

R-226

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

Statement for the Press

For release in morning newspapers
of Saturday, April 16, 1938.

April 15, 1938.

As a part of the Government's program for encouragement of business recovery, the Board of Governors has reduced reserve requirements on all classes of deposits for all member banks, effective at the opening of business on April 16, 1938. By this action excess reserves of member banks will be increased by about \$750,000,000.

Reserve requirements in effect prior to April 16, 1938, and thereafter are shown in the following table:

Classes of member banks and of deposits	Prior to April 16 %	Beginning April 16 %
Demand deposits:		
Central reserve city banks	26	22-3/4
Reserve city banks	20	17-1/2
Country banks	14	12
Time deposits:		
All classes of member banks	6	5