FEDERAL RESERVE BOARD

X-3677

For release in Morning Papers,
Friday, March 30, 1923.

CONDITION OF ACCEPTANCE MARKET

FEBRUARY 15 TO MARCH 15, 1923.

Reports received by the Federal Reserve Board from the Federal Reserve Banks indicate conflicting tendencies in the acceptance market during the period from February 15 to March 15. The first week of the period was characterized by reduced offerings and lower rates, whereas the supply of bills offered increased considerably during the three following weeks. Purchases of acceptances in New York during the week ending March 3 reached the largest weekly total since November, 1921. This increase in the supply of bills may be partly ascribed to month-end financing.

Rates have remained fairly steady in spite of the increased supply of bills, and are at about the same level in all Federal Reserve Districts. The quotations for prime bills of 30 to 90 day maturity during the month ending March 15 were 4 1/8 - 4 1/4 bid and 3 7/8 - 4 offered, while rates on bills of 120 day maturity ranged from 4 1/8 - 4 3/8 bid to 4 - 4 1/8 offered, and bills of 150 to 180 day maturities ranged from 4 1/4 - 1/2 bid to 4 1/8 - 1/4 offered. Bills of 60 to 90 day maturity were in the best demand.

The principal commodities against which bills were drawn were cotton, grain, sugar, silk, wool, tobacco, meats, and provisions. In addition, some bills were drawn against dollar exchange, coffee, oils, hides, and leather.