

FEDERAL RESERVE BANK OF NEW YORK

[Circular No. 956] [January 6, 1930]

Fifteenth 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, 1929, and of the Profit and Loss account for that year.

For convenient comparison, the relative items for the previous year, 1928, 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.

Statement of Condition

R E S O U R C E S	Dec. 31, 1929	Dec. 31, 1928
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.....	\$238,593,918.26	\$198,684,435.65
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.....	16,813,705.22	20,143,971.71
GOLD AND GOLD CERTIFICATES in vault.....	339,616,539.21	355,489,488.96
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.....	154,835,138.11	142,380,038.48
LEGAL TENDER NOTES, SILVER, AND SILVER CERTIFICATES in the vaults of the bank (available as reserve only against deposits).....	50,382,220.00	22,040,487.00
TOTAL CASH RESERVES.....	\$800,241,520.80	\$738,738,421.80
NON-RESERVE CASH consisting largely of National Bank Notes, and minor coin.....	\$12,946,493.58	\$23,448,743.37
LOANS AND INVESTMENTS		
LOANS TO MEMBER BANKS:		
On the security of obligations of the United States.....	\$127,012,250.00	\$349,156,350.00
By the discount of commercial or agricultural paper or acceptances.....	44,746,515.44	114,823,824.23
ACCEPTANCES bought in the open market.....	191,745,088.72	152,413,222.32
UNITED STATES GOVERNMENT bonds, notes, bills, and certificates of indebtedness.....	239,205,400.00	49,377,400.00
OTHER SECURITIES.....	\$7,150,000.00	
TOTAL LOANS AND INVESTMENTS	\$609,859,254.16	\$665,770,796.55
MISCELLANEOUS RESOURCES		
BANK PREMISES.....	\$15,663,777.65	\$16,087,269.97
CHECKS AND OTHER ITEMS IN PROCESS OF COLLECTION...	220,003,280.94	195,086,461.94
ALL OTHER MISCELLANEOUS RESOURCES.....	3,500,931.32	990,931.34
TOTAL MISCELLANEOUS RESOURCES.....	\$239,167,989.91	\$212,164,663.25
TOTAL RESOURCES.....	\$1,662,215,258.45	\$1,640,122,624.97

Federal Reserve Bank of New York

LIABILITIES	Dec. 31, 1929	Dec. 31, 1928
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.....	\$318,970,747.00	\$354,182,618.25
TOTAL CURRENCY IN CIRCULATION.....	\$318,970,747.00	\$354,182,618.25
DEPOSITS		
RESERVE DEPOSITS maintained by member banks as legal reserves against the deposits of their customers.....	\$985,790,644.26	\$970,894,567.47
UNITED STATES GOVERNMENT DEPOSITS carried at the Reserve Bank for current requirements of the Treasury.....	5,851,460.29	8,497,390.46
OTHER DEPOSITS including foreign deposits, deposits of non-member banks, etc.....	12,727,457.81	9,384,907.24
TOTAL DEPOSITS.....	\$1,004,369,562.36	\$988,776,865.17
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 7 days.....	\$187,720,689.22	\$172,070,145.45
ALL OTHER MISCELLANEOUS LIABILITIES.....	3,851,995.58	3,687,141.30
TOTAL MISCELLANEOUS LIABILITIES.....	\$191,572,684.80	\$175,757,286.75
CAPITAL AND SURPLUS		
CAPITAL PAID IN, equal to 3 per cent. of the capital and surplus of member banks.....	\$67,301,450.00	\$50,123,950.00
SURPLUS—That portion of accumulated net earnings which the bank is legally required to retain.....	80,000,814.29	71,281,904.80
TOTAL CAPITAL AND SURPLUS.....	\$147,302,264.29	\$121,405,854.80
TOTAL LIABILITIES.....	\$1,662,215,258.45	\$1,640,122,624.97

Profit and Loss Account

For the calendar years 1929 and 1928

	1929	1928
EARNINGS		
FROM LOANS TO MEMBER BANKS and paper discounted for them.....	\$12,492,641.58	\$12,210,526.66
FROM ACCEPTANCES OWNED.....	3,522,642.34	3,482,648.63
FROM UNITED STATES GOVERNMENT OBLIGATIONS owned...	2,459,162.69	2,421,172.24
OTHER EARNINGS.....	839,832.62	368,694.55
TOTAL EARNINGS.....	\$19,314,279.23	\$18,483,042.08
ADDITIONS TO EARNINGS		
FOR SUNDRY ADDITIONS to earnings, including income from Annex Building.....	546,927.82	97,168.96
DEDUCTIONS FROM EARNINGS		
FOR CURRENT BANK OPERATION. (These figures include most of the expenses incurred as fiscal agent of the United States)	\$6,313,909.95	\$6,192,386.68
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.....	738,555.41	251,878.14
FOR DEPRECIATION, SELF-INSURANCE, OTHER RESERVES, LOSSES, ETC.	545,518.11	1,117,513.57
TOTAL DEDUCTIONS FROM EARNINGS.....	\$7,597,983.47	\$7,561,778.39
NET INCOME available for dividends, additions to surplus, and payment to the United States Government.....	\$12,263,223.58	\$11,018,432.65
DISTRIBUTION OF NET INCOME		
IN DIVIDENDS paid to member banks, at the rate of 6 per cent on paid-in capital.....	\$3,544,314.09	\$2,743,724.61
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.	8,718,909.49	8,274,708.04
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 1929 or 1928.		
TOTAL NET INCOME DISTRIBUTED.....	\$12,263,223.58	\$11,018,432.65

Earnings by Months

The following figures show in comparison the gross earnings of the bank by months for the years 1929 and 1928:

	1929	1928
January.....	\$1,824,933.96	\$1,039,631.08
February.....	1,248,163.69	867,890.86
March.....	1,384,447.34	999,249.28
April.....	1,344,820.13	1,165,227.13
May.....	1,271,806.96	1,423,236.24
June.....	1,409,135.64	1,752,645.84
July.....	1,980,915.13	1,784,315.68
August.....	1,887,174.26	1,630,214.68
September.....	1,800,434.28	1,888,208.46
October.....	1,453,791.83	1,968,589.60
November.....	1,580,613.63	1,717,395.37
December.....	2,128,042.38	2,246,437.86
	\$19,314,279.23	\$18,483,042.08

Ratio of Net Earnings

	1929	1928
Per cent earned on capital paid in.....	20.7	24.1
Per cent earned on capital and surplus.....	9.4	10.1
Per cent earned on capital, surplus, and deposits.....	1.1	1.1

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, 1929, the total personnel of the bank, including the Buffalo Branch, numbered 2,451.

SUPPLYING CURRENCY AND COIN	1929	1928	1927
CURRENCY PAID OUT, RECEIVED, OR REDEEMED			
Individual notes counted.....	709,940,000	666,298,000	640,967,000
Dollar amount paid and received.....	\$10,206,866,000	\$8,866,402,000	\$8,386,293,000
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.			
Individual coins received.....	1,574,002,000	1,341,373,000	1,189,801,000
Tons of coin received during year.....	8,685	7,352	6,458
CURRENCY AND COIN SHIPMENTS, number of shipments to and from out-of-town banks during the year.....	320,578	303,160	284,288

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.

Number of bills discounted.....	49,705	38,056	31,024
Dollar amount	\$23,602,022,000	\$24,791,838,000	\$13,854,347,000

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

Dollar amount	\$5,353,414,000	\$6,445,726,000	\$7,403,868,000
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COLLECTING CHECKS, DRAFTS, NOTES, AND COUPONS

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

Number of items.....	190,373,000	177,349,000	168,724,000
Dollar amount	\$156,641,846,000	\$115,190,618,000	\$100,206,587,000

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

Number of items.....	2,600,000	2,615,000	2,259,000
Dollar amount	\$2,683,627,000	\$2,803,037,000	\$2,385,753,000

SUPPLEMENTARY SERVICES

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

Average dollar amount.....	\$804,299,000	\$1,142,075,000	\$1,357,900,000
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ACCEPTANCES AND OTHER SECURITIES BOUGHT OR SOLD for member banks, and foreign banks.

Dollar amount	\$2,247,257,000	\$1,931,081,000	\$1,674,324,000
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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.....	445,000	402,000	355,000
Dollar amount	\$67,426,244,000	\$55,469,947,000	\$50,898,108,000

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.....	565,000	1,504,000	2,196,000
Dollar amount	\$3,286,509,000	\$3,985,049,000	\$5,219,626,000

COUPONS PAID ON GOVERNMENT SECURITIES.

Number of coupons.....	5,567,188	7,602,000	9,931,000
Dollar amount	\$237,610,000	\$250,025,000	\$250,622,000

(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.)

BRANCHES

DIRECTORS AND OFFICERS

Class Group		DIRECTORS		Term Expires Dec. 31
Class	Group	Term Expires Dec. 31	Class Group	Term Expires Dec. 31
A	1	1931	B 2	1932
		CHARLES E. MITCHELL, New York City Chairman, The National City Bank of New York	THEODORE F. WHITMARSH, New York City Chairman, Francis H. Leggett & Company	
A	2	1932	B 3	1930
		THOMAS W. STEPHENS, Montclair, N. J. President, Bank of Montclair	SAMUEL W. REYBURN, New York City President, Lord & Taylor	
A	3	1930	C	1931
		DELMER RUNKLE, Hoosick Falls, N. Y. Chairman, Peoples National Bank of Hoosick Falls, N. Y.	GATES W. MCGARRAH, New York City Chairman	
B	1	1931	C	1930
		WILLIAM H. WOODIN, New York City President, American Car & Foundry Com- pany	OWEN D. YOUNG, New York City Deputy Chairman Chairman, General Electric Company	
			CLARENCE M. WOOLLEY, Greenwich, Conn. Chairman, American Radiator and Stand- ard Sanitary Corporation	

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*

JAY E. CRANE, *Deputy Governor and Secretary*

ARTHUR W. GILBERT, *Deputy Governor*

EDWIN R. KENZEL, *Deputy Governor*

WALTER S. LOGAN, *Deputy Governor and General Counsel*

LESLIE R. ROUNDS, *Deputy Governor*

LOUIS F. SAILER, *Deputy Governor*

CHARLES H. COE, *Assistant Deputy Governor*

RAY M. GIDNEY, *Assistant Deputy Governor*

J. WILSON JONES, *Assistant Deputy Governor*

WALTER B. MATTESON, *Assistant Deputy Governor*

JAMES M. RICE, *Assistant Deputy Governor*

JUNIOR OFFICERS

DUDLEY H. BARROWS, *Manager, Administration Department*

WESLEY W. BURT, *Manager, Accounting Department*

EDWIN C. FRENCH, *Manager, Cash Department*

ROBERT F. McMURRAY, *Manager, Collection Department*

JACQUES A. MITCHELL, *Manager, Loan and Discount Department*

ROBERT M. MORGAN, *Manager, Bill Department*

WILLIAM A. SCOTT, *Manager, Foreign Department*

I. WARD WATERS, *Manager, Government Bond and Safekeeping
Department, and Manager, Check Department*

BUFFALO BRANCH

DIRECTORS

Term Expires Dec. 31	Class Group	Term Expires Dec. 31
1931	GEORGE F. RAND,	1930
JOHN T. SYMES, President, Niagara County National Bank and Trust Co., Lockport, N. Y.		President, Marine Trust Company, Buffalo
1930	FREDERICK B. COOLEY,	1932
ARTHUR G. HOUGH, President, Wiard Plow Company, Batavia, N. Y.		President, New York Car Wheel Co., Buffalo
1931	LEWIS G. HARRIMAN,	1932
GEORGE G. KLEINDINST, President, Liberty Bank of Buffalo		President, M & T Trust Company, Buffalo

ROBERT M. O'HARA, *Managing Director*

OFFICERS

ROBERT M. O'HARA, *Managing Director*

HALSEY W. SNOW, JR., *Cashier*

R. B. WILTSE, *Assistant Manager*

CLIFFORD L. BLAKESLEE, *Assistant Cashier*