method of allocation followed may be sufficiently in error to materially affect the indices shown. In general the organization of the various reserve banks does not exactly conform with the division into expense units called for by the functional expense reports, a single operating unit of a reserve bank including in some instances two or more expense units and in other cases the work of a given expense unit being divided between two operating units. This not only makes it difficult to obtain an accurate count of work handled and of employees in the expense units so affected, but any change in the bank's organization serves to further complicate the problem.

Although greater familiarity with the work and increased dexterity or speed on the part of employees in performing certain definite tasks have undoubtedly played a part in bringing about the improvement noted, much the greater part thereof has been due to the elimination of unnecessary

detail and more economical methods of handling the work, in some cases by the introduction or greater use of labor-saving machines. All the banks are continually studying their expenses with the object of reducing costs wherever possible without sacrifice of efficiency, and it is believed that the budgets for the control of expenses, which have now been adopted by all Federal reserve banks, are of material help in bringing to light the operations in the bank where still further economies can be effected. Such information as is available indicates that in those banks which have been operating for some time on a carefully planned budget, there has been developed a keen interest on the part of department heads and officers in the reduction of expenses, with very gratifying results.

CONFIDENTIAL

OUTPUT PER EMPLOYEE AND PER UNIT OF COST IN PRINCIPAL DEPARTMENTS, ALL FEDERAL RESERVE BANKS (HEAD OFFICES)
(Number of items handled in thousands; expense in thousands of dollars)

St. 5359

	Total for operations measured	Dis-counts	Currency	Coin	City checks		Govern-ment checks	Country checks	Return items	City col-lections	Country col-lections	Coupon collections	
					Clearings	Other						Other than Gov't	Govern-ment
Items handled:													
1923	-	*800	1,333,187	1,716,301	88,419	6,283	28,214	368,001	7,272	830	2,189	1,644	52,233
1924	-	906	1,404,698	1,799,538	89,071	15,884	26,440	387,555	8,378	822	2,455	1,763	40,647
1925	-	985	1,496,286	1,935,098	94,362	17,918	20,002	414,493	8,816	736	2,389	1,434	35,598
1926	-	1,168	1,606,668	2,173,126	101,861	18,659	20,787	439,507	9,624	727	2,462	1,380	31,870
Average number of employees:													
1923	3,826.27	*214.71	781.97	115.29	250.36	97.50	85.58	1,605.38	125.66	91.55	252.65	96.48	109.14
1924	3,681.16	243.04	767.99	113.55	237.76	129.57	78.36	1,519.00	111.80	93.53	220.33	80.48	85.75
1925	3,423.20	188.19	714.46	105.79	225.48	127.45	69.84	1,475.57	105.04	85.65	202.76	60.62	62.35
1926	3,442.02	188.25	686.60	107.12	235.19	133.30	64.29	1,515.27	108.24	92.07	199.63	54.91	57.15
Expense:													
1923	5,720	*396	1,138	254	409	126	113	2,216	221	141	392	160	161
1924	5,408	465	1,091	255	397	173	106	1,942	211	144	359	132	133
1925	4,979	376	1,036	240	371	171	95	1,837	202	128	321	106	96
1926	4,945	373	1,023	241	378	178	87	1,854	188	133	307	99	85
Output per employee (index):													
1923	100		100	100	100	100	100	100	100	100	100	100	100
1924	111	100	108	105	104	114	104	111	128	99	130	142	99
1925	125	145	123	122	120	133	95	122	143	98	138	163	119
1926	133	170	138	139	125	133	107	127	151	90	144	169	116
Output per unit of cost (index):													
1923	100		100	100	100	100	100	100	100	100	100	100	100
1924	113	100	110	101	101	115	102	120	121	100	125	140	94
1925	129	138	124	115	119	133	92	136	133	103	136	158	114
1926	139	163	135	133	128	133	104	143	157	98	146	153	115

*1923 figures not comparable with those of subsequent years and accordingly the 1924 figures were used as the base in calculating the indices of output.

CONFIDENTIAL

OUTPUT PER EMPLOYEE AND PER UNIT OF COST IN PRINCIPAL DEPARTMENTS, FEDERAL RESERVE BANK OF BOSTON (HEAD OFFICE)

St. 5359-b

(Number of items handled in thousands; expense in thousands of dollars)

	Total for operations measured	Dis-counts	Currency	Coin	City checks		Govern-ment checks	Country checks	Return items	City col-lections	Country col-lections	Coupon collections		
					Clearings	Other						Other than Government	Government	
Items handled:														
1923	-	*64	206,664	196,501	7,861	60	1,825	53,472	489	40	225	462	5,478	
1924	-	54	216,741	180,439	8,534	61	1,838	57,641	551	39	251	241	4,467	
1925	-	93	228,605	182,778	9,069	101	1,696	59,580	601	49	247	131	3,906	
1926	-	111	237,828	191,128	10,053	121	1,719	64,934	655	52	239	127	3,364	
Average number of employees:														
1923	417.77	*15.05	108.00	11.21	16.17	4.89	3.86	192.42	9.05	6.63	25.07	14.43	10.99	
1924	427.74	14.79	109.63	10.19	18.89	2.90	4.04	210.62	10.02	6.85	24.70	9.73	5.38	
1925	425.15	13.27	110.32	10.21	18.87	3.04	4.00	208.77	11.79	6.55	24.40	9.90	4.03	
1926	443.88	15.18	113.20	11.76	17.54	3.04	4.01	221.98	11.61	6.43	25.23	9.90	4.00	
Expense:														
1923	595	*28	136	25	29	6	5	263	16	9	41	23	15	
1924	602	26	136	22	35	4	5	285	18	10	40	15	8	
1925	591	23	136	22	33	4	6	277	20	9	39	15	6	
1926	614	26	140	25	32	4	6	290	20	9	40	16	6	
Output per employee (index):														
1923	100		100	100	100	100	100	100	100	100	100	100	100	
1924	101	100	103	101	93	171	96	98	102	94	113	77	167	
1925	108	191	108	102	99	269	90	103	94	123	113	42	195	
1926	111	198	110	93	118	323	91	105	104	133	105	40	169	
Output per unit of cost (index):														
1923	100		100	100	100	100	100	100	100	100	100	100	100	
1924	102	100	105	108	89	154	94	100	101	91	113	79	159	
1925	110	189	111	106	98	276	79	106	97	119	115	41	175	
1926	114	200	112	99	114	352	81	110	110	124	108	38	151	

*1923 figures not comparable with those of subsequent years and accordingly the 1924 figures were used as the base of calculating the indices of output.

CONFIDENTIAL

OUTPUT PER EMPLOYEE AND PER UNIT OF COST IN PRINCIPAL DEPARTMENTS, FEDERAL RESERVE BANK OF NEW YORK (HEAD OFFICE)
 (Number of items handled in thousands; expense in thousands of dollars)

St. 5359c

	Total for operations measured	Dis-counts	Currency	Coin	City checks		Govern-ment checks	Country checks	Return items	City col-lections	Country col-lections	Coupon collections		
					Clearings	Other						Other than Gov't.	Govern-ment	
Items handled														
1923	-	*73	440,197	794,380	26,613	*1,494	12,940	77,085	2,361	307	787	945	17,267	
1924	-	179	472,643	901,763	23,807	9,609	11,128	81,045	2,310	256	875	1,150	13,759	
1925	-	225	514,642	963,099	29,170	10,437	5,406	86,413	2,329	192	869	820	11,889	
1926	-	242	562,212	1,108,499	33,866	10,619	5,672	92,876	2,554	205	894	819	10,562	
Average number of employees:														
1923	1,265.26	*33.29	279.59	48.08	108.94	*57.03	29.53	427.53	48.13	25.16	105.41	60.65	41.92	
1924	1,211.41	59.22	281.13	47.04	75.56	93.84	29.88	391.58	37.47	35.43	78.45	48.24	33.57	
1925	1,116.36	52.57	253.02	45.38	84.19	93.57	27.44	371.56	31.86	30.97	73.43	31.03	21.34	
1926	1,098.25	52.77	221.37	45.37	87.88	98.53	21.12	383.23	32.52	33.72	76.74	25.88	19.12	
Expense:														
1923	1,796	*62	414	108	201	*66	39	497	73	32	146	93	65	
1924	1,795	120	429	111	159	117	39	462	65	45	119	77	52	
1925	1,654	118	394	108	158	118	34	432	58	41	105	54	34	
1926	1,617	116	358	110	165	124	28	442	54	42	103	47	29	
Output per employee (index):														
1923	100		100	100	100		100	100	100	100	100	100	100	
1924	113	100	107	116	129	100	85	115	126	59	149	153	99	
1925	128	142	129	128	142	109	45	129	149	51	159	170	135	
1926	140	152	161	148	157	105	61	134	160	50	156	203	134	
Output per unit of cost (index):														
1923	100		100	100	100		100	100	100	100	100	100	100	
1924	109	100	104	106	113	100	85	113	111	59	137	147	98	
1925	125	128	123	116	139	107	47	129	125	49	154	149	132	
1926	137	140	147	131	155	105	61	136	147	52	161	172	137	

*1923 figures not comparable with those of subsequent years and accordingly the 1924 figures were used as the base in calculating the indices of output.

CONFIDENTIAL

OUTPUT PER EMPLOYEE AND PER UNIT OF COST IN PRINCIPAL DEPARTMENTS, FEDERAL RESERVE BANK OF PHILADELPHIA

(Number of items handled in thousands; expense in thousands of dollars)

St. 5359-d

	Total for operations measured	Dis-counts	Currency	Coin	City checks		Government checks	Country checks	Return items	City col-lections	Country col-lections	Coupon collections	
					Clearings	Other						Other than Government	Government
Items handled:													
1923	-	*62	156,722	194,118	10,415	3,264	1,950	35,698	618	72	254	57	6,355
1924	-	54	164,432	216,525	11,235	4,904	1,931	40,832	767	86	276	96	4,952
1925	-	83	174,790	265,610	12,191	5,922	1,798	46,131	838	89	278	118	4,292
1926	-	102	188,980	291,012	12,203	6,207	1,933	48,004	1,021	86	289	149	3,709
Average number of employees:													
1923	360.30	*15.42	80.71	12.41	24.21	27.69	6.44	137.79	11.50	8.08	21.61	1.91	12.53
1924	378.53	21.54	88.17	14.06	16.58	24.04	3.29	158.85	9.62	8.09	22.46	1.83	10.00
1925	372.84	14.99	87.13	14.69	15.77	23.21	3.83	163.70	9.16	7.17	22.96	2.25	7.98
1926	387.25	15.56	94.02	16.85	15.95	23.75	4.70	163.26	11.17	7.09	23.25	4.34	7.31
Expense:													
1923	535	*27	125	27	39	43	8	178	18	15	34	3	18
1924	542	39	115	34	29	40	5	196	17	15	34	3	15
1925	527	29	118	33	27	39	6	197	18	12	33	4	13
1926	541	30	129	35	30	41	7	191	18	12	32	6	11
Output per employee (index):													
1923	100		100	100	100	100	100	100	100	100	100	100	100
1924	109	100	96	98	158	173	194	99	148	120	105	176	98
1925	125	223	103	116	180	217	155	109	170	140	103	176	106
1926	128	262	104	110	178	222	136	113	170	138	106	115	100
Output per unit of cost (index):													
1923	100		100	100	100	100	100	100	100	100	100	100	100
1924	113	100	115	89	145	161	154	104	136	118	108	158	90
1925	132	210	119	112	172	202	129	117	137	152	114	145	95
1926	138	250	117	118	151	200	116	125	171	148	122	117	90

*1923 figures not comparable with those of subsequent years and accordingly the 1924 figures were used as the base in calculating the indices of output.

CONFIDENTIAL

OUTPUT PER EMPLOYEE AND PER UNIT OF COST IN PRINCIPAL DEPARTMENTS, FEDERAL RESERVE BANK OF CLEVELAND (HEAD OFFICE)

(Number of items handled in thousands; expense in thousands of dollars)

St. 5359-e

	Total for operations measured	Dis-counts	Currency	Coin	City checks		Govern-ment checks	Country checks	Return items	City col-lections	Country col-lections	Coupon collections	
					Clearings	Other						Other than Government	Govern-ment
Items handled:													
1923	-	*40	51,566	97,974	8,356	-	1,082	20,488	346	33	130	51	2,834
1924	-	49	52,616	96,811	8,603	-	890	20,779	516	41	212	118	2,437
1925	-	59	58,357	93,958	8,540	-	888	20,958	546	43	214	78	2,314
1926	-	61	62,067	100,893	7,616	-	963	23,264	484	44	203	83	2,298
Average number of employees:													
1923	190.32	*8.50	32.06	5.89	26.35	-	2.00	73.60	7.25	4.21	19.42	5.75	5.29
1924	199.93	11.15	35.04	6.17	31.74	-	2.00	75.65	6.25	4.81	18.01	5.42	3.69
1925	184.20	11.00	32.11	5.25	23.82	-	2.00	74.94	5.33	5.00	16.00	4.79	3.96
1926	181.64	11.02	28.85	4.42	22.28	-	2.00	78.77	5.63	5.00	15.49	4.13	4.05
Expense:													
1923	290	*20	49	12	39	-	2	91	14	9	35	10	9
1924	299	25	53	13	46	-	2	89	12	11	33	9	6
1925	275	26	46	11	38	-	3	86	12	10	29	9	6
1926	268	26	43	9	34	-	3	89	11	11	28	8	5
Output per employee (index):													
1923	100		100	100	100	-	100	100	100	100	100	100	100
1924	109	100	93	94	85	-	83	99	173	108	176	246	123
1925	120	122	113	108	113	-	82	100	215	109	200	185	109
1926	125	125	134	137	108	-	89	106	180	113	196	227	106
Output per unit of cost (index):													
1923	100		100	100	100	-	100	100	100	100	100	100	100
1924	114	100	93	88	88	-	79	104	164	107	173	262	126
1925	126	116	119	102	107	-	60	109	187	117	198	182	123
1926	132	118	136	129	106	-	59	116	169	120	194	204	135

*1923 figures not comparable with those of subsequent years and accordingly the 1924 figures were used as the base of calculating the indices of output.

CONFIDENTIAL

OUTPUT PER EMPLOYEE AND PER UNIT OF COST IN PRINCIPAL DEPARTMENTS, FEDERAL RESERVE BANK OF RICHMOND (HEAD OFFICE)

(Number of items handled in thousands; expense in thousands of dollars)

St. 5359-f

	Total for operations measured	Dis- counts	Currency	Coin	City checks		Govern- ment checks	Country checks	Return items	City col- lections	Country col- lections	Coupon collections		
					Clearings	Other						Other than Government	Govern- ment	
Items handled:														
1923	-	*79	43,154	23,820	1,435	121	643	28,204	554	12	108	7	945	
1924	-	86	46,909	23,328	1,559	124	658	27,009	656	21	102	8	734	
1925	-	119	47,841	26,287	1,674	107	711	28,066	675	23	101	10	625	
1926	-	136	53,658	35,027	1,636	109	790	29,672	751	15	94	14	553	
Average number of employees:														
1923	221.90	*20.31	27.50	4.49	5.11	.65	3.30	129.74	12.06	2.60	12.54	1.58	2.02	
1924	216.16	20.36	27.74	4.44	3.21	.76	3.30	128.17	11.44	2.16	11.50	.98	2.10	
1925	173.36	17.56	24.30	4.24	3.50	.57	2.24	96.46	9.55	1.90	10.22	.72	2.10	
1926	150.93	16.98	22.60	3.59	3.27	.54	1.99	79.42	8.12	1.75	10.14	.73	1.80	
Expense:														
1923	291	*35	33	6	7	1	4	159	20	3	18	2	3	
1924	276	35	35	6	5	1	4	145	20	3	18	1	3	
1925	229	31	32	6	6	1	3	112	17	2	16	1	2	
1926	209	30	32	6	5	1	3	98	14	2	16	1	2	
Output per employee (index):	100		100	100	100	100	100	100	100	100	100	100	100	
1923	103	100	108	99	173	88	102	97	125	214	103	178	75	
1924	137	161	125	117	170	102	163	134	154	263	115	289	64	
1925	169	191	151	184	178	109	204	172	201	184	108	408	66	
1926														
Output per unit of cost (index):	100		100	100	100	100	100	100	100	100	100	100	100	
1923	106	100	103	91	145	86	111	105	122	201	96	152	88	
1924	138	159	115	101	139	96	159	141	143	264	105	245	81	
1925	162	188	130	149	160	86	208	171	197	218	96	321	75	

*1923 figures not comparable with those of subsequent years and accordingly the 1924 figures were used as the base of calculating the indices of output.

CONFIDENTIAL

OUTPUT PER EMPLOYEE AND PER UNIT OF COST IN PRINCIPAL DEPARTMENTS, FEDERAL RESERVE BANK OF ATLANTA (HEAD OFFICE)

(Number of items handled in thousands; expense in thousands of dollars)

St. 5359-g

	Total for operations measured	Dis-counts	Currency	Coin	City checks		Govern-ment checks	Country checks	Return items	City col-lections	Country col-lections	Coupon collections	
					Clearings	Other						Other than Government	Govern-ment
Items handled:													
1923	-	*82	33,321	12,960	1,494	63	490	5,695	195	18	28	1	817
1924	-	83	35,786	13,708	1,513	15	526	5,856	190	19	26	2	448
1925	-	74	37,607	15,953	1,624	18	549	6,734	206	23	20	2	387
1926	-	121	39,316	17,511	1,745	24	587	7,650	247	24	19	3	342
Average number of employees:													
1923	70.01	*12.56	23.48	.66	8.67	.28	1.40	15.53	3.42	1.32	.79	-	1.90
1924	76.38	17.22	21.93	1.44	6.23	.69	1.76	18.95	3.30	1.72	1.79	-	1.35
1925	71.66	13.13	17.54	2.00	6.51	.10	1.78	22.87	3.70	1.82	1.58	-	.63
1926	74.95	14.61	17.68	1.00	5.81	.10	1.98	24.81	3.72	2.01	2.23	-	1.00
Expense:													
1923	108	*22	28	2	10	#	2	31	7	2	2	-	3
1924	112	27	26	2	7	1	2	32	7	3	3	-	2
1925	92	20	23	3	8	#	2	25	6	2	3	-	1
1926	94	22	23	2	6	#	2	27	6	2	3	-	1
Output per employee (index):													
1923	100	-	100	100	100	-	100	100	100	100	100	-	100
1924	99	100	115	49	141	-	85	84	101	81	41	-	77
1925	110	117	151	41	145	-	88	80	98	92	35	-	143
1926	125	172	157	89	174	-	85	84	116	86	24	-	80
Output per unit of cost (index):													
1923	100	-	100	100	100	-	100	100	100	100	100	-	100
1924	103	100	116	93	140	-	95	98	102	91	61	-	68
1925	131	119	141	88	137	-	124	147	115	138	50	-	130
1926	155	180	146	172	215	-	105	153	144	136	43	-	76

*1923 figures not comparable with those of subsequent years and accordingly the 1924 figures were used as the base in calculating the indices of output.

#Less than \$500.

CONFIDENTIAL

OUTPUT PER EMPLOYEE AND PER UNIT OF COST IN PRINCIPAL DEPARTMENTS, FEDERAL RESERVE BANK OF CHICAGO (HEAD OFFICE)
(Number of items handled in thousands; expense in thousands of dollars)

St. 5359h

	Total for operations measured	Dis-counts	Currency	Coin	City checks		Government checks	Country checks	Return items	City col-lections	Country col-lections	Coupon collections	
					Clearings	Other						Other than Gov't.	Government
Items handled:													
1923	-	*120	224,315	191,685	13,097	-	4,548	57,979	790	72	230	79	9,484
1924	-	146	228,463	177,573	14,753	-	4,599	62,014	990	69	236	103	7,302
1925	-	137	244,535	195,877	13,887	-	4,133	68,267	1,054	56	239	227	6,517
1926	-	147	262,162	220,582	15,285	-	4,161	72,885	1,168	55	273	138	5,920
Average number of employees:													
1923	602.38	*38.25	133.50	15.25	25.50	-	19.75	293.75	7.75	19.25	26.88	7.75	14.75
1924	545.90	30.83	113.61	14.66	45.58	-	15.83	255.50	7.79	14.48	23.54	10.83	13.25
1925	540.47	23.61	104.85	10.43	41.03	-	15.18	280.14	11.75	13.01	21.26	9.26	9.95
1926	592.78	24.99	102.87	9.79	52.84	-	17.09	320.21	13.04	17.38	17.80	7.21	9.56
Expense:													
1923	970	*71	209	34	36	-	26	452	25	33	47	17	20
1924	844	65	165	33	64	-	22	350	26	27	47	21	23
1925	814	50	161	26	57	-	20	375	27	23	40	18	17
1926	845	51	167	23	66	-	20	401	24	29	33	16	15
Output per employee (index):													
1923	100		100	100	100	-	100	100	100	100	100	100	100
1924	114	100	120	96	63	-	126	123	125	128	117	94	86
1925	123	122	139	149	66	-	118	123	89	116	131	241	102
1926	119	124	152	179	56	-	106	115	88	85	179	189	96
Output per unit of cost (index):													
1923	100		100	100	100	-	100	100	100	100	100	100	100
1924	120	100	129	96	64	-	120	138	122	119	104	106	69
1925	134	123	141	137	67	-	118	142	128	112	123	271	82
1926	135	129	146	171	64	-	117	142	159	88	171	188	85

*1923 figures not comparable with those of subsequent years and accordingly the 1924 figures were used as the base in calculating the indices of output.

OUTPUT PER EMPLOYEE AND PER UNIT OF COST IN PRINCIPAL DEPARTMENTS, FEDERAL RESERVE BANK OF ST. LOUIS (HEAD OFFICE)

(Number of items handled in thousands; expense in thousands of dollars)

	Total for operations measured	Dis-counts	Currency	Coin	City checks		Govern-ment checks	Country checks	Return items	City col-lections	Country col-lections	Coupon collections	
					Clearings	Other						Other than Government	Govern-ment
Items handled:													
1923	-	*41	60,657	97,737	4,470	564	1,614	19,698	524	24	101	22	2,524
1924	-	30	59,261	92,788	5,769	805	1,527	20,837	667	27	109	24	2,048
1925	-	33	55,630	93,047	4,793	940	1,536	21,970	776	21	74	23	1,826
1926	-	47	55,871	91,386	5,052	1,012	1,555	23,294	830	21	101	25	1,646
Average Number of employees:													
1923	169.02	*5.71	30.15	4.83	10.78	2.86	7.81	78.34	6.97	3.70	9.78	2.76	5.33
1924	152.41	6.31	25.99	4.75	11.21	3.64	4.73	70.72	5.59	2.45	10.50	2.15	4.37
1925	133.34	4.93	24.31	4.64	7.88	3.75	3.83	65.33	4.64	1.77	6.66	2.11	3.49
1926	121.20	5.06	23.22	4.88	7.94	3.78	2.36	57.73	4.94	1.27	5.51	1.48	3.03
Expense:													
1923	252	*10	45	10	13	3	9	117	11	7	13	5	8
1924	202	11	38	10	12	5	6	82	9	6	12	4	6
1925	177	9	37	10	9	5	5	72	9	4	8	4	5
1926	161	10	37	10	9	5	3	61	8	3	8	3	5
Output per employee (index):													
1923	100		100	100	100	100	100	100	100	100	100	100	100
1924	118	100	113	96	124	112	156	117	159	173	100	142	99
1925	133	142	114	99	147	127	194	134	223	186	108	136	111
1926	158	198	122	93	154	136	319	160	223	254	178	217	115
Output per unit of cost (index):													
1923	100		100	100	100	100	100	100	100	100	100	100	100
1924	132	100	116	91	140	99	131	151	155	135	114	133	98
1925	149	133	112	96	147	111	158	182	190	163	114	140	115
1926	176	176	116	91	160	120	258	226	219	212	169	216	108

*1923 figures not comparable with those of subsequent years and accordingly the 1924 figures were used as the base in calculating the indices of output.

OUTPUT PER EMPLOYEE AND PER UNIT OF COST IN PRINCIPAL DEPARTMENTS, FEDERAL RESERVE BANK OF MINNEAPOLIS (HEAD OFFICE)

(Number of items handled in thousands; expense in thousands of dollars)

	Total for operations measured	Dis-counts	Currency	Coin	City checks		Govern-ment checks	Country checks	Return items	City col-lections	Country col-lections	Coupon collections	
					Clearings	Other						Other than Government	Government
Items handled:													
1923	-	*37	29,885	8,623	3,375	-	661	21,293	464	197	117	-	1,624
1924	-	41	29,305	8,139	3,700	-	819	19,694	562	207	134	-	1,134
1925	-	24	32,046	8,925	3,803	-	789	19,845	494	187	135	-	1,007
1926	-	26	35,271	11,014	3,717	-	763	18,559	437	172	129	-	932
Average number of employees:													
1923	146.86	*10.62	16.08	1.03	5.40	-	2.03	83.60	4.44	9.19	10.64	-	3.83
1924	128.94	10.57	16.16	1.15	5.91	-	2.90	63.46	5.83	8.75	11.23	-	2.98
1925	113.53	5.99	15.74	1.48	5.13	-	1.77	58.75	4.05	8.93	9.43	-	2.26
1926	106.26	4.51	15.66	1.16	5.25	-	1.71	54.52	3.65	9.90	8.26	-	1.64
Expense:													
1923	236	*18	25	3	7	-	3	143	7	11	15	-	5
1924	189	19	26	3	8	-	4	90	9	11	16	-	4
1925	163	10	25	4	7	-	3	78	7	11	14	-	3
1926	158	9	27	4	7	-	3	76	7	12	12	-	2
Output per employee (index):													
1923	100		100	100	100	-	100	100	100	100	100	-	100
1924	111	100	98	84	100	-	87	122	92	110	108	-	90
1925	122	104	110	72	119	-	137	133	117	97	130	-	105
1926	126	149	121	114	113	-	138	134	115	81	142	-	134
Output per unit of cost (index):													
1923	100		100	100	100	-	100	100	100	100	100	-	100
1924	121	100	93	83	100	-	99	146	94	106	106	-	84
1925	137	106	106	66	117	-	112	170	94	100	123	-	96
1926	136	131	109	89	112	-	125	165	88	82	137	-	121

*1923 figures not comparable with those of subsequent years and accordingly the 1924 figures were used as the base in calculating the indices of output.

OUTPUT PER EMPLOYEE AND PER UNIT OF COST IN PRINCIPAL DEPARTMENTS, FEDERAL RESERVE BANKS OF KANSAS CITY (HEAD OFFICE)

(Number of items handled in thousands; expense in thousands of dollars)

	Total for operations measured	Dis-counts	Currency	Coin	City checks		Govern-ment checks	Country checks	Return items	City col-lections	Country col-lections	Coupon collections	
					Clearings	Other						Other than Government	Govern-ment
Items handled:													
1923	-	*55	33,323	51,016	5,368	-	1,152	20,054	379	22	88	-	1,776
1924	-	65	32,991	47,963	4,266	-	1,156	21,813	467	21	119	-	1,278
1925	-	38	34,743	48,289	4,313	-	1,199	25,119	532	21	112	-	1,169
1926	-	55	35,828	48,706	4,572	-	1,212	25,792	597	22	124	-	1,068
Average number of employees:													
1923	123.32	*12.75	16.56	2.25	7.50	-	2.84	62.61	4.51	3.58	7.03	-	3.69
1924	106.78	12.31	15.86	2.63	7.92	-	3.00	48.60	4.17	2.00	7.00	-	3.29
1925	92.64	8.81	14.00	2.48	7.09	-	2.49	42.37	4.00	2.00	6.77	-	2.63
1926	89.27	8.62	14.87	2.58	5.94	-	2.00	40.22	4.63	2.00	5.96	-	2.45
Expense:													
1923	210	*24	25	5	10	-	4	107	8	6	16	-	6
1924	174	23	24	4	11	-	4	75	8	3	16	-	5
1925	151	16	21	5	11	-	4	64	8	3	15	-	4
1926	147	16	23	4	10	-	3	61	8	3	14	-	4
Output per employee (index):													
1923	100		100	100	100	-	100	100	100	100	100	-	100
1924	121	100	103	81	75	-	95	140	134	172	136	-	81
1925	146	82	123	86	85	-	119	185	159	170	133	-	92
1926	160	121	120	83	108	-	150	200	154	178	167	-	91
Output per unit of cost (index):													
1923	100		100	100	100	-	100	100	100	100	100	-	100
1924	128	100	105	109	72	-	90	155	131	166	136	-	81
1925	153	81	126	107	74	-	106	208	142	171	134	-	97
1926	167	121	120	112	90	-	134	223	154	173	157	-	96

*1923 figures not comparable with those of subsequent years and accordingly the 1924 figures were used as the base in calculating the indices of output.

OUTPUT PER EMPLOYEE AND PER UNIT OF COST IN PRINCIPAL DEPARTMENTS, FEDERAL RESERVE BANK OF DALLAS (HEAD OFFICE)

(Number of items handled in thousands; expense in thousands of dollars)

	Total for operations measured	Dis-counts	Currency	Coin	City checks		Govern-ment checks	Country checks	Return items	City col-lections	Country col-lections	Coupon collections	
					Clearings	Other						Other than Government	Govern-ment
Items handled:													
1923	-	*116	25,993	24,256	2,493	402	418	19,288	462	15	64	1	719
1924	-	78	28,101	19,052	1,754	54	436	21,680	597	19	66	2	545
1925	-	54	28,947	20,159	1,677	16	437	22,357	644	15	48	2	463
1926	-	66	28,898	17,947	1,786	4	472	23,225	760	13	55	2	421
Average number of employees:													
1923	145.16	*29.18	14.84	2.25	3.68	1.07	1.79	74.59	6.48	3.48	5.90	-	1.90
1924	124.63	22.96	15.09	1.49	4.42	.58	2.00	62.70	6.00	3.00	5.00	-	1.39
1925	109.24	12.76	14.53	1.44	4.55	.51	1.16	60.09	5.90	2.50	4.41	-	1.29
1926	104.03	10.17	13.55	1.98	4.55	.85	.92	59.01	6.04	2.03	4.05	-	.88
Expense:													
1923	247	*56	20	5	6	1	3	121	14	5	12	-	3
1924	185	42	20	4	6	1	3	81	14	4	10	-	2
1925	158	24	19	4	6	1	2	76	13	3	8	-	2
1926	149	19	19	4	6	#	2	75	12	3	8	-	1
Output per employee (index):													
1923	100		100	100	100	100	100	100	100	100	100	-	100
1924	120	100	106	119	59	24	93	134	140	144	122	-	104
1925	131	126	114	130	55	8	161	144	153	131	101	-	95
1926	146	193	122	84	58	1	220	152	176	149	125	-	126
Output per unit of cost (index):													
1923	100		100	100	100	100	100	100	100	100	100	-	100
1924	135	100	109	122	71	26	100	168	136	169	123	-	123
1925	152	124	113	128	67	10	173	183	149	163	108	-	116
1926	172	187	118	97	72	3	204	194	195	167	136	-	151

*1923 figures not comparable with those of subsequent years and accordingly the 1924 figures were used as the base in calculating the indices of output.

#Less than \$500.

CONFIDENTIAL

OUTPUT PER EMPLOYEE AND PER UNIT OF COST IN PRINCIPAL DEPARTMENTS, FEDERAL RESERVE BANK OF SAN FRANCISCO (HEAD OFFICE)

(Number of items handled in thousands; expense in thousands of dollars)

	Total for operations measured	Dis-counts	Currency	Coin	City checks		Govern-ment checks	Country checks	Return items	City col-lections	Country col-lections	Coupon collections		
					Clearings	Other						Other than Government	Govern-ment	
Items handled:														
1923	-	*31	27,390	23,231	3,443	316	891	9,047	91	18	56	19	2,409	
1924	-	42	37,449	21,449	3,571	312	931	8,355	103	18	58	20	1,543	
1925	-	46	38,543	21,116	3,621	378	861	9,053	112	18	51	23	1,203	
1926	-	55	43,577	39,421	4,330	562	955	9,352	120	19	41	21	1,053	
Average number of employees:														
1923	113.97	*13.07	19.50	6.94	8.05	3.03	4.83	35.88	4.10	4.35	7.58	1.65	4.99	
1924	112.35	15.78	17.64	5.53	10.51	3.12	5.63	34.20	4.32	3.79	6.15	1.30	4.38	
1925	90.41	9.57	16.61	3.55	7.14	2.70	4.12	30.59	3.31	3.93	5.64	.56	2.69	
1926	91.58	8.78	18.71	3.74	5.94	2.71	4.41	32.11	3.17	3.49	4.97	1.24	2.31	
Expense:														
1923	190	*25	29	16	12	4	8	59	8	8	13	3	7	
1924	187	32	24	12	15	5	9	55	8	7	12	2	7	
1925	147	20	24	8	11	4	7	43	6	7	11	1	4	
1926	143	18	26	9	9	4	7	42	6	6	10	2	3	
Output per employee (index):														
1923	100		100	100	100	100	100	100	100	100	100	100	100	100
1924	107	100	151	116	79	96	90	97	107	114	127	135	73	
1925	137	178	165	118	119	134	113	117	152	109	123	370	93	
1926	153	233	166	315	170	199	117	116	170	133	110	147	94	
Output per unit of cost (index):														
1923	100		100	100	100	100	100	100	100	100	100	100	100	100
1924	108	100	115	120	79	92	92	99	112	107	118	128	71	
1925	142	172	165	173	110	130	108	136	145	114	108	357	95	
1926	167	235	173	297	160	213	114	143	170	144	92	123	101	

1923 figures not comparable with those of subsequent years and accordingly the 1924 figures were used as the base in calculating the indices of output.