

FEDERAL RESERVE BOARD

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Statement for the Press

For Immediate Release

CONDITION OF ACCEPTANCE MARKET

February 14 to March 12, 1924

During the four-week period ending March 12 the acceptance market was less active than in the preceding four weeks. The supply of bills showed a considerable reduction and was smaller than in any month since October. Bills drawn to finance the exportation of cotton and the importation of sugar constituted the greater proportion of the total supply, but there were also substantial amounts of acceptances issued against silk, wool, grain, provisions, and to provide dollar exchange. The demand was irregular during the greater part of the period and total sales by dealers were considerably smaller than a month earlier. The principal demand for bills, especially with short maturities, came from city banks where considerable funds had accumulated in anticipation of tax payments.

Rates on acceptances, after strengthening early in February when the demand for bills slackened, became firmer and remained generally unchanged at $4 \frac{1}{8}$ bid, and 4 offered for 30-day maturities, and $4 \frac{1}{8}$ to $4 \frac{1}{4}$ bid and 4 to $4 \frac{1}{8}$ offered for 60 and 90 day bills. Rates on maturities of more than three months ranged from $4 \frac{1}{4}$ to $4 \frac{5}{8}$ bid and $4 \frac{1}{8}$ to $4 \frac{1}{2}$ offered varying as to different length bills. After the middle of March money rates became easier and acceptance rates showed a declining tendency.