

F E D E R A L R E S E R V E B O A R D

STATEMENT FOR THE PRESS.

X-3604.

For release in afternoon papers,
Friday, January 5, 1923.

CONDITION OF THE ACCEPTANCE MARKET

NOVEMBER 15 to DECEMBER 15, 1922.

According to the reports received by the Federal Reserve Board from the Federal Reserve Banks in the various Districts, the acceptance market during the period under review, for the most part, remained steady, with the demand continuing fairly good. Rates continued relatively constant at the levels reached during the preceding period.

In District No. 2 (New York) the supply of bills was well maintained throughout the period and the demand was sufficient to absorb the offerings. Dealers' average weekly purchases amounted to 36 million as compared with 37 million during the preceding period. District No. 1 (Boston) reports a decline in offerings. Sales were particularly slow until about December 1, with country banks selling rather than buying. In the last half of the period scattered buying was again in evidence.

In District No. 3 (Philadelphia) there continued to be a fair supply of bills coming into the market and the demand from both local and out-of-town banks was fairly active. Districts No. 7 (Chicago) and No. 4 (Cleveland) report that the market has remained practically stationary during the period under review. District No. 8 (St. Louis) reports the supply of bills as scarce with a small demand, whereas District No. 10

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(Kansas City) also reports a limited supply which, however, was accompanied by a good demand. In District No. 12 (San Francisco) the demand continued brisk from all sources until about the first of December when city banks generally ceased purchasing, and after which date the market became dull. At the close of the period the demand and supply were about equal.

In District No. 2 (New York) the bulk of acceptances were based upon the following commodities, in order of their importance, coffee, cotton, grain, dollar exchange, and sugar. In addition bills were executed in other Districts against meats, hides and skins, wool, raisins, corn, silk, oils, tobacco, agricultural implements, and flour.

District No. 2 (New York) reports the best demand for short bills which moved exceedingly easy throughout the period. Preference was for 30 to 90 day maturities in all Districts. District No. 12 (San Francisco) reports an increased interest in maturities and gives the distribution of maturities as follows:

	November 15 to December 15.	October 15 to November 15.
30 - day	12 per cent	11.3 per cent
60 - day	36 " "	14.2 " "
90 - day	44 " "	63.8 " "
120-day	2 " "	6.5 " "
150-day	6 " "	4.2 " "

Rates on prime bills in the various districts were as follows:

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Rates on Prime Bills

		Range during period		Close	
		Bid	Offered	Bid	Offered
District No. 1 (Boston)	30-day	4-1/8	4	4-1/8	4
	60-day	"	"	"	"
	90-day	"	"	"	"
	120-day	"	"	"	"
	150-day	"	"	"	"
	180-day	"	"	"	"
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District No. 2 (New York)	30-day	4-1/8 - 4 1/4	4	4-1/8	4
	60-day	"	"	"	"
	90-day	"	"	"	"
	120-day	"	"	4-1/8 - 3/4	4-1/8
	150-day	"	"	"	"
	180-day	4-3/8 - 4 1/2	4 1/4	4-3/8 - 4 1/2	4-1/8 - 4 1/4
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District No. 3 (Philadelphia)	30-day	4-1/8 - 4 1/4	4	4-1/8 - 4 1/4	4
	60-day	"	"	"	"
	90-day	"	"	"	"
	120-day	4-1/8 - 4-3/8	4-1/8	4-1/8 - 4-3/8	4-1/8
	150-day	4-3/8	4-1/4	4-3/8	4-1/4
	180-day	4-3/8 - 4-5/8	"	4-3/8 - 4-5/8	"
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District No. 4 (Cleveland)	30-day	4-1/8	4	4-1/8	4
	60-day	"	"	"	"
	90-day	"	"	"	"
	120-day	"	"	"	"
	150-day	"	"	"	"
	180-day	"	"	"	"
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District No. 7 (Chicago)	30-day	4-1/8 - 4 1/2	4	4-1/8	4
	60-day	"	"	"	"
	90-day	"	"	"	"
	120-day	4-1/4 - 4-3/8	4-1/8	4-1/4 - 4-3/8	4-1/8
	150-day	4-1/4 - 4 1/2	4-1/4	4-1/4 - 4 1/2	4-1/4
	180-day	4-3/8 - 4-5/8	"	4-3/8 - 4-5/8	"