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

Statement for the Press

For Immediate Release

X-3898

CONDITION OF ACCEPTANCE MARKET

October 11 to November 14.

After a period of dullness, which had characterized the acceptance market since mid-summer, the volume of new bills which became available during the period ending November 14 showed a substantial increase. Seasonal drawings for funds to finance the marketing and exportation of cotton contributed to the increased supply of acceptances offered in October. Bills were also issued to provide funds for financing the storage and exportation of grain, the importation of sugar and silk, the domestic financing of provisions, and to provide dollar exchange. While some improvement was noted in the demand for bills, it did not increase to the same extent as the supply, and at the end of the period, dealers' aggregate portfolios showed considerable increases. Banks in both the financial centers and the interior were the principal purchasers of bills with short maturities and commercial demand centered in bills maturing within 60 and 90 days. Rates remained unchanged throughout the period at  $4\frac{1}{8}$  to  $4\frac{1}{4}$  bid, and 4 to  $4\frac{1}{8}$  offered for 30 to 90 day bills. This is practically the same level at which rates have been maintained since mid-summer.

Washington, D. C.  
November 28, 1923.