

Statement of Condition

FEDERAL RESERVE BANK OF NEW YORK

Dec. 31, 1927

Dec. 31, 1928

OF NEW YORK

[Circular No. 901]
January 21, 1929]

Fourteenth Annual Statement

To the Stockholders of the
Federal Reserve Bank of New York:

We hand you herewith a condensed statement of the condition of this bank at the close of its fiscal year, December 31, 1928, and of the Profit and Loss account for that year.

For convenient comparison, the relative items for the previous year, 1927, are also shown.

There is also included a comparative statement showing the volume of the principal operations conducted by the bank.

We trust that you will find these various statements of interest, pending the issuance of the annual report of the bank which you will receive shortly.

GEORGE L. HARRISON,
Governor.

\$1,660,127,302.12	\$1,610,127,024.97	TOTAL RESOURCES
\$212,161,603.35	\$212,161,603.35	TOTAL MISCELLANEOUS RESOURCES
\$104,632.87	\$99,931.34	ALL OTHER MISCELLANEOUS RESOURCES
\$193,647,416.29	\$195,086,461.91	AND OTHER ITEMS IN PROCESS OF COLLECTION
\$12,881,823.71	\$16,087,269.97	BANK

Statement of Condition

RESOURCES	Dec. 31, 1928	Dec. 31, 1927
CASH RESERVES held by this bank against its deposits and note circulation:		
GOLD HELD BY THE FEDERAL RESERVE AGENT as part of the collateral deposited by the bank when it obtains Federal Reserve notes. This gold is lodged partly in the vaults of the bank and partly with the Treasurer of the United States.....	\$198,684,435.65	\$320,067,446.59
GOLD REDEMPTION FUND in the hands of the Treasurer of the United States to be used to redeem such Federal Reserve notes as are presented to the Treasury for redemption.....	20,143,971.71	17,171,916.69
GOLD AND GOLD CERTIFICATES in vault.....	355,489,488.96	372,076,393.63
GOLD IN THE GOLD SETTLEMENT FUND lodged with the Treasurer of the United States for the purpose of settling current transactions between Federal Reserve districts.....	142,380,038.48	159,285,227.90
LEGAL TENDER NOTES, SILVER, AND SILVER CERTIFICATES in the vaults of the bank (available as reserve only against deposits).....	22,040,487.00	24,598,953.00
TOTAL CASH RESERVES	\$738,738,421.80	\$893,199,937.81
NON-RESERVE CASH consisting largely of National Bank Notes, and minor coin.....	\$23,448,743.37	\$20,923,803.11
LOANS AND INVESTMENTS		
LOANS TO MEMBER BANKS:		
On the security of obligations of the United States.....	\$349,156,350.00	\$230,800,050.00
By the discount of commercial or agricultural paper or acceptances.....	114,823,824.23	50,537,894.62
ACCEPTANCES bought in the open market.....	152,413,222.32	97,652,134.74
UNITED STATES GOVERNMENT bonds, notes, and certificates of indebtedness.....	49,377,400.00	181,479,900.00
TOTAL LOANS AND INVESTMENTS	\$665,770,796.55	\$560,469,979.36
MISCELLANEOUS RESOURCES		
BANK PREMISES	\$16,087,269.97	\$15,881,823.71
CHECKS AND OTHER ITEMS IN PROCESS OF COLLECTION...	195,086,461.94	193,847,416.29
ALL OTHER MISCELLANEOUS RESOURCES	990,931.34	6,104,632.87
TOTAL MISCELLANEOUS RESOURCES	\$212,164,663.25	\$215,833,872.87
TOTAL RESOURCES	\$1,640,122,624.97	\$1,690,427,593.15

Federal Reserve Bank of New York

LIABILITIES	Dec. 31, 1928	Dec. 31, 1927
CURRENCY IN CIRCULATION		
FEDERAL RESERVE NOTES in actual circulation, payable on demand. These notes are secured in full by gold and discounted and purchased paper.....	\$354,182,618.25	\$390,343,496.50
TOTAL CURRENCY IN CIRCULATION.....	\$354,182,618.25	\$390,343,496.50
DEPOSITS		
RESERVE DEPOSITS maintained by member banks as legal reserves against the deposits of their customers.....	\$970,894,567.47	\$1,009,922,990.27
UNITED STATES GOVERNMENT DEPOSITS carried at the Reserve Bank for current requirements of the Treasury.....	8,497,390.46	1,565,311.84
OTHER DEPOSITS including foreign deposits, deposits of non-member banks, etc.....	9,384,907.24	12,761,471.57
TOTAL DEPOSITS.....	\$988,776,865.17	\$1,024,249,773.68
MISCELLANEOUS LIABILITIES		
DEFERRED ITEMS, composed mostly of uncollected checks on banks in all parts of the country. Such items are credited as deposits after the average time needed to collect them elapses, ranging from 1 to 8 days.....	\$172,070,145.45	\$170,612,489.82
ALL OTHER MISCELLANEOUS LIABILITIES.....	3,687,141.30	1,905,036.39
TOTAL MISCELLANEOUS LIABILITIES.....	\$175,757,286.75	\$172,517,526.21
CAPITAL AND SURPLUS		
CAPITAL PAID IN, equal to 3 per cent. of the capital and surplus of member banks.....	\$50,123,950.00	\$40,309,600.00
SURPLUS—That portion of accumulated net earnings which the bank is legally required to retain.....	71,281,904.80	63,007,196.76
TOTAL CAPITAL AND SURPLUS.....	\$121,405,854.80	\$103,316,796.76
TOTAL LIABILITIES.....	\$1,640,122,624.97	\$1,690,427,593.15

Profit and Loss Account

For the calendar years 1928 and 1927

	1928	1927
EARNINGS		
FROM LOANS TO MEMBER BANKS and paper discounted for them.....	\$12,210,526.66	\$4,614,110.43
FROM ACCEPTANCES OWNED.....	3,482,648.63	2,558,080.10
FROM UNITED STATES GOVERNMENT OBLIGATIONS owned...	2,421,172.24	2,960,562.64
OTHER EARNINGS.....	368,694.55	515,005.63
TOTAL EARNINGS.....	\$18,483,042.08	\$10,647,758.80
ADDITIONS TO EARNINGS		
FOR SUNDRY ADDITIONS to earnings, including income from Annex Building.....	97,168.96	126,074.48
DEDUCTIONS FROM EARNINGS		
FOR CURRENT BANK OPERATION. (These figures include most of the expenses incurred as fiscal agent of the United States)	\$6,192,386.68	\$5,955,030.69
FOR FEDERAL RESERVE CURRENCY, mainly the cost of printing new notes to replace worn notes in circulation, and to maintain supplies unissued and on hand, and the cost of redemption.....	251,878.14	517,139.84
FOR DEPRECIATION, SELF-INSURANCE, OTHER RESERVES, LOSSES, ETC.	1,117,513.57	581,061.33
TOTAL DEDUCTIONS FROM EARNINGS.....	\$7,561,778.39	\$7,053,231.86
NET INCOME available for dividends, additions to surplus, and payment to the United States Government.....	\$11,018,432.65	\$3,720,601.42
DISTRIBUTION OF NET INCOME		
IN DIVIDENDS paid to member banks, at the rate of 6 per cent on paid-in capital.....	\$2,743,724.61	\$2,327,354.74
IN ADDITIONS TO SURPLUS—The bank is required by law to accumulate out of net earnings, after payment of dividends, a surplus amounting to 100 per cent. of the subscribed capital; and after such surplus has been accumulated to pay into surplus each year 10 per cent. of the net income remaining after paying dividends.	8,274,708.04	1,393,246.68
Any net income remaining after paying dividends and making additions to surplus (as above) is paid to the United States Government as a franchise tax. No balance remained for such payments in 1928 or 1927.		
TOTAL NET INCOME DISTRIBUTED.....	\$11,018,432.65	\$3,720,601.42

Earnings by Months

The following figures show in comparison the earnings of the bank by months for the years 1928 and 1927:

	1928	1927
January.....	\$1,039,631.08	\$889,899.60
February.....	867,890.86	645,994.85
March.....	999,249.28	873,372.14
April.....	1,165,227.13	815,442.43
May.....	1,423,236.24	810,816.59
June.....	1,752,645.84	758,644.19
July.....	1,784,315.68	755,748.76
August.....	1,630,214.68	864,725.65
September.....	1,888,208.46	1,010,235.50
October.....	1,968,589.60	974,363.75
November.....	1,717,395.37	917,686.03
December.....	2,246,437.86	1,330,829.31
	\$18,483,042.08	\$10,647,758.80

Ratio of Net Earnings

	1928	1927
Per cent earned on capital paid in.....	24.1	9.6
Per cent earned on capital and surplus.....	10.1	3.7
Per cent earned on capital, surplus, and deposits.....	1.1	0.4

Comparative Statement Showing Volume of Operations

The following table presents in comparative form for the past three years the volume of the principal operations of the Federal Reserve Bank of New York, which are of such character that they can be expressed in quantitative terms. At the close of business December 31, 1928, the total personnel of the bank, including the Buffalo Branch, numbered 2,482.

SUPPLYING CURRENCY AND COIN

CURRENCY PAID OUT, RECEIVED, OR REDEEMED

	1928	1927	1926
Individual notes counted.....	666,298,000	640,967,000	605,280,000
Dollar amount paid and received.....	\$8,866,402,000	\$8,386,293,000	\$7,945,912,000

COIN PAID OUT OR RECEIVED, a service previously performed largely by the Sub-treasury, but now entirely in the hands of the Federal Reserve Bank.

	1928	1927	1926
Individual coins received.....	1,341,373,000	1,189,801,000	1,129,026,000
Tons of coin received during year.....	7,352	6,458	5,611

CURRENCY AND COIN SHIPMENTS, number of shipments to and from out-of-town banks during the year.....

	1928	1927	1926
	303,160	284,288	284,630

MAKING LOANS AND INVESTMENTS

BILLS DISCOUNTED FOR MEMBER BANKS, either discounted customers' paper or advances against the notes of member banks secured by collateral in the form of Government securities or commercial or agricultural paper.

	1928	1927	1926
Number of bills discounted.....	38,056	31,024	35,660
Dollar amount	\$24,791,838,000	\$13,854,347,000	\$17,242,348,000

ACCEPTANCES AND GOVERNMENT OBLIGATIONS purchased for the account of this bank and other Federal Reserve Banks.

	1928	1927	1926
Dollar amount	\$6,445,726,000	\$7,403,868,000	\$4,490,000,000

COLLECTING CHECKS, DRAFTS, NOTES, AND COUPONS

CASH ITEMS, mostly checks, handled for collection for banks in all parts of the country.

	1928	1927	1926
Number of items.....	177,349,000	168,724,000	155,488,000
Dollar amount	\$115,190,618,000	\$100,206,587,000	\$93,068,875,000

NON-CASH ITEMS, handled for collection, including drafts, notes and coupons.

	1928	1927	1926
Number of items.....	2,615,000	2,259,000	2,064,000
Dollar amount	\$2,803,037,000	\$2,385,753,000	\$2,065,742,000

SUPPLEMENTARY SERVICES

SECURITIES HELD in safekeeping for the United States Government, the War Finance Corporation, and others.

Average dollar amount.....	\$1,142,075,000	\$1,357,900,000	\$1,289,000,000
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ACCEPTANCES AND OTHER SECURITIES BOUGHT OR SOLD for member banks, and foreign banks.

Dollar amount	\$1,931,081,000	\$1,674,324,000	\$599,029,000
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FUNDS TRANSFERRED BY TELEGRAPH to and from all parts of the country for the Treasury Department and member banks.

Number of transfers.....	402,000	355,000	329,000
Dollar amount	\$55,469,947,000	\$50,898,108,000	\$44,392,474,000

SERVICES IN CONNECTION WITH GOVERNMENT LOANS

UNITED STATES GOVERNMENT SECURITIES issued, redeemed, or exchanged, including Government bonds, notes, and certificates of indebtedness.

Number of items.....	1,504,000	2,196,000	1,572,000
Dollar amount	\$3,985,049,000	\$5,219,626,000	\$2,635,722,000

COUPONS PAID ON GOVERNMENT SECURITIES.

Number of coupons.....	7,602,000	9,931,000	10,783,000
Dollar amount	\$250,025,000	\$250,622,000	\$296,577,000

(In addition to these operations for the Treasury, the bank performed other work for the Government connected with the currency, the collection of checks, the custody, purchase and sale of securities, the transfer of funds, etc., which have been referred to under their respective headings.)

UNION OFFICERS

BUFFALO BRANCH

DIRECTORS AND OFFICERS

DIRECTORS

<i>Class</i>	<i>Group</i>	<i>Term Expires Dec. 31</i>	<i>Class</i>	<i>Group</i>	<i>Term Expires Dec. 31</i>
A	1	CHARLES E. MITCHELL, New York City President, The National City Bank of New York	B	2	THEODORE F. WHITMARSH, New York City President, Francis H. Leggett & Company
A	2	ROBERT H. TREMAN, Ithaca, N. Y. President, The Tompkins County National Bank	B	3	SAMUEL W. REYBURN, New York City President, Lord & Taylor
A	3	DELMER RUNKLE, Hoosick Falls, N. Y. Chairman, Peoples National Bank of Hoosick Falls, N. Y.	C		GATES W. MCGARRAH, New York City Chairman
B	1	WILLIAM H. WOODIN, New York City President, American Car & Foundry Company	C		OWEN D. YOUNG, New York City Deputy Chairman Chairman, General Electric Company
			C		CLARENCE M. WOOLLEY, Greenwich, Conn. Chairman, American Radiator Company

MEMBER OF FEDERAL ADVISORY COUNCIL

WILLIAM C. POTTER

President, Guaranty Trust Company of New York

FEDERAL RESERVE AGENT'S FUNCTION

GATES W. MCGARRAH, *Federal Reserve Agent*

W. RANDOLPH BURGESS, *Assistant Federal Reserve Agent*
HERBERT S. DOWNS, *Assistant Federal Reserve Agent and Manager, Bank Relations Department*

WILLIAM H. DILLISTIN, *Assistant Federal Reserve Agent*
CARL SNYDER, *General Statistician*
HAROLD V. ROELSE, *Manager, Reports Department, and Assistant Secretary*

EDWARD L. DODGE, *General Auditor*

GENERAL OFFICERS

GEORGE L. HARRISON, *Governor*

J. HERBERT CASE, *Deputy Governor*
EDWIN R. KENZEL, *Deputy Governor*

LOUIS F. SAILER, *Deputy Governor*
LESLIE R. ROUNDS, *Deputy Governor*

ARTHUR W. GILBERT, *Deputy Governor*

RAY M. GIDNEY, *Assistant Deputy Governor*
JAY E. CRANE, *Assistant Deputy Governor and Secretary*

J. WILSON JONES, *Assistant Deputy Governor*
WALTER B. MATTESON, *Assistant Deputy Governor*

CHARLES H. COE, *Assistant Deputy Governor*

WALTER S. LOGAN, *General Counsel*

JUNIOR OFFICERS

DUDLEY H. BARROWS, *Manager, Administration Department*
ROBERT F. McMURRAY, *Manager, Collection Department*
ROBERT M. O'HARA, *Manager, Bill Department*
WILLIAM A. SCOTT, *Manager, Foreign Department*

EDWIN C. FRENCH, *Manager, Cash Department*
JACQUES A. MITCHELL, *Manager, Loan and Discount Department*
JAMES M. RICE, *Manager, Accounting Department*
STEPHEN S. VANSANT, *Manager, Government Bond and Safekeeping Department*

I. WARD WATERS, *Manager, Check Department*

BUFFALO BRANCH

DIRECTORS

FREDERICK B. COOLEY, President, New York Car Wheel Co., Buffalo

EDWARD A. DUERR, Chairman, Community National Bank, Buffalo

ARTHUR G. HOUGH, President, Wiard Plow Company, Batavia, N. Y.

HARRY T. RAMSDELL, Honorary Chairman, Manufacturers and Traders Peoples Trust Co., Buffalo

GEORGE F. RAND, President, Marine Trust Company, Buffalo

JOHN T. SYMES, President, Niagara County National Bank and Trust Co., Lockport, N. Y.

WALTER W. SCHNECKENBURGER, *Managing Director*

OFFICERS

WALTER W. SCHNECKENBURGER, *Managing Director*
HALSEY W. SNOW, JR., *Cashier*

R. B. WILTSE, *Assistant Manager*
CLIFFORD L. BLAKESLEE, *Assistant Cashier*