

X-4936

FEDERAL RESERVE BOARD

STATEMENT FOR THE PRESS

For immediate release.

August 25, 1927.

CONDITION OF THE ACCEPTANCE MARKET

July 14, 1927 to Aug. 17, 1927

New bills were scarce in the New York acceptance market during the early part of the reporting period, from July 14 to August 17, and market rates were generally reduced toward the end of July. The supply increased from that time, accompanying a series of reductions in rates in August both in the market and at the reserve banks, and dealers' purchases during the period as a whole were considerably larger on the average than during the preceding four weeks. The demand was active, chiefly on account of foreign orders for the purchase of 90 day bills, but dealers' portfolios nevertheless increased to the largest total of the year. Sales to the Federal Reserve System from all markets were smaller than at any time since 1924. The Boston market was reported ^{dull} throughout the period, but with a temporary increase of activity around the first of August. There was little movement in Philadelphia or Chicago. The following table shows the New York market rates on bills of various maturities at the beginning and end of the reporting period.

Acceptance Rates in the New York Market

Maturity	July 14		August 17	
	Bid	Asked	Bid	Asked
30 days	3-5/8	3-1/2	3-1/4	3-1/8
60 "	3-3/4	3-5/8	3-1/4	3-1/8
90 "	3-3/4	3-5/8	3-1/4	3-1/8
120 "	3-7/8	3-3/4	3-3/8	3-1/4
180 "	4	3-7/8	3-5/8	3-1/2