

FEDERAL RESERVE BANK
OF NEW YORK

[Circular No. 902, February 1, 1927]
[Reference to Circulars Nos. 828 and 848]

Computation of Reserves

To each Member Bank in the
Second Federal Reserve District:

To obtain greater uniformity in the classification of deposit liabilities the Federal Reserve Board has recently revised somewhat the form approved for the use of member banks in arriving at the amount of deposits subject to reserves. *No change has been made in the method of calculating the reserve requirements*, but the form has been arranged so that the figures used will be on the same basis as those given in the quarterly condition report. It will be noted that reference has been made in some instances to the related items in the condition report which, it is believed, will be of assistance to member banks in compiling the figures.

For convenient reference the details illustrating the method to be followed are set forth in the revised form reprinted on the next page (Form St. 6059). This form supersedes the form accompanying Circular No. 828 of this bank dated December 27, 1927. A small supply of the new form is also enclosed, and additional copies will be furnished upon request.

GEORGE L. HARRISON,
Governor.

COMPUTATION OF RESERVE TO BE CARRIED WITH THE FEDERAL RESERVE BANK BY MEMBER BANKS

DEMAND DEPOSITS SUBJECT TO RESERVE

1. DEPOSITS, except bank and U. S. Government, due in 30 days or less or subject to less than 30 days' notice (Total of Schedule K in the quarterly condition report) \$ _____
2. DUE TO BANKS:
 - (a) Due to Federal Reserve Bank (deferred credits) \$ _____
 - (b) Demand balances due to other banks and trust companies in United States _____
 - (c) Demand balances due to banks in foreign countries _____
 - (d) Certified and cashier's or treasurer's checks, including dividend checks, outstanding _____
 - (e) Letters of credit and travelers' checks sold for cash and outstanding _____
 - (f) Total due to banks (Total of Schedule J in the quarterly condition report) _____

LESS:

3. DUE FROM BANKS:
 - (a) Items with Federal Reserve Bank in process of collection _____
 - (b) Due from banks (other than Federal Reserve Bank) and trust companies in United States (Do not include any amounts not subject to withdrawal without notice) _____
 - (c) Exchanges for clearing house and other checks on local banks. _____
 - (d) Balances payable in dollars due from foreign branches of other American banks _____
 - (e) Total due from banks (Total of items 4 to 8 in Schedule I of the quarterly condition report) _____
4. NET BALANCE DUE TO BANKS (excess of item 2-f over item 3-e; if "Total due to banks" (item 2-f) is less than "Total due from banks" (item 3-e), no amount should be reported against this item) _____
5. NET DEMAND DEPOSITS SUBJECT TO RESERVE (item 1 plus item 4) _____

TIME DEPOSITS

6. DEPOSITS payable after 30 days or subject to 30 days or more notice, as defined in Federal Reserve Board Regulation D; and Postal Savings (Total of Schedule L in the quarterly condition report) _____

RESERVE REQUIRED

ON NET DEMAND DEPOSITS (item 5 above): Banks in central reserve cities, 13 per cent; in reserve cities, 10 per cent; elsewhere, 7 per cent _____

ON TIME DEPOSITS (item 6 above): 3 per cent _____

TOTAL RESERVE TO BE MAINTAINED WITH FEDERAL RESERVE BANK _____

COMPUTATION OF RESERVE TO BE CARRIED WITH THE FEDERAL RESERVE BANK BY MEMBER BANKS

DEMAND DEPOSITS SUBJECT TO RESERVE

1. DEPOSITS, except bank and U. S. Government, due in 30 days or less or subject to less than 30 days' notice (Total of Schedule K in the quarterly condition report) \$.....
2. DUE TO BANKS:
 - (a) Due to Federal Reserve Bank (deferred credits) . . \$.....
 - (b) Demand balances due to other banks and trust companies in United States
 - (c) Demand balances due to banks in foreign countries
 - (d) Certified and cashier's or treasurer's checks, including dividend checks, outstanding
 - (e) Letters of credit and travelers' checks sold for cash and outstanding
 - (f) Total due to banks (Total of Schedule J in the quarterly condition report)

LESS:

3. DUE FROM BANKS:
 - (a) Items with Federal Reserve Bank in process of collection
 - (b) Due from banks (other than Federal Reserve Bank) and trust companies in United States (Do not include any amounts not subject to withdrawal without notice)
 - (c) Exchanges for clearing house and other checks on local banks
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4. NET BALANCE DUE TO BANKS (excess of item 2-f over item 3-e; if "Total due to banks" (item 2-f) is less than "Total due from banks" (item 3-e), no amount should be reported against this item)
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TOTAL RESERVE TO BE MAINTAINED WITH FEDERAL RESERVE BANK