

FEDERAL RESERVE BANK  
OF NEW YORK

[ Circular No. 5261 ]  
[ November 19, 1962 ]

COIN SHORTAGE

*To All Member and Nonmember Banks  
in the Second Federal Reserve District:*

As many of you are aware, we are experiencing a coin shortage, and we think it advisable at this time to inform you that the shortage will in all probability continue until the early part of next year. It may indeed become more severe before that time.

The Bureau of the Mint, which is informed of the shortages now prevailing in most Federal Reserve Districts and is doing everything possible to correct them, has delivered substantially more coin to us so far this year than in any comparable period in the past. Nevertheless, we have been unable to satisfy all orders because of the increasing demand for coin and a reduction in the amount of coin deposited with us by banks. In an effort to make the most equitable distribution of available supplies, we have during the past few months followed, and must continue to follow, the practice of allotting coin on the basis of our supply of each denomination in relation to the demand.

The sizes of the allotments during the next two months or so will depend to a large extent upon the flow of coin to us from banks. We request, therefore, that you review your stock of coin to determine whether you have a surplus that can be returned to this Bank, or whether you can reduce your orders during this critical period. Your cooperation will be greatly appreciated.

ALFRED HAYES,  
*President.*