

The Papers of Eugene Meyer (mss52019)

120_05_001-

Subject File, Federal Reserve Board, Reports – Div of Bank Ops. (Smead, E.L.) Includes Memos, 1930-32

EUGENE MEYER

SUBJECT FILE

FEDERAL RESERVE BOARD
REPORTS - ~~FILE~~ DIV. OF BANK OPS.
(SMEAD, E.L.) INCL. MEMOS 1930-32

Office Correspondence

FEDERAL RESERVE
BOARD

Date December 27, 1930

To Governor Meyer

Subject: Amount of U. S. securities that

From Mr. Smead

can be purchased by Federal reserve banks

2-8495

CONFIDENTIAL

Following our telephone conversation the other morning I have given some thought to the amount of U. S. securities which the Federal reserve banks could buy without materially interfering with their present operating procedure and have compiled some statistics relating thereto which you may find interesting.

On December 24, the day before Christmas, the excess reserves and free gold holdings of the Federal reserve banks were as follows:

| <u>F. R. Bank</u> | <u>Excess Reserves</u> | <u>Free Gold</u> |
|-------------------|---------------------------|------------------|
| | (In thousands of dollars) | |
| Boston | 105,660 | 33,137 |
| New York | 508,577 | 373,686 |
| Philadelphia | 122,792 | 47,546 |
| Cleveland | 150,885 | 62,012 |
| Richmond | 51,345 | 18,584 |
| Atlanta | 75,892 | 7,704 |
| Chicago | 191,925 | 119,874 |
| St. Louis | 57,609 | 19,977 |
| Minneapolis | 32,922 | 6,468 |
| Kansas City | 45,296 | 14,496 |
| Dallas | 22,965 | 10,513 |
| San Francisco | 129,947 | 22,327 |
| Total | 1,495,875 | 736,324 |

The excess reserves, shown above, are as you will note in agreement with the excess reserves as shown in the next to the last column on the second page of our daily summary of condition of Federal reserve banks. The free gold figures, however, are considerably less than the free gold figures shown in the last column of that statement. The reason for the difference is that the free gold figures as shown above are based on the actual amount of Federal reserve notes outstanding, \$2,121,000,000 whereas the free gold figures shown in the daily statement are calculated on the basis of Federal reserve notes in actual circulation, \$1,722,000,000 plus an allowance of \$150,000,000 as the estimated minimum amount of Federal reserve notes which the Federal reserve banks and branches could conveniently get along with as till cash if the Federal reserve agents had representatives at their branches in order to promptly supply them with additional Federal reserve notes as needed.

The free gold holdings of the Federal reserve banks as stated in the daily summary are as follows:

Federal Reserve Bank

Free Gold
(In thousands of dollars)

| | |
|---------------|---------|
| Boston | 54,655 |
| New York | 477,121 |
| Philadelphia | 58,057 |
| Cleveland | 78,192 |
| Richmond | 22,722 |
| Atlanta | 9,434 |
| Chicago | 152,158 |
| St. Louis | 17,965 |
| Minneapolis | 5,811 |
| Kansas City | 16,407 |
| Dallas | 11,007 |
| San Francisco | 81,985 |
| Total | 985,514 |

Recently, as you know, there has been a substantial increase in money in circulation as a result of uneasiness in the banking situation, especially in New York, in addition to the normal seasonal increase which occurs every year to take care of the holiday trade. The amount of money in circulation increased about \$500,000,000 from November 1 to December 24 as compared with an increase during the corresponding period last year of about \$200,000,000 and in 1928 of about \$320,000,000. Owing to the unusual conditions now existing it is difficult to estimate the return flow of currency to the end of January but it will probably be in excess of \$500,000,000. If so, it will presumably result in a reduction of perhaps \$250,000,000 in rediscounts and \$150,000,000 in acceptances and in some increase in member bank reserve balances, which on December 24 were relatively low, and possibly in some adjustment in security holdings.* When this return flow of currency takes place the excess reserves of the Federal reserve banks will go up to around \$1,750,000,000 and the reserve ratio to about 83 per cent. The actual free gold holdings of the banks will increase to about \$835,000,000 and the "Estimated free gold" holdings as used in our daily statement to around \$1,100,000,000.

After the above readjustment takes place, the Federal reserve banks will be in a position to lose about \$500,000,000 of gold for export without reducing their free gold below an easy-working margin. If such an amount of gold were lost, it would result in a decline in the reserve ratio to around 68 or 70 per cent, and in free gold holdings from \$835,000,000 to around \$335,000,000.

Should the System purchase \$500,000,000 of U. S. securities, it is to be presumed that gold would move out of the country in some volume. If say \$300,000,000 of gold should leave the country as a result of such purchases, the reserve ratio would remain above 70 per cent and the free gold position of the System would be reduced to about \$465,000,000 if credit for the additional \$200,000,000 purchases of securities were taken in the form of member bank reserve balances. If taken in the form of Federal reserve notes,

*This, of course, depends on system policy.

however, the free gold position would be the same as if the gold were taken for export as the additional issues of Federal reserve notes would have to be covered dollar for dollar by gold pledged with Federal reserve agents. I have used \$500,000,000 in the above calculations as that seems to be approximately the amount of U. S. securities the Federal reserve banks could purchase without reducing their working balances below an easy margin. If, however, an assistant Federal reserve agent were to be stationed at each branch and the amount of Federal reserve notes necessary to be held as till cash thereby reduced to around \$150,000,000 the Federal reserve banks could purchase a materially larger amount of U. S. securities, say \$800,000,000. Were such a purchase to result in gold exports of \$500,000,000 and an increase of \$150,000,000 in both Federal reserve note circulation and member bank reserve deposits the System would still have about \$400,000,000 in free gold, around \$1,200,000,000 of excess reserves and a ratio of between 60 and 65 per cent. If the Federal reserve banks were authorized to use as collateral security for outstanding Federal reserve notes any securities which they are permitted by the Federal Reserve Act to purchase, the difference between free gold and excess reserves would largely disappear and the Federal reserve banks would be able to purchase securities to the same extent that they are now able to rediscount paper for member banks or to buy acceptances in the open market.

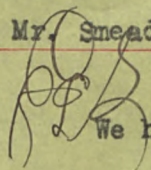
During the course of our telephone conversation, I stated that if the Federal reserve banks should buy securities equal to approximately the amount of their free gold holdings it would probably necessitate some rediscounting between Federal reserve banks. This, of course, is not true. Rediscounts between Federal reserve banks become necessary when member banks are heavily in debt to the Federal reserve banks and the reserve ratios are approaching the legal minimums but not when the System is purchasing large amounts of U. S. securities and the reserve ratios are well above legal minimums. Security purchases at such times would, however, necessarily be shifted back and forth between the Federal reserve banks in order to avoid a shortage in the collateral requirements against outstanding Federal reserve notes.

Office Correspondence

FEDERAL RESERVE
BOARDDate January 21, 1931To Governor Meyer ✓

Subject: _____

From Mr. Smead2-8495
GPO

 We have just brought up to date our mimeographed statement in explanation of the items used in the Board's weekly consolidated statement of condition of the Federal reserve banks, and I am attaching hereto a copy for your files.

EXPLANATION OF ITEMS IN THE WEEKLY CONSOLIDATED STATEMENT
OF CONDITION OF THE TWELVE FEDERAL RESERVE BANKS

January, 1931

R E S O U R C E S

GOLD WITH FEDERAL RESERVE AGENTS. Gold pledged with the Federal reserve agents by the Federal reserve banks as security for Federal reserve notes issued to them by the agents under authority of Section 16 of the Federal Reserve Act. This gold together with eligible paper (bills discounted and purchased), also so pledged, must at least equal the amount of Federal reserve notes outstanding, i.e., issued to the Federal reserve banks. Under the provisions of Section 16, gold pledged with the agents, in addition to serving as part of the collateral security for notes issued by the agents to the banks, is also counted as part of the 40 per cent gold reserve which Federal reserve banks are required to maintain against Federal reserve notes in actual circulation. Part of the gold pledged with the Federal reserve agents is kept on deposit with the Federal Reserve Board (held in custody for the Board by the United States Treasurer) for the purpose of facilitating transfers of gold to and from the Federal reserve banks, and the remainder in the agents' vaults in the form of bullion, coin or gold certificates.

GOLD REDEMPTION FUND WITH U. S. TREASURY. Gold deposited with the U. S. Treasury by the Federal reserve banks for the redemption of Federal reserve notes. Each Federal reserve bank is required by Section 16 of the Federal Reserve Act to provide for the redemption of its Federal reserve notes in Washington by maintaining with the U. S. Treasurer a gold deposit of not less than 5 per cent of the amount of notes issued to it and not covered by gold pledged with the Federal reserve agent. The Secretary of the Treasury is authorized to require the Federal reserve agents to maintain a gold redemption fund with the United States Treasurer for the redemption of Federal reserve notes covered by gold deposited with the agents. The Secretary of the Treasury has not required the agents to maintain redemption funds since August 1, 1929.

GOLD HELD EXCLUSIVELY AGAINST F. R. NOTES. This is the total of the two preceding items and constitutes that part of the reserve of the Federal reserve banks which can be counted as reserve against Federal reserve notes only. Other gold reserves held by a Federal reserve bank may be counted as a reserve against notes or against deposits, at the option of the Federal reserve bank.

GOLD SETTLEMENT FUND WITH FEDERAL RESERVE BOARD. Gold deposited by the Federal reserve banks with the Federal Reserve Board (held in custody for the Board by the U. S. Treasurer) for the purpose of creating a fund through which the Federal reserve banks and branches settle their

daily interdistrict balances, as authorized by Section 16 of the Federal Reserve Act. The Board receives a telegram daily from each Federal reserve bank, and from each Federal reserve branch which settles directly through the fund, giving the amount it has collected for the credit of each other reserve bank and branch. After the necessary bookkeeping entries have been made, the net debit or credit of each bank in the clearing is deducted from or added to its balance in the fund, thus effecting a settlement between the several Federal reserve banks without the physical shipment of money. Through a daily Federal reserve note clearing, each Federal reserve bank receives immediate credit in its gold settlement fund balance for notes of other reserve banks which it ships to the bank of issue or to the Treasury for redemption. Immediate transfers of funds are also made through this fund by telegraph for the account of the United States Government.

GOLD AND GOLD CERTIFICATES HELD BY BANKS. United States gold coin, foreign gold coin, gold bullion, and gold certificates owned by the Federal reserve banks and held in their own vaults.

TOTAL GOLD RESERVES. This is the total of the preceding three items and represents the amount of gold held by or for the account of the Federal reserve banks and agents which can be counted as part of the reserves required to be carried against Federal reserve notes and deposits.

RESERVES OTHER THAN GOLD. United States notes (greenbacks), silver certificates, and standard silver dollars. Reserves other than gold may be counted as reserves against deposits only.

TOTAL RESERVES. This is the sum of "Total gold reserves" and "Reserves other than gold," and constitutes the entire legal reserves of the Federal reserve banks against both deposit and Federal reserve note liabilities. The Federal Reserve Act, section 16, requires each Federal reserve bank to maintain a gold reserve of 40 per cent against its Federal reserve notes in actual circulation and a gold or lawful money reserve of 35 per cent against its total deposits.

NONRESERVE CASH. National bank notes, Federal reserve bank notes, subsidiary silver and minor coin. Nonreserve cash, as the name implies, represents cash held by the reserve banks which, under the terms of the Federal Reserve Act, cannot be counted as part of their required reserves against Federal reserve notes and deposits. Nonreserve cash does not include Federal reserve notes on hand at the issuing bank, as they are deducted from the total amount of such notes received from the Federal reserve agent to obtain the amount of Federal reserve notes in actual circulation against which the Federal reserve bank is required to maintain

a 40 per cent gold reserve. Federal reserve notes of other banks, which are shown separately, are not included in nonreserve cash for the reason that Section 16 of the Federal Reserve Act prohibits the paying out of such notes under penalty of a tax of 10 per cent.

BILLS DISCOUNTED - SECURED BY U. S. GOVERNMENT OBLIGATIONS.

Advances to member banks on their promissory notes secured by United States Government bonds, Treasury notes, Treasury certificates and Treasury bills, or by customers' paper fully secured by such obligations of the United States Government; rediscounts for member banks of customers' paper fully secured by United States Government obligations and rediscounts for both member and nonmember banks of World War veterans' promissory notes secured by adjusted service certificates.

OTHER BILLS DISCOUNTED. Advances to member banks on their promissory notes secured by customers' paper (except paper fully secured by United States Government obligations); rediscounts for member banks of eligible paper not secured by United States Government obligations or only partly secured by such obligations; and rediscounts of agricultural paper for Federal Intermediate Credit banks.

BILLS BOUGHT IN OPEN MARKET. Bankers and trade acceptances and dollar exchange bills bought by the Federal reserve banks in the open market, i.e., from member banks, nonmember banks, and dealers in acceptances, etc.

U. S. GOVERNMENT SECURITIES. The three items listed under United States Government securities represent the amount of United States Government bonds, Treasury notes, and Treasury certificates and bills, respectively, that are owned by the Federal reserve banks.

OTHER SECURITIES. Federal Intermediate Credit bank debentures, Federal land bank bonds, and municipal warrants, if any, owned by the Federal reserve banks.

TOTAL BILLS AND SECURITIES. This is the total of the five preceding items and comprises all of the discounts, acceptances and securities acquired by the reserve banks under the provisions of Sections 13 and 14 of the Federal Reserve Act, except paper rediscounted for banks since closed which is included in "All other resources".

DUE FROM FOREIGN BANKS. Deposit balances held with foreign central banks by the Federal Reserve Bank of New York and participated in by the other Federal reserve banks.

F. R. NOTES OF OTHER BANKS. Federal reserve notes of other Federal reserve banks, which under the provisions of the Federal Reserve Act may not be paid out except under penalty of a tax of 10 per cent. These notes

are forwarded periodically to the bank of issue, or to the United States Treasurer for redemption, whereupon payment for them is received from the bank of issue through the Gold Settlement Fund.

UNCOLLECTED ITEMS. Checks and drafts and other cash items deposited with the Federal reserve banks which are in process of collection.

BANK PREMISES. Book value of bank buildings and building sites owned by the Federal reserve banks for banking-house purposes.

ALL OTHER RESOURCES. Miscellaneous assets such as reimbursable expenses, deferred charges, claims account closed or suspended banks, interest accrued, overdrafts, premium on securities, etc.

L I A B I L I T I E S

FEDERAL RESERVE NOTES IN ACTUAL CIRCULATION. Federal reserve notes paid out by the Federal reserve banks, i.e., the amount of Federal reserve notes received by the Federal reserve banks from the Federal reserve agents, less the amount of its own Federal reserve notes held by each Federal reserve bank, also less any mutilated notes forwarded to Washington for redemption.

DEPOSITS: MEMBER BANK - RESERVE ACCOUNT. Represents the entire lawful reserve carried by national banks against their deposit liabilities and the lawful reserve which state member banks carry with the Federal reserve banks.

Section 19 of the Federal Reserve Act requires all member banks, national and state, to carry with the Federal reserve banks the entire legal reserves prescribed by the Act. In most states the state banks which are members of the Federal Reserve System are required to carry no reserves other than those which they must maintain as members of the Federal Reserve System, but in a few states a state bank, after becoming a member, is required by state law to comply with the reserve requirements applicable to other state banks, and its reserve balance with the reserve banks is counted merely as a reserve balance with an approved depository. These deposits, while constituting the required reserves of member banks, may be drawn upon to meet current requirements, and in fact are actively used by member banks in connection with their check clearing operations, transfers of funds, currency shipments, etc.

DEPOSITS: GOVERNMENT. Deposits with the Federal reserve banks by the United States Treasury. The Federal reserve banks act as fiscal agents for the Treasury and as such receive Government funds on deposit and pay Government checks and coupons and maturing securities.

DEPOSITS: FOREIGN BANK. Deposits of various foreign central banks with the Federal Reserve Bank of New York. Each of the other Federal reserve banks is allotted a participation in foreign bank deposits by the Federal Reserve Bank of New York.

OTHER DEPOSITS. Clearing balances of so-called clearing nonmember banks, maintained in accordance with Section 13 of the Federal Reserve Act, Federal reserve bank officers' checks outstanding, Federal reserve exchange and transfer drafts (drafts drawn by member banks on Federal reserve banks), and funds collected for the account of other Federal reserve banks which cannot be transferred to them on the date collected because of their being closed on account of local holidays. Nonmember banks which maintain clearing accounts with the Federal reserve banks are entitled to make the same use of the check clearing and collection facilities of the Federal reserve banks as are member banks.

TOTAL DEPOSITS. This is the total of the four preceding items and represents the aggregate deposit liability of the Federal reserve banks against which they are required to maintain a gold or lawful money reserve of 35 per cent.

DEFERRED AVAILABILITY ITEMS. Checks, drafts, and other cash items, in process of collection, for which the Federal reserve banks have given member banks, clearing nonmember banks, and the United States Treasury, credit in a deferred availability account. Final deposit credit subject to actual collection is given for these items in accordance with the Federal reserve banks' published time schedules, which are based upon the average time required to collect the items.

CAPITAL PAID IN. Each member bank is required by Section 2 of the Federal Reserve Act to subscribe to the capital stock of the Federal reserve bank in a sum equal to 6 per cent of its own paid-in capital and surplus. One-half of the subscribed capital of the Federal reserve banks has been paid in and the balance is subject to call if and when deemed necessary by the Federal Reserve Board.

SURPLUS. After all necessary expenses have been provided for, each Federal reserve bank pays its member banks an annual dividend of 6 per cent on its paid-in capital stock and transfers the remainder of its earnings to surplus account until such account is equal to its subscribed capital. One-tenth of any remaining earnings are transferred to surplus account and nine-tenths paid to the Government as a franchise tax.

ALL OTHER LIABILITIES. Miscellaneous liabilities such as accrued taxes and dividends unpaid, reserves for self-insurance and for losses account failed banks, unearned discount, and net earnings.

M E M O R A N D A

RATIO OF TOTAL RESERVES TO DEPOSIT AND F. R. NOTE LIABILITIES
COMBINED. This is the ratio of total reserves to the sum of Federal re-
serve notes in actual circulation and total deposits.

CONTINGENT LIABILITY ON BILLS PURCHASED FOR FOREIGN CORRESPONDENTS.
The amount of bankers' acceptances purchased and held in custody for the
account of its foreign correspondents by the Federal Reserve Bank of New
York and which the Federal reserve bank has agreed to repurchase on demand.
All of the Federal reserve banks participate in these accounts.

Office Correspondence

FEDERAL RESERVE
BOARD

Date February 13, 1931

To Governor Meyer ✓

Subject: Security affiliates of member

From Mr. Smead

banks

2-8495

We have been compiling statistics for some time on branch, group and chain banking and it is believed that our records in this regard are now substantially correct. They do not include, however, affiliations between banks and securities companies, and other non-banking enterprises.

The growth in security and other affiliates of member banks has been especially marked during the past few years and it seems to me that the Board should have available a reasonably complete record of all corporate enterprises (a) which are controlled by member banks or by the management of member banks through stock ownership of the directors, officers and stockholders, or (b) which own or control member banks. As illustrations of the tie-up between member banks and other corporate enterprises, I am attaching hereto examples as follows:

Chase National
First National of Boston
Anglo London Paris National
First National of Atlanta
Bank of Manhattan Trust
National City
Central Trust of Illinois

If the Board decides that a comprehensive effort should be made to compile such information, it might be obtained from member banks as a supplement to their quarterly call reports either once a year or, if thought advisable, each quarter, or it might be obtained by requesting the Federal Reserve agents to assemble as complete data as possible from sources available

to them. Any data compiled by the Federal Reserve agents would necessarily not be as current or as complete as data furnished by the member banks themselves. The Federal Reserve agents would, however, be the best source from which to obtain data on non-member affiliations.

If the collection of the information is to be undertaken, I think it would be well to discuss the problem thoroughly with the Comptroller of the Currency before making a definite decision as to best method of procedure.

CHASE NATIONAL BANK, NEW YORK CITY

| | | |
|--|---------------|--------------------------------|
| Chase Securities Corporation | New York City | Securities Co. |
| 100% of stock trustee'd for pro rata beneficial interest of Bank stockholders | | |
| American Express Company | New York City | Foreign Exchange and Travel |
| Practically all stock owned by Chase Securities Corporation. | | |
| American Express Bank & Trust Company | New York City | State Bank |
| 54% of stock owned by American Express Company; 36% of stock owned by Chase Securities Corporation | | |
| Wells Fargo & Company | New York City | |
| Controlled by American Express Company. Now in process of liquidation. | | |
| Westcott Express Company | New York City | Baggage Transfer |
| Mode of control not known | | |
| Harris Forbes & Company | New York City | Securities Co. |
| 100% of stock owned by Chase Securities Corporation | | |
| Equitable Trust Company | New York City | |
| (Function and mode of control not known) | | |
| Equitable Eastern Banking Corporation | New York City | Foreign Banking |
| Controlled 100%. Mode of control not known; presumed to be either by Chase National Bank or Chase Securities Corporation. | | |
| Chase Bank | Paris, France | Mexico City, Mexico |
| Controlled 100%. Mode of control not known. | | |
| Chase Safe Deposit Company | New York City | Mexico City, Mexico |
| 100% owned by Chase National Bank | | |

The First National Old Colony Corporation Boston Securities Co.
100% of stock trusteeed for pro rata beneficial interest of bank
stockholders.

The Old Colony Trust Company Boston
100% of stock trusted for pro rata beneficial interest of bank
stockholders.

Old Colony Investment Trust
Massachusetts trust. Administered by self-perpetuating board of trustees subject to approval of the executive committee of the Old Colony Trust Company. Operates as general management investment trust. 50% of stock owned by First National Old Colony Corporation.

Old Colony Trust Associates
Massachusetts trust. Administered by self-perpetuating board of trustees subject to approval of executive committee of Old Colony Trust Company. Managed by First National Old Colony Corporation. Stock owned by the public. A controlling interest in the following named banks and trust companies is owned by the Old Colony Trust Associates:

Appleton National Bank
 Boulevard Trust Company
 Dedham National Bank
 First National Bank
 First National Bank
 Harvard Trust Company
 Lechmere National Bank
 Menotomy Trust Company
 National Mount Wollaston Bank
 Needham Trust Company
 Newton Trust Company
 Second National Bank of Malden,
 Springfield Chapin National Bank
 & Trust Company
 Stoughton Trust Company
 Union Market National Bank
 Winchester Trust Company
 Concord National Bank
 Canton Trust Company
 Everett Trust Company

Lowell, Mass.
Brookline, Mass.
Dedham, Mass.
Mansfield, Mass.
West Newton, Mass.
Cambridge, Mass.
Cambridge, Mass.
Arlington, Mass.
Quincy, Mass.
Needham, Mass.
Newton, Mass.
Malden, Mass.

Springfield, Mass.
Stoughton, Mass.
Watertown, Mass.
Winchester, Mass.
Concord, Mass.
Canton, Mass.
Everett, Mass.

ANGLO & LONDON PARIS NATIONAL BANK, SAN FRANCISCO

Consolidated Securities Company San Francisco
100% of stock trusted for pro rata beneficial interest of the
bank's stockholders.

Anglo National Corporation San Francisco Holding company
Controlled by the Consolidated Securities Company

The Anglo-London Paris Company San Francisco Securities company
Controlled by the Consolidated Securities Company

| | | |
|---|---------------|----------|
| The Anglo Corporation | San Francisco | Inactive |
| Controlled by the Consolidated Securities Company | | |

Pacific National Agricultural Corporation San Francisco
Function and mode of control not known

| | |
|-------------------------------------|-------------------|
| First National Bank | Fairfield, Calif. |
| First National Bank | Hanford " |
| First National Bank | Lemoore " |
| First National Bank | Oakland " |
| First National Bank | Weed " |
| First National Bank | Longview, Wash. |
| Bank of Tehama County | Red Bluff, Calif. |
| Northern California National Bank | Redding " |
| The Redding Savings Bank | Redding " |
| Modesto Trust & Savings Bank | Modesto " |
| San Jose National Bank | San Jose " |
| Bank of Suisun, N. A. | Suisun " |
| Winters National Bank | Winters " |
| First National Bank | Yreka " |
| First National Bank | Bakersfield " |
| Mechanics & Merchants National Bank | Vallejo " |

Above banks controlled by Anglo National Corporation.

FIRST NATIONAL BANK. ATLANTA

Trust Company of Georgia Atlanta
100% of stock trustee'd for pro rata beneficial interest of
Bank's stockholders

First National Associates Atlanta Holding Company
100% of stock owned by Trust Company of Georgia

First National Company Atlanta Securities Company
100% of stock owned by First National Associates

National Exchange Bank **Augusta**
50% or more of stock owned by First National Associates

Fourth National Bank Columbus
50% or more of stock owned by First National Associates

First National Bank Rome
50% or more of stock owned by First National Associates

Liberty National Bank & Trust Company Savannah
50% or more of stock owned by First National Associates

First National Bank and Trust Company **Macon**
50% or more of stock owned by First National Associates

Atlanta Savings Bank Atlanta
50% or more of stock owned by First National Associates

BANK OF MANHATTAN TRUST COMPANY, NEW YORK CITY

| | | |
|---|---------------|----------------------------------|
| Manhattan Company Owns over 99% stock of Bank of Manhattan Trust Company | New York City | Holding Company |
| International Acceptance Bank Over 99% of stock owned by Manhattan Company | New York City | Acceptance |
| International Manhattan Company Over 99% of stock owned by Manhattan Company | New York City | Securities Co. |
| New York Title and Mortgage Company Majority of stock owned by Manhattan Company | New York City | Mortgages and Title Insurance |
| National Mortgage Corporation Owned by New York Title and Mortgage Company | New York City | |
| Land Estates, Inc., Incorporated Owned by New York Title and Mortgage Company | | |
| County Trust Company Owned by New York Title and Mortgage Company | White Plains | State Bank |

NATIONAL CITY BANK, NEW YORK CITY

City Bank Farmers Trust Company New York City Trust company
100% of stock trustee'd for pro rata beneficial interest of bank
stockholders.

City Bank Farmers Trust Company Ltd. London, England Trust company
100% of stock trustee'd for pro rata beneficial interest of bank
stockholders.

National City Company New York City
100% of stock trustee'd for pro rata beneficial interest of bank
stockholders.

International Banking Corporation New York City Foreign banking
Controlled by National City Bank

Bank of Haiti, Inc.
Controlled by International Banking Corporation

Banque Nationale de la Republique d'Haiti Port-au-Prince, Haiti
Owned by Bank of Haiti, Inc.

National City Bank, France, S. A. Paris
Nice
Controlled by International Banking Corporation

CENTRAL TRUST COMPANY OF ILLINOIS

| | | |
|--|---------|---------------|
| Central Illinois Company | Chicago | Securities Co |
| 100% of stock trustee'd for pro rata beneficial interest of Trust Company's stockholders | | |

| | | |
|--|---------|------------------|
| Central Illinois Securities Corporation | Chicago | Investment Trust |
| 60% of stock owned by Central Illinois Company | | affiliates |

Office Correspondence

FEDERAL RESERVE
BOARD

Date April 21, 1931

To Federal Reserve Board

Subject: Branch, Group and Chain

From Mr. Smead

Banking, December 1930.

2-8495

Attached hereto is a memorandum on changes in branch, group and chain banking during the last half of 1930, prepared by Mr. Horbett.

In addition to the points brought out by Mr. Horbett, it is interesting to note that of the 28 branch systems that suspended during the last half of 1930, 16 banks had 28 branches -- all outside head office cities, and the 12 remaining banks had 99 branches -- all in head office cities. The four principal branch banking systems which suspended operations during the last six months of 1930 operated 89 branches, all in head office cities, as follows:

| | | |
|------------------------------|--------------|-------------|
| Bank of United States | New York | 58 branches |
| Bankers Trust Company | Philadelphia | 19 branches |
| Louisville Trust Company | Louisville | 6 branches |
| Chelsea Bank & Trust Company | New York | 6 branches |

In the group and chain field, the reports show that the 17 groups and chains in which bank suspensions occurred controlled 155 banks in June 1930. Of these 155 banks, however, only 87 suspended, in fact in only 3 cases out of the 17 did all the banks in the chain suspend. The largest group or chain to suspend operations was the Rogers Caldwell - A. B. Banks group, which controlled 63 banks in June, of which 44 suspended -- 42 of these 44 banks being in Arkansas. The 11 banks in the A. T. Hudspeth chain, all of which suspended, were also in Arkansas.

The suspended banks in the Banco Kentucky Corporation, of which the principal bank was the National Bank of Kentucky, had loans and investments of about \$72,000,000; in the Caldwell group the suspended banks had loans and investments of about \$48,000,000; and in the Albert N. Greenfield chain of Philadelphia, of which the Bankers Trust Company was the largest bank, \$34,000,000. In no other chain did the suspended banks have loans and investments of as much as \$4,000,000.

(B-313)

BRANCH, GROUP AND CHAIN BANKING, DECEMBER 31, 1930

Changes in last half of 1930. Both the number of branches and the number of group and chain banks declined during the last half of 1930, the total number of branches in operation at the end of the year being 3,539 -- 79 less than at the end of June, and the number of banks belonging to groups or chains 2,088 -- 87 less than in June. The decreases were largely the result of bank suspensions, though quite a number of branches were abolished or merged with other branches, particularly in California. The number of banks operating branches declined during the six-month period from 817 to 776, and the number of groups and chains from 296* to 287.

The gross decrease in the number of branches in the six-month period was 211, including 84 branches that were abolished or merged with other branches and 127 that suspended (with the suspension of the parent bank). Partly offsetting these decreases, 61 branches were opened de novo, 59 banks were absorbed and converted into branches, and 12 branches of suspended banks resumed operations.

There was a gross decrease of 181 in the number of banks belonging to groups and chains, of which 87 resulted from suspensions, 36 from the merger of banks belonging to the same groups, 8 from other mergers, and 50 from withdrawals, sales to other interests, or the dissolution of groups and chains. These decreases were partly offset by the addition of 75 banks to existing groups and chains, and the inclusion of 19 banks in new groups.

These changes in branch, group and chain banking are summarized in Table A.

Classification of banks and branches. At the end of 1930 there were 22,769 banks** and 3,539 branches in the United States, or a total of 26,308 bank offices. Of this total, 3,608 banks and branches belonged to groups and chains -- including 1,948 banks without branches and 140 banks operating 1,520 branches. Loans and investments of all banks in the United States aggregated \$56,200,000,000, of which \$11,300,000,000 represented loans and investments of banks belonging to groups and chains.

*Revised.

**All reporting national, state, savings, and private banks, and trust companies, except private banks not under State supervision.

The following table gives a classification of the number and loans and investments of all banks and branches at the end of 1930:

CLASSIFICATION OF NUMBER AND LOANS AND INVESTMENTS
OF ALL BANKS AND BRANCHES, DECEMBER 31, 1930

| | Total | In groups or chains | Not in groups or chains |
|--|--------|---------------------------|-------------------------------|
| <u>TOTAL NUMBER OF BANKS AND BRANCHES</u> | 26,308 | 3,608 | 22,700 |
| <u>Number of banks</u> - Total | 22,769 | 2,088 | 20,681 |
| Banks without branches | 21,993 | 1,948 | 20,045 |
| Banks with branches - Total | 776 | 140 | 636 |
| Local systems* | 543 | 106 | 437 |
| County systems | 143 | 18 | 125 |
| State-wide systems | 90 | 16 | 74 |
| <u>Domestic branches</u> - Total | 3,539 | 1,520 | 2,019 |
| In head office city | 2,398 | 916 | 1,482 |
| In own county (outside head office city) | 399 | 85 | 314 |
| In other counties | 742 | 519 | 223 |
| <u>LOANS AND INVESTMENTS</u> (millions of dollars) | | | |
| <u>All banks and branches</u> - total..... | 56,209 | 11,279 | 44,930 |
| Banks without branches | 32,070 | 5,085 | 26,985 |
| Banks with branches - Total | 24,139 | 6,194 | 17,945 |
| Local systems* | 21,379 | 4,117 | 17,262 |
| County systems | 285 | 92 | 193 |
| State-wide systems | 2,475 | 1,985 | 490 |

*Includes all banks operating branches only in the head office city and contiguous territory, also 5 banks which in the aggregate had 11⁴ branches in the head office city and contiguous territory, 8 other branches in the home county and 4 branches outside the home county.

It will be noted from the table that of the total of 22,769 banks (head offices) in operation at the end of 1930, 776 were operating branches, including 543 "local" branch systems, 143 "county" systems, and 90 "state-wide" systems. A number of these branch systems -- in fact some of the largest ones -- were also members of bank groups or chains.

The large majority of the 3,539 branches of course, were "local," including 2,398 located in the same cities as their parent banks and 399 in the same counties (though outside the head office cities). Only 742 of the branches were located outside the home counties, and of these 463 were in California.

Branch systems taken as a whole had aggregate loans and investments of approximately \$24,000,000,000 as compared with \$56,000,000,000 for all banks, but about \$21,500,000,000 represents the loans and investments of local and county systems and only \$2,500,000,000 of state-wide systems. Furthermore, many of the 90 state-wide systems, with loans and investments aggregating \$2,500,000,000, were of relatively small size. This is apparent from the fact that the 4 principal state-wide systems in California account for \$1,650,000,000 of the aggregate loans and investments of the entire group.

Principal bank groups. Although group and chain banking is quite wide-spread, comprising 3,608 bank offices (2,088 banks and 1,520 branches) embraced in 287 groups and chains, there are relatively few groups of large size. The largest groups, from the standpoint of the number of bank offices operated, are listed in Table B. It will be noted from this table that of the total of 3,608 bank offices included in bank groups and chains, 1,506 banks and branches with total loans and investments of approximately \$5,300,000,000 were embraced in the 10 largest groups. The 40 largest groups comprised 2,089 bank offices with loans and investments of approximately \$8,000,000,000, while the remaining 247 groups and chains comprised 1,519 bank offices with loans and investments of approximately \$3,200,000,000.

The largest group from the standpoint of total banking offices is the Transamerica Corporation, which had only 13 constituent banks but, in addition, was operating 449 branches, 368 of these being located outside the head-office city. All but one of the banks and nearly all of the branches in this group are on the Pacific coast, the remaining bank with 35 branches being located in New York City. From the standpoint of the number of banks, i.e., exclusive of branches, the largest groups are, of course, the Northwest Bancorporation and the First Bank Stock Corporation, both of Minneapolis, which at the end of 1930 controlled 117 and 103 banks, respectively.

The two groups last mentioned, as is generally known, control banks throughout the Ninth Federal reserve district*, their field of operation being considerably wider than of some other well-known groups. The Detroit Bankers group, for example, comprises only Detroit banks and banks in the surrounding metropolitan area; the Guardian Detroit Union group has a somewhat larger field embracing Detroit and the lower part of Michigan; the banks in the Wisconsin Bankshares Corporation group are all in the State of Wisconsin; those in the First National Old Colony group of Boston are nearly all in the Boston metropolitan area; the 17 banks in the Marine Midland group are located mostly in Western New York, but some

*The Northwest Bancorporation also controls a number of banks in three other districts.

of them are in other parts of the State, including one in New York City. Some of the groups, therefore, correspond closely to local or county branch systems, and others to state-wide branch systems. There are no branch systems that correspond to the district-wide groups in the Ninth district.

During the last six months of 1930 there was a net increase of 9 in the number of banks controlled by the Northwest Bancorporation, 3 in the First Bank Stock Corporation, and 18 in the Wisconsin Bankshares group. Some of the other groups show small reductions in the number of constituent banks due to mergers, in fact there was a net reduction of 36 in the total number of group and chain banks as the result of the merger of constituent banks, principally in the larger groups.

It is of interest, in connection with the recently formed groups, to note that in quite a number of cases the constituent banks are located in towns of small population. This is brought out in the following table which covers five of the principal groups:

| Number of banks located in places with population of - | Northwest Bancorporation | First Bank Stock Corp. | Guardian Detroit Union Group | Southwest Bank Shares Corp. Tulsa, Okla. | Wisconsin Bankshares Corporation |
|--|--------------------------|------------------------|------------------------------|--|----------------------------------|
| In home city | 8 | 6 | 4 | 3 | 14 |
| Outside home city: | | | | | |
| Less than 500 | 7 | 9 | 3 | - | 2 |
| 500-1000 | 13 | 11 | 2 | 4 | 4 |
| 1000-1500 | 17 | 14 | 1 | 1 | 2 |
| 1500-2500 | 8 | 9 | 1 | 13 | 2 |
| 2500-5000 | 16 | 10 | 1 | 2 | 6 |
| 5000 and over | 48 | 44 | 18 | 13 | 16 |
| Total | 117 | 103 | 30 | 36 | 46 |

Principal branch bank systems. While a total of 776 banks were operating branches at the end of 1930, only 90 of these were "out-of-county" systems, and of this number only 14 had more than 10 branches. These 14 state-wide systems had a total of 799 branches, or approximately 75 per cent of all of the branches that were being operated by "out-of-county" systems. In addition, 12 other banks in this group had from 6 to 10 branches each, while the remaining 64 banks in the group were operating an average of two branches each. The largest state-wide systems are, of course, those in California, but as indicated in Table C one system in South Carolina had 41 branches and one in Maryland 20 branches.

There were 543 "local" branch systems at the end of 1930 with a total of 2,301 branches. However, as indicated by Table C, 1,278 of these branches were being operated by only 46 banks, in fact the 14 largest local systems -- each with more than 30 branches -- had in the aggregate 736 branches. All of these 14 systems were located in the cities of New York, Detroit, Los Angeles, Cleveland and Buffalo.

The principal state-wide and local branch systems are listed in Table C.

Changes in branch banking since June 1924. The reduction in the number of branches during the last half of 1930 -- resulting largely from bank suspensions -- is the first decrease reported since June 1924, the first date for which complete branch banking statistics are available. There was a steady growth in the number of branches up to June of last year, the number increasing from 2,293 in June 1924 to 2,900 in February 1927 (when the McFadden branch banking amendment became a law) and to 3,618 in June 1930. The net increase in the number of branches between June 1924 and December 1930 was 1,245.

There has, of course, been a constant reduction in the last decade in the number of banks (head offices), due principally to suspensions and consolidations, and this continued in the last half of 1930. Until last year, however, the decrease in the number of banks was partly offset by an increase in the number of branches. The net decrease in the number of banks between June 1924 and December 1930 was 6,227, while the net decrease in the total number of banking offices (banks plus branches), after allowance is made for the increase of 1,245 branches, was 4,981.

From the standpoint of the individual states, the largest decrease in the number of banking offices occurred, of course, in the states prohibiting the establishment of branches. In these states, 22 in number, the total number of banking offices declined from 16,000 in June 1924 to 12,350 in December 1930 or by approximately 23 per cent. In the 5 states that have no provision in the State law regarding branch banking, the total number of banking offices declined from 2,287 to 1,423 or by 38 per cent. On the other hand, in the 12 states in which the establishment of branches is permitted though restricted generally to head-office cities, the total number of banking offices remained nearly unchanged -- 9,448 in June 1924 and 9,407 in December 1930. In the 10 states (including the District of Columbia) in which state-wide branch banking is permitted, the number of banking offices declined during the 6-1/2 year period from 3,554 to 3,128, or by 12 per cent.

B-313

A distribution by states of the number of banks, branches and total banking offices in June 1924, June 1930 and December 1930, is given in Table 5, and a summary classification is given below:

| | Dec. 31 1930 | June 30 1930 | Dec. 31 1929 | Feb. 25 1927* | June 30 1924 |
|--|-----------------|-----------------|-----------------|------------------|-----------------|
|--|-----------------|-----------------|-----------------|------------------|-----------------|

Banks operating branches

| | | | | | |
|----------------------------|-----|-----|-----|-----|-----|
| Total | 776 | 817 | 822 | 779 | 714 |
| National banks | 161 | 165 | 166 | 145 | 108 |
| State bank members | 160 | 169 | 180 | 189 | 191 |
| Nonmember commercial banks | 384 | 414 | 407 | 387 | 387 |
| Mutual savings banks | 68 | 66 | 65 | 50 | 28 |
| Private banks | 3 | 3 | 4 | 8 | (a) |

Number of branches

| | | | | | |
|-------------------------------|-------|-------|-------|-------|-------|
| Total | 3,539 | 3,618 | 3,547 | 2,900 | 2,293 |
| In head office city | 2,398 | 2,470 | 2,432 | 1,929 | 1,508 |
| Outside but in own county | 399 | 428 | 423) | | |
| In other counties | 742 | 720 | 692) | 971 | 785 |
| Of national banks | 1,106 | 1,041 | 1,027 | 390 | 248 |
| Of state bank members | 1,286 | 1,308 | 1,299 | 1,560 | 1,137 |
| Of nonmember commercial banks | 1,039 | 1,164 | 1,115 | 863 | 908 |
| Of mutual savings banks | 104 | 101 | 99 | 76 | (a) |
| Of Private banks | 4 | 4 | 7 | 11 | (a) |

(a) Not separately tabulated; included with "nonmember commercial banks."

* Date of McFadden Act.

Changes in group and chain banking since June 1929. The first statistical summary of group and chain banking was prepared as of June 1929, at which time (on the basis of the latest revised figures) 1,831 banks were members of groups and chains, as compared with 2,088 on December 31, 1930, a net increase of 257 banks for the period of 1-1/2 years. Corresponding figures for each state for June and December in both 1929 and 1930, are shown in Table 4. Increases in the number of constituent banks have, of course, been confined to what are known as bank "groups," nearly all of which came into existence in the last two or three years, while the decreases have been largely due to the suspension of "chain" banks.

Tables by states and classes of banks. All of the data presented herein are shown in greater detail in Tables 1 to 5, which give separate figures for each state, also totals for each class of banks -- national, state member, and nonmember.

B-313

National banks, it will be noted from Table 5, were operating 1,106 branches at the end of 1930 as compared with 248 in June 1924, the first date for which complete data are available; state bank members were operating 1,286 branches at the end of 1930 as compared with 1,137 in 1924; and nonmember banks had 1,147 branches at the end of 1930 as compared with 908 in 1924.

In the field of group and chain banking, 824 national banks were reported as members of groups or chains at the end of 1930 as compared with 656 in June 1929, the first date for which comparable data are available. During the same period of 1-1/2 years, the number of constituent state bank members increased from 104 to 120, and the number of nonmember banks in groups and chains from 1,071 to 1,144.

Recent State legislation on branch banking. In the accompanying tables, in which figures of branch, group and chain banking are given for each state, the states have been grouped into four classes -- (1) State-wide branch banking permitted, (2) Branches restricted as to location, (3) Establishment of branches prohibited by law, (4) No provision in State law regarding branch banks.

This is the grouping used in former summaries, and all of the states have been grouped exactly the same as in the June 1930 summary. However, in March of the present year, three states enacted branch banking legislation, as follows:

(1) In Montana the state law now permits the establishment of branches in the same county as the parent bank or in adjoining counties, provided such branches result from the consolidation of two or more banks and the consolidated bank has a paid-up capital of \$75,000 or more. In other words, if two or more banks located in the same or adjoining counties consolidate, all offices may continue in operation, one as the parent bank and the remainder as branches.

(2) In Indiana the law now permits the establishment of intra-city branches in county-seat cities of 50,000 population or over, also inter-city branches within the same county as the parent bank provided there is no bank in operation in the town in which the branches are to be established. ~~Banks~~ establishing intra-city branches must have a paid-up and unimpaired capital and surplus of \$225,000 for each such branch.

(3) In Iowa the law does not permit the establishment of "branch banks" but it does permit the establishment of "offices" in towns in which no banks are in operation in the county in which the bank is located and in adjoining counties, these offices being authorized simply to receive deposits and cash checks and to perform other clerical and routine duties.

FEDERAL RESERVE BOARD
DIVISION OF BANK OPERATIONS
APRIL 18, 1931

B-313

Table A -- ANALYSIS OF CHANGES IN BRANCH, GROUP AND CHAIN BANKING

B-313

| | Year 1930 | First half of 1930 | Second half of 1930 |
|--|--------------|-----------------------|------------------------|
| <u>Number of branch systems</u> | | | |
| At beginning of period | 822 | 822 | 817 |
| Increases -- | | | |
| New branch systems | 43 | 32 | 11 |
| Suspended branch systems reopened . . . | <u>3</u> | <u>2</u> | <u>1</u> |
| | +46 | +34 | +12 |
| Decreases through -- | | | |
| Mergers with other banks (net) | 38 | 20 | 18 |
| Suspensions | 40 | 12 | 28 |
| Discontinuance of branches | <u>14</u> | <u>7</u> | <u>7</u> |
| | -92 | -39 | -53 |
| At end of period | 776 | 817 | 776 |
| <u>Number of domestic branches</u> | | | |
| At beginning of period | 3,547 | 3,547 | 3,618 |
| Increases -- | | | |
| De novo branches | 150 | 89 | 61 |
| Banks converted into branches | 121 | 62 | 59 |
| Resumption following suspension | <u>14</u> | <u>2</u> | <u>12</u> |
| | +285 | +153 | +132 |
| Decreases-- | | | |
| Discontinued | 144 | 60 | 84 |
| Suspended (with suspension of parent bank) | <u>149</u> | <u>22</u> | <u>127</u> |
| | -293 | -82 | -211 |
| At end of period | 3,539 | 3,618 | 3,539 |
| <u>Number of groups or chains</u> | | | |
| At beginning of period | 297 | r/297 | 296 |
| Increases -- new groups | +19 | +13 | +6 |
| Decreases through -- | | | |
| Suspensions | 14 | 3 | 11 |
| Mergers of banks | 5 | 3 | 2 |
| Sales and withdrawals | <u>10</u> | <u>8</u> | <u>2</u> |
| | -29 | -14 | -15 |
| At end of period | 287 | r/296 | 287 |
| <u>Number of group and chain banks</u> | | | |
| At beginning of period | 2,105 | r/2,105 | 2,175 |
| Number of banks in new groups-- | | | |
| Transferred from other groups | #4 | #4 | -- |
| Other banks | 78 | 59 | 19 |
| Increases in existing groups or chains-- | | | |
| Transferred from other groups | #27 | #15 | #12 |
| Other additions | <u>204</u> | <u>129</u> | <u>75</u> |
| | +282 | +188 | +94 |
| Decreases through -- | | | |
| Mergers with banks in same groups . . . | 65 | 29 | 36 |
| Mergers with banks in other groups . . | 2 | - | 2 |
| Other mergers | 13 | 7 | 6 |
| Suspensions | 112 | 25 | 87 |
| Sales to other groups | #31 | #19 | #12 |
| Withdrawals or other disposal | 58 | 33 | 25 |
| Dissolution of group | <u>49</u> | <u>24</u> | <u>25</u> |
| | -299 | -118 | -181 |
| At end of period | 2,088 | r/2,175 | 2,088 |

r/ Revised.

Not included in the total - represents merely transfers from one group to another.

Table B -- PRINCIPAL BANK GROUPS, DECEMBER 31, 1930

B-313

B-313

| Name and location of group | Number of banking offices | | | | Loans and investments (thousands of dollars) |
|---|---------------------------|-------|-----------------------------|--------------|---|
| | Total | Banks | Branches | | |
| | | | H. O. city and county | Out- side | |
| Transamerica Corporation | 462 | 13 | 81 | 368 | 1,285,840 |
| Detroit Bankers, Inc. | 224 | 21 | 203 | - | 657,648 |
| Goldman Sachs Trading Corporation | 180 | 4 | 118 | 58 | 565,671 |
| Security First National Co., Los Angeles | 134 | 4 | 101 | 29 | 462,644 |
| Northwest Bancorporation | 120 | 117 | 3 | - | 345,810 |
| First Bank Stock Corporation | 106 | 103 | 3 | - | 333,451 |
| Guardian Detroit Union Group | 104 | 30 | 74 | - | 375,160 |
| Marine Midland Group | 69 | 17 | 52 | - | 477,048 |
| First National Old Colony Corp., Boston | 55 | 21 | 34 | - | 577,913 |
| Wisconsin Bankshares Corporation | 52 | 46 | 6 | - | 248,877 |
| Total, first 10 groups | 1,506 | 376 | 675 | 455 | 5,330,062 |
| American State Bankers Group, Detroit* | 40 | 11 | 29 | - | 61,842 |
| American National group, Nashville, Tenn. | 41 | 20 | 20 | 1 | 74,714 |
| Financial Institutions, Inc., Augusta, Me. | 40 | 14 | 19 | 7 | 78,022 |
| Southwest Bank Shares Corp., Tulsa, Okla. | 36 | 36 | - | - | 77,515 |
| First Securities Corp., Syracuse, N.Y. | 28 | 15 | 13 | - | 104,634 |
| First Security Corporation, Ogden, Utah | 28 | 28 | - | - | 36,975 |
| Socarnat Corporation, Charleston, S.C. | 26 | 10 | 4 | 12 | 40,965 |
| Old National Corporation, Spokane, Wash. | 24 | 24 | - | - | 32,743 |
| Western New York Investors, Buffalo, N.Y. | 22 | 3 | 19 | - | 141,448 |
| BancOhio Corporation, Columbus, Ohio | 21 | 10 | 11 | - | 70,224 |
| Hamilton National Associates, Chattanooga | 21 | 16 | 5 | - | 31,181 |
| Anglo National Corporation, San Francisco | 18 | 17 | 1 | - | 143,346 |
| Citizens & Southern Holding Co., Savannah | 18 | 7 | 3 | 8 | 67,425 |
| Shawmut Association, Boston | 17 | 6 | 11 | - | 177,365 |
| First National group, Atlanta | 17 | 7 | 10 | - | 97,817 |
| Industrial Trust Co., Providence, R.I. | 17 | 3 | 9 | 5 | 149,527 |
| Interstate Trust & Banking Co., New Orleans | 16 | 8 | 8 | - | 23,443 |
| Federal National Investment Trust, Boston | 15 | 8 | 7 | - | 54,988 |
| Commerce Union Bank, Nashville, Tenn. | 16 | 3 | 3 | 10 | 15,559 |
| First National Corporation, Louisville, Ky. | 14 | 6 | 8 | - | 43,465 |
| Calcasieu National group, Lake Charles, La. | 14 | 6 | 3 | 5 | 14,694 |
| Worcester County Bk & Tr. Co., Worcester | 13 | 7 | 6 | - | 72,299 |
| Exchange National group, Tampa, Fla. | 12 | 12 | - | - | 15,577 |
| United States National Corp., Portland, Ore. | 11 | 11 | - | - | 69,264 |
| Central Trust Company, Chicago | 10 | 10 | - | - | 191,575 |
| National Republic Bancorporation, Chicago | 10 | 10 | - | - | 170,838 |
| Peoples Trust & Guaranty Co., Hackensack, N.J. | 10 | 10 | - | - | 26,293 |
| Marine Bancorporation, Seattle, Wash. | 10 | 10 | - | - | 33,195 |
| First Seattle Dexter Horton Securities Company, Seattle, Wash. | 9 | 7 | 2 | - | 75,094 |
| First National group, Chicago | 9 | 9 | - | - | 539,821 |
| Total, 40 groups | 2,089 | 720 | 866 | 503 | 8,061,910 |
| 247 other groups and chains | 1,519 | 1,368 | 135 | 16 | 3,217,090 |
| Total, 287 groups and chains | 3,608 | 2,088 | 1,001 | 519 | 11,279,000 |

*Group dissolved upon merger of American State Bank, the principal bank in the group, with the Peoples Wayne County Bank of the Detroit Bankers group.

Table C -- PRINCIPAL BRANCH BANK SYSTEMS, DECEMBER 31, 1930

B-313

| Name and location of parent bank | Number of branches | Loans and investments (thousands) |
|---|--------------------------|---|
| <u>STATE-WIDE BRANCH SYSTEMS</u> | | |
| Bank of America National Tr. & Sav. Assn., San Francisco | 351 | 919,560 |
| Security-First National Bank, Los Angeles | 130 | 461,565 |
| American Trust Company, San Francisco | 94 | 214,910 |
| Bank of America, Los Angeles | 63 | 50,760 |
| Peoples State Bank of South Carolina, Charleston | 41 | 24,179 |
| Eastern Shore Trust Co., Cambridge, Md. | 20 | 16,449 |
| Tennessee Valley Bank, Decatur, Ala. | 15 | 5,862 |
| Industrial Trust Company, Providence, R. I. | 14 | 138,890 |
| North Carolina Bank & Trust Co., Greensboro, N.C. | 14 | 38,446 |
| Commerce Union Bank, Nashville, Tenn. | 12 | 10,077 |
| Grenada Bank, Grenada, Miss. | 12 | 7,078 |
| Valley Bank and Trust Co., Phoenix, Ariz. | 11 | 11,424 |
| South Carolina Savings Bank, Charleston | 11 | 5,472 |
| Page Trust Company, Aberdeen, N. C. | 11 | 3,239 |
| Total, 14 banks with over 10 branches | 799 | 1,907,911 |
| 12 banks with 6-10 branches | 99 | 204,938 |
| 64 banks with less than 6 branches | 129 | 362,151 |
| Total, 90 banks | 1,027 | 2,475,000 |
| <u>LOCAL* BRANCH SYSTEMS</u> | | |
| Peoples-Wayne County Bank, Detroit | 137 | 353,851 |
| Bank of Manhattan Trust Company, New York | 78 | 342,442 |
| Corn Exchange Bank and Trust Co., New York | 66 | 212,544 |
| Cleveland Trust Company, Cleveland | 57 | 257,204 |
| California Bank, Los Angeles | 55 | 94,186 |
| National City Bank, New York | 49 | 926,918 |
| Chase National Bank, New York | 45 | 1,782,481 |
| Manufacturers Trust Co., New York | 44 | 226,885 |
| Guardian Detroit Bank, Detroit | 38 | 103,959 |
| Bank of American National Assn., New York | 35 | 265,476 |
| Citizens National Trust & Savings Bank, Los Angeles | 34 | 98,626 |
| Marine Trust Co., Buffalo | 33 | 224,244 |
| Public National Bank & Trust Co., New York | 33 | 113,938 |
| First National Bank, Detroit | 32 | 141,462 |
| Total, 14 banks with over 30 branches | 736 | 5,144,216 |
| 32 banks with 11-30 branches | 542 | 4,140,612 |
| 24 banks with 6-10 branches | 184 | 1,149,437 |
| 473 banks with less than 6 branches | 839 | 10,944,735 |
| Total, 543 banks | 2,301 | 21,379,000 |
| 143 county systems (each with less than 6 branches) | 211 | 285,000 |
| Total, 776 banks | 3,539 | 24,139,000 |

*Includes all banks operating branches only in the head office city and contiguous territory, also 5 banks which in the aggregate had 114 branches in the head office city and contiguous territory; 8 other branches in the home county and 4 branches outside the home county.

B-313

Table 1 -- TOTAL NUMBER OF BANKS, BRANCH SYSTEMS, AND BRANCHES: Dec. 31, 1930

B-313

| State | Total banks and bran- ches | Number of banks | | | | | Number of domestic branches | | | |
|--|--|-----------------|----------------|--------|----------------|-----------------------------------|-----------------------------|------------------------------|------------------------------------|------------------------------|
| | | Total | Branch systems | | | Banks with- out branches | Total | In head office city | Outside but in own county | In other coun- ties |
| | | | Local* | County | State- wide | | | | | |
| U.S. Total | 26,308 | 22,769 | 543 | 143 | 90 | 21,993 | 3,539 | 2,398 | 399 | 742 |
| National | 8,139 | 7,033 | 148 | 3 | 10 | 6,872 | 1,106 | 705 | 45 | 356 |
| St. members | 2,305 | 1,019 | 145 | 6 | 9 | 859 | 1,286 | 1,156 | 45 | 85 |
| Nonmembers | 15,864 | 14,717 | 250 | 134 | 71 | 14,262 | 1,147 | 537 | 309 | 301 |
| STATE-WIDE BRANCH BANKING PERMITTED | | | | | | | | | | |
| Total | 3,128 | 1,834 | 88 | 60 | 58 | 1,628 | 1,294 | 441 | 209 | 644 |
| Arizona | 68 | 41 | - | 4 | 5 | 32 | 27 | - | 9 | 18 |
| California | 1,249 | 421 | 25 | 20 | 8 | 368 | 828 | 275 | 90 | 463 |
| Delaware | 61 | 48 | 3 | 1 | 3 | 41 | 13 | 3 | 4 | 6 |
| Dist. of Col. | 65 | 39 | 12 | - | - | 27 | 26 | 26 | - | - |
| Maryland | 352 | 221 | 15 | 10 | 4 | 192 | 131 | 71 | 39 | 21 |
| No. Carolina | 403 | 318 | 6 | 8 | 15 | 289 | 85 | 13 | 21 | 51 |
| Rhode Island | 72 | 35 | 10 | - | 2 | 23 | 37 | 17 | 13 | 7 |
| So. Carolina | 237 | 160 | 3 | 1 | 8 | 148 | 77 | 8 | 7 | 62 |
| Vermont | 112 | 102 | 2 | 3 | 2 | 95 | 10 | - | 8 | 2 |
| Virginia | 509 | 449 | 12 | 13 | 11 | 413 | 60 | 28 | 18 | 14 |
| BRANCHES RESTRICTED AS TO LOCATION | | | | | | | | | | |
| Total | 9,407 | 7,212 | 441 | 78 | 28 | 6,665 | 2,195 | 1,931 | 183 | 81 |
| Georgia | 405 | 365 | 5 | 5 | 5 | 350 | 40 | 20 | 8 | 12 |
| Kentucky | 542 | 519 | 5 | 1 | 1 | 512 | 23 | 20 | 2 | 1 |
| Louisiana | 316 | 213 | 10 | 28 | 1 | 174 | 103 | 51 | 47 | 5 |
| Maine | 196 | 128 | 3 | 11 | 10 | 104 | 68 | 8 | 38 | 22 |
| Massachusetts | 616 | 445 | 81 | 5 | - | 359 | 171 | 151 | 20 | 4 |
| Michigan | 1,148 | 722 | 61 | - | - | 661 | 426 | 426 | - | - |
| Mississippi | 272 | 249 | 1 | 5 | 4 | 239 | 23 | 1 | 6 | 16 |
| New Jersey | 664 | 556 | 55 | 1 | 2 | 498 | 108 | 98 | 8 | 2 |
| New York | 1,809 | 1,099 | 102 | - | - | 997 | 710 | 710 | - | - |
| Ohio | 1,242 | 965 | 42 | 3 | 1 | 919 | 277 | 245 | 28 | 4 |
| Pennsylvania | 1,680 | 1,501 | 66 | 7 | - | 1,428 | 179 | 169 | 10 | - |
| Tennessee | 517 | 450 | 10 | 12 | 4 | 424 | 67 | 32 | 16 | 19 |
| ESTABLISHMENT OF BRANCHES PROHIBITED BY LAW | | | | | | | | | | |
| Total | 12,350 | 12,301 | 14 | 5 | 3 | 12,279 | 49 | 26 | 7 | 16 |
| Alabama | 332 | 315 | - | 2 | 1 | 312 | 17 | - | 3 | 14 |
| Arkansas | 305 | 304 | - | 1 | - | 303 | 1 | - | 1 | - |
| Colorado | 266 | 266 | - | - | - | 266 | - | - | - | - |
| Connecticut | 231 | 231 | - | - | - | 231 | - | - | - | - |
| Florida | 201 | 201 | - | - | - | 201 | - | - | - | - |
| Idaho | 136 | 136 | - | - | - | 136 | - | - | - | - |
| Illinois | 1,589 | 1,589 | - | - | - | 1,589 | - | - | - | - |
| Indiana** | 881 | 873 | 3 | - | 1 | 869 | 8 | 7 | - | 1 |
| Iowa** | 1,146 | 1,146 | - | - | - | 1,146 | - | - | - | - |
| Kansas | 1,012 | 1,012 | - | - | - | 1,012 | - | - | - | - |
| Minnesota | 998 | 992 | 2 | - | - | 990 | 6 | 6 | - | - |
| Missouri | 1,146 | 1,146 | - | - | - | 1,146 | - | - | - | - |
| Montana** | 174 | 174 | - | - | - | 174 | - | - | - | - |
| Nebraska | 749 | 747 | 2 | - | - | 745 | 2 | 2 | - | - |
| Nevada | 35 | 35 | - | - | - | 35 | - | - | - | - |
| New Mexico | 55 | 54 | 1 | - | - | 53 | 1 | - | 1 | - |
| Oregon | 225 | 225 | - | - | - | 225 | - | - | - | - |
| Texas | 1,215 | 1,215 | - | - | - | 1,215 | - | - | - | - |
| Utah | 99 | 99 | - | - | - | 99 | - | - | - | - |
| Washington | 335 | 330 | 1 | 1 | 1 | 327 | 5 | 3 | 1 | 1 |
| West Virginia | 280 | 280 | - | - | - | 280 | - | - | - | - |
| Wisconsin | 940 | 931 | 5 | 1 | - | 925 | 9 | 8 | 1 | - |
| NO PROVISION IN STATE LAW REGARDING BRANCH BANKING | | | | | | | | | | |
| Total | 1,423 | 1,422 | - | - | 1 | 1,421 | 1 | - | - | 1 |
| New Hampshire | 122 | 121 | - | - | 1 | 120 | 1 | - | - | 1 |
| No. Dakota | 321 | 321 | - | - | - | 321 | - | - | - | - |
| Oklahoma | 569 | 569 | - | - | - | 569 | - | - | - | - |
| So. Dakota | 328 | 328 | - | - | - | 328 | - | - | - | - |
| Wyoming | 83 | 83 | - | - | - | 83 | - | - | - | - |

*Includes all banks operating branches only in the head office city and contiguous territory, also 5 banks which in the aggregate had 114 branches in the head office city and contiguous territory, 8 other branches in the home county and 4 branches outside the home county.

**State branch banking law amended since last summary - see accompanying text.

Table 2 -- NUMBER OF GROUP AND CHAIN BANKS AND NUMBER OF THEIR BRANCHES:
December 31, 1930

B-313

| State | Total group and chain banks and their branches | Number of group and chain banks | | | | | Number of domestic branches of group and chain banks | | | |
|--|--|---------------------------------|----------------|--------|------------|-------------------------|--|---------------------|---------------------------|-------------------|
| | | Total | Branch systems | | | Banks with-out branches | Total | In head office city | Outside but in own county | In other counties |
| | | | Local* | County | State-wide | | | | | |
| U.S. Total | 3,608 | 2,088 | 106 | 18 | 16 | 1,948 | 1,520 | 916 | 85 | 519 |
| National | 1,579 | 824 | 46 | 1 | 5 | 772 | 755 | 368 | 38 | 349 |
| St. members | 659 | 120 | 31 | 1 | 3 | 85 | 539 | 468 | 7 | 64 |
| Nonmembers | 1,370 | 1,144 | 29 | 16 | 8 | 1,091 | 226 | 80 | 40 | 106 |
| STATE-WIDE BRANCH BANKING PERMITTED | | | | | | | | | | |
| Total | 750 | 75 | 3 | 3 | 7 | 62 | 675 | 161 | 42 | 472 |
| Arizona | 7 | 6 | - | 1 | - | 5 | 1 | - | 1 | - |
| California | 694 | 51 | 2 | 2 | 4 | 43 | 643 | 153 | 35 | 455 |
| Delaware | 3 | 3 | - | - | - | 3 | - | - | - | - |
| Dist. of Col. | - | - | - | - | - | - | - | - | - | - |
| Maryland | - | - | - | - | - | - | - | - | - | - |
| No. Carolina | 1 | 1 | - | - | - | 1 | - | - | - | - |
| Rhode Island | 17 | 3 | - | - | 1 | 2 | 14 | 4 | 5 | 5 |
| So. Carolina | 28 | 11 | 1 | - | 2 | 8 | 17 | 4 | 1 | 12 |
| Vermont | - | - | - | - | - | - | - | - | - | - |
| Virginia | - | - | - | - | - | - | - | - | - | - |
| BRANCHES RESTRICTED AS TO LOCATION | | | | | | | | | | |
| Total | 1,388 | 564 | 96 | 15 | 8 | 445 | 824 | 735 | 43 | 46 |
| Georgia | 45 | 25 | 1 | - | 1 | 23 | 20 | 12 | - | 8 |
| Kentucky | 14 | 6 | 1 | - | - | 5 | 8 | 8 | - | - |
| Louisiana | 43 | 20 | 2 | 4 | 1 | 13 | 23 | 6 | 12 | 5 |
| Maine | 48 | 17 | - | 4 | 3 | 10 | 31 | 3 | 19 | 9 |
| Massachusetts | 111 | 51 | 13 | 2 | - | 36 | 60 | 58 | 2 | - |
| Michigan | 482 | 138 | 28 | - | - | 110 | 344 | 344 | - | - |
| Mississippi | 40 | 28 | - | - | 1 | 27 | 12 | - | - | 12 |
| New Jersey | 126 | 83 | 17 | 1 | 1 | 64 | 43 | 37 | 5 | 1 |
| New York | 317 | 100 | 19 | - | - | 81 | 217 | 217 | - | - |
| Ohio | 21 | 10 | 1 | - | - | 9 | 11 | 11 | - | - |
| Pennsylvania | 63 | 50 | 6 | 2 | - | 42 | 13 | 11 | 2 | - |
| Tennessee | 78 | 36 | 8 | 2 | 1 | 25 | 42 | 28 | 3 | 11 |
| ESTABLISHMENT OF BRANCHES PROHIBITED BY LAW | | | | | | | | | | |
| Total | 1,192 | 1,171 | 7 | - | 1 | 1,163 | 21 | 20 | - | 1 |
| Alabama | 26 | 26 | - | - | - | 26 | - | - | - | - |
| Arkansas | 6 | 6 | - | - | - | 6 | - | - | - | - |
| Colorado | 11 | 11 | - | - | - | 11 | - | - | - | - |
| Connecticut | 14 | 14 | - | - | - | 14 | - | - | - | - |
| Florida | 49 | 49 | - | - | - | 49 | - | - | - | - |
| Idaho | 45 | 45 | - | - | - | 45 | - | - | - | - |
| Illinois | 106 | 106 | - | - | - | 106 | - | - | - | - |
| Indiana** | 29 | 24 | 1 | - | - | 23 | 5 | 5 | - | - |
| Iowa** | 70 | 70 | - | - | - | 70 | - | - | - | - |
| Kansas | 89 | 89 | - | - | - | 89 | - | - | - | - |
| Minnesota | 276 | 270 | 2 | - | - | 268 | 6 | 6 | - | - |
| Missouri | 27 | 27 | - | - | - | 27 | - | - | - | - |
| Montana** | 46 | 46 | - | - | - | 46 | - | - | - | - |
| Nebraska | 67 | 67 | - | - | - | 67 | - | - | - | - |
| Nevada | 14 | 14 | - | - | - | 14 | - | - | - | - |
| New Mexico | 6 | 6 | - | - | - | 6 | - | - | - | - |
| Oregon | 33 | 33 | - | - | - | 33 | - | - | - | - |
| Texas | 81 | 81 | - | - | - | 81 | - | - | - | - |
| Utah | 26 | 26 | - | - | - | 26 | - | - | - | - |
| Washington | 84 | 80 | 1 | - | 1 | 78 | 4 | 3 | - | 1 |
| West Virginia | - | - | - | - | - | - | - | - | - | - |
| Wisconsin | 87 | 81 | 3 | - | - | 78 | 6 | 6 | - | - |
| NO PROVISION IN STATE LAW REGARDING BRANCH BANKING | | | | | | | | | | |
| Total | 278 | 278 | - | - | - | 278 | - | - | - | - |
| New Hampshire | - | - | - | - | - | - | - | - | - | - |
| North Dakota | 96 | 96 | - | - | - | 96 | - | - | - | - |
| Oklahoma | 97 | 97 | - | - | - | 97 | - | - | - | - |
| South Dakota | 60 | 60 | - | - | - | 60 | - | - | - | - |
| Wyoming | 25 | 25 | - | - | - | 25 | - | - | - | - |

(For footnotes, see Table 1)

Table 3 -- LOANS AND INVESTMENTS OF ALL BANKS AND THEIR BRANCHES, AND OF GROUP AND CHAIN BANKS: December 31, 1930

(In millions of dollars)

B-313

| State | Of all banks and their branches | | | | | Of group and chain banks and their branches | | | | |
|--|---------------------------------|---------------|--------|------------|------------------------|---|----------------|--------|------------|------------------------|
| | Total | Branch System | | | Banks without branches | Total | Branch Systems | | | Banks without branches |
| | | Local* | County | State-wide | | | Local* | County | State-wide | |
| U.S. Total | 56,209 | 21,379 | 285 | 2,475 | 32,070 | 11,279 | 4,117 | 92 | 1,985 | 5,085 |
| National | 21,426 | 6,901 | 31 | 1,596 | 12,898 | 6,566 | 2,127 | 27 | 1,475 | 2,937 |
| St. members | 13,434 | 9,057 | 48 | 460 | 3,869 | 2,892 | 1,683 | 36 | 382 | 791 |
| Nonmembers | 21,349 | 5,421 | 206 | 420 | 15,302 | 1,821 | 307 | 29 | 128 | 1,357 |
| STATE-WIDE BRANCH BANKING PERMITTED | | | | | | | | | | |
| Total | 6,293 | 1,606 | 104 | 2,205 | 2,378 | 2,044 | 6 | 2 | 1,816 | 220 |
| Arizona | 69 | - | 3 | 19 | 47 | 17 | - | 1 | - | 16 |
| California | 3,285 | 715 | 42 | 1,752 | 776 | 1,828 | 3 | 1 | 1,647 | 177 |
| Delaware | 165 | 65 | 3 | 38 | 59 | 1 | - | - | - | 1 |
| Dist. of Col. | 248 | 152 | - | - | 96 | - | - | - | - | - |
| Maryland | 825 | 286 | 25 | 33 | 481 | - | - | - | - | - |
| No. Carolina | 278 | 16 | 4 | 99 | 159 | 3 | - | - | - | 3 |
| Rhode Island | 537 | 218 | - | 164 | 155 | 150 | - | - | 139 | 11 |
| So. Carolina | 141 | 10 | 1 | 67 | 63 | 45 | 3 | - | 30 | 12 |
| Vermont | 237 | 3 | 16 | 8 | 210 | - | - | - | - | - |
| Virginia | 508 | 141 | 10 | 25 | 332 | - | - | - | - | - |
| BRANCHES RESTRICTED AS TO LOCATION | | | | | | | | | | |
| Total | 35,830 | 19,307 | 176 | 260 | 16,087 | 5,587 | 3,713 | 90 | 167 | 1,617 |
| Georgia | 300 | 99 | 2 | 59 | 140 | 164 | 70 | - | 56 | 38 |
| Kentucky | 458 | 77 | - | 3 | 378 | 43 | 18 | - | - | 25 |
| Louisiana | 385 | 170 | 33 | 13 | 169 | 61 | 21 | 7 | 13 | 20 |
| Maine | 430 | 27 | 25 | 104 | 274 | 89 | - | 10 | 51 | 28 |
| Massachusetts | 4,237 | 1,734 | 42 | - | 2,461 | 906 | 773 | 35 | - | 98 |
| Michigan | 1,897 | 1,148 | - | - | 749 | 1,173 | 959 | - | - | 214 |
| Mississippi | 156 | 8 | 5 | 11 | 132 | 27 | - | - | 8 | 19 |
| New Jersey | 2,350 | 980 | 36 | 57 | 1,277 | 518 | 267 | 36 | 29 | 186 |
| New York | 17,046 | 11,499 | - | - | 5,547 | 1,522 | 1,342 | - | - | 180 |
| Ohio | 2,544 | 1,415 | 4 | 1 | 1,124 | 70 | 29 | - | - | 41 |
| Pennsylvania | 5,659 | 1,989 | 22 | - | 3,648 | 871 | 115 | 2 | - | 754 |
| Tennessee | 368 | 161 | 7 | 12 | 188 | 143 | 119 | - | 10 | 14 |
| ESTABLISHMENT OF BRANCHES PROHIBITED BY LAW | | | | | | | | | | |
| Total | 13,173 | 464 | 4 | 9 | 12,696 | 3,432 | 399 | - | 3 | 3,030 |
| Alabama | 246 | - | 1 | 6 | 239 | 66 | - | - | - | 66 |
| Arkansas | 131 | - | 1 | - | 130 | 12 | - | - | - | 12 |
| Colorado | 254 | - | - | - | 254 | 25 | - | - | - | 25 |
| Connecticut | 1,326 | - | - | - | 1,326 | 92 | - | - | - | 92 |
| Florida | 192 | - | - | - | 192 | 118 | - | - | - | 118 |
| Idaho | 74 | - | - | - | 74 | 40 | - | - | - | 40 |
| Illinois | 3,704 | - | - | - | 3,704 | 1,280 | - | - | - | 1,280 |
| Indiana** | 732 | 44 | - | - | 688 | 57 | 20 | - | - | 37 |
| Iowa** | 708 | - | - | - | 708 | 75 | - | - | - | 75 |
| Kansas | 352 | - | - | - | 352 | 43 | - | - | - | 43 |
| Minnesota | 862 | 161 | - | - | 701 | 541 | 161 | - | - | 380 |
| Missouri | 1,119 | - | - | - | 1,119 | 141 | - | - | - | 141 |
| Montana** | 128 | - | - | - | 128 | 76 | - | - | - | 76 |
| Nebraska | 320 | 7 | - | - | 313 | 63 | - | - | - | 63 |
| Nevada | 36 | - | - | - | 36 | 23 | - | - | - | 23 |
| New Mexico | 36 | - | - | - | 36 | 1 | - | - | - | 1 |
| Oregon | 239 | 1 | - | - | 238 | 126 | - | - | - | 126 |
| Texas | 909 | - | - | - | 909 | 114 | - | - | - | 114 |
| Utah | 155 | - | - | - | 155 | 51 | - | - | - | 51 |
| Washington | 442 | 64 | 1 | 3 | 374 | 203 | 64 | - | 3 | 136 |
| West Virginia | 319 | - | - | - | 319 | - | - | - | - | - |
| Wisconsin | 889 | 187 | 1 | - | 701 | 285 | 154 | - | - | 131 |
| NO PROVISION IN STATE LAW REGARDING BRANCH BANKING | | | | | | | | | | |
| Total | 915 | - | - | 1 | 914 | 217 | - | - | - | 217 |
| New Hampshire | 296 | - | - | 1 | 295 | - | - | - | - | - |
| North Dakota | 93 | - | - | - | 93 | 56 | - | - | - | 56 |
| Oklahoma | 360 | - | - | - | 360 | 98 | - | - | - | 98 |
| South Dakota | 114 | - | - | - | 114 | 45 | - | - | - | 45 |
| Wyoming | 52 | - | - | - | 52 | 18 | - | - | - | 18 |

(For footnotes, see Table 1)

Table 4 -- CHANGES IN NUMBER AND LOANS AND INVESTMENTS OF GROUP
AND CHAIN BANKS: June 1929 to December 1930

B-313

| State | Number of group and chain banks | | | | Loans and investments of group and chain banks | | | |
|---|---------------------------------|---------------------------|---------------------------|---------------------------|--|---------------------------|---------------------------|---------------------------|
| | Dec. 1930 | June 1930 _r | Dec. 1929 _r | June 1929 _r | Dec. 1930 | June 1930 _r | Dec. 1929 _r | June 1929 _r |
| U.S. Total | 2,088 | 2,175 | 2,105 | 1,831 | 11,279 | 12,151 | 11,730 | 8,842 |
| National | 824 | 841 | 807 | 656 | 6,566 | 6,605 | 6,383 | 4,639 |
| State members | 120 | 127 | 126 | 104 | 2,892 | 3,420 | 3,391 | 2,509 |
| Nonmembers | 1,144 | 1,207 | 1,172 | 1,071 | 1,821 | 2,125 | 1,955 | 1,690 |
| <u>STATE-WIDE BRANCH BANKING PERMITTED</u> | | | | | | | | |
| Total | 75 | 83 | 74 | 72 | 2,044 | 2,193 | 2,179 | 2,123 |
| Arizona | 6 | 6 | 6 | 6 | 17 | 18 | 18 | 18 |
| California | 51 | 59 | 59 | 58 | 1,828 | 1,974 | 1,998 | 1,943 |
| Delaware | 3 | 3 | 3 | 3 | 1 | 1 | 1 | 1 |
| Dist. of Col. | - | - | - | - | - | - | - | - |
| Maryland | - | - | - | - | - | - | - | - |
| North Carolina | 1 | 1 | - | - | 3 | 3 | - | - |
| Rhode Island | 3 | 3 | 3 | 3 | 150 | 153 | 153 | 153 |
| South Carolina | 11 | 11 | 2 | 2 | 45 | 44 | 8 | 8 |
| Vermont | - | - | 1 | - | - | - | 1 | - |
| Virginia | - | - | - | - | - | - | - | - |
| <u>BRANCHES RESTRICTED AS TO LOCATION</u> | | | | | | | | |
| Total | 564 | 586 | 557 | 426 | 5,587 | 6,277 | 6,087 | 4,107 |
| Georgia | 25 | 25 | 22 | 20 | 164 | 173 | 166 | 157 |
| Kentucky | 6 | 13 | 16 | 4 | 43 | 134 | 124 | 3 |
| Louisiana | 20 | 21 | 21 | 21 | 61 | 60 | 60 | 60 |
| Maine | 17 | 17 | 12 | 5 | 89 | 80 | 70 | 53 |
| Massachusetts | 51 | 50 | 49 | 33 | 906 | 895 | 879 | 530 |
| Michigan | 138 | 138 | 140 | 91 | 1,173 | 1,216 | 1,246 | 421 |
| Mississippi | 28 | 32 | 32 | 32 | 27 | 31 | 31 | 31 |
| New Jersey | 83 | 80 | 72 | 67 | 518 | 522 | 440 | 401 |
| New York | 100 | 103 | 105 | 82 | 1,522 | 2,082 | 2,032 | 1,572 |
| Ohio | 10 | 13 | 6 | - | 70 | 99 | 86 | - |
| Pennsylvania | 50 | 52 | 49 | 48 | 871 | 809 | 804 | 782 |
| Tennessee | 36 | 42 | 33 | 23 | 143 | 176 | 149 | 92 |
| <u>ESTABLISHMENT OF BRANCHES PROHIBITED BY LAW</u> | | | | | | | | |
| Total | 1,171 | 1,225 | 1,199 | 1,083 | 3,432 | 3,440 | 3,233 | 2,410 |
| Alabama | 26 | 26 | 22 | 19 | 66 | 37 | 32 | 7 |
| Arkansas | 6 | 66 | 69 | 55 | 12 | 48 | 49 | 41 |
| Colorado | 11 | 11 | 12 | 12 | 25 | 28 | 28 | 28 |
| Connecticut | 14 | 10 | 8 | - | 92 | 72 | 37 | - |
| Florida | 49 | 48 | 40 | 43 | 118 | 142 | 134 | 129 |
| Idaho | 45 | 44 | 41 | 41 | 40 | 39 | 37 | 37 |
| Illinois | 106 | 101 | 91 | 86 | 1,280 | 1,242 | 1,217 | 996 |
| Indiana** | 24 | 27 | 25 | 14 | 57 | 67 | 64 | 31 |
| Iowa** | 70 | 77 | 90 | 87 | 75 | 67 | 71 | 68 |
| Kansas | 89 | 89 | 88 | 85 | 43 | 47 | 46 | 44 |
| Minnesota | 270 | 276 | 270 | 230 | 541 | 580 | 567 | 259 |
| Missouri | 27 | 30 | 31 | 30 | 141 | 149 | 148 | 147 |
| Montana** | 46 | 46 | 41 | 28 | 76 | 82 | 80 | 44 |
| Nebraska | 67 | 67 | 79 | 74 | 63 | 61 | 65 | 30 |
| Nevada | 14 | 14 | 13 | 16 | 23 | 24 | 20 | 23 |
| New Mexico | 6 | 6 | 9 | 9 | 1 | 2 | 3 | 3 |
| Oregon | 33 | 36 | 36 | 33 | 126 | 135 | 82 | 82 |
| Texas | 81 | 83 | 80 | 79 | 114 | 105 | 103 | 92 |
| Utah | 26 | 26 | 26 | 27 | 51 | 53 | 50 | 51 |
| Washington | 80 | 79 | 74 | 62 | 203 | 207 | 189 | 91 |
| West Virginia | - | - | - | - | - | - | - | - |
| Wisconsin | 81 | 63 | 54 | 53 | 285 | 253 | 211 | 207 |
| <u>NO PROVISION IN STATE LAW REGARDING BRANCH BANKING</u> | | | | | | | | |
| Total | 278 | 281 | 275 | 250 | 217 | 243 | 231 | 202 |
| New Hampshire | - | - | - | - | - | - | - | - |
| North Dakota | 96 | 96 | 92 | 86 | 56 | 59 | 52 | 41 |
| Oklahoma | 97 | 98 | 98 | 85 | 98 | 116 | 115 | 102 |
| South Dakota | 60 | 62 | 60 | 54 | 45 | 48 | 44 | 39 |
| Wyoming | 25 | 25 | 25 | 25 | 18 | 20 | 20 | 20 |

r/ Revised.

** State branch banking law amended since last summary - see accompanying text.

Table 5 -- CHANGES IN TOTAL NUMBER OF BANKING OFFICES, IN NUMBER OF BANKS,
AND IN NUMBER OF BRANCHES: June 1924 to December 1930

B-313

| State | Total banking offices (banks plus branches) | | | Number of banks | | | Number of domestic branches | | |
|--|--|--------------|--------------|-----------------|--------------|--------------|--------------------------------|--------------|--------------|
| | Dec. 1930 | June 1930 | June 1924 | Dec. 1930 | June 1930 | June 1924 | Dec. 1930 | June 1930 | June 1924 |
| U.S. Total | 26,308 | 27,470 | 31,289 | 22,769 | 23,852 | 28,996 | 3,539 | 3,618 | 2,293 |
| National | 8,139 | 8,288 | 8,328 | 7,033 | 7,247 | 8,080 | 1,106 | 1,041 | 248 |
| State members | 2,305 | 2,376 | 2,707 | 1,019 | 1,068 | 1,570 | 1,286 | 1,308 | 1,137 |
| Nonmembers | 15,864 | 16,806 | 20,254 | 14,717 | 15,537 | 19,346 | 1,147 | 1,269 | 908 |
| STATE-WIDE BRANCH BANKING PERMITTED | | | | | | | | | |
| Total | 3,128 | 3,267 | 3,554 | 1,834 | 1,959 | 2,719 | 1,294 | 1,308 | 835 |
| Arizona | 68 | 71 | 83 | 41 | 44 | 63 | 27 | 27 | 20 |
| California | 1,249 | 1,290 | 1,213 | 421 | 437 | 675 | 828 | 853 | 538 |
| Delaware | 61 | 61 | 65 | 48 | 48 | 47 | 13 | 13 | 18 |
| Dist. of Col. | 65 | 65 | 65 | 39 | 40 | 46 | 26 | 25 | 19 |
| Maryland | 352 | 355 | 338 | 221 | 226 | 250 | 131 | 129 | 88 |
| No. Carolina | 403 | 475 | 620 | 318 | 391 | 554 | 85 | 84 | 66 |
| Rhode Island | 72 | 71 | 66 | 35 | 35 | 45 | 37 | 36 | 21 |
| So. Carolina | 237 | 244 | 431 | 160 | 173 | 411 | 77 | 71 | 20 |
| Vermont | 112 | 113 | 105 | 102 | 103 | 105 | 10 | 10 | - |
| Virginia | 509 | 522 | 568 | 449 | 462 | 523 | 60 | 60 | 45 |
| BRANCHES RESTRICTED AS TO LOCATION | | | | | | | | | |
| Total | 9,407 | 9,710 | 9,448 | 7,212 | 7,453 | 8,051 | 2,195 | 2,257 | 1,397 |
| Georgia | 405 | 432 | 665 | 365 | 390 | 612 | 40 | 42 | 53 |
| Kentucky | 542 | 580 | 624 | 519 | 549 | 612 | 23 | 31 | 12 |
| Louisiana | 316 | 330 | 344 | 213 | 222 | 251 | 103 | 108 | 93 |
| Maine | 196 | 197 | 197 | 128 | 131 | 150 | 68 | 66 | 47 |
| Massachusetts | 616 | 617 | 546 | 445 | 449 | 448 | 171 | 168 | 98 |
| Michigan | 1,148 | 1,165 | 1,050 | 722 | 731 | 718 | 426 | 434 | 332 |
| Mississippi | 272 | 318 | 360 | 249 | 293 | 335 | 23 | 25 | 25 |
| New Jersey | 664 | 666 | 500 | 556 | 560 | 479 | 108 | 106 | 21 |
| New York | 1,809 | 1,872 | 1,482 | 1,099 | 1,122 | 1,120 | 710 | 750 | 362 |
| Ohio | 1,242 | 1,250 | 1,310 | 965 | 986 | 1,107 | 277 | 264 | 203 |
| Pennsylvania | 1,680 | 1,735 | 1,748 | 1,501 | 1,541 | 1,650 | 179 | 194 | 98 |
| Tennessee | 517 | 548 | 622 | 450 | 479 | 569 | 67 | 69 | 53 |
| ESTABLISHMENT OF BRANCHES PROHIBITED BY LAW | | | | | | | | | |
| Total | 12,350 | 12,949 | 16,000 | 12,301 | 12,897 | 15,939 | 49 | 52 | 61 |
| Alabama | 332 | 338 | 381 | 315 | 321 | 362 | 17 | 17 | 19 |
| Arkansas | 305 | 399 | 488 | 304 | 396 | 485 | 1 | 3 | 3 |
| Colorado | 266 | 270 | 342 | 266 | 270 | 342 | - | - | - |
| Connecticut | 231 | 237 | 222 | 231 | 237 | 222 | - | - | - |
| Florida | 201 | 207 | 300 | 201 | 207 | 299 | - | - | 1 |
| Idaho | 136 | 137 | 177 | 136 | 137 | 177 | - | - | - |
| Illinois | 1,589 | 1,683 | 1,906 | 1,589 | 1,683 | 1,906 | - | - | - |
| Indiana** | 881 | 924 | 1,116 | 873 | 915 | 1,108 | 8 | 9 | 8 |
| Iowa** | 1,146 | 1,216 | 1,616 | 1,146 | 1,216 | 1,616 | - | - | - |
| Kansas | 1,012 | 1,051 | 1,293 | 1,012 | 1,051 | 1,293 | - | - | - |
| Minnesota | 998 | 1,021 | 1,433 | 992 | 1,015 | 1,422 | 6 | 6 | 11 |
| Missouri | 1,146 | 1,235 | 1,612 | 1,146 | 1,235 | 1,612 | - | - | - |
| Montana** | 174 | 185 | 248 | 174 | 185 | 248 | - | - | - |
| Nebraska | 749 | 775 | 1,102 | 747 | 773 | 1,100 | 2 | 2 | 2 |
| Nevada | 35 | 35 | 34 | 35 | 35 | 34 | - | - | - |
| New Mexico | 54 | 53 | 76 | 54 | 53 | 76 | - | - | - |
| Oregon | 226 | 229 | 278 | 225 | 228 | 277 | 1 | 1 | 1 |
| Texas | 1,215 | 1,279 | 1,522 | 1,215 | 1,279 | 1,522 | - | - | - |
| Utah | 99 | 102 | 116 | 99 | 102 | 116 | - | - | - |
| Washington | 335 | 338 | 386 | 330 | 333 | 379 | 5 | 5 | 7 |
| W. Virginia | 280 | 290 | 350 | 280 | 290 | 350 | - | - | - |
| Wisconsin | 940 | 945 | 1,002 | 931 | 936 | 993 | 9 | 9 | 9 |
| NO PROVISION IN STATE LAW REGARDING BRANCH BANKING | | | | | | | | | |
| Total | 1,423 | 1,544 | 2,287 | 1,422 | 1,543 | 2,287 | 1 | 1 | - |
| New Hampshire | 122 | 122 | 123 | 121 | 121 | 123 | 1 | 1 | - |
| North Dakota | 321 | 366 | 687 | 321 | 366 | 687 | - | - | - |
| Oklahoma | 569 | 598 | 808 | 569 | 598 | 808 | - | - | - |
| South Dakota | 328 | 374 | 553 | 328 | 374 | 553 | - | - | - |
| Wyoming | 83 | 84 | 116 | 83 | 84 | 116 | - | - | - |

**State branch banking law amended since last summary - see accompanying text.

Office Correspondence

FEDERAL RESERVE
BOARDDate April 25, 1931To Governor MeyerSubject: Progressive penalties on deficientFrom Mr. Smeadreserves of member banks

2-5495

Section 19 of the Federal Reserve Act provides that the required reserve balance carried by a member bank with a Federal reserve bank may, under the regulations and subject to such penalties as may be prescribed by the Federal Reserve Board, be checked against and withdrawn by such member bank for the purpose of meeting existing liabilities. In accordance with this section the Federal Reserve Board has provided in Regulation D that a penalty on the amount of the deficiency in reserves shall be assessed at a basic rate of 2 per cent per annum above the Federal reserve bank discount rate on 90 day commercial paper, also that upon the application of a Federal reserve bank the Board will approve progressive penalties for continued deficiencies in reserves, the total penalty not to exceed 10 per cent.

At the present time 7 Federal reserve banks apply progressive penalty rates on continued deficiencies in reserves, six of them having a maximum penalty rate of 10 per cent, and one 8 per cent. In order to compare the deficiencies in the districts which apply progressive penalties with deficiencies in districts which do not apply progressive penalties, we have prepared the attached table showing:

1. Average number of member banks in operation in 1930.
2. Number of member banks subject to basic and to progressive penalties for deficiencies in reserves.
3. Number of banks out of each 1,000 in operation that were subject to basic and to progressive penalties on deficiencies.
4. Ratio of average deficiencies to average reserve balances of all member banks.

From an examination of the table it appears that the Federal reserve banks that apply progressive penalty rates have relatively more banks with continued deficiencies, than do the reserve banks that do not apply progressive

penalty rates. This raises the question whether the progressive penalties are paid by

- (a) Member banks which, owing to their overextended condition, are unable to maintain their required reserves, or
- (b) Member banks which are in a reasonably satisfactory condition but, through negligence or otherwise, make no attempt to maintain their required reserves.

The Federal Reserve Banks of Chicago, Minneapolis and Dallas, which at one time applied progressive rates, have discontinued them. The reasons given for discontinuing the progressive penalties are as follows:

Governor Young of Minneapolis - "After a thorough investigation of the situation, we are convinced that the banks that pay a ten per cent penalty rate do not do so because of their unwillingness to carry sufficient reserve with us, but solely because of their utter inability to do so."

Mr. Walsh of Dallas - "The progressive rate does not in itself act as a deterrent to member banks, and those banks that have paid the increased rate, even to the maximum, although having every desire to do so, have been unable to maintain their required reserve by reason of having reached their maximum ability."

Mr. Heath of Chicago - "Our observation is that by far the greater number of member banks whose reserves are continually deficient, are unable to maintain such reserves without rediscounting further, and that their condition as a rule is not such as to justify further increase in rediscounts."

From a preliminary examination of data available in this office, it appears that during the past two years 287 member banks have been subject to maximum progressive penalty rates during one or more of the reserve computation periods. Of these 287 banks, 162 are still members, 82 have suspended, 32 have been absorbed by other banks, 5 have liquidated and 6 have withdrawn from the System.

The fact that Federal reserve banks that apply progressive penalties have relatively more member banks with continued deficiencies than Federal reserve

banks that do not apply progressive penalties, and that a relatively large percentage of the member banks that pay the progressive penalties are in an overextended condition, raises the question as to whether the application of progressive penalties does not, in most cases, place additional burdens on those member banks which are least able to bear them.

It occurs to me that you may wish to discuss this question with the Governors at their conference next week.

Office Correspondence

FEDERAL RESERVE
BOARDDate April 27, 1931To Governor Meyer

Subject: _____

From Mr. Smead

... 2-8495

As you know we receive from the Federal reserve banks quarterly reports on banks borrowing continuously and on banks borrowing 80 per cent or more of the time from the Federal reserve banks. All of the reports for the first quarter of 1931 are not in, but in view of the fact that the Governors are meeting here this week it occurs to me that you may wish to have an estimate of what the complete figures are likely to show.

During the first quarter of 1931 all member banks borrowed on an average \$215,000,000 from the Federal reserve banks. Of this amount about \$100,000,000 was borrowed by banks which were in debt to the Federal reserve banks every day during the quarter, and about \$150,000,000 by banks which were in debt 80 per cent or more of the time during the quarter. Inasmuch as borrowings of all member banks are now down to about \$135,000,000 it is probably safe to assume that at least $\frac{3}{5}$ ths of this amount, or say \$80,000,000, is still borrowed by something over 1,000 banks whose condition is presumably such that they are compelled to remain continuously in debt.

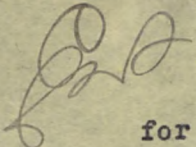
Office Correspondence

FEDERAL RESERVE
BOARDDate May 5, 1931To Mr. Fahy ✓

Subject: _____

From Mr. Smead

• • • 2-8495



On April 25 I gave the Governor a memorandum on progressive penalties for deficient reserves of member banks. On the bottom of page 2 of this memorandum we gave preliminary figures showing the number of banks that were subject to maximum penalties, etc. We now have final figures and we have substituted them for the preliminary figures. I am, therefore, attaching hereto a revised page 2 of the memorandum which is the same as the original except for figures contained in the paragraph at the bottom of the page.

penalty rates. This raises the question whether the progressive penalties are paid by

- (a) Member banks which, owing to their overextended condition, are unable to maintain their required reserves, or
- (b) Member banks which are in a reasonably satisfactory condition but, through negligence or otherwise, make no attempt to maintain their required reserves.

The Federal Reserve Banks of Chicago, Minneapolis and Dallas, which at one time applied progressive rates, have discontinued them. The reasons given for discontinuing the progressive penalties are as follows:

Governor Young of Minneapolis - "After a thorough investigation of the situation, we are convinced that the banks that pay a ten per cent penalty rate do not do so because of their unwillingness to carry sufficient reserve with us, but solely because of their utter inability to do so."

Mr. Walsh of Dallas - "The progressive rate does not in itself act as a deterrent to member banks, and those banks that have paid the increased rate, even to the maximum, although having every desire to do so, have been unable to maintain their required reserve by reason of having reached their maximum ability."

Mr. Heath of Chicago - "Our observation is that by far the greater number of member banks whose reserves are continually deficient, are unable to maintain such reserves without rediscounting further, and that their condition as a rule is not such as to justify further increase in rediscounts."

Data available in this office indicate that during the past two years, 286 member banks have been subject to the maximum penalty rates of 10 per cent, or would have been subject to such rates had they been applied in all districts. Of these 286 banks, 163 are still members, 79 have suspended, 29 have been absorbed by other banks, 8 have been reorganized or succeeded by new banks, 6 have withdrawn from the System, and 1 has gone into voluntary liquidation.

The fact that Federal reserve banks that apply progressive penalties have relatively more member banks with continued deficiencies than Federal reserve

Office Correspondence

FEDERAL RESERVE
BOARDDate June 11, 1931To Governor Meyer

Subject: _____

From Mr. Smead

GPO 2-8495

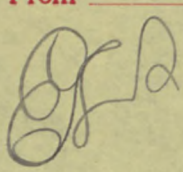
The fact that New York City is the central money market of this country is rather clearly brought out by transactions occurring during the past week. You will note from the weekly Federal reserve condition statements that the Federal Reserve Bank of Chicago had an increase during the week of \$88,000,000 in its Federal reserve note circulation while its discounts for member banks showed an increase of only \$5,000,000. This was due to the fact that the Chicago member banks called upon their New York correspondents for the funds with which to obtain the additional currency needed to take care of the disturbed banking conditions in Chicago. The funds were transferred through the gold settlement fund and resulted in an increase of the gold reserves of the Federal Reserve Bank of Chicago by over \$80,000,000, an amount substantially corresponding with the increase in the bank's Federal reserve note circulation.

The movements of funds between the different parts of the country were rather marked during the past week, partly in connection with Treasury operations, and as a consequence these changes are not apparent from the New York figures.

Office Correspondence

FEDERAL RESERVE
BOARDDate June 25, 1931To Governor MeyerSubject: Bills bought under AustrianFrom Mr. Smeadcredit.

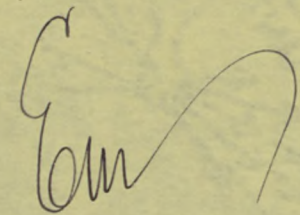
2-8495



This morning's mail brought us the first schedules covering bills bought under the recent Austrian credit. The schedules which the New York Bank received from the Bank for International Settlements listed the following amounts of bankers and trade bills purchased from the Oesterreichische National Bank, Vienna:

| | <u>Bankers Bills</u> | <u>Trade Bills</u> (Schillings) | <u>Total</u> |
|--------|----------------------|------------------------------------|--------------|
| May 30 | 3,000,000 | 1,660,416.35 | 4,660,416.35 |
| June 6 | 2,500,000 | 603,734.81 | 3,103,734.81 |

The bills, with maturities ranging from 31 to 74 days, were all taken at a discount of 5-1/4 per cent. It is interesting to note that some of the bills are for relatively small amounts, one of the Trade bills being for only 50 schillings.



Office Correspondence

FEDERAL RESERVE
BOARD

Date August 10, 1931

To Governor Meyer

Subject: Use of bills payable in foreign

From Mr. Smead

currencies as collateral security for
F. R. notes.

cfo 2-8405

On Monday, August 3, while talking with Mr. Paddock over the telephone I advised him that Boston was the only Federal reserve bank which was pledging bills payable in foreign currencies as collateral security for Federal reserve notes. I also stated that while the Board had taken no specific action with regard to whether or not they should be so pledged I thought he would like to know the practice followed by the other Federal reserve banks.

I wanted to bring this subject to your attention last Thursday morning but you were so busy with other matters that I concluded it would be better not to bother you with it at that time. On Thursday afternoon, Mr. McClelland called me and stated that the Board would like to have me talk the matter over informally with the officials of the Boston bank while I was there on Friday. While in Boston I was informed by Governor Young and Mr. Paddock that they had discontinued the practice promptly following my telephone conversation with Mr. Paddock last Monday, and upon reference to the bank's balance sheet I find that the change was made on Wednesday, August 5.

This question first arose in 1927 at which time I discussed it with Governor Crissinger and Governor Strong. Governor Strong was quite emphatic in his position that none of the sterling bills which were then being bought through the Bank of England should be pledged as collateral security for note issues. Section sixteen of the Federal Reserve Act, in describing the collateral that may be pledged as security for Federal reserve notes states that "The collateral security thus offered shall be notes, drafts, bills of exchange, or acceptances acquired under the provisions of Section thirteen of this Act, or bills of exchange indorsed by a member bank of any Federal reserve district and purchased under the provisions of Section fourteen of this Act, or bankers' acceptances, purchased under the provisions of said Section fourteen, or gold or gold certificates." You will note from this that trade bills (not bankers' acceptances) to be eligible as collateral for Federal reserve notes must bear a member bank endorsement.

Some of the bills now being purchased abroad are trade bills which, of course, are not endorsed by member banks and consequently are not eligible as collateral security for notes issued. If, therefore, the decision were reached to pledge any of these bills as collateral security for Federal reserve notes, the trade bills would have to be separated from the bankers' bills and arrangements made for the bankers' bills to be held in custody for the account of the respective Federal reserve agents.

FEDERAL RESERVE BOARD

WASHINGTON

ADDRESS OFFICIAL CORRESPONDENCE TO
THE FEDERAL RESERVE BOARD

August 17, 1931.

B-458.

SUBJECT: Earnings and Expense Reports and
Profit and Loss Statements.

Dear Sir:

In order to bring together in convenient form all of the existing instructions governing the preparation of earnings and expense reports and profit and loss statements furnished the Federal Reserve Board by the Federal reserve banks and to clear up some doubtful points with regard thereto, we have prepared the attached "Instructions Governing the Preparation of Earnings and Expense Reports and Profit and Loss Statements."

The instructions are in tentative form and before submitting them to the Board, we shall appreciate any suggestions for changes therein which you or any members of your staff may wish to make.

Very truly yours,

E. L. Smead, Chief,
Division of Bank Operations

TO ALL GOVERNORS*

(Effective January 1, 1931)

INSTRUCTIONS

GOVERNING THE PREPARATION OF

EARNINGS AND EXPENSE REPORTS AND PROFIT AND LOSS STATEMENTS

SUBMITTED TO THE FEDERAL RESERVE BOARD

BY THE FEDERAL RESERVE BANKS

FEDERAL RESERVE BOARD
DIVISION OF BANK OPERATIONS
WASHINGTON, D. C.

B-447

(Effective January 1, 1931)

TABLE OF CONTENTS

| | <u>Page</u> |
|---|-------------|
| Earnings | 1 |
| Current expenses | 5 |
| Reimbursable Fiscal Agency expenses | 24 |
| Entries in Profit and Loss Account: | |
| Current entries | 25 |
| Closing entries | 27 |

B-447

(Effective January 1, 1931)

EARNINGS

(Form 95)

GENERAL

- A. Reports are to be submitted monthly to the Federal Reserve Board.
- B. Interest received on "foreign loans on gold" or on any other class of loans or investments not specified on form 95 should be shown separately following "municipal warrants."
- C. Where errors are discovered in the amount of earnings on bills and securities, due to incorrect accruals or other causes, the necessary debit or credit correcting entries should be made in earnings as reported on Forms 34 and 95.

1. Discounted bills

Discount earned on bills discounted for member banks, for nonmember banks (notes secured by adjusted service certificates) for Federal Intermediate Credit banks, and for other Federal reserve banks.

Includes interest earned on past-due paper, except past-due paper of closed banks.

Discount profit or loss on paper rediscounted with other Federal reserve banks should be added to or deducted from earnings on discounted bills. By discount profit or loss is meant profit or loss resulting from the rediscount of paper with other Federal reserve banks at a different rate than that at which the paper was discounted for member banks.

2. Purchased bills

Discount earned on bankers' and trade acceptances bought in open market, from other Federal reserve banks and through foreign banks.

Discount profit or loss on bills sold should be added to or deducted from discount earned on purchased bills. By discount profit or loss is meant profit or loss resulting from the sale of bills at a different rate than that at which purchased.

B-447

(Effective January 1, 1931)

3. United States securities

Interest and discount earned on United States bonds, Treasury notes, certificates of indebtedness and Treasury bills plus discount or less premium amortized.

4. Federal Intermediate Credit Bank debentures

Interest earned on debentures issued by the Federal Intermediate Credit banks plus discount or less premium amortized.

5. Federal Land Bank bonds

Interest earned on bonds issued by Federal Land banks plus discount or less premium amortized.

6. Municipal warrants

Interest earned on bills, notes, revenue bonds and warrants issued by any state, county, district, political subdivision, or municipality in the continental United States, including irrigation, drainage, and reclamation districts, plus discount or less premium amortized.

7. Deficient reserve penalties

Penalties on deficient reserves assessed member banks in accordance with regulations of the Federal Reserve Board.

8. Miscellaneous (see below)

8-1. Income from banking house

Rent received for space leased to tenants in property owned and occupied in part by the reserve bank as a banking house.

Cost of repairs and alterations made for the use of tenants should be amortized against this item over the period of the lease for the premises affected unless the amount involved is relatively small, in which case the cost may be charged directly against the item "Income from banking house."

Rental commissions should be amortized over the period of the lease, unless paid monthly or of a relatively small amount, when they may be charged directly against rent received.

Rent should be credited to earnings for the month to which it relates regardless of when received.

B-447

(Effective January 1, 1931)

8. Miscellaneous (Cont'd)

8-2. Interest received on past-due paper of closed banks

Interest received on past-due paper of closed banks need not be credited to miscellaneous earnings until final settlement with the receiver. Interest collected should be applied first against the loss, if any, on such paper and any remaining interest credited to this account.

8-3. Interest on non-current funds, delayed wire transfers, etc.

Interest charged for the time necessary to collect payments made in non-Federal reserve funds.

Interest received on delayed wire transfers.

8-4. Sale of waste paper, money bags, etc.

Receipts from the sale of waste paper, money bags, etc.

8-5. Service charges on collection items returned unpaid.

Service charges received on collection items returned unpaid.

8-6. Monthly letters sold.

Amounts received from sales of the "Monthly Review" issued by the Federal Reserve Agent.

8-7. Earnings on transactions with foreign banks (specify those not provided for)

An explanation of the items printed beneath this caption on Form 95 is given below. Other earnings on transactions with foreign banks, if any, should be reported against appropriate captions and numbered 8-7(a), (f), (g), etc.

(a) Commissions on bills bought for foreign banks

Semi-annual distribution by the Federal Reserve Bank of New York of commissions on dollar acceptances purchased for foreign banks.

3-447

(Effective January 1, 1931)

8. Miscellaneous (cont'd)

8.7 (Cont'd)

(b) Interest on balances held abroad

Interest on deposit balances held with foreign correspondents.

(c) Engagement commission on foreign credits

Participation in commissions charged on "Foreign credits". Interest received on any bills purchased under such agreements should be included in earnings from purchased bills.

(d) Profit, on sales of foreign exchange.

Participation in profits (or loss) in foreign exchange transactions, whether incident to the purchase and sale of bills payable in foreign currencies or otherwise.

9. Total earnings.

B-447

CURRENT EXPENSES

(Form 96)

GENERAL

- A. Reports are to be submitted monthly to the Federal Reserve Board.
- B. Amounts reported as current expenses should be net, i.e., after deducting any reimbursements received. However, if reimbursements received for any special services rendered exceed actual expenses, so that there is a profit on the transaction, the net credit should be included in miscellaneous earnings on Form 95.
- C. Expenses of collecting paper of failed banks, such as salaries, traveling expenses, etc., should be charged to the corresponding items on Form 96. If reimbursement for such expenses is received before the end of the calendar year in which the expenses were incurred the corresponding items should be credited but if reimbursement is received after the end of such calendar year, credit should be made to profit and loss account.
- D. Expenses paid in advance should be debited to deferred charges and prorated monthly to current expenses.
- E. In case it is found that amounts accrued and charged to current expenses are in excess of or less than actual payments, the necessary adjusting entry should be made by debiting or crediting current expenses with the amount of the difference.

1. Salaries: Officers

Compensation for personal services paid all "officers" of the bank. In this connection the term "officers" is defined as comprising only those persons who devote their full time to bank work and whose positions have been designated as "official."

Salaries of officers temporarily stationed at the head office or branch of a Federal reserve bank should be included in the report of such head office or branch provided the temporary

1. Salaries: Officers (Cont'd)

assignment continues for more than one month, otherwise such salaries should be charged to the office to which the officers are regularly assigned.

Salaries of officers paid in advance on account of vacation or for other reasons should be debited to deferred charges and prorated monthly to current expense.

2. Salaries: Clerical employees

Compensation for personal services paid all employees of the bank except those defined under item 3: "Salaries: Other employees." In this connection the term "employees" is defined as comprising only those persons whose positions are provided for by the Personnel Classification Plan (Form A)

The salary of a clerical employee appointed as an acting officer during the temporary absence of an officer or for other reasons should be included with "Salaries-Clerical Employees."

Salaries of clerical employees temporarily stationed at the head office or branch of a Federal reserve bank should be included in the report of such head office or branch provided the temporary assignment continues for more than one month, otherwise such salaries should be charged to the office to which the employees are regularly assigned.

Salaries of clerical employees paid in advance on account of vacation or for other reasons should be debited to deferred charges and prorated monthly to current expense.

Compensation paid to any clerical employees not on the regular payroll of the bank and not regularly employed.

Extra compensation paid to clerical employees for overtime work or work on Sundays and holidays.

Supper money paid to clerical employees working overtime and cost of furnishing lunches through the bank's cafeteria or otherwise to employees when working on Sundays or holidays.

3. Salaries: Other employees

Compensation for personal services paid all employees of the type shown below except those whose salaries are charged to some other expense item with the approval of the Federal Reserve Board, as for example, cafeteria employees. In this connection the term "employees" is defined as comprising only those persons whose positions are provided for by the Personnel Classification Plan (Form A)

| | |
|----------------------|---------------------|
| Protection employees | Equipment repairmen |
| Chauffeurs | Physicians |
| Building employees | Dentists |
| Porters | Nurses |
| Telephone operators | Welfare employees |
| Telegraph operators | |
| Teletype operators | |

NOTE: Salaries of employees of the type mentioned above should be charged to "Salaries: Other employees," even though a minor part of their time is devoted to clerical work.

Salaries of non-clerical employees temporarily stationed at the head office or branch of a Federal reserve bank should be included in the report of such head office or branch provided the temporary assignment continues for more than one month, otherwise such salaries should be charged to the office to which the employees are regularly assigned.

Salaries of non-clerical employees paid in advance on account of vacations or for other reasons should be debited to deferred charges and prorated monthly to current expense.

Compensation paid to any non-clerical employees not on the regular payroll of the bank and not regularly employed.

Extra compensation paid to non-clerical employees for overtime work or work on Sundays and holidays.

Supper money paid to non-clerical employees working overtime and cost of furnishing lunches through the bank's cafeteria or otherwise to such employees when working on Sundays or holidays.

Salaries of branch line telegraph or teletype operators stationed at the parent bank should be charged to the branch.

(Effective Jan. 1, 1931)

4. Governors' conferences: Traveling exp....\$_____ Other exp.....\$_____

Traveling expenses -

All traveling expenses incurred in connection with Governors' conferences such as railroad fare, pullman fare, and allowances for subsistence and incidentals.

Other expenses -

All expenses, except traveling expenses, incurred in connection with Governors' conferences.

5. F. R. Agents' conferences: Traveling exp.....\$_____ Other exp.....\$_____

Traveling expenses -

All traveling expenses incurred in connection with Federal Reserve Agents' conferences such as railroad fare, pullman fare, and allowances for subsistence and incidentals.

Other expenses -

All expenses, except traveling expenses, incurred in connection with Federal Reserve Agents' conferences.

6. Fed. Advisory Council: Traveling exp....\$_____ Other exp.....\$_____

Traveling expenses -

All traveling expenses incurred in connection with meetings of the Federal Advisory Council such as railroad fare, pullman fare, and allowances for subsistence and incidentals.

Other expenses -

All fees, compensation or per diem allowance and other expenses, except traveling expenses, incurred in connection with meetings of the Federal Advisory Council.

B-447

(Effective Jan. 1, 1931)

7. Directors' meetings: Traveling exp.....\$_____ Other exp.....\$_____

Traveling expenses -

All traveling expenses incurred in connection with attendance at directors' meetings, executive committee meetings and other authorized meetings or conferences of directors. Such expenses should include railroad fare, pullman fare and allowances for subsistence and incidentals or the amount paid as an allowance in lieu of actual traveling expenses.

Other expenses -

All fees, compensation or per diem allowances (other than for traveling expenses) paid directors for attendance at directors' meetings, executive committee meetings and other authorized meetings or conferences of directors.

Includes cost of entertainment and of furnishing meals to directors either through the bank's cafeteria, officers' dining room or through outside sources.

8. Traveling expenses: (Other than amounts included in items 4 to 7)

All traveling expenses such as railroad fare, pullman fare and allowances for subsistence and incidentals incurred by officers and employees in connection with regular bank work other than traveling expenses incurred in connection with Governors' conferences and F. R. Agents' conferences.

Traveling expenses incurred by the Head Office auditing force in connection with branch audits should be charged to the branch. All other traveling expenses should be charged to the head office or branch where the officer or employee doing the traveling is permanently assigned.

Moving expenses in connection with the transfer of an officer or employee from one office of a Federal reserve bank to another, when paid by the bank, should be considered as traveling expenses and included in the report of the office to which the transfer is being made.

Gasoline, oil and repairs for passenger automobiles or mileage allowances to employees using own cars.

B-447

(Effective Jan. 1, 1931)

9. Assessments for Federal Reserve Board expenses

Amounts paid to the Federal Reserve Board to cover its general expenses. Such amounts should be debited to deferred charges and prorated monthly.

10. Legal fees

All retainers' fees and other fees paid outside counsel. If counsel is not an officer or employee of the bank and does not devote all his time to bank work, the total payments to him, including allowances for clerical help or for office space, should be included in this item.

Traveling expenses of outside counsel.

Court, recording and notary fees, except protest fees.

Pro rata share of any assessments made by the Federal Reserve Board covering legal fees and expenses of special counsel engaged in connection with matters affecting the Federal reserve system as a whole.

11. Insurance on currency and security shipments

Cost of insurance absorbed by the Reserve bank on all currency, coin and security shipments, except shipments of Federal reserve currency between the U. S. Treasury and the Federal reserve banks and their branches and between Federal reserve banks, the cost of which should be reported against items "Federal reserve currency: Original cost, including shipping charges" and "Federal reserve currency: Cost of redemption, including shipping charges." In this connection the term "Security" includes any item which is insured.

B-447

(Effective January 1, 1931)

11. Insurance on currency and security shipments (Cont'd)

The cost of insurance on all shipments of fit currency between head office and own branches should be included in this item in the Head Office report.

Any rebate of insurance premiums should be credited to this account.

12. Other insurance

Cost of all classes of insurance except insurance on currency and security shipments.

Insurance premiums paid in advance should be debited to deferred charges and prorated monthly over the period covered by such premiums.

Any dividends received should be credited to this account.

Any reimbursements received by the bank through workmen's compensation insurance for loss of time of an employee on account of disability, should be credited to salary account.

13. Taxes on Banking House

All real estate taxes paid on property owned and occupied by the Federal reserve bank in whole or in part.

Taxes paid in advance should be debited to deferred charges and prorated to current expenses monthly.

(Effective January 1, 1931)

13. Taxes on Banking House(Cont'd)

Taxes not paid in advance should be estimated and on the last day of each month the accrued portion thereof should be charged to current expenses and credited on daily balance sheet (Form 34) to item "Accrued taxes, other than franchise tax, unpaid."

14. Light, heat and power (in buildings owned)

Cost, other than salaries of bank employees, of supplying light, heat, power and water, except special drinking water, to property owned by the Federal reserve bank and occupied by it in whole or in part.

15. Repairs and alterations (to buildings owned)

Outside cost of labor, (i.e., persons not regularly employed by the bank) and total cost of materials and repair parts used in making repairs and alterations not of a major character, to buildings owned, including painting, cleaning exterior of building, etc., except the cost of repairs and alterations made for use of tenants.

The cost of repairs and alterations made for tenants should be amortized against earnings (income from banking house) over the period of the lease for the premises affected, unless the amount involved is relatively small, in which case the cost may be charged directly against rent received.

The cost of repairs and alterations of a major character should be added to the book-value of the building or of fixed machinery and equipment.

B-447

(Effective January 1, 1931)

16. Rent (including light, heat, power, water and repairs and alterations)

Rental of space for office quarters, storage of records, vault space, garage, or space rented for any other purpose except Post Office box and safe deposit box.

Rent paid in advance should be debited to deferred charges and prorated monthly.

Light, heat, power, water (except special drinking water).

Outside cost of repairs and alterations and cost of materials and repair parts used by own employees in making repairs and alterations.

Cost of repairs and alterations of a major character made to rented property should be debited to deferred charges and prorated monthly over the period of the lease.

17. Office and other supplies

Please furnish Board with definition which will conform with your present practice.

B-447

(Effective January 1, 1931)

18. Printing and stationery

Cost, including shipping charges, of all letter heads, printed forms, etc., purchased by the bank except:

Cost of printing supplies furnished member banks

Cost, including salaries, of operating bank's printing plant (but not the cost of mimeographing, multigraphing or of other forms of duplicating) except:

Cost of printing supplies furnished member banks.

19. Telephone

Bank's proportion of cost of leased wires; toll charges; cost of local service (including rental of switchboards, removal of instruments, etc.), and outside cost of labor and materials in connection with maintenance of interior automatic system.

20. Telegraph

Bank's proportion of the cost of the main line leased wire system.

Branches should be charged with their proportion of the cost of the main line based upon the number of words sent over the main line, originating at the branch plus the cost of the leased wires to the branches.

Cost of commercial messages.

B-447

(Effective January 1, 1931)

21. Postage

Cost of all postage except postage on:

Federal reserve currency:

Original cost, including shipping charges

Cost of redemption, including shipping charges

Postage (shipping charges) on supplies purchased by the bank should be included in the cost of the supplies.

The term postage is defined as including the cost of registration fees, post cards, postage on stamped envelopes and postage paid through use of postage meter machines (but not the rental of the machines).

22. Expressage

Cost of all express, freight and cartage charges except on supplies purchased by the bank.

Expressage on supplies purchased by the bank should be included in the cost of the supplies.

Cost of gasoline, oil, tires, repairs, fines, etc., incurred in connection with operation of automobile truck by bank.

Cost of removal of garbage, waste paper, ashes, etc.

B-447

(Effective January 1, 1931)

23. Miscellaneous (see reverse side)

23-1. Rental of furniture and equipment

Cost of renting any furniture and equipment used by the bank as, for example, electrical wall clocks, safe deposit boxes, recordaks, typewriters, etc., except rental of postage meter machines and news ticker.

23-2. Repairs and maintenance of furniture and equipment

Total outside cost of labor and total cost of materials and spare parts used in connection with repairs and maintenance of furniture and equipment.

23-3. Outside protection, vault inspection, time service, etc.

Cost of outside protection, vault inspection, and burglar alarm services.

Includes time clock inspection and maintenance service in connection with vaults, but not time service in connection with ordinary clocks on walls.

23-4. Outside laundry and cleaning charges, etc.

Cost of outside laundry, dry cleaning and pressing charges, except work for cafeteria

Includes outside cleaning service in connection with window cleaning, floor polishing, etc.

Includes cost of fumigating and disinfecting bank building and cost of exterminating insects and rodents.

23-5. Licenses and permits-automobile, chauffeurs, elevator, etc.

Cost of all city, county, state or Federal licenses or permits purchased and all inspection charges pertaining thereto.

23-6. Local transportation-car fare

Cost of all local car or train fare furnished or reimbursed to messengers, nurses, welfare workers, etc.

23-7. Local transportation-taxi hire

Cost of all taxi fares in connection with overtime work, medical service, emergencies, or other bank business.

23-8. Post office box and postage-meter rental

Rent of Post Office boxes

Rent of postage meter machines, but not the cost of postage

B-1147

(Effective January 1, 1931)

23-9. Newspapers, periodicals, books, binding, clipping service, etc.

Cost of subscriptions to newspapers, magazines and periodicals and cost of newspaper clippings and news service

Cost of books, directories, etc.

Cost of information or service of a statistical or economic nature such as news ticker and news service supplementing news ticker.

Outside cost of all binding, including cost of binding bank's own records.

23-10. Collection charges and protest fees absorbed

Protest fees and collection charges absorbed by bank

23-11. Clearing house membership dues

Membership dues paid to Clearing House Associations, including any special assessments or donations to clearing house associations.

23-12. Clearing house fines

Net fines paid to Clearing House Associations in accordance with their rules and regulations.

B-447

(Effective Jan. 1, 1931)

23-13. Supplies furnished member banks

Cost, including shipping charges, of all supplies furnished member banks by the reserve bank

23-14. Copies of bank examination reports

Cost of national and state bank examiners' reports.

23-15. Commercial agency credit reports and services

Subscriptions to commercial agency services and cost of special reports received from them. Includes outside cost of credit reports from other sources and of investigating employees.

23-16. Advertising

Cost of all advertising except for tenants

Fees of employment agencies.

23-17. Employees' photographs

Cost of photographs of directors, officers and employees.

(Effective Jan. 1, 1931)

23. Miscellaneous (Cont'd)

23-18. Medical service and supplies and physical examinations.

Retainer fees or payments to physicians, dentists, nurses, oral hygienists, or welfare workers who are not employees of the bank, i.e., whose positions are not provided for in the Personnel Classification Plan (Form A)

Cost of other medical services including emergency services, special pathological examinations, X-ray photographs, etc.

Membership dues and cost of supervisory service of the Visiting Nurse Association, etc.

Cost, including shipping charges, of supplies, purchased for use in connection with medical service such as medicines (including containers), bandages, bottles, cotton, gauze, instruments, etc.

Cost of milk, malted milk, etc., furnished certain employees.

23-19. Cafeteria net expense

That part of the cost of operating cafeteria and officers' dining room which is absorbed by the reserve bank. The amounts reported should agree with bank's functional expense report (Form E).

The Federal Reserve Board has authorized the Federal reserve banks to absorb approximately one-third of the cost of operating their cafeterias.

B-447

(Effective Jan. 1, 1931)

23. Miscellaneous (Cont'd)23-20. Entertainment of bankers and others not in bank's employ.

Cost of entertaining local and out-of-town bankers and others not in bank's employ.

Includes cost of meals served to outsiders in own cafeteria or officers' dining room.

23-21. Officers' dinners.

Expenses, other than those chargeable to traveling expenses, or membership dues, assumed by the Federal reserve bank in connection with the attendance of officers at meetings, conferences, conventions, etc., including the cost of any entertainment given by the Reserve bank to its own officers.

23-22. Employees' dinners

Expenses, other than those chargeable to traveling expenses, or membership dues, assumed by the Federal reserve bank in connection with the attendance of employees at meetings, conferences, conventions, etc., including the cost of any entertainment given by the Reserve bank to its own employees.

23-23. Employees' education: American Institute of Banking
 23-24 All other

Contributions made for employees' education, whether through the Federal Reserve Club or otherwise.

Includes dues and fees in A. I. B. refunded to employees.

B-447

(Effective Jan. 1, 1931)

23. Miscellaneous (Cont'd)

23-25. Federal Reserve Club

All contributions made to the Federal Reserve Club or Federal Reserve Society, whether directly or indirectly, including any part of the cost of printing the Club or Society magazine, except contributions made for employees' education.

23-26. Membership dues and donations (specify those not provided for):

- (a) American Bankers' Association
- (b) State and other bankers' associations
- (c) Credit men's associations
Includes dues and donations to Robert Morris Associates
- (d) Chambers of Commerce
- (e) American Acceptance Council

Membership dues in associations listed above. As indicated membership dues and donations not provided for should be listed separately. When there is any doubt as to whether a given expenditure is a proper one for a Federal reserve bank to make, the matter should be referred to the Federal Reserve Board.

24. Total, exclusive of Cost of Currency

B-447

(Effective Jan. 1, 1931)

25. Federal reserve currency:

Original cost, including shipping charges

Amounts paid Bureau of Engraving and Printing for printing Federal reserve notes.

Postage and insurance paid on shipments of new Federal reserve notes from Washington to a Federal reserve bank or branch.

These expenses should be included only on the Head Office report.

26. Federal reserve currency:

Cost of redemption, including shipping charges

Cost of postage and redemption charges on all shipments of unfit Federal reserve currency to Washington, D. C.

Cost of postage and insurance on shipments of fit Federal reserve currency to the Federal reserve banks of issue.

Cost of redeeming Federal reserve currency at Washington, D.C., should be estimated at the end of each month and the amount thereof included in current expenses and credited to "Sundry items payable" on daily balance sheet (Form 34)

27. Total current expenses (To agree with Form 34)

B-447

(Effective Jan. 1, 1931)

REIMBURSABLE FISCAL AGENCY EXPENSES

(Form 96)

GENERAL

Fiscal Agency expenses which are reimbursed by the Treasury Department. Expenses for which the Federal Reserve Banks are reimbursed by the Federal Farm Board should be included in "Reimbursable fiscal agency expenses".

In cases where branch banks incur Fiscal agency expenses which are reimbursable, such expenses should be shown on the report of the branch even though actual reimbursement is obtained through the head office.

Instructions governing the reporting of current expenses, form 96, should be followed in preparing reports on "Reimbursable Fiscal Agency Expenses."

- 28. Salaries, officers
- 29. Salaries, employees
- 30. Printing and stationery
- 31. Postage
- 32. Miscellaneous
- 33. Total

B-447

(Effective January 1, 1931)

ENTRIES IN PROFIT AND LOSS ACCOUNT

CURRENT ENTRIES

(Form St. 6552)

- A. Reports are to be submitted each month to the Federal Reserve Board.
- B. Items of the general character shown below should be included in current entries.

1. Profit or loss on sales of United States securities held in bank's own investment account.

- . Profit or loss on sales of United States securities by the Executive Committee of the Open market Policy Conference is now held in suspense account by the Federal Reserve Bank of New York and distributed at the end of each year.

2. Income or expense, "Other real estate."

In this connection "Other real estate" is defined as property which is owned but not occupied in whole or in part by the Federal reserve bank.

Taxes on land on which a new building is being constructed should be included in this item.

3. Recovery of amounts previously charged off except recoveries of amounts previously charged to reserve for losses on paper of failed or over-extended banks.

Recoveries of amounts previously charged to reserve for losses on paper of failed or over-extended banks should be returned to the reserve account.

Proceeds from sale of furniture and equipment, regardless of when purchased, should be credited to Furniture and Equipment account.

B-447

(Effective January 1, 1931)

CURRENT ENTRIES (Cont'd)

4. Interest paid on account of adjustments not connected with bills and securities carried among earning assets of bank.
5. Losses resulting from bank failures (except when a reserve has been set aside to cover such losses, in which case the charge should be made to the reserve account).
6. Loss on light weight gold coin
Discount on foreign currency
Loss on counterfeits

Should be charged to depositing banks but in event identity of depositing bank cannot be established any loss resulting to the reserve bank should be charged to Profit and Loss account.
7. Sundry items ascertained to be losses (as distinguished from expenses)

E-447

(Effective January 1, 1931)

ENTRIES IN PROFIT AND LOSS ACCOUNT

CLOSING ENTRIES

- A. In requesting authority of the Federal Reserve Board to pay dividends to member banks at the end of June and December each Federal reserve bank should furnish the Board with a certified copy of the resolution of its Board of Directors with regard to the payment of such dividend.
- B. Authority to charge earnings with depreciation allowances, reserves for probable losses, etc., at the end of each year should be obtained from the Federal Reserve Board.
- C. The General procedure followed by the Federal Reserve Board with regard to depreciation reserves on bank premises, reserves for losses on paper of failed banks, and other charges to current net earnings, and the method of determining franchise taxes to be paid by Federal reserve banks is as follows:
 - 1. Bank Premises
 - a. Land

No charges against current net earnings or surplus will be authorized by the Board to cover depreciation on land where the estimated market value of the land is equal to or in excess of its net book value.
 - b. Buildings

The Board will in general authorize the banks to set aside a reserve each year to cover depreciation on bank buildings, including vaults but excluding fixed machinery and equipment, of not exceeding 2 per cent of their estimated replacement cost, such replacement cost to be determined in a manner approved by the Board. Where the book value of a building is in excess of replacement cost, the Board will consider

B-447

(Effective January 1, 1931)

b. Buildings (Cont'd)

a request for permission to charge off an amount sufficient to reduce the book value to estimated replacement cost.

c. Fixed machinery and equipment

The Board will authorize the banks to set aside a reserve each year to cover depreciation on fixed machinery and equipment of not to exceed 10 per cent of cost. The term fixed machinery and equipment as here used includes such machinery and equipment as boilers, engines, dynamos, motors, power pumps, elevators, heating, plumbing, lighting, and ventilating systems, pneumatic tubes, refrigeration plant, automatic fire sprinkler equipment, and vacuum cleaners.

The cost of replacements of fixed machinery and equipment, less salvage (if any), should be charged to "Reserve for depreciation on fixed machinery and equipment."

In this connection if an entire unit of fixed machinery and/or equipment is replaced it should usually be considered as a "replacement" even though the amount involved may seem small. If only a part of a unit of fixed machinery and/or equipment is replaced it should be considered as a "replacement" if the amount involved is large.

If the cost of replacements materially exceeds the cost of original equipment, consideration should be given to the advisability of charging the excess cost to "Fixed machinery and equipment" account.

When purchases of equipment not included in the original installation are made, the cost of such items should be charged to "Fixed machinery and equipment" account.

When the use of any fixed machinery and equipment is discontinued and is not replaced but sold for salvage, the original cost should be credited to "Fixed machinery and equipment" account, and the difference between the original cost and the amount of salvage ob-

B-447

(Effective January 1, 1931)

c. (Cont'd)

tained should be charged to "Reserve for depreciation on fixed machinery and equipment."

When the account "Reserve for depreciation on fixed machinery and equipment" equals "Fixed machinery and equipment" account, depreciation allowances should be discontinued until an increase occurs in the fixed machinery and equipment account or a decrease occurs in the account "Reserve for depreciation on fixed machinery and equipment." Provision should then be made for annual depreciation allowances in order to increase or restore the reserve account upon a fair depreciation basis.

2. Reserves for losses on paper of suspended banks and banks in an over-extended condition.

Authorization to set aside reserves to cover losses on paper of suspended banks or banks in an over-extended condition will be limited to such actual losses, in excess of reserves already carried, as the bank may reasonably expect to sustain on such paper.

3. Furniture and equipment.

It is the general practice of the Board to authorize the banks to charge off at the end of the year all furniture and equipment purchased during the current year.

4. Other charges to current net earnings.

Where a bank desires to set up any reserve other than those mentioned above or to make any other unusual charge against current earnings or surplus at the end of the year, full and complete information should be furnished the Board regarding the necessity for such charge.

B-447

(Effective January 1, 1931)

5. Surplus and franchise taxes

After all current expenses, dividends, depreciation and other reserves, and charge-offs authorized by the Board have been provided for, any remaining net earnings shall be distributed as follows:

- a. Transfer to surplus account all net earnings unless such transfer will result in the bank's surplus account being in excess of its subscribed capital, in which case only such amount should be transferred as is necessary to increase the surplus account to an amount equal to the subscribed capital.
- b. Distribute all available net earnings after the bank's surplus account is equal to its subscribed capital as follows:
 - (1) Transfer 10 per cent to surplus account
 - (2) Pay 90 per cent to United States Government as a franchise tax.

D. Requests for authority to charge earnings or surplus with depreciation allowances, reserves for probable losses, etc., should be accompanied by a statement showing estimated gross earnings, current expenses, additions to and proposed deductions from current net earnings, and net earnings available for surplus and franchise tax for the calendar year.

E. The Board should be furnished on the morning of the first business day of each year with a statement showing the financial results of operation of the preceding calendar year. The data should be furnished in the following form unless otherwise requested.

(Code)

| | | |
|------|---|----------|
| EARL | - Earnings from discounted bills | \$ _____ |
| EDGE | - Earnings from purchased bills | _____ |
| ESPY | - Earnings from U. S. securities | _____ |
| ETCH | - Other earnings (items 4-8 on form 95) | _____ |
| EACH | - Gross earnings | _____ |
| EASY | - Cost of Federal Reserve Currency | _____ |
| EDIT | - Other current expenses | _____ |
| EVER | - Total current expenses | _____ |
| EARN | - Current net earnings | _____ |

B-447

(Effective January 1, 1931)

E. (Cont'd)

| | | |
|------|--|-----------|
| ELBA | - Additions to Current net earnings | \$ _____ |
| ENID | - Deductions from Current net earnings | _____ |
| | Net additions to or deductions | |
| | from current net earnings | .\$ _____ |
| EAST | - Net earnings available for dividends, | |
| | franchise tax, and surplus | _____ |
| EYRE | - Dividends paid | _____ |
| EMET | - Paid to Government as franchise tax | _____ |
| EVEN | - Transferred to surplus account | _____ |
| | Total (to agree with item EAST) | _____ |
| CAPP | - Subscribed capital January 1 (of new year) | _____ |
| CEDE | - Surplus January 1 (of new year) | _____ |

F. Reports of earnings (Form 95) and of expenses (Form 96) for the month of December should be accompanied with an itemized statement showing in detail all additions to and deductions from current net earnings (Profit and Loss Account) during the calendar year. This statement should be prepared in the same form as the corresponding statement in the Board's annual report with separate totals for each of the items shown therein. Separate figures should be shown for each branch, if any, as well as the combined figures for the bank as a whole.

G. In addition to the regular balance sheet (Form 34) for the last day of the calendar year representing the condition of the bank after final closing of the books, a balance sheet (Form 34) should be submitted showing the condition of the bank at close of business but prior to the making of any adjusting, closing or other entries not regularly made at the end of each month.

B-447

(Effective January 1, 1931)

VII. As soon as practicable after the end of each year the Auditor of each Federal reserve bank should prepare and forward to the Under-Secretary of the Treasury, Washington, D. C., with duplicate copy to the Federal Reserve Board, a statement showing the following information:

1. Statement of gross earnings, current expenses and profit and loss account for the calendar year in the form of the corresponding table in the Board's previous annual report, except that all amounts should be given in dollars and cents.
2. Statement of condition after closing of books on December 31 in the form of the Board's consolidated weekly press statement of condition of Federal reserve banks, except that all amounts should be given in dollars and cents. This statement should also give, as a memorandum item, the amount of the bank's subscribed capital and the balance in its surplus account after closing ^{of} books on December 31 of the previous year.

On the last sheet of these statements should appear the Auditor's certification, which should read as follows and be countersigned by the Governor or a Deputy Governor:

"I hereby certify that I have examined the above statements of earnings, expenses, and profit and loss of the Federal Reserve Bank of _____ for the calendar year _____, and the condition statement of such bank after closing of books on December 31, _____; that the items in such statements are correct as shown by the records of such Federal reserve bank; that such profit and loss statement shows all items of gain during the period; that all deductions made from gross and net earnings in such statement appear to be fair, just and reasonable in all respects; and that, as shown thereon, there was \$ _____ due the United States under the provisions of Section 7 of the Federal Reserve Act as amended.

(Signed) _____

Auditor, Federal Reserve
Bank of _____

COUNTERSIGNED:

In the event that no franchise tax was due, the underlined portion of the above certification should read as follows:

"and that there was no amount due the United States under the provisions of Section 7 of the Federal Reserve Act as amended."

B-447

To: Governor Meyer

Date: September 23, 1931.

From: Mr. Smead

SUBJECT: Federal reserve branch banks

In accordance with the suggestion contained in our memorandum of April 4, on "Federal reserve branch banks," the Board on April 22, requested each Federal reserve bank to furnish it with the name, location and loans and investments of each member bank which is not within overnight mail time from a Federal reserve bank or one of its branches and a set of maps showing by colored lines the boundaries of the territory in each district which is within overnight mail time from the Federal reserve bank and from each branch, if any.

From the data submitted by the reserve banks we have prepared the attached table showing the number of member bank points not within over-night mail time of a Federal reserve bank office, the population of such places and the number and total loans and investments of member banks located therein. From this table it will be noted that there are 695 member bank points in the United States not within over-night mail time of a Federal reserve bank or branch. There are 785 member banks located in these places with total loans and investments of \$403,000,000. This represents 9.9 per cent of the total number and about 1.2 per cent of the aggregate loans and investments of all member banks.

Of the member bank points not within over-night mail time of a Federal reserve bank or branch, only 13 are cities with a population in excess of 10,000. These cities, in the order of their size, are listed on the following page:

B-500

| | Population | Member banks | |
|-----------------------|------------|--------------|-----------------------|
| | | Number | Loans and investments |
| Butte, Mont. | 39,532 | 3 | \$28,379,000 |
| Great Falls, Mont. | 28,822 | 2 | 9,672,000 |
| Albuquerque, N. M. | 26,570 | 2 | 8,168,000 |
| Johnson City, Tenn. | 25,080 | 2 | 4,466,000 |
| Klamath Falls, Ore. | 16,093 | 2 | 3,885,000 |
| Marquette, Mich. | 14,789 | 2 | 8,043,000 |
| Anaconda, Mont. | 12,494 | 2 | 4,554,000 |
| Bristol, Tenn. | 12,005 | 1 | 2,834,000 |
| Kingsport, Tenn. | 11,914 | 1 | 1,273,000 |
| Trinidad, Colo. | 11,732 | 2 | 5,066,000 |
| Santa Fe, N. M. | 11,176 | 1 | 3,042,000 |
| Norfolk, Neb. | 10,717 | 1 | 818,000 |
| Grand Junction, Colo. | 10,247 | 1 | 1,505,000 |
| 13 cities | 231,171 | 22 | 81,705,000 |

The two largest cities, Butte and Great Falls, Mont., are each less than 100 miles and about three hours' train time from the Helena branch but the train schedules are such that neither of the cities have over-night mail service from the branch. Both cities, however, are sufficiently close to the branch at Helena to enable member banks to obtain emergency service by automobile within about three hours' time.

Of the 695 member bank points not within over-night mail time of a Federal reserve bank or branch about 95 per cent are towns of less than 5,000 population. The following table classifies these places according to population.

Member bank points not within overnight mail time.

| Towns with population of - | Number of towns |
|----------------------------|-----------------|
| Less than 500 | 164 |
| 500 - 1,000 | 211 |
| 1,000 - 1,500 | 125 |
| 1,500 - 2,500 | 91 |
| 2,500 - 5,000 | 68 |
| 5,000 - 10,000 | 23 |
| 10,000 - 25,000 | 9 |
| 25,000 - 40,000 | 4 |
| Total | 695 |

With regard to the maps furnished by the Federal reserve banks in accordance with the request contained in the Board's letter, it may be stated that because of poor train service many towns in close proximity to a Federal reserve city do not have overnight mail service from the Federal reserve bank, while other towns a considerable distance away do have such service. This causes the lines on the maps to intersect at so many points that they are of little practical use. We have, however, used such maps in preparing a map of the entire United States on which we have located by means of dots each of the 695 member bank points in the United States which are not within overnight mail time of a Federal reserve bank or branch in their respective districts. A photostat copy of this map is attached hereto and the map itself, of somewhat larger size, has been placed in the Board's General Files.

Two of the Federal reserve banks, Atlanta and Kansas City, submitted a list of all member bank points within their districts and indicated for each point whether or not it was within overnight mail time of more than one Federal reserve office. It is interesting to note that in the case of these two districts a large number of places are within overnight mail time of more than one office of the Federal reserve bank as will be seen from the following table:

| | <u>Atlanta District</u> | <u>Kansas City District</u> |
|--|-----------------------------|---------------------------------|
| Number of member bank points - total | 270 | 625 |
| Within overnight mail time of only one office | 77 | 107 |
| " " " " " two offices | 73 | 245 |
| " " " " " three offices | 56 | 100 |
| " " " " " four " | 34 | 11 |
| " " " " " five " | 8 | - |
| Not within overnight time of any office | 22 | 162 |

B-500

MEMBER BANKS NOT WITHIN OVERNIGHT MAIL TIME OF THE FEDERAL RESERVE BANK OR OF A FEDERAL RESERVE BRANCH BANK
IN THE SAME DISTRICT
(Figures as of March 25, 1931)

B-500

| | Not within over-night mail time: | | | | All member banks on March 25, 1931 | | Largest city not within overnight mail time | | |
|-------------------------------|----------------------------------|---------------------------|--------------|-----------------------------------|------------------------------------|---------------------------|---|-----------------|---|
| | Member bank banking points | | Member banks | | Number | Total loans & investments | Name | Popula- tion | Loans and invest- ments of member banks |
| | Number | Aggre- gate popula. | Number | Total loans and investments | | | | | |
| United States: | 695 | 1,140,333 | 785 | \$402,832,000 | 7,928 | \$34,728,565,000 | Butte, Mont. | 39,532 | \$28,379,000 |
| <u>Boston district:</u> | | | | | | | | | |
| Maine | 2 | 2,979 | 2 | 1,301,000 | 54 | 144,147,000 | Fort Kent | 2,245 | 727,000 |
| New Hampshire | 1 | 1,872 | 2 | 533,000 | 56 | 72,607,000 | Colebrook | 1,872 | 633,000 |
| Vermont | 1 | 1,837 | 1 | 1,090,000 | 45 | 65,471,000 | Island Pond | 1,837 | 1,090,000 |
| Massachusetts | 4 | 10,160 | 4 | 3,860,000 | 172 | 1,655,234,000 | Provincetown | 3,740 | 1,105,000 |
| Rhode Island | - | - | - | - | 14 | 323,738,000 | - | - | - |
| Connecticut | - | - | - | - | 52 | 239,717,000 | - | - | - |
| <u>New York district:</u> | | | | | | | | | |
| New York | 18 | 16,384 | 19 | 14,121,000 | 650 | 10,663,042,000 | Greenport | 3,062 | 1,829,000 |
| New Jersey | 1 | 400 | 1 | 361,000 | 246 | 1,169,170,000 | Hope | 400 | 361,000 |
| Connecticut | - | - | - | - | 12 | 47,716,000 | - | - | - |
| <u>Philadelphia district:</u> | | | | | | | | | |
| Pennsylvania | 1 | 1,379 | 1 | 453,000 | 620 | 2,469,540,000 | Mt. Jewett | 1,379 | 453,000 |
| New Jersey | - | - | - | - | 111 | 262,510,000 | - | - | - |
| Delaware | - | - | - | - | 20 | 80,697,000 | - | - | - |
| <u>Cleveland district:</u> | | | | | | | | | |
| Ohio | 7 | 4,450 | 7 | 1,452,000 | 357 | 1,849,098,000 | West Union | 1,094 | 428,000 |
| Pennsylvania | 9 | 9,802 | 9 | 4,207,000 | 293 | 1,465,535,000 | Lyndora | 3,057 | 768,000 |
| Kentucky | 5 | 14,171 | 6 | 5,097,000 | 72 | 86,895,000 | Jenkins | 8,465 | 549,000 |
| West Virginia | - | - | - | - | 13 | 32,612,000 | - | - | - |
| <u>Richmond district:</u> | | | | | | | | | |
| Maryland | 1 | 408 | 1 | 350,000 | 78 | 291,113,000 | Friendsville | 408 | 350,000 |
| Dist. of Col. | - | - | - | - | 12 | 133,213,000 | - | - | - |
| Virginia | 10 | 11,417 | 10 | 4,257,000 | 165 | 353,259,000 | Big Stone Gap | 3,908 | 507,000 |
| West Virginia | 9 | 12,313 | 10 | 4,054,000 | 111 | 151,298,000 | Richwood | 5,720 | 434,000 |
| North Carolina | 4 | 9,038 | 4 | 2,146,000 | 63 | 150,378,000 | Edenton | 3,563 | 841,000 |
| South Carolina | 2 | 2,721 | 2 | 988,000 | 37 | 65,613,000 | Saluda | 1,381 | 556,000 |

MEMBER BANKS NOT WITHIN OVERNIGHT MAIL TIME OF THE FEDERAL RESERVE BANK OR OF A FEDERAL RESERVE BRANCH BANK
IN THE SAME DISTRICT (Cont'd)
(Figures as of March 25, 1931)

B-500

| | Not within over-night mail time: | | | | All member | | Largest city | | |
|------------------------------|----------------------------------|---------------------------|--------------|-----------------------------------|----------------|-----------------------------------|----------------------|-----------------|---|
| | Member bank | | Member banks | | banks on | | not within overnight | | |
| | banking points | | | | March 25, 1931 | | mail time | | |
| | Number | Aggre- gate popula. | Number | Total loans and investments | Number | Total loans & invest- ments | Name | Popula- tion | Loans and invest- ments of member banks |
| <u>Atlanta district:</u> | | | | | | | | | |
| Georgia | 1 | 916 | 1 | \$125,000 | 97 | \$231,875,000 | Lincolnton | 916 | \$125,000 |
| Florida | - | - | - | - | 56 | 142,268,000 | - | - | - |
| Alabama | 7 | 17,342 | 9 | 5,599,000 | 102 | 180,665,000 | Andalusia | 5,154 | 1,790,000 |
| Mississippi | - | - | - | - | 18 | 41,691,000 | - | - | - |
| Tennessee | 12 | 73,655 | 16 | 14,999,000 | 79 | 169,558,000 | Johnson City | 25,080 | 4,466,000 |
| Louisiana | 2 | 4,537 | 2 | 1,098,000 | 24 | 208,546,000 | De Ridder | 3,747 | 898,000 |
| <u>Chicago district:</u> | | | | | | | | | |
| Michigan | 4 | 9,381 | 5 | 5,131,000 | 214 | 1,318,365,000 | Petoskey | 5,740 | 2,706,000 |
| Indiana | 2 | 2,939 | 2 | 571,000 | 152 | 322,191,000 | Covington | 2,008 | 285,000 |
| Illinois | 1 | 508 | 1 | 291,000 | 328 | 2,395,998,000 | Grant Park | 508 | 291,000 |
| Wisconsin | - | - | - | - | 117 | 441,545,000 | - | - | - |
| Iowa | 1 | 812 | 1 | 277,000 | 251 | 306,126,000 | Newell | 812 | 277,000 |
| <u>St. Louis district:</u> | | | | | | | | | |
| Missouri | 9 | 12,046 | 11 | 3,372,000 | 137 | 616,647,000 | Bolivar | 2,256 | 228,000 |
| Arkansas | 11 | 17,930 | 11 | 3,248,000 | 72 | 84,300,000 | Batesville | 4,484 | 532,000 |
| Kentucky | 12 | 18,415 | 13 | 4,769,000 | 58 | 164,580,000 | Providence | 4,742 | 343,000 |
| Indiana | 12 | 14,089 | 13 | 3,859,000 | 52 | 59,965,000 | Jasonville | 3,536 | 598,000 |
| Illinois | 18 | 25,901 | 21 | 10,516,000 | 157 | 141,267,000 | Metropolis | 5,573 | 2,137,000 |
| Tennessee | 1 | 1,129 | 1 | 201,000 | 18 | 70,272,000 | Savannah | 1,129 | 201,000 |
| Mississippi | 1 | 2,018 | 1 | 660,000 | 11 | 10,016,000 | Pontotoc | 2,018 | 660,000 |
| <u>Minneapolis district:</u> | | | | | | | | | |
| Minnesota | 37 | 41,001 | 43 | 14,306,000 | 258 | 513,923,000 | Ely | 6,156 | 763,000 |
| Michigan | 10 | 36,605 | 11 | 18,124,000 | 46 | 67,496,000 | Marquette | 14,789 | 8,043,000 |
| North Dakota | 57 | 47,823 | 58 | 18,609,000 | 104 | 63,527,000 | Williston | 5,106 | 957,000 |
| South Dakota | 42 | 41,992 | 44 | 18,719,000 | 98 | 62,721,000 | Madison | 4,289 | 153,000 |
| Montana | 46 | 136,578 | 53 | 62,130,000 | 77 | 95,116,000 | Butte | 39,532 | 28,379,000 |
| Wisconsin | 10 | 11,672 | 10 | 4,248,000 | 49 | 50,985,000 | River Falls | 2,363 | 623,000 |

MEMBER BANKS NOT WITHIN OVERNIGHT MAIL TIME OF THE FEDERAL RESERVE BANK OR OF A FEDERAL RESERVE BRANCH BANK
IN THE SAME DISTRICT (Cont'd)
(Figures as of March 25, 1931)

B-500

| Not within over-night mail time: | | | | | All member banks on March 25, 1931 | | Largest city not within overnight mail time | | |
|----------------------------------|--------------------|--------|-----------------------------|-------------|------------------------------------|----------------------------|---|-------------|---------------------------------|
| Member bank banking points | | | Member banks | | Number | Total loans & invest-ments | Name | Popula-tion | Loans and in-ments of mem-banks |
| Number | Aggre-gate popula. | Number | Total loans and investments | | | | | | |
| Kansas City district: | | | | | | | | | |
| Kansas | 25 | 18,135 | 25 | \$5,268,000 | 246 | \$169,558,000 | Lincoln | 1,732 | \$308,000 |
| Nebraska | 55 | 68,147 | 68 | 29,953,000 | 170 | 192,986,000 | Norfolk | 10,717 | 818,000 |
| Wyoming | 17 | 51,899 | 23 | 19,039,000 | 29 | 31,502,000 | Laramie | 8,609 | 3,428,000 |
| Colorado | 27 | 66,831 | 33 | 19,618,000 | 116 | 208,636,000 | Trinidad | 11,732 | 5,066,000 |
| New Mexico | 8 | 54,747 | 9 | 16,224,000 | 9 | 16,226,000 | Albuquerque | 26,570 | 8,168,000 |
| Oklahoma | 30 | 36,655 | 36 | 7,852,000 | 252 | 279,014,000 | Anadarko | 5,036 | 526,000 |
| Missouri | - | - | - | - | 39 | 206,262,000 | - | - | - |
| Dallas district: | | | | | | | | | |
| Texas | 71 | 77,632 | 80 | 19,497,000 | 620 | 768,115,000 | Rusk | 3,859 | 187,000 |
| New Mexico | 5 | 9,960 | 5 | 2,307,000 | 19 | 9,967,000 | Silver City | 3,519 | 1,245,000 |
| Oklahoma | 2 | 978 | 2 | 341,000 | 12 | 4,263,000 | Bennington | 492 | 164,000 |
| Louisiana | 1 | 2,909 | 1 | 1,313,000 | 11 | 33,966,000 | Homer | 2,909 | 1,313,000 |
| Arizona | - | - | - | - | 4 | 9,736,000 | - | - | - |
| San Francisco district: | | | | | | | | | |
| California | 16 | 17,236 | 16 | 8,290,000 | 207 | 2,612,356,000 | Westwood | 4,356 | 795,000 |
| Nevada | 3 | 6,237 | 4 | 2,853,000 | 10 | 15,997,000 | Ely | 3,045 | 1,568,000 |
| Oregon | 10 | 24,895 | 14 | 7,384,000 | 115 | 191,075,000 | Klamath Falls | 16,093 | 3,885,000 |
| Washington | 11 | 9,657 | 13 | 4,951,000 | 138 | 300,052,000 | Dayton | 2,528 | 1,435,000 |
| Idaho | 24 | 37,277 | 28 | 11,621,000 | 55 | 44,122,000 | Twin Falls | 8,787 | 3,035,000 |
| Utah | 16 | 34,168 | 19 | 9,438,000 | 38 | 79,085,000 | Price | 4,084 | 2,090,000 |
| Arizona | 3 | 6,350 | 3 | 1,161,000 | 10 | 22,876,000 | Winslow | 3,917 | 606,000 |



BLACK DOTS INDICATE
MEMBER BANK POINTS NOT WITHIN
OVER-NIGHT MAIL TIME FROM A
FEDERAL RESERVE BANK OR BRANCH

Office Correspondence

For CIRCULATION:.....

Mr. Hamlin ✓
 Mr. James ✓
 Mr. Mages ✓
 Mr. Miller ✓
 Mr. Pale ✓
 Mr. Harrison ✓
 Mr. Morrill ✓
 Mr. McClelland ✓
 Mr. Wyatt ✓
 Mr. _____
 Mr. _____

FEDERAL RESERVE
BOARD

Date November 28, 1931

To Governor Meyer

From Mr. Smead

Subject: Deficiency in member bank re-
 serves, San Francisco district

2-8495

CONFIDENTIAL

For some time past a table has been published in the Bulletin (see page 639 of November 1931 issue) showing, by Federal reserve districts, monthly average figures of member bank deposits, reserves carried with the Federal reserve bank, excess reserves, and borrowings from the Federal reserve bank. With one exception the table has always shown an excess of reserves carried over average required reserves. The statement to be published in the forthcoming December Bulletin will, however, show an average deficiency in reserves of \$1,600,000 for the San Francisco district.

From weekly condition reports that we receive covering member banks in selected cities it is apparent that the deficiency for the district is more than accounted for by a deficiency in the reserves of the San Francisco, Los Angeles and Oakland offices of the Bank of America National Trust & Savings Association, San Francisco. The weekly condition reports cover only the San Francisco, Los Angeles and Oakland offices of this bank, i.e., they do not include branches located outside these three cities. On the basis of the weekly reports covering the offices of the bank in these three cities only, the bank had an average deficiency of \$3,600,000 in October, but on the latest report date, November 18, it had excess reserves of \$578,000. Since June the bank's deposits have declined substantially, while its borrowings from the Federal reserve bank have increased. In the first three weeks of this month, however, there has been some slowing up of the withdrawals of deposits, particularly demand deposits, as may be noted from the following table:

DEPOSITS, RESERVES, AND BORROWINGS OF SAN FRANCISCO, LOS ANGELES AND OAKLAND
OFFICES OF BANK OF AMERICA N. T. & S. A., SAN FRANCISCO
(Exclusive of branches located outside these cities)

(In thousands of dollars)

| | Net demand deposits | Time deposits | Reserve with F. R. Bank | | | Borrowings from F.R. Bank** |
|--|---------------------------|------------------|-------------------------|--------|--------|-----------------------------------|
| | | | Required | Held | Excess | |
| Monthly averages of weekly figures: | | | | | | |
| June 1931 | 105,064 | 372,313 | 21,675 | 22,530 | 855 | 19,313 |
| Oct. 1931 | 79,477 | 293,429 | 16,751 | 13,133 | *3,618 | 57,800 |
| Nov. 18, 1931 | 79,880 | 283,988 | 16,508 | 17,086 | 578 | 59,200 |
| Change, June to Oct. | -25,587 | -78,884 | -4,924 | -9,397 | | +38,487 |
| Change, Oct. to Nov. 18 | +403 | -9,441 | -243 | +3,953 | | +1,400 |

*Deficiency in reserves.

**Of entire bank -- all borrowings from Federal
reserve bank are handled through head office.

Office Correspondence

FEDERAL RESERVE
BOARDDate December 9, 1931To Governor MeyerSubject: Bank Debits, November 1931From Mr. Smead

2-8495

The volume of debits to individual deposit accounts in November 1931, as reported by banks in 141 centers aggregated \$29,069,000,000, the lowest figure reported for any month since February 1919, shortly after we began to collect debit figures. The \$29,069,000,000 reported in November compares with \$38,802,000,000 the month before, \$42,176,000,000 in November last year, and \$95,527,000,000 in October, 1929, the month in which the largest volume of debits was reported. The November figures for the 141 reporting cities represents a decrease of 70 per cent from the peak in October 1929, for New York City a decrease of 77 per cent, and for the 140 cities other than New York a decrease of 55 per cent.

A summary of debits for banks in 141 centers for the above mentioned months, by Federal reserve districts, follows:

(In millions of dollars)

| Federal Reserve District | 1931 | | 1930 | 1929 | 1919 |
|--------------------------|----------|---------|----------|---------|----------|
| | November | October | November | October | February |
| Boston | 1,770 | 2,344 | 2,326 | 3,847 | 1,595 |
| New York | 15,023 | 21,402 | 23,192 | 64,614 | 14,927 |
| Philadelphia | 1,372 | 1,879 | 1,821 | 3,026 | 1,273 |
| Cleveland | 1,465 | 1,960 | 2,171 | 3,346 | 1,534 |
| Richmond | 542 | 664 | 699 | 865 | 549 |
| Atlanta | 689 | 847 | 871 | 1,317 | 736 |
| Chicago | 3,650 | 4,273 | 4,884 | 8,755 | 3,302 |
| St. Louis | 715 | 855 | 913 | 1,521 | 942 |
| Minneapolis | 493 | 555 | 673 | 1,015 | 488 |
| Kansas City | 845 | 959 | 1,179 | 1,672 | 1,004 |
| Dallas | 450 | 568 | 564 | 935 | 369 |
| San Francisco | 2,056 | 2,495 | 2,882 | 4,613 | 1,445 |
| Total, 141 cities | 29,069 | 38,802 | 42,176 | 95,527 | 28,163 |
| New York City | 14,464 | 20,678 | 22,490 | 63,325 | 14,492 |
| Total, 140 cities | 14,605 | 18,124 | 19,686 | 32,202 | 13,671 |

Office Correspondence

FEDERAL RESERVE
BOARDDate December 19, 1931To Governor Meyer

Subject: _____

From Mr. Smead

2-8495

While you were testifying before the Senate Committee on Banking and Currency yesterday on the bill to provide for the creation of a Reconstruction Finance Corporation, Senator Glass asked what was the peak amount of United States securities used as collateral to borrowings from the Federal reserve banks during the speculative period.

On July 2, 1928, the Federal reserve banks held under discount for member banks \$901,523,000 of paper secured by obligations of the United States Government. This was the largest amount of such paper held by the Federal reserve banks during 1928 and 1929.

J.R.H.
*To be put in
the record at
the proper place*
W

Office Correspondence

K
FEDERAL RESERVE
BOARD

Date December 21, 1931

To Mr. Harrison

Subject:

From Mr. Smead

... 2-8495

On page 11 of the Governor's testimony I have shown the amount of Government securities held by the Federal reserve banks as \$708,000,000. This figure excludes special Treasury Certificates amounting to \$198,000,000, which were held temporarily pending collection of the quarterly income taxes.

It is not quite clear to me just what Senator Glass had in mind when talking about United States securities held for rediscount purposes. In order to make sure that his question is answered you may wish to add after your penciled insert on page 13 something as follows:

He / On June 30, 1928 member banks held \$4,225,000,000 of United States securities, of which about \$650,000,000 were used as collateral for National bank notes, leaving \$3,575,000,000 which could be used as collateral for borrowings from the Federal reserve banks.

Please also note changes made on page 65.

I have read only those pages of the report marked for my attention.

February 10, 1932

Mr. Hamlin

Distribution of eligible paper

Mr. Smead

among member banks

In compliance with your telephone request for a brief statement of the extent to which the borrowing capacity of member banks would be affected if United States securities were no longer available as a basis for borrowings at the Federal reserve banks, I am giving below the ratio of eligible assets* and of eligible paper to total loans and investments, on the basis of member bank condition reports for September 29, 1931:

| | Eligible assets per \$100 of loans and investments | Eligible paper per \$100 of loans and investments |
|-------------------------------------|--|---|
| <u>Total, all member banks</u> | \$23.99 | \$9.06 |
| Banks with loans and investments -- | | |
| Under \$200,000 | 34.90 | 30.42 |
| \$200,000 to \$500,000 | 27.28 | 21.87 |
| \$500,000 to \$1,000,000 | 21.17 | 15.36 |
| \$1,000,000 to \$5,000,000 | 18.11 | 10.47 |
| \$5,000,000 to \$10,000,000 | 18.72 | 9.53 |
| \$10,000,000 to \$50,000,000 | 21.24 | 8.58 |
| \$50,000,000 and over | 27.17 | 7.71 |

*Represents eligible paper plus U. S. Government securities not pledged as collateral for National bank notes.

It will be noted from the table that, on September 29, member banks had \$23.99 of assets on which they could borrow from the Federal reserve banks for each \$100 of loans and investments, whereas if United States securities had not been available as a basis for such borrowings, member banks would have had available for this purpose only \$9.06 for each \$100 of their loans and investments.

The reduction in borrowing power would by no means have been uniform for all member banks. For example, member banks having loans and investments of

Mr. Hamlin - #2

less than \$200,000 would have had their borrowing power reduced from \$34.90 to \$30.42 per \$100 of loans and investments, whereas member banks with over \$50,000,000 of loans and investments would have had their borrowing power reduced from \$27.17 to \$7.71 per \$100 of loans and investments. The reduction in assets available as the basis for borrowings at the Federal reserve banks, which would result from the elimination of United States Government securities as a basis for such borrowings, would have ranged from 12.8 per cent for the smallest banks to 71.6 per cent for the largest banks.

You will also note that, on the average, the proportion of eligible paper to total loans and investments declines as the size of the bank increases.

JEH:lls

Office Correspondence

FEDERAL RESERVE
BOARDDate January 5, 1932To Federal Reserve BoardSubject: Preliminary statement of net
earnings, dividend payments, etc., of
Federal reserve banks in 1931From Mr. Smead

...

2-8495

END

Attached hereto is a statement showing preliminary figures of gross and net earnings and of dividend payments of each Federal reserve bank for 1931, the amounts of depreciation reserves set aside on United States bonds and the amounts charged to surplus account. As no Federal reserve bank had net earnings sufficient to cover dividend payments, no franchise tax was paid at the end of the year. The paid-in capital of the Federal reserve banks declined from \$169,640,000 on December 31, 1930 to \$160,569,000 at the end of 1931 and their surplus accounts from \$274,636,000 to \$259,420,000.

CONFIDENTIAL

B-627

PRELIMINARY FIGURES OF GROSS AND NET EARNINGS AND DIVIDEND PAYMENTS OF EACH FEDERAL RESERVE BANK
FOR 1931 AND AMOUNTS CHARGED TO SURPLUS ACCOUNT

| Federal Reserve Bank | Gross earnings | Net earnings | Dividends paid | Franchise tax | Depreciation reserve on U. S. bonds | Charged to surplus | Subscribed capital in excess of surplus Jan. 1, 1932 |
|----------------------|----------------|--------------|----------------|---------------|-------------------------------------|--------------------|--|
| Boston | \$1,801,000 | -\$140,000 | \$709,000 | - | \$411,000 | \$1,260,000 | \$3,459,000 |
| New York | 7,555,000 | 1,532,000 | 3,892,000 | - | 3,139,000 | 5,498,000 | 48,200,000 |
| Philadelphia | 2,714,000 | 884,000 | 1,005,000 | - | 459,000 | 579,000 | 6,714,000 |
| Cleveland | 3,038,000 | 79,000 | 937,000 | - | 473,000 | 1,331,000 | 1,620,000 |
| Richmond | 1,389,000 | -157,000 | 340,000 | - | 134,000 | 631,000 | *527,000 |
| Atlanta | 1,449,000 | - | 313,000 | - | 95,000 | 409,000 | *132,000 |
| Chicago | 4,144,000 | 610,000 | 1,171,000 | - | 965,000 | 1,525,000 | *2,388,000 |
| St. Louis | 1,189,000 | -61,000 | 289,000 | - | 186,000 | 537,000 | *638,000 |
| Minneapolis | 937,000 | 46,000 | 180,000 | - | 653,000 | 788,000 | *454,000 |
| Kansas City | 1,555,000 | -185,000 | 254,000 | - | 138,000 | 577,000 | 245,000 |
| Dallas | 1,214,000 | 112,000 | 255,000 | - | 1,168,000 | 1,311,000 | 646,000 |
| San Francisco | 2,718,000 | 253,000 | 685,000 | - | 337,000 | 768,000 | 4,972,000 |
| Total, 1931 | 29,701,000 | 2,972,000 | 10,030,000 | - | 8,158,000 | 15,216,000 | 61,717,000 |
| " 1930 | 36,424,000 | 7,988,000 | 10,269,000 | \$17,000 | - | 2,298,000 | 64,647,000 |

*Surplus in excess of subscribed capital.

DIVISION OF BANK OPERATIONS
FEDERAL RESERVE BOARD
JANUARY 5, 1932.

~~Mr. Harrison~~

7

B-660

February 8, 1932

TO: Federal Reserve Board

SUBJECT: Distribution of eligible assets

FROM: Mr. Smead

among member banks

In view of current discussions of banking legislation and numerous inquiries relating to the distribution of eligible paper among member banks, Mr. Horbett has prepared the attached memorandum classifying eligible paper and eligible assets (eligible paper plus United States Government securities) according to the proportion of eligible paper to total loans and of eligible assets to total loans and investments, respectively. This classification has been made by class of member bank, by size of bank, and by Federal reserve districts, as of September 29, 1931, the date of the Fall call for condition reports of member banks.

The office of the Comptroller of the Currency compiled the basic data used in the memorandum in so far as they refer to national banks.

SUBJECT: Distribution of "Eligible Assets"

among individual member banks.

From an examination of the data submitted herewith it appears that, although member banks in the aggregate had eligible assets much in excess of any probable requirements, 91 of them reported no such assets on September 29 last, and 1,567 member banks, or 20.6 per cent of the total number, had less than \$10 of eligible assets per \$100 of total loans and investments. There were 617 member banks, however, with eligible assets of \$50 or more per \$100 of loans and investments, and 1,260 with eligible assets of \$40 or more per \$100 of loans and investments. Approximately half of the banks held less than \$20 of eligible assets, available as the basis for borrowings at

Federal reserve banks, for each \$100 of their loans and investments.

The distribution of member banks on September 29, 1931, according to the ratio of eligible assets to loans and investments, was not substantially different from the corresponding distribution at the end of December 1929, as may be seen from the following table:

| | Sept. 29, 1931 | | Dec. 31, 1929 | |
|--|-----------------|---------------------|-----------------|---------------------|
| | Number of banks | Percentage of banks | Number of banks | Percentage of banks |
| <u>Total, all member banks</u> | 7,599 | 100.0 | 8,522 | 100.0 |
| Banks with no eligible assets | 91 | 1.2 | 99 | 1.2 |
| Banks with following amount of eligible assets per \$100 of loans and investments: | | | | |
| Under \$10 | 1,567 | 20.6 | 1,749 | 20.5 |
| \$10 - \$20 | 2,115 | 27.8 | 2,065 | 24.2 |
| \$20 - \$30 | 1,563 | 20.6 | 1,529 | 18.0 |
| \$30 - \$40 | 1,003 | 13.2 | 1,219 | 14.3 |
| \$40 - \$50 | 643 | 8.5 | 846 | 9.9 |
| \$50 and over | 617 | 8.1 | 1,015 | 11.9 |

That there were no large banks among the 91 that had no eligible assets is evidenced by the fact that their aggregate loans and investments were only \$50,000,000. The 3,682 banks that reported eligible assets of less than \$20 per \$100 of loans and investments had a total of \$1,761,000,000 of such eligible assets, as compared with aggregate loans and investments of \$13,464,000,000. Their borrowings from Federal reserve banks amounted to \$176,000,000, or 10 per cent of the amount that they could have borrowed on the basis of their eligible assets. The following table shows loans and investments, eligible assets, and borrowings of each group of member banks:

(In millions of dollars)

| | September 29, 1931 | | | December 31, 1929** | |
|---|-----------------------------|--------------------|----------------------------------|-----------------------------|--------------------|
| | Loans and investments | Eligible assets | Borrowings from F.R. banks | Loans and investments | Eligible assets |
| Total, all member banks | 33,073 | 7,934 | 323 | 35,922 | 7,637 |
| Banks with no eligible assets | 50 | - | - | 101 | - |
| Banks with following amounts of eligible assets per \$100 of loans and investments: | | | | | |
| Under \$10 | 3,526 | 222 | 36 | 5,582 | 363 |
| \$10 - \$20 | 9,938 | 1,539 | 140 | 12,952 | 2,013 |
| \$20 - \$30 | 8,894 | 2,159 | 80 | 10,747 | 2,738 |
| \$30 - \$40 | 7,643 | 2,568 | 36 | 4,341 | 1,462 |
| \$40 - \$50 | 2,083 | 906 | 15 | 1,543 | 667 |
| \$50 and over | 939 | 540 | 16 | 656 | 395 |

**Distribution of borrowings according to ratio of eligible assets to loans and investments is not available for December 31, 1929.

A tabulation of member bank borrowings from Federal reserve banks on September 29, 1931, disclosed that 5,159 out of the total of 7,599 member banks were not borrowing from the Federal reserve banks, and that 1,257 were borrowing less than 30 per cent of the amount of their eligible assets. There were 28 banks, however, that were borrowing from Federal reserve banks amount equal to their eligible assets, 36 were borrowing from 90 to 99 per cent of their eligible assets, and 167 were borrowing from 70 to 90 per cent of such eligible assets. A distribution of member banks according to ratio of borrowings to eligible assets is given in the table below:

DISTRIBUTION OF MEMBER BANKS ACCORDING TO RATIO OF BORROWINGS FROM FEDERAL RESERVE BANKS TO ELIGIBLE ASSETS, ON SEPTEMBER 29, 1931.

| | Number of banks reporting eligible assets | | |
|---|---|--|--|
| | Total | Banks with less than \$20 eligible assets per \$100 of loans and investments | Banks with \$20 or more eligible assets per \$100 of loans and investments |
| <u>All member banks with eligible assets</u> | 7,508 | 3,682 | 3,826 |
| Banks borrowing 100% of eligible assets | 28 | 26 | 2 |
| " " over 90% of " " | 64 | 52 | 12 |
| " " over 70% " " " | 231 | 160 | 71 |
| " " over 50% " " " | 567 | 348 | 219 |
| " " over 30% " " " | 1,183 | 650 | 533 |
| " " over 10% " " " | 2,167 | 1,062 | 1,105 |
| Total borrowing banks | 2,440 | 1,131 | 1,309 |
| Non-borrowing banks (exclusive of 91 without eligible assets) | 5,068 | 2,551 | 2,517 |

The average amount of eligible assets per \$100 of loans and investments for member banks as a whole was approximately \$24.00 on September 29, 1931, as compared with an average of approximately \$21.00 in December 1929. This increase reflects principally two factors, one the reduction in total loans and investments, and the other the substantial rise in holdings of U. S. Government securities, which more than offset the reduction in loans eligible for rediscount. As indicated in the following table, there was relatively little change during this period in the average amount of eligible assets per \$100 of loans and investments held by country banks. At central reserve city and reserve city banks, however, particularly those in New York City, the average amount rose considerably, as a result of the rapid growth in Government security holdings.

| | September 29, 1931 | | December 31, 1929 | |
|--------------------------------|--------------------|--|-------------------|--|
| | Number of banks | Eligible assets per \$100 of loans and investments | Number of banks | Eligible assets per \$100 of loans and investments |
| <u>Total, all member banks</u> | 7,599 | \$23.99 | 8,522 | \$21.26 |
| Central reserve city banks: | | | | |
| New York City | 42 | 30.25 | 56 | 24.53 |
| Chicago | 12 | 24.83 | 17 | 20.02 |
| Other reserve city banks | 366 | 24.83 | 458 | 21.83 |
| Country banks | 7,179 | 18.68 | 7,991 | 18.76 |

Member bank borrowings from Federal reserve banks on September 29 last averaged approximately \$1 per \$100 of their loans and investments, and approximately \$4.00 per \$100 of their eligible assets. In other words, such borrowing represented about 4 per cent of the amount that they could have borrowed on the basis of their eligible assets, and about 1 per cent of the total amount of member bank credit outstanding. These ratios were much lower last September than in December 1929 in the case of central reserve city and reserve city banks, and somewhat lower in the case of country banks as may be seen from the table below.

| | September 29, 1931 | | December 31, 1929 | |
|--------------------------------|--|--|--|--|
| | Borrowings at F.R. bank per \$100 of loans and investments | Borrowings at F.R. bank per \$100 of eligible assets | Borrowings at F.R. bank per \$100 of loans and investments | Borrowings at F.R. bank per \$100 of eligible assets |
| <u>Total, all member banks</u> | \$0.98 | \$4.08 | \$1.80 | \$3.49 |
| Central reserve city banks: | | | | |
| New York | 0.16 | 0.52 | 1.29 | 5.27 |
| Chicago | 0.04 | 0.17 | 2.05 | 10.23 |
| Other reserve city banks | 1.03 | 4.15 | 2.01 | 9.25 |
| Country banks | 1.63 | 8.73 | 1.91 | 10.21 |

In connection with the above table it should be noted again that member bank borrowings rose sharply in the last quarter of 1931, and when the December 31, 1931, call report data become available, they will, of course, disclose

a substantial rise in the amount of borrowings as related to loans and investments and to eligible assets.

From the distribution of member banks according to size (using loans and investments as a measure of size), it is found that if the banks are divided into two groups -- those with loans and investments under \$1,000,000 and those with loans and investments of \$1,000,000 and over -- the average amount of eligible assets per \$100 of loans and investments is about the same for both groups. There is a marked difference, however, when the banks are divided into smaller size groups. Banks of the smallest size show relatively the largest proportion of loans and investments available as the basis of borrowing; those in the middle size groups show relatively the smallest proportion of such eligible assets; while the 90 largest banks reported a relatively high ratio of such eligible assets. The figures for each size group are shown in the table below.

| | September 29, 1931 | | December 31, 1929 | |
|--|--------------------|--|-------------------|--|
| | Number of banks | Eligible assets per \$100 of loans and investments | Number of banks | Eligible assets per \$100 of loans and investments |
| <u>Total, all member banks</u> | 7,599 | \$23.99 | 8,522 | \$21.26 |
| <u>Banks with loans and investments --</u> | | | | |
| Under \$1,000,000 | 4,539 | 23.99 | 4,908 | 28.16 |
| \$1,000,000 and over | 3,060 | 23.99 | 3,614 | 20.79 |
| Under \$200,000 | 854 | 34.90 | 785 | 39.52 |
| \$200,000 to \$500,000 | 1,947 | 27.28 | 2,136 | 32.15 |
| \$500,000 to \$1,000,000 | 1,738 | 21.17 | 1,987 | 25.24 |
| \$1,000,000 to \$5,000,000 | 2,322 | 18.11 | 2,767 | 18.39 |
| \$5,000,000 to \$10,000,000 | 372 | 18.72 | 415 | 18.10 |
| \$10,000,000 to \$50,000,000 | 276 | 21.24 | 341 | 18.55 |
| \$50,000,000 and over | 90 | 27.17 | 91 | 22.88 |

Borrowings of the smallest banks last September were relatively high in relation to their loans and investments and their eligible assets. For example, in the case of the member banks that had loans and investments under \$1,000,000, their borrowings from Federal reserve banks were approximately \$2.50 per \$100 of loans and investments and \$10.50 per \$100 of eligible assets, while in the case of banks with loans and investments of \$1,000,000 and over, borrowings averaged 88 cents per \$100 of loans and investments and \$3.67 per \$100 of eligible assets. These data for each size group of banks are given in the following table, but here again it should be remembered that on September 29 borrowings of member banks amounted to only \$323,000,000, whereas they now amount to \$555,000,000.

| | September 29, 1931 | |
|---|--|--|
| | Borrowings at F.R. bank per \$100 of loans and investments | Borrowings at F.R. bank per \$100 of eligible assets |
| <u>Total, all member banks</u> | \$0.98 | \$4.08 |
| <u>Banks with loans and investments</u> | | |
| Under \$1,000,000 | 2.51 | 10.47 |
| \$1,000,000 and over | .88 | 3.67 |
| Under \$200,000 | 5.29 | 15.17 |
| \$200,000 to \$500,000 | 2.84 | 10.40 |
| \$500,000 to \$1,000,000 | 2.06 | 9.75 |
| \$1,000,000 to \$5,000,000 | 1.48 | 8.16 |
| \$5,000,000 to \$10,000,000 | 1.86 | 9.94 |
| \$10,000,000 to \$50,000,000 | 1.33 | 6.26 |
| \$50,000,000 and over | .44 | 1.61 |

NOTE: This distribution is not available for December 31, 1929.

There are considerable differences between member banks in the various districts in the relation of eligible assets to loans and investments, and in the relation of borrowings to loans and investments and to eligible assets. Figures for each district are given in the two following summary tables, and more fully in the appended tabulations:

AMOUNT OF ELIGIBLE ASSETS PER \$100 OF LOANS AND INVESTMENTS

| Federal Reserve District | September 29, 1931 | | December 31, 1929 | |
|--------------------------------|--------------------|--|-------------------|--|
| | Number of banks | Eligible assets per \$100 of loans and investments | Number of banks | Eligible assets per \$100 of loans and investments |
| <u>Total, all member banks</u> | 7,599 | \$23.99 | 8,522 | \$21.26 |
| Boston | 383 | 20.49 | 404 | 16.48 |
| New York | 876 | 26.41 | 931 | 21.50 |
| Philadelphia | 740 | 18.83 | 764 | 15.22 |
| Cleveland | 698 | 20.90 | 795 | 17.37 |
| Richmond | 448 | 21.86 | 514 | 20.90 |
| Atlanta | 363 | 25.93 | 428 | 24.80 |
| Chicago | 960 | 21.68 | 1,186 | 19.12 |
| St. Louis | 500 | 23.92 | 571 | 21.40 |
| Minneapolis | 597 | 31.83 | 683 | 31.54 |
| Kansas City | 844 | 33.99 | 893 | 34.59 |
| Dallas | 645 | 31.44 | 746 | 35.22 |
| San Francisco | 545 | 21.46 | 607 | 23.53 |

BORROWINGS AT FEDERAL RESERVE BANK PER \$100 OF LOANS AND INVESTMENTS
AND PER \$100 OF ELIGIBLE ASSETS

| Federal Reserve District | September 29, 1931 | | December 31, 1929 | |
|--------------------------------|---|--|--|--|
| | Borrowings at F. R. bank per \$100 of loans and investments | Borrowings at F.R. bank per \$100 of eligible assets | Borrowings at F.R. bank per \$100 of loans and investments | Borrowings at F.R. bank per \$100 of eligible assets |
| <u>Total, all member banks</u> | \$0.98 | \$4.08 | \$1.80 | \$8.49 |
| Boston | 0.49 | 2.40 | 1.56 | 9.39 |
| New York | 0.53 | 2.00 | 1.39 | 6.47 |
| Philadelphia | 1.87 | 9.93 | 2.46 | 16.18 |
| Cleveland | 1.32 | 6.31 | 2.26 | 13.11 |
| Richmond | 2.23 | 10.19 | 3.05 | 14.49 |
| Atlanta | 2.84 | 10.94 | 2.60 | 10.54 |
| Chicago | 0.39 | 1.80 | 2.29 | 11.99 |
| St. Louis | 1.19 | 4.97 | 1.35 | 6.29 |
| Minneapolis | 0.46 | 1.44 | 1.10 | 3.59 |
| Kansas City | 1.34 | 3.93 | 2.48 | 7.25 |
| Dallas | 1.61 | 5.11 | 1.39 | 4.04 |
| San Francisco | 1.43 | 6.68 | 1.22 | 5.20 |

When the December 31, 1931 call report figures become available, they will, of course, show a substantial increase in the ratio of borrowings to loans and investments and to eligible assets, as borrowings more than doubled during the last quarter of the year.

In addition to the foregoing data, all of which are based on "eligible assets," i.e., eligible paper plus Government securities, detailed tabulations have been made based on the ratio of eligible paper to total loans of member banks. From these tabulations it was found that on September 29 last, 424 member banks held no eligible paper whatever, and that 1,485 had less than \$10 of such paper per \$100 of total loans. This distribution, in comparison with a corresponding distribution for 1929, is shown in the following summary table, and more detailed figures by classes of banks, by size groups, and by Federal reserve districts, are contained in the appended tabulations.

| | September 29, 1931 | | December 31, 1929 | |
|--|-----------------------|-----------------------------|-----------------------|-----------------------------|
| | Number of banks | Per- centage of banks | Number of banks | Per- centage of banks |
| <u>Total, all member banks</u> | 7,599 | 100.0 | 8,522 | 100.0 |
| Banks with no eligible paper | 424 | 5.6 | 324 | 3.8 |
| Banks with following amounts of eligible paper per \$100 of total loans: | | | | |
| Under \$10 | 1,485 | 19.6 | 1,553 | 18.2 |
| \$10 - \$20 | 1,571 | 20.7 | 1,702 | 20.0 |
| \$20 - \$30 | 1,304 | 17.1 | 1,371 | 16.1 |
| \$30 - \$40 | 954 | 12.7 | 1,071 | 12.6 |
| \$40 - \$50 | 769 | 10.1 | 923 | 10.8 |
| \$50 and over | 1,082 | 14.2 | 1,578 | 18.5 |

Table 1 - DISTRIBUTION OF NUMBER OF MEMBER BANKS ACCORDING TO RATIO OF BORROWINGS FROM FEDERAL RESERVE BANKS TO ELIGIBLE ASSETS

B-660a

| | Total, all banks in the group | Banks not borrowing from F. R. bank | September 29, 1931 | | | | | | |
|--|--|--|--|--------|--------|--------|--------|--------|------|
| | | | Number of banks with the following ratios of borrowings from F. R. banks to eligible assets | | | | | | |
| | | | Less than 10% | 10-30% | 30-50% | 50-70% | 70-90% | 90-99% | 100% |
| Total, all member banks | 7,599 | 5,159 | 273 | 984 | 616 | 336 | 167 | 36 | 28 |
| <u>DISTRIBUTION BY CLASS OF BANK</u> | | | | | | | | | |
| Central reserve city banks: | | | | | | | | | |
| New York City | 42 | 31 | 1 | 3 | 4 | 2 | 1 | - | - |
| Chicago | 12 | 10 | - | 1 | - | - | - | - | 1 |
| Other reserve city banks | 366 | 251 | 24 | 47 | 28 | 10 | 4 | 2 | - |
| Country banks | 7,179 | 4,867 | 248 | 933 | 584 | 324 | 162 | 34 | 27 |
| <u>DISTRIBUTION BY LOANS AND INVESTMENTS(SIZE OF BANK)</u> | | | | | | | | | |
| Under \$1,000,000 | 4,539 | 3,060 | 142 | 592 | 382 | 218 | 102 | 23 | 20 |
| \$1,000,000 and over | 3,060 | 2,099 | 131 | 392 | 234 | 118 | 65 | 13 | 8 |
| <u>DISTRIBUTION BY FEDERAL RESERVE DISTRICTS</u> | | | | | | | | | |
| Boston | 383 | 290 | 14 | 47 | 22 | 6 | 3 | - | 1 |
| New York | 876 | 582 | 37 | 141 | 58 | 36 | 18 | 2 | 2 |
| Philadelphia | 740 | 432 | 46 | 117 | 84 | 32 | 18 | 7 | 4 |
| Cleveland | 698 | 462 | 15 | 96 | 65 | 34 | 20 | 6 | - |
| Richmond | 448 | 251 | 26 | 71 | 50 | 29 | 15 | 4 | 2 |
| Atlanta | 363 | 190 | 17 | 47 | 46 | 40 | 16 | 5 | 2 |
| Chicago | 960 | 715 | 38 | 104 | 57 | 31 | 9 | 2 | 4 |
| St. Louis | 500 | 323 | 23 | 71 | 34 | 24 | 17 | 3 | 5 |
| Minneapolis | 597 | 478 | 10 | 41 | 40 | 15 | 10 | 2 | 1 |
| Kansas City | 844 | 612 | 23 | 104 | 65 | 26 | 10 | 1 | 3 |
| Dallas | 645 | 411 | 11 | 91 | 71 | 43 | 14 | 3 | 1 |
| San Francisco | 545 | 413 | 13 | 54 | 24 | 20 | 17 | 1 | 3 |

Table 2 - NUMBER, LOANS AND INVESTMENTS, ELIGIBLE ASSETS*, AND BORROWINGS OF MEMBER BANKS ON SEPTEMBER 29, 1931

B-660

Page 1

| ALL MEMBER BANKS | Total (all banks in group) | Banks with no eligible assets | Banks with following amounts of eligible assets per \$100 of loans and investments | | | | | |
|--|-------------------------------------|--|---|-----------|-----------|-----------|-----------|------------------|
| | | | Under \$10 | \$10-\$20 | \$20-\$30 | \$30-\$40 | \$40-\$50 | \$50 and over |
| Number of banks | 7,599 | 91 | 1,567 | 2,115 | 1,563 | 1,003 | 643 | 617 |
| Percentage of banks | 100.0 | 1.2 | 20.6 | 27.8 | 20.6 | 13.2 | 8.5 | 8.1 |
| Loans and investments (Millions of dollars) | 33,073 | 50 | 3,526 | 9,938 | 8,894 | 7,643 | 2,083 | 939 |
| Eligible assets* do | 7,934 | - | 222 | 1,539 | 2,159 | 2,568 | 906 | 540 |
| Borrowings from F. R. banks do | 323 | - | 36 | 140 | 80 | 36 | 15 | 16 |
| Other borrowings do | 142 | 1 | 39 | 48 | 34 | 16 | 2 | 2 |
| Eligible assets per \$100 of loans and investments | \$23.99 | - | \$6.30 | \$15.49 | \$24.28 | \$33.60 | \$43.48 | \$57.51 |
| Borrowings at F.R.banks per \$100 of loans & investments | 0.98 | - | 1.03 | 1.41 | 0.90 | 0.47 | 0.74 | 1.67 |
| Borrowings at F.R.banks per \$100 of eligible assets* | 4.08 | - | 16.34 | 9.07 | 3.70 | 1.41 | 1.71 | 2.90 |

*Represents the total of (1) paper eligible for rediscount at Federal reserve banks, and (2) United States Government securities, other than securities pledged against national bank note circulation.

B-660

| DISTRIBUTION BY CLASS OF BANK | Total (all banks in group) | Banks with no eligible assets | Banks with following amounts of eligible assets per \$100 of loans and investments | | | | | |
|--|-------------------------------------|--|---|-----------|-----------|-----------|-----------|------------------|
| | | | Under \$10 | \$10-\$20 | \$20-\$30 | \$30-\$40 | \$40-\$50 | \$50 and over |
| <u>Central Reserve City Banks in New York City</u> | | | | | | | | |
| Number of banks | 42 | - | 5 | 4 | 10 | 14 | 5 | 4 |
| Percentage of banks | 100.0 | - | 11.9 | 9.5 | 23.8 | 33.4 | 11.9 | 9.5 |
| Loans and investments (millions of dollars) | 8,253 | - | 100 | 145 | 2,445 | 4,769 | 774 | 20 |
| Eligible assets* do | 2,496 | - | 7 | 23 | 555 | 1,581 | 320 | 11 |
| Borrowings from F. R. banks do | 13 | - | 1 | (a) | 5 | 1 | 2 | 4 |
| Other borrowings do | 23 | - | (a) | - | 19 | 3 | - | - |
| Eligible assets per \$100 of loans and investments | \$30.25 | - | \$7.35 | \$15.61 | \$22.68 | \$33.15 | \$41.35 | \$54.54 |
| Borrowings at F.R.banks per \$100 of loans and investments | 0.16 | - | 0.75 | 0.07 | 0.19 | 0.03 | 0.22 | 20.22 |
| Borrowings at F.R.banks per \$100 of eligible assets* | 0.52 | - | 10.19 | 0.44 | 0.86 | 0.09 | 0.54 | 37.07 |
| <u>Central Reserve City Banks in Chicago</u> | | | | | | | | |
| Number of banks | 12 | - | 2 | 3 | 3 | 3 | 1 | - |
| Percentage of banks | 100.0 | - | 16.7 | 25.0 | 25.0 | 25.0 | 8.3 | - |
| Loans and investments (Millions of dollars) | 1,644 | - | 5 | 208 | 1,244 | 182 | 4 | - |
| Eligible assets* do | 409 | - | 1 | 36 | 308 | 62 | 2 | - |
| Borrowings from F. R. banks do | 1 | - | (a) | - | - | 1 | - | - |
| Other borrowings do | (a) | - | (a) | - | - | - | - | - |
| Eligible assets per \$100 of loans and investments | \$24.88 | - | \$9.18 | \$17.43 | \$24.75 | \$34.31 | \$41.74 | - |
| Borrowings at F.R. banks per \$100 of loans & investments | 0.04 | - | 0.73 | - | - | 0.36 | - | - |
| Borrowings at F.R. banks per \$100 of eligible assets* | 0.17 | - | 7.94 | - | - | 1.06 | - | - |

(a) Less than \$500,000.

| DISTRIBUTION BY CLASS OF BANK | Total (all banks in group) | Banks with no eligible assets | Banks with following amounts of eligible assets per \$100 of loans and investments | | | | | |
|---|-------------------------------------|--|---|-----------|-----------|-----------|-----------|------------------|
| | | | Under \$10 | \$10-\$20 | \$20-\$30 | \$30-\$40 | \$40-\$50 | \$50 and over |
| <u>Other reserve city banks</u> | | | | | | | | |
| Number of banks | 366 | 2 | 38 | 129 | 88 | 54 | 28 | 27 |
| Percentage of banks | 100.0 | 0.5 | 10.4 | 35.2 | 24.0 | 14.8 | 7.7 | 7.4 |
| Loans and investments (Millions of dollars) | 11,372 | 5 | 489 | 5,118 | 2,732 | 1,541 | 851 | 635 |
| Eligible assets* do | 2,824 | - | 34 | 823 | 688 | 535 | 383 | 361 |
| Borrowings from F. R. banks do | 117 | - | 8 | 64 | 33 | 9 | 2 | 1 |
| Other borrowings do | 51 | (a) | 9 | 29 | 4 | 9 | - | - |
| Eligible assets per \$100 of loans and investments | \$24.83 | - | \$6.86 | \$16.08 | \$25.19 | \$34.74 | \$45.01 | \$56.87 |
| Borrowings at F.R. banks per \$100 of loans & investments | 1.03 | - | 1.60 | 1.25 | 1.22 | 0.58 | 0.25 | 0.15 |
| Borrowings at F.R. banks per \$100 of eligible assets* | 4.15 | - | 23.33 | 7.78 | 4.85 | 1.66 | 0.55 | 0.27 |
| <u>Country banks</u> | | | | | | | | |
| Number of banks | 7,179 | 89 | 1,522 | 1,979 | 1,462 | 932 | 609 | 586 |
| Percentage of banks | 100.0 | 1.2 | 21.2 | 27.6 | 20.3 | 13.0 | 8.5 | 8.2 |
| Loans and investments (Millions of dollars) | 11,805 | 44 | 2,932 | 4,468 | 2,473 | 1,150 | 453 | 284 |
| Eligible assets* do | 2,205 | - | 181 | 658 | 609 | 389 | 201 | 168 |
| Borrowings from F. R. banks do | 193 | - | 28 | 76 | 42 | 25 | 12 | 11 |
| Other borrowings do | 68 | 1 | 31 | 19 | 10 | 4 | 2 | 2 |
| Eligible assets per \$100 of loans and investments | \$18.68 | - | \$6.16 | \$14.72 | \$24.60 | \$33.81 | \$44.26 | \$59.15 |
| Borrowings at F.R. banks per \$100 of loans and investments | 1.63 | - | 0.94 | 1.69 | 1.69 | 2.20 | 2.57 | 3.74 |
| Borrowings at F.R. banks per \$100 of eligible assets* | 8.73 | - | 15.32 | 11.50 | 6.86 | 6.49 | 5.80 | 6.32 |

(a) Less than \$500,000.

| DISTRIBUTION BY LOANS AND INVESTMENTS (SIZE OF BANK) | Total (all banks in group) | Banks with no eligible assets | Banks with following amounts of eligible assets per \$100 of loans and investments | | | | | |
|--|-------------------------------------|--|---|-----------|-----------|-----------|-----------|------------------|
| | | | Under \$10 | \$10-\$20 | \$20-\$30 | \$30-\$40 | \$40-\$50 | \$50 and over |
| <u>Under \$200,000</u> | | | | | | | | |
| Number of banks | 854 | 15 | 72 | 106 | 156 | 160 | 143 | 202 |
| Percentage of banks | 100.0 | 1.8 | 8.4 | 12.4 | 18.3 | 18.7 | 16.7 | 23.7 |
| Loans and investments (Millions of dollars) | 120 | 2 | 11 | 16 | 23 | 23 | 19 | 26 |
| Eligible assets* do | 42 | - | 1 | 2 | 6 | 8 | 8 | 17 |
| Borrowings from F. R. banks do | 6 | - | (a) | (a) | 1 | 1 | 1 | 2 |
| Other borrowings do | 2 | - | (a) | (a) | (a) | (a) | (a) | (a) |
| Eligible assets per \$100 of loans and investments | \$34.90 | - | \$6.37 | \$15.00 | \$25.53 | \$35.05 | \$44.20 | \$62.42 |
| Borrowings at F.R. banks per \$100 of loans & investments | 5.29 | - | 1.52 | 1.77 | 4.73 | 5.83 | 6.20 | 8.73 |
| Borrowings at F.R. banks per \$100 of eligible assets* | 15.17 | - | 23.85 | 11.77 | 18.52 | 16.64 | 14.04 | 13.99 |
| <u>\$200,000 to \$500,000</u> | | | | | | | | |
| Number of banks | 1,947 | 40 | 281 | 393 | 434 | 325 | 239 | 235 |
| Percentage of banks | 100.0 | 2.0 | 14.4 | 20.2 | 22.3 | 16.7 | 12.3 | 12.1 |
| Loans and investments (Millions of dollars) | 663 | 13 | 100 | 140 | 148 | 111 | 77 | 74 |
| Eligible assets* do | 181 | - | 5 | 21 | 37 | 38 | 34 | 45 |
| Borrowings from F. R. banks do | 19 | - | 1 | 2 | 4 | 5 | 3 | 3 |
| Other borrowings do | 6 | (a) | 1 | 2 | 1 | 1 | (a) | (a) |
| Eligible assets per \$100 of loans and investments | \$27.28 | - | \$5.43 | \$14.68 | \$24.88 | \$34.56 | \$44.82 | \$60.78 |
| Borrowings at F. R. banks per \$100 of loans & investments | 2.84 | - | 0.63 | 1.67 | 3.02 | 4.30 | 4.21 | 4.52 |
| Borrowings at F.R. banks per \$100 of eligible assets* | 10.40 | - | 11.68 | 11.35 | 12.12 | 12.45 | 9.39 | 7.44 |

(a) Less than \$500,000.

| DISTRIBUTION BY LOANS AND INVESTMENTS (SIZE OF BANK) | Total (all banks in group) | Banks with no eligible assets | Banks with following amounts of eligible assets per \$100 of loans and investments | | | | | |
|---|-------------------------------------|--|---|-------------|-------------|-------------|------------|------------------|
| | | | Under \$10 | \$10 - \$20 | \$20 - \$30 | \$30 - \$40 | \$40- \$50 | \$50 and over |
| <u>\$500,000 to \$1,000,000</u> | | | | | | | | |
| Number of banks | 1,738 | 28 | 408 | 508 | 365 | 209 | 124 | 96 |
| Percentage of banks | 100.0 | 1.6 | 23.5 | 29.2 | 21.0 | 12.0 | 7.2 | 5.5 |
| Loans and investments (Millions of dollars) | 1,247 | 19 | 298 | 367 | 263 | 147 | 86 | 67 |
| Eligible assets* do | 264 | - | 18 | 54 | 65 | 51 | 38 | 39 |
| Borrowings from F.R. banks do | 26 | - | 2 | 7 | 6 | 5 | 3 | 2 |
| Other borrowings do | 11 | (a) | 3 | 4 | 2 | 1 | (a) | 1 |
| Eligible assets per \$100 of loans and investments | \$21.17 | - | \$5.91 | \$14.70 | \$24.59 | \$34.35 | \$44.02 | \$58.60 |
| Borrowings at F.R. banks per \$100 of loans & investments | 2.06 | - | 0.66 | 1.78 | 2.46 | 3.68 | 3.39 | 3.65 |
| Borrowings at F.R. banks per \$100 of eligible assets* | 9.75 | - | 11.16 | 12.09 | 10.02 | 10.71 | 7.69 | 6.23 |
| <u>\$1,000,000 to \$5,000,000</u> | | | | | | | | |
| Number of banks | 2,322 | 8 | 665 | 818 | 444 | 225 | 103 | 59 |
| Percentage of banks | 100.0 | 0.3 | 28.7 | 35.3 | 19.1 | 9.7 | 4.4 | 2.5 |
| Loans and investments (Millions of dollars) | 4,938 | 16 | 1,409 | 1,800 | 917 | 469 | 205 | 122 |
| Eligible assets* do | 894 | - | 86 | 265 | 225 | 160 | 89 | 71 |
| Borrowings from F. R. banks do | 73 | - | 13 | 29 | 16 | 8 | 4 | 3 |
| Other borrowings do | 34 | (a) | 17 | 11 | 3 | 2 | 1 | (a) |
| Eligible assets per \$100 of loans and investments | \$18.11 | - | \$6.11 | \$14.69 | \$24.48 | \$34.05 | \$43.41 | \$57.70 |
| Borrowings at F.R. banks per \$100 of loans & investments | 1.48 | - | 0.91 | 1.62 | 1.73 | 1.65 | 2.18 | 2.42 |
| Borrowings at F.R. banks per \$100 of eligible assets* | 8.16 | - | 14.93 | 11.01 | 7.06 | 4.83 | 5.01 | 4.20 |

(a) Less than \$500,000.

| DISTRIBUTION BY LOANS AND INVESTMENTS (SIZE OF BANK) | | Total (all banks in group) | Banks with no eligible assets | Banks with following amounts of eligible assets per \$100 of loans and investments | | | | | |
|---|--|-------------------------------------|--|---|-----------|-----------|-----------|-----------|------------------|
| | | | | Under \$10 | \$10-\$20 | \$20-\$30 | \$30-\$40 | \$40-\$50 | \$50 and over |
| <u>\$5,000,000 to \$10,000,000</u> | | | | | | | | | |
| Number of banks | | 372 | - | 89 | 155 | 71 | 34 | 11 | 12 |
| Percentage of banks | | 100.0 | - | 23.9 | 41.7 | 19.1 | 9.1 | 3.0 | 3.2 |
| Loans and investments (Millions of dollars) | | 2,558 | - | 595 | 1,081 | 502 | 230 | 69 | 82 |
| Eligible assets* do | | 479 | - | 40 | 159 | 125 | 79 | 30 | 46 |
| Borrowings from F. R. banks do | | 48 | - | 7 | 19 | 8 | 6 | 2 | 5 |
| Other borrowings do | | 13 | - | 5 | 5 | 1 | 2 | - | - |
| Eligible assets per \$100 of loans and investments | | \$18.72 | - | \$6.70 | \$14.66 | \$24.85 | \$34.47 | \$44.32 | \$56.30 |
| Borrowings at F.R. banks per \$100 of loans & investments | | 1.86 | - | 1.23 | 1.76 | 1.60 | 2.72 | 3.51 | 5.61 |
| Borrowings at F.R. banks per \$100 of eligible assets* | | 9.94 | - | 18.37 | 11.99 | 6.42 | 7.89 | 7.92 | 9.96 |
| <u>\$10,000,000 to \$50,000,000</u> | | | | | | | | | |
| Number of banks | | 276 | - | 48 | 107 | 70 | 25 | 16 | 10 |
| Percentage of banks | | 100.0 | - | 17.4 | 38.8 | 25.4 | 9.0 | 5.8 | 3.6 |
| Loans and investments (Millions of dollars) | | 5,456 | - | 853 | 2,072 | 1,449 | 596 | 287 | 199 |
| Eligible assets* do | | 1,159 | - | 54 | 309 | 354 | 202 | 131 | 110 |
| Borrowings from F. R. banks do | | 73 | - | 8 | 38 | 16 | 8 | 1 | - |
| Other borrowings do | | 23 | - | 6 | 10 | 4 | 4 | - | - |
| Eligible assets per \$100 of loans and investments | | \$21.24 | - | \$6.32 | \$14.90 | \$24.41 | \$33.89 | \$45.55 | \$55.17 |
| Borrowings at F.R. banks per \$100 of loans & investments | | 1.33 | - | 0.94 | 1.86 | 1.13 | 1.41 | 0.44 | - |
| Borrowings at F.R. banks per \$100 of eligible assets* | | 6.26 | - | 14.92 | 12.46 | 4.63 | 4.16 | 0.96 | - |

| DISTRIBUTION BY LOANS AND INVESTMENTS (SIZE OF BANK) | | Total (all banks in group) | Banks with no eligible assets | Banks with following amounts of eligible assets per \$100 of loans and investments | | | | | |
|--|-----------------------|-------------------------------------|--|---|-----------|-----------|-----------|-----------|------------------|
| | | | | Under \$10 | \$10-\$20 | \$20-\$30 | \$30-\$40 | \$40-\$50 | \$50 and over |
| <u>\$50,000,000 and over</u> | | | | | | | | | |
| Number of banks | | 90 | - | 4 | 28 | 23 | 25 | 7 | 3 |
| Percentage of banks | | 100.0 | - | 4.4 | 31.1 | 25.6 | 27.8 | 7.8 | 3.3 |
| Loans and investments | (Millions of dollars) | 18,091 | - | 262 | 4,462 | 5,592 | 6,067 | 1,340 | 368 |
| Eligible assets* | do | 4,916 | - | 19 | 730 | 1,349 | 2,031 | 575 | 212 |
| Borrowings from F. R. banks | do | 79 | - | 5 | 44 | 28 | 2 | - | - |
| Other borrowings | do | 53 | - | 7 | 18 | 22 | 7 | - | - |
| Eligible assets per \$100 of loans and investments | | \$27.17 | - | \$7.11 | \$16.37 | \$24.12 | \$33.47 | \$42.88 | \$57.75 |
| Borrowings at F. R. banks per \$100 of loans & investments | | 0.44 | - | 2.03 | 0.99 | 0.49 | 0.04 | - | - |
| Borrowings at F. R. banks per \$100 of eligible assets* | | 1.61 | - | 28.60 | 6.03 | 2.05 | 0.12 | - | - |

| DISTRIBUTION BY FEDERAL RESERVE DISTRICTS | | Total (all banks in group) | Banks with no eligible assets | Banks with following amounts of eligible assets per \$100 of loans and investments | | | | | |
|---|-----------------------|-------------------------------------|--|---|-----------|-----------|-----------|-----------|------------------|
| | | | | Under \$10 | \$10-\$20 | \$20-\$30 | \$30-\$40 | \$40-\$50 | \$50 and over |
| <u>Boston District</u> | | | | | | | | | |
| Number of banks | | 383 | 3 | 131 | 147 | 68 | 20 | 11 | 3 |
| Percentage of banks | | 100.0 | 0.8 | 34.2 | 38.4 | 17.7 | 5.2 | 2.9 | 0.8 |
| Loans and investments | (Millions of dollars) | 2,432 | 4 | 474 | 816 | 869 | 198 | 53 | 17 |
| Eligible assets* | do | 498 | - | 33 | 126 | 239 | 63 | 24 | 13 |
| Borrowings from F. R. banks | do | 12 | - | 2 | 6 | 2 | 1 | (a) | 1 |
| Other borrowings | do | 13 | - | 1 | 10 | 2 | (a) | (a) | (a) |
| Eligible assets per \$100 of loans and investments | | \$20.49 | - | \$6.95 | \$15.47 | \$27.55 | \$32.00 | \$44.48 | \$72.73 |
| Borrowings at F.R. banks per \$100 of loans and investments | | 0.49 | - | 0.50 | 0.71 | 0.25 | 0.31 | 0.93 | 3.31 |
| Borrowings at F.R. banks per \$100 of eligible assets* | | 2.40 | - | 7.22 | 4.56 | 0.89 | 0.98 | 2.10 | 4.54 |
| <u>New York District</u> | | | | | | | | | |
| Number of banks | | 876 | 4 | 230 | 356 | 174 | 78 | 21 | 13 |
| Percentage of banks | | 100.0 | 0.5 | 26.2 | 40.6 | 19.9 | 8.9 | 2.4 | 1.5 |
| Loans and investments | (Millions of dollars) | 11,515 | 2 | 648 | 2,065 | 3,072 | 4,914 | 787 | 26 |
| Eligible assets* | do | 3,041 | - | 42 | 319 | 709 | 1,631 | 326 | 15 |
| Borrowings from F. R. banks | do | 61 | - | 4 | 27 | 15 | 8 | 2 | 4 |
| Other borrowings | do | 35 | - | 5 | 6 | 20 | 4 | (a) | (a) |
| Eligible assets per \$100 of loans and investments | | \$26.41 | - | \$6.46 | \$15.47 | \$23.08 | \$33.18 | \$41.40 | \$55.24 |
| Borrowings at F.R. banks per \$100 of loans and investments | | 0.53 | - | 0.68 | 1.31 | 0.50 | 0.16 | 0.26 | 15.90 |
| Borrowings at F.R. banks per \$100 of eligible assets* | | 2.00 | - | 10.59 | 8.50 | 2.16 | 0.48 | 0.62 | 28.79 |

(a) Less than \$500,000.

| DISTRIBUTION BY FEDERAL RESERVE DISTRICTS | Total (all banks in group) | Banks with no eligible assets | Banks with following amounts of eligible assets per \$100 of loans and investments | | | | | |
|---|-------------------------------------|--|---|-----------|-----------|-----------|-----------|------------------|
| | | | Under \$10 | \$10-\$20 | \$20-\$30 | \$30-\$40 | \$40-\$50 | \$50 and over |
| <u>Philadelphia District</u> | | | | | | | | |
| Number of banks | 740 | 15 | 304 | 250 | 116 | 34 | 13 | 8 |
| Percentage of banks | 100.0 | 2.0 | 41.1 | 33.8 | 15.7 | 4.6 | 1.7 | 1.1 |
| Loans and investments (Millions of dollars) | 2,740 | 6 | 719 | 809 | 682 | 405 | 106 | 14 |
| Eligible assets* do | 516 | - | 43 | 118 | 158 | 144 | 44 | 8 |
| Borrowings from F. R. banks do | 51 | - | 8 | 16 | 25 | 2 | (a) | 1 |
| Other borrowings do | 21 | (a) | 8 | 4 | 2 | 7 | (a) | (a) |
| Eligible assets per \$100 of loans and investments | \$18.83 | - | \$5.98 | \$14.63 | \$23.17 | \$35.63 | \$41.88 | \$58.53 |
| Borrowings at F.R. banks per \$100 of loans and investments | 1.87 | - | 1.12 | 1.92 | 3.66 | 0.39 | 0.34 | 5.24 |
| Borrowings at F.R. banks per \$100 of eligible assets* | 9.93 | - | 18.74 | 13.13 | 15.81 | 1.10 | 0.81 | 8.96 |
| <u>Cleveland District</u> | | | | | | | | |
| Number of banks | 698 | 21 | 304 | 217 | 91 | 46 | 12 | 7 |
| Percentage of banks | 100.0 | 3.0 | 43.6 | 31.1 | 13.0 | 6.6 | 1.7 | 1.0 |
| Loans and investments (Millions of dollars) | 3,203 | 8 | 539 | 1,517 | 444 | 175 | 235 | 285 |
| Eligible assets* do | 669 | - | 30 | 207 | 109 | 62 | 105 | 156 |
| Borrowings from F. R. banks do | 42 | - | 7 | 21 | 9 | 6 | (a) | (a) |
| Other borrowings do | 25 | (a) | 9 | 13 | 2 | 2 | (a) | - |
| Eligible assets per \$100 of loans and investments | \$20.90 | - | \$5.61 | \$13.66 | \$24.52 | \$35.36 | \$44.63 | \$54.90 |
| Borrowings at F.R. banks per \$100 of loans and investments | 1.32 | - | 1.21 | 1.39 | 1.96 | 3.24 | 0.09 | (a) |
| Borrowings at F.R. banks per \$100 of eligible assets* | 6.31 | - | 21.60 | 10.18 | 8.00 | 9.17 | 0.21 | (a) |

(a) Less than \$500,000.

| DISTRIBUTION BY FEDERAL RESERVE DISTRICTS | | Total (all banks in group) | Banks with no eligible assets | Banks with following amounts of eligible assets per \$100 of loans and investments | | | | | |
|--|-----------------------|-------------------------------------|--|---|-----------|-----------|-----------|-----------|------------------|
| | | | | Under \$10 | \$10-\$20 | \$20-\$30 | \$30-\$40 | \$40-\$50 | \$50 and over |
| <u>Richmond District</u> | | | | | | | | | |
| Number of banks | | 448 | 7 | 85 | 139 | 106 | 56 | 33 | 22 |
| Percentage of banks | | 100.0 | 1.5 | 19.0 | 31.0 | 23.7 | 12.5 | 7.4 | 4.9 |
| Loans and investments | (Millions of dollars) | 1,137 | 4 | 216 | 378 | 211 | 264 | 38 | 26 |
| Eligible assets* | do | 249 | - | 17 | 57 | 54 | 89 | 17 | 14 |
| Borrowings from F. R. banks | do | 25 | - | 7 | 6 | 6 | 4 | 2 | 1 |
| Other borrowings | do | 10 | (a) | 6 | 2 | 1 | 1 | (a) | (a) |
| Eligible assets per \$100 of loans and investments | | \$21.86 | - | \$7.76 | \$15.12 | \$25.79 | \$33.88 | \$43.95 | \$54.72 |
| Borrowings at F. R. banks per \$100 of loans and investments | | 2.23 | - | 3.15 | 1.65 | 2.93 | 1.33 | 5.04 | 2.67 |
| Borrowings at F. R. banks per \$100 of eligible assets* | | 10.19 | - | 40.60 | 10.93 | 11.34 | 3.91 | 11.46 | 4.83 |
| <u>Atlanta District</u> | | | | | | | | | |
| Number of banks | | 363 | 2 | 21 | 82 | 91 | 65 | 47 | 55 |
| Percentage of banks | | 100.0 | 0.6 | 5.8 | 22.6 | 25.1 | 17.9 | 12.9 | 15.1 |
| Loans and investments | (Millions of dollars) | 960 | (a) | 119 | 246 | 251 | 131 | 160 | 52 |
| Eligible assets* | do | 249 | - | 7 | 39 | 59 | 44 | 70 | 30 |
| Borrowings from F. R. banks | do | 27 | - | 2 | 12 | 6 | 3 | 3 | 1 |
| Other borrowings | do | 7 | - | 3 | 3 | 1 | (a) | (a) | (a) |
| Eligible assets per \$100 of loans and investments | | \$25.93 | - | \$5.64 | \$15.78 | \$23.57 | \$33.73 | \$43.58 | \$58.16 |
| Borrowings at F.R. banks per \$100 of loans and investments | | 2.84 | - | 1.94 | 4.89 | 2.22 | 1.96 | 2.04 | 2.83 |
| Borrowings at F.R. banks per \$100 of eligible assets* | | 10.94 | - | 34.33 | 30.99 | 9.44 | 5.81 | 4.68 | 4.87 |

(a) Less than \$500,000.

| DISTRIBUTION BY FEDERAL RESERVE DISTRICTS | Total (all banks in group) | Banks with no eligible assets | Banks with following amounts of eligible assets per \$100 of loans and investments | | | | | |
|---|-------------------------------------|--|---|-----------|-----------|-----------|-----------|------------------|
| | | | Under \$10 | \$10-\$20 | \$20-\$30 | \$30-\$40 | \$40-\$50 | \$50 and over |
| <u>Chicago District</u> | | | | | | | | |
| Number of banks | 960 | 5 | 147 | 300 | 226 | 134 | 84 | 64 |
| Percentage of banks | 100.0 | 0.5 | 15.3 | 31.2 | 23.5 | 14.0 | 8.8 | 6.7 |
| Loans and investments (Millions of dollars) | 4,238 | 2 | 360 | 1,433 | 1,977 | 327 | 94 | 44 |
| Eligible assets* do | 919 | - | 21 | 238 | 481 | 112 | 41 | 25 |
| Borrowings from F. R. banks do | 17 | - | 3 | 8 | 3 | 2 | 1 | (a) |
| Other borrowings do | 11 | - | 6 | 3 | 1 | (a) | (a) | (a) |
| Eligible assets per \$100 of loans and investments | \$21.68 | - | \$5.87 | \$16.62 | \$24.30 | \$34.22 | \$43.98 | \$56.95 |
| Borrowings at F.R. banks per \$100 of loans and investments | 0.39 | - | 0.87 | 0.56 | 0.14 | 0.49 | 0.63 | 0.66 |
| Borrowings at F.R. banks per \$100 of eligible assets* | 1.80 | - | 14.82 | 3.39 | 0.60 | 1.43 | 1.42 | 1.15 |
| <u>St. Louis District</u> | | | | | | | | |
| Number of banks | 500 | 11 | 117 | 143 | 128 | 49 | 30 | 22 |
| Percentage of banks | 100.0 | 2.2 | 23.4 | 28.6 | 25.6 | 9.8 | 6.0 | 4.4 |
| Loans and investments (Millions of dollars) | 1,109 | 5 | 198 | 366 | 271 | 57 | 191 | 21 |
| Eligible assets* do | 265 | - | 13 | 58 | 70 | 19 | 92 | 13 |
| Borrowings from F.R. banks do | 13 | - | 2 | 6 | 3 | 1 | (a) | 1 |
| Other borrowings do | 6 | (a) | 1 | 3 | 1 | 1 | (a) | (a) |
| Eligible assets per \$100 of loans and investments | \$23.92 | - | \$6.71 | \$15.77 | \$25.87 | \$33.87 | \$48.16 | \$60.33 |
| Borrowings at F.R. banks per \$100 of loans and investments | 1.19 | - | 1.03 | 1.68 | 1.04 | 2.47 | 0.06 | 3.04 |
| Borrowings at F.R. banks per \$100 of eligible assets* | 4.97 | - | 15.38 | 10.67 | 4.01 | 7.29 | 0.12 | 5.04 |

(a) Less than \$500,000.

| DISTRIBUTION BY FEDERAL RESERVE DISTRICTS | | Total (all banks in group) | Banks with no eligible assets | Banks with following amounts of eligible assets per \$100 of loans and investments | | | | | |
|---|-----------------------|-------------------------------------|--|---|-----------|-----------|-----------|-----------|------------------|
| | | | | Under \$10 | \$10-\$20 | \$20-\$30 | \$30-\$40 | \$40-\$50 | \$50 and over |
| <u>Minneapolis District</u> | | | | | | | | | |
| Number of banks | | 597 | 7 | 76 | 126 | 138 | 112 | 79 | 59 |
| Percentage of banks | | 100.0 | 1.2 | 12.7 | 21.1 | 23.1 | 18.8 | 13.2 | 9.9 |
| Loans and investments | (Millions of dollars) | 821 | 7 | 70 | 134 | 156 | 299 | 47 | 109 |
| Eligible assets* | do | 261 | - | 5 | 21 | 40 | 104 | 20 | 71 |
| Borrowings from F.R. banks | do | 4 | - | (a) | 1 | 1 | 1 | 1 | (a) |
| Other borrowings | do | 1 | (a) | (a) | (a) | (a) | (a) | (a) | (a) |
| Eligible assets per \$100 of loans and investments | | \$31.83 | - | \$6.52 | \$15.60 | \$25.93 | \$34.82 | \$43.14 | \$65.29 |
| Borrowings at F.R. banks per \$100 of loans and investments | | 0.46 | - | 0.26 | 0.38 | 0.53 | 0.34 | 1.82 | 0.35 |
| Borrowings at F.R. banks per \$100 of eligible assets* | | 1.44 | - | 4.04 | 2.41 | 2.05 | 0.98 | 4.23 | 0.53 |
| <u>Kansas City District</u> | | | | | | | | | |
| Number of banks | | 844 | 4 | 24 | 105 | 180 | 172 | 173 | 186 |
| Percentage of banks | | 100.0 | 0.5 | 2.9 | 12.4 | 21.3 | 20.4 | 20.5 | 22.0 |
| Loans and investments | (Millions of dollars) | 1,064 | 2 | 20 | 211 | 183 | 254 | 151 | 243 |
| Eligible assets* | do | 362 | - | 1 | 30 | 46 | 84 | 66 | 135 |
| Borrowings from F. R. banks | do | 14 | - | (a) | 1 | 3 | 3 | 4 | 3 |
| Other borrowings | do | 1 | - | - | (a) | (a) | (a) | (a) | (a) |
| Eligible assets per \$100 of loans and investments | | \$33.99 | - | \$6.37 | \$14.28 | \$24.88 | \$32.91 | \$43.50 | \$55.86 |
| Borrowings at F.R. banks per \$100 of loans and investments | | 1.34 | - | 0.29 | 0.69 | 1.38 | 1.15 | 2.61 | 1.37 |
| Borrowings at F.R. banks per \$100 of eligible assets* | | 3.93 | - | 4.48 | 4.82 | 5.56 | 3.49 | 6.01 | 2.45 |

(a) Less than \$500,000.

| DISTRIBUTION BY FEDERAL RESERVE DISTRICTS | | Total (all banks in group) | Banks with no eligible assets | Banks with following amounts of eligible assets per \$100 of loans and investments | | | | | |
|---|-----------------------|-------------------------------------|--|---|-----------|-----------|-----------|-----------|------------------|
| | | | | Under \$10 | \$10-\$20 | \$20-\$30 | \$30-\$40 | \$40-\$50 | \$50 and over |
| <u>Dallas District</u> | | | | | | | | | |
| Number of banks | | 645 | 1 | 30 | 67 | 123 | 166 | 101 | 157 |
| Percentage of banks | | 100.0 | 0.2 | 4.6 | 10.4 | 19.1 | 25.7 | 15.7 | 24.3 |
| Loans and investments | (Millions of dollars) | 776 | (a) | 47 | 126 | 178 | 263 | 81 | 80 |
| Eligible assets* | do | 244 | - | 3 | 19 | 45 | 92 | 37 | 47 |
| Borrowings from F. R. banks | do | 12 | - | (a) | 1 | 3 | 4 | 1 | 3 |
| Other borrowings | do | 4 | - | (a) | (a) | 1 | 1 | (a) | 1 |
| Eligible assets per \$100 of loans and investments | | \$31.44 | - | \$7.19 | \$15.18 | \$25.28 | \$35.09 | \$45.11 | \$59.49 |
| Borrowings at F.R. banks per \$100 of loans and investments | | 1.61 | - | 0.07 | 1.09 | 1.64 | 1.51 | 1.67 | 3.51 |
| Borrowings at F.R. banks per \$100 of eligible assets* | | 5.11 | - | 1.00 | 7.15 | 6.49 | 4.30 | 3.71 | 5.91 |
| <u>San Francisco District</u> | | | | | | | | | |
| Number of banks | | 545 | 11 | 98 | 183 | 122 | 71 | 39 | 21 |
| Percentage of banks | | 100.0 | 2.0 | 18.0 | 33.6 | 22.4 | 13.0 | 7.2 | 3.8 |
| Loans and investments | (Millions of dollars) | 3,077 | 8 | 117 | 1,836 | 600 | 354 | 139 | 23 |
| Eligible assets* | do | 661 | - | 7 | 305 | 149 | 123 | 64 | 12 |
| Borrowings from F.R. banks | do | 44 | - | (a) | 34 | 5 | 3 | (a) | 1 |
| Other borrowings | do | 7 | (a) | 1 | 3 | 3 | (a) | (a) | (a) |
| Eligible assets per \$100 of loans and investments | | \$21.46 | - | \$5.91 | \$16.64 | \$24.76 | \$34.70 | \$46.27 | \$53.97 |
| Borrowings at F.R. banks per \$100 of loans and investments | | 1.43 | - | 0.27 | 1.87 | 0.84 | 0.99 | 0.22 | 2.65 |
| Borrowings at F.R. banks per \$100 of eligible assets* | | 6.68 | - | 4.64 | 11.25 | 3.40 | 2.85 | 0.48 | 4.91 |

(a) Less than \$500,000.

Table 3 - NUMBER, LOANS, AND ELIGIBLE PAPER OF MEMBER BANKS ON SEPTEMBER 29, 1931

B-660b

Page 1

| | Total (all banks in group) | Banks with no eligible paper | Banks with following amounts of eligible paper per \$100 of total loans | | | | | |
|---|----------------------------------|---------------------------------------|--|-----------|-----------|-----------|-----------|---------------|
| | | | Under \$10 | \$10-\$20 | \$20-\$30 | \$30-\$40 | \$40-\$50 | \$50 and over |
| <u>ALL MEMBER BANKS</u> | | | | | | | | |
| Number of banks | 7,599 | 424 | 1,485 | 1,571 | 1,304 | 964 | 769 | 1,082 |
| Percentage of banks | 100.0 | 5.6 | 19.6 | 20.7 | 17.1 | 12.7 | 10.1 | 14.2 |
| Total loans (Millions of dollars) | 20,874 | 256 | 7,955 | 7,778 | 3,003 | 899 | 453 | 529 |
| Eligible paper do | 2,997 | - | 433 | 1,027 | 708 | 306 | 198 | 325 |
| Eligible paper per \$100 of total loans | \$14.36 | - | \$5.44 | \$13.21 | \$23.58 | \$34.03 | \$43.71 | \$61.42 |
| <u>DISTRIBUTION BY CLASS OF BANK</u> | | | | | | | | |
| <u>Central reserve city banks in New York</u> | | | | | | | | |
| Number of banks | 42 | - | 11 | 14 | 7 | 3 | 3 | 4 |
| Percentage of banks | 100.0 | - | 26.2 | 33.3 | 16.7 | 7.2 | 7.1 | 9.5 |
| Total loans (Millions of dollars) | 5,220 | - | 671 | 3,510 | 1,004 | 11 | 8 | 17 |
| Eligible paper do | 706 | - | 35 | 427 | 225 | 4 | 4 | 11 |
| Eligible paper per \$100 of total loans | \$13.52 | - | \$5.25 | \$12.18 | \$22.40 | \$37.13 | \$47.87 | \$62.57 |
| <u>Central reserve city banks in Chicago</u> | | | | | | | | |
| Number of banks | 12 | 3 | 3 | 4 | - | 1 | 1 | - |
| Percentage of banks | 100.0 | 25.0 | 25.0 | 33.3 | - | 8.3 | 8.4 | - |
| Total loans (Millions of dollars) | 1,129 | 4 | 738 | 375 | - | 2 | 10 | - |
| Eligible paper do | 101 | - | 53 | 44 | - | 1 | 4 | - |
| Eligible paper per \$100 of total loans | \$8.97 | - | \$7.15 | \$11.61 | - | \$32.40 | \$42.74 | - |

| | Total (all banks in group) | Banks with no eligible paper | Banks with following amounts of eligible paper per \$100 of total loans | | | | | |
|---|-------------------------------------|---------------------------------------|--|-------------|-------------|-------------|-------------|------------------|
| | | | Under \$10 | \$10 - \$20 | \$20 - \$30 | \$30 - \$40 | \$40 - \$50 | \$50 and over |
| <u>DISTRIBUTION BY CLASS OF BANK</u> | | | | | | | | |
| <u>Reserve City Banks</u> | | | | | | | | |
| Number of banks | 366 | 12 | 107 | 109 | 77 | 33 | 13 | 15 |
| Percentage of banks | 100.0 | 3.3 | 29.2 | 29.8 | 21.0 | 9.0 | 3.6 | 4.1 |
| Total loans (Millions of dollars) | 7,325 | 37 | 3,862 | 1,725 | 1,075 | 322 | 121 | 184 |
| Eligible paper do | 980 | - | 202 | 253 | 257 | 108 | 50 | 109 |
| Eligible paper per \$100 of total loans | \$13.37 | - | \$5.26 | \$14.68 | \$23.93 | \$33.47 | \$41.62 | \$59.40 |
| <u>Country banks</u> | | | | | | | | |
| Number of banks | 7,179 | 409 | 1,364 | 1,444 | 1,220 | 927 | 752 | 1,063 |
| Percentage of banks | 100.0 | 5.7 | 19.0 | 20.1 | 17.0 | 12.9 | 10.5 | 14.8 |
| Total loans (Millions of dollars) | 7,199 | 215 | 2,684 | 2,168 | 925 | 565 | 314 | 328 |
| Eligible paper do | 1,210 | - | 143 | 303 | 226 | 194 | 140 | 205 |
| Eligible paper per \$100 of total loans | \$16.81 | - | \$5.31 | \$13.99 | \$24.44 | \$34.29 | \$44.45 | \$62.50 |
| <u>DISTRIBUTION BY LOANS AND INVESTMENTS</u> <u>(SIZE OF BANK)</u> | | | | | | | | |
| <u>Under \$200,000</u> | | | | | | | | |
| Number of banks | 854 | 36 | 45 | 68 | 120 | 123 | 154 | 308 |
| Percentage of banks | 100.0 | 4.2 | 5.3 | 8.0 | 14.0 | 14.4 | 18.0 | 36.1 |
| Total loans (Millions of dollars) | 86 | 3 | 5 | 7 | 12 | 12 | 16 | 31 |
| Eligible paper do | 36 | - | (a) | 1 | 3 | 4 | 7 | 21 |
| Eligible paper per \$100 of total loans | \$42.31 | - | \$7.42 | \$15.04 | \$25.07 | \$35.20 | \$44.62 | \$65.56 |

(a) Less than \$500,000.

| | Total (all banks in group) | Banks with no eligible paper | Banks with following amounts of eligible paper per \$100 of total loans | | | | | |
|---|-------------------------------------|---------------------------------------|--|-------------|-------------|-------------|-------------|------------------|
| | | | Under \$10 | \$10 - \$20 | \$20 - \$30 | \$30 - \$40 | \$40 - \$50 | \$50 and over |
| <u>DISTRIBUTION BY LOANS AND INVESTMENTS</u> <u>(SIZE OF BANK)</u> | | | | | | | | |
| <u>\$200,000 to \$500,000</u> | | | | | | | | |
| Number of banks | 1,947 | 125 | 167 | 262 | 340 | 324 | 277 | 452 |
| Percentage of banks | 100.0 | 6.4 | 8.6 | 13.5 | 17.5 | 16.6 | 14.2 | 23.2 |
| Total loans (Millions of dollars) | 426 | 23 | 36 | 59 | 78 | 73 | 60 | 98 |
| Eligible paper do | 145 | - | 2 | 9 | 19 | 25 | 27 | 62 |
| Eligible paper per \$100 of total loans | \$33.92 | - | \$5.92 | \$15.06 | \$25.12 | \$34.74 | \$44.47 | \$63.93 |
| <u>\$500,000 to \$1,000,000</u> | | | | | | | | |
| Number of banks | 1,738 | 121 | 285 | 368 | 337 | 249 | 183 | 195 |
| Percentage of banks | 100.0 | 7.0 | 16.4 | 21.2 | 19.3 | 14.3 | 10.6 | 11.2 |
| Total loans (Millions of dollars) | 743 | 42 | 121 | 157 | 149 | 113 | 80 | 81 |
| Eligible paper do | 191 | - | 7 | 24 | 36 | 39 | 36 | 50 |
| Eligible paper per \$100 of total loans | \$25.75 | - | \$5.64 | \$15.01 | \$24.30 | \$34.70 | \$44.78 | \$61.83 |
| <u>\$1,000,000 to \$5,000,000</u> | | | | | | | | |
| Number of banks | 2,322 | 134 | 680 | 637 | 398 | 216 | 143 | 114 |
| Percentage of banks | 100.0 | 5.8 | 29.3 | 27.4 | 17.1 | 9.3 | 6.2 | 4.9 |
| Total loans (Millions of dollars) | 2,897 | 139 | 898 | 854 | 464 | 262 | 157 | 123 |
| Eligible paper do | 517 | - | 46 | 124 | 113 | 90 | 69 | 76 |
| Eligible paper per \$100 of total loans | \$17.84 | - | \$5.07 | \$14.46 | \$24.28 | \$34.48 | \$44.04 | \$61.52 |

| | Total (all banks in group) | Banks with no eligible paper | Banks with following amounts of eligible paper per \$100 of total loans | | | | | |
|--|----------------------------------|---------------------------------------|--|-------------|-------------|-------------|-------------|------------------|
| | | | Under \$10 | \$10 - \$20 | \$20 - \$30 | \$30 - \$40 | \$40 - \$50 | \$50 and over |
| <u>DISTRIBUTION BY LOANS AND INVESTMENTS</u> (SIZE OF BANK) | | | | | | | | |
| <u>\$5,000,000 to \$10,000,000</u> | | | | | | | | |
| Number of banks | 372 | 4 | 153 | 112 | 54 | 30 | 8 | 11 |
| Percentage of banks | 100.0 | 1.1 | 41.1 | 30.1 | 14.5 | 8.1 | 2.1 | 3.0 |
| Total loans (Millions of dollars) | 1,580 | 15 | 654 | 482 | 224 | 123 | 34 | 48 |
| Eligible paper do | 244 | - | 35 | 69 | 54 | 42 | 15 | 29 |
| Eligible paper per \$100 of loans | \$15.43 | - | \$5.42 | \$14.27 | \$23.83 | \$34.00 | \$45.20 | \$60.42 |
| <u>\$10,000,000 to \$50,000,000</u> | | | | | | | | |
| Number of banks | 275 | 4 | 115 | 95 | 39 | 20 | 3 | - |
| Percentage of banks | 100.0 | 1.5 | 41.7 | 34.4 | 14.1 | 7.2 | 1.1 | - |
| Total loans (Millions of dollars) | 3,530 | 35 | 1,571 | 1,146 | 536 | 214 | 30 | - |
| Eligible paper do | 468 | - | 88 | 164 | 130 | 72 | 13 | - |
| Eligible paper per \$100 of loans | \$13.26 | - | \$5.62 | \$14.32 | \$24.35 | \$33.76 | \$44.76 | - |
| <u>\$50,000,000 and over</u> | | | | | | | | |
| Number of banks | 90 | - | 40 | 29 | 16 | 2 | 1 | 2 |
| Percentage of banks | 100.0 | - | 44.5 | 32.2 | 17.8 | 2.2 | 1.1 | 2.2 |
| Total loans (Millions of dollars) | 11,613 | - | 4,672 | 5,073 | 1,541 | 101 | 77 | 149 |
| Eligible paper do | 1,395 | - | 254 | 637 | 353 | 32 | 31 | 88 |
| Eligible paper per \$100 of total loans | \$12.02 | - | \$5.44 | \$12.56 | \$22.90 | \$32.07 | \$40.09 | \$58.93 |

| | Total (all banks in group) | Banks with no eligible paper | Banks with following amounts of eligible paper per \$100 of total loans | | | | | |
|--|----------------------------------|---------------------------------------|--|-----------|-----------|-----------|-----------|---------------|
| | | | Under \$10 | \$10-\$20 | \$20-\$30 | \$30-\$40 | \$40-\$50 | \$50 and over |
| <u>DISTRIBUTION BY FEDERAL RESERVE DISTRICTS</u> | | | | | | | | |
| <u>Boston district</u> | | | | | | | | |
| Number of banks | 383 | 17 | 127 | 128 | 64 | 26 | 12 | 9 |
| Percentage of banks | 100.0 | 4.4 | 33.2 | 33.4 | 16.7 | 6.8 | 3.1 | 2.4 |
| Total loans (Millions of dollars) | 1,543 | 17 | 439 | 895 | 109 | 70 | 10 | 4 |
| Eligible paper do | 213 | - | 25 | 134 | 25 | 23 | 4 | 2 |
| Eligible paper per \$100 of total loans | \$13.78 | - | \$5.63 | \$14.93 | \$23.10 | \$32.33 | \$44.24 | \$57.85 |
| <u>New York district</u> | | | | | | | | |
| Number of banks | 876 | 34 | 281 | 235 | 136 | 84 | 46 | 60 |
| Percentage of banks | 100.0 | 3.9 | 32.1 | 26.8 | 15.5 | 9.6 | 5.3 | 6.8 |
| Total loans (Millions of dollars) | 7,165 | 22 | 1,681 | 4,159 | 1,132 | 99 | 31 | 41 |
| Eligible paper do | 940 | - | 95 | 515 | 256 | 34 | 14 | 25 |
| Eligible paper per \$100 of total loans | 13.12 | - | \$5.68 | \$12.39 | \$22.60 | \$34.63 | \$44.93 | \$62.59 |
| <u>Philadelphia district</u> | | | | | | | | |
| Number of banks | 740 | 93 | 240 | 188 | 90 | 64 | 28 | 37 |
| Percentage of banks | 100.0 | 12.6 | 32.4 | 25.4 | 12.2 | 8.6 | 3.8 | 5.0 |
| Total loans (Millions of dollars) | 1,619 | 55 | 757 | 333 | 384 | 54 | 16 | 20 |
| Eligible paper do | 207 | - | 31 | 47 | 91 | 18 | 7 | 13 |
| Eligible paper per \$100 of total loans | \$12.79 | - | \$4.08 | \$14.12 | \$23.70 | \$33.39 | \$44.32 | \$64.82 |

| | Total (all banks in group) | Banks with no eligible paper | Banks with following amounts of eligible paper per \$100 of total loans | | | | | |
|--|----------------------------------|---------------------------------------|--|-----------|-----------|-----------|-----------|---------------|
| | | | Under \$10 | \$10-\$20 | \$20-\$30 | \$30-\$40 | \$40-\$50 | \$50 and over |
| <u>DISTRIBUTION BY FEDERAL RESERVE DISTRICTS</u> | | | | | | | | |
| <u>Cleveland district</u> | | | | | | | | |
| Number of banks | 698 | 103 | 304 | 142 | 77 | 37 | 23 | 12 |
| Percentage of banks | 100.0 | 14.8 | 43.6 | 20.3 | 11.0 | 5.3 | 3.3 | 1.7 |
| Total loans (Millions of dollars) | 2,012 | 62 | 1,483 | 300 | 130 | 19 | 10 | 6 |
| Eligible paper do | 174 | - | 80 | 45 | 35 | 7 | 5 | 4 |
| Eligible paper per \$100 of total loans | \$8.64 | - | \$5.37 | \$14.98 | \$26.61 | \$33.85 | \$43.34 | \$55.35 |
| <u>Richmond district</u> | | | | | | | | |
| Number of banks | 448 | 20 | 71 | 121 | 90 | 66 | 39 | 41 |
| Percentage of banks | 100.0 | 4.5 | 15.8 | 27.0 | 20.1 | 14.7 | 8.7 | 9.2 |
| Total loans (Millions of dollars) | 772 | 13 | 119 | 373 | 159 | 55 | 31 | 21 |
| Eligible paper do | 141 | - | 7 | 49 | 40 | 19 | 14 | 13 |
| Eligible paper per \$100 of total loans | \$18.29 | - | \$6.24 | \$13.10 | \$24.87 | \$34.36 | \$44.50 | \$60.74 |
| <u>Atlanta district</u> | | | | | | | | |
| Number of banks | 363 | 10 | 27 | 68 | 95 | 53 | 41 | 69 |
| Percentage of banks | 100.0 | 2.8 | 7.4 | 18.7 | 26.2 | 14.6 | 11.3 | 19.0 |
| Total loans (Millions of dollars) | 635 | 15 | 111 | 153 | 284 | 38 | 17 | 18 |
| Eligible paper do | 132 | - | 8 | 24 | 68 | 13 | 7 | 11 |
| Eligible paper per \$100 of total loans | \$20.75 | - | \$6.99 | \$15.42 | \$24.04 | \$34.54 | \$44.59 | \$64.33 |

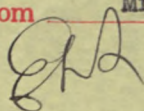
| | Total (all banks in group) | Banks with no eligible paper | Banks with following amounts of eligible paper per \$100 of total loans | | | | | |
|--|----------------------------------|---------------------------------------|--|-----------|-----------|-----------|-----------|---------------|
| | | | Under \$10 | \$10-\$20 | \$20-\$30 | \$30-\$40 | \$40-\$50 | \$50 and over |
| <u>DISTRIBUTION BY FEDERAL RESERVE DISTRICTS</u> | | | | | | | | |
| <u>Chicago district</u> | | | | | | | | |
| Number of banks | 960 | 24 | 164 | 221 | 177 | 129 | 116 | 129 |
| Percentage of banks | 100.0 | 2.5 | 17.1 | 23.0 | 18.4 | 13.4 | 12.1 | 13.5 |
| Total loans (Millions of dollars) | 2,869 | 26 | 1,634 | 827 | 196 | 83 | 58 | 45 |
| Eligible paper do | 329 | - | 99 | 103 | 46 | 28 | 25 | 28 |
| Eligible paper per \$100 of total loans | \$11.47 | - | \$6.05 | \$12.49 | \$23.23 | \$33.95 | \$43.67 | \$61.55 |
| <u>St. Louis district</u> | | | | | | | | |
| Number of banks | 500 | 34 | 103 | 134 | 100 | 60 | 34 | 35 |
| Percentage of banks | 100.0 | 6.8 | 20.6 | 26.8 | 20.0 | 12.0 | 6.8 | 7.0 |
| Total loans (Millions of dollars) | 683 | 14 | 221 | 196 | 80 | 63 | 12 | 97 |
| Eligible paper do | 139 | - | 14 | 27 | 20 | 22 | 5 | 50 |
| Eligible paper per \$100 of total loans | \$20.34 | - | \$6.36 | \$13.94 | \$25.24 | \$35.60 | \$44.26 | \$51.13 |
| <u>Minneapolis district</u> | | | | | | | | |
| Number of banks | 597 | 21 | 39 | 80 | 124 | 95 | 101 | 137 |
| Percentage of banks | 100.0 | 3.5 | 6.5 | 13.4 | 20.8 | 15.9 | 16.9 | 23.0 |
| Total loans (Millions of dollars) | 456 | 7 | 26 | 40 | 145 | 95 | 42 | 101 |
| Eligible paper do | 164 | - | 2 | 6 | 37 | 32 | 19 | 69 |
| Eligible paper per \$100 of total loans | \$36.03 | - | \$6.79 | \$15.74 | \$25.60 | \$33.13 | \$45.02 | \$67.95 |

| | Total (all banks in group) | Banks with no eligible paper | Banks with following amounts of eligible paper per \$100 of total loans | | | | | |
|--|----------------------------------|---------------------------------------|--|-----------|-----------|-----------|-----------|---------------|
| | | | Under \$10 | \$10-\$20 | \$20-\$30 | \$30-\$40 | \$40-\$50 | \$50 and over |
| <u>DISTRIBUTION BY FEDERAL RESERVE DISTRICTS</u> | | | | | | | | |
| <u>Kansas City</u> | | | | | | | | |
| Number of banks | 544 | 16 | 19 | 55 | 127 | 149 | 164 | 314 |
| Percentage of banks | 100.0 | 1.9 | 2.3 | 6.5 | 15.0 | 17.7 | 19.4 | 37.2 |
| Total loans (Millions of dollars) | 614 | 5 | 93 | 70 | 168 | 104 | 72 | 102 |
| Eligible paper do | 193 | - | 7 | 11 | 40 | 38 | 32 | 65 |
| Eligible paper per \$100 of total loans | \$31.38 | - | \$7.93 | \$16.13 | \$23.82 | \$35.96 | \$44.41 | \$63.44 |
| <u>Dallas district</u> | | | | | | | | |
| Number of banks | 645 | 13 | 18 | 66 | 89 | 128 | 122 | 209 |
| Percentage of banks | 100.0 | 2.0 | 2.8 | 10.2 | 13.8 | 19.9 | 18.9 | 32.4 |
| Total loans (Millions of dollars) | 532 | 5 | 50 | 130 | 85 | 146 | 62 | 55 |
| Eligible paper do | 156 | - | 4 | 21 | 20 | 49 | 27 | 34 |
| Eligible paper per \$100 of total loans | \$29.33 | - | \$7.91 | \$16.37 | \$23.94 | \$33.32 | \$44.60 | \$62.81 |
| <u>San Francisco district</u> | | | | | | | | |
| Number of banks | 545 | 39 | 92 | 133 | 135 | 73 | 43 | 30 |
| Percentage of banks | 100.0 | 7.1 | 16.9 | 24.4 | 24.8 | 13.4 | 7.9 | 5.5 |
| Total loans (Millions of dollars) | 1,973 | 14 | 1,341 | 303 | 131 | 71 | 94 | 19 |
| Eligible paper do | 210 | - | 61 | 45 | 30 | 24 | 39 | 11 |
| Eligible paper per \$100 of total loans | \$10.62 | - | \$4.53 | \$14.75 | \$23.16 | \$33.39 | \$41.06 | \$59.01 |

Office Correspondence

FEDERAL RESERVE
BOARDDate February 13, 1932To Governor Meyer

Subject: _____

From Mr. Smead

* 70

2-8495

In accordance with your telephone request, we have prepared the attached statement showing the number of member banks having a capital in excess of \$500,000, located in each city in the United States. Summaries are also attached showing the number of such banks, and the number of cities in which they are located, in each Federal reserve district and in each state.

NUMBER OF NATIONAL AND STATE MEMBER BANKS IN EACH FEDERAL
RESERVE DISTRICT WITH A PAID-IN CAPITAL IN EXCESS OF
\$500,000, AND NUMBER OF CITIES IN WHICH SUCH BANKS ARE LOCATED

| <u>District</u> | <u>Number of banks</u> | <u>Number of cities</u> |
|-----------------|----------------------------|-----------------------------|
| Boston | 42 | 17 |
| New York | 95 | 32 |
| Philadelphia | 46 | 18 |
| Cleveland | 42 | 16 |
| Richmond | 33 | 12 |
| Atlanta | 31 | 16 |
| Chicago | 68 | 30 |
| St. Louis | 20 | 6 |
| Minneapolis | 9 | 4 |
| Kansas City | 18 | 8 |
| Dallas | 28 | 12 |
| San Francisco | 36 | 16 |
| Total | 468 | 187 |

NUMBER OF NATIONAL AND STATE MEMBER BANKS IN EACH STATE,
WITH A PAID-IN CAPITAL IN EXCESS OF \$500,000, AND
NUMBER OF CITIES IN WHICH SUCH BANKS ARE LOCATED

| | No. of banks | No. of cities | | No. of banks | No. of cities |
|---------------------------|-----------------|------------------|------------------------------------|-----------------|------------------|
| <u>New England</u> | | | <u>West South Central (Cont'd)</u> | | |
| Maine | 2 | 1 | Oklahoma | 4 | 2 |
| New Hampshire | - | - | Texas | 24 | 10 |
| Vermont | 1 | 1 | New Mexico | - | - |
| Massachusetts | 25 | 11 | <u>Mountain</u> | | |
| Rhode Island | 5 | 1 | Montana | 1 | 1 |
| Connecticut | 11 | 5 | Idaho | - | - |
| <u>Middle Atlantic</u> | | | Wyoming | - | - |
| New York | 64 | 17 | Colorado | 4 | 1 |
| New Jersey | 34 | 16 | Arizona | 1 | 1 |
| Pennsylvania | 55 | 20 | Utah | 3 | 2 |
| Delaware | 4 | 1 | Nevada | 1 | 1 |
| <u>East North Central</u> | | | <u>Pacific</u> | | |
| Ohio | 23 | 9 | Washington | 8 | 3 |
| Indiana | 9 | 4 | Oregon | 2 | 1 |
| Illinois | 26 | 8 | California | 21 | 8 |
| Michigan | 23 | 12 | Totals | 468 | 187 |
| Wisconsin | 10 | 6 | | | |
| <u>West North Central</u> | 81 | 39 | | | |
| Minnesota | 8 | 3 | | | |
| Iowa | 3 | 2 | | | |
| Missouri | 12 | 2 | | | |
| North Dakota | - | - | | | |
| South Dakota | - | - | | | |
| Nebraska | 5 | 3 | | | |
| Kansas | 1 | 1 | | | |
| <u>South Atlantic</u> | 29 | 11 | | | |
| Maryland | 6 | 1 | | | |
| District of Columbia | 7 | 1 | | | |
| Virginia | 13 | 5 | | | |
| West Virginia | 3 | 2 | | | |
| North Carolina | 3 | 2 | | | |
| South Carolina | 1 | 1 | | | |
| Georgia | 8 | 4 | | | |
| Florida | 7 | 4 | | | |
| <u>East South Central</u> | 48 | 20 | | | |
| Kentucky | 6 | 2 | | | |
| Tennessee | 8 | 4 | | | |
| Alabama | 5 | 3 | | | |
| Mississippi | - | 9 | | | |
| <u>West South Central</u> | 19 | 9 | | | |
| Arkansas | 1 | 1 | | | |
| Louisiana | 10 | 4 | | | |

MEMBER BANKS WITH CAPITAL
OF OVER \$500,000

| <u>Name of city</u> | <u>State banks</u> | <u>National banks</u> | <u>Total</u> |
|-----------------------|--------------------|-----------------------|--------------|
| <u>District No. 1</u> | | | |
| <u>Connecticut</u> | | | |
| Hartford | 1 | 3 | 4 |
| New Haven | | 3 | 3 |
| Waterbury | <u>1</u> | <u>1</u> | <u>2</u> |
| | 2 | 7 | 9 |
| <u>Maine</u> | | | |
| Portland | | 2 | 2 |
| <u>Massachusetts</u> | | | |
| Boston | 6 | 7 | 13 |
| Brockton | | 1 | 1 |
| Cambridge | 1 | | 1 |
| Fall River | 1 | | 1 |
| Lawrence | | 1 | 1 |
| Lowell | | 1 | 1 |
| New Bedford | | 1 | 1 |
| Newton | 1 | | 1 |
| Pittsfield | | 1 | 1 |
| Springfield | | 2 | 2 |
| Worcester | <u>1</u> | <u>1</u> | <u>2</u> |
| | 10 | 15 | 25 |
| <u>New Hampshire</u> | | | |
| <u>Rhode Island</u> | | | |
| Providence | 3 | 2 | 5 |
| <u>Vermont</u> | | | |
| Burlington | — | <u>1</u> | <u>1</u> |
| District total | 15 | 27 | 42 |
| <u>District No. 2</u> | | | |
| <u>Connecticut</u> | | | |
| Bridgeport | | 1 | 1 |
| Stamford | — | <u>1</u> | <u>1</u> |
| | | 2 | 2 |
| <u>New Jersey</u> | | | |
| Bloomfield | 1 | | 1 |
| East Orange | 1 | | 1 |
| Elizabeth | | 1 | 1 |
| Hackensack | 1 | | 1 |
| Hoboken | 1 | 1 | 2 |
| Jersey City | 2 | 2 | 4 |
| Montclair | 1 | | 1 |
| Morristown | 1 | | 1 |
| Newark | 6 | 3 | 9 |
| Orange | 1 | | 1 |
| Passaic | 1 | 1 | 2 |
| Paterson | 1 | 3 | 4 |
| Plainfield | <u>1</u> | | <u>1</u> |
| | 18 | 11 | 29 |
| <u>New York</u> | | | |
| Albany | 1 | 2 | 3 |
| Binghamton | <u>1</u> | | <u>1</u> |
| Buffalo | 3 | | 3 |
| Brooklyn | | See New York City | |
| Elmira | 1 | 1 | 2 |

| <u>Name of City</u> | <u>State banks</u> | <u>National banks</u> | <u>Total</u> |
|--------------------------------|--------------------|-----------------------|--------------|
| <u>District No. 2 (Cont'd)</u> | | | |
| <u>New York (Cont'd)</u> | | | |
| Jamestown | 1 | | 1 |
| Lockport | | 1 | 1 |
| New York City | 23 | 14 | 37 |
| Niagara Falls | 1 | | 1 |
| Olean | | 1 | 1 |
| Ogdensburg | 1 | | 1 |
| Rochester | 1 | 1 | 2 |
| Schenectady | 1 | | 1 |
| Syracuse | 2 | 3 | 5 |
| Troy | | 2 | 2 |
| Utica | 1 | 1 | 2 |
| Yonkers | | 1 | 1 |
| | <u>37</u> | <u>27</u> | <u>64</u> |
| District total | 55 | 40 | 95 |
| <u>District No. 3</u> | | | |
| <u>Delaware</u> | | | |
| Wilmington | 4 | | 4 |
| <u>New Jersey</u> | | | |
| Atlantic City | 1 | 1 | 2 |
| Camden | 1 | 1 | 2 |
| Trenton | | 1 | 1 |
| | <u>2</u> | <u>3</u> | <u>5</u> |
| <u>Pennsylvania</u> | | | |
| Allentown | 1 | 2 | 3 |
| Bradford | | 1 | 1 |
| Chester | 1 | 1 | 2 |
| Easton | | 1 | 1 |
| Hazleton | 1 | | 1 |
| Johnstown | | 1 | 1 |
| Norristown | 2 | | 2 |
| Philadelphia | 6 | 8 | 14 |
| Reading | 1 | 3 | 4 |
| Scranton | 1 | 1 | 2 |
| Waynesboro | | 1 | 1 |
| Wilkesbarre | | 2 | 2 |
| Williamsport | 1 | 1 | 2 |
| York | 1 | | 1 |
| | <u>15</u> | <u>22</u> | <u>37</u> |
| District total | 21 | 25 | 46 |
| <u>District No. 4</u> | | | |
| <u>Kentucky</u> | | | |
| Lexington | | 1 | 1 |
| <u>Ohio</u> | | | |
| Akron | 1 | | 1 |
| Cincinnati | 4 | 2 | 6 |
| Cleveland | 4 | 2 | 6 |
| Columbus | | 3 | 3 |
| Dayton | | 1 | 1 |

| <u>Name of city</u> | <u>State banks</u> | <u>National banks</u> | <u>Total</u> |
|--------------------------------|--------------------|-----------------------|--------------|
| <u>District No. 4 (Cont'd)</u> | | | |
| <u>Ohio (Cont'd)</u> | | | |
| East Liverpool | 1 | | 1 |
| Springfield | | 1 | 1 |
| Toledo | 1 | | 1 |
| Youngstown | | 3 | 3 |
| | <u>11</u> | <u>12</u> | <u>23</u> |
| <u>Pennsylvania</u> | | | |
| Butler | | 1 | 1 |
| McKeesport | | 1 | 1 |
| New Castle | | 1 | 1 |
| Pittsburgh | 6 | 6 | 12 |
| Warren | | 1 | 1 |
| Washington | <u>1</u> | <u>1</u> | <u>2</u> |
| | <u>7</u> | <u>11</u> | <u>18</u> |
| District total | <u>18</u> | <u>24</u> | <u>42</u> |
| <u>District No. 5</u> | | | |
| <u>District of Columbia</u> | | 7 | 7 |
| <u>Maryland</u> | | | |
| Baltimore | 3 | 3 | 6 |
| <u>North Carolina</u> | | | |
| Charlotte | 2 | | 2 |
| Winston-Salem | <u>1</u> | | <u>1</u> |
| | <u>3</u> | | <u>3</u> |
| <u>South Carolina</u> | | | |
| Charleston | | 1 | 1 |
| <u>Virginia</u> | | | |
| Lynchburg | | 2 | 2 |
| Norfolk | | 3 | 3 |
| Petersburg | | 1 | 1 |
| Richmond | 3 | 2 | 5 |
| Roanoke | <u>2</u> | <u>2</u> | <u>2</u> |
| | <u>3</u> | <u>10</u> | <u>13</u> |
| <u>West Virginia</u> | | | |
| Charleston | 1 | 1 | 2 |
| Huntington | <u>1</u> | <u>1</u> | <u>1</u> |
| | <u>1</u> | <u>2</u> | <u>3</u> |
| District total | <u>10</u> | <u>23</u> | <u>33</u> |
| <u>District No. 6</u> | | | |
| <u>Alabama</u> | | | |
| Birmingham | 1 | 1 | 2 |
| Mobile | | 2 | 2 |
| Montgomery | <u>1</u> | <u>1</u> | <u>1</u> |
| | <u>1</u> | <u>4</u> | <u>5</u> |
| <u>Florida</u> | | | |
| Jacksonville | | 3 | 3 |
| Miami | | 1 | 1 |

| <u>Name of city</u> | <u>State banks</u> | <u>National banks</u> | <u>Total</u> |
|--------------------------------|--------------------|-----------------------|---------------|
| <u>District No. 6 (Cont'd)</u> | | | |
| <u>Florida (Cont'd)</u> | | | |
| Pensacola | | 1 | 1 |
| Tampa | — | $\frac{2}{7}$ | $\frac{2}{7}$ |
| <u>Georgia</u> | | | |
| Atlanta | 1 | 2 | 3 |
| Augusta | 1 | | 1 |
| Columbus | 1 | | 1 |
| Savannah | $\frac{1}{4}$ | $\frac{2}{4}$ | $\frac{3}{8}$ |
| <u>Louisiana</u> | | | |
| Lake Charles | | 1 | 1 |
| New Orleans | $\frac{4}{4}$ | $\frac{1}{2}$ | $\frac{5}{6}$ |
| <u>Mississippi</u> | | | |
| <u>Tennessee</u> | | | |
| Chattanooga | | 2 | 2 |
| Knoxville | | 1 | 1 |
| Nashville | — | $\frac{2}{5}$ | $\frac{2}{5}$ |
| | — | 5 | 5 |
| District total | 9 | 22 | 31 |

| <u>Name of city</u> | <u>State banks</u> | <u>National banks</u> | <u>Total</u> |
|-----------------------|--------------------|-----------------------|--------------|
| <u>District No. 7</u> | | | |
| <u>Illinois</u> | | | |
| Chicago | 8 | 7 | 15 |
| Oak Park | 1 | | 1 |
| Joliet | | 2 | 2 |
| Peoria | | 3 | 3 |
| Rockford | | 1 | 1 |
| Springfield | <u>1</u> | | <u>1</u> |
| | 10 | 13 | 23 |
| <u>Indiana</u> | | | |
| Fort Wayne | | 2 | 2 |
| Indianapolis | 1 | 3 | 4 |
| South Bend | 1 | 1 | 2 |
| Terre Haute | <u>1</u> | <u>1</u> | <u>1</u> |
| | 2 | 7 | 9 |
| <u>Iowa</u> | | | |
| Cedar Rapids | | 1 | 1 |
| Des Moines | <u>1</u> | <u>1</u> | <u>2</u> |
| | 1 | 2 | 3 |
| <u>Michigan</u> | | | |
| Battle Creek | | 2 | 2 |
| Detroit | 2 | 2 | 4 |
| Flint | 2 | | 2 |
| Grand Rapids | 3 | 1 | 4 |
| Highland Park | 1 | | 1 |
| Jackson | | 1 | 1 |
| Kalamazoo | 1 | 1 | 2 |
| Lansing | 1 | 1 | 2 |
| Muskegon | | 1 | 1 |
| Pontiac | | 1 | 1 |
| Port Huron | | 1 | 1 |
| Saginaw | <u>1</u> | <u>1</u> | <u>2</u> |
| | 11 | 12 | 23 |
| <u>Wisconsin</u> | | | |
| Kenosha | | 1 | 1 |
| Madison | 1 | 1 | 2 |
| Milwaukee | 1 | 3 | 4 |
| Oshkosh | | 1 | 1 |
| Racine | | 1 | 1 |
| Wausau | <u>1</u> | <u>1</u> | <u>1</u> |
| | 2 | 8 | 10 |
| District total | 26 | 42 | 68 |
| <u>District No. 8</u> | | | |
| <u>Arkansas</u> | | | |
| Little Rock | 1 | | 1 |
| <u>Illinois</u> | | | |
| East St. Louis | 1 | | 1 |
| National City | <u>1</u> | <u>1</u> | <u>2</u> |
| | 2 | 1 | 3 |
| <u>Kentucky</u> | | | |
| Louisville | 3 | 2 | 5 |

| <u>Name of city</u> | <u>State banks</u> | <u>National banks</u> | <u>Total</u> |
|--------------------------------|--------------------|-----------------------|--------------|
| <u>District No. 8 (Cont'd)</u> | | | |
| <u>Missouri</u> | | | |
| St. Louis | 4 | 4 | 8 |
| <u>Tennessee</u> | | | |
| Memphis | 1 | 2 | 3 |
| District total | 11 | 9 | 20 |
| <u>District No. 9</u> | | | |
| <u>Michigan</u> | | | |
| <u>Minnesota</u> | | | |
| Duluth | | 4 | 4 |
| Minneapolis | | 3 | 3 |
| St. Paul | | 1 | 1 |
| | | 8 | 8 |
| <u>Montana</u> | | | |
| Butte | 1 | | 1 |
| <u>North Dakota</u> | | | |
| <u>South Dakota</u> | | | |
| <u>Wisconsin</u> | | | |
| District total | 1 | 8 | 9 |
| <u>District No. 10</u> | | | |
| <u>Colorado</u> | | | |
| Denver | | 4 | 4 |
| <u>Kansas</u> | | | |
| Kansas City | | 1 | 1 |
| <u>Missouri</u> | | | |
| Kansas City | 1 | 3 | 4 |
| <u>Nebraska</u> | | | |
| Lincoln | | 1 | 1 |
| Omaha | | 3 | 3 |
| South Omaha | | 1 | 1 |
| | | 5 | 5 |
| <u>New Mexico</u> | | | |
| <u>Oklahoma City</u> | | | |
| Oklahoma City | | 2 | 2 |
| Tulsa | | 2 | 2 |
| | | 4 | 4 |
| <u>Wyoming</u> | | | |
| District total | 1 | 17 | 18 |

Office Correspondence

FEDERAL RESERVE
BOARD

Date February 16, 1932

To Governor Meyer ✓

Subject: _____

From Mr. Smead

2-8495

Attached hereto is a copy of a letter and statement sent to Senator Glass this morning, in accordance with Governor Harrison's request, showing the number of member banks in each Federal reserve district on December 31, 1931, with a paid-in capital in excess of \$2,000,000 and the number with a paid-in capital in excess of \$1,500,000.

February 16, 1932

Honorable Carter Glass,
United States Senate,
Washington, D. C.

Dear Senator Glass:

In accordance with Governor Harrison's request
I am handing you herewith a statement showing the
number of member banks in each Federal reserve district
on December 31, 1931, with a paid-in capital in excess
of \$2,000,000 and the number with a paid-in capital in
excess of \$1,500,000.

Very truly yours,

E. L. Smead, Chief,
Division of Bank Operations.

Enclosure.

ESL

NUMBER OF MEMBER BANKS IN EACH FEDERAL RESERVE DISTRICT ON DECEMBER 31, 1931,
WITH PAID-IN CAPITAL (a) OVER \$2,000,000, (b) OVER \$1,500,000

| Federal Reserve District | Number of member banks with capital in ex- cess of \$2,000,000 | Number of member banks with capital in excess of \$1,500,000 |
|--------------------------------|--|--|
| <u>Total, all districts</u> | 136 | 174 |
| Boston | 11 | 15 |
| New York | 34 | 42 |
| Philadelphia | 12 | 16 |
| Cleveland | 16 | 20 |
| Richmond | 9 | 12 |
| Atlanta | 9 | 12 |
| Chicago | 10 | 17 |
| St. Louis | 6 | 7 |
| Minneapolis | 4 | 4 |
| Kansas City | 6 | 6 |
| Dallas | 4 | 6 |
| San Francisco | 15 | 17 |

Office Correspondence

FEDERAL RESERVE
BOARDDate February 17, 1932To Governor Meyer

Subject: _____

From Mr. Smead

2-8495

In accordance with your verbal request, I am attaching hereto a statement showing the amount of United States bonds purchased for Special Investment Account from dealers in securities, where such purchases were accompanied by the sale, on the same day to the same dealer, of an equal amount of short-term securities. The statement covers the period from August 1, 1931 to February 10, 1932.

There is also attached another statement, showing sales of United States bonds from Special Investment Account to dealers in securities during the same period, where such sales were accompanied by purchases, on the same day from the same dealer, of an equal amount of short-term securities.

The only transactions of the above character made by the Federal Reserve Bank of New York for its own account were a purchase of \$250,000 of First Liberties from the Discount Corporation on December 4, accompanied by the sale to the same corporation of an equal amount of Treasury bills; and the purchase of \$2,000,000 of Treasury certificates from Salomon Brothers and Hutzler on September 17, which were offset by the sale to them of an equal amount of First Liberties.

PURCHASES OF UNITED STATES BONDS, FOR SPECIAL INVESTMENT ACCOUNT, FROM DEALERS
IN SECURITIES, WHICH WERE ACCOMPANIED BY SALES ON THE SAME DAY OF AN EQUAL
AMOUNT OF SHORT-TERM SECURITIES TO THE SAME DEALER -
AUGUST 1, 1931 TO FEBRUARY 10, 1932

| Bought from | Date | Class | Amount (par value) | Rate | Maturity |
|-----------------------------|---------|------------------|-----------------------|--------|-------------|
| First Nat.-Old Colony Corp. | 8-4-31 | First Liberties | \$2,000,000 | 3-1/2% | 6-15-47 |
| C. F. Childs & Co. | 8-5-31 | " " | 1,000,000 | 3-1/2 | 6-15-47 |
| C. F. Childs & Co. | 8-6-31 | " " | 1,000,000 | 3-1/2 | 6-15-32-47 |
| Discount Corp. | 8-6-31 | " " | 500,000 | 3-1/2 | 6-15-47 |
| Discount Corp. | 8-6-31 | Fourth Liberties | 1,500,000 | 4-1/4 | 10-15-33-38 |
| First Nat.-Old Colony Corp. | 8-11-31 | First Liberties | 1,000,000 | 3-1/2 | 6-15-47 |
| First Nat.-Old Colony Corp. | 8-12-31 | " " | 1,250,000 | 4-1/4 | 6-15-47 |
| First Nat.-Old Colony Corp. | 8-17-31 | " " | 1,250,000 | 4-1/4 | 6-15-47 |
| Salomon Bros & Hutzler | 8-17-31 | " " | 1,500,000 | 4-1/4 | 6-15-47 |
| New York & Hanseatic Corp. | 8-18-31 | " " | 200,000 | 3-1/2 | 6-15-47 |
| C. F. Childs & Co. | 8-18-31 | " " | 1,500,000 | 4-1/4 | 6-15-47 |
| Discount Corp. | 8-18-31 | " " | 500,000 | 3-1/2 | 6-15-47 |
| Discount Corp. | 8-18-31 | " " | 1,300,000 | 4-1/4 | 6-15-47 |
| Discount Corp. | 8-18-31 | Fourth Liberties | 2,500,000 | 4-1/4 | 10-15-38 |
| Discount Corp. | 8-18-31 | " " | 2,500,000 | 4-1/4 | 10-15-38 |
| Discount Corp. | 8-19-31 | " " | 1,000,000 | 4-1/4 | 10-15-38 |
| C. F. Childs & Co. | 8-19-31 | First Liberties | 1,000,000 | 3-1/2 | 6-15-47 |
| C. F. Childs & Co. | 8-19-31 | " " | 1,000,000 | 4-1/4 | 6-15-47 |
| First Nat.-Old Colony Corp. | 8-19-31 | " " | 1,000,000 | 3-1/2 | 6-15-47 |
| Salomon Bros. & Hutzler | 8-20-31 | " " | 1,000,000 | 3-1/2 | 6-15-47 |
| Salomon Bros & Hutzler | 8-20-31 | " " | 4,000,000 | 4-1/4 | 6-15-47 |
| C. F. Childs & Co. | 8-20-31 | " " | 2,000,000 | 4-1/4 | 6-15-47 |
| Discount Corp. | 8-20-31 | Fourth Liberties | 5,000,000 | 4-1/4 | 10-15-38 |
| Salomon Bros & Hutzler | 8-21-31 | First Liberties | 6,500,000 | 4-1/4 | 6-15-47 |
| Salomon Bros & Hutzler | 8-21-31 | " " | 1,000,000 | 3-1/2 | 6-15-47 |
| C. F. Childs & Co. | 8-21-31 | " " | 5,000,000 | 4-1/4 | 6-15-47 |
| First Nat.-Old Colony Corp. | 8-21-31 | " " | 1,000,000 | 3-1/2 | 6-15-47 |
| Salomon Bros. & Hutzler | 8-25-31 | Fourth Liberties | 1,000,000 | 4-1/4 | 10-15-38 |
| C. F. Childs & Co. | 9-9-31 | First Liberties | 5,000,000 | 3-1/2 | 6-15-47 |
| C. F. Childs & Co. | 9-23-31 | " " | 1,000,000 | 3-1/2 | 6-15-47 |
| Discount Corp. | 9-24-31 | " " | 10,000,000 | 3-1/2 | 6-15-47 |
| Salomon Bros & Hutzler | 9-25-31 | Fourth Liberties | 3,500,000 | 4-1/4 | 10-15-38 |
| Salomon Bros & Hutzler | 9-28-31 | First Liberties | 1,000,000 | 3-1/2 | 6-15-47 |
| Discount Corp. | 9-28-31 | " " | 1,000,000 | 4-1/4 | 6-15-47 |
| Discount Corp. | 9-28-31 | " " | 5,000,000 | 3-1/2 | 6-15-47 |
| Salomon Bros & Hutzler | 12-7-31 | " " | 1,000,000 | 4-1/4 | 6-15-47 |
| Total | | | 77,500,000 | | |

SALES, TO DEALERS IN SECURITIES, OF UNITED STATES BONDS FROM SPECIAL
INVESTMENT ACCOUNT, WHICH WERE ACCOMPANIED BY PURCHASES ON THE SAME
DAY OF AN EQUAL AMOUNT OF SHORT-TERM SECURITIES FROM THE SAME DEALER-
AUGUST 1, 1931 TO FEBRUARY 10, 1932

| Sold to | Date | Class | Amount (par value) | Rate | Maturity |
|-------------------------|----------|------------------|-----------------------|--------|----------|
| Salomon Bros. & Hutzler | 9- 4-31 | First Liberties | \$5,000,000 | 4-1/4% | 6-15-47 |
| Salomon Bros. & Hutzler | 9-15-31 | " " | 16,500,000 | 4-1/4 | 6-15-47 |
| N. Y. & Hanseatic Corp. | 9-15-31 | " " | 5,000,000 | 4-1/4 | 6-15-47 |
| Salomon Bros. & Hutzler | 10- 7-31 | Fourth Liberties | 2,000,000 | 4-1/4 | 10-15-38 |
| Total | | | 28,500,000 | | |

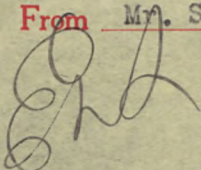
Office Correspondence

FEDERAL RESERVE
BOARDDate February 25, 1932To Governor Meyer

Subject: _____

From Mr. Smead

... 2-8405

 Attached hereto are copies of the following statements given to Mr. Mills this afternoon for the use of the President:

1. Number of member banks on December 31, 1931, in each Federal reserve district with a paid-in capital (a) in excess of \$2,000,000, and (b) in excess of \$5,000,000.

2. Name, location, and paid-in capital of each member bank that on December 31, 1931, had a paid-in capital (a) in excess of \$2,000,000, and (b) in excess of \$5,000,000.

NUMBER OF MEMBER BANKS IN EACH FEDERAL RESERVE DISTRICT ON DECEMBER 31, 1931.
WITH PAID-IN CAPITAL (a) OVER \$2,000,000. (b) OVER \$5,000,000

| Federal Reserve District | Number of member banks with capital in ex- cess of \$2,000,000 | Number of member banks with capital in excess of \$5,000,000 |
|--------------------------------|--|--|
| <u>Total, all districts</u> | <u>136</u> | <u>63</u> |
| Boston | 11 | 3 |
| New York | 34 | 23 |
| Philadelphia | 12 | 3 |
| Cleveland | 16 | 9 |
| Richmond | 9 | 1 |
| Atlanta | 9 | 2 |
| Chicago | 10 | 7 |
| St. Louis | 7 | 3 |
| Minneapolis | 4 | 2 |
| Kansas City | 5 | 1 |
| Dallas | 4 | 1 |
| San Francisco | 15 | 8 |

MEMBER BANKS ON DECEMBER 31, 1931, WITH PAID-IN CAPITAL IN EXCESS OF \$2,000,000.

| Name of bank | Location | Paid-in capital |
|--|----------------------|-----------------|
| <u>BOSTON FEDERAL RESERVE DISTRICT</u> | | |
| First National Bank | Boston, Mass. | \$44,500,000 |
| National Shawmut Bank | " | 20,000,000 |
| Atlantic National Bank | " | 9,875,000 |
| Old Colony Trust Company | " | 5,000,000 |
| Merchants National Bank | " | 3,000,000 |
| State Street Trust Company | " | 3,000,000 |
| Day Trust Company | " | 2,500,000 |
| Worcester Bank & Trust Co. | Worcester, Mass. | 3,800,000 |
| Rhode Island Hospital Tr. Co. | Providence, R. I. | 5,000,000 |
| Industrial Trust Company | " | 4,000,000 |
| Hartford National Bank & Trust Co. | Hartford, Conn. | 4,000,000 |
| <u>NEW YORK FEDERAL RESERVE DISTRICT</u> | | |
| Chase National Bank | New York, N. Y. | 148,000,000 |
| National City Bank | " | 124,000,000 |
| Guaranty Trust Company | " | 90,000,000 |
| Irving Trust Company | " | 50,000,000 |
| Manufacturers Trust Company | " | 27,500,000 |
| Bankers Trust Company | " | 25,000,000 |
| Bank of Manhattan Trust Co. | " | 22,250,000 |
| Chemical Bank & Trust Co. | " | 21,000,000 |
| Central-Hanover Bank & Trust Co. | " | 21,000,000 |
| Chatham Phoenix Natl. Bank & Trust Co. | " | 16,200,000 |
| Corn Exchange Bank & Trust Company | " | 15,000,000 |
| New York Trust Company | " | 12,500,000 |
| Marine Midland Trust Company | " | 10,000,000 |
| First National Bank | " | 10,000,000 |
| Public National Bank & Trust Co. | " | 8,250,000 |
| Commercial National Bank & Trust Co. | " | 7,000,000 |
| Bank of New York & Trust Company | " | 6,000,000 |
| Continental Bank & Trust Company | " | 4,000,000 |
| Hibernia Trust Company | " | 3,000,000 |
| Liberty National Bank & Trust Co. | " | 2,250,000 |
| Brooklyn Trust Company | Brooklyn, N. Y. | 8,200,000 |
| Marine Trust Company | Buffalo, N. Y. | 10,000,000 |
| M & T Trust Company | " | 6,000,000 |
| Liberty Bank | " | 5,500,000 |
| Fidelity Union Trust Company | Newark, N. J. | 6,666,675 |
| Federal Trust Company | " | 4,056,250 |
| National Newark & Essex Banking Co. | " | 3,000,000 |
| N. J. National Bank & Trust Co. | " | 2,800,000 |
| Merchants & Newark Trust Co. | " | 2,500,000 |
| Commercial Trust Company | Jersey City, N. J. | 3,400,000 |
| N. J. Title Guarantees & Trust Co. | " | 2,035,000 |
| First Trust & Deposit Co. | Syracuse, N. Y. | 5,400,000 |
| Syracuse Trust Co. | " | 2,500,000 |
| Power City Trust Company | Niagara Falls, N. Y. | 4,000,000 |

| Name of bank | Location | Paid-in capital |
|--------------|----------|-----------------|
|--------------|----------|-----------------|

PHILADELPHIA FEDERAL RESERVE DISTRICT

| | | |
|---|-------------------|--------------|
| Philadelphia National Bank | Philadelphia, Pa. | \$14,000,000 |
| Pennsylvania Co. for Insurance on Lives and Granting Annuities | " | 8,400,000 |
| Fidelity-Philadelphia Trust Co. | " | 6,700,000 |
| Corn Exchange National Bank & Trust Co. | " | 4,550,000 |
| Girard Trust Company | " | 4,000,000 |
| Tradesmens National Bank & Trust Co. | " | 3,300,000 |
| Provident Trust Company | " | 3,200,000 |
| First National Bank | " | 3,111,000 |
| Central-Pennsylvania National Bank | " | 3,040,000 |
| Integrity Trust Company | " | 2,987,920 |
| First National Bank | Scranton, Pa. | 5,000,000 |
| Wilmington Trust Company | Wilmington, Del. | 4,000,000 |

CLEVELAND FEDERAL RESERVE DISTRICT

| | | |
|----------------------------------|------------------|------------|
| Union Trust Company | Cleveland, Ohio | 22,850,000 |
| Cleveland Trust Company | " | 13,800,000 |
| Guardian Trust Company | " | 7,000,000 |
| Central United National Bank | " | 5,000,000 |
| Midland Bank | " | 4,000,000 |
| First Central Trust Company | Akron, Ohio | 7,227,000 |
| First National Bank | Cincinnati, Ohio | 6,000,000 |
| Fifth Third Union Trust Co. | " | 5,000,000 |
| Central Trust Company | " | 4,000,000 |
| Ohio National Bank | Columbus, Ohio | 4,000,000 |
| Mellon National Bank | Pittsburgh, Pa. | 7,500,000 |
| First National Bank | " | 6,000,000 |
| Farmers Deposit National Bank | " | 6,000,000 |
| Peoples-Pittsburgh Trust Company | " | 5,823,000 |
| Colonial Trust Company | " | 2,600,000 |
| Toledo Trust Company | Toledo, Ohio | 5,000,000 |

RICHMOND FEDERAL RESERVE DISTRICT

| | | |
|---|----------------------|-----------|
| American Bank and Trust Company | Richmond, Va. | 3,500,000 |
| First and Merchants National Bank | " | 3,000,000 |
| State-Planters Bank & Trust Co. | " | 2,500,000 |
| Baltimore Trust Company | Baltimore, Md. | 6,250,000 |
| First National Bank | " | 4,000,000 |
| Maryland Trust Company | " | 2,500,000 |
| Riggs National Bank | Washington, D. C. | 3,000,000 |
| Norfolk Natl. Bank of Commerce & Trusts | Norfolk, Va. | 2,500,000 |
| Wachovia Bank and Trust Company | Winston-Salem, N. C. | 2,500,000 |

| Name of bank | Location | Paid-in capital |
|--------------|----------|-----------------|
|--------------|----------|-----------------|

ATLANTA FEDERAL RESERVE DISTRICT

| | | |
|-----------------------------------|--------------------|-------------|
| First National Bank | Atlanta, Ga. | \$5,400,000 |
| First National Bank | Birmingham, Ala. | 5,000,000 |
| First National Bank | Chattanooga, Tenn. | 2,500,000 |
| Atlantic National Bank | Jacksonville, Fla. | 3,000,000 |
| American National Bank | Nashville, Tenn. | 3,000,000 |
| Canal Bank and Trust Company | New Orleans, La. | 6,075,000 |
| Whitney National Bank | " | 2,800,000 |
| Hibernia Bank & Trust Co. | " | 2,500,000 |
| Citizens & Southern National Bank | Savannah, Ga. | 5,000,000 |

CHICAGO FEDERAL RESERVE DISTRICT

| | | |
|-------------------------------------|--------------------|------------|
| Continental Illinois Bank & Tr. Co. | Chicago, Ill. | 75,000,000 |
| First National Bank | " | 25,000,000 |
| Central Republic Bank & Trust Co. | " | 14,000,000 |
| Harris Trust & Savings Bank | " | 6,000,000 |
| Northern Trust Company | " | 3,000,000 |
| First Wayne National Bank | Detroit, Mich. | 25,000,000 |
| Guardian National Bank of Commerce | " | 10,000,000 |
| First Wisconsin National Bank | Milwaukee, Wis. | 10,000,000 |
| Marine National Exchange Bank | " | 2,200,000 |
| Fletcher American National Bank | Indianapolis, Ind. | 3,600,000 |

ST. LOUIS FEDERAL RESERVE DISTRICT

| | | |
|--|----------------|------------|
| First National Bank | St. Louis, Mo. | 12,100,000 |
| Mercantile-Commerce Bank & Tr. Co. | " | 10,000,000 |
| Mississippi Valley Trust Co. | " | 6,000,000 |
| Boatmen's National Bank | " | 2,500,000 |
| Lafayette-South Side Bank & Trust Co. | " | 2,150,000 |
| Union Planters National Bank & Tr. Co. | Memphis, Tenn. | 3,500,000 |
| Bank of Commerce & Trust Co. | " | 3,000,000 |

MINNEAPOLIS FEDERAL RESERVE DISTRICT

| | | |
|----------------------------------|--------------------|-----------|
| First National Bank | Minneapolis, Minn. | 6,000,000 |
| Northwestern National Bank | " | 5,000,000 |
| First National Bank | St. Paul, Minn. | 6,000,000 |
| First and American National Bank | Duluth, Minn. | 3,000,000 |

| Name of bank | Location | Paid-in capital |
|--------------|----------|-----------------|
|--------------|----------|-----------------|

KANSAS CITY FEDERAL RESERVE DISTRICT

| | | |
|------------------------------------|----------------------|-------------|
| Commerce Trust Co. | Kansas City, Mo. | \$6,000,000 |
| Fidelity National Bank & Trust Co. | " | 4,000,000 |
| First National Bank & Trust Co. | Oklahoma City, Okla. | 5,000,000 |
| Exchange National Bank | Tulsa, Okla. | 3,000,000 |
| First National Bank & Trust Co. | " | 2,500,000 |

DALLAS FEDERAL RESERVE DISTRICT

| | | |
|------------------------------------|------------------|-----------|
| First National Bank | Dallas, Texas | 8,000,000 |
| Republic National Bank & Trust Co. | " | 4,000,000 |
| First National Bank | Houston, Texas | 3,000,000 |
| Ft. Worth National Bank | Ft. Worth, Texas | 2,500,000 |

SAN FRANCISCO FEDERAL RESERVE DISTRICT

| | | |
|--|---------------------|------------|
| Bank of America N. T. & S. A. | San Francisco, Cal. | 50,000,000 |
| American Trust Company | " | 10,000,000 |
| Anglo and London Paris National Bank | " | 10,000,000 |
| Wells-Fargo Bank & Union Trust Co. | " | 9,000,000 |
| Bank of California, N. A. | " | 8,500,000 |
| Crocker First National Bank | " | 6,000,000 |
| Security First National Bank | Los Angeles, Cal. | 30,000,000 |
| Union Bank & Trust Co. | " | 5,000,000 |
| Citizens National Trust & Savings Bank | " | 5,000,000 |
| Farmers and Merchants National Bank | " | 3,000,000 |
| First National Bank | Seattle, Wash. | 8,000,000 |
| National Bank of Commerce | " | 2,500,000 |
| Pacific National Bank | " " | 2,500,000 |
| United States National Bank | Portland, Ore. | 4,000,000 |
| First National Bank | " | 2,500,000 |

MEMBER BANKS ON DECEMBER 31, 1931, WITH PAID-IN CAPITAL IN EXCESS OF \$5,000,000

| Name of bank | Location | Paid-in capital |
|--------------|----------|-----------------|
|--------------|----------|-----------------|

BOSTON FEDERAL RESERVE DISTRICT

| | | |
|------------------------|---------------|--------------|
| First National Bank | Boston, Mass. | \$44,500,000 |
| National Shawmut Bank | " | 20,000,000 |
| Atlantic National Bank | " | 9,875,000 |

NEW YORK FEDERAL RESERVE DISTRICT

| | | |
|---|----------------|-------------|
| Chase National Bank | New York, N.Y. | 148,000,000 |
| National City Bank | " | 124,000,000 |
| Guaranty Trust Company | " | 90,000,000 |
| Irving Trust Company | " | 50,000,000 |
| Manufacturers Trust Company | " | 27,500,000 |
| Bankers Trust Company | " | 25,000,000 |
| Bank of Manhattan Trust Company | " | 22,250,000 |
| Chemical Bank & Trust Company | " | 21,000,000 |
| Central-Hanover Bank & Trust Company | " | 21,000,000 |
| Chatham Phoenix National Bank & Tr. Co. | " | 16,200,000 |
| Corn Exchange Bank & Trust Co. | " | 15,000,000 |
| New York Trust Company | " | 12,500,000 |
| Marine Midland Trust Company | " | 10,000,000 |
| First National Bank | " | 10,000,000 |
| Public National Bank & Trust Company | " | 8,250,000 |
| Commercial National Bank & Trust Co. | " | 7,000,000 |
| Bank of New York & Trust Company | " | 6,000,000 |
| Brooklyn Trust Company | Brooklyn, N.Y. | 8,200,000 |
| Marine Trust Company | Buffalo, N.Y. | 10,000,000 |
| M & T Trust Company | " | 6,000,000 |
| Liberty Bank | " | 5,500,000 |
| Fidelity Union Trust Company | Newark, N.J. | 6,666,675 |
| First Trust & Deposit Company | Syracuse, N.Y. | 5,400,000 |

PHILADELPHIA FEDERAL RESERVE DISTRICT

| | | |
|---|-------------------|------------|
| Philadelphia National Bank | Philadelphia, Pa. | 14,000,000 |
| Pennsylvania Company for Insurance on Lives and Granting Annuities | " | 8,400,000 |
| Fidelity-Philadelphia Trust Company | " | 6,700,000 |

CLEVELAND FEDERAL RESERVE DISTRICT

| | | |
|-------------------------------|-----------------|------------|
| Union Trust Company | Cleveland, Ohio | 22,850,000 |
| Cleveland Trust Company | " | 13,800,000 |
| Guardian Trust Company | " | 7,000,000 |
| Mellon National Bank | Pittsburgh, Pa. | 7,500,000 |
| Farmers Deposit National Bank | " | 6,000,000 |
| First National Bank | " | 6,000,000 |
| Peoples-Pittsburgh Trust Co. | " | 5,823,000 |

| Name of bank | Location | Paid-in capital |
|--------------|----------|-----------------|
|--------------|----------|-----------------|

CLEVELAND FEDERAL RESERVE DISTRICT (Cont'd)

| | | |
|-----------------------------|------------------|-------------|
| First Central Trust Company | Akron, Ohio | \$7,227,000 |
| First National Bank | Cincinnati, Ohio | 6,000,000 |

RICHMOND FEDERAL RESERVE DISTRICT

| | | |
|-------------------------|----------------|-----------|
| Baltimore Trust Company | Baltimore, Md. | 6,250,000 |
|-------------------------|----------------|-----------|

ATLANTA FEDERAL RESERVE DISTRICT

| | | |
|----------------------------|------------------|-----------|
| First National Bank | Atlanta, Ga. | 5,400,000 |
| Canal Bank & Trust Company | New Orleans, La. | 6,075,000 |

CHICAGO FEDERAL RESERVE DISTRICT

| | | |
|---------------------------------------|-----------------|------------|
| Continental Ill. Bank & Trust Company | Chicago, Ill. | 75,000,000 |
| First National Bank | " | 25,000,000 |
| Central Republic Bank & Trust Co. | " | 14,000,000 |
| Harris Trust & Savings Bank | " | 6,000,000 |
| First Wayne National Bank | Detroit, Mich. | 25,000,000 |
| Guardian National Bank of Commerce | " | 10,000,000 |
| First Wisconsin National Bank | Milwaukee, Wis. | 10,000,000 |

ST. LOUIS FEDERAL RESERVE DISTRICT

| | | |
|--|----------------|------------|
| First National Bank | St. Louis, Mo. | 12,100,000 |
| Mercantile Commerce Bank and Trust Co. | " | 10,000,000 |
| Mississippi Valley Trust Company | " | 6,000,000 |

MINNEAPOLIS FEDERAL RESERVE DISTRICT

| | | |
|---------------------|--------------------|-----------|
| First National Bank | Minneapolis, Minn. | 6,000,000 |
| First National Bank | St. Paul, Minn. | 6,000,000 |

KANSAS CITY FEDERAL RESERVE DISTRICT

| | | |
|------------------------|------------------|-----------|
| Commerce Trust Company | Kansas City, Mo. | 6,000,000 |
|------------------------|------------------|-----------|

DALLAS FEDERAL RESERVE DISTRICT

| | | |
|---------------------|---------------|-----------|
| First National Bank | Dallas, Texas | 8,000,000 |
|---------------------|---------------|-----------|

| Name of bank | Location | Paid-in capital |
|--------------|----------|-----------------|
|--------------|----------|-----------------|

SAN FRANCISCO FEDERAL RESERVE DISTRICT

| | | |
|--|-----------------------|------------|
| Bank of America Nat. Tr. & Sav. Assn. | San Francisco, Calif. | 50,000,000 |
| American Trust Company | " | 10,000,000 |
| Anglo & London Paris National Bank | " | 10,000,000 |
| Wells Fargo Bank & Union Trust Company | " | 9,000,000 |
| Bank of California, N.A. | " | 8,500,000 |
| Crocker First National Bank | " | 6,000,000 |
| Security First National Bank | Los Angeles, Calif. | 30,000,000 |
| First National Bank | Seattle, Wash. | 8,000,000 |

Office Correspondence

FEDERAL RESERVE
BOARDDate March 7, 1932To Governor MeyerSubject: Appreciation since December 31,
1931 in value of bonds held by
the Federal reserve banksFrom Mr. Smead

2-8495

The reserve for depreciation on United States bonds set aside from surplus account by the Federal reserve banks at the end of 1931 was based upon closing quotations on that date. The amount of the reserve set aside was \$8,158,268, of which \$3,973,697 was to cover depreciation on bonds held in the System Special Investment Account and \$4,184,571 to cover depreciation on bonds held by the individual reserve banks. On the basis of closing quotations on March 5, the United States bonds held by the Federal reserve banks on December 31 had increased in market value by about \$2,285,000, of which \$1,117,000 was on bonds held in Special Investment Account and \$1,168,000 on bonds held by the individual reserve banks. The December 31, 1931 and March 5, 1932 closing quotations on bonds held by the Federal reserve banks were as follows:

| | <u>Dec. 31,</u> <u>1931</u> | <u>March 5,</u> <u>1932</u> |
|---------------------------------------|--------------------------------|--------------------------------|
| 3 per cent Panamas | 95 | 95 |
| 3 per cent Conversion bonds | 95 | 95 |
| 3-1/2 per cent First Liberty | 97-28/32 | 98-10/32 |
| 4-1/4 per cent First Liberty | 99-18/32 | 100- 2/32 |
| 4-1/4 per cent Fourth Liberty | 99-18/32 | 100- 5/32 |
| 3 per cent Treasury bonds | 86-2/32 | 89-23/32 |
| 3-1/8 per cent Treasury bonds | 87-24/32 | 91- 5/32 |
| 3-3/8 per cent Treasury bonds 1940-43 | 92-16/32 | 95 |
| 3-3/8 per cent Treasury bonds 1941-43 | 92-10/32 | 94-28/32 |
| 3-3/8 per cent Treasury bonds 1943-47 | 92-26/32 | 94 |
| 3-3/4 per cent Treasury bonds | 96-12/32 | 97-12/32 |
| 4 per cent Treasury bonds | 99- 4/32 | 100- 6/32 |

RECEIVED

MAR 8 1932

OFFICE OF
THE GOVERNOR

X
C O P Y .

April 26, 1932

To: Governor Meyer

Subject: United States securities as

From: Mr. Smead

collateral for Federal reserve notes

At the rate the Federal reserve banks are now purchasing United States securities, it will be necessary in about two weeks to pledge such securities with the Federal reserve agents as collateral for Federal reserve notes if the Federal reserve banks are to maintain in their own vaults a working balance of Federal reserve notes and have a sufficient amount of free gold to avoid deficiencies in deposit reserves.

In case the Board should decide to keep at a minimum the amount of United States securities pledged against Federal reserve notes, instead of allowing the Federal reserve banks to pledge all of their securities, or such portion thereof as they may choose, it is suggested that the banks be permitted to so pledge United States securities when the Free gold of the System plus Federal reserve notes held by the issuing banks declines to a reasonable operating minimum, say \$300,000,000. In determining the amount of such securities that each bank may be permitted to pledge, it is suggested that it be allowed an operating margin in keeping with the amount of its deposit and note liabilities and the number of its branches. The tentative margin suggested for each bank is shown at the end of this memorandum. This margin will represent the amount of cash reserves and collateral that each bank will have in excess of its minimum requirements, i.e., in excess of its Federal reserve notes in circulation and its required deposit reserves, and will be available to cover the Federal reserve notes that the bank may have in its vault and at its branches, the required gold redemption fund with the United States Treasury and some margin over its requirements for deposit reserves and collateral

-2-

with the Federal reserve agent.

| | | | |
|--------------|--------------|---------------|-------------------|
| Boston | \$20,000,000 | Chicago | \$35,000,000 |
| New York | 55,000,000 | St. Louis | 20,000,000 |
| Philadelphia | 20,000,000 | Minneapolis | 15,000,000 |
| Cleveland | 25,000,000 | Kansas City | 20,000,000 |
| Richmond | 20,000,000 | Dallas | 15,000,000 |
| Atlanta | 25,000,000 | San Francisco | <u>30,000,000</u> |
| | | Total | \$300,000,000 |

April 30, 1932

Governor Meyer

Mr. Smead

United States securities as
collateral for Federal reserve notes

Since preparing the memorandum on the pledging of United States securities with the Federal reserve agents, given you on April 26, we have worked out a formula for determining the operating margin which might be tentatively fixed for each Federal reserve bank.

The margin has been determined by allowing for the following: (1) An excess in the deposit reserve amounting to 5 per cent of total deposits; (2) Federal reserve notes on hand equal to 3 per cent of notes in circulation, plus \$2,000,000 additional for each branch and \$7,500,000 for the Havana Agency; (3) A redemption fund in the United States Treasury equal to 5 per cent of the notes in circulation not covered by gold (estimated at 40 per cent of total circulation), and (4) excess collateral with the Federal reserve agents amounting to 1 per cent of Federal reserve notes in circulation.

From the attached statement, which shows the calculation of the working balance for each bank, you will note that we have increased the \$300,000,000 stated in my memorandum of April 26 to \$325,000,000 and have changed somewhat the distribution among the Federal reserve banks.

The margin shown for New York has been increased substantially owing to the very considerable increase which has taken place recently in the deposits of that bank. It is quite possible that the New York bank's deposits will further increase but it seems that an allowance of \$52,000,000 above the required deposit reserves would be sufficient in any case.

STATEMENT SHOWING METHOD OF DETERMINING WORKING BALANCE FOR EACH FEDERAL RESERVE BANK AFTER PROVIDING FOR COLLATERAL (INCLUDING RESERVES) AGAINST FEDERAL RESERVE NOTES IN CIRCULATION AND THE 35 PER CENT REQUIRED RESERVE AGAINST DEPOSITS

(In millions of dollars)

| Federal Reserve Bank | Deposits and F. R. note circulation April 27 | | Method of determining working balance for each F. R. bank | | | | | | | Working balance on April 27 (F.R. notes on hand plus gold not required as reserve or as collateral against notes) |
|----------------------|--|----------------------------|---|---|--|--|--|-------|---------|---|
| | Total deposits | F. R. notes in circulation | 5% of total deposits (margin in deposit reserve) | 3% of notes in circulation (F.R. notes on hand) | Additional note allowance for branches | Gold redemption fund (allows for 60% gold cover) | Excess collateral with agent (1% of circulation) | Total | Rounded | |
| Boston | 122 | 177 | 6.1 | 5.3 | - | 3.5 | 1.8 | 16.7 | 20 | 30 |
| New York | 1,040 | 561 | 52.0 | 16.8 | 2.0 | 11.2 | 5.6 | 87.6 | 85 | 159 |
| Philadelphia | 123 | 249 | 6.1 | 7.5 | - | 5.0 | 2.5 | 21.1 | 20 | 16 |
| Cleveland | 168 | 291 | 8.4 | 8.7 | 4.0 | 5.8 | 2.9 | 29.8 | 30 | 31 |
| Richmond | 55 | 93 | 2.8 | 2.8 | 4.0 | 1.9 | .9 | 12.4 | 15 | 14 |
| Atlanta | 52 | 116 | 2.6 | 3.5 | 17.5 | 2.3 | 1.2 | 27.1 | 25 | 26 |
| Chicago | 301 | 542 | 15.0 | 16.3 | 2.0 | 10.8 | 5.4 | 49.5 | 50 | 82 |
| St. Louis | 62 | 90 | 3.1 | 2.7 | 6.0 | 1.8 | .9 | 14.5 | 15 | 14 |
| Minneapolis | 42 | 71 | 2.1 | 2.1 | 2.0 | 1.4 | .7 | 8.3 | 10 | 4 |
| Kansas City | 69 | 80 | 3.5 | 2.4 | 6.0 | 1.6 | .8 | 14.3 | 15 | 21 |
| Dallas | 51 | 37 | 2.5 | 1.1 | 6.0 | .8 | .4 | 10.8 | 10 | 11 |
| San Francisco | 149 | 220 | 7.5 | 6.6 | 10.0 | 4.4 | 2.2 | 30.7 | 30 | 56 |
| Total | 2,234 | 2,527 | 111.7 | 75.8 | 59.5 | 50.5 | 25.3 | 322.8 | 325 | 464 |

DIVISION OF BANK OPERATIONS
APRIL 30, 1932

July 27, 1932.
B-831a.

TO: Federal Reserve Board SUBJECT: Loans and investments of
FROM: Mr. Smead member banks on June 30, 1932.

CONFIDENTIAL

Attached hereto is a classification of loans and investments of all member banks on June 30, 1932, based on preliminary data furnished by the Federal reserve agents pending the completion of the Board's consolidated call report.

CHANGES DURING THE FIRST HALF OF 1932. Total loans and investments of all member banks declined \$2,645,000,000 during the first half of 1932. Loans to customers (other than banks) declined \$2,341,000,000, of which \$895,000,000 represents a reduction in security loans to non-broker customers and \$1,200,000,000 in "other" loans (largely commercial). Loans to banks decreased \$114,000,000 at banks in New York City and \$218,000,000 at all member banks. Open-market loans show a net reduction of \$155,000,000, largely as a result of a decrease of \$298,000,000 in security loans to New York brokers and an increase of \$167,000,000 in holdings of acceptances of other domestic banks. Investments in United States Government securities increased \$308,000,000, while holdings of other securities decreased \$239,000,000.

CHANGES SINCE JUNE 1931. As compared with June 1931, total loans and investments of all member banks show a net reduction of approximately \$6,000,000,000. Loans to customers (other than banks) declined \$4,028,000,000 during the year, of which about \$1,600,000,000 was in security loans to non-broker customers, \$229,000,000 in loans to brokers outside New York City, \$321,000,000 in real estate loans, and \$1,880,000,000 in "other" loans (largely commercial). Total open-market loans declined \$1,357,000,000 during the year ending in June 1932, as a result

of decreases of \$940,000,000 in loans to New York brokers, \$262,000,000 in commercial paper, \$79,000,000 in acceptances payable abroad, and \$76,000,000 in acceptances of other domestic banks. Holdings of United States Government securities on June 30 last were \$284,000,000 higher than a year earlier, while investments in other bonds, stocks and securities show a reduction for the year of over \$1,000,000,000.

The following table shows the amount and percentage of reduction in total loans and investments, during the first half of 1932 and during the year ending June 30, 1932, by classes of banks:

| | Decrease during first half of 1932 | | Decrease during year ending June 30, 1932 | |
|--------------------------------|------------------------------------|------------|---|------------|
| | Amount | Percentage | Amount | Percentage |
| <u>Total, all member banks</u> | \$2,645,000,000 | 8.7 | \$5,993,000,000 | 17.7 |
| Central reserve city banks: | | | | |
| New York City | 746,000,000 | 10.0 | 1,573,000,000 | 19.0 |
| Chicago | 258,000,000 | 17.0 | 495,000,000 | 28.2 |
| Reserve city banks | 881,000,000 | 8.3 | 2,097,000,000 | 17.8 |
| Country banks | 757,000,000 | 6.9 | 1,826,000,000 | 15.1 |

Member banks that suspended during the first half of the year, less member banks reopened, had loans and investments of about \$200,000,000, while member banks that suspended during the year ending in June 1932, less member banks reopened, had loans and investments of about \$900,000,000. The decline in loans and investments due to bank suspensions is partly offset by changes affecting membership, including the absorption of nonmember banks, etc., which added around \$150,000,000 to the loans and investments of member banks during the year ending on June 30, 1932, also by the gradual depositing with member banks of funds released through the liquidation of the assets of suspended banks.

CONFIDENTIAL

ALL MEMBER BANKS -- PRELIMINARY CLASSIFICATION OF LOANS AND INVESTMENTS ON JUNE 30, 1932, COMPARED WITH PRECEDING CALL DATES
(Amounts in millions of dollars)

B-831

| (Amounts in millions of dollars) | | | | | | | | | | | | | | | | | | B-831 |
|----------------------------------|---|-----------------------|--------------|--|---|-------------------------------|--------------------------------|------------------------------|--|-------------------|--|---------------------------------------|--------------------------|--|-------------|-----------------------------------|--------------------------|-------|
| Date | Total loans and invest- ments | Loans to banks | | Loans to customers, exclusive of banks | | | | | | Open market loans | | | | | Investments | | | |
| | | On secur- ities | All other | Total | On securities To brokers outside New York | To other custo- mers | On real estate Farm land | Other real es- tate | Other loans to cus- tomers | Total | Accept- ances payable in U.S. | Accept- ances payable abroad | Com- mercial paper | Security loans to New York brokers | Total | U. S. Government securities | Other securi- ties | |
| TOTAL-ALL MEMBER BANKS | | | | | | | | | | | | | | | | | | |
| 1930, June 30 | 35,656 | 230 | 305 | 21,565 | 319 | 7,242 | 386 | 2,769 | 10,349 | 3,113 | 170 | 71 | 507 | 2,365 | 10,442 | 4,061 | 6,380 | |
| 1931, June 30 | 33,923 | 229 | 228 | 19,257 | 515 | 6,602 | 383 | 2,830 | 8,922 | 2,103 | 389 | 113 | 384 | 1,217 | 12,106 | 5,343 | 6,763 | |
| Dec. 31 | 30,575 | 455 | 334 | 17,570 | 391 | 5,899 | 359 | 2,678 | 8,242 | 901 | 146 | 41 | 140 | 575 | 11,314 | 5,319 | 5,996 | |
| 1932, June 30 | 27,930 | 345 | 226 | 15,229 | 286 | 5,004 | 345 | 2,552 | 7,042 | 746 | 313 | 34 | 122 | 277 | 11,384 | 5,627 | 5,757 | |
| NEW YORK CITY** | | | | | | | | | | | | | | | | | | |
| 1930, June 30 | 8,798 | 78 | 118 | 4,309 | 68 | 1,954 | - | 157 | 2,129 | 2,091 | 144 | 29 | 35 | 1,883 | 2,203 | 1,147 | 1,056 | |
| 1931, June 30 | 8,287 | 66 | 84 | 3,839 | 127 | 1,770 | - | 160 | 1,782 | 1,497 | 296 | 44 | 94 | 1,063 | 2,801 | 1,656 | 1,145 | |
| Dec. 31 | 7,460 | 204 | 170 | 3,694 | 87 | 1,641 | - | 153 | 1,813 | 695 | 107 | 17 | 29 | 542 | 2,697 | 1,768 | 928 | |
| 1932, June 30 | 6,714 | 155 | 105 | 2,856 | 65 | 1,279 | - | 159 | 1,352 | 565 | 262 | 21 | 23 | 258 | 3,033 | 2,009 | 1,023 | |
| CHICAGO** | | | | | | | | | | | | | | | | | | |
| 1930, June 30 | 1,849 | 43 | 7 | 1,257 | 229 | 487 | 2 | 18 | 521 | 176 | 2 | 19 | 56 | 99 | 366 | 160 | 205 | |
| 1931, June 30 | 1,754 | 58 | 12 | 1,004 | 133 | 435 | 2 | 17 | 417 | 117 | 3 | 42 | 21 | 51 | 563 | 346 | 217 | |
| Dec. 31 | 1,517 | 74 | 13 | 926 | 124 | 407 | 1 | 22 | 372 | 24 | 2 | 10 | 9 | 3 | 480 | 288 | 191 | |
| 1932, June 30 | 1,259 | 68 | 10 | 776 | 93 | 353 | 1 | 25 | 305 | 21 | 5 | 5 | 11 | 1 | 383 | 234 | 149 | |
| RESERVE CITY BANKS | | | | | | | | | | | | | | | | | | |
| 1930, June 30 | 11,852 | 99 | 128 | 7,771 | 431 | 2,663 | 110 | 1,394 | 3,172 | 534 | 17 | 19 | 245 | 253 | 3,319 | 1,525 | 1,794 | |
| 1931, June 30 | 11,814 | 89 | 88 | 7,096 | 203 | 2,413 | 126 | 1,476 | 2,873 | 354 | 87 | 26 | 168 | 73 | 4,186 | 2,062 | 2,125 | |
| Dec. 31 | 10,598 | 154 | 106 | 6,481 | 152 | 2,123 | 120 | 1,395 | 2,691 | 111 | 33 | 12 | 53 | 14 | 3,746 | 1,844 | 1,902 | |
| 1932, June 30 | 9,717 | 108 | 69 | 5,707 | 109 | 1,838 | 104 | 1,282 | 2,375 | 97 | 33 | 7 | 50 | 7 | 3,736 | 1,952 | 1,785 | |
| COUNTRY BANKS | | | | | | | | | | | | | | | | | | |
| 1930, June 30 | 13,157 | 11 | 52 | 8,228 | 90 | 2,137 | 274 | 1,201 | 4,527 | 312 | 8 | 4 | 171 | 129 | 4,554 | 1,229 | 3,326 | |
| 1931, June 30 | 12,068 | 16 | 44 | 7,318 | 47 | 1,984 | 260 | 1,177 | 3,849 | 135 | 2 | 2 | 101 | 30 | 4,555 | 1,279 | 3,276 | |
| Dec. 31 | 10,999 | 24 | 45 | 6,469 | 28 | 1,728 | 237 | 1,109 | 3,367 | 71 | 4 | 2 | 48 | 16 | 4,392 | 1,418 | 2,974 | |
| 1932, June 30 | 10,242 | 14 | 42 | 5,890 | 20 | 1,535 | 238 | 1,086 | 3,011 | 63 | 13 | 1 | 37 | 11 | 4,232 | 1,432 | 2,800 | |

FEDERAL RESERVE BOARD

DIVISION OF BANK OPERATIONS
JULY 26, 1932.

**Central reserve city banks only.