

PRESS STATEMENT

The Federal Reserve Board today decided to undertake the collection of statistics designed to furnish an accurate and trustworthy index of the volume of banking business at the various clearing house points throughout the country. It transmitted to each Federal Reserve bank a letter requesting that the manager of each clearing house in the district be asked to obtain from each of the members of such clearing house figures showing, for each week, the total of checks drawn on and paid by each reporting bank, separating those drawn by individuals, firms, corporations and the United States Government under one head and those drawn by other banks and bankers under a second head.

It is intended to have these figures telegraphed each week to the Chairmen of the Board of Directors of each Federal Reserve Bank of each district, who will then transmit the combined returns to the Federal Reserve Board. In this way reports showing the actual volume of business at clearing house points will be obtained. Present clearing house returns show only the total of checks which actually pass through the clearing house and thus fail to take account of the large volume of checks which are settled through the individual member banks. They also lack uniformity in that outside items are included in some cases.

August 1, 1918.