

X-4069

## FEDERAL RESERVE BOARD

## Statement for the Press

For Immediate Release

May 28, 1924.

CONDITION OF ACCEPTANCE MARKET

April 10 to May 14, 1924

For the period ending May 14, the principal factor influencing the acceptance market was a general decline in money rates. Early in April call money rates declined and dealers' rates on acceptances were reduced from 4 per cent bid and  $3\frac{7}{8}$  per cent offered to  $3\frac{7}{8}$  per cent bid and  $3\frac{3}{4}$  per cent offered. The reduction in rates resulted in an active investors' demand for bills and dealers' aggregate portfolios were reduced to the lowest levels since October. The active demand and a decrease in holdings caused a further reduction in dealers' quotations in the week ending April 30 to  $3\frac{5}{8}$  per cent bid and  $3\frac{1}{2}$  per cent offered, rates that were maintained during the remaining weeks of the period. The demand for bills came principally from banks and investors. Federal reserve banks' holdings declined steadily during the period and reached the lowest level of the year in the week ending May 14. Bills of short maturity, principally 60 days, were reported to be in the best demand although bills of longer maturities were easily absorbed. Commodities against which bills were drawn were sugar, cotton, grain, wool, hides and leather, tobacco, and provisions.