

X-3099  
April 15, 1921.

MEMORANDUM to Mr. Emerson.

An inspection of the accompanying table indicates that of the net exports of \$291,700,000 of gold in 1919 approximately \$154,700,000 came from the Federal Reserve Banks and about \$140,000,000 from other banks and the public. This disregards the domestic production of gold for the year which was about \$12,000,000 less than the amount of gold used in the industrial arts.

For 1920 net imports of \$95,000,000 of gold account largely for the increase of \$128,000,000 in the Federal Reserve Banks gold reserves held in the United States. The remainder of the increase may be assumed to have been withdrawn from the circulation outside the Treasury and the Federal Reserve Banks. In this connection, it may be stated that the anomalous decrease of less than \$3,000,000 in the stock of gold is due to the fact that a large amount of unassayed gold held in the New York Mint on December 31, 1920 (for which payment had not been made) was not included in the stock of gold figures for January 1, 1921. Had this gold been treated as a part of the stock of gold in the country the amount of gold outside the U. S. Treasury and the Federal Reserve Banks as shown in the attached statement would have been increased proportionately.

From January 1 to February 28, 1921, an increase of \$89,000,000 in gold reserves of the Federal Reserve Banks held in the United States is accounted for largely by net imports of \$79,000,000, while the increase of \$35,000,000 in gold outside the Treasury and the Federal Reserve Banks is due primarily to the fact that a substantial proportion of the unassayed gold held by the Mint on December 31 has since been assayed and become a part of the Country's stock of gold.

E. L. SMEAD.

STOCK OF GOLD IN THE UNITED STATES

(Amounts in thousands of dollars)

	Dec. 31, 1918	Dec. 31, 1919	Dec. 31, 1920	1921 Feb. 28
Total gold reserves of F.R. Banks	2,092,062	2,062,845	2,062,786	2,148,085
Gold with foreign agencies:	5,829	131,321	3,300	--
(a) Gold reserves in U. S. -	2,086,233	1,931,524	2,059,486	2,148,085
(b) Increase - - - - -	---	154,709dec.	127,962	88,599
(c) Gold outside Treasury and F. R. Banks -	836,615	696,660	568,681	604,369
(d) Increase - - - - -	---	139,955dec.	127,979dec.	35,688
(e) Gold in the U. S. Treasury, (exclusive of trust funds) -	157,662	159,530	156,667	164,431
(f) Increase - - - - -	---	1,868	2,863dec.	7,764
Stock of money in the United States,				
(a, c, and e) - - - -	3,080,510	2,787,714	2,784,834	2,916,885
Increase (b, d, and f) -	---	292,796dec.	2,880dec.	132,051
Imports - - - - -		1919	1920	1921 (To Feb. 28)
		76,534	417,068	82,587
Exports - - - - -		368,185	322,091	3,761
Excess of imports - - - - -		* 291,651	94,977	78,826

(\* ) Excess of exports.