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ADDRESS REPLY TO
FEDERAL RESERVE BOARD

WASHINGTON

W. T. CHAPMAN, SECRETARY
R. G. EMERSON, ASSISTANT SECRETARY
W. M. INLAY, FISCAL AGENT

May 5, 1920

St. 1133

SUBJECT: Discounts for Member Banks
in Excess of Basic Line.

Dear Sir:

With the view of enabling the Board to follow more closely the credit situation in each Federal Reserve district, will you kindly forward a statement to the Board at and as of close of business on the 10th, 20th and last day of each month, beginning with May 10, showing the basic discount line (to be determined in the manner indicated in the footnote to the subjoined form) for each member bank in your district discounting paper in excess of that line, also the average amount of paper held under discount for such banks during the period covered by the report.

Federal Reserve Bank of _____.

MEMBER BANKS GRANTED DISCOUNTS IN EXCESS OF BASIC DISCOUNT LINE
During 10-day period ending _____.

Name	Basic Discount Line	Average daily amount of paper under dis- count during period covered by report.
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Chairman or Governor.

Note: Basic discount line equals $2\frac{1}{2}$ times (65 per cent of average daily reserve balance maintained with Federal Reserve Bank during previous calendar month plus amount of Bank's paid-in subscription to capital stock of Federal Reserve Bank).

St.1133

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In arriving at "average daily reserve balances" used in calculating the basic discount line and "average daily amounts of paper held under discount" during the period covered by the report, figures for Sundays and holidays should be included, i.e., figures for **Saturdays** and days preceding legal holidays should be repeated in order that the report may be based on the full number of days in the report period.

You are authorized, on receipt of this letter, to discontinue the monthly report of "Liability of member banks to Reserve Banks, in excess of capital and surplus," which was requested in the Board's telegram of March 7, 1919 (X-1414) and letter X-1445 dated March 26, 1919.

Kindly acknowledge receipt.

Very truly yours,

Governor.

Letter sent to Chairman of each F. R. Bank.