

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

Statement for the Press

For immediate release

December 8, 1941

The Board of Governors of the Federal Reserve System issued the following statement today:

The financial and banking mechanism of the country is today in a stronger position to meet any emergency than ever before.

The existing supply of funds and of bank reserves is fully adequate to meet all present and prospective needs of the Government and of private activity. The Federal Reserve System has powers to add to these resources to whatever extent may be required in the future.

The System is prepared to use its powers to assure that an ample supply of funds is available at all times for financing the war effort and to exert its influence toward maintaining conditions in the United States Government security market that are satisfactory from the standpoint of the Government's requirements.

Continuing the policy which was announced following the outbreak of war in Europe, Federal Reserve Banks stand ready to advance funds on United States Government securities at par to all banks.