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Form F. R. 131

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

Office Correspondence

Date August 12, 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 250 of Mr. Hamlin's scrap book and placed in the Board's files:

VOLUME 250

Page 46
Memo to Mr. Hamlin from Mr. Goldenweiser re Sir Josiah Stamp's statement.

Page 75
Mr. Wyatt's proposed amendments re changes in S. 2366.

Page 115
Memo to Mr. Hamlin from Mr. Goldenweiser re "Prices".

Page 116
Earnings and Expenses of Federal Reserve Banks, January 1934.

Page 117
Memo to Mr. Hamlin from Mr. Van Fossen re changes in amount and composition of F.R. Bank credit outstanding on certain dates.

Page 153
Confidential daily summaries of Reserve Bank Credit, etc.

Form No. 131

Office Correspondence

FEDERAL RESERVE BOARD

Sec BA

Date February 3, 1934

To Mr. Hamlin

Subject: Sir Josiah Stamp's Statement

From Mr. Goldenweiser EAG

GPO 16—852

Referring to your inquiry about Sir Josiah Stamp's statement that if the dollar depreciation is much greater than the rise in prices, then we shall have severe competition, what Sir Josiah means is this: that if the dollar goes down to sixty cents, British and other foreign persons desiring to buy goods in America can get $1.66 for the amount of their currencies that used to buy a dollar. If American prices in the meantime go up by 66%, then there will be no change in the situation as it would still take the same number of pounds to buy American goods. If, however, American prices should rise only 20%, then the British purchaser could buy American goods at a considerable bargain and this would constitute severe competition for British goods.

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MEMORANDUM ON PROPOSED CHANGES IN S.2366

The purposes of the proposed bill appear to be: (1) to concentrate all the gold coin and bullion in the country in the hands of the Government; (2) to insure that any profit of devaluation go to the Government; (3) to discontinue for all time the use of gold in circulation; (4) to provide for a stabilization fund; and (5) to place a maximum of 60 per cent of its former parity on the value of the dollar, and to enable the President to change that value from time to time between the limits of 50 and 60 per cent.

In suggesting amendments, we have attempted, without at any point interfering with these five objectives of the bill, to eliminate provisions that would render the Federal Reserve System ineffective.

The bill will be considered section by section (with reference to S.2366 introduced January 17, 1934 by Senator Fletcher):

Section 2 (a) - A minor change is suggested on line 8 of page 2 for the purpose of limiting the denominations in which gold certificates could be issued. If that were not done it would be possible for the Secretary of the Treasury to issue one gold certificate to each Federal Reserve bank, the practical use of which would cause serious inconvenience.

Section 2 (b) - Striking out the clause providing for redemption of Federal Reserve notes is for the purpose of eliminating a meaningless provision. The redemption of Federal Reserve notes, which are lawful money, in other lawful money, including Federal Reserve notes, would serve no useful purpose.

Sections 3 and 4 on pages 8 and 9 - For both of these sections it is suggested that they be made operative during the continuance of the present national emergency. It does not seem necessary for the Secretary of the Treasury to have complete control over all gold movements after the emergency is over. During the emergency he has such control by existing Executive orders and the sections in question merely ratify these orders and somewhat strengthens them.

Section 5 - No changes.

Section 6, page 10 - The first change in this section provides that no currency shall be redeemed in gold except as provided in the Revised Statutes cited, which are amended in Sections 9 and 10 on page 12 of this Bill. They will be discussed in connection with those sections. Changes in lines 15 and 18 are for the purpose of treating gold certificates separately and providing unmistakably that the gold bullion back of them must equal the face value of the certificates. The omission of the paragraph beginning at the end of page 10 is a minor matter, but it would save expenses for the government. It is now the practice to accept British mint stamps and foreign currencies and it would be an unnecessary expense to melt down all such gold and remint it for the sole purpose of putting on a stamp of the United States Mint.

Section 8, page 12 - The change is for the purpose of re-establishing a free gold market after the termination of the emergency. It does not in any way affect the possibility of changes in the weight of the gold dollar that may be made from time to time.

Section 9, page 12 - The change here is for the same purpose as that in Section 8 and provides that after the termination of the existing emergency the Secretary of the Treasury shall be obliged to sell gold for legitimate domestic purposes and for export when legal tender money is offered for the gold. To leave redemption of currency optional with the Secretary of the Treasury is inconsistent with the reestablishment of a gold standard, even though it be a modernized gold standard. It does not seem desirable to use the language that has been used in some other sections of this bill limiting gold payments to the settlement of international balances. The transactions that come up are not balances but individual transactions, and it is almost impossible to determine when an application for gold is for the purpose of settling an international balance or for the purpose of exporting gold for some other object. The section proposed leaves to the Secretary of the Treasury authority to prescribe regulations for the sale of gold but makes it obligatory for him to make the sales. The proviso which it is proposed to eliminate would seem to serve no useful purpose if the substitute is adopted and would at the same time raise questions and offer opportunities for argument about the authority of the Secretary of the Treasury to sell gold back of gold certificates. The proviso probably was not intended to give him such authority but its elimination clarifies the section.

Section 10 (a), page 12 - This section is so phrased as to create the possibility of being construed as giving the Secretary of the Treasury powers much broader than are necessary to stabilize the foreign exchange value of the dollar. For this reason, it is proposed to insert the word "sole" before "purpose" and "foreign" before "exchange". The clause and sentence proposed to be inserted in this section on page 13 are for the same purpose. In addition, it is proposed that the powers in this section be vested in a committee of three, consisting of the Secretary of the Treasury, the Governor of the Federal Reserve Board and a third person designated by the President.

Section 10 (b) - Changes in this section are essential to bring it into harmony with the changes in the preceding section.

Section 11 - No changes.

Section 12, page 14 - The change in this section is for the purpose of making it clear that, while the President has authority to fix the value of the dollar at anywhere between 50 and 60 per cent and to make as many changes within that range as he sees fit, it is not intended to authorize him, after having devalued the dollar by 50 per cent, later to devalue it by an additional 50 per cent.

Section 14, page 15 - The insert on line 6 about gold certificates is in order to make it clear that the gold certificates issued to the Federal Reserve banks in accordance with this Act shall have legal tender quality. The definition of the national emergency at the end of the section is necessary in order to make clear exactly what is meant by that term whenever it occurs in the bill.

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Form 131

Office Correspondence

FEDERAL RESERVE BOARD

Date February 9, 1934

To Mr. Hamlin

Subject: Prices

From Mr. Goldenweiser E.A.G.

16—852

To raise prices, particularly of farm products, has been one of the chief objectives of the recovery program. The reason for raising prices has been that this would enable farmers and other producers to earn better incomes and to be better able to pay their debts.

As a matter of fact, prices have advanced a great deal in this country since last March. The following table shows the extent to which prices of different groups of commodities have increased:

CHANGES IN PRICES SINCE FEBRUARY 1933
Indicated by Index Numbers

	Feb. 1933	Jan. 1934	Per cent change
Wholesale Commodity Prices, 1926=100 (Bureau of Labor Statistics)			
All commodities	59.8	p71.9	+ 20
Farm products	40.9	p58.6	+ 43
Foods	53.7	p64.1	+ 19
Other commodities	66.0	p78.2	+ 18
17 basic materials, 1910-1914=100(Warren)	67.2	112.3	+ 67
6 international commodities, February 1933=100 (F. R. B.)	100.0	197.9	+ 98
Farm Prices, 1910-1914=100 (Bureau of Agricultural Economics)			
Received by farmers	49	p70.0	+ 43
Paid by farmers	101	p116.0	+ 15
Cost of Living, 1923=100 a/ (National Industrial Conference Board)			
Total	72.1	77.5	+ 7
Food	62.2	72.0	+ 16
Housing	65.4	62.7	- 4
Clothing	61.8	77.3	+ 25
Fuel and light	85.9	87.1	+ 1
Sundries	89.4	91.9	+ 3

a/ January, 1934 figures confidential until February 12
p/ Preliminary

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The principal measures used for the purpose of raising prices are discussed briefly in the following paragraphs:

1. Abandonment of the gold standard. In the spring of 1933 the United States abandoned the gold standard by ceasing to redeem currency in gold and by prohibiting the export of gold. These measures resulted in speculative buying of many commodities of the kind that enter into international trade, such as wheat and cotton. Prices of such commodities advanced rapidly, as is shown in the above table, for six international commodities and also for seventeen basic materials.

The rapid rise in prices of these commodities in the spring and early summer was followed by a reaction when these prices declined, but in January they were still far higher than last spring and had advanced much more than other groups of commodities. Some commodities in which there is little if any speculation have not advanced in price at all, for example, the automobile.

2. Buying of gold and decrease in gold content of the dollar. In October a policy was adopted of buying newly mined gold at home and other gold abroad, for the purpose of further decreasing the value of the dollar, and increasing dollar prices of commodities. It is believed by many that this policy prevented the fall in prices that started in the summer from continuing and becoming more pronounced.

Recently the President reduced the gold content of the dollar from 25.8 grains of gold nine-tenths fine to 15 7/21 grains, and raised the official price of gold from 20.67 dollars an ounce to 35 dollars an ounce.

By this action the value of the dollar in gold and in relation to foreign gold currencies was established at 59.06 per cent of its former parity. Since last spring the value of the dollar had already declined to 62 or 63 per cent of its former value, so that the recent act of devaluation has reduced it only a little further. At the same time it has established for the time being a greater degree of stability and confidence in the currency, which is bound to help in business recovery. A return flow from abroad of capital that had previously flowed out of the country immediately set in.

At the present time the general average of prices is about 20 per cent above what it was last spring, while it would have to be 70 per cent higher in order to make up for the decrease in the gold content of the dollar, and in its cost to foreigners. This difference will tend gradually to disappear, either through a rise in prices in this country, or through an* increase in the value of the dollar to foreigners, or through a combination of the two. Which development will actually occur and to what extent no man is wise enough to predict.

3. Increasing bank reserves. Another means of raising prices has been an effort to increase the reserves of banks, so as to encourage them to be more liberal in their lending and investing policy. Among the measures used for increasing bank reserves, the following may be mentioned: purchases of United States Government securities by the reserve banks, increasing the power of national banks to issue notes,

* Our dollar is now undervalued and if we have [illegible] [illegible] for. exchange will fall unless Foreign Nations also debase their currencies

and, finally the devaluation of the dollar with a profit to the Treasury which when expended will add to the reserves of member banks. The reserves of banks have in fact greatly increased, but the banks, being under the influence of the fear generated by wholesale failures in recent years, have not so far expanded their loans to trade and industry. There has also been a reluctance on the part of business to increase its indebtedness in view of the uncertainty of prospects of profitable operation. With a return of confidence, however, these increased reserves will make it easy for the banks to offer every facility for business as recovery progresses and requirements increase.

4. Control of output. Outside of money influences on prices, other influences have also been employed. For example, in farm products, which had been produced in too great abundance, efforts have been made to curtail production. This has been done under the Agricultural Adjustment Act and has had considerable success.

5. Cost and price agreements. Prices of some commodities have increased as the result of the activities of the National Recovery Administration which have resulted in many cases in increasing costs, through advances in wages, reductions in hours of labor, and other more or less costly changes. As a result, many articles produced under codes have shown increases in prices. These increases are reflected in the index of wholesale prices of "other commodities" shown in the above table.

6. <u>Federal expenditures upon public works and relief</u>. Another group of measures that have an effect of prices are those that directly increase the demand for goods. Among these measures, by far the most important is the growing volume of Federal emergency expenditures for purposes which employ labor and use materials.

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EARNINGS AND EXPENSES OF FEDERAL RESERVE BANKS, JANUARY 1934

Federal Reserve Bank	Month of January 1934									
	Earnings from -					Current expenses		Current net earnings		
	Discounted bills	Purchased bills	U. S. Govt. securities	Other sources	Total	Exclusive of cost of F. R. currency	Total	Total	Ratio to paid-in capital	Less accrued dividends and net charges (current) to profit and loss
									Per cent	
Boston	$6,688	$11,757	$246,714	$437	$265,596	$161,095	$175,521	$90,075	10.0	$36,779
New York	96,334	2,890	1,377,010	29,400	1,505,634	559,202	609,965	895,669	18.0	605,839
Philadelphia	80,839	3,149	266,818	643	351,449	194,092	208,806	142,643	10.6	62,025
Cleveland	30,087	5,380	332,321	15,741	383,529	235,719	251,481	132,048	12.4	55,505
Richmond	11,605	1,592	122,500	2,048	137,745	131,518	134,853	2,892	.7	-24,556
Atlanta	15,865	1,710	111,389	1,010	129,974	108,869	115,430	14,544	3.8	-8,859
Chicago	6,329	6,102	636,023	20,592	669,046	301,675	324,121	344,925	31.9	277,804
St. Louis	3,175	1,910	146,454	3,474	155,013	113,270	119,394	35,619	10.7	15,378
Minneapolis	4,942	1,181	113,612	2,771	122,506	93,610	99,294	23,212	9.5	8,550
Kansas City	4,277	1,907	132,635	13,200	152,019	138,584	150,718	1,301	.4	-21,007
Dallas	1,945	4,463	114,351	8,271	129,030	89,935	94,485	34,545	10.7	14,674
San Francisco	4,599	7,065	259,480	6,995	278,139	200,641	211,278	66,861	7.4	13,147
TOTAL										
January 1934	266,685	49,106	3,859,307	104,582	4,279,680	2,328,210	2,495,346	1,784,334	14.5	1,035,279
December 1933	511,168	42,515	3,746,821	184,424	4,484,928	2,206,940	2,372,637	2,112,291	17.1	
January 1933	723,173	118,741	2,350,486	122,679	3,315,079	2,079,403	2,172,061	1,143,018	8.9	370,397

FEDERAL RESERVE BOARD
DIVISION OF BANK OPERATIONS
FEBRUARY 14, 1934.

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Form No. 131

Office Correspondence

FEDERAL RESERVE BOARD

Sec Bk

Date February 10, 1934

To Mr. Hamlin

Subject:

From Mr. Van Fossen

VF

gpo 16—852

In accordance with your verbal request for certain further information in connection with our memorandum of January 15, we have prepared the attached statement showing changes in the amount and composition of Federal Reserve bank credit outstanding on selected dates from May 11, 1927 to November 23, 1929, together with changes in related items and in the Standard Statistics daily common stock price index number, brokers loans, and the New York Federal Reserve Bank discount and acceptance buying rates. The basis on which each of the respective dates was selected is indicated below:

May 11, 1927. Low point for year in Government security holdings and in total Reserve bank credit.

January 4, 1928. High point for entire period in Government security holdings, excluding special temporary certificates to cover Government overdrafts.

May 9, 1928. Weekly statement date near the common stock index high, recorded on May 14, for the first six months of 1928.

June 20, 1928. Weekly statement date near mid-year common stock index low, recorded on June 19, also low for year in Government security holdings (excluding temporary certificates).

November 28, 1928. Weekly statement date near common stock index 1928 high, recorded on November 30.

January 30, 1929. Weekly statement date preceding Board's February 2 letter inaugurating the "direct pressure" policy.

February 20, 1929. Weekly statement date following low recorded on February 16, under the "direct pressure" policy.

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March 20, 1929. Weekly statement date following common stock index high, recorded on March 16, during the recovery from the February low.

May 29, 1929. Weekly statement date following mid-year common stock index low, recorded on May 27.

August 7, 1929. Week statement date preceding the August 9 raise in the New York discount rate from 5 to 6 percent and reduction in buying rate on 90-day acceptances placing the discount rate above the buying rate.

September 18, 1929. Weekly statement date near crest of common stock index (actual high on September 7).

October 23, 1929. Weekly statement date coinciding with the October 23 break in the stock market.

November 13, 1929. Weekly statement date coinciding with the common stock index low following the stock market break.

The periods intervening between consecutive dates in the attached statement are briefly discussed below:

May 11, 1927 to January 4, 1928. U. S. Government security holdings rose from $254,000,000 (the low point in 1926) to $627,000,000 (the maximum for 1926, 1927 and 1928, excluding special temporary certificates to cover Government overdrafts). During the same period the rediscount rates of all Federal Reserve banks were reduced from 4 to 3-1/2 percent and the New York buying rate on 90-day bankers' acceptances from 3-3/4 percent to 3-1/4 percent (the lowest rate that prevailed from August 1925 to March 1930). A decrease of $306,000,000 in monetary gold stock was more than offset by an increase of $373,000,000 in Government security holdings. Bills bought in open market increased $154,000,000 so that there was a net increase of $221,000,000 in monetary gold stock and open market holdings combined. This was insufficient to cover the increase, largely seasonal, of $111,000,000 in money in circulation and an expansion of $215,000,000 in member bank reserve balances, so that member banks found it necessary to increase their borrowings at the Reserve banks by $79,000,000. The Standard Statistics common stock index rose from 116 to 140.7 and total brokers' loans made by reporting member banks in New York City from $2,915,000,000 to $3,810,000,000.

January 4 to May 9, 1928. During this period United States Government security holdings declined from $627,000,000 (the maximum for 1927and 1928, excluding special temporary certificates to cover Government overdrafts) to $277,000,000 or by $350,000,000. During the same period the rediscount rates of all Federal Reserve banks were increased from 3-1/2 percent to 4 percent, the New York buying rate on 90 day bankers' acceptances from 3-1/4 to 3-3/4 percent, and the Boston and Chicago Federal Reserve Bank rediscount rates shortly thereafter from 4 to 4-1/2 percent. The decline in Government security holdings of the Federal Reserve banks which began in this period continued with occasional interruptions until August 1.

Decreases of $144,000,000 in monetary gold stock and of $22,000,000 in reserve bank holdings of bills bought in open market, together with a decrease of $350,000,000 in holdings of United States Government securities, equivalent in the aggregate to a reduction of $516,000,000 in Reserve bank credit, were met in part by a reduction, largely seasonal, of $242,000,000 in money in circulation and a decline of $60,000,000 in member bank reserve balances. Member banks found it necessary to increase borrowings from Federal Reserve by $256,000,000. The Standard Statistics common stock price index rose from 140.7 to 160.7 and total brokers' loans made by reporting member banks in New York City from $3,810,000,000 to $4,361,000,000.

May 9 to June 20, 1928. During this period there was a further reduction in United States Government securities and acceptance holdings of the Reserve banks, increases in the rediscount rates of the remaining Federal Reserve banks, including New York, to 4-1/2 percent and in the New York acceptance buying rate from 3-3/4 to 4 percent, also a decline from 160.7 to 147.5 in the common stock price index. Reductions of $130,000,000 in monetary gold stock, $141,000,000 in bills bought in open market and $54,000,000 in holdings of United States Government securities, aggregating $325,000,000, were met, after allowance for decreases of $4,000,000 in money in circulation and $94,000,000 in member bank reserve balances, by an increase of $214,000,000 in member bank borrowings at the Federal Reserve banks. Loans to brokers made by member banks in New York City declined slightly, i.e., from $4,361,000,000 to $4,270,000,000.

June 20 to November 28, 1928. The common stock price index rose from the midyear low of 145.6 on June 19 to the approximate high for the year of 192.8 on November 30. During this period there was a substantial increase, $258,000,000, in Reserve bank holdings of bills bought in open market and a small increase, $6,000,000, in holdings of United States Government securities. These increases together with an increase of $23,000,000 in monetary gold stock, aggregating $287,000,000, were largely absorbed by a seasonal increase of $210,000,000 in money in circulation and an increase of $29,000,000 in member bank reserve balances. Borrowings of member banks at Federal Reserve banks were practically unchanged. Loans to brokers by member banks in New York City increased from $4,270,000,000 to $5,290,000,000. Discount rates of all but the four western Reserve banks were increased from 4-1/2 to 5 percent and the New York buying rate on 90 day acceptances to 4-1/2 percent.

November 28, 1928 to January 30, 1929. The common stock index declined from the approximate 1928 peak of 192.8 on November 30 to 174.1 on December 8 and then increased to 193.4 on December 31 and to 205.2 on February 1 just before the issuance on February 2 of a letter by the Federal Reserve Board inaugurating its "direct pressure" policy of credit control. During this period there was no net change inthe monetary gold stock but there were reductions of $46,000,000 in bills bought in open market and of $27,000,000 in holdings of United States Government securities which were more than offset by a seasonal reduction of $273,000,000 in money in circulation so that member banks were able to reduce their borrowings by $169,000,000 and to increase reserves at the Federal Reserve banks by $30,000,000. Total brokers' loans made by reporting member banks in New York City increased from $5,290,000,000 to $5,559,000,000. There was no change in the discount rates of the Federal Reserve banks during this period, but the New York buying rate on 90 day acceptances was increased from 4-1/2 to 5 percent on January 21, or to the discount rate level.

January 30 to February 20, 1929. Following the Board's letter of February 2 and the supplementary letter of February 7, instituting the "direct pressure" policy of credit control, there was a reduction in the common stock price index from 205.2 on February 1 to 191.0 on February 16 followed by a slight recovery to 195.3 by February 20. There was no change in the discount rates of the Federal Reserve banks but the New York buying rate on 90-day acceptances was increased to 5-1/8 percent on February 15, placing it an eighth above the discount rate. During this period there were declines of $80,000,000 in bills bought in open market and $29,000,000 in holdings of United States Government securities, partially offset by an increase of $23,000,000 in monetary gold stock. The net decrease of $86,000,000 in these three items augmented by an increase of $39,000,000 in money in circulation was met in part by a decrease of $72,000,000 in member bank reserve balances, while member banks found it necessary to increase borrowings at the Federal Reserve banks by $44,000,000. Loans to brokers by member banks in New York City declined slightly, i.e., from $5,559,000,000 to $5,477,000,000.

February 20 to March 20, 1929. During this period the common stock price index recovered from the decline that followed on the Board's letters of February 2 and 7 and reached a new high for the period of 207.5 on March 16 and stood at 206.6 on March 20. Total loans made to brokers by reporting member banks in New York City increased from $5,477,000,000 to $5,793,000,000. There was no change in the rediscount rate of the Federal Reserve Bank of New York nor in the New York buying rate on acceptances, but the Dallas bank increased its discount rate to 5 percent on March 2 conforming to the rate previously fixed by eight other Reserve banks including New York. The monetary gold stock increased $19,000,000 during the period and Reserve bank holdings of United States Government securities increased $12,000,000 while holdings of bills bought in open market declined $119,000,000. The net decrease of $88,000,000 in these three items augmented by an increase of $21,000,000 in member bank reserve balances was met by a reduction of $15,000,000 in money in circulation and by an increase of $78,000,000 in borrowings of member banks at Federal Reserve banks.

<u>March 20 to May 29, 1929</u>. During this period there was a heavy importation of gold resulting in an increase of $132,000,000 in the monetary gold stock. This increase was more than offset by reductions of $119,000,000 in reserve bank holdings of bills bought in open market and $40,000,000 in holdings of United States Government securities. The net reduction of $27,000,000 in these three items supplemented by an increase of $41,000,000 in money in circulation was largely met by a decrease of $54,000,000 in member banks reserve balances although member banks increased their borrowings at the Federal Reserve banks by $45,000,000. Total brokers loans made by reporting member banks in New York City declined from $5,793,000,000 to $5,288,000,000. The only changes in discount rates of the Federal Reserve banks were increases to 5 percent by Minneapolis, Kansas City, and San Francisco, thereby establishing a uniform rate for all Reserve banks. The New York buying rate on 90-day bankers' acceptances was increased to 5-3/8 percent on March 21 and to 5-1/2 percent on March 25. The common stock price index declined from the first quarter high of 207.5 on March 16 to 192.2 on May 27 and stood at 195.5 on May 29. It was during the early part of this period that the Mitchell episode occurred, his first statement regarding the intention of the National City Bank to relieve the money market situation being made on March 26.

<u>May 29 to August 7, 1929</u>. During this period, which ends just before the August 9 increase in the discount rate of the Federal Reserve Bank of New York from 5 to 6 percent, accompanied by a decrease in the buying rate on 90-day acceptances from 5-1/4 to 5-1/8 percent, there was an increase in the

common stock index from 195.5 to 231.3 and in brokers loans made by reporting member banks in New York City from $5,288,000,000 to $6,020,000,000. There was a further increase of $45,000,000 in the monetary gold stock and an increase of $13,000,000 in reserve bank holdings of United States Government securities offset in part by a decrease of $39,000,000 in bills bought in open market. The net increase of $19,000,000 in these three items was not sufficient to cover increases of $46,000,000 in money in circulation and $37,000,000 in member bank reserve balances so that member banks found it necessary to increase their borrowings at the Federal Reserve banks by $76,000,000.

August 7 to September 18, 1929. During this period the common stock price index rose from 231.3 to the maximum of 253.5 on September 7 and stood at 251.6 on September 18. Brokers' loans made by reporting member banks in New York City increased from $6,020,000,000 to $6,569,000,000. An increase in the New York discount rate from 5 to 6 percent, as referred to above, was made on August 9 together with a reduction in the New York buying rate on 90-day acceptances from 5-1/2 to 5-1/8 percent. There was a further increase of $22,000,000 in monetary gold stock and increases of $162,000,000 in reserve bank holdings of bills bought in open market and of $20,000,000 in United States Government securities. The aggregate increase of $204,000,000 in these three items was offset in part by an increase of $23,000,000 in money in circulation and of $58,000,000 in member bank reserve balances but enabled member banks to reduce their borrowings from Federal Reserve banks by $130,000,000. The reduction in member bank borrowings in view of the somewhat larger increase in holdings of bills bought in open market was due to the reestablishment on

August 9 by the Federal Reserve Bank of New York of a buying rate on 90-day acceptances substantially below its discount rate.

<u>September 18 to October 23, 1929</u>. During this period the common stock index declined from 251.6 to 224.5 on October 22 and fell to 211.2 on October 23 inaugurating the phenomenal decline in the stock market prices that occurred in the latter part of October and November 1929. Loans to brokers made by reporting member banks in New York City increased from \$6,569,000,000 to \$6,634,000,000. There were no changes in discount or open market buying rates. This period like the preceding one was marked by a further increase in monetary gold stock and a shifting from member bank borrowings to open market purchases by the Reserve banks of acceptances. The increases in monetary gold stock and in holdings of bills bought in open market amounted to \$17,000,000 and \$138,000,000, respectively. A reduction of \$42,000,000 in holdings of United States Government securities made the net change in these three items an increase of \$113,000,000 which, together with decreases of \$12,000,000 in money in circulation and \$3,000,000 in member bank reserve balances enabled member banks to reduce borrowings at the Federal Reserve bank by \$138,000,000.

<u>October 23 to November 23, 1929</u>. During this period the common stock index declined from 211.2 to the low for the year of 140.2 while brokers loans made by reporting member banks in New York declined from \$6,634,000,000 to \$4,172,000,000. The Federal Reserve Bank of New York on November 1 reduced its rediscount rate from 6 to 5 percent and its buying rate on 90-day acceptances from 5-1/8 to 4-3/4 percent. During this period there was a reversal of the flow of gold to this country, which had continued practically without

interruption from the middle of January, so that there was a reduction of $11,000,000 in monetary gold stock. There was also a reduction of $79,000,000 in Reserve bank holdings of bills bought in open market, but an increase of $177,000,000 in holdings of United States Government securities more than offset these decreases so that there was a decrease of $87,000,000 in monetary gold stock and in open market holdings combined. At the same time there was a seasonal increase of $68,000,000 in money in circulation and an increase of $230,000,000 in member bank reserve balances due chiefly to an increase of $175,000,000 in member bank borrowings at Federal Reserve banks. This increase of $230,000,000 in member bank reserve balances gave member banks as a whole a substantial amount of excess reserves.

RESERVE BANK CREDIT, RELATED ITEMS, ETC., ON SELECTED DATES FROM MAY 11, 1927 TO NOVEMBER 13, 1929

(Amounts in millions of dollars)

	May 11 1927	Jan. 4 1928	May 9 1928	June 20 1928	Nov.28 1928	Jan. 30 1929	Feb.20 1929	Mar.20 1929	May 29 1929	Aug. 7 1929	Sept.18 1929	Oct.23 1929	Nov. 13 1929
Bills discounted	442	521	777	991	990	821	865	943	988	1,064	934	796	971
Bills bought	233	387	365	224	482	436	356	237	118	79	241	379	300
U. S. Government securities	254	627	277	223	229	202	173	185	145	158	178	136	313
Other reserve bank credit	42	69	35	33	28	26	37	36	36	52	60	63	86
Total	971	1,604	1,454	1,471	1,729	1,485	1,431	1,401	1,287	1,353	1,413	1,374	1,670
Monetary gold stock	4,685	4,379	4,235	4,105	4,128	4,128	4,151	4,170	4,302	4,347	4,369	4,386	4,375
Treasury currency adjusted	1,779	1,779	1,780	1,806	1,781	1,789	1,789	1,811	1,794	1,773	1,785	1,791	1,805
Money in circulation	4,828	4,939	4,697	4,693	4,903	4,630	4,669	4,654	4,695	4,741	4,764	4,752	4,82[illegible]
Member bank reserve balances	2,271	2,486	2,426	2,332	2,361	2,391	2,319	2,340	2,286	2,323	2,381	2,378	2,608
Unexpended capital funds nonmember deposits, etc.	336	337	346	357	374	381	383	388	402	409	422	421	422
Common stock price index (Standard Statistics, 90 stocks)	*116.0	140.7	160.7	147.5	192.1	202.1	195.3	206.6	195.5	231.3	251.6	211.2	140.2
Total brokers' loans made by reporting member banks in New York City	2,915	3,810	4,361	4,270	5,290	5,559	5,477	5,793	5,288	6,020	6,569	6,634	4,172
New York rediscount rate	4%	3-1/2%	4%	4-1/2%	5%	5%	5%	5%	5%	5%	6%	6%	5%
Date established	8-13-26	8-5-27	2-3-28	5-18-28	7-13-28	7-13-28	7-13-28	7-13-28	7-13-28	7-13-28	8-9-29	8-9-29	11-1-29
New York buying rate on 61 to 91 day acceptances	3-3/4%	3-1/4%	3-3/4%	4%	4-1/2%	5%	5-1/8%	5-1/8%	5-1/2%	5-1/4%	5-1/8%	5-1/8%	4-3/4%
Date established	8-23-26	8-5-27	4-13-28	5-18-28	7-26-28	1-21-29	2-15-29	2-15-29	3-25-29	7-12-29	8-9-29	8-9-29	11-1-29

*May 13.

Attached are copies of the confidential daily summaries for the period January 30 to February 14, inclusive, the issue of which was delayed following the devaluation of the gold dollar. The items in the statement have been changed so as to show reserve bank credit and related items as well as the amount of each class of money in circulation. Some of these items were not shown in the summaries issued heretofore. It will be noted that no gold coin has been shown in circulation since the devaluation of the gold dollar.

See Res

TO: Federal Reserve Board
FROM: Division of Bank Operations

(B-814)

CONFIDENTIAL DAILY SUMMARY -- TUESDAY, JANUARY 30, 1934

(In millions of dollars)

	Tuesday Jan. 30	Change from: Yesterday	Week ago	4 weeks ago	Tuesday Jan. 31, 1933
RESERVE BANK CREDIT AND RELATED ITEMS					
Bills discounted	86	- 4	- 11	- 19	- 188
Bills bought	110	- 2	+ 3	- 15	+ 79
U. S. Government securities	2,434	+ 1	+ 2	- 3	+ 671
Other reserve bank credit	4	+ 4	+ 4	- 11	- 5
TOTAL RESERVE BANK CREDIT	2,634	- 1	- 2	- 48	+ 557
Monetary gold stock	4,316	-11	- 6	- 7	- 237
Treasury & Nat'l bank currency	2,301	--	- 1	- 2	+ 97
Money in circulation	5,570	- 9	- 37	- 243	- 75
Member bank reserve balances	2,735	+28	-131	+ 38	+ 289
Treasury cash	350	- 5	+ 31	+ 62	+ 64
Government deposits with F. R. banks	161	-26	+123	+149	+ 117
Nonmember deposits & other F.R.acc'ts	435	--	+ 5	- 63	+ 22
CIRCULATION, BY CLASSES					
Gold coin	290	--	- 10	- 21	- 189
Gold certificates	179	--	- 19	- 34	- 412
F. R. notes	2,892	- 4	- 10	-156	+ 185
F. R. bank notes	202	--	--	- 6	+ 199
National bank notes	915	--	- 1	- 3	+ 79
Other money	1,092	- 5	+ 3	- 23	+ 63
Gold reserves of F. R. banks	3,557	+ 7	+ 12	- 12	+ 301
Total reserves of F. R. banks	3,797	+12	+ 8	+ 10	+ 261
Excess reserves of F. R. banks	1,563	+12	+ 16	+ 7	+ 11
U.S.securities pledged against F.R.notes	576	+20	+ 7	- 29	+ 263
ALL MEMBER BANKS - EXCESS RESERVES					
20 member banks in New York City	115	+ 4	- 87	- 40	- 90
13 member banks in Chicago(estimated)	143	+ 9	- 36	- 40	- 43
Other licensed member banks(estimated)	564	+21	- 8	+ 85	+ 448
Total licensed banks (estimated)	822	+34	-131	+ 5	+ 315

REPORTING MEMBER BANKS -- LOANS AND INVESTMENTS

	New York City: Jan. 24	Change from: Week ago	4 weeks ago	Year ago	89 Other leading cities: Jan. 24	Change from: Week ago	4 weeks ago	Year ago
Security loans	1,646	+26	- 76	+ 84	1,852	-14	-54	-248
Other loans	1,666	+ 7	+ 2	-170	3,047	-26	-63	-103
U.S.securities	2,201	+16	- 52	-430	3,044	+ 6	+30	+684
Other securities	1,056	-59	- 61	- 47	1,884	- 7	+ 4	- 5
Total	6,569	-10	-187	-563	9,827	-41	-83	+328

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TO: Federal Reserve Board
FROM: Division of Bank Operations (B-814)

CONFIDENTIAL DAILY SUMMARY -- WEDNESDAY, JANUARY 31, 1934

(In millions of dollars)

	Wednesday Jan. 31	Change from Yesterday	Change from Week ago	Change from 4 weeks ago	Change from Wednesday Feb. 1, 1933
RESERVE BANK CREDIT AND RELATED ITEMS					
Bills discounted	83	- 3	- 14	- 23	- 186
Bills bought	111	+ 1	+ 7	- 10	+ 80
U. S. Government securities	2,434	--	+ 2	+ 2	+ 670
Other reserve bank credit	2	- 2	+ 4	- 27	- 4
TOTAL RESERVE BANK CREDIT	2,630	- 4	- 1	- 58	+ 560
Monetary gold stock	*4,035	+ 6	--	- 1	- 226
Treasury & Nat'l bank currency	2,302	+ 1	+ 1	- 1	+ 98
Money in circulation	*5,292	+ 9	- 2	-212	- 73
Member bank reserve balances	2,652	-83	-199	- 58	+ 214
Treasury cash	354	+ 4	+ 21	+ 67	+ 72
Government deposits with F. R. banks	242	+81	+177	+219	+ 205
Nonmember deposits & other F.R.acc'ts	427	- 8	+ 3	- 76	+ 14
CIRCULATION, BY CLASSES					
Gold coin	--	- 3	- 8	- 24	- 193
Gold certificates	179	--	- 11	- 33	- 412
F. R. notes	2,894	+ 2	--	-142	+ 182
F. R. bank notes	202	--	+ 1	- 5	+ 199
National bank notes	927	+12	+ 12	+ 9	+ 90
Other money	1,090	- 2	+ 4	- 17	+ 61
RESERVES, ETC., OF F. R. BANKS					
Gold reserves of F. R. banks	3,557	--	- 3	- 12	+ 302
Total reserves of F. R. banks	3,792	- 5	- 16	- 4	+ 257
Excess reserves of F. R. banks	1,559	- 4	- 8	- 1	+ 5
U.S.securities pledged against FR notes	570	- 6	+ 11	- 31	+ 263
ALL MEMBER BANKS - EXCESS RESERVES					
20 member banks in New York City	39	-76	-144	- 72	- 139
13 member banks in Chicago(estimated)	157	+14	- 10	- 39	- 23
Other licensed member banks(estimated)	549	-15	- 39	+ 29	+ 408
Total licensed banks(estimated)	745	-77	-193	- 82	+ 246

REPORTING MEMBER BANKS - LOANS AND INVESTMENTS

	New York City Jan. 31	New York City Change from Week ago	New York City Change from 4 weeks ago	New York City Change from Year ago	89 Other leading cities Jan. 24	89 Other leading cities Change from Week ago	89 Other leading cities Change from 4 weeks ago	89 Other leading cities Change from Year ago
Security loans	1,748	+102	+ 4	+105	1,852	-14	-54	-248
Other loans	1,718	+ 52	+48	-160	3,047	-26	-63	-103
U.S.securities	2,421	+220	+234	-179	3,044	+ 6	+30	+684
Other securities	1,099	+ 43	- 7	- 2	1,884	- 7	+ 4	- 5
Total	6,986	+417	+279	-236	9,827	-41	-83	+328

*Exclusive of gold coin held outside U. S. Treasury.

TO: Federal Reserve Board
FROM: Division of Bank Operations (B-814)

CONFIDENTIAL DAILY SUMMARY -- THURSDAY, FEBRUARY 1, 1934

(In millions of dollars)

	Thursday Feb. 1	Change from Yesterday	Change from Week ago	Change from 4 weeks ago	Change from Thursday Feb. 2, 1933
RESERVE BANK CREDIT AND RELATED ITEMS					
Bills discounted	81	- 2	- 16	- 24	- 188
Bills bought	110	- 1	+ 7	- 6	+ 79
U. S. Government securities	2,434	--	+ 1	+ 2	+ 671
Other reserve bank credit	3	+ 1	+ 10	- 9	- 6
TOTAL RESERVE BANK CREDIT	2,627	- 3	+ 1	- 38	+ 555
Monetary gold stock	7,018	+2,983	+2,983	+2,982	+2,759
Treasury & Nat'l bank currency	2,301	- 1	--	- 2	+ 97
Money in circulation	5,310	+ 18	+ 13	-181	- 80
Member bank reserve balances	2,718	+ 66	-108	- 11	+ 309
Treasury cash	3,344	+2,990	+3,008	+3,056	+3,064
Government deposits with F.R. banks	141	-101	+ 56	+136	+ 102
Nonmember deposits & other F.R.acc'ts	433	+ 6	+ 15	- 58	+ 16
CIRCULATION, BY CLASSES					
Gold coin	--	--	- 7	- 24	- 194
Gold certificates	173	- 6	- 15	- 39	- 417
F. R. notes	2,910	+ 16	+ 13	-115	+ 176
F. R. bank notes	204	+ 2	+ 3	- 2	+ 201
National bank notes	928	+ 1	+ 13	+ 11	+ 91
Other money	1,095	+ 5	+ 6	- 12	+ 63
RESERVES, ETC., OF F. R. BANKS					
Gold reserves of F. R. banks	3,557	--	+ 1	- 11	+ 301
Total reserves of F.R. banks	3,783	- 9	- 18	- 13	+ 252
Excess reserves of F.R. banks	1,556	- 3	- 7	- 11	+ 6
U.S.securities pledged against FR notes	587	+ 17	+ 33	- 10	+ 284
ALL MEMBER BANKS - EXCESS RESERVES					
20 member banks in New York City	65	+ 26	- 88	- 80	- 76
13 member banks in Chicago(estimated)	171	+ 14	- 3	- 6	- 10
Other licensed member banks(estimated)	572	+ 23	- 13	+ 46	+ 422
Total licensed banks (estimated)	808	+ 63	-104	- 40	+ 336

REPORTING MEMBER BANKS -- LOANS AND INVESTMENTS

	New York City Jan. 31	Change from Week ago	Change from 4 weeks ago	Change from Year ago	89 Other leading cities Jan. 24	Change from Week ago	Change from 4 weeks ago	Change from Year ago
Security loans	1,748	+102	+ 4	+105	1,852	-14	-54	-248
Other loans	1,718	+ 52	+ 48	-160	3,047	-26	-63	-103
U.S. securities	2,421	+220	+234	-179	3,044	+ 6	+30	+684
Other securities	1,099	+ 43	- 7	- 2	1,884	- 7	+ 4	- 5
Total	6,986	+417	+279	-236	9,827	-41	-83	+328

TO: Federal Reserve Board
FROM: Division of Bank Operations (B-814)

CONFIDENTIAL DAILY SUMMARY -- FRIDAY, FEBRUARY 2, 1934

(In millions of dollars)

	Friday Feb. 2	Change from Yesterday	Change from Week ago	Change from 4 weeks ago	Change from Friday Feb. 3, 1933
RESERVE BANK CREDIT AND RELATED ITEMS					
Bills discounted	79	- 2	- 18	- 27	- 184
Bills bought	108	- 2	- 7	- 6	+ 77
U. S. Government securities	2,432	- 2	- 1	--	+ 669
Other reserve bank credit	-6	- 9	- 3	- 25	- 15
TOTAL RESERVE BANK CREDIT	2,612	-15	- 30	- 59	+ 546
Monetary gold stock	7,020	+ 2	+2,985	+2,984	+2,764
Treasury & Nat'l bank currency	2,301	--	--	- 2	+ 98
Money in circulation	5,341	+31	+ 41	- 141	- 74
Member bank reserve balances	2,701	-17	- 129	+ 55	+ 325
Treasury cash	3,341	- 3	+3,000	+3,051	+3,065
Government deposits with F. R. banks	122	-19	+ 38	+ 20	+ 81
Nonmember deposits & other F.R.acc'ts	428	- 5	+ 5	- 62	+ 11
CIRCULATION, BY CLASSES					
Gold coin	---	--	- 5	- 24	- 195
Gold certificates	179	+ 6	- 6	- 33	- 414
F. R. notes	2,923	+13	+ 25	- 95	+ 172
F. R. bank notes	204	--	+ 3	- 2	+ 201
National bank notes	926	- 2	+ 11	+ 10	+ 89
Other money	1,109	+14	+ 13	+ 3	+ 73
RESERVES, ETC., OF F. R. BANKS					
Gold reserves of F. R. banks	3,557	--	+ 4	- 11	+ 302
Total reserves of F. R. banks	3,769	-14	- 21	- 27	+ 245
Excess reserves of F. R. banks	1,552	- 4	+ 1	- 4	+ 6
U.S.securities pledged against F.R.notes	555	-32	+ 11	- 45	+ 255
ALL MEMBER BANKS -- EXCESS RESERVES					
20 member banks in New York City	64	- 1	- 105	- 37	- 56
13 member banks in Chicago(estimated)	169	- 2	- 11	- 8	- 11
Other licensed member banks(estimated)	558	-14	- 4	+ 68	+ 409
Total licensed banks (estimated)	791	-17	- 120	+ 23	+ 342

REPORTING MEMBER BANKS -- LOANS AND INVESTMENTS

	New York City Jan. 31	Change from Week ago	Change from 4 weeks ago	Change from Year ago	89 Other leading cities Jan. 24	Change from Week ago	Change from 4 weeks ago	Change from Year ago
Security loans	1,748	+102	+ 4	+105	1,852	-14	-54	-248
Other loans	1,718	+ 52	+ 48	-160	3,047	-26	-63	-103
U.S.securities	2,421	+220	+234	-179	3,044	+ 6	+30	+684
Other securities	1,099	+ 43	- 7	- 2	1,884	- 7	+ 4	- 5
Total	6,986	+417	+279	-236	9,827	-41	-83	+328

TO: Federal Reserve Board
FROM: Division of Bank Operations

(B-814)

CONFIDENTIAL DAILY SUMMARY -- SATURDAY, FEBRUARY 3, 1934

(In millions of dollars)

	Saturday Feb. 3	Change from: Yesterday	Week ago	4 weeks ago	Saturday Feb. 4, 1933
RESERVE BANK CREDIT AND RELATED ITEMS					
Bills discounted	77	- 2	- 20	- 30	- 184
Bills bought	108	--	- 7	- 6	+ 76
U. S. Government securities	2,432	--	- 1	--	+ 669
Other reserve bank credit	4	+10	- 6	- 15	- 6
TOTAL RESERVE BANK CREDIT	2,621	+ 9	- 34	- 51	+ 555
Monetary gold stock	7,030	+10	+2,990	+2,994	+2,775
Treasury & Nat'l bank currency	2,300	- 1	--	- 2	+ 97
Money in circulation	5,344	+ 3	+ 50	- 120	- 76
Member bank reserve balances	2,721	+20	- 131	+ 51	+ 335
Treasury cash	3,352	+11	+3,003	+3,061	+3,076
Government deposits with F. R. banks	102	-20	+ 36	+ 12	+ 72
Nonmember deposits & other F.R.acc'ts	432	+ 4	- 2	- 63	+ 20
CIRCULATION, BY CLASSES					
Gold coin	--	--	- 5	- 24	- 196
Gold certificates	178	- 1	- 6	- 34	- 416
F. R. notes	2,930	+ 7	+ 33	- 75	+ 176
F. R. bank notes	205	+ 1	+ 4	--	+ 202
National bank notes	925	- 1	+ 11	+ 11	+ 88
Other money	1,106	- 3	+ 13	+ 2	+ 70
RESERVES, ETC., OF F. R. BANKS					
Gold reserves of F. R. banks	3,556	- 1	+ 5	- 11	+ 303
Total reserves of F. R. banks	3,771	+ 2	- 20	- 28	+ 250
Excess reserves of F.R. banks	1,549	- 3	+ 1	- 8	+ 4
U.S.securities pledged against F.R.notes	545	-10	+ 1	- 51	+ 245
ALL MEMBER BANKS -- EXCESS RESERVES					
20 member banks in New York City	54	-10	- 63	- 42	- 65
13 member banks in Chicago(estimated)	172	+ 3	- 18	- 9	- 6
Other licensed member banks(estimated)	587	+29	- 36	+ 72	+ 423
Total licensed banks (estimated)	813	+22	- 117	+ 21	+ 352

REPORTING MEMBER BANKS -- LOANS AND INVESTMENTS

	New York City: Jan. 31	Change from: Week ago	4 weeks ago	Year ago	89 Other leading cities: Jan. 31	Change from: Week ago	4 weeks ago	Year ago
Security loans	1,748	+102	+ 4	+105	1,861	+ 9	-15	-247
Other loans	1,718	+ 52	+ 48	-160	3,022	-25	-73	-131
U.S.securities	2,421	+220	+234	-179	3,365	+321	+347	+994
Other securities	1,099	+ 43	- 7	- 2	1,887	+ 3	-12	- 15
Total	6,986	+417	+279	-236	10,135	+308	+247	+601

TO: Federal Reserve Board
FROM: Division of Bank Operations

(B-814)

CONFIDENTIAL DAILY SUMMARY -- MONDAY, FEBRUARY 5, 1934

(In millions of dollars)

	Monday Feb. 5	Change from Yesterday	Change from Week ago	Change from 4 weeks ago	Change from Monday Feb. 6, 1933
RESERVE BANK CREDIT AND RELATED ITEMS					
Bills discounted	76	- 1	- 14	- 30	- 180
Bills bought	104	- 4	- 8	- 8	+ 73
U. S. Government securities	2,432	--	- 1	--	+ 668
Other reserve bank credit	4	--	+ 4	- 4	- 8
TOTAL RESERVE BANK CREDIT	2,615	- 6	- 20	- 43	+ 552
Monetary gold stock	7,030	--	+2,990	+2,994	+2,777
Treasury & Nat'l bank currency	2,301	+ 1	--	- 1	+ 97
Money in circulation	5,343	- 1	+ 51	- 108	- 90
Member bank reserve balances	2,734	+13	+ 27	+ 63	+ 362
Treasury cash	3,358	+ 6	+3,003	+3,064	+3,083
Government deposits with F. R. banks	80	-22	- 107	- 4	+ 58
Nonmember deposits & other F.R.acc'ts	431	- 1	- 4	- 65	+ 13
CIRCULATION, BY CLASSES					
Gold coin	--	--	- 3	- 23	- 196
Gold certificates	176	- 2	- 3	- 35	- 420
F. R. notes	2,928	- 2	+ 32	- 66	+ 163
F. R. bank notes	203	- 2	+ 1	- 2	+ 200
National bank notes	925	--	+ 10	+ 10	+ 88
Other money	1,111	+ 5	+ 14	+ 8	+ 75
RESERVES, ETC., OF F. R. BANKS					
Gold reserves of F. R. banks	3,556	--	+ 6	- 12	+ 303
Total reserves of F. R. banks	3,765	- 6	- 20	- 36	+ 247
Excess reserves of F. R. banks	1,547	- 2	- 4	- 15	+ 4
U.S.securities pledged against F.R.notes	561	+16	+ 5	- 25	+ 246
ALL MEMBER BANKS -- EXCESS RESERVES					
20 member banks in New York City	56	+ 2	- 55	- 74	- 61
13 member banks in Chicago(estimated)	179	+ 7	+ 45	+ 16	- 2
Other licensed member banks(estimated)	594	+ 7	+ 51	+ 91	+ 437
Total licensed banks (estimated)	829	+16	+ 41	+ 33	+ 374

REPORTING MEMBER BANKS -- LOANS AND INVESTMENTS

	New York City				89 Other leading cities			
	Jan. 31	Change from Week ago	Change from 4 weeks ago	Change from Year ago	Jan. 31	Change from Week ago	Change from 4 weeks ago	Change from Year ago
Security loans	1,748	+102	+ 4	+105	1,861	+ 9	-15	-247
Other loans	1,718	+ 52	+ 48	-160	3,022	- 25	-73	-131
U.S.securities	2,421	+220	+234	-179	3,365	+321	+347	+994
Other securities	1,099	+ 43	- 7	- 2	1,887	+ 3	-12	- 15
Total	6,986	+417	+279	-236	10,135	+308	+247	+601

TO: Federal Reserve Board
FROM: Division of Bank Operations

(B-814)

CONFIDENTIAL DAILY SUMMARY -- TUESDAY, FEBRUARY 6, 1934

(In millions of dollars)

	Tuesday Feb. 6	Change from: Yesterday	Week ago	4 weeks ago	Tuesday Feb. 7, 1933
RESERVE BANK CREDIT AND RELATED ITEMS					
Bills discounted	73	- 3	- 13	- 31	- 181
Bills bought	99	- 5	- 11	- 14	+ 68
U. S. Government securities	2,432	--	- 2	--	+ 669
Other reserve bank credit	3	- 1	- 1	- 5	- 12
TOTAL RESERVE BANK CREDIT	2,606	- 9	- 28	- 51	+ 543
Monetary gold stock	7,031	+ 1	+3,002	+2,995	+2,785
Treasury & Nat'l bank currency	2,300	- 1	- 1	- 2	+ 96
Money in circulation	5,326	-17	+ 43	- 97	- 100
Member bank reserve balances	2,775	+41	+ 40	+ 26	+ 399
Treasury cash	3,359	+ 1	+3,009	+3,065	+3,081
Government deposits with F.R. banks	44	-36	- 117	+ 12	+ 26
Nonmember deposits & other F.R.acc'ts	433	+ 2	- 2	- 64	+ 18
CIRCULATION, BY CLASSES					
Gold coin	--	--	- 3	- 23	- 198
Gold certificates	175	- 1	- 4	- 36	- 419
F. R. notes	2,918	-10	+ 26	- 56	+ 155
F. R. bank notes	202	- 1	--	- 3	+ 199
National bank notes	925	--	+ 10	+ 10	+ 87
Other money	1,106	- 5	+ 14	+ 11	+ 76
RESERVES, ETC., OF F. R. BANKS					
Gold reserves of F. R. banks	3,556	--	- 1	- 11	+ 313
Total reserves of F. R. banks	3,772	+ 7	- 25	- 36	+ 258
Excess reserves of F. R. banks	1,554	+ 7	- 9	- 15	+ 13
U.S.securities pledged against F.R.notes	561	--	- 15	- 10	+ 249
ALL MEMBER BANKS -- EXCESS RESERVES					
20 member banks in New York City	81	+25	- 34	- 94	- 40
13 member banks in Chicago(estimated)	182	+ 3	+ 39	+ 24	+ 6
Other licensed member banks(estimated)	604	+10	+ 40	+ 69	+ 442
Total licensed banks (estimated)	867	+38	+ 45	- 1	+ 408

REPORTING MEMBER BANKS -- LOANS AND INVESTMENTS

	New York City: Jan. 31	Change from: Week ago	4 weeks ago	Year ago	89 Other leading cities: Jan. 31	Change from: Week ago	4 weeks ago	Year ago
Security loans	1,748	+102	+ 4	+105	1,861	+ 9	- 15	-247
Other loans	1,718	+ 52	+ 48	-160	3,022	-25	- 73	-131
U.S.securities	2,421	+220	+234	-179	3,365	+321	+347	+994
Other securities	1,099	+ 43	- 7	- 2	1,887	+ 3	- 12	- 15
Total	6,986	+417	+279	-236	10,135	+308	+247	+601

TO: Federal Reserve Board
FROM: Division of Bank Operations

(B-814)

CONFIDENTIAL DAILY SUMMARY -- WEDNESDAY, FEBRUARY 7, 1934

(In millions of dollars)

	Wednesday Feb. 7	Change from Yesterday	Change from Week ago	Change from 4 weeks ago	Change from Wednesday Feb. 8, 1933
RESERVE BANK CREDIT AND RELATED ITEMS					
Bills discounted	73	--	-10	-31	-180
Bills bought	97	-2	-14	-16	+ 66
U. S. Government securities	2,432	--	- 2	--	+648
Other reserve bank credit	4	+1	+ 2	- 2	- 13
TOTAL RESERVE BANK CREDIT	2,606	--	-24	-49	+521
Monetary gold stock	7,036	+5	+3,001	+3,000	+2,788
Treasury & Nat'l bank currency	2,301	+1	- 1	- 1	+ 98
Money in circulation	5,317	-9	+25	-80	-101
Member bank reserve balances	2,736	-39	+84	-41	+317
Treasury cash	3,364	+5	+3,010	+3,070	+3,091
Government deposits with F.R.banks	85	+41	-157	+27	+ 73
Nonmember deposits & other F.R.acc'ts	441	+8	+14	-26	+ 27
CIRCULATION, BY CLASSES					
Gold coin	--	--	--	-23	-200
Gold certificates	175	--	- 4	-36	-418
F. R. notes	2,914	-4	+20	-45	+157
F. R. bank notes	201	-1	- 1	- 3	+198
National bank notes	930	+5	+ 3	+21	+ 94
Other money	1,097	-9	+ 7	+ 6	+ 68
RESERVES, ETC., OF F. R. BANKS					
Gold reserves of F. R. banks	3,556	--	- 1	-10	+309
Total reserves of F. R. banks	3,777	+5	-15	-40	+255
Excess reserves of F. R. banks	1,561	+7	+ 2	- 4	+ 23
U.S.securities pledged against F.R.notes	561	--	- 9	- 4	+245
ALL MEMBER BANKS -- EXCESS RESERVES					
20 member banks in New York City	46	-35	+ 7	-131	-106
13 member banks in Chicago(estimated)	189	+ 7	+32	+35	+ 16
Other licensed member banks(estimated)	591	-13	+42	+27	+415
Total licensed banks(estimated)	826	-41	+81	-69	+325

REPORTING MEMBER BANKS -- LOANS AND INVESTMENTS

	New York City Feb. 7	New York City Change from Week ago	New York City Change from 4 weeks ago	New York City Change from Year ago	89 Other leading cities Jan. 31	89 Other leading cities Change from Week ago	89 Other leading cities Change from 4 weeks ago	89 Other leading cities Change from Year ago
Security loans	1,729	-19	+105	+123	1,861	+ 9	-15	-247
Other loans	1,691	-27	+ 47	-108	3,022	-25	-73	-131
U.S.securities	2,485	+64	+315	- 87	3,365	+321	+347	+994
Other securities	1,059	-40	- 39	- 37	1,887	+ 3	-12	- 15
Total	6,964	-22	+428	-109	10,135	+308	+247	+601

TO: Federal Reserve Board
FROM: Division of Bank Operations

(B-814)

CONFIDENTIAL DAILY SUMMARY -- THURSDAY, FEBRUARY 8, 1934

(In millions of dollars)

	Thursday Feb. 8	Change from Yesterday	Change from Week ago	Change from 4 weeks ago	Change from Thursday Feb. 9, 1933
RESERVE BANK CREDIT AND RELATED ITEMS					
Bills discounted	72	-1	-9	-33	-182
Bills bought	95	-2	-15	-16	+ 64
U. S. Government securities	2,434	+2	--	+ 2	+650
Other reserve bank credit	8	+4	+ 5	--	-9
TOTAL RESERVE BANK CREDIT	2,609	+3	-18	-47	+523
Monetary gold stock	7,039	+3	+21	+3,003	+2,806
Treasury & Nat'l bank currency	2,300	-1	- 1	-2	+97
Money in circulation	5,326	+9	+16	-64	-102
Member bank reserve balances	2,754	+18	+36	+63	+383
Treasury cash	3,366	+2	+22	+3,072	+3,091
Government deposits with F.R.banks	73	-12	-68	-100	+36
Nonmember deposits & other F.R.acc'ts	429	-12	- 4	-17	+18
CIRCULATION, BY CLASSES					
Gold coin	--	--	--	-23	-201
Gold certificates	174	-1	+1	-37	-419
F. R. notes	2,920	+6	+10	-30	+157
F. R. bank notes	201	--	- 3	- 2	+198
National bank notes	931	+1	+ 3	+22	+94
Other money	1,100	+3	+ 5	+ 6	+69
RESERVES, ETC., OF F. R. BANKS					
Gold reserves of F. R. banks	3,556	--	- 1	-10	+357
Total reserves of F. R. banks	3,772	-5	-11	-42	+270
Excess reserves of F. R. banks	1,554	-7	- 2	- 9	+ 31
U.S.securities pledged against F.R.notes	563	+2	-24	+ 1	+223
ALL MEMBER BANKS -- EXCESS RESERVES					
20 member banks in New York City	54	+8	-11	-65	-66
13 member banks in Chicago(estimated)	190	+1	+19	+25	+17
Other licensed member banks(estimated)	596	+5	+24	+70	+431
Total licensed banks(estimated)	840	+14	+32	+30	+382

REPORTING MEMBER BANKS -- LOANS AND INVESTMENTS

	New York City				89 Other leading cities			
	Feb. 7	Change from Week ago	Change from 4 weeks ago	Change from Year ago	Jan. 31	Change from Week ago	Change from 4 weeks ago	Change from Year ago
Security loans	1,729	-19	+105	+123	1,861	+ 9	- 15	-247
Other loans	1,691	-27	+ 47	-108	3,022	-25	- 73	-131
U.S.securities	2,485	+64	+315	- 87	3,365	+321	+347	+994
Other securities	1,059	-40	- 39	- 37	1,887	+ 3	- 12	- 15
Total	6,964	-22	+428	-109	10,135	+308	+247	+601

TO: Federal Reserve Board
FROM: Division of Bank Operations

(B-814)

CONFIDENTIAL DAILY SUMMARY -- FRIDAY, FEBRUARY 9, 1934

(In millions of dollars)

	Friday Feb. 9	Change from: Yesterday	Week ago	4 weeks ago	Friday 2-10-33
RESERVE BANK CREDIT AND RELATED ITEMS					
Bills discounted	71	-1	- 8	-33	-185
Bills bought	93	-2	-15	-21	+ 62
U. S. Government securities	2,434	--	+ 2	+ 2	+650
Other reserve bank credit	15	+7	+ 21	+ 8	- 4
TOTAL RESERVE BANK CREDIT	2,613	+4	+ 1	-44	+523
Monetary gold stock	7,044	+5	+24	+3,008	+2,810
Treasury & Nat'l bank currency	2,300	--	- 1	- 2	+97
Money in circulation	5,338	+12	- 3	-52	-101
Member bank reserve balances	2,747	- 7	+46	+28	+418
Treasury cash	3,372	+ 6	+31	+3,077	+3,094
Government deposits with F.R.banks	72	- 1	-50	-95	+ 7
Nonmember deposits & other F.R.acc'ts	428	- 1	--	+ 4	+12
CIRCULATION, BY CLASSES					
Gold coin	--	--	--	-23	-202
Gold certificates	173	- 1	- 6	-38	-420
F. R. notes	2,927	+ 7	+ 4	-21	+159
F. R. bank notes	200	- 1	- 4	- 3	+197
National bank notes	932	+ 1	+ 6	+24	+ 95
Other money	1,106	+ 6	- 3	+ 9	+ 70
RESERVES, ETC., OF F. R. BANKS					
Gold reserves of F. R. banks	3,555	- 1	- 2	-11	+352
Total reserves of F. R. banks	3,767	- 5	- 2	-44	+274
Excess reserves of F. R. banks	1,549	- 5	- 3	-10	+32
U.S.securities pledged against F.R.notes	563	--	+ 8	+ 3	+226
ALL MEMBER BANKS -- EXCESS RESERVES					
20 member banks in New York City	55	+ 1	- 9	-94	- 49
13 member banks in Chicago(estimated)	196	+ 6	+27	+31	+ 21
Other licensed member banks(estimated)	583	-13	+25	+60	+445
Total licensed banks(estimated)	834	- 6	+43	- 3	+417

REPORTING MEMBER BANKS -- LOANS AND INVESTMENTS

	New York City: Feb. 7	Change from: Week ago	4 weeks ago	Year ago	89 Other leading cities: Jan. 31	Change from: Week ago	4 weeks ago	Year ago
Security loans	1,729	-19	+105	+123	1,861	+ 9	- 15	-247
Other loans	1,691	-27	+ 47	-108	3,022	-25	- 73	-131
U.S.securities	2,485	+64	+315	- 87	3,365	+321	+347	+994
Other securities	1,059	-40	- 39	- 37	1,887	+ 3	- 12	- 15
Total	6,964	-22	+428	-109	10,135	+308	+247	+601

TO: Federal Reserve Board
FROM: Division of Bank Operations

(B-814)

CONFIDENTIAL DAILY SUMMARY -- SATURDAY, FEBRUARY 10, 1934

(In millions of dollars)

	Saturday Feb. 10	Change from: Yesterday	Week ago	4 Weeks ago	Saturday 2-11-33
RESERVE BANK CREDIT AND RELATED ITEMS					
Bills discounted	72	+1	-5	-33	-189
Bills bought	93	--	-15	-21	+ 62
U. S. Government securities	2,434	--	+ 2	+ 2	+650
Other reserve bank credit	17	+2	+13	- 1	--
TOTAL RESERVE BANK CREDIT	2,615	+2	- 6	-54	+522
Monetary gold stock	7,058	+14	+28	+3,022	+2,826
Treasury & Nat'l bank currency	2,299	-1	- 1	- 2	+ 97
Money in circulation	5,336	-2	- 8	-45	-109
Member bank reserve balances	2,800	+53	+79	+47	+470
Treasury cash	3,387	+15	+35	+3,092	+3,108
Government deposits with F.R.banks	30	-42	-72	-123	- 30
Nonmember deposits & other F.R.acc'ts	419	- 9	-13	- 5	+ 6
CIRCULATION, BY CLASSES					
Gold coin	--	--	--	-23	-202
Gold certificates	173	--	- 5	-37	-421
F. R. notes	2,926	- 1	- 4	-14	+151
F. R. bank notes	200	--	- 5	- 4	+197
National bank notes	931	- 1	+ 6	+24	+ 95
Other money	1,106	--	--	+ 9	+ 71
RESERVES, ETC., OF F. R. BANKS					
Gold reserves of F. R. banks	3,555	--	- 1	-11	+332
Total reserves of F. R. banks	3,767	--	- 4	-44	+277
Excess reserves of F. R. banks	1,547	- 2	- 2	- 7	+ 34
U.S.securities pledged against F.R.notes	578	+15	+33	+18	+225
ALL MEMBER BANKS -- EXCESS RESERVES					
20 member banks in New York City	82	+27	+28	-70	- 8
13 member banks in Chicago(estimated)	194	- 2	+22	+26	+26
Other licensed member banks(estimated)	613	+30	+26	+66	+452
Total licensed banks (estimated)	889	+55	+76	+22	+470

REPORTING MEMBER BANKS -- LOANS AND INVESTMENTS

	New York City: Feb. 7	Change from: Week ago	4 weeks ago	Year ago	89 Other leading cities: Feb. 7	Change from: Week ago	4 weeks ago	Year ago
Security loans	1,729	-19	+105	+123	1,858	- 3	- 15	-232
Other loans	1,691	-27	+ 47	-108	3,022	--	- 46	-129
U.S.securities	2,485	+64	+315	- 87	3,362	- 3	+322	+952
Other securities	1,059	-40	- 39	- 37	1,876	-11	+ 5	- 22
Total	6,964	-22	+428	-109	10,118	-17	+266	+569

TO: Federal Reserve Board
FROM: Division of Bank Operations (B-814)

CONFIDENTIAL DAILY SUMMARY -- MONDAY, FEBRUARY 12, 1934

(In millions of dollars)

	Monday Feb. 12	Change from Yesterday	Change from Week ago	Change from 4 Weeks ago	Change from Monday 2-13-33
RESERVE BANK CREDIT AND RELATED ITEMS					
Bills discounted	71	-1	-5	-33	-191
Bills bought	93	--	-11	-19	+ 62
U. S. Government securities	2,434	--	+2	+ 2	+650
Other reserve bank credit	27	+10	+23	+18	- 6
TOTAL RESERVE BANK CREDIT	2,625	+10	+10	-32	+515
Monetary gold stock	7,084	+26	+54	+3,048	+2,852
Treasury & Nat'l bank currency	2,300	+ 1	- 1	- 2	+ 97
Money in circulation	5,335	- 1	- 8	-52	-111
Member bank reserve balances	2,788	-12	+54	+22	+473
Treasury cash	3,411	+24	+53	+3,113	+3,133
Government deposits with F.R.banks	26	- 4	-54	-92	-32
Nonmember deposits & other F.R.acc'ts	449	+30	+18	+23	+ 1
CIRCULATION, BY CLASSES					
Gold coin	--	--	--	-23	-202
Gold certificates	172	- 1	- 4	-38	-422
F. R. notes	2,927	+ 1	- 1	-14	+153
F. R. bank notes	200	--	- 3	- 4	+197
National bank notes	931	--	+ 6	+22	+ 94
Other money	1,105	- 1	- 6	+ 5	+ 69
RESERVES, ETC., OF F. R. BANKS					
Gold reserves of F. R. banks	3,557	+ 2	+ 1	- 8	+334
Total reserves of F. R. banks	3,769	+ 2	+ 4	-35	+279
Excess reserves of F. R. banks	1,545	- 2	- 2	-10	+ 37
U.S.securities pledged against F.R.notes	578	--	+17	+13	+225
ALL MEMBER BANKS -- EXCESS RESERVES					
20 member banks in New York City	82	--	+26	-80	- 8
13 member banks in Chicago(estimated)	194	--	+15	+31	+26
Other licensed member banks(estimated)	598	-15	+ 4	+50	+451
Total licensed banks(estimated)	874	-15	+45	+ 1	+469

REPORTING MEMBER BANKS -- LOANS AND INVESTMENTS

	New York City Feb. 7	NYC Change from Week ago	NYC Change from 4 weeks ago	NYC Change from Year ago	89 Other leading cities Feb. 7	Other Change from Week ago	Other Change from 4 weeks ago	Other Change from Year ago
Security loans	1,729	-19	+105	+123	1,858	- 3	- 15	-232
Other loans	1,691	-27	+ 47	-108	3,022	--	- 46	-129
U.S. securities	2,485	+64	+315	- 87	3,362	- 3	+322	+952
Other securities	1,059	-40	- 39	- 37	1,876	-11	+ 5	- 22
Total	6,964	-22	+428	-109	10,118	-17	+266	+569

TO: Federal Reserve Board
FROM: Division of Bank Operations (B-814)

CONFIDENTIAL DAILY SUMMARY -- TUESDAY, FEBRUARY 13, 1934

(In millions of dollars)

	Tuesday Feb. 13	Change from Yesterday	Change from Week ago	Change from 4 Weeks ago	Change from Tuesday 2-14-33
RESERVE BANK CREDIT AND RELATED ITEMS					
Bills discounted	69	-2	-4	-31	-193
Bills bought	88	-5	-11	-24	+ 57
U. S. Government securities	2,434	--	+ 2	+ 2	+650
Other reserve bank credit	2	-25	- 1	- 5	- 7
TOTAL RESERVE BANK CREDIT	2,594	-31	-12	-57	+508
Monetary gold stock	7,084	--	+53	+3,051	+2,863
Treasury & Nat'l bank currency	2,296	-4	- 4	- 6	+ 93
Money in circulation	5,332	-3	+ 6	-41	-187
Member bank reserve balances	2,826	+38	+51	+24	+568
Treasury cash	3,361	-50	+ 2	+3,063	+3,085
Government deposits with F.R.banks	29	+ 3	-15	-62	- 22
Nonmember deposits & other F.R.acc'ts	426	-23	- 7	+ 4	+ 20
CIRCULATION, BY CLASSES					
Gold coin	--	--	--	-22	-204
Gold certificates	171	- 1	- 4	-39	-427
F. R. notes	2,927	--	+ 9	- 1	+ 93
F. R. bank notes	200	--	- 2	- 4	+197
National bank notes	929	- 2	+ 4	+20	+ 91
Other money	1,105	--	- 1	+ 5	+ 63
RESERVES, ETC., OF F. R. BANKS					
Gold reserves of F. R. banks	3,606	+49	+50	+43	+397
Total reserves of F. R. banks	3,820	+51	+48	+17	+351
Excess reserves of F. R. banks	1,589	+44	+35	+34	+ 91
U.S.securities pledged against F.R.notes	556	-22	- 5	-11	+145
ALL MEMBER BANKS -- EXCESS RESERVES					
20 member banks in New York City	102	+20	+21	-59	+ 51
13 member banks in Chicago(estimated)	197	+ 3	+15	+29	+ 39
Other licensed member banks(estimated)	613	+15	+ 9	+37	+467
Total licensed banks (estimated)	912	+38	+45	+ 7	+557

REPORTING MEMBER BANKS -- LOANS AND INVESTMENTS

	New York City Feb. 7	New York City Change from Week ago	New York City Change from 4 weeks ago	New York City Change from Year ago	89 Other leading cities Feb. 7	89 Other leading cities Change from Week ago	89 Other leading cities Change from 4 weeks ago	89 Other leading cities Change from Year ago
Security loans	1,729	-19	+105	+123	1,858	- 3	- 15	-232
Other loans	1,691	-27	+ 47	-108	3,022	--	- 46	-129
U.S.securities	2,485	+64	+315	- 87	3,362	- 3	+322	+952
Other securities	1,059	-40	- 39	- 37	1,876	-11	+ 5	- 22
Total	6,964	-22	+428	-109	10,118	-17	+266	+569