

FEDERAL RESERVE BOARD

WASHINGTON

ADDRESS OFFICIAL CORRESPONDENCE TO
THE FEDERAL RESERVE BOARDJanuary 9, 1929
St. 6042SUBJECT: Average Demand and Time
Deposits of member banks.

Dear Sir:

It has been increasingly evident for some time past that condition figures of member banks for a given day, while valuable for certain purposes, do not measure changes in condition as satisfactorily as do average daily figures, and this is particularly true of net demand deposits, for which average daily figures may be readily compiled from reports now being rendered by member banks for reserve computation purposes. Will you kindly, therefore, furnish the Board with average daily figures of net demand and time deposits beginning with January 1929, on forms St. 6043 and St. 6044, copies of which are attached. At the same time the reports which have been submitted since April 1923 on form St. 3501 may be discontinued.

In order that we may have available figures of reserve deposits actually maintained by member banks and of borrowings at the Federal reserve banks, for comparison with average daily figures of required reserves, which we can readily calculate from the average daily deposit figures, the forms also provide for reporting average daily figures for these items. You will also note that one of the forms, St. 6043, calls for average daily figures by weeks for central reserve city banks and reserve city banks, separately for each of the above four items, viz., net demand deposits, time deposits, member bank reserve deposits, and borrowings at Federal reserve bank. The other form, St. 6044, calls for daily averages for the same items for each calendar month, separately for central reserve city banks, reserve city banks, and country banks, also for average deposits of country banks located in centers having a population under 15,000, classified by States in which the reporting banks are located. This classification will enable us, as heretofore, to follow changes in deposit liabilities of the banks in the rural communities.

The reports should be forwarded to Washington as early as practicable after the close of each weekly and monthly period, in order that the figures may be promptly furnished to the Board and published in

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the Federal Reserve Bulletin. It is expected that this may, as at present, necessitate the use of deposit figures reported for the previous reserve computation period in the case of a few of the smaller member banks whose reports, for one reason or another, are not received promptly. Code words have been provided on the forms for each of the items, but it will not be necessary to telegraph figures to the Board unless you are specifically requested to do so. The first weekly report should cover the seven-day period ending January 4, 1929, and the first monthly report the calendar month of January 1929.

A supply of forms St. 6043 and St. 6044 is being sent you under separate cover.

Very truly yours,

Walter L. Eddy,
Secretary.

TO ALL FEDERAL RESERVE AGENTS*