

The Papers of Charles Hamlin (mss24661)

363_08_001-

Hamlin, Charles S., Scrap Book – Volume 206, FRBoard Members

205.001 - Hamlin Charles S
Scrap Book - Volume 206
FRBoard Members

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BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

Office Correspondence

Date August 1, 1941

To The Files

Subject: _____

From Mr. Coe

MPC.

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 206 of Mr. Hamlin's scrap book and placed in the Board's files:

VOLUME 206

Page 25 - (X-6665) Examination of Member Banks.

Page 31 - Preliminary classification of loans and investments of member banks as of June 30, 1930. (Marked Confidential)

Page 37

Memo to Board from Mr. Smead re preliminary classification of loans and investments of member banks as of June 30, 1930.

Page 47

Deficiencies in Reserves of Member Banks During the Quarter Ending June 30, 1930. (Marked Confidential)

Page 59

Letter to Board from Federal Reserve Agent Case re H.R. 10211.

Page 64

Earnings & Expenses of Federal Reserve Banks, July 1930.

Page 67

Memo to Board from Mr. Smead re condition of member banks as of June 30, 1930.

See 121

FEDERAL RESERVE BOARD

WASHINGTON

ADDRESS OFFICIAL CORRESPONDENCE TO
THE FEDERAL RESERVE BOARD

X-6665

July 26, 1930.

SUBJECT: Examination of Member Banks.

Dear Sir:

By an act approved by the President under date of June 26, 1930, Section 9 of the Federal Reserve Act was amended and the third paragraph of Section 5240 of the United States Revised Statutes, as amended by Section 21 of the Federal Reserve Act, was further amended so as to provide that the expenses of all examinations made by Federal reserve banks may, in the discretion of the Federal Reserve Board, be assessed against the banks examined and, when so assessed, shall be paid by the banks examined.

In view of this amendment, the Federal Reserve Board has reconsidered and revised the resolutions adopted by it on October 10, 1928, (set out in X-6223 dated January 26, 1929) so as to read as follows:

"BE IT RESOLVED, That the Federal Reserve Board recognizes its duty under the Federal Reserve Act to keep itself informed as to the condition of all member banks;

"BE IT FURTHER RESOLVED, That the Board is of the opinion that it is justified in relying upon the Comptroller of the Currency for such information as to national banks;

"BE IT FURTHER RESOLVED, That whenever the reports of examination of State member banks furnished by the State authorities are not deemed satisfactory either to the Federal reserve bank of the district concerned or to the Federal Reserve Board, the Federal reserve bank or the Board shall cause to be made at least one examination or investigation each year of such character as to furnish satisfactory information;

"BE IT FURTHER RESOLVED, That any entry of a member bank made for the purpose of informing the Federal reserve bank and the Federal Reserve Board, (1) whether the member bank is complying with the terms of the Federal Reserve Act, the Regulations of the Federal Reserve Board and the conditions of its membership in the Federal Reserve System and/or (2) as to the loan and investment practices

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and policies of the member bank and whether its uses of Federal reserve credit facilities are consistent with the purposes of the Federal Reserve Act, as these have been or may be defined by the Federal Reserve Board, shall not be termed an examination."

The Federal reserve agents are charged with the duty of seeing to it that the Board's views, as covered in the above resolutions, are carried out in their respective districts. This does not mean that the Board is attempting to relieve itself of responsibility and it will continue, through its examining force, to check carefully the Federal reserve agents' examination departments.

While the Board realizes that it is not possible to lay down a uniform detailed procedure applicable to each Federal reserve district, the following instructions will serve as a guide to the Federal reserve agents in the performance of their duties:

1. The Comptroller of the Currency is a member of the Federal Reserve Board and under the law is charged with the responsibility of enforcing the terms of the National Bank Act and also of the Federal Reserve Act. The Board therefore relies upon the Comptroller of the Currency to perform his duties and it will not be necessary for the Federal reserve agent to duplicate the work.

2. In the opinion of the Board, State reports of examination can be relied upon in the great majority of cases to furnish the necessary information to the agents.

3. If a State examination is unsatisfactory, and an investigation will not provide sufficient information upon which the agents may act intelligently, a complete examination should be made for which the member bank should be charged. It is realized, however, that in some instances unusual circumstances may exist which would warrant the Board's exercising the discretion vested in it under the recent amendment and waiving charges for specific examinations. Any case which, in the opinion of the Federal reserve agent, warrants such special consideration should be submitted to the Board in advance, with a complete statement of the reasons why it is considered desirable to have the examination charges waived by the Board. Examinations of State banks incident to their admission to membership in the System may be made without charge.

4. Any investigation of a member bank made for the purpose mentioned in the last paragraph of the resolution of the Board set out above may be conducted by the Federal reserve agent without charge and without reference to the Board.

5. The Federal reserve agent will continue to furnish the Board with an analysis on F. R. B. Form 212 of each state member bank examination report received by him whether made by State authorities or under his own supervision, unless in some exceptional case it is desired that the Board should have before it the complete report of examination.

6. If the Federal reserve agent has evidence in the form of letters or otherwise, that officers and directors of State member banks have had their attention called to violations of the law and unsound banking practices by State authorities, it is not necessary for the agent to duplicate this work.

7. If this supervision is not conducted by State authorities the Federal reserve agent is directed to take such action, as in his opinion, will discharge the responsibilities of the Board.

8. When a State member bank fails to correct irregularities within a reasonable time so as to show material improvement in its condition, the Federal reserve agent will be expected to lay the information before the directors of his bank and ask them to make a formal recommendation to the Federal Reserve Board, with reasons, as to whether or not the State member bank should continue as a member.

This letter supersedes and repeals the letter of January 26, 1929 (X-6223) on the same subject.

Very truly yours,

R. A. Young,
Governor.

TO ALL FEDERAL RESERVE AGENTS.

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FEDERAL RESERVE BOARD

WASHINGTON

ADDRESS OFFICIAL CORRESPONDENCE TO
THE FEDERAL RESERVE BOARD

July 30, 1930.
St. 6668.

SUBJECT: Preliminary classification of loans and
investments of member banks as of June
30, 1930.

Dear Sir:

In order that the System might have available at the earliest practicable date a classification of the loans and investments of all member banks as of June 30, the Board on July 16 asked the Federal reserve agents to have the loan and investment figures tabulated from the June call reports of both National and State member banks and to furnish the figures to the Board.

These figures have been received by the Board and I am enclosing herewith a statement showing the data for all member banks, member banks in New York City, in Chicago, and in other reserve cities, and for country banks.

The figures for National banks have not been made public by the Comptroller nor figures for State banks by the Federal Reserve Board. It will be appreciated, therefore, if you will treat the statement as confidential.

Very truly yours,

Roy A. Young,
Governor.

TO ALL GOVERNORS AND AGENTS.*

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CONFIDENTIAL

ALL MEMBER BANKS -- PRELIMINARY CLASSIFICATION OF LOANS AND INVESTMENTS ON JUNE 30, 1930, COMPARED WITH PRECEDING CALL DATES
(Amounts in millions of dollars)

St. 6666

Date	Total loans and investments	L o a n s										Investments					
		Total	Acceptances payable in U. S.	Bills, acceptances, etc., payable in foreign countries	Commercial paper bought in open market	Loans to banks		Loans on securities, exclusive of loans to banks			Real estate loans		All other loans	Total	U. S. Government securities	Other securities	
						On securities	All other	Total	To brokers and dealers		To others	On farm land					On other real estate
									In New York	Outside New York							
TOTAL - ALL MEMBER BANKS																	
1928, Oct. 3	34,929	24,325	80	101	457	548	8,545	1,899	850	5,796	421	2,668	11,507	10,604	4,386	6,218	
Dec. 31	35,684	25,155	109	103	390	538	9,903	2,556	975	6,373	412	2,711	10,991	10,529	4,312	6,217	
1929, Mar. 27	35,393	24,945	146	93	376	548	9,419	1,879	1,014	6,526	403	2,720	11,240	10,448	4,454	5,994	
June 29	35,711	25,658	108	90	249	670	9,759	2,025	921	6,813	414	2,750	11,618	10,052	4,155	5,898	
Oct. 4	35,914	26,165	93	70	228	640	9,994	1,885	939	7,170	392	2,760	11,988	9,749	4,022	5,727	
Dec. 31	35,934	26,150	212	80	291	714	10,148	1,660	803	7,685	388	2,803	11,515	9,784	3,863	5,921	
1930, Mar. 27	35,056	25,119	175	79	499	260	267	10,074	2,344	706	7,024	394	2,776	10,595	9,937	4,085	5,852
June 30	35,633	25,198	169	71	511	230	301	10,450	2,357	823	7,270	387	2,740	10,339	10,435	4,059	6,376
NEW YORK CITY*																	
1928, Oct. 3	7,197	5,254	50	55	63	287	2,416	880	45	1,491	-	130	2,253	1,942	1,130	813	
Dec. 31	7,951	6,018	61	61	29	288	3,347	1,639	50	1,658	-	132	2,100	1,933	1,094	839	
1929, Mar. 27	7,726	5,754	59	52	37	251	2,846	1,102	52	1,692	-	148	2,361	1,972	1,135	838	
June 29	8,160	6,341	58	58	21	314	3,236	1,359	63	1,814	2	173	2,480	1,819	1,006	813	
Oct. 4	8,150	6,344	59	33	8	302	3,040	1,096	46	1,898	1	175	2,726	1,807	989	817	
Dec. 31	8,774	6,683	128	46	21	322	3,401	1,202	55	2,145	-	169	2,595	2,091	1,112	979	
1930, Mar. 27	8,238	6,192	89	40	49	92	107	3,412	1,477	60	1,876	-	150	2,252	2,046	1,150	897
June 30	8,798	6,594	144	29	35	78	118	3,928	1,873	68	1,987	-	134	2,127	2,204	1,147	1,057
CHICAGO*																	
1928, Oct. 3	1,910	1,505	1	3	21	35	914	119	252	543	3	41	487	405	191	214	
Dec. 31	1,910	1,519	1	1	14	40	982	75	309	598	3	39	440	391	174	217	
1929, Mar. 27	1,793	1,456	8	5	10	62	806	18	311	477	2	19	544	337	164	172	
June 29	1,767	1,433	1	3	6	67	774	48	242	484	2	22	559	334	159	176	
Oct. 4	1,823	1,510	1	4	4	68	820	59	257	504	2	19	592	312	153	160	
Dec. 31	1,757	1,448	9	5	5	88	784	11	240	533	2	19	535	309	116	193	
1930, Mar. 27	1,717	1,406	3	11	33	50	8	808	140	194	474	2	18	472	310	146	164
June 30	1,845	1,482	2	19	56	43	7	816	99	229	487	2	17	521	363	160	203

*Central reserve city banks only.

CONFIDENTIAL

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ALL MEMBER BANKS -- PRELIMINARY CLASSIFICATION OF LOANS AND INVESTMENTS ON JUNE 30, 1930, COMPARED WITH PRECEDING CALL DATES
(Amounts in millions of dollars)

St. 6666a

	Total loans and invest- ments	L o a n s										Investments					
		Total	Accept- ances payable in U.S.	Bills, ac- ceptances, etc., pay- able in for- eign coun- tries	Commercial paper bought in open market	Loans to banks		Loans on securities, exclusive of loans to banks			Real estate loans		All other loans	Total	U. S. Govern- ment secur- ities	Other secur- ities	
						On secur- ities	All other	Total	To brokers and dealers		To others	On farm land					On other real estate
									In New York	Outside New York							
<u>RESERVE CITY BANKS</u>																	
1928, Oct. 3	12,211	8,681	5	27	178	179	3,109	522	435	2,152	124	1,368	3,691	3,530	1,703	1,827	
Dec. 31	12,156	8,702	16	33	136	173	3,293	465	509	2,318	118	1,387	3,546	3,454	1,662	1,791	
1929, Mar. 27	12,132	8,733	35	27	136	196	3,358	405	538	2,415	112	1,376	3,492	3,400	1,732	1,668	
June 29	12,065	8,789	16	22	83	241	3,294	302	511	2,480	119	1,360	3,654	3,276	1,607	1,670	
Oct. 4	12,161	9,085	6	27	71	225	3,462	354	510	2,598	110	1,360	3,823	3,075	1,519	1,557	
Dec. 31	12,029	9,084	43	24	102	258	3,440	239	425	2,775	110	1,428	3,679	2,944	1,368	1,576	
1930, Mar. 27	11,858	8,752	55	24	209	104	3,405	469	360	2,576	113	1,411	3,330	3,105	1,516	1,590	
June 30	11,874	8,544	17	19	246	99	3,352	253	435	2,664	111	1,394	3,179	3,330	1,526	1,804	
<u>COUNTRY BANKS</u>																	
1928, Oct. 3	13,612	8,885	24	17	195	46	2,106	378	117	1,610	294	1,129	5,075	4,727	1,362	3,365	
Dec. 31	13,667	8,915	30	8	211	37	2,281	376	107	1,799	290	1,154	4,904	4,751	1,382	3,370	
1929, Mar. 27	13,741	9,001	44	8	192	39	2,409	354	114	1,942	289	1,176	4,843	4,740	1,424	3,316	
June 29	13,719	9,096	33	7	140	49	2,455	316	105	2,034	291	1,195	4,926	4,623	1,384	3,240	
Oct. 4	13,780	9,226	27	6	144	45	2,671	376	125	2,170	279	1,206	4,847	4,554	1,361	3,193	
Dec. 31	13,375	8,936	33	5	163	45	2,522	208	83	2,231	276	1,186	4,705	4,439	1,267	3,172	
1930, Mar. 27	13,243	8,768	27	4	207	14	2,449	258	93	2,097	279	1,196	4,541	4,475	1,273	3,202	
June 30	13,117	8,578	7	4	175	10	2,353	131	91	2,131	274	1,194	4,513	4,539	1,226	3,313	

DIVISION OF BANK OPERATIONS
FEDERAL RESERVE BOARD
JULY 29, 1930.

*Thought you would like to
see this - J. Schell*

July 29, 1930

Federal Reserve Board

Preliminary classification of
loans and investments of
member banks as of June 30, 1930

Mr. Hamilton
Mr. Smead

CONFIDENTIAL

In order that the Board might have as early as practicable a classification of loans and investments of all member banks as of June 30, the Federal reserve agents were asked to tabulate the figures from the call reports of both State and National bank members and wire them to the Board. The figures furnished by the Federal reserve agents, which are subject to minor corrections when all reports are received and apparent discrepancies reconciled, are shown in the attached confidential statements. The statements include figures for national as well as state banks and no publicity should therefore be given to them without first securing the approval of the Comptroller of the Currency as the national bank figures have not yet been made public by him.

The principal changes as compared with the Spring call of this year and with the June call of last year are as follows:

Changes since March 27, 1930 call.

Aggregate loans and investments of all member banks increased \$577,000,000 during the quarter, of which \$89,000,000 was in loans and nearly \$500,000,000 in investments. Holdings of Government securities declined somewhat, while holdings of other securities increased more than \$500,000,000. The increase in security holdings is fairly well distributed among the different classes of banks.

Total loans on securities, exclusive of loans to banks, show a net increase of \$376,000,000, practically the entire amount representing loans made to non-broker customers or to brokers and dealers located outside of New York.

New York city banks reported an increase of nearly \$400,000,000 in loans to New York brokers and dealers, but this was practically offset by decreases at member banks outside of New York. The increase in brokers' loans of New York banks is considerably smaller than the reduction during the same period in brokers' loans made by New York banks for the account of correspondents and "others."

Banks outside New York, as previously stated, reduced their loans to New York brokers substantially, but this was largely offset by increases in loans made to brokers and dealers located outside of New York and in security loans made to non-broker customers. New York banks also increased their holdings of security loans to non-broker customers.

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"All other" loans declined \$256,000,000 at all member banks, most of the reduction being reported by New York city banks although reserve city banks (outside of New York and Chicago) also reported a substantial decline. Holdings of commercial paper bought in open market aggregated \$511,000,000, the highest figure reported since this item has been shown separately in member bank condition reports.

Changes since June 1929.

Aggregate loans and investments at the end of June 1930 were not far below the corresponding call of last year. Total loans, however, were \$460,000,000 below June of last year, while investments were about \$400,000,000 higher.

Total loans on securities on June 30 of the present year, exclusive of loans to banks, aggregated \$10,450,000,000, or approximately \$700,000,000 above the June call of last year. Of this increase, \$330,000,000 represents an increase in loans to New York brokers and dealers and \$460,000,000 an increase in security loans made to non-broker customers. Security loans made to brokers and dealers outside of New York declined \$100,000,000.

"All other" loans declined nearly \$1,300,000,000 during the year, the reduction being fairly well distributed among all classes of member banks. Holdings of commercial paper bought in open market increased by more than \$260,000,000 during the year and holdings of acceptances about \$60,000,000. The holdings of open market commercial paper are distributed mostly among country banks and reserve city banks other than New York and Chicago. Holdings of acceptances on the other hand are concentrated largely at member banks in New York city.

Loans to other banks made by member banks declined during the year from \$670,000,000 to \$530,000,000.

CONFIDENTIAL

ALL MEMBER BANKS -- PRELIMINARY CLASSIFICATION OF LOANS AND INVESTMENTS ON JUNE 30, 1930, COMPARED WITH PRECEDING CALL DATES
(Amounts in millions of dollars) St. 6666

Date	Total loans and investments	L o a n s										Investments					
		Total	Acceptances payable in U. S.	Bills, acceptances, etc., payable in foreign countries	Commercial paper bought in open market	Loans to banks		Loans on securities, exclusive of loans to banks			Real estate loans		All other loans	Total	U. S. Government securities	Other securities	
						On securities	All other	Total	To brokers and dealers		To others	On farm land					On other real estate
									In New York	Outside New York							
TOTAL - ALL MEMBER BANKS																	
1928, Oct. 3	34,929	24,325	80	101	457	548	8,545	1,899	850	5,796	421	2,668	11,507	10,604	4,386	6,218	
Dec. 31	35,684	25,155	109	103	390	538	9,903	2,556	975	6,373	412	2,711	10,991	10,529	4,312	6,217	
1929, Mar. 27	35,393	24,945	146	93	376	548	9,419	1,879	1,014	6,526	403	2,720	11,240	10,448	4,454	5,994	
June 29	35,711	25,658	108	90	249	670	9,759	2,025	921	6,813	414	2,750	11,618	10,052	4,155	5,898	
Oct. 4	35,914	26,165	93	70	228	640	9,994	1,885	939	7,170	392	2,760	11,988	9,749	4,022	5,727	
Dec. 31	35,934	26,150	212	80	291	714	10,148	1,660	803	7,685	388	2,803	11,515	9,784	3,863	5,921	
1930, Mar. 27	35,056	25,119	175	79	499	260	267	10,074	2,344	706	7,024	394	2,776	10,595	9,937	4,085	5,852
June 30	35,633	25,198	169	71	511	230	301	10,450	2,357	823	7,270	387	2,740	10,339	10,435	4,059	6,376
NEW YORK CITY*																	
1928, Oct. 3	7,197	5,254	50	55	63	287	2,416	880	45	1,491	-	130	2,253	1,942	1,130	813	
Dec. 31	7,951	6,018	61	61	29	288	3,347	1,639	50	1,658	-	132	2,100	1,933	1,094	839	
1929, Mar. 27	7,726	5,754	59	52	37	251	2,846	1,102	52	1,692	-	148	2,361	1,972	1,135	838	
June 29	8,160	6,341	58	58	21	314	3,236	1,359	63	1,814	2	173	2,480	1,819	1,006	813	
Oct. 4	8,150	6,344	59	33	8	302	3,040	1,096	46	1,898	1	175	2,726	1,807	989	817	
Dec. 31	8,774	6,683	128	46	21	322	3,401	1,202	55	2,145	-	169	2,595	2,091	1,112	979	
1930, Mar. 27	8,238	6,192	89	40	49	92	107	3,412	1,477	60	1,876	-	150	2,252	2,046	1,150	897
June 30	8,798	6,594	144	29	35	78	118	3,928	1,873	68	1,987	-	134	2,127	2,204	1,147	1,057
CHICAGO*																	
1928, Oct. 3	1,910	1,505	1	3	21	35	914	119	252	543	3	41	487	405	191	214	
Dec. 31	1,910	1,519	1	1	14	40	982	75	309	598	3	39	440	391	174	217	
1929, Mar. 27	1,793	1,456	8	5	10	62	806	18	311	477	2	19	544	337	164	172	
June 29	1,767	1,433	1	3	6	67	774	48	242	484	2	22	559	334	159	176	
Oct. 4	1,823	1,510	1	4	4	68	820	59	257	504	2	19	592	312	153	160	
Dec. 31	1,757	1,448	9	5	5	88	784	11	240	533	2	19	535	309	116	193	
1930, Mar. 27	1,717	1,406	3	11	33	50	8	808	140	194	474	2	18	472	310	146	164
June 30	1,845	1,482	2	19	56	43	7	816	99	229	487	2	17	521	363	160	203

*Central reserve city banks only.

CONFIDENTIAL

ALL MEMBER BANKS -- PRELIMINARY CLASSIFICATION OF LOANS AND INVESTMENTS ON JUNE 30, 1930, COMPARED WITH PRECEDING CALL DATES
(Amounts in millions of dollars)

St. 6666a

	Total loans and investments	L o a n s										Investments					
		Total	Acceptances payable in U.S.	Bills, acceptances, etc., payable in foreign countries	Commercial paper bought in open market	Loans to banks		Loans on securities, exclusive of loans to banks			Real estate loans		All other loans	Total	U. S. Government securities	Other securities	
						On securities	All other	Total	To brokers and dealers		To others	On farm land					On other real estate
									In New York	Outside New York							
<u>RESERVE CITY BANKS</u>																	
1928, Oct. 3	12,211	8,681	5	27	178	179	3,109	522	435	2,152	124	1,368	3,691	3,530	1,703	1,827	
Dec. 31	12,156	8,702	16	33	136	173	3,293	465	509	2,318	118	1,387	3,546	3,454	1,662	1,791	
1929, Mar. 27	12,132	8,733	35	27	136	196	3,358	405	538	2,415	112	1,376	3,492	3,400	1,732	1,668	
June 29	12,065	8,789	16	22	83	241	3,294	302	511	2,480	119	1,360	3,654	3,276	1,607	1,670	
Oct. 4	12,161	9,085	6	27	71	225	3,462	354	510	2,598	110	1,360	3,823	3,075	1,519	1,557	
Dec. 31	12,029	9,084	43	24	102	258	3,440	239	425	2,775	110	1,428	3,679	2,944	1,368	1,576	
1930, Mar. 27	11,858	8,752	55	24	209	104	3,405	469	360	2,576	113	1,411	3,330	3,105	1,516	1,590	
June 30	11,874	8,544	17	19	246	99	3,352	253	435	2,664	111	1,394	3,179	3,330	1,526	1,804	
<u>COUNTRY BANKS</u>																	
1928, Oct. 3	13,612	8,885	24	17	195	46	2,106	378	117	1,610	294	1,129	5,075	4,727	1,362	3,365	
Dec. 31	13,667	8,915	30	8	211	37	2,281	376	107	1,799	290	1,154	4,904	4,751	1,382	3,370	
1929, Mar. 27	13,741	9,001	44	8	192	39	2,409	354	114	1,942	289	1,176	4,843	4,740	1,424	3,316	
June 29	13,719	9,096	33	7	140	49	2,455	316	105	2,034	291	1,195	4,926	4,623	1,384	3,240	
Oct. 4	13,780	9,226	27	6	144	45	2,671	376	125	2,170	279	1,206	4,847	4,554	1,361	3,193	
Dec. 31	13,375	8,936	33	5	163	45	2,522	208	83	2,231	276	1,186	4,705	4,439	1,267	3,172	
1930, Mar. 27	13,243	8,768	27	4	207	14	2,449	258	93	2,097	279	1,196	4,541	4,475	1,273	3,202	
June 30	13,117	8,578	7	4	175	10	2,353	131	91	2,131	274	1,194	4,513	4,539	1,226	3,313	

DIVISION OF BANK OPERATIONS
FEDERAL RESERVE BOARD
JULY 29, 1930.

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C O N F I D E N T I A L

For use of Federal Reserve Board only

DEFICIENCIES IN RESERVES OF MEMBER BANKS DURING THE QUARTER ENDING JUNE 30, 1930

see 124
St. 6685

Federal Reserve District	Total member banks June 30	Number of banks penalized				Number of banks subject to progressive penalties ***	Number of banks subject to maximum penalty (a)	Average daily deficiencies on which penalties were assessed			
		Total	In Federal reserve bank and branch cities	In other reserve cities**	Country banks			Total	Federal reserve bank and branch cities	Other reserve cities	Country banks
								(In thousands of dollars)			
Boston	401	63	10	-	53	4	-	157	37	-	120
New York	923	268	39	-	229	*2	-	517	262	-	255
Philadelphia	756	114	7	-	107	7	1	140	23	-	117
Cleveland	781	107	13	2	92	15	3	266	38	16	212
Richmond	486	155	19	2	134	24	4	307	16	-	291
Atlanta	409	120	15	2	103	30	15	227	38	1	188
Chicago	1,135	248	17	12	219	*31	*6	452	20	94	338
St. Louis	552	189	39	-	150	*20	*2	205	77	-	128
Minneapolis	664	123	2	-	121	*19	*3	127	15	-	112
Kansas City	890	149	11	11	127	20	7	99	9	12	78
Dallas	719	109	15	4	90	*16	*2	213	14	10	189
San Francisco	599	156	22	3	131	15	1	115	21	1	93
Total											
Apr. - June 1930	8,315	1,801	209	36	1,556	203	44	2,825	570	134	2,121
Jan. - Mar. 1930	8,407	1,830	208	39	1,583	241	67	3,634	746	461	2,427
Apr. - June 1929	8,707	2,157	291	57	1,809	236	52	5,694	1,243	392	4,059

*Represents the number of banks which would have been subject to such progressive penalties if they had been applied, as Federal reserve bank applies only the basic rate.
 **Includes one bank each in Savannah, Ga., and Kansas City, Kans., whose required reserves are computed semi-weekly as in the case of banks located in Federal reserve bank and branch cities.
 ***Represents country banks, except 1 bank in the 8th district located in a Federal reserve bank or branch city and 2 banks in the 7th district and 1 bank in the 4th district located in "other" reserve cities.
 (a) Exclusive of banks that suspended during the quarter.

FEDERAL RESERVE BOARD
 DIVISION OF BANK OPERATIONS
 AUGUST 12, 1930

B47

COPY

pc 74.

FEDERAL RESERVE BANK OF NEW YORK

June 30, 1930.

Federal Reserve Board,
Washington, D. C.

Dear Sirs:

We have the Board's letter dated June 24, 1930, X-6640 enclosing copy of H.R. 10211 together with a favorable report thereon by the Committee on Banking and Currency.

You have asked for our comments concerning this bill which would provide for a change in the distribution of earnings of the Federal Reserve banks, the purpose being to increase the return of the member banks. While we do not wish to take the definite position that we would not favor any legislation designed to increase the return to member banks, we nevertheless have some doubt of the wisdom or practicability of changes in this direction at this time.

While there appears to have been, during the past year or two, considerable discussion about this matter of increasing the dividend return, it seems to us that much of this discussion has been predicated upon a lack of appreciation, first, of the amount of earnings which might be distributed and, second, of the principles involved and the problems that would be encountered in making such a distribution. To illustrate, the report of the House Committee on Banking and Currency, which is attached to the copy of the bill which you have sent us, cites the earnings of the Federal reserve banks since their establishment, also the amounts paid to the Federal Treasury as a franchise tax. It makes no mention of the fact, however, that 74% of the total net earnings of the system and 91% of the total paid to the Treasury as a franchise tax resulted from operations during the five war and post war years, 1918 to 1922 inclusive.

A study of the earnings of the system for the past six years shows that the net earnings of the system equaled approximately 14% of paid in capital, or 8% in excess of the present 6% dividend. This average, however, was very materially increased by the larger earnings in the years 1928 and 1929. For the four years, 1924 to 1927 inclusive, net earnings averaged slightly less than 9% of paid-in capital, or 3% above the present dividend rate. These figures are all before making any transfers whatever to surplus. During the same six year period after making transfers to surplus up to 100% as authorized by the present law, there remained for franchise taxes and further additions to surplus, an average of less than 2/3 of 1% in paid in capital. The present indications are that the year 1930 will produce earnings no more than sufficient to pay the present dividend, if indeed it does that. It seems probable, therefore, that it is only in abnormal years that the earnings of the reserve system are likely to produce more than a reasonable margin above the present dividend requirements.

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There seem to be two principal arguments against the proposed bill to increase the return to member banks:

First - The pressure which would inevitably result for greater earnings.

Under the present law with respect to the disposition of earnings, there is no pressure for increased earnings to pay larger dividends. Neither is there pressure from the directors of the reserve banks or others for the purpose of making a profit and loss showing. The reserve system was not organized for profit, and any effort, no matter how slight, to create profits could not be other than detrimental to the execution of the functions and policy of a central bank.

Second - The bill makes no provision for the payment of equal dividends in all districts.

Any plan for the payment of increased dividends should in our judgment necessarily include provision for the same dividend in all districts. This could only be accomplished through some sort of an arrangement for the pooling of earnings, which in effect means the pooling of expenses and losses. This obviously presents some difficulty. On the other hand, unless provision is made for the payment of the same dividend in all districts there would be serious danger of a competition for earning assets to such an extent as might be easily detrimental to the operation of the banks and the execution of any consistent policy.

So far as the particular bill under consideration is concerned, it does not include any definite proposal as to the manner of determining the amount of the franchise tax. The bill provides - "The Federal Reserve Board shall determine as nearly as may be possible what proportion of such net earnings was derived from the issuance of Federal reserve notes and what proportion was derived from the rediscount, investment and other banking activities of the Federal Reserve Bank." This leaves with the Board the problem of determining what proportion of the earnings shall be paid to the Government as a franchise tax, and what proportion shall be distributed to member banks. In our view it is practically impossible to determine upon a basis which would be equitable and satisfactory.

This proposed legislation appears to be patterned somewhat after the English law with respect to the profits of the Bank of England where, we understand, the net profits of the issue department of the bank are paid to the Treasury, the amount of such profits being determined in such a manner as may be agreed upon between the Treasury and the bank. These profits have, we believe, been fixed on the basis of the securities held by the note issue department as collateral security for notes outstanding, less expenses of that department.

The conditions surrounding the issue of notes by the Bank of England are quite different from those surrounding the issue of Federal

reserve notes, and it would not appear that the net profits resulting therefrom could be determined in the same manner. If, however, these profits were to be determined on the basis of the earnings on the collateral pledged as security for the notes, there would immediately result a situation where, by changing the proportions of gold and rediscounted paper pledged as collateral, the amount of franchise tax could be arbitrarily increased or reduced without any change necessarily taking place either in the amount of notes outstanding, or in the total earnings of the reserve banks. A number of different ways suggest themselves whereby the net profits resulting from the note issue privilege might be determined, but they are all arbitrary and subject to ready manipulation. It is in fact quite possible that the formula adopted might under given conditions result in paying the Treasury a larger franchise tax than that provided by the present law.

Considerable publicity was recently given the report on this subject of the Economic Policy Commission of the American Bankers Association that committee after a careful study of the question having recommended against any increase in the dividend. The President of the New York State Bankers Association, in his annual report recently presented, commented favorably upon this report and himself recommended against any agitation for an increase in the dividend. A review of the record would indicate that normal earnings above present dividends will not be so great as to justify a change in the law at this time, or at least until conditions change quite substantially. The possibility of creating a situation where pressure for earnings might easily prove detrimental to reserve system policy is of fundamental importance.

Very truly yours,

(Signed) J. H. Case
Federal Reserve Agent.

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EARNINGS AND EXPENSES OF FEDERAL RESERVE BANKS, JULY 1930

Federal Reserve Bank	Month of July 1930					Current net earnings		January - July 1930				
	Earnings from -					Current expenses		Current net earnings	Ratio to paid-in capital	Current net earnings	Dividends accrued	Available for reserves, surplus and franchise tax*
	Dis-counted bills	Pur-chased bills	U. S. secu-rities	Other sources	Total	Exclusive of cost of F.R.Currency	Total					
Boston	\$36,769	\$30,574	\$111,744	\$7,680	\$186,767	\$152,545	\$154,123	\$32,644	3.2	\$267,820	\$409,590	(a)\$142,627
New York	99,903	81,428	420,791	27,819	629,941	537,821	539,483	90,458	1.6	3,193,404	2,363,151	1,650,309
Philadelphia	81,090	3,499	131,078	3,957	219,624	162,853	164,697	54,927	3.9	845,715	583,069	264,594
Cleveland	75,913	22,472	144,058	13,723	256,166	206,865	208,823	47,343	3.5	765,603	555,136	152,582
Richmond	66,910	13,149	38,426	8,309	126,794	118,764	119,381	7,413	1.5	98,927	208,413	(a)137,100
Atlanta	98,411	18,679	30,179	9,981	157,250	113,490	124,107	33,143	7.3	451,099	189,414	258,995
Chicago	59,442	35,044	213,855	32,800	341,141	268,559	269,894	71,247	4.2	717,243	707,725	(a)19,811
St. Louis	57,207	11,149	66,595	1,634	136,585	108,689	109,286	27,299	6.1	306,755	185,228	118,642
Minneapolis	14,820	13,766	69,767	2,174	100,527	75,442	75,928	24,599	9.4	165,852	107,953	64,425
Kansas City	35,948	9,652	72,516	24,190	142,306	142,374	142,962	(a) 656	-	(a)85,564	151,405	(a)240,635
Dallas	39,815	8,613	76,507	1,500	126,435	106,205	106,507	19,928	5.4	194,144	153,649	21,352
San Francisco	34,342	26,738	96,387	4,864	162,331	191,420	194,030	(a)31,699	-	24,580	398,269	(a)509,970
TOTAL												
July 1930	700,570	274,763	1,471,903	138,631	2,585,867	2,185,027	2,209,221	376,646	2.6			
June 1930	774,374	300,512	1,478,168	435,320	2,988,374	2,180,985	2,243,376	744,998	5.3			
July 1929	4,677,113	345,940	507,011	196,318	5,726,382	2,256,921	2,400,419	3,325,963	24.4			
Jan.-July 1930	7,429,701	4,516,248	10,385,110	1,398,677	23,729,736	15,400,150	16,784,158	6,945,578	7.0	6,945,578	6,013,002	1,481,756
1929	27,856,272	6,542,851	4,144,216	1,465,354	40,008,703	15,483,286	17,697,453	22,311,250	24.9	22,311,250	5,403,050	16,240,864

FEDERAL RESERVE BOARD
DIVISION OF BANK OPERATIONS
AUGUST 11, 1930.

(a) Deficit.

*After adjustment for current profit and loss entries, purchases of furniture and equipment, etc.

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Office Correspondence

FEDERAL RESERVE
BOARD

August 11, 1930

Date

To Federal Reserve Board

Mr. Smead

Subject: Condition of member banks as of

June 30, 1930

From

*Mr. Hamlin**BS*

2-8495

Under date of July 29 the Board was furnished with a preliminary classification of loans and investments of all member banks on June 30, 1930, compared with preceding call dates. This was based on tabulations prepared by the Federal reserve agents in advance of the completion of the Comptroller's abstract and the Board's consolidated member bank call report.

The final tabulations have now been completed and there are attached hereto

(a) Statements giving a classification of loans, investments, deposits and borrowings of all member banks, central reserve city banks, reserve city banks and country banks on each call date from October 3, 1928 to June 30, 1930.

(b) Resources and liabilities and a classification of loans and investments, deposits and borrowings of all member banks in each Federal reserve district as of June 30, 1930.

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PAGE 67

See Ann

ALL MEMBER BANKS -- CLASSIFICATION OF LOANS AND INVESTMENTS ON JUNE 30, 1930, COMPARED WITH PRECEDING CALL DATES
(Amounts in millions of dollars)

St. 6681

Date	Total loans and investments	L o a n s											Investments				
		Total	Acceptances payable in U. S.	Bills, acceptances, etc., payable in foreign countries	Commercial paper bought in open market	Loans to banks		Loans on securities exclusive of loans to banks			Real estate loans		All other loans	Total	U. S. Government securities	Other securities	
						On securities	All other	Total	To brokers and dealers		To others	On farm land					On other real estate
									In New York	Outside New York							
TOTAL - ALL MEMBER BANKS																	
1928, Oct. 3	34,929	24,325	80	101	457	548	8,545	1,899	850	5,796	421	2,668	11,507	10,604	4,386	6,218	
Dec. 31	35,684	25,155	109	103	390	538	9,903	2,556	975	6,373	412	2,711	10,991	10,529	4,312	6,217	
1929, Mar. 27	35,393	24,945	146	93	376	548	9,419	1,879	1,014	6,526	403	2,720	11,240	10,448	4,454	5,994	
June 29	35,711	25,658	108	90	249	670	9,759	2,025	921	6,813	414	2,750	11,618	10,052	4,155	5,898	
Oct. 4	35,914	26,165	93	70	228	640	9,994	1,885	939	7,170	392	2,760	11,988	9,749	4,022	5,727	
Dec. 31	35,934	26,150	212	80	291	714	10,148	1,660	803	7,685	388	2,803	11,515	9,784	3,863	5,921	
1930, Mar. 27	35,056	25,119	175	79	499	260	10,074	2,344	706	7,024	394	2,776	10,595	9,937	4,085	5,852	
June 30	35,656	25,214	170	78	501	230	10,425	2,365	819	7,242	386	2,769	10,349	10,442	4,061	6,380	
NEW YORK CITY*																	
1928, Oct. 3	7,197	5,254	50	55	63	287	2,416	880	45	1,491	-	130	2,253	1,942	1,130	813	
Dec. 31	7,951	6,018	61	61	29	288	3,347	1,639	50	1,658	-	132	2,100	1,933	1,094	839	
1929, Mar. 27	7,726	5,754	59	52	37	251	2,846	1,102	52	1,692	-	148	2,361	1,972	1,135	838	
June 29	8,160	6,341	58	58	21	314	3,236	1,359	63	1,814	2	173	2,480	1,819	1,006	813	
Oct. 4	8,150	6,344	59	33	8	302	3,040	1,096	46	1,898	1	175	2,726	1,807	989	817	
Dec. 31	8,774	6,683	128	46	21	322	3,401	1,202	55	2,145	-	169	2,595	2,091	1,112	979	
1930, Mar. 27	8,238	6,192	89	40	49	92	3,412	1,477	60	1,876	-	150	2,252	2,046	1,150	897	
June 30	8,798	6,596	144	29	35	78	3,906	1,833	68	1,954	-	157	2,129	2,203	1,147	1,056	
CHICAGO*																	
1928, Oct. 3	1,910	1,505	1	3	21	35	914	119	252	543	3	41	487	405	191	214	
Dec. 31	1,910	1,519	1	1	14	40	982	75	309	598	3	39	440	391	174	217	
1929, Mar. 27	1,793	1,456	8	5	10	62	806	18	311	477	2	19	544	337	164	172	
June 29	1,767	1,433	1	3	6	67	774	48	242	484	2	22	559	334	159	176	
Oct. 4	1,823	1,510	1	4	4	68	820	59	257	504	2	19	592	312	153	160	
Dec. 31	1,757	1,443	9	5	5	88	784	11	240	533	2	19	535	309	116	193	
1930, Mar. 27	1,717	1,406	3	11	33	50	808	140	194	474	2	18	472	310	146	164	
June 30	1,849	1,483	2	19	56	43	816	99	229	487	2	18	521	366	160	205	

* Central reserve city banks only.

ALL MEMBER BANKS -- CLASSIFICATION OF LOANS AND INVESTMENTS ON JUNE 30, 1930, COMPARED WITH PRECEDING CALL DATES
(Amounts in millions of dollars)

St. 6681

Date	Total loans and investments	L o a n s											Investments				
		Total	Acceptances payable in U. S.	Bills, acceptances, etc., payable in foreign countries	Commercial paper bought in open market	Loans to banks		Loans on securities, exclusive of loans to banks			Real estate loans		All other loans	Total	U. S. Government securities	Other securities	
						On securities	All other	Total	To brokers and dealers		To others	On farm land					On other real estate
									In New York	Outside New York							
<u>RESERVE CITY BANKS</u>																	
1928, Oct. 3	12,211	8,681	5	27	178	179		3,109	522	435	2,152	124	1,368	3,691	3,530	1,703	1,827
Dec. 31	12,156	8,702	16	33	136	173		3,293	465	509	2,318	118	1,387	3,546	3,454	1,662	1,791
1929, Mar. 27	12,132	8,733	35	27	136	196		3,358	405	538	2,415	112	1,376	3,492	3,400	1,732	1,668
June 29	12,065	8,789	16	22	83	241		3,294	302	511	2,480	119	1,360	3,654	3,276	1,607	1,670
Oct. 4	12,161	9,085	6	27	71	225		3,462	354	510	2,598	110	1,360	3,823	3,075	1,519	1,557
Dec. 31	12,029	9,084	43	24	102	258		3,440	239	425	2,775	110	1,428	3,679	2,944	1,368	1,576
1930, Mar. 27	11,858	8,752	55	24	209	104	101	3,405	469	360	2,576	113	1,411	3,330	3,105	1,516	1,590
June 30	11,852	8,533	17	26	238	99	128	3,348	253	431	2,663	110	1,394	3,172	3,319	1,525	1,794
<u>COUNTRY BANKS</u>																	
1928, Oct. 3	13,612	8,885	24	17	195	46		2,106	378	117	1,610	294	1,129	5,075	4,727	1,362	3,365
Dec. 31	13,667	8,915	30	8	211	37		2,281	376	107	1,799	290	1,154	4,904	4,751	1,382	3,370
1929, Mar. 27	13,741	9,001	44	8	192	39		2,409	354	114	1,942	289	1,176	4,843	4,740	1,424	3,316
June 29	13,719	9,096	33	7	140	49		2,455	316	105	2,034	291	1,195	4,926	4,623	1,384	3,240
Oct. 4	13,780	9,226	27	6	144	45		2,671	376	125	2,170	279	1,206	4,847	4,554	1,361	3,193
Dec. 31	13,375	8,936	33	5	163	45		2,522	208	83	2,231	276	1,186	4,705	4,439	1,267	3,172
1930, Mar. 27	13,243	8,763	27	4	207	14	51	2,449	258	93	2,097	279	1,196	4,541	4,475	1,273	3,202
June 30	13,157	8,602	8	4	171	11	52	2,356	129	90	2,137	274	1,201	4,527	4,554	1,229	3,326

DIVISION OF BANK OPERATIONS
FEDERAL RESERVE BOARD
AUGUST 11, 1930.

ALL MEMBER BANKS -- CLASSIFICATION OF DEMAND AND TIME DEPOSITS AND BORROWINGS ON JUNE 30, 1930, COMPARED WITH PRECEDING CALL DATES
(In millions of dollars)

St. 6681

Date	Demand Deposits					Net demand deposits	Time Deposits							Bills Payable and Rediscounts		
	Total	Individual deposits subject to check	Certificates of deposit	State, county and municipal	All other		Total	States, counties, and municipalities	Banks in United States	Banks in foreign countries	All Other					Postal Savings
											Evidenced by pass book	Certificates of deposit	Open accounts, Christmas savings, etc	With F. R. banks	All other	
TOTAL - ALL MEMBER BANKS																
1928, Oct. 3	17,501	15,727	230	1,243	301	18,995	13,410	405	134		9,703	1,882	1,169	117	1,020	134
Dec. 31	18,904	16,997	235	1,300	372	19,944	13,453	418	124		9,810	1,895	1,071	134	1,041	122
1929, Mar. 27	17,708	15,840	207	1,385	276	18,833	13,329	429	113		9,728	1,832	1,110	116	981	172
June 29	17,815	15,743	201	1,512	359	18,977	13,325	477	180	78	9,834	1,745	997	115	1,029	169
Oct. 4	17,937	16,167	188	1,224	358	18,952	13,318	491	111	112	9,604	1,743	1,136	120	899	251
Dec. 31	18,862	16,936	202	1,335	389	19,797	13,233	595	95	154	9,592	1,741	934	122	646	232
1930, Mar. 27	17,079	15,195	183	1,446	255	18,489	13,519	536	103	176	9,626	1,811	1,140	128	206	140
June 30	18,062	15,930	198	1,568	365	19,170	13,812	571	112	224	9,678	1,862	1,233	134	274	161
NEW YORK CITY*																
1928, Oct. 3	4,548	4,299	23	71	156	5,257	1,201	11		66	560	66	478	20	263	22
Dec. 31	5,621	5,241	22	133	226	6,085	1,268	10		57	588	77	518	19	374	16
1929, Mar. 27	5,123	4,857	23	90	152	5,564	1,290	6		45	636	75	510	18	180	54
June 29	5,179	4,798	28	144	210	5,836	1,213	7	18	61	639	69	401	18	330	30
Oct. 4	5,130	4,801	24	75	230	5,587	1,374		47	93	633	80	483	18	68	97
Dec. 31	5,975	5,574	24	128	249	6,418	1,336	33	40	133	617	77	417	18	113	66
1930, Mar. 27	4,987	4,760	23	61	144	5,632	1,462	25	42	144	636	101	494	19	3	37
June 30	5,726	5,331	31	123	241	6,147	1,564	16	50	184	642	107	548	18	43	72
CHICAGO*																
1928, Oct. 3	1,051	943	9	90	9	1,222	567	37		24	274	63	168	2	44	-
Dec. 31	1,127	1,056	8	53	9	1,210	558	31		21	276	74	154	2	62	4
1929, Mar. 27	993	959	4	27	3	1,170	432	34		21	188	74	114	1	84	3
June 29	1,058	975	3	73	7	1,157	444	43	23	6	199	47	124	2	51	2
Oct. 4	1,086	1,039	3	39	6	1,217	464		72	22	184	56	118	2	45	3
Dec. 31	1,083	1,033	3	42	4	1,187	419		58	19	156	54	122	2	36	5
1930, Mar. 27	1,002	969	3	27	3	1,199	434		50	22	165	54	122	3	-	2
June 30	1,049	989	3	54	2	1,233	499		90	16	167	62	139	3	-	-

*Central reserve city banks only.

ALL MEMBER BANKS -- CLASSIFICATION OF DEMAND AND TIME DEPOSITS AND BORROWINGS ON JUNE 30, 1930, COMPARED WITH PRECEDING CALL DATES
(In millions of dollars)

St. 6681

Date	Demand Deposits					Net demand deposits	Time Deposits						Bills Payable and Rediscounts			
	Total	Individual deposits subject to check	Certificates of deposit	State, county and municipal	All other		Total	States, counties, and municipalities	Banks in United States	Banks in foreign countries	All Other			Postal Savings	With F. R. banks	All other
											Evidenced by savings pass books	Certificates of deposit	Open accounts, Christmas savings, etc			
<u>RESERVE CITY BANKS</u>																
1928, Oct. 3	5,861	5,308	45	436	71	6,394	4,843	234	31		3,699	465	372	43	452	39
Dec. 31	6,035	5,480	47	430	78	6,447	4,832	261	37		3,707	466	302	60	356	20
1929, Mar. 27	5,761	5,151	38	505	67	6,181	4,781	257	37		3,689	419	337	42	449	22
June 29	5,818	5,174	38	524	83	6,163	4,852	289	32	9	3,783	399	300	40	329	30
Oct. 4	5,794	5,287	33	405	69	6,151	4,712	258	35	10	3,653	388	326	41	512	54
Dec. 31	5,970	5,423	41	423	83	6,291	4,888	371	30	14	3,724	411	299	41	242	50
1930, Mar. 27	5,549	4,984	36	475	54	6,035	4,963	314	32	13	3,745	439	378	41	33	36
June 30	5,697	5,115	44	470	68	6,141	5,048	320	38	18	3,773	478	378	42	42	19
<u>COUNTRY BANKS</u>																
1928, Oct. 3	6,041	5,177	153	646	65	6,123	6,798	123	14		5,169	1,288	151	52	260	74
Dec. 31	6,121	5,219	157	684	60	6,202	6,794	116	9		5,240	1,278	98	54	249	81
1929, Mar. 27	5,832	4,873	141	763	55	5,918	6,827	132	10		5,215	1,264	150	55	268	92
June 29	5,759	4,797	132	771	59	5,822	6,817	139	7	1	5,214	1,230	172	55	319	107
Oct. 4	5,927	5,041	128	705	53	5,997	6,768	140	7	-	5,133	1,219	210	59	273	97
Dec. 31	5,833	4,906	133	742	52	5,902	6,590	133	6	-	5,095	1,199	95	61	255	112
1930, Mar. 27	5,541	4,482	121	884	54	5,623	6,660	147	6	-	5,080	1,217	145	65	171	65
June 30	5,591	4,496	121	921	54	5,651	6,701	145	7	1	5,096	1,214	167	71	189	70

DIVISION OF BANK OPERATIONS
FEDERAL RESERVE BOARD
AUGUST 11, 1930.

ALL MEMBER BANKS (7,247 NATIONAL BANKS AND 1,068 STATE BANKS) - CONDITION ON JUNE 30, 1930, BY FEDERAL RESERVE DISTRICTS
(In thousands of dollars)

St. 6683b

	Total	Federal Reserve District											
		Boston	New York	Phila- delphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minn- neapolis	Kansas City	Dallas	San Francisco
RESOURCES													
Loans (including overdrafts)	25,213,770	1,835,784	8,913,656	1,829,346	2,335,504	888,456	791,083	3,682,206	910,055	516,070	749,875	652,873	2,108,862
U. S. Government securities	4,061,395	244,471	1,405,299	195,507	448,274	130,574	117,470	474,851	102,266	134,289	172,654	127,337	508,403
Other securities	6,380,494	511,383	2,066,247	688,365	695,255	185,450	150,646	776,350	276,256	220,052	228,737	89,582	492,171
TOTAL LOANS AND INVESTMENTS	35,655,659	2,591,638	12,385,202	2,713,218	3,479,033	1,204,480	1,059,199	4,933,407	1,288,577	870,411	1,151,266	869,792	3,109,436
Customers' liability on account of acceptances	928,807	86,359	647,698	22,762	19,716	7,381	10,264	78,728	1,042	392	22	2,051	52,392
Banking house, furniture, and fixtures	1,217,963	72,155	323,115	106,212	149,555	61,657	58,573	177,814	40,195	26,313	42,311	46,695	113,368
Other real estate owned	190,995	7,674	25,812	22,759	29,200	15,447	14,118	23,512	12,616	5,820	7,555	9,657	16,825
Cash in vault	484,262	36,008	107,141	35,912	55,735	23,739	25,821	74,532	20,438	18,161	24,629	20,287	41,859
Reserve with F. R. banks	2,407,960	146,052	985,438	139,989	190,633	65,085	62,122	347,273	79,528	48,836	91,731	59,744	191,479
Items with F. R. banks in process of collection	836,471	61,482	405,083	56,009	72,050	33,878	19,101	77,023	30,402	5,602	27,628	21,135	27,078
Due from banks in United States	2,360,377	102,186	304,895	131,774	206,853	104,047	134,558	379,340	121,828	131,558	253,877	169,743	319,718
Due from banks in foreign countries (including own branches)	220,793	28,899	159,365	4,716	2,773	493	1,471	8,059	567	1,072	713	613	12,052
Exchanges for clearing house and other checks on local banks	2,645,057	60,582	2,171,648	70,210	51,863	18,161	15,702	119,687	18,205	11,933	19,090	12,126	75,850
Outside checks and other cash items	118,552	5,366	29,938	3,461	10,807	3,031	7,285	18,002	3,963	4,320	5,658	3,413	23,308
Redemption fund and due from U. S. Treasurer	32,658	2,241	4,444	2,765	3,914	2,515	2,325	4,487	1,606	1,337	1,599	2,276	3,149
Acceptances of other banks and bills of exchange or drafts sold with indorsement	557,748	29,386	454,650	3,404	11,807	1,091	830	44,566	661	12	2	49	11,290
Securities borrowed	26,324	248	415	380	8,989	973	1,759	2,695	6,898	75	1,305	504	2,083
Other assets	223,114	11,571	97,719	21,873	18,814	6,031	4,206	21,534	5,289	7,846	3,123	2,231	22,877
TOTAL	47,906,740	3,241,847	18,102,613	3,335,444	4,311,742	1,548,009	1,417,334	6,310,659	1,631,815	1,133,688	1,630,509	1,220,316	4,022,764

ALL MEMBER BANKS (7,247 NATIONAL BANKS AND 1,068 STATE BANKS) - CONDITION ON JUNE 30, 1930, BY FEDERAL RESERVE DISTRICTS
(Amounts in thousands of dollars)

St. 6683c

	Total	Federal					Reserve				District			
		Boston	New York	Phila- delphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minn- neapolis	Kansas City	Dallas	San Francisco	
LIABILITIES														
Capital stock paid in	2,721,997	196,662	930,953	181,843	233,994	107,666	102,845	373,137	110,475	64,390	93,957	93,548	232,527	
Surplus	2,870,800	181,529	1,238,701	373,969	293,367	83,481	71,374	291,966	63,440	35,924	44,469	47,860	144,720	
Undivided profits - net	950,072	73,465	430,139	83,616	78,266	28,556	22,579	88,621	25,276	14,924	22,840	26,479	55,311	
Reserves for dividends, con- tingencies, etc.	182,940	13,133	62,551	15,595	19,798	7,619	4,023	33,326	6,180	3,179	3,350	3,669	10,517	
Reserves for interest, taxes, and other expenses accrued and unpaid	148,960	14,343	51,622	7,845	13,823	5,528	4,617	29,742	3,754	4,065	3,595	2,799	7,227	
Due to Federal reserve banks	46,206	7,122	14,038	7,639	4,583	4,780	2,490	3,084	200	-	22	1,348	900	
Due to other banks in U. S.	3,831,656	173,057	1,412,753	207,290	313,662	110,549	111,851	563,192	151,740	100,702	227,057	112,993	346,810	
Due to banks in foreign countries (including own branches)	571,766	21,370	494,571	3,400	3,525	869	3,748	24,237	499	1,077	313	1,279	16,878	
Certified and officers' checks outstanding	1,493,437	23,381	1,239,953	17,521	33,532	13,633	8,496	58,576	15,654	9,548	15,825	11,787	45,531	
Cash letters of credit and travelers' checks outstanding	41,389	1,765	27,684	252	5,401	130	79	3,077	145	20	239	41	2,556	
Demand deposits	18,061,977	1,308,812	7,137,157	1,126,401	1,444,550	505,762	515,112	2,378,331	623,628	414,449	787,944	599,106	1,220,725	
Time deposits	13,811,978	998,159	3,481,780	1,132,217	1,673,804	564,034	445,648	2,157,546	525,763	449,190	377,995	241,207	1,764,635	
United States deposits	280,769	23,334	93,937	24,259	24,496	21,807	24,759	17,219	7,159	2,400	4,550	14,654	22,195	
TOTAL DEPOSITS	38,139,178	2,557,000	13,901,873	2,518,979	3,503,553	1,221,564	1,112,183	5,205,262	1,324,788	977,386	1,413,945	982,415	3,420,230	
Agreements to repurchase U.S. Govt. or other securities sold	37,164	2,260	15,623	2,894	3,616	3,254	1,207	4,237	1,732	224	440	902	775	
Bills payable and rediscounts:														
With Federal reserve bank	273,880	18,113	83,164	30,780	29,958	21,208	24,774	17,261	15,317	3,865	11,418	9,692	8,330	
All other	161,090	11,571	82,897	14,181	9,530	7,498	7,240	9,556	9,620	776	1,388	3,510	3,323	
Acceptances of other banks and bills sold with endorsement	557,748	29,386	454,650	3,404	11,807	1,091	830	44,566	661	12	2	49	11,290	
Acceptances executed for customers	925,576	88,566	638,779	19,051	19,864	7,371	13,582	80,362	1,044	407	26	2,348	54,176	
Acceptances executed by other banks for account of reporting banks	34,998	1,626	26,619	4,561	495	132	466	320	2	7	-	-	770	
National-bank notes outstanding	649,098	44,554	88,506	55,008	77,836	50,133	46,300	89,215	32,043	26,493	31,823	44,692	62,495	
Securities borrowed	26,324	248	415	380	8,989	973	1,759	2,695	6,898	75	1,305	504	2,083	
Other liabilities	226,915	9,391	96,121	23,338	6,846	1,935	3,555	40,393	30,585	1,961	1,951	1,849	8,990	
TOTAL	47,906,740	3,241,847	18,102,613	3,335,444	4,311,742	1,548,009	1,417,334	6,310,659	1,631,815	1,133,688	1,630,509	1,220,316	4,022,764	
Number of banks	8,315	401	923	756	781	486	409	1,135	552	664	890	719	599	

ALL MEMBER BANKS - CLASSIFICATION OF LOANS, INVESTMENTS, DEMAND AND TIME DEPOSITS, AND BORROWINGS ON JUNE 30, 1930, BY FEDERAL RESERVE DISTRICTS
(Amounts in thousands of dollars)

St. 6683

	Total	Federal					Reserve			District			
		Boston	New York	Phila- delphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minn- neapolis	Kansas City	Dallas	San Francisco
<u>Loans - total</u>	25,213,770	1,835,784	3,913,656	1,829,346	2,335,504	888,456	791,083	3,682,206	910,055	516,070	749,875	652,873	2,108,862
Domestic acceptances	169,678	361	144,105	995	72	19	381	2,905	433	337	1,208	4,029	14,833
Foreign bills and acceptances	78,221	3,035	29,916	4,390	7,200	346	2,328	19,655	853	249	13	1,061	9,175
Commercial paper bought in open market	500,599	95,084	69,100	44,437	11,368	14,802	12,191	108,764	44,095	21,328	28,918	8,204	42,308
Loans to banks: On securities	230,166	12,794	79,883	32,909	19,081	5,051	4,424	57,296	9,257	1,069	3,994	716	3,692
All other	305,141	13,715	120,042	16,264	11,744	19,179	28,127	24,217	24,224	7,315	23,636	10,580	6,098
Loans on securities, exclusive of loans to banks - Total	10,425,353	749,375	4,812,450	718,914	971,925	259,351	199,554	1,461,077	298,176	130,734	149,454	130,320	544,023
To brokers and dealers in New York	2,364,735	94,783	1,959,084	15,192	69,735	13,091	19,468	118,695	21,061	11,056	11,130	13,349	18,091
To brokers and dealers elsewhere	818,834	101,985	94,031	88,648	78,147	17,960	17,892	277,521	32,234	8,656	9,216	6,071	86,473
To others	7,241,784	552,607	2,759,335	615,074	824,043	228,300	162,194	1,064,861	244,881	111,022	129,108	110,900	439,459
Real estate loans: On farm land	386,036	8,217	12,941	13,984	30,504	17,191	24,500	80,187	26,474	25,712	21,405	17,728	107,193
On other real estate	2,769,262	269,914	545,192	225,611	460,145	51,072	52,718	475,450	99,960	20,911	21,648	22,078	524,563
All other loans (including overdrafts)	10,349,314	683,289	3,100,027	771,842	823,465	521,445	466,860	1,452,655	406,583	308,415	499,599	458,157	856,977
Loans eligible for rediscount with Federal reserve banks	3,904,968	229,645	1,096,224	253,586	237,517	191,961	196,266	570,820	199,531	179,398	250,202	218,977	280,841
<u>U. S. Government securities - total</u>	4,061,395	244,471	1,405,299	195,507	448,274	130,574	117,470	474,851	102,266	134,289	172,654	127,337	508,403
Bonds	3,339,834	207,359	1,172,927	165,683	414,913	101,089	94,928	344,813	82,956	113,321	136,302	95,732	409,811
Treasury notes	462,924	22,178	111,146	23,459	26,557	13,670	11,923	114,472	11,988	15,937	32,740	20,425	58,429
Certificates of indebtedness	254,404	14,934	120,640	6,365	6,804	15,813	10,619	14,269	7,168	5,004	3,415	10,792	38,581
All other	4,233	-	586	-	-	2	-	1,297	154	27	197	388	1,582
<u>Other securities - total</u>	6,380,494	511,383	2,066,247	688,365	695,255	185,450	150,646	776,350	276,256	220,052	228,737	89,582	492,171
<u>Domestic securities - total</u>	5,691,850	445,496	1,838,312	608,833	611,652	166,617	138,936	699,000	252,524	189,797	209,937	84,066	446,680
State, county, and municipal bonds	1,232,040	35,360	310,926	58,999	90,833	27,939	43,173	172,060	67,472	49,004	93,052	28,782	254,440
Railroad bonds	914,037	69,839	398,865	141,013	106,269	21,262	12,150	60,314	25,606	27,426	18,281	3,647	29,365
Other public service corporation bonds	1,047,687	147,218	301,821	164,281	101,301	27,703	13,752	135,986	40,459	36,987	16,680	5,230	56,269
All other bonds	1,340,789	100,266	397,832	134,371	191,733	52,089	40,066	173,729	59,213	55,190	39,282	23,754	73,264
Stock of Federal reserve banks	169,505	11,822	65,494	16,658	15,819	5,795	5,297	20,139	5,234	3,054	4,296	4,335	11,562
Stock of other corporations	565,417	54,899	271,973	55,302	59,640	18,665	17,875	17,939	40,661	1,553	12,481	6,414	8,015
Collateral trust and other corp. notes	180,936	13,584	56,863	31,487	35,933	9,722	1,815	16,503	4,683	3,915	2,241	2,038	2,152
Municipal warrants	170,575	8,410	17,551	1,614	5,770	497	2,302	81,010	6,011	10,301	19,356	7,803	9,950
All other	70,864	4,098	16,987	5,108	4,354	2,945	2,506	21,320	3,185	2,367	4,268	2,063	1,663
<u>Foreign securities - total</u>	688,644	65,887	227,935	79,532	83,603	18,833	11,710	77,350	23,732	30,255	18,800	5,516	45,491
Government bonds	346,219	30,168	110,626	37,402	40,260	8,647	6,076	40,923	12,828	14,563	10,563	3,230	30,933
Other foreign securities	342,425	35,719	117,309	42,130	43,343	10,186	5,634	36,427	10,904	15,692	8,237	2,286	14,558

ALL MEMBER BANKS - CLASSIFICATION OF LOANS, INVESTMENTS, DEMAND AND TIME DEPOSITS, AND BORROWINGS ON
 JUNE 30, 1930, BY FEDERAL RESERVE DISTRICTS
 (Amounts in thousands of dollars)

St. 6683a

	Total	Federal Reserve District											
		Boston	New York	Phila- delphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minn- neapolis	Kansas City	Dallas	San Francisco
<u>Demand deposits - total</u>	18,061,977	1,308,812	7,137,157	1,126,401	1,444,550	505,762	515,112	2,378,331	623,628	414,449	787,944	599,106	1,220,725
Individual deposits subject to check	15,930,369	1,203,834	6,450,720	1,006,432	1,243,618	447,631	423,410	2,110,713	532,404	309,943	632,283	504,674	1,064,707
Certificates of deposit	198,041	14,535	43,004	5,834	16,500	4,890	4,532	29,735	18,400	13,508	25,567	10,956	10,580
State, county, and municipal deposits	1,568,470	69,581	388,104	98,749	163,447	45,441	80,250	226,479	68,458	88,670	126,303	81,272	131,716
All other	365,097	20,862	255,329	15,386	20,985	7,800	6,920	11,404	4,366	2,328	3,791	2,204	13,722
Net demand deposits	19,170,357	1,351,605	7,569,465	1,171,732	1,573,536	525,076	530,534	2,595,960	669,377	426,699	825,010	609,685	1,321,678
<u>Time deposits - total</u>	13,811,978	998,159	3,481,780	1,132,217	1,673,804	564,034	445,648	2,157,546	525,763	449,190	377,995	241,207	1,764,635
States, counties, and municipalities	570,679	7,736	59,298	11,744	65,481	15,580	25,031	111,909	21,263	6,423	22,728	24,529	198,957
Banks in United States	111,829	1,585	52,820	1,498	2,627	3,408	2,051	20,251	2,602	7,500	58	956	16,473
Banks in foreign countries	224,114	17,829	184,636	-	-	-	12	21,585	52	-	-	-	-
Other time deposits -													
Evidenced by savings pass books	9,677,521	756,010	2,336,148	874,050	1,305,342	418,645	287,246	1,421,660	284,297	263,243	182,199	167,458	1,381,223
Certificates of deposit	1,861,504	136,322	221,883	145,178	199,147	96,422	86,511	381,434	192,764	145,372	116,654	36,053	103,764
Open accounts, Christmas savings accounts, etc.	1,232,679	71,556	606,679	96,722	94,915	26,082	28,292	186,959	18,729	7,495	37,478	7,109	50,663
Postal savings	133,652	7,121	20,316	3,025	6,292	3,897	16,505	13,748	6,056	19,157	18,878	5,102	13,555
<u>Bills payable and rediscounts - total</u>	434,970	29,684	166,061	44,961	39,488	28,706	32,014	26,817	24,937	4,641	12,806	13,202	11,653
With Federal reserve banks:													
Bills payable	147,826	7,676	69,310	16,279	20,151	6,924	3,815	8,180	7,450	481	2,019	2,317	3,224
Rediscounts	126,054	10,437	13,854	14,501	9,807	14,284	20,959	9,081	7,867	3,384	9,399	7,375	5,106
All other:													
Bills payable	155,189	11,336	82,527	13,229	8,630	7,089	6,994	8,308	9,146	724	1,149	3,226	2,831
Rediscounts	5,901	235	370	952	900	409	246	1,248	474	52	239	284	492