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Effect on Reserve Situation of Federal Reserve Banks of  
discounts of Trade Acceptances of the United States  
Railroad Administration.

In the attached tabulation an attempt has been made to calculate the effect upon the reserves of the Federal Reserve Banks of discounts of paper accepted by the Railroad Administration. Varying degrees of depletion of the excess reserves are shown, the result depending upon whether the paper is discounted in its entirety or in part only by the Federal Reserve Banks, also whether the Federal Reserve Banks pay by deposit credit or by Federal Reserve notes. The least depletion of reserves is shown in case member banks re-discount with Federal Reserve banks only enough to provide sufficient reserve balances at their Federal Reserve banks to cover their own reserve requirements. It is assumed that all member banks are in central reserve cities and that accordingly a 13 per cent reserve minimum is required.

In the note to the table figures are given showing the present amount of the "free gold" and the additional lending capacity of the Federal Reserve Banks. On March 14 the amount of "free gold" was 576.2 millions, which will support a total of additional deposit credit of 1,646.3 millions or of 1,440.5 millions of Federal Reserve notes.

In the following table are shown amounts of the several classes of paper held by the Federal Reserve banks on March 14, 1919:

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War paper	\$1,702,351,000
Other discounted paper	184,012,000
Acceptances bought	<u>262,139,000</u>

Total	\$2,148,502,000
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Distributed by maturities  
as follows:

Maturing within 15 days	1,624,727,000
" " 30 "	124,142,000
" " 60 "	301,941,000
" " 90 "	76,645,000
" after 90 "	<u>21,047,000</u>

Total	\$2,148,502,000
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Respectfully submitted,

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Statistician

March 18, 1919.

STATEMENT SHOWING EFFECT OF DISCOUNT OF U.S. RAILROAD ADMINISTRATION TRADE ACCEPTANCES  
UPON THE RESERVE POSITION OF FEDERAL RESERVE BANKS.

	Reserves required at Reserve Banks against		
	<u>Deposits</u>	<u>F.R. notes</u>	<u>Total</u>
All or 700 millions sold to Reserve Banks:			
For credit	\$245,000,000	--	\$245,000,000
75% for credit and 25% for F.R. notes	183,750,000	70,000,000	253,750,000
One-half or 350 millions sold to Reserve Banks:			
For credit	122,500,000	--	122,500,000
75% for credit and 25% for F.R. notes	91,875,000	35,000,000	126,875,000
13% of total or \$9,100,000 sold to Reserve Banks:			
For credit	3,185,000	--	3,185,000
75% for credit and 25% for F.R. notes	2,389,000	910,000	3,199,000

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NOTE: Excess reserves ("free gold") of Federal Reserve Banks on March 14, 1919:

Net deposits \$1,769,445,000 x 35%	\$619,306,000
F.R. note circulation \$2,503,095,000 x 40%	<u>1,001,238,000</u>
Total reserves required	1,620,544,000
Total reserves held	<u>2,196,737,000</u>
Excess reserves ("free gold")	576,193,000

This "free gold" will support \$1,646,266,000 of deposit credits  
or 1,440,482,000 of note circulation

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## ADVANCES TO THE ALLIES BY THE UNITED STATES GOVERNMENT:

## COMMITMENTS AND ACTUAL PAYMENTS BY THE TREASURY.

(Figures as of March 15, 1919)

	Commitments	Actual Advances
United Kingdom	\$4,118,481,000	\$4,072,000,000
France	2,517,477,800	2,287,477,800
Italy	1,421,500,000	1,411,500,000
Belgium	340,555,000	283,745,000
Russia	325,000,000	137,729,750
Greece	39,554,036	----
Czecho Slovaks	35,000,000	14,100,000
Serbia	27,000,000	22,000,000
Roumania	15,000,000	10,000,000
Cuba	15,000,000	10,000,000
Liberia	5,000,000	12,000
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	\$8,859,567,836	\$8,298,564,550

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BALANCE OF TRADE, ALSO OF GOLD AND SILVER MOVEMENTS SINCE AUGUST 1, 1914:  
(In thousands of dollars; i.e., 000 omitted)

1. COMMODITY MOVEMENT.

	Imports	Exports	Excess of Exports.
Aug. 1 Dec. 31, 1914	648,683	912,642	263,959
Calendar year 1915	1,778,597	3,554,671	1,776,074
" " 1916	2,391,635	5,482,641	3,091,006
" " 1917	2,952,468	6,233,478	3,281,010
" " 1918	3,031,305	6,150,193	3,118,888
Total	10,802,688	22,333,625	11,530,937

2. SILVER IMPORTS AND EXPORTS

	Imports	Exports	Excess of Exports
Aug 1. Dec. 31, 1914	12,129	22,140	10,011
Calendar year 1915	34,484	53,599	19,115
" " 1916	32,263	70,595	38,332
" " 1917	53,341	84,131	30,790
" " 1918	71,376	252,847	181,471
Total	203,593	483,312	279,719

3. Total Commodity and Silver Imports and Exports.

	Imports	Exports	Excess of Exports
Aug. 1, 1914 - Dec. 31, 1918	11,006,281	22,816,937	11,810,656

4. TOTAL GOLD IMPORTS AND EXPORTS.

	Imports	Exports	Excess of Imports
Aug. 1, 1914 - Dec. 31, 1918	1,776,616	705,210	1,071,406

## IMPORTS AND EXPORTS OF CURRENCY

July 1918 to Feb. 1919.

(Note: Data furnished by the War Trade Board.)

1918	Imports	Exports	Net Exports.
July	\$444,194	\$3,168,406	\$2,724,212
August	502,199	2,410,319	1,908,120
September	280,697	12,079,497	11,798,800
October	701,734	2,712,354	2,010,620
November	506,346	7,585,726	7,079,380
December	5,557,131	2,139,987 (a)	3,417,144
1919			
January	938,688	1,373,167	434,479
February	3,374,678	289,439 (a)	3,085,239
	\$12,305,667	\$31,758,895	\$19,453,228

(a) Net imports.