

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

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January 27, 1925.CONDITION OF ACCEPTANCE MARKET

December 11, 1924 to January 21, 1925.

The supply of bills in the market was moderately good throughout the last half of December and the first three weeks of January. Firmer conditions in the money market and uncertainty as to bill rates in the middle of December diminished the demand and on December 18 dealers' rates were advanced generally from $2\frac{7}{8}$ to 3 per cent on 90-day bills. On December 22 the buying rates of the New York Federal Reserve Bank were raised $\frac{1}{8}$ of one per cent on all maturities and the Federal Reserve bank's purchases during the week ending December 24 were considerably larger than previously. Toward the end of the year the supply of bills offered to the New York market was increased by sales of acceptances by banks from their own portfolios, but the effect of these sales on the market was offset by an additional demand from the correspondents of foreign clients. With easier money conditions after the close of the year, local demand increased generally. Savings banks took a larger volume of bills and out-of-town sales improved. The supply diminished toward the close of the reporting period, ending January 21st, and dealers' portfolios on that date were reduced to the lowest volume reported since September 10. Rates in New York on January 21 ranged from 3 per cent bid and $2\frac{7}{8}$ per cent offered for 30-day bills to $3\frac{5}{8}$ per cent bid and $3\frac{1}{2}$ - $3\frac{3}{8}$ per cent offered for 180-day bills.