

TWENTY-EIGHTH
ANNUAL REPORT

of the

BOARD OF GOVERNORS OF THE
FEDERAL RESERVE SYSTEM



COVERING OPERATIONS FOR
THE YEAR

1941

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

December 31, 1941

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LETTER OF TRANSMITTAL

BOARD OF GOVERNORS OF THE
FEDERAL RESERVE SYSTEM,
Washington, May 28, 1942.

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

Pursuant to the requirements of section 10 of the Federal Reserve Act, as amended, I have the honor to submit the Twenty-eighth Annual Report, prepared by direction of the Board of Governors of the Federal Reserve System, covering operations during the calendar year 1941.

Yours respectfully,

M. S. ECCLES, *Chairman.*

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ANNUAL REPORT OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

During the year 1941 the activities of the Federal Reserve System were increasingly geared to facilitating the transition of the nation's economy to a war basis. The Federal Reserve authorities recognized that the primary function of the financial mechanism of the country in wartime is to help meet the requirements of war production. The Board was also mindful of its responsibility to participate in the Government's program for combating the inflationary forces generated by the country's war effort.

TRANSITION TO A WAR ECONOMY

Early in 1941 it became apparent that increased war production and employment would greatly expand civilian purchasing power without resulting in a corresponding growth in the supply of goods available for civilian purchase. This upward pressure on prices became stronger during the year, and it became clear that concerted action by the many agencies of Government concerned would be necessary to offset the inflationary effects. The Federal Reserve authorities actively participated in this concerted effort.

FINANCIAL DEVELOPMENTS

Increased requirements of business and Government for funds to finance the defense program led to a more rapid growth of bank credit in 1941 than in any previous year. As a result of this expansion and of some further growth in the monetary gold stock, bank deposits and currency reached record levels. Although excess reserves held by banks were reduced during the year by the growth of currency in circulation, by the expansion of deposits, and by the Board's action to increase required reserves, they were nevertheless sufficient at the end of the year to support a considerable further increase in bank credit.

When the United States entered the war in December, the Board issued the following statement:

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.

The growth of bank credit during 1941 reflected for the most part sharp increases in commercial loans and in holdings of Government securities. Bank loans increased by nearly 3 billion dollars. Almost two-thirds of the rise occurred in commercial and industrial loans, largely by banks in New York and other leading cities. Holdings of open market paper, agricultural loans, real estate loans, and "other loans" also increased. Surveys made by the Board of Governors and by the American Bankers Association indicated that loans to producers and suppliers of war material amounted to about one billion dollars at the end of the year.

Commercial bank holdings of United States Government direct and guaranteed obligations, which had risen by 1.5 billion dollars in 1940, increased by 4 billion in 1941. About half this increase occurred at banks in leading cities during the first six months. Thereafter New York City banks made little change in their holdings while all commercial banks outside New York increased theirs by about 1.7 billion.

Bank deposits and currency in the hands of the public increased by over 7 billion dollars, reaching a record high close to 78 billion. Bank debits, which represent mostly checks drawn on deposit accounts, rose at a somewhat faster rate, reflecting the increased amounts of payments accompanying more active business. The rate of use or turnover of deposits rose slightly above the 1940 level.

Developments in the security markets during 1941 also reflected the gradual transition of the country's economy to a defense and finally a war basis. The interest bearing debt of the Government was increased by 13.4 billion dollars, of which 6.3 billion was in marketable securities. The market for Government issues was relatively steady throughout the year. Additions to manufacturing facilities for defense purposes were financed largely by Government funds. Private financing through corporate security issues for new capital amounted to about one billion dollars, most of which was related directly or indirectly to defense activities. Nearly two-thirds of the amount was borrowed by railroads, largely in the form of equipment trust obligations, and by other public utilities, especially telephone companies, for financing expansion. The corporate security markets were quiet during most of the year. Stock prices drifted downward and the volume of trading was the smallest in more than two decades.

The international financial relations of the United States were also largely determined by war developments. Capital and gold movements were dominated by the fact that, through Lend-Lease credits and grants of assistance by other Government agencies, this country was once more an international lender on a large scale.

The capital inflow which characterized the pre-war years and the first eight months of the war period came to a halt toward the end of 1940, according to the reported weekly figures, and gave way to a capital outflow. This outflow, attributable in part to the liquidation of British dollar resources in support of the Empire's war effort, was supplemented during 1941

by the export of American capital through Government operations which lay outside the reporting system. In general, the capital movement between the United States and countries which have not been beneficiaries of the Government's lending program has been ended by United States "freezing" regulations. The gold movement to this country has been affected by much the same factors. The intensive phase of the movement from Europe ended early in 1941 and toward the end of the year the United States became a net seller of gold. The monetary gold stock, which had risen steadily from 22.0 to 22.8 billion dollars during the first ten months of the year, declined slightly during November and December.

BUSINESS SITUATION

Defense and war developments dominated the business situation in 1941. Early in the year the domestic defense program provided for expenditures of about 20 billion dollars over a period of several years. Passage of the Lend-Lease Act in March, however, and subsequent additions brought the combined defense program to 60 billion dollars late in August. The actual and prospective effects of these large-scale purchases were reflected immediately in widespread changes in commodity markets as well as in industrial and trade activities. Important indirect effects soon took the form of rising consumer incomes, limited supplies of civilian goods, and advancing costs of production and of living.

At the beginning of the year the output of civilian goods and the standard of living surpassed all previous records, while at the same time military production was expanded. Output in most industrial lines was advancing rapidly, although for some commodities, chiefly the metals, production was already close to capacity. Later in the year shortages of metals and numerous other basic materials became acute, priorities were established to control their distribution, and pressure to expand production facilities for armaments and essential civilian products was increased. By the end of the year, plans were being made for widespread conversion of existing facilities and labor to war production and also for further restriction of consumption of civilian goods made from scarce commodities.

As early as February the prospect of increased shipping difficulties brought sharp advances in prices of imported materials. In March price increases extended to domestic commodities, reflecting chiefly anticipation of the effects of the rapidly expanded program for Federal expenditures. During the spring and summer there was unprecedented buying by manufacturers, distributors, and consumers. The rate of buying declined in the autumn as inventories and commitments accumulated and as Federal restrictions on the purchase of materials and the output of finished products were extended. After the United States entered the war, buying again increased and prices rose sharply.

During the year the general level of wholesale commodity prices advanced rapidly and by December was 20 per cent above the level prevailing in the

summer of 1940 when the defense program was inaugurated. The cost of living changed little prior to the spring of the year, but increased about 10 per cent by December, 1941.

Income payments to individuals at the end of the year were at an annual rate of 104 billion dollars and were one-third higher than in the summer of 1940. Relatively the increase was about the same for wages and salaries as for other income. The rise in wages and salaries was primarily due to a sharp expansion in employment and an increase in hours of work, but higher wage rates were also an important factor. The number employed, excluding the armed services, was about 49.5 millions at the end of the year. This was 3.5 million more than a year earlier and, with over a million men added to the armed forces, the number of unemployed was considerably reduced. Wage rate advances became widespread as demand for workers increased greatly and the pressure for higher rates was stimulated by the sharp rise in living costs and by further increases in the profits of large industrial corporations, even after allowance for higher income and excess profits taxes.

Industrial production, as measured by the Board's seasonally adjusted index, advanced about 20 points in the first half of 1941 and 7 points during the rest of the year to reach a level of 167 per cent of the 1935-39 average in December. In the latter half of 1941 output of some civilian goods, particularly automobiles, tires, and silk goods, declined, owing largely to Federal action. Production of other civilian goods showed little further advance while armament production accounted for a growing proportion of industrial output. Activity in the construction industry and on the railroads increased to the highest levels in many years. Agricultural output increased somewhat, partly in response to higher Federal production goals, and cash farm income, with sharply higher prices for farm products, was about 30 per cent larger than in 1940.

By the end of the year, although income payments declined in some civilian industries, incomes of persons employed in war production and allied activities continued to increase. Despite higher taxes and increased savings, consumers had substantially larger incomes available for spending. Meanwhile there had not been a corresponding growth in the supply of goods available to consumers and the growing pressure of increased purchasing power was reflected in rising prices all along the line, at both retail and wholesale levels. With the entry of the United States into the war, vast additional Federal expenditures became necessary. A rapid increase in armament production ensued and output of goods for civilians was further curtailed. The combination of increased incomes and reduced supplies of civilian goods intensified the problem of price control in all its phases.

ANTI-INFLATIONARY MEASURES

Government action over a broad front was taken to deal with the inflationary danger. Federal price ceilings and voluntary agreements were applied to a long list of metals and other important raw materials; taxes were

increased; efforts were made to stimulate voluntary savings by introducing new forms of Government securities and intensifying campaigns to sell these securities; member bank reserve requirements were raised to the limits authorized by law; regulation of consumer credit was set up; and, as the year closed, rationing in retail markets was applied to tires and automobiles. It was clear that similar control would have to be applied to consumer expenditure on other goods which would become acutely scarce because of the war situation. The measures of restraint that fell within the province of the Reserve System are discussed in more detail elsewhere in this report.

The revenue legislation of 1940 increased individual surtax rates, lowered personal exemptions by 20 per cent, increased the normal corporation tax by about one-third, imposed a corporation excess profits tax, and made increases in the estate and gift tax rates and most excise tax rates of around 10 per cent. About half of the 3 billion dollar increase in net budgetary receipts during the calendar year 1941 was attributable to these changes.

The expanding scope of the defense program led the Treasury to propose new revenue legislation in April, but it was not until September that the Revenue Act of 1941 was enacted into law. This measure was estimated to yield about 3.5 billion dollars on a full-year basis. Corporation income taxes made up about 1.4 billion of this total, individual income taxes about 1.1 billion, estate and gift taxes about 150 million, and taxes on the sale and use of various commodities and services about 850 million.

These changes were reflected only to a minor extent in actual Treasury receipts during the calendar year 1941. They will be more fully reflected during 1942 when, not allowing for further changes in the revenue structure, Treasury receipts will run at an estimated rate of about 6 billion dollars higher than in 1941. The increase in money incomes to be generated by the great expansion of military expenditure, however, will be much larger than this sum. It is expected that civilian expenditure, which will be reduced by tax payments, will be further curtailed by personal and corporate savings unable to find customary channels of investment. But the degree of restriction thus achieved will not be sufficient to reduce the demand for civilian goods to the extent that their output will be curtailed. Extensive additional measures, designed to restrict the availability of purchasing power in 1942, will be a necessary part of a program to prevent further sharp advances in prices and the cost of living.

FEDERAL RESERVE CREDIT POLICY AND ACTION

Federal Reserve credit policy in 1941 was formulated with reference to banking and credit conditions in the light of wartime needs. It was related to the entire range of problems connected with the financing of defense and war requirements without causing inflationary developments. During the year these problems were continuously studied by the Federal Reserve authorities and discussed by them with the United States Treasury and with other branches of the Government. As conditions demanded, steps were taken to

stabilize the Government security market by open market purchases, to reduce the potential expansion of bank credit by increasing reserve requirements, and to curtail consumer demand through the regulation of credit for instalment purchases.

OPEN MARKET OPERATIONS

Throughout the year the Treasury continued its long-established practice of conferring with members of the executive committee of the Federal Open Market Committee before deciding upon the form of its security offerings. In addition, joint conferences were held to consider the development of a long-term program for financing the Government's rapidly growing requirements.

The defense and war program necessitated a large increase in Government borrowing. The interest bearing direct and guaranteed debt of the Government increased by 13.4 billion dollars in 1941. Less than half of this amount was in marketable issues, however, 1.6 billion dollars of the total having been in special issues to Government agencies and trust funds and 5.5 billion in nonmarketable public issues such as savings bonds and tax notes. The issuance of the latter types of securities was in accordance with the Government's announced policy of attracting current savings in order that Government financing might be accomplished with as little growth of bank credit as possible. Beginning in March all new issues of United States Government obligations were made subject to Federal income taxes. In October the Treasury adopted the practice of issuing direct obligations to replace guaranteed securities as they mature or are called.

The market for Government securities was relatively steady and there was no occasion until December for open market operations by the Reserve System. Following a decline in the first six weeks of the year, quotations on long-term Government bonds advanced to a peak about the first of November and then declined slowly to December 6. During this period the Open Market Committee made no change in the total amount of Government securities held in the System account.

From the time the United States entered the war until shortly before the end of the year, quotations on long-term bonds declined by about $2\frac{1}{2}$ points and shorter term securities declined moderately. During this period the Reserve System purchased 60 million dollars of bonds and 10 million dollars of bills. The Treasury also supported the market by investing some of its trust funds. In a relatively short time the market for Government bonds became steady on the basis of yields slightly above the low points reached in November.

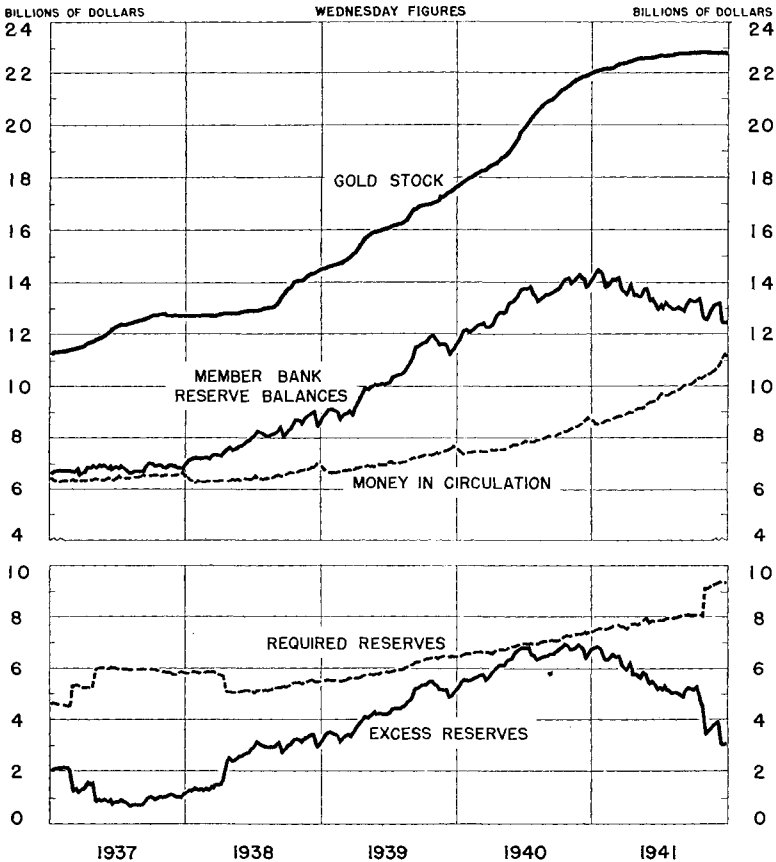
REDUCTION IN MEMBER BANK RESERVES

Bank credit expanded more rapidly during 1941 than in any previous year. Bank loans and investments, as well as deposits, were at the highest level on record. As a consequence of this expansion, together with the drain

on reserves caused by currency expansion, the excess reserves of member banks declined about 1.6 billion dollars during the first eight months of the year. Nevertheless, in September they were above 5 billion dollars.

As a part of the Government's program to combat inflation and for the purpose of establishing better contact between the Federal Reserve Banks and the money market, the Board on September 23, after consultation with the Secretary of the Treasury, increased reserve requirements of member banks to the limit of its statutory power. To put this increase into effect the Board issued a revised supplement to its Regulation D, which prescribed

MEMBER BANK RESERVES AND MAIN FACTORS OF CHANGE



an average increase in reserve requirements of about one-seventh on all member bank deposits, effective November 1, 1941. About 1.2 billion dollars of reserves were absorbed by this action and excess reserves were reduced to about 4 billion dollars.

In connection with this increase in reserve requirements by the Board, the Secretary of the Treasury and the Chairman of the Board issued the following statement:

The Treasury and the Board of Governors will continue to watch the economic situation and to cooperate with other agencies of the Government in their efforts, through priorities, allocations, price regulation, and otherwise, to fight inflation. Recommendations on the question of what additional powers, if any, over bank reserves the Board should have during the present emergency and what form these powers should take will be made whenever the Treasury and the Board, after further consultation, determine that such action is necessary to help in combating inflationary developments.

Excess reserves were also drawn upon during 1941 by other developments arising out of the war and the defense program. The unprecedented inflow of gold which had accounted for the large growth in bank reserves since 1933 slowed down during 1941 and stopped altogether in the latter part of the year. Expansion of the demand for currency, resulting principally from the enlarged volume of wage payments and retail trade, and to some extent from withdrawals of currency for other purposes, absorbed a substantial amount of excess reserves. Currency in circulation rose by about 2.5 billion dollars in 1941 compared with an increase of 1.1 billion the previous year.

By the end of 1941 excess reserves had declined to 3.1 billion dollars, a reduction of 3.5 billion during the year. Losses of reserve funds in 1941 were largely concentrated at banks in New York City. At the end of the year about one-third of total excess reserves was held by these banks as against more than one-half at the beginning of the year. This drain of funds from the New York market was a sharp reversal of the situation prevailing in 1938 and 1939. It reflected a number of factors, principally the following: the Treasury raised more funds in the New York area than it spent there, the increase in currency in circulation was heavy, interbank deposits declined during the last quarter, and New York City banks purchased securities from outside banks and made loans to customers who spent part of the proceeds elsewhere. On the other hand, the gold inflow, which in previous years had replenished the reserves of New York banks, was on a much smaller scale in 1941.

REGULATION OF CONSUMER INSTALMENT CREDIT

The Board of Governors was authorized and directed by the President's Executive Order No. 8843, issued on August 9, 1941, under the provisions of section 5(b) of the Act of October 6, 1917, as amended, to exercise a measure of control over consumer credit during the period of national emergency arising out of the second World War. Pursuant to this order, on August 21 the Board issued Regulation W which, with the exception of certain provisions, became effective September 1, 1941. Two amendments, effective September 20 and December 1 respectively, were subsequently adopted.

The purposes of Regulation W, as set forth in the Executive Order of the President, include the dampening of the demand for certain durable consumer goods as their supply becomes limited by diversions of materials and skills

required for the national defense. They also include restraint of the expansion of consumer credit in general.

Persons and agencies subject to Regulation W include all who are engaged in the business of making extensions of consumer instalment credit, or discounting or purchasing instalment paper, including instalment sellers of the listed articles, whether dealers, stores, mail order houses, or others; sales finance companies; banks, including Morris Plan and other industrial banks; personal finance or "small loan" companies and credit unions; and building or savings and loan associations. Such persons were required to register before the end of the year 1941 with the Federal Reserve Bank of their district.

The new regulation prescribed minimum down payments and maximum maturities applicable to consumer credit extended through instalment sales of certain listed articles and instalment loans for the purchase of these articles. In addition, it limited the maximum maturity of miscellaneous cash loans of \$1,000 or less repayable in instalments, which include many instalment loans made to finance consumer purchases.

Effective September 20, 1941, the Board amended the part of the Supplement to Regulation W pertaining to the method of determining the maximum credit value of new automobiles; and effective December 1, 1941, the regulation was amended in a number of respects, the more important of which were to exempt business loans, require a statement from the borrower as to the purpose of the loan, provide more flexibility for the schedule of payments by farmers and in connection with consolidating obligations, prohibit instalment loans for the purpose of making down payments on listed articles, and make the regulation applicable to instalment loans of \$1,500 or less instead of \$1,000 or less as previously.

Through section 3(b) of the Regulation the Board issued a general license to all persons or concerns engaged on or before December 31, 1941 in the extension of instalment credit as defined by the regulation. This license was to continue in effect after December 31 for licensees who had filed registration statements in form prescribed by the Board, with the Federal Reserve Banks or their branches. About 170,000 such statements were filed. Provision was made for the subsequent licensing of new registrants filing statements after the close of the year. Any material misstatement or omission willfully or negligently made in the registration statement, or any willful or negligent failure to comply with the provisions of Regulation W or any requirement of the Board pursuant thereto, constitutes cause for suspension of a registrant's license at the discretion of the Board of Governors. No licenses were suspended in 1941.

In November a three day conference of officials of the Federal Reserve Banks and members of the Board and its staff was held in Washington for the purpose of exchanging information as to the effect of Regulation W on users of instalment credit and discussing possible amendments to the regula-

tion, relations with the trade and State supervisory authorities, and administrative problems of interpretation and enforcement.

In order to facilitate the coordination of the Board's functions under the Executive Order with other phases of the program for national defense, a consulting committee was created by the Order with which the Board confers when formulating policies with respect to down payments, maturities, terms of repayment, and other questions of general policy. The committee consists of the Secretary of the Treasury, the Federal Loan Administrator, and the Administrator of the Office of Price Administration. In addition, the Board consulted from time to time with the Federal Advisory Council, with all the Federal Reserve Banks, and with representatives of numerous trade associations representing persons and institutions directly affected by the regulation.

The geographical organization of the Federal Reserve System made it possible to decentralize the regulation of consumer credit, the twelve Reserve Banks and their twenty-four branches administering the regulation in their respective regions. The Reserve Banks and their branches were close to the general business activity of the regions they served and were able quickly to establish the new contacts required by the regulation with lenders and dealers engaged in granting instalment credit. A nation-wide extension of administrative responsibility in new fields of business was thereby established readily on a regional basis, and reference to Washington reduced to a minimum.

MARGIN REQUIREMENTS

Effective February 24, 1941, the Board of Governors amended Regulation U, governing loans by banks for the purpose of purchasing or carrying stocks registered on a national securities exchange. The amendment was essentially technical, its principal purpose being to reconcile provisions of the regulation with rules issued by the Securities and Exchange Commission with respect to the hypothecation by brokers or dealers of securities carried by them for the account of customers. The amendment provided, in effect, that any indebtedness of a broker or dealer that is secured by customers' securities shall be treated separately from any of his other indebtedness. In addition, the amendment provided for a simple mechanism by which collateral that is used to meet the requirements of the regulation may be earmarked and distinguished from other collateral which, even though it secures a loan subject to the regulation, is not used for the purpose of meeting those requirements.

ECONOMIC RESEARCH AND ADVISORY SERVICES

During the year the Board's means of gathering information on business and credit conditions were modified to meet current changes in the economy. The usual economic reporting services were continued and there were many requests from other Government agencies for specialized reports and informa-

tion. In addition to analyzing current economic movements, the Board's staff continued work on several long-run research projects and contributed information and advice to many inter-departmental conferences.

At the request of the Office of Production Management, the Board and the Reserve Banks made a survey of defense loans and loan commitments at banks in 101 leading cities as of April 30. The purpose was to obtain information as to the amount and character of the participation of banks in the defense effort. Later in the year, at the request of the Division of Civilian Supply of the Office of Production Management, the Board and the Reserve Banks made a survey of department store inventories. By September the Board's index of industrial production, which is widely used throughout the Government, had been revised to take account of armament production not already covered.

The Board continued its study of post-war readjustment problems. These problems cover a wide range of economic and financial relationships, all of which have a bearing on the reconstruction and stabilization of the economy after the war. Close contact has been established with other agencies working on related projects.

Some of the post-war readjustment studies relate broadly to international policy and problems. Special attention is being devoted to Canadian-United States economic relations, and members of the Board's staff are serving as Chairman and Secretary of the United States Committee of the Joint Economic Committees of Canada and the United States. Other members of the United States Committee have been drawn from the Treasury Department, the Department of State, the Tariff Commission, and the War Production Board. The corresponding Canadian committee is composed of civil servants in various Dominion Government departments and an official of the Bank of Canada. These committees study and report to their respective governments on the possibilities for more efficient use of the combined resources of the two countries in the production of war requirements and on ways of reducing the impact of post-war economic dislocations.

Members of the Board's staff continued their cooperation on the Inter-American Bank project with members of the Departments of State and the Treasury and the Federal Loan Agency. This project originated in the Financial and Economic Advisory Committee created in October 1939. In 1940 the Committee recommended the establishment of an Inter-American Bank to the 21 governments it represents, and submitted for their consideration drafts of a convention, charter, and by-laws. The Convention was signed by nine governments, including the United States, and has been transmitted by the President to the Senate for its advice and consent to ratification. The President has also transmitted a bill embodying a charter for the Bank and providing for participation by the United States in its organization and management.

In September 1941, the Department of State requested the Board to appoint two members of its staff to serve with representatives of the Treasury Depart-

ment on a technical mission to Cuba. The mission was named at the request of the Republic of Cuba to recommend a program of monetary and banking reform to the Cuban Government. After meetings in Habana, the mission returned to Washington where its work is still in progress.

On November 19, 1941, the President appointed the Chairman of the Board, or his alternate, to serve as a member of the Price Administration Committee. This Committee acts in a consultative capacity to the Office of Price Administration.

Pursuant to the request of the Director of Censorship on December 30, 1941, a member of the Board was designated as a representative of the Board of Governors on the Censorship Operating Board provided for by the President's Executive Order of December 19 to "perform such duties with respect to operations" as the Director of Censorship should determine.

The Board continued its cooperation in the educational campaign of the Secret Service against counterfeiting by printing and distributing to all banks some of the educational material prepared by the Secret Service. A complete index of counterfeit notes circulated since 1929 was made available to the banks. Practically all currency used in the United States flows through the Reserve Banks, which maintain close contact with regional offices of the Secret Service. When spurious bills are detected, they are immediately stamped and turned over to the Secret Service agent.

The responsibilities of the Federal Reserve System require the accumulation and study of a large volume of economic and financial data, summaries of which are published from time to time by the Board of Governors and the Federal Reserve Banks. During 1941 each Federal Reserve Bank published a monthly review of banking and business conditions in its district and the Board brought out the monthly *Federal Reserve Bulletin* for the 27th year. A completely revised edition of Chart Book I, *Federal Reserve Charts on Bank Credit, Money Rates, and Business*, was made available in February and preparations were made for a new edition of Chart Book II, *Federal Reserve Charts on Industrial Production*. *Banking Studies*, a volume of seventeen papers on banking subjects prepared by the Board's staff, was published by the Board in August. In answer to continuing demand, the Board reprinted its booklet *The Federal Reserve System—Its Purposes and Functions*, first released in 1939.

BANK SUPERVISION AND THE BANKING STRUCTURE

In its Annual Report for 1938, the Board described in some detail the diffusion of responsibility for bank supervision, which is shared by the Federal Reserve System with other Federal agencies and with the forty-eight States. The problems remain substantially the same.

MEMBER AND NONMEMBER BANKS

There were 18,524 banking offices in the United States at the end of 1941, a net decrease of 37 for the year. This decline, while following the general

trend of recent years, was the smallest since 1934. The number of banks decreased by 70 to 14,825, while the number of branches increased by 33 to 3,699.

The net decrease in the number of banks was due principally to consolidations, absorptions, and voluntary liquidations. There were only eight bank suspensions during the year—the lowest annual figure on record. Newly organized banks numbered 53, substantially above the number for the three previous years.

The net increase of 33 in the number of branches was slightly less than in 1940, and was largely accounted for by the establishment of out-of-town branches. Nearly three-fourths of the new branches were *de novo* branches; the number of existing banks converted into branches was the lowest for several years.

Although there was a net decrease of 70 in the total number of banks, membership in the Federal Reserve System continued to increase in 1941. National banks—which are required by law to be members of the Federal Reserve System—declined by a net of 27, but State bank members increased by a net of 160. At the end of the year there were 6,619 member banks.

The Board approved the applications of 166 State banks for membership in the System and 172 banks were admitted to membership. In two cases the new members were banks organized to succeed existing members and accordingly their admission did not increase the number of member banks. The difference between the number of banks admitted to membership and the number of applications approved in any one year is due to the fact that a bank whose application is approved toward the close of the year may not accomplish membership until the following year.

The total deposits of the 170 new State member banks amounted to \$341,393,000, as shown in their first call reports filed as member banks. Measured by deposits, these 170 banks ranged in size from \$90,000 to \$88,283,000. They were distributed throughout the twelve Federal Reserve districts, the greatest number being in the Chicago, New York, St. Louis, and Cleveland districts.

EXAMINATION OF STATE MEMBER BANKS

Under the provisions of the Federal Reserve Act, State member banks are subject to examination at the direction of the Board of Governors or at the direction of the Reserve Banks, by examiners selected or approved by the Board of Governors. The policy already approved for the examination of State member banks was continued without change in 1941; i.e., that at least one regular examination of each State member bank, including its trust department, be made during each calendar year by examiners for the Reserve Bank of the district in which the State member bank is located, and that additional examinations be made in special cases. In order to avoid duplication and to minimize inconvenience to the banks examined, it continued to be the policy, wherever practicable, to make joint examinations in cooper-

ation with the State banking authorities or, by agreement with the State authorities, to make alternate examinations.

In accordance with the practice of holding periodic conferences with representatives of the bank examination departments of the Reserve Banks, the officers in charge of the departments met in Washington for several days in October to confer with members of the Board and its staff. The conference was especially concerned with the necessity that the banking system prepare itself for the uncertainties to be encountered during the period of wartime demand and the period of post-war adjustment.

PAR AND NONPAR BANKS

The Federal Reserve Act provides that no exchange charges for the collection or payment of checks shall be made against the Federal Reserve Banks; and, consequently, only checks on which no exchange is charged are collectible through the Reserve Banks. To facilitate collections, there is maintained a "Federal Reserve Par List", comprising all member banks—which are required to remit at par for checks presented to them by the Reserve Banks—and nonmember banks that have agreed to pay without deduction of exchange charges such checks drawn upon them as are forwarded for payment by the Reserve Banks.

At the end of 1941 there were 11,543 banks on the Federal Reserve par list. This figure included the 6,619 member banks and 4,924 nonmember banks. The number of nonmember banks (other than mutual savings banks and banks on which no checks are drawn) not on the par list was 2,731.

The number of banks on the par list declined by 89 during the year, as a result of mergers, voluntary liquidations, suspensions, and withdrawals from the list. In 1941 there was a net increase of 16 in the number of nonpar banks—the first since 1937. As in other recent years, more of the banks that continued in existence throughout the year withdrew from the par list than were added to it—27 withdrawals as against 11 additions. Nineteen nonpar banks went out of existence, but this decrease was exactly offset by the organization of a similar number of new nonpar banks; in the several previous years the number of nonpar banks going out of existence exceeded the number newly organized. At the end of the year nonpar banks were distributed by States as follows: Minnesota 420, Georgia 261, Mississippi 175, Tennessee 173, Nebraska 164, Wisconsin 161, Alabama 132, Arkansas 127, North Carolina 125, South Carolina 119, Iowa 114, North Dakota 112, Missouri 107, Louisiana 105, South Dakota 96, Texas 96, Florida 89, and 11 other States 155.

BANK HOLDING COMPANIES

Bank holding companies, technically defined as "holding company affiliates", are required by law to obtain voting permits from the Board of Governors of the Federal Reserve System before stock of subsidiary member banks which the holding companies own or control may be voted. This

requirement does not apply to the voting of stock of subsidiary banks which are not members of the Federal Reserve System, whether they are insured banks or not. In acting upon an application for a voting permit the Board is required by law to consider, among other things, the financial condition of the applicant and the general character of its management. The Board may, in its discretion, grant or withhold a voting permit, as the public interest may require. Regulation of bank holding companies by the Board is effected not only through the statutory powers to grant, withhold, or revoke voting permits, but also through agreements executed by the holding companies as a prerequisite to obtaining voting permits from the Board. The purpose of such agreements is that the holding companies, their subsidiary banks, including member banks and nonmember banks, whether insured or uninsured, and subsidiary nonbanking organizations shall maintain sound financial condition and proper management policies and operating practices, including those involving intercompany transactions and relationships. Appropriate action was taken during the year in a number of cases with respect to various important matters in the regulation of bank holding companies.

During the year the Board authorized the issuance of three general voting permits, i.e., permits unlimited as to time or matters which may be voted upon, and six limited voting permits, i.e., permits for limited periods of time and limited also as to subjects which could be voted upon.

Under the authority of section 301 of the Banking Act of 1935 the Board determined that two organizations were not engaged directly or indirectly as a business in holding the stock of, or managing or controlling, banks, banking associations, savings banks or trust companies, and that, therefore, they were not holding company affiliates except for the purpose of section 23A of the Federal Reserve Act, which contains limitations on loans to affiliates and investments in or loans on their obligations by member banks.

TRUST POWERS OF NATIONAL BANKS

Under the provisions of section 11(k) of the Federal Reserve Act, the Board granted to eight national banks authority to exercise one or more trust powers. Trust powers of twenty-seven national banks were terminated, fourteen by voluntary liquidation, one by insolvency, and twelve by voluntary surrender. At the end of 1941, there were 1,838 national banks holding permits to exercise trust powers.

FOREIGN BRANCHES AND BANKING CORPORATIONS

The extension of the war to new areas during 1941 and the entrance of the United States into the conflict further restricted the foreign operations of member banks. This was most marked in the Orient, where by the end of the year seven branches of member banks were under enemy control. The business of the three branches or offices remaining in continental Europe was already greatly reduced when the United States entered the war. American

banking institutions had generally taken measures in advance to reduce the hazards to offices in the more exposed areas.

No applications were received during the year for permission to establish foreign branches pursuant to the provisions of section 25 of the Federal Reserve Act. On the other hand, there was a decrease of 15 branches.

At the end of the year seven member banks had a total of 78 branches or offices in 22 foreign countries or dependencies or possessions of the United States. Of the 78 branches and offices, four national banks were operating 71, and three State bank members were operating 7. The foreign branches were distributed geographically as follows:

Latin America.....	42
Argentina.....	10
Brazil.....	4
Chile.....	2
Colombia.....	3
Cuba.....	16
Mexico.....	1
Panama.....	3
Peru.....	1
Uruguay.....	1
Venezuela.....	1
Far East.....	11
Burma.....	1
*China.....	4
*Hong Kong.....	1
India.....	3
*Japan.....	1
Straits Settlements.....	1
Continental Europe.....	
*Belgium.....	1
France.....	
*Occupied.....	1
Unoccupied.....	1
England.....	10
United States Insular Possessions and Dependencies.....	12
Canal Zone.....	4
*Philippine Islands.....	1
Puerto Rico.....	7
Total.....	78

* Enemy or enemy-occupied territory on December 31, 1941.

The 42 offices of member banks in ten Latin American countries should be in position to make a material contribution to the war effort of the Western Hemisphere, being well established in a number of important cities and hav-

ing a background of experience. The situation is unlike that which obtained at the time of the first World War, when banks in the United States had just opened or were in the process of opening branches in Latin America. Inter-American trade has assumed a strategic character in view of the need in this country for Latin American raw materials and in Latin America for essential supplies from the United States, and member banks operating there perform an important function in facilitating this trade.

There is only one banking corporation in active operation organized under the provisions of section 25(a) of the Federal Reserve Act and chartered by the Board to engage in international or foreign banking. Its head office was examined during the year by the Board's Division of Examinations. The institution has a branch in France, three branches in the Far East, and a fiduciary affiliate in England. The operations of the Paris branch during the year were largely of a liquidating nature. The bank continued to maintain the temporary office established in unoccupied France when Paris fell. The outbreak of hostilities in the Orient brought the three branches in the Far East under Japanese control.

The only other corporation organized under the provisions of section 25(a) in existence at the close of 1940 had been placed in voluntary liquidation by vote of its shareholders in 1933. During 1941 a final liquidating dividend was paid to shareholders.

No changes occurred during the year in the list of corporations organized under State law and operating under agreements with the Board pursuant to the provisions of section 25 of the Federal Reserve Act relating to the investment by member banks in stocks of corporations engaged principally in international or foreign banking. There are four such corporations.

FISCAL AGENCY AND RELATED SERVICES

Throughout 1941 the day-to-day work of the Federal Reserve Banks reflected the growing emphasis on preparation for war. There was a great increase in the volume and variety of services performed by the Reserve Banks for various branches of the Government, and the fiscal agency operations of the Reserve Banks in connection with Treasury financing increased fourfold.

FOREIGN FUNDS CONTROL AND INTERGOVERNMENTAL PROBLEMS

The "freezing" of foreign assets and the control of foreign transactions has been an important defense activity in 1941. As agents for the Foreign Funds Control in the Treasury, the Reserve Banks receive license applications relating to transactions affecting the interest of "nationals" of blocked countries. Under general authorizations from the Treasury, the Reserve Banks act independently on most of these applications and refer only a small number to the Treasury Department with recommendations. An inventory of all property held in the United States by "nationals" of foreign countries was made during the year. This involved a great deal of work for the Re-

serve Banks, with which the inventory reports were filed in accordance with the instructions of the Treasury Department. Immediately following the entry of the United States into the war in December, the Reserve Banks were called on to assist the Treasury in placing representatives in numerous important Japanese banking and business enterprises. A few days later instructions were received by the Reserve Banks to revoke or amend the licenses of many German and Italian concerns and to place representatives on their premises. During the year the Treasury held several conferences on the subject of Foreign Funds Control which were attended by representatives from all Federal Reserve Banks and from the Board of Governors.

The Federal Reserve Banks hold the gold reserves and most of the official funds maintained by foreign countries in the United States. Gold under earmark at the Reserve Banks increased by 400 million dollars to over 2,200 million during 1941, while the deposits of foreign central banks and governments in the Reserve Banks were reduced by about 360 million to approximately 770 million at the end of the year. A large proportion of these foreign assets were in "frozen" accounts which, though relatively inactive, necessitated extensive consideration by the Reserve Banks and the Board. It was necessary to obtain not only licenses for transactions in such accounts but also certification of the authority to operate many of them pursuant to Section 25 (b) of the Federal Reserve Act. On the other hand, many of the accounts which were not "frozen" were exceptionally active. The Reserve Banks rendered important service to friendly belligerent governments and their official missions in this country by handling their dollar receipts and their dollar disbursements for war supplies.

The Reserve Banks have continued their activities as agents of the Treasury in gold transactions with foreigners and in purchases of foreign silver. The Federal Reserve Bank of New York carries out the operations of the Stabilization Fund in accordance with instructions from the Treasury. The Reserve Banks have also collected reports and maintained the records of capital movements and foreign exchange transactions compiled since 1934 in accordance with Executive Orders and Treasury Regulations.

Loans which the Federal Reserve Act authorizes the Reserve Banks to make on gold to foreign central banks and which were outstanding at the end of 1940 in the amount of \$947,000 to one foreign central bank, were liquidated by January 31, 1941, as stipulated in the agreement. Another loan to the same central bank for \$200,000 became effective in August and was paid off in full early in October. No further loans on gold were granted in 1941.

ISSUANCE AND SERVICING OF GOVERNMENT OBLIGATIONS

As fiscal agents of the Treasury, the Federal Reserve Banks carry on all operations outside of Washington incident to the issue, redemption, and exchange of public debt obligations, except those performed by the Post Office Department in connection with the sale of Series E Defense

Savings Bonds. The volume of these operations increased nearly fourfold during 1941, chiefly as a result of the increase in Government issues for defense purposes. In November, the Treasury held a fiscal agency conference at the Federal Reserve Bank of Atlanta which was attended by representatives of all Federal Reserve Banks and of the Board of Governors.

Pursuant to discussions held at the meeting of the Presidents of the Reserve Banks in Washington on June 11, 1941, the Presidents of three Reserve Banks were designated to serve with a member of the Board as a Committee on Defense Savings Securities in cooperation with the Treasury's Defense Savings Staff. As a result of conference with the Secretary, liaison officers were appointed by the Treasury and the Reserve System through whom information as to the policies and the program of the Treasury at Washington and as to the activities in the various States is exchanged for the assistance of those concerned in promoting Defense Savings Bond sales. In December liaison officers of the Federal Reserve Banks and of the Board attended a meeting in Chicago called by the Treasury for the purpose of discussing the Defense Savings Bond program.

In its own organization the Board established a voluntary payroll deduction plan which was put into operation in May 1941, whereby members of its staff may purchase Defense Savings Bonds, and each of the Reserve Banks established plans adapted to the needs of its officers and employees.

DEPOSITARY, CUSTODIANSHIP, AND OTHER FUNCTIONS

As depositaries of Government funds, the Reserve Banks handled during 1941 and charged against the Treasurer's account a total of 125 million Government checks drawn by disbursing officers throughout the country for defense and other Government expenditures. They also handled and credited to the Treasurer's general account millions of checks and other items received by Federal officers in payment of taxes, customs, etc. During the year an average of nearly 4,000 officers and employees of the Federal Reserve Banks, or about 30 per cent of their entire personnel, were engaged in serving some 16 United States Government departments and agencies. This was a substantial increase over normal years and arose for the most part from defense and war activities.

As custodians, the Reserve Banks in 1941 handled commodity loans, bought commodities, and performed other services with respect to them for the Commodity Credit Corporation, the Defense Supplies Corporation, the Federal Surplus Commodities Corporation, and other similar Government agencies. The commodities responsible for most of this work are staples including cotton, corn, wheat, butter, tobacco, and other domestic farm products, many of which are being transferred under Lend-Lease operations to aid countries allied with us in the war; other important items, comprising strategic and critical materials necessary in connection with our own war program, are diamond dies, copper, zinc, lead, chrome, rubber, drugs, silk, and kapok. The Banks make disbursement

for the purchases upon proper authorization, obtain warehouse receipts which are held in safekeeping, maintain inventory records, etc.

The Reserve Banks delivered large amounts of currency over the counter to authorized finance officers of the Army and Navy and made large currency shipments for payroll purposes direct to Army and Navy posts and also to banks in the vicinity of posts and military and naval construction projects. The Reserve Banks also effected transfers of funds to pay the armed forces of the United States in foreign lands and waters.

During the first half of the year the Defense Contract Service of the Office of Production Management utilized the facilities of the Reserve Banks in handling work in the field, and in order to cooperate fully with the Defense Contract Service an officer at each Reserve Bank and branch acted as Defense Contract Officer. In the latter half of the year, after the Office of Production Management had established its own field offices, the Reserve Banks and branches continued to cooperate, especially with regard to arrangements for extensions of credit to industry.

Throughout most of the year, the War and Navy Departments utilized the services of the Reserve Banks in obtaining reports as to the management, responsibility, and financial condition of contractors and others with whom they have dealings.

RESERVE BANK PERSONNEL AND OPERATIONS

Under the terms of the Federal Reserve Act the Board of Governors appoints three of the nine directors of each Federal Reserve Bank, who serve terms of three years each. These are designated "Class C" directors by the Act, which provides for election of Class A and B directors by member banks. Of the three directors appointed by the Board, one is designated by the Board as Chairman and one as Deputy Chairman. The Chairman, in addition to his duties as presiding officer, is the official representative of the Board of Governors at the Federal Reserve Bank.

APPOINTMENTS

On June 3 the Board of Governors appointed Walter H. Lloyd, Editor of *The Ohio Farmer*, Cleveland, Ohio, a Class C director of the Federal Reserve Bank of Cleveland. On June 4 the Board appointed Randolph E. Paul, member of the law firm of Lord, Day & Lord, New York, New York, a Class C director of the Federal Reserve Bank of New York. Effective July 1 the Board appointed Winfield W. Riefler, Professor of Economics, Institute for Advanced Study, Princeton, New Jersey, a Class C director of the Federal Reserve Bank of Philadelphia to succeed Alfred H. Williams, who became President of the Bank on that date. Clifford V. Gregory, Associate Publisher of *Wallaces' Farmer and Iowa Homestead*, Des Moines, Iowa, a Class C director and Deputy Chairman of the Federal Reserve Bank of Chicago, died on

November 18. The Board of Governors on December 26 appointed W. W. Waymack, Vice President and Editor, *Des Moines Register and Tribune*, Des Moines, Iowa, a Class C director to succeed Mr. Gregory. Other Class C directors remained unchanged in 1941.

The Banking Act of 1935 added to the responsibilities of the Board of Governors with respect to the executive personnel of the Banks by requiring its approval of appointments of Presidents and First Vice Presidents of the Reserve Banks, which are for terms of five years each. Aside from their duties as the chief executive officers of the Reserve Banks, five of the Presidents serve with members of the Board of Governors as the Federal Open Market Committee and five other Presidents act as alternates.

The appointments of Presidents and First Vice Presidents made as of March 1, 1936, expired as of the close of February 28, 1941. Except at the Chicago, St. Louis, and Kansas City Banks, where vacancies had been created by retirements, the existing Presidents and First Vice Presidents were reappointed each for a term of five years. Vacancies that occurred later in the year at the Kansas City, Atlanta, and Philadelphia Banks were filled for the unexpired portion of the five-year term beginning March 1, 1941.

At the Federal Reserve Bank of Chicago, President George J. Schaller, who retired on February 28, 1941, was succeeded by C. S. Young, formerly a Vice President of the Bank, who was appointed President for a term of five years beginning March 1, 1941.

Effective April 16, 1941, Chester C. Davis, formerly a member of the Board of Governors of the Federal Reserve System, was appointed President of the Federal Reserve Bank of St. Louis for the unexpired portion of the five-year term ending February 28, 1946. Mr. Davis succeeded William McC. Martin, who had retired on February 28, 1941.

As of May 15, 1941, W. S. McLarin, Jr. and Malcolm H. Bryan were appointed President and First Vice President, respectively, of the Federal Reserve Bank of Atlanta, each for the unexpired portion of the five-year term ending February 28, 1946. The appointment of Mr. McLarin was to fill the vacancy caused by the death of Robert S. Parker on March 28, 1941, and Mr. Bryan, formerly a Vice President of the Bank, succeeded Mr. McLarin as First Vice President.

Effective July 1, 1941, Alfred H. Williams, formerly a Class C director of the Federal Reserve Bank of Philadelphia and Deputy Chairman since January 1, 1940, was appointed President of that Bank for the unexpired portion of the five-year term ending February 28, 1946, to succeed John S. Sinclair who resigned on June 30, 1941.

At the Federal Reserve Bank of Kansas City, H. G. Leedy, formerly Vice President and General Counsel of the Bank, was appointed First Vice President, effective March 1, 1941, to fill the vacancy caused by the retirement of

C. A. Worthington. On August 28, 1941, Mr. Leedy was appointed President to fill the vacancy caused by the retirement of George H. Hamilton on February 28, 1941. H. O. Koppang, formerly examiner in charge of examinations of the Federal Reserve Banks made by the Board of Governors, was appointed First Vice President of the Kansas City Bank, and succeeded Mr. Leedy as First Vice President. Mr. Koppang took up his new duties on October 16, 1941.

OPERATIONS, EARNINGS, AND EXPENSES

The greatest expansion in operations of the Federal Reserve Banks during 1941 was in their Government services, as already indicated. The volume of currency, coin, and checks handled also increased substantially. Discounts for member banks were at about the same low level in 1941 as in 1940, while industrial advances showed some increase. Figures for volume of operations for the past five years are shown in Table 4 on page 35.

Discount rates of the Federal Reserve Banks continued unchanged in 1941 at 1 or $1\frac{1}{2}$ per cent. Rates on industrial advances and commitments under section 13b of the Federal Reserve Act had been reduced at most of the Federal Reserve Banks during 1940 to permit charging lower rates to finance defense contracts, and some additional reductions along the same line were made in 1941. Rates as low as 4 per cent on direct advances to borrowers prevailed throughout the year at all Federal Reserve Banks. Generally lower rates were in effect on advances to or in participation with financing institutions. Rates in effect on December 31, 1941, are shown in Table 9 on page 42.

EARNINGS, EXPENSES, AND DISTRIBUTION OF NET EARNINGS OF FEDERAL RESERVE BANKS IN 1941 AND 1942

[In thousands of dollars]

	1941	1940
Current earnings.....	41,380	43,537
Current expenses.....	32,963	29,165
Current net earnings.....	8,417	14,372
Profits on sales of U. S. Government securities and other additions to current net earnings in excess of special depreciation allowances and provisions for losses.....	720	11,488
Net earnings.....	9,137	25,860
Paid U. S. Treasury (section 13b).....	141	82
Dividends paid.....	8,430	8,215
Transferred to surplus (section 13b).....	-4	-54
Transferred to surplus (section 7).....	570	17,617
Total.....	9,137	25,860
Transferred from surplus (section 7) to reserves for contingencies.....	133	12,273

Current earnings, current expenses, and distribution of net earnings of the Federal Reserve Banks for the past two years are shown in the accompanying table. Net earnings amounted to \$9,137,000 in 1941, which was \$16,723,000 less than in 1940. This decrease resulted from a decrease in current earnings owing to smaller holdings of Government securities, an increase in current expenses, and a decrease in profits arising from sales of Government securities.

The increase in current expenses occurred principally in the cost of Federal Reserve currency and in the operation of the currency and coin and the check collection departments, where the volume of work increased substantially. Expenses were also increased by a relatively large turnover in personnel during the year.

Net earnings for 1941 were distributed as follows: Dividends to member banks, paid in accordance with the provisions of the Federal Reserve Act, \$8,430,000; payments to the Secretary of the Treasury under provisions of section 13b of the Federal Reserve Act relating to industrial advances, \$141,000; and net additions to surplus accounts, \$566,000. Of this total \$133,000 was transferred to reserves for contingencies.

Detailed statements of earnings, expenses, and distribution of net earnings for the System and for each Federal Reserve Bank are given in Table 5 on pages 36-37.

Average daily holdings of bills and securities by Federal Reserve Banks during the last four years and average rates of earnings thereon are shown in the accompanying table.

EARNINGS ON BILLS AND SECURITIES

[Amounts in thousands of dollars]

Item and Year	Total	Bills discounted	Bills bought in open market	U. S. Govt. securities direct and guaranteed	Industrial advances
Daily average holdings:					
1938.....	2,590,597	8,739	543	2,564,877	16,438
1939.....	2,602,590	5,103	440	2,584,268	12,779
1940.....	2,429,984	4,046		2,416,761	9,177
1941.....	2,200,491	4,681		2,187,030	8,780
Earnings:					
1938.....	35,404	124	3	34,446	831
1939.....	37,581	61	2	36,903	615
1940.....	42,677	51		42,174	452
1941.....	40,607	56		40,152	399
Average rate of earnings (per cent):					
1938.....	1.37	1.42	.48	1.34	5.05
1939.....	1.44	1.20	.53 ^r	1.43	4.81
1940.....	1.76	1.26		1.75	4.93
1941.....	1.85	1.20		1.84	4.54

^r Revised.

Each of the twelve Federal Reserve Banks and twenty-four branches was examined during the year by the Board's Division of Examinations.

Two assessments were levied against the Federal Reserve Banks for the general expenses of the Board of Governors, aggregating \$1,839,541, or about one-half of one per cent of their average paid-in capital and surplus for the year. Under an arrangement with the Federal Reserve Bank of Philadelphia, the accounts of the Board for the year 1941 were audited by the Auditor of the Federal Reserve Bank of Philadelphia, who certified them to be correct. The total cost of conducting the work of the Board of Governors during the year 1941 was \$1,744,995. Details are shown in Table 8 on pages 40-41.

AMENDMENTS TO THE FEDERAL RESERVE ACT AND REPORTS ON BILLS

LIMITATIONS ON REAL ESTATE LOANS SECURED BY DEFENSE HOUSING INSURED
MORTGAGES

Section 24 of the Federal Reserve Act was amended by an act approved March 28, 1941, so as to exempt defense housing insured mortgages from the limitations of that section on the amounts and maturities of real estate loans which may be made by national banks.

FOREIGN ACCOUNTS IN FEDERAL RESERVE BANKS AND
INSURED BANKS

An Act approved April 7, 1941, amended section 14(c) of the Federal Reserve Act so as to make it clear that Federal Reserve Banks may open and maintain banking accounts for foreign banks or bankers or for foreign governments without having to establish accounts with such foreign banks, bankers, or governments, or to appoint them as the correspondents or agents of the Federal Reserve Banks. This Act also amended section 25(b) of the Federal Reserve Act so as to provide a procedure whereby Federal Reserve Banks and insured banks may safely make payments of amounts due to foreign governments or foreign central banks in cases where there may be differences of opinion as to who is entitled to receive such payments.

The enactment of these amendments was recommended by the State Department, the Treasury Department, and the Board of Governors in order to meet certain problems growing out of the war in Europe, including the fact that a number of countries whose central banks had accounts with the Federal Reserve Banks had been occupied by invaders. The provisions relating to accounts of foreign governments or foreign central banks held by insured banks in this country were added to meet certain problems growing out of the same general situation.

GOVERNMENT OBLIGATIONS AS COLLATERAL FOR FEDERAL
RESERVE NOTES

By an Act of Congress approved June 30, 1941, the second paragraph of section 16 of the Federal Reserve Act was amended so that the authority of the Board of Governors of the Federal Reserve System to permit direct obligations of the United States to be used as collateral for Federal Reserve notes, which would have expired on June 30, 1941, was extended until June 30, 1943.

PROPOSED LEGISLATION

During the year, members of the Board and members of the Board's staff were called on frequently to appear before Committees of Congress to give information on proposed legislation. At the request of these Committees, the Board submitted reports on proposed legislation relating to foreign accounts in Federal Reserve Banks and insured banks, the liberalization of

the authority of the Reserve Banks to make industrial loans, the extension of the period during which direct obligations of the United States might be pledged by Reserve Banks as collateral for Federal Reserve notes, the temporary extension of banking facilities in military reservations and Navy yards and stations, and the filing by a borrower or an issuing corporation with the Securities and Exchange Commission of registration statements covering certain loans obtained from, or securities sold directly to, banks or other institutional investors.

FEDERAL RESERVE MEETINGS

The Federal Open Market Committee, which under the law is charged with the responsibility for the determination of the System's open market policies, met in Washington on March 17, June 10, September 27, and December 12, 1941, and the executive committee of the full Committee met frequently during the year. A record of actions taken by the Committee on questions of policy relating to open market operations is published as an appendix to this report.

The Chairmen of the Federal Reserve Banks met with the Board of Governors on April 26, 1941, for the purpose of discussing administrative policies in which they were jointly concerned.

The Conference of Presidents of the Federal Reserve Banks held meetings in Washington on February 7, February 17-18, March 17, June 11, and September 27-28 for the consideration of current operating problems of the Federal Reserve Banks and for discussions of these matters with the Board.

Meetings of the Federal Advisory Council were held on February 16-18, May 18-19, September 14-15, and November 16-17. The Board of Governors met with the Council on each of these occasions. The Council is required by law to meet in Washington at least four times each year and is authorized by the Federal Reserve Act to consult with and advise the Board on all matters within the jurisdiction of the Board. A recommendation to the Board is published in the appendix to this report.

TABLES

**NO. 1.—STATEMENT OF CONDITION OF THE FEDERAL RESERVE BANKS (IN DETAIL)
DECEMBER 31, 1941¹**

ASSETS

Amounts in boldface type are those shown in the Board's weekly statement. [In thousands of dollars]

Gold certificates with Federal Reserve Agent.....	8,724,000	
Interdistrict settlement fund with Board of Governors.....	10,255,571	
Gold certificates on hand.....	1,510,444	
	<hr/>	
Gold certificates on hand and due from U. S. Treasury.....	20,490,015	
Redemption fund—Federal Reserve notes.....	13,668	
	<hr/>	
Total gold reserves.....	20,503,683	
Other cash:		
United States notes.....	30,255	
Silver certificates.....	210,359	
Standard silver dollars.....	2,551	
National and Federal Reserve Bank notes.....	1,003	
Subsidiary silver, nickels, and cents.....	16,510	
	<hr/>	
Total other cash.....	260,678	
	<hr/>	
Total reserves.....		20,764,361
Bills discounted:		
Secured by U. S. Government obligations, direct and guaranteed:		
Discounted for member banks.....	1,768	
For others.....		
	<hr/>	
Total secured by U. S. Govt. obligations, direct and guaranteed.....		1,768
Other bills discounted:		
For member banks.....	1,187	
For others.....		
	<hr/>	
Total other bills discounted.....		1,187
	<hr/>	
Total bills discounted.....		2,955
Industrial advances.....		9,504
U. S. Government securities, direct and guaranteed:		
Bonds.....	1,466,805	
Notes.....	777,300	
Bills.....	10,370	
	<hr/>	
Total U. S. Government securities, direct and guaranteed.....		2,254,475
Total bills and securities.....		2,266,934
Due from foreign banks.....		47
Federal Reserve notes of other Reserve Banks.....		36,287
Uncollected items:		
Transit items.....	1,071,055	
Exchanges for clearing house.....	98,506	
Other cash items.....	31,165	
	<hr/>	
Total uncollected items.....		1,200,726
Bank premises (net).....		41,367
Other assets:		
Industrial advances past due.....	835	
Miscellaneous assets acquired account industrial advances.....	1,926	
Claims account closed banks.....	110	
Miscellaneous assets acquired account closed banks.....	511	
	<hr/>	
Total.....	3,382	
Less valuation allowances.....	1,923	
	<hr/>	
Net.....		1,459
Federal Deposit Insurance Corporation stock ²		2,592
Fiscal agency and other expenses, reimbursable.....		8,866
Interest accrued.....		28,132
Premium on securities.....		661
Deferred charges.....		197
Sundry items receivable.....		1,095
Real estate acquired for banking-house purposes.....		166
Suspense account.....		691
All other.....		
	<hr/>	
Total other assets.....		43,859
	<hr/>	
Total assets.....		24,353,581
	<hr/>	

¹ Before closing books at end of year.

² Charged off. See footnote 3, Table 6.

No. 1.—Federal Reserve Banks (In Detail)—Continued

LIABILITIES

Amounts in boldface type are those shown in the Board's weekly statement. [In thousands of dollars]		
Federal Reserve notes outstanding (issued to Federal Reserve Banks)		8,611,926
Less: Held by issuing Federal Reserve Banks	402,780	
Forwarded for redemption	16,977	419,757
Federal Reserve notes in actual circulation (including notes held by Treasury and by Federal Reserve Banks other than issuing Bank)		8,192,169
Deposits:		
Member bank—reserve account		12,449,465
U. S. Treasurer—general account		867,450
Foreign		774,062
Other deposits:		
Nonmember bank—clearing accounts	320,055	
Officers' and certified checks	53,429	
Federal Reserve exchange drafts	368	
All other	212,318	
Total other deposits		586,170
Total deposits		14,677,147
Deferred availability items		1,106,929
Other liabilities:		
Accrued dividends unpaid		867
Unearned discount		6
Discount on securities		7
Sundry items payable		1,152
Deferred earnings on commitments to make industrial advances		7
Suspense account		209
All other liabilities		636
Total other liabilities		2,884
Total liabilities		23,979,129

CAPITAL ACCOUNTS

Capital paid in		142,180
Surplus (sec. 7)		157,065
Surplus (sec. 13b)		26,785
Other capital accounts:		
Reserve for contingencies		46,898
Earnings and Expenses:		
Current earnings	41,380	
Current expenses	32,963	
Current net earnings	8,417	
Add—profit and loss	1,537	
Deduct—dividends accrued since January 1	8,430	
Net earnings available for charge-offs, reserves, and surplus		1,524
Total other capital accounts		48,422
Total liabilities and capital accounts		24,353,581

NO 2.—STATEMENT OF CONDITION OF EACH FEDERAL RESERVE BANK AT END OF 1940 AND 1941

[In thousands of dollars]

	Total		Boston		New York		Philadelphia		Cleveland		Richmond	
	1941	1940	1941	1940	1941	1940	1941	1940	1941	1940	1941	1940
ASSETS												
Gold Certificates on hand and due from U. S. Treasury . . .	20,490,015	19,750,781	1,162,307	1,136,171	8,164,207	9,757,527	1,224,286	1,046,557	1,627,213	1,331,413	790,447	553,294
Redemption fund—Federal Reserve notes	13,668	9,692	4,143	1,213	1,047	972	892	1,073	919	660	1,437	1,108
Other cash	260,678	275,109	25,589	26,617	46,842	51,324	19,345	18,754	23,521	19,963	14,393	18,806
Total reserves	20,764,361	20,035,582	1,192,039	1,164,001	8,212,096	9,809,823	1,244,523	1,066,384	1,651,653	1,352,036	806,277	573,208
Bills discounted:												
Secured by U. S. Government obligations, direct and guaranteed	1,768	851	260	100	615	245	624	187	100	150	10	10
Other bills discounted	1,187	2,064			75	491	50	278	87	150		41
Total bills discounted	2,955	2,915	260	100	690	736	674	465	187	300		51
Industrial advances	9,504	7,538	1,883	974	1,098	1,756	3,468	2,052	233	250	765	781
U. S. Government securities, direct and guaranteed:												
Bonds	1,466,805	1,284,600	113,230	92,213	385,294	379,572	115,799	107,638	145,193	128,649	89,615	68,168
Notes	777,300	899,500	60,005	64,568	204,178	265,783	61,364	75,369	76,943	90,082	47,488	47,732
Bills	10,370		800		2,724		819		1,026		634	
Total U. S. Government securities, direct and guaranteed	2,254,475	2,184,100	174,035	156,781	592,196	645,355	177,982	183,007	223,162	218,731	137,737	115,900
Total bills and securities	2,266,934	2,194,553	176,178	157,855	593,984	647,847	182,124	185,524	223,582	219,281	138,502	116,732
Due from foreign banks	47	47	3	3	18	18	5	5	4	4	2	2
Federal Reserve notes of other Federal Reserve Banks	36,287	31,628	774	635	4,493	4,773	2,700	1,865	2,087	1,947	8,760	3,328
Uncollected items	1,200,724	912,398	116,237	82,594	316,326	234,525	84,370	63,085	149,177	102,207	83,669	76,132
Bank premises	40,767	40,062	2,778	2,833	10,507	9,701	4,866	4,501	4,439	4,587	2,982	2,590
Other assets	43,724	47,596	3,177	3,168	11,148	13,228	4,061	4,909	4,613	5,074	2,751	2,756
Total assets	24,352,844	23,261,866	1,491,186	1,411,089	9,148,572	10,719,915	1,522,649	1,326,273	2,035,555	1,685,136	1,042,943	774,748

LIABILITIES												
Federal Reserve notes in actual circulation ¹	8,192,169	5,930,997	671,656	479,728	2,110,650	1,576,404	575,036	410,704	778,072	540,941	431,489	283,520
Deposits:												
Member bank—reserve account.....	12,450,333	14,025,633	568,846	756,465	5,639,629	7,556,979	661,703	703,580	919,517	920,969	451,776	354,132
U. S. Treasurer—general account.....	867,493	368,481	80,782	6,044	220,654	131,605	73,578	13,664	72,247	16,328	23,729	12,636
Foreign bank.....	774,062	1,132,909	29,543	54,872	306,991	633,979	74,057	75,944	70,240	72,069	32,829	33,322
Other deposits.....	586,170	599,544	9,527	8,236	475,283	492,197	12,391	26,675	16,902	4,774	6,106	4,245
Total deposits.....	14,678,058	16,126,567	688,698	825,617	6,642,557	8,814,760	821,729	819,863	1,078,906	1,014,140	514,440	404,335
Deferred availability items.....	1,106,929	832,779	104,811	79,913	266,815	201,083	90,557	60,412	143,848	95,814	80,625	70,836
Other liabilities including accrued dividends.....	2,195	2,196	347	269	143	175	840	875	173	149	246	246
Total liabilities.....	23,979,351	22,892,539	1,465,512	1,385,527	9,020,165	10,592,422	1,488,162	1,291,854	2,000,999	1,651,044	1,026,800	758,937
CAPITAL ACCOUNTS												
Capital paid in.....	142,180	138,579	9,403	9,335	51,806	51,096	11,923	11,882	14,640	14,198	5,709	5,366
Surplus (sec. 7).....	157,501	157,064	10,949	10,905	56,651	56,447	15,171	15,144	14,345	14,323	5,236	5,247
Surplus (sec. 13b).....	26,780	26,785	2,874	2,874	7,070	7,070	4,393	4,393	1,007	1,007	3,244	3,244
Other capital accounts.....	47,032	46,899	2,448	2,448	12,880	12,880	3,000	3,000	4,564	4,564	1,954	1,954
Total liabilities and capital accounts.....	24,352,844	23,261,866	1,491,186	1,411,089	9,148,572	10,719,915	1,522,649	1,326,273	2,035,555	1,685,136	1,042,943	774,748
Commitments to make industrial advances.....	14,597	5,226	139	244	460	700	2,617	162	1,043	727	857	540
FEDERAL RESERVE NOTE STATEMENT												
Federal Reserve notes:												
Issued to Federal Reserve Bank by Federal Reserve agent.....	8,611,926	6,256,650	700,116	502,343	2,210,118	1,660,126	602,134	429,044	811,693	569,587	461,916	299,792
Held by Federal Reserve Bank.....	419,737	325,653	28,460	22,615	99,468	83,722	27,098	18,340	33,621	28,646	30,427	16,272
In actual circulation ¹	8,192,169	5,930,997	671,656	479,728	2,110,650	1,576,404	575,036	410,704	778,072	540,941	431,489	283,520
Collateral held by agent for notes issued to banks:												
Gold certificates on hand and due from U. S. Treasury.....	8,724,000	6,379,500	720,000	510,000	2,220,000	1,685,000	615,000	440,000	815,000	575,000	475,000	315,000
Eligible paper.....	2,567	1,688	260	100	690	331	624	372	.....	.....	.....	10
Total collateral held.....	8,726,567	6,381,188	720,260	510,100	2,220,690	1,685,331	615,624	440,372	815,000	575,000	475,000	315,010

¹ Includes Federal Reserve notes held by the U. S. Treasury or by a Federal Reserve Bank other than the issuing bank.

No. 2.—Statement of Condition—Continued

[In thousands of dollars]

	Atlanta		Chicago		St. Louis		Minneapolis		Kansas City		Dallas		San Francisco	
	1941	1940	1941	1940	1941	1940	1941	1940	1941	1940	1941	1940	1941	1940
ASSETS														
Gold certificates on hand and due from U. S. Treasury.....	551,394	384,635	3,423,782	2,899,447	632,041	494,577	394,665	311,096	557,610	420,712	414,284	280,159	1,547,779	1,135,193
Redemption fund—Federal Reserve notes.....	451	629	1,122	1,229	643	169	401	332	754	410	566	509	1,293	1,388
Other cash.....	17,035	19,055	38,858	36,352	17,602	16,482	5,418	6,576	11,759	15,285	13,784	14,010	26,532	31,885
Total reserves.....	568,880	404,319	3,463,762	2,937,028	650,286	511,228	400,484	318,004	570,123	436,407	428,634	294,678	1,575,604	1,168,466
Bills discounted:														
Secured by U. S. Government obligations, direct and guaranteed.....	14	2					50	109	105	48				
Other bills discounted.....	36		18	157		28	107	848	667	109	40			69
Total bills discounted.....	14	38	18	157	28	50	216	953	715	109	40	40	40	69
Industrial advances.....	477	334	306	269	300		514	219	92	80	244	278	124	545
U. S. Government securities, direct and guaranteed:														
Bonds.....	62,241	49,278	198,906	146,651	73,695	55,508	43,272	36,611	62,593	62,958	51,197	49,948	125,770	107,406
Notes.....	32,983	34,506	105,406	102,688	39,053	38,868	22,931	25,636	33,168	44,085	27,131	34,974	66,650	75,209
Bills.....	440		1,406		521		306		443		362		889	
Total U. S. Government securities, direct and guaranteed.....	95,664	83,784	305,718	249,339	113,269	94,376	66,509	62,247	96,204	107,043	78,690	84,922	193,309	182,615
Total bills and securities.....	96,155	84,156	306,042	249,765	113,569	94,404	67,073	62,682	97,249	107,838	79,043	85,240	193,433	183,229
Due from foreign banks.....	2	2	6	6	1	1	*	*	1	1	1	1	4	4
Federal Reserve notes of other Federal Reserve Banks.....	4,110	3,385	3,449	4,136	2,430	2,896	651	1,514	2,071	2,261	1,367	1,024	3,395	3,864
Uncollected items.....	42,290	43,435	180,907	126,885	49,586	52,651	26,571	19,555	47,535	36,161	37,094	29,530	66,962	45,638
Bank premises.....	1,948	1,991	2,971	3,040	2,155	2,318	1,338	1,367	2,880	3,059	1,137	1,226	2,766	2,849
Other assets.....	1,797	1,766	5,466	5,069	2,027	1,917	1,309	1,396	1,783	2,198	1,509	1,865	4,083	4,250
Total assets.....	715,182	539,054	3,962,603	3,325,929	820,054	665,415	497,426	404,518	721,642	587,925	548,785	413,564	1,846,247	1,408,300

* Less than \$500.

LIABILITIES															
Federal Reserve notes in actual circulation ¹	278,564	195,853	1,719,536	1,262,396	322,068	221,148	206,510	158,709	263,578	211,215	135,271	97,865	699,739	492,514	
Deposits:															
Member bank—reserve account.....	322,452	246,999	1,762,132	1,711,100	363,642	326,872	178,535	174,476	344,996	279,690	306,697	240,275	930,408	754,096	
U. S. Treasurer—general account.....	28,685	12,547	156,906	84,537	39,646	23,893	52,460	22,857	35,850	16,861	36,989	10,926	45,967	16,583	
Foreign bank.....	26,722	27,123	91,617	92,992	22,904	23,248	16,796	17,049	22,141	22,473	22,141	23,248	58,081	56,590	
Other deposits.....	5,123	5,481	3,496	5,324	12,594	7,167	10,815	5,376	1,929	13,164	1,312	2,446	30,692	24,459	
Total deposits.....	382,982	292,150	2,014,151	1,893,953	438,786	381,180	258,606	219,758	404,916	332,188	367,139	276,895	1,065,148	851,728	
Deferred availability items.....	39,912	37,533	180,340	122,197	47,312	51,417	22,554	16,344	41,734	33,301	34,806	27,399	53,615	36,530	
Other liabilities including accrued dividends.....	44	80	165	153	32	56	84	81	44	48	72	61	5	3	
Total liabilities.....	701,502	525,616	3,914,192	3,278,699	808,198	653,801	487,754	394,892	710,272	576,752	537,288	402,220	1,818,507	1,380,775	
CAPITAL ACCOUNTS															
Capital paid in.....	4,880	4,693	15,613	14,533	4,417	4,212	3,003	2,975	4,600	4,462	4,359	4,208	11,827	11,619	
Surplus (sec. 7).....	5,725	5,725	22,925	22,824	4,966	4,925	3,152	3,152	3,613	3,613	3,976	3,974	10,792	10,785	
Surplus (sec. 13b).....	713	713	1,429	1,429	529	533	1,000	1,000	1,137	1,138	1,263	1,263	2,121	2,121	
Other capital accounts.....	2,362	2,307	8,444	8,444	1,944	1,944	2,517	2,499	2,020	1,960	1,899	1,899	3,000	3,000	
Total liabilities and capital accounts.....	715,182	539,054	3,962,603	3,325,929	820,054	665,415	497,426	404,518	721,642	587,925	548,785	413,564	1,846,247	1,408,300	
Commitments to make industrial advances.....	1,767		1,874	24	1,226	299	28	50	1,500	35	23	4	3,063	2,441	
FEDERAL RESERVE NOTE STATEMENT															
Federal Reserve notes:															
Issued to Federal Reserve Bank by Federal Reserve agent.....	303,618	220,270	1,763,428	1,294,126	341,354	234,319	213,129	163,870	274,221	219,247	149,933	106,582	780,266	557,344	
Held by Federal Reserve Bank.....	25,054	24,417	43,892	31,730	19,286	13,171	6,619	5,161	10,643	8,032	14,662	8,717	80,527	64,830	
In actual circulation ¹	278,564	195,853	1,719,536	1,262,396	322,068	221,148	206,510	158,709	263,578	211,215	135,271	97,865	699,739	492,514	
Collateral held by agent for notes issued to banks:															
Gold certificates on hand and due from U. S. Treasury.....	310,000	225,000	1,780,000	1,310,000	350,000	244,000	214,000	165,500	275,000	225,000	156,000	111,000	794,000	574,000	
Eligible paper.....							50	190	943	685					
Total collateral held.....	310,000	225,000	1,780,000	1,310,000	350,000	244,000	214,050	165,690	275,943	225,685	156,000	111,000	794,000	574,000	

¹ Includes Federal Reserve notes held by the U. S. Treasury or by a Federal Reserve Bank other than the issuing bank.

NO. 3.—HOLDINGS OF UNITED STATES GOVERNMENT SECURITIES BY FEDERAL RESERVE BANKS AT END OF DECEMBER 1940, JUNE 1941, AND DECEMBER 1941

[In thousands of dollars]

	Rate of interest (per cent)	Dec. 31, 1940	June 30, 1941	Dec. 31, 1941	Change during 1941
Treasury bonds of:					
1941-43.....	3 $\frac{3}{8}$	14,600			-14,600
1941.....	3 $\frac{1}{4}$	57,000			-57,000
1943-47.....	3 $\frac{3}{8}$	30,400	30,400	30,400	
1943-45.....	3 $\frac{1}{4}$	46,500	46,500	46,500	
1944-46.....	3 $\frac{1}{4}$	53,000	53,000	53,000	
1944-54.....	4	35,000	35,000	35,000	
1945-47.....	2 $\frac{3}{4}$	63,300	62,300	62,300	-1,000
1945.....	2 $\frac{1}{2}$	28,700	28,700	27,200	-1,500
1946-56.....	3 $\frac{3}{8}$	24,500	24,500	24,500	
1946-48.....	3	71,800	72,800	72,800	+1,000
1946-49.....	3 $\frac{1}{8}$	23,600	23,600	23,600	
1947-52.....	4 $\frac{1}{4}$	10,600	10,600	10,600	
1947.....	2	31,800	31,800	26,500	-5,300
1948-50*	2		64,800	64,800	+64,800
1948-51.....	2 $\frac{3}{4}$	92,800	90,800	90,800	-2,000
1948.....	2 $\frac{1}{2}$	21,400	21,400	21,400	
1949-52.....	3 $\frac{1}{8}$	27,500	29,500	29,500	+2,000
1949-53.....	2 $\frac{1}{2}$	90,300	90,300	90,300	
1950-52.....	2 $\frac{1}{2}$	80,000	80,000	80,750	+750
1951-54.....	2 $\frac{3}{4}$	89,700	98,800	99,050	+9,350
1951-55.....	3	44,000	44,000	45,800	+1,800
1951-53.....	2 $\frac{1}{4}$	77,900	77,900	77,900	
1951-55*	2			12,790	+12,790
1952-54*	2 $\frac{1}{2}$			29,000	+29,000
1953-55.....	2	47,800	36,700	31,400	-16,400
1954-56.....	2 $\frac{1}{4}$			3,500	+3,500
1955-60.....	2 $\frac{3}{8}$	68,300	69,300	69,800	+1,500
1956-58*	2 $\frac{1}{2}$		57,000	56,750	+56,750
1956-59.....	2 $\frac{3}{4}$	50,400	50,400	50,400	
1958-63.....	2 $\frac{3}{4}$	52,800	52,800	52,050	-750
1960-65.....	2 $\frac{3}{4}$	46,300	47,300	47,800	+1,500
1967-72*	2 $\frac{1}{2}$			101,915	+101,915
Total Treasury bonds.....		1,280,000	1,359,200	1,462,205	+182,205
Guaranteed bonds:					
HOLC of 1942-44.....	2 $\frac{1}{4}$	2,000	2,000	2,000	
HOLC of 1944-52.....	3	1,000	1,000	1,000	
FFMC of 1942-47.....	3	1,000	1,000	1,000	
FFMC of 1944-49.....	3	600	600	600	
Total guaranteed bonds.....		4,600	4,600	4,600	
Treasury notes:					
Series maturing:					
Mar. 15, 1941.....	1 $\frac{1}{2}$	60,200			-60,200
June 15, 1941.....	1 $\frac{3}{8}$	58,300			-58,300
Dec. 15, 1941.....	1 $\frac{1}{2}$	43,000	43,000		-43,000
Mar. 15, 1942.....	1 $\frac{3}{4}$	84,800	84,800	84,800	
Sept. 15, 1942.....	2	66,200	66,200	66,200	
Dec. 15, 1942.....	1 $\frac{3}{4}$	30,800	30,800	30,800	
Mar. 15, 1943*	3 $\frac{1}{4}$		39,300	39,300	+39,300
June 15, 1943.....	1 $\frac{1}{8}$	102,400	102,400	102,400	
Sept. 15, 1943.....	1	35,700	35,700	35,700	
Dec. 15, 1943.....	1 $\frac{1}{8}$	69,800	69,800	69,800	
Mar. 15, 1944.....	1	109,900	109,900	109,900	
June 15, 1944.....	3 $\frac{1}{4}$	79,400	76,400	76,400	-3,000
Sept. 15, 1944.....	1	60,600	60,600	60,600	
Sept. 15, 1944*	3 $\frac{1}{4}$		6,000	6,000	+6,000
Mar. 15, 1945.....	3 $\frac{1}{4}$	98,400	95,400	95,400	-3,000
Total Treasury notes.....		899,500	820,300	777,300	-122,200
Treasury bills:					
Series maturing:					
March 11, 1942.....				10,370	+10,370
Total holdings.....		2,184,100	2,184,100	2,254,475	+70,375

* Taxable issue.

NO. 4.—VOLUME OF OPERATIONS IN PRINCIPAL DEPARTMENTS OF FEDERAL RESERVE BANKS, 1937-1941

[Number in thousands; amounts in thousands of dollars]

	1937	1938	1939	1940	1941
NUMBER OF PIECES HANDLED¹					
Bills discounted:					
Applications	7	6	2	2	2
Notes discounted	7	6	4	3	3
Advances made	7	6	2	1	1
Industrial advances:					
Advances made .....	.2	.4	.2	.2	.6
Commitments to make industrial advances .....	.1	.2	.1	.2	.2
Bills purchased in open market for own account	2	.2	.1		
Currency received and counted	2,257,892	2,089,987	2,134,908	2,248,290	2,529,703
Coin received and counted	2,730,387	2,676,248	2,644,418	2,705,344	3,216,761
Checks handled	1,044,553	1,098,115	1,157,140	1,184,356	1,265,977
Collection items handled:					
U. S. Government coupons paid ²	18,566	17,802	17,145	15,444	15,047
All other	6,705	6,389	6,177	6,094	6,392
Issues, redemptions, and exchanges by fiscal agency department:					
U. S. Government direct obligations	3,892	3,456	3,528	3,752	13,479
All other	661	575	1,162	485	411
Transfer of funds	980	853	814	780	840
AMOUNTS HANDLED					
Bills discounted:					
Notes discounted	16,187	10,472	11,285	8,384	9,222
Advances made	516,852	226,687	75,690	61,500	115,956
Industrial advances:					
Advances made	4,932	6,500	3,805	2,860	15,695
Commitments to make industrial advances	6,978	11,217	4,621	4,374	19,530
Bills purchased in open market for own account	25,252	2,781	2,133		
Currency received and counted	10,199,559	8,883,728	9,285,921	9,538,629	11,283,817
Coin received and counted	287,708	271,128	276,589	288,140	327,555
Checks handled	255,453,609	231,820,217	255,937,980	280,436,092	362,098,173
Collection items handled:					
U. S. Government coupons paid ²	865,465	854,273	890,620	902,288	926,960
All other	6,159,828	5,321,443	5,442,645	5,068,674	6,003,082
Issues, redemptions, and exchanges by fiscal agency department:					
U. S. Government direct obligations	19,304,020	24,450,791	24,462,659	20,189,983	33,278,154
All other	1,691,863	2,581,611	4,537,228	1,687,194	3,262,012
Transfer of funds	94,596,861	82,219,749	88,080,756	92,105,910	118,423,057

⁷ Revised.

¹ Two or more checks, coupons, etc., handled as a single item are counted as one "piece".

² Includes coupons from obligations guaranteed by the United States.

NO. 5.—EARNINGS AND EXPENSES OF FEDERAL RESERVE BANKS DURING 1941

	Total	Boston	New York	Philadelphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minneapolis	Kansas City	Dallas	San Francisco
CURRENT EARNINGS													
Discounted bills.....	\$55,934	\$1,516	\$27,779	\$4,325	\$2,364	\$655	\$479	\$1,236	\$1,243	\$2,649	\$9,772	\$3,375	\$541
U. S. Government securities.....	40,151,501	2,963,907	11,197,274	3,179,419	4,031,178	2,281,196	1,706,262	4,884,837	1,935,696	1,191,362	1,908,346	1,548,048	3,323,976
Industrial advances.....	399,319	53,846	62,822	138,284	14,709	47,030	7,605	17,323	3,015	20,791	8,504	12,147	13,243
Commitments to make industrial advances.....	90,270	3,286	7,103	1,086	10,350	9,678	2,796	4,955	4,179	416	448	274	45,699
All other.....	683,071	22,576	119,674	21,048	65,293	25,788	8,258	180,744	21,763	8,019	155,410	12,770	41,728
Total current earnings.....	41,380,095	3,045,131	11,414,652	3,344,162	4,123,894	2,364,347	1,725,400	5,089,095	1,965,896	1,223,237	2,082,480	1,576,614	3,425,187
CURRENT EXPENSES													
Operating expenses:													
Salaries:													
Officers.....	2,271,315	129,810	497,272	124,211	183,835	147,470	142,612	234,966	175,648	110,669	167,253	130,535	227,034
Employees.....	21,066,352	1,273,496	5,330,013	1,445,372	1,799,898	1,098,241	1,107,909	2,954,422	1,122,214	711,159	1,198,782	1,283,641	1,741,205
Retirement System contributions for current service.....	1,136,930	63,701	288,775	77,986	94,162	61,874	60,924	156,816	64,918	39,823	67,184	61,399	99,368
Legal fees.....	66,087	30,395	7	7,067	12,319	202	17	202	163	9,667	2,179	24	4,047
Directors' fees and expenses.....	136,664	7,271	12,637	8,940	7,998	7,983	15,225	9,198	10,816	10,067	19,753	10,414	16,362
Federal Advisory Council, fees and expenses.....	16,139	950	876	1,050	1,081	767	903	1,530	1,350	1,397	1,490	1,395	3,350
Traveling expenses (other than of directors and members of Federal Advisory Council).....	403,628	23,302	53,550	29,552	35,444	29,500	33,538	55,241	28,301	25,809	24,224	25,645	39,522
Postage and expressage.....	4,487,685	502,260	771,173	333,009	422,594	378,579	266,379	566,618	213,495	161,837	254,971	215,669	401,101
Telephone & telegraph.....	540,975	24,818	105,115	35,053	50,440	31,300	48,222	40,411	42,293	23,432	45,691	39,861	54,339
Printing, stationery, and supplies.....	1,455,582	142,951	346,046	102,045	117,411	75,196	77,232	198,464	87,542	57,204	69,782	67,488	114,221
Insurance on currency and security shipments.....	294,520	46,674	52,578	23,313	25,659	28,229	17,862	32,748	7,859	8,741	10,688	10,232	29,937
Other insurance.....	197,042	11,835	30,342	16,417	14,606	11,594	15,140	17,337	15,246	13,841	18,854	14,138	17,692
Taxes on bank premises.....	1,498,243	141,705	483,387	77,617	136,938	71,343	62,081	181,786	52,501	66,923	94,583	33,717	95,662
Depreciation on bank building.....	1,189,978	55,832	222,772	126,532	147,840	80,411	42,549	80,954	52,009	29,578	178,767	90,219	82,515
Light, heat, power, and water.....	423,413	31,583	82,652	28,563	47,267	25,207	35,273	46,554	28,644	19,866	19,034	31,902	26,928
Repairs and alterations to bank building.....	204,322	5,001	37,125	28,172	17,193	4,393	8,527	11,783	9,546	15,309	15,805	11,910	29,498
Rent.....	169,236	1,500	20,386	811	74,274	18,257	644	1,656	3,491	990	25	390	46,812
Furniture and equipment.....	671,390	40,543	92,065	122,927	109,082	40,055	28,719	65,725	27,572	26,629	30,138	27,660	60,275
All other.....	763,632	55,185	95,453	87,236	56,250	36,296	61,564	105,406	49,176	47,571	43,205	55,317	70,973
Total operating expenses.....	36,993,133	2,588,812	8,522,224	2,675,873	3,354,291	2,146,695	2,025,320	4,771,817	1,992,784	1,380,512	2,262,408	2,111,556	3,160,841
Less reimbursements for certain fiscal agency and other expenses.....	8,457,586	448,290	1,761,546	392,723	462,972	350,411	751,123	1,189,924	548,115	395,104	564,111	871,414	721,853
Net operating expenses.....	28,535,547	2,140,522	6,760,678	2,283,150	2,891,319	1,796,284	1,274,197	3,581,893	1,444,669	985,408	1,698,297	1,240,142	2,438,988
Assessment for expenses of Board of Governors Federal Reserve currency:	1,839,541	131,552	653,498	178,866	168,821	79,084	63,664	221,803	55,265	40,615	52,576	53,913	139,884
Original cost.....	2,397,298	225,728	524,955	170,747	281,493	193,115	127,183	393,103	100,715	44,141	57,635	62,678	215,805
Cost of redemption.....	190,764	12,535	35,629	12,934	18,802	17,464	14,051	30,735	8,722	5,265	8,468	7,597	18,562
Total current expenses.....	32,963,150	2,510,337	7,974,760	2,645,697	3,360,435	2,085,947	1,479,095	4,227,534	1,609,371	1,075,429	1,816,976	1,364,330	2,813,239

PROFIT AND LOSS

Current earnings (above).....	41,380,095	3,045,131	11,414,652	3,344,162	4,123,894	2,364,347	1,725,400	5,089,095	1,965,896	1,223,237	2,082,480	1,576,614	3,425,187
Current expenses (above).....	32,963,150	2,510,337	7,974,760	2,615,697	3,360,435	2,085,947	1,479,095	4,227,534	1,609,371	1,075,429	1,816,976	1,364,330	2,813,239
Current net earnings.....	8,416,945	534,794	3,439,892	698,465	763,459	278,400	246,305	861,561	356,525	147,808	265,504	212,284	611,948
Additions to current net earnings:													
Profits on sales of U. S. Government securities.....	1,327,171	96,645	386,051	110,404	132,273	69,594	56,036	147,895	60,214	40,889	64,578	51,077	111,515
All other.....	147,627	17,187	9,099	13,810	50	8,261	70,652	1,166	313	17,230	1,520	3,549	4,790
Total additions.....	1,474,798	113,832	395,150	124,214	132,323	77,855	126,688	149,061	60,527	58,119	66,098	54,626	116,305
Deductions from current net earnings:													
Losses and allowances for losses on industrial advances (net).....	97,540	39,254	49,812	12,474	123,600	15,735	4,141	14,000		4,854		7,794	16,024
Charge-offs and special depreciation on bank premises.....	600,357		479,889						120,468				
All other.....	56,265	1,419	3,056	3,242	11,157	7,784	25,190	157	309	2,809	31	385	726
Total deductions.....	754,162	40,673	532,757	768	212,443	23,519	29,331	213,843	120,777	7,663	31	8,179	16,750
Net additions.....	720,636	73,159	-137,607	123,446	144,766	54,336	97,357	162,904	-60,250	50,456	66,067	46,447	99,555
Net earnings.....	9,137,581	607,953	3,302,285	821,911	908,225	342,736	343,662	1,024,465	296,275	198,264	331,571	258,731	711,503
Paid U. S. Treasury (sec. 13b).....	141,465	3,134		81,360	15,458	13,808		27,215		490			
Dividends paid.....	8,429,936	561,233	3,097,873	713,446	869,942	330,180	289,109	896,766	258,762	179,790	271,913	257,158	703,764
Transferred to surplus (sec. 13b).....	-4,333							-3,832		-501			
Transferred to surplus (sec. 7).....	570,513	43,586	204,412	27,105	22,825	-11,252	54,553	100,484	41,345	17,984	60,159	1,573	7,739
Surplus (sec. 7), January 1.....	157,065,064	10,905,746	56,446,989	15,144,298	14,322,790	5,247,219	5,724,628	22,824,268	4,924,976	3,152,420	3,612,681	3,974,490	10,784,559
Addition, as above.....	570,513	43,586	204,412	27,105	22,825	-11,252	54,553	100,484	41,345	17,984	60,159	1,573	7,739
Transferred to reserves for contingencies.....	-132,696						-54,553			-17,984	-60,159		
Surplus (sec. 7), December 31.....	157,502,881	10,949,332	56,651,401	15,171,403	14,345,615	5,235,967	5,724,628	22,924,752	4,966,321	3,152,420	3,612,681	3,976,063	10,792,298

¹ Net recoveries.

² Net additions.

NO. 6.—CURRENT EARNINGS, CURRENT EXPENSES, AND NET EARNINGS OF FEDERAL RESERVE BANKS AND DISPOSITION OF NET EARNINGS, 1914-1941

	Earnings and expenses			Disposition of net earnings					Direct charges to surplus (Sec. 7) ⁴
	Current earnings	Current expenses	Net earnings ¹	Dividends paid	Franchise tax paid to U. S. Treasury ²	Paid to U. S. Treasury (Sec. 13b)	Transferred to surplus (Sec. 13b)	Transferred to surplus (Sec. 7)	
All Federal Reserve Banks by years:									
1914-15.....	\$2,173,252	\$2,320,586	\$-141,459	\$217,463					
1916.....	5,217,998	2,273,999	2,750,998	1,742,774					
1917.....	16,128,339	5,159,727	9,582,067	6,804,186	\$1,134,234			\$1,134,234	
1918.....	67,584,417	10,959,533	52,716,310	5,540,684				48,334,341	
1919.....	102,380,583	19,339,633	78,367,504	5,011,832	2,703,894			70,651,778	
1920.....	181,296,711	28,258,030	149,294,774	5,654,018	60,724,742			82,916,014	
1921.....	122,865,866	34,463,845	82,087,225	6,119,673	59,974,466			15,993,086	
1922.....	50,498,699	29,559,049	16,497,736	6,307,035	10,850,605			-659,904	
1923.....	50,708,566	29,764,173	12,711,286	6,552,717	3,613,056			2,545,513	
1924.....	38,340,449	28,431,126	3,718,180	6,682,496	113,646			-3,077,962	
1925.....	41,800,706	27,528,163	9,449,066	6,915,958	59,300			2,473,808	
1926.....	47,599,595	27,350,182	16,611,745	7,329,169	818,150			8,464,426	
1927.....	43,024,484	27,518,443	13,048,249	7,754,539	249,591			5,044,119	\$500,000
1928.....	64,052,860	26,904,810	32,122,021	8,458,463	2,584,659			21,078,899	
1929.....	70,955,496	29,691,113	36,402,741	9,583,913	4,283,231			22,535,597	
1930.....	36,424,044	28,342,726	7,988,182	10,268,598	17,308			-2,297,724	
1931.....	29,701,279	27,040,664	2,972,066	10,029,760				-7,057,694	
1932.....	50,018,817	26,291,381	22,314,244	9,282,244	2,011,418			11,020,582	
1933.....	49,487,318	29,222,837	7,957,407	8,874,262				-916,855	
1934.....	48,902,813	29,241,396	15,231,409	8,781,661			\$-60,323	6,510,071	139,299,557
1935.....	42,751,959	31,577,443	9,437,125	8,504,974		\$297,667	27,062	607,422	
1936.....	37,900,639	29,874,023	8,512,433	7,829,581			102,880	352,524	
1937.....	41,233,135	28,800,614	10,801,247	7,940,966		176,625	67,304	2,616,352	731,313
1938.....	36,261,428	28,911,608	9,581,954	8,019,137		119,524	-419,140	1,862,433	448,835
1939.....	38,500,665	28,646,855	12,243,365	8,110,462		24,579	-425,653	4,533,977	1,964,919
1940.....	43,537,805	29,165,477	25,860,025	8,214,971		82,152	-54,456	17,617,358	12,272,706
1941.....	41,380,095	32,963,150	9,137,581	8,429,936		141,465	-4,333	570,513	132,696
Total—1914-1941.....	1,400,728,018	679,600,586	657,255,481	194,961,472	149,138,300	1,069,460	⁴ -766,659	312,852,908	155,350,026

Aggregate for each Federal Reserve Bank 1914-1941:									
Boston.....	\$94,680,024	\$49,240,191	\$43,574,581	\$14,191,873	\$7,111,395	\$94,900	\$-3,155	\$22,179,568	\$11,230,237
New York.....	411,760,334	165,475,437	237,041,984	65,784,428	68,006,262	82,987	-682,388	103,850,695	47,199,295
Philadelphia.....	109,893,031	52,284,398	55,568,784	18,591,261	5,558,901	431,345	194,990	30,792,287	15,620,883
Cleveland.....	125,855,645	63,224,525	54,772,760	19,696,519	4,842,447	67,434	-8,446	30,174,806	15,829,192
Richmond.....	67,335,679	37,388,588	25,988,761	8,283,726	6,200,189	80,522	-176,443	11,690,767	6,364,800
Atlanta.....	65,008,465	31,303,265	27,622,634	6,936,457	8,950,561	23,876	-44,304	11,756,044	6,031,416
Chicago.....	192,458,481	88,389,901	92,600,205	22,693,280	25,313,526	138,318	11,681	44,443,400	21,518,648
St. Louis.....	60,499,501	34,613,674	20,627,198	6,977,663	2,755,629	5,948	-17,676	10,905,634	5,939,311
Minneapolis.....	45,184,997	24,754,319	18,079,411	4,871,860	5,202,900	34,809	-7,447	7,977,289	4,824,868
Kansas City.....	67,319,112	41,466,916	22,478,064	6,602,053	6,939,100	35,204	-8,388	8,910,095	5,297,413
Dallas.....	50,008,955	30,511,174	15,379,205	6,272,011	560,049	74,117	10,821	8,462,207	4,486,145
San Francisco.....	110,723,794	60,948,198	43,521,894	14,060,341	7,697,341	.....	-35,904	21,800,116	11,007,818

¹ Current earnings less current expenses, plus other additions and less other deductions.

² The Banking Act of 1933 eliminated the provision in the Federal Reserve Act requiring payment of a franchise tax.

³ Direct charges to surplus (sec. 7) represent amounts transferred to reserves for contingencies, except as follows: 1927—\$500,000, depreciation on bank premises; 1934—\$139,299,557, cost of Federal Deposit Insurance Corporation stock purchased by Federal Reserve Banks.

⁴ In 1935 the Federal Reserve Bank of Boston credited \$1,810 and the Federal Reserve Bank of St. Louis charged \$1,176 direct to surplus (sec. 13b). Total payments received from the Secretary of the Treasury under section 13b of the Federal Reserve Act to the end of 1941 and credited to surplus (sec. 13b) amounted to \$27,546,311.

NO. 7.—NUMBER AND SALARIES OF OFFICERS AND EMPLOYEES OF FEDERAL RESERVE BANKS

[December 31, 1941]

Federal Reserve Bank (including branches)	President	Other officers		Employees, except those whose salaries are reim- bursed to bank		Employees whose salaries are reimbursed to bank		Total	
	Annual salary	Number	Annual salaries	Number	Annual salaries	Number	Annual salaries	Number	Annual salaries
Boston.....	\$30,000	10	\$92,932	743	\$1,077,632	170	\$215,489	924	\$1,416,053
New York.....	45,000	40	454,432	2,155	4,133,267	899	1,597,889	3,095	6,230,588
Philadelphia.....	22,000	10	99,700	757	1,211,787	176	295,288	944	1,628,775
Cleveland.....	25,000	19	159,350	975	1,662,640	162	290,640	1,157	2,137,630
Richmond.....	21,000	18	130,256	585	880,095	190	276,290	794	1,307,641
Atlanta.....	17,500	22	126,400	458	616,378	404	515,252	885	1,275,530
Chicago.....	30,000	24	213,600	1,404	2,116,197	567	873,071	1,996	3,232,868
St. Louis.....	25,000	20	146,456	597	886,713	206	316,488	824	1,374,657
Minneapolis.....	25,000	12	85,870	315	485,680	262	372,320	590	968,870
Kansas City.....	18,000	18	131,400	508	797,077	304	442,491	831	1,388,968
Dallas.....	20,000	15	113,440	428	678,710	313	458,731	757	1,270,881
San Francisco.....	25,000	26	201,904	882	1,451,511	377	600,384	1,286	2,278,799
Total.....	303,500	234	1,955,740	9,807	15,997,687	4,030	6,254,333	14,083	24,511,260

**NO. 8—RECEIPTS AND DISBURSEMENTS OF THE BOARD OF GOVERNORS OF THE
FEDERAL RESERVE SYSTEM FOR THE YEAR 1941**

General fund account:

Balance January 1, 1941:		
Available for general expenses of the Board.....	\$166,525.62	
Available for expenses chargeable to Federal Reserve Banks.....	20,311.10	
Total.....		\$186,836.72

RECEIPTS

Available for general expenses of the Board:		
Assessments on Federal Reserve Banks for estimated general expenses of the Board.....	\$1,839,540.95	
Subscriptions to the Federal Reserve Bulletin.....	6,528.56	
Other publications, sales.....	9,616.14	
Reimbursements for leased wire service.....	56,573.67	
*Pay roll allotments for purchase of Defense Savings Bonds.....	22,704.45	
Miscellaneous receipts, refunds, and reimbursements.....	22,406.49	
Total receipts available for general expenses of the Board.....		1,957,370.26
Available for expenses chargeable to Federal Reserve Banks:		
Assessments on Federal Reserve Banks for:		
Cost of printing Federal Reserve notes.....	1,601,860.24	
Expenses of leased wire system (telegraph).....	45,001.25	
Expenses of leased telephone lines.....	15,696.80	
Expenses of Federal Reserve Issue and Redemption Division (office of Comptroller of the Currency).....	54,108.35	
Miscellaneous expenses.....	705.35	
Total receipts available for expenses chargeable to Federal Reserve Banks.....		1,717,371.99
Total receipts.....		3,674,742.25
Total available for disbursement.....		3,861,578.97

DISBURSEMENTS

For expenses of the Board:		
General expenses of 1941 (per detailed statement).....	\$1,744,995.53	
Less accounts unpaid December 31, 1941.....	41,825.35	
		1,703,170.18
Expenses of 1940 paid in 1941.....		25,778.72
Expenses of leased wire service, reimbursable.....		56,098.88
Plans for alteration and addition to building.....		62,863.23
*Purchase of Defense Savings Bonds and refunds.....		18,079.27
Miscellaneous refunds and items reimbursable.....		12,191.22
Total disbursements for expenses of the Board.....		1,878,181.60
For expenses chargeable to Federal Reserve Banks:		
Cost of printing Federal Reserve notes.....	1,554,522.09	
Expenses of leased wire system (telegraph).....	45,001.25	
Expenses of leased telephone lines.....	16,749.80	
Expenses of Federal Reserve Issue and Redemption Division (office of Comptroller of the Currency).....	54,108.35	
Miscellaneous expenses.....	4,998.65	
Total disbursements for expenses chargeable to Federal Reserve Banks.....		1,675,380.14
Total disbursements.....		3,553,561.74
Balance in general fund account December 31, 1941:		
Available for general expenses of the Board.....	241,089.10	
*Available for purchase of Defense Savings Bonds.....	4,625.18	
Available for expenses chargeable to Federal Reserve Banks.....	62,302.95	
		<u>\$308,017.23</u>

* Reflects operations of Voluntary Pay Roll Deduction Plan for Purchase of Defense Savings Bonds for Board's employees.

No. 8—Receipts and Disbursements—Continued

STATEMENT OF EXPENSES OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM, 1941

PERSONAL SERVICES	
Salaries.....	\$1,341,627.62
Retirement contributions.....	65,394.11
Total Personal Services.....	\$1,407,021.73
NON-PERSONAL SERVICES	
Traveling Expenses.....	70,640.96
Postage and Expressage.....	1,436.46
Telephone and Telegraph.....	65,489.21
Printing and Binding.....	108,660.59
Stationery and Supplies.....	19,250.22
Furniture and Equipment.....	16,222.99
Books and Subscriptions.....	6,750.85
Light, Heat, and Power.....	25,529.27
Repairs and Alterations (Building and Grounds).....	5,642.22
Repairs and Maintenance (Furniture and Equipment).....	2,251.12
Medical Services and Supplies.....	692.87
Insurance.....	2,048.61
Miscellaneous.....	13,358.43
Total Non-personal Services.....	337,973.80
GRAND TOTAL.....	\$1,744,995.53

**NO. 9.—FEDERAL RESERVE BANK DISCOUNT, INTEREST, AND COMMITMENT RATES,
AND BUYING RATES ON ACCEPTANCES**

[Per cent per annum]

In effect December 31, 1941

	Boston	New York	Philadelphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minneapolis	Kansas City	Dallas	San Francisco
Rediscounts for and advances under secs. 13 and 13a of the Federal Reserve Act except last paragraph of sec. 13:												
Secured by direct and eligible guaranteed obligations of the United States.....	1	1	1½	1½	1½	1	1	1	1½	1	1	1½
All other.....	1	(¹)1	1½	(¹)1½	1½	1½	1½	1½	1½	(¹)1½	(¹)1½	1½
Advances to member banks under sec. 10(b) of the Federal Reserve Act.....	2	2	2	2	2	2	2	2	2	2	2	2
Advances to individuals, partnerships or corporations, secured by direct obligations of the United States (last paragraph of sec. 13 of the Federal Reserve Act):												
To banks (including nonmember banks).....	1	1	1½	(²)1½	1½	1	1	1	1½	1	1	1½
To others.....	2½	3½	2½	3½	4	2½	4	4	3	2½	2½	4
Advances direct to industrial or commercial organizations under sec. 13b of the Federal Reserve Act.....	3½-6	4-6	3½-6	3½-5	4-6	4-6	3-6	3½-5½	3-6	4-6	4-6	4-6
Advances to or in participation with financing institutions under sec. 13b of the Federal Reserve Act:												
On portion for which institution is obligated ³	3	2-3	2½	(⁴)	(⁵)3	4	3-6	1½-2	3-6	4	4	-
On remaining portion ³	3½	2-5	(⁶)	(⁶)	(⁷)4	4-6	3-6	(⁸)	3-6	4	4-6	3-4
Commitments to make advances under sec. 13b of the Federal Reserve Act.....	½-1	1-2	½-2	¼-1	1-2	1-2	½-2	(⁸)1	1-2	(⁸)1	1	½-2
Minimum buying rates on prime bankers' acceptances payable in dollars.....	(10)		(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)
1-15 days ⁹		½										
16-30 days.....		½										
31-45 days.....		½										
46-60 days.....		½										
61-90 days.....		½										
91-120 days.....		¾										
121-180 days.....		1										

¹ The same rate applies to United States Government securities bought under repurchase agreement.² Two and one-half per cent to lenders other than banks.³ The Federal Reserve Banks of New York, Philadelphia, Cleveland, Richmond, Atlanta, Chicago, St. Louis, Minneapolis, Kansas City, and Dallas may charge same rate as charged borrower by financing institution, if lower than rate shown.⁴ One per cent less than rate charged borrower by financing institution.⁵ One per cent less than rate charged borrower by financing institution with minimum of three per cent (see note 3).⁶ Same as rate charged borrower by financing institution.⁷ One-half of one per cent less than rate charged borrower by financing institution with minimum of four per cent (see note 3).⁸ Minimum charge one-fourth of one per cent.⁹ This rate also applies to acceptances bought under repurchase agreement, which agreements are always for a period of 15 days or less.¹⁰ The same minimum rates in effect at the Federal Reserve Bank of New York apply to purchases, if any, made by other Federal Reserve Banks.

NO. 10.—MAXIMUM RATES ON TIME DEPOSITS

Maximum rates that may be paid by member banks as established by the Board of Governors under provisions of Regulation Q

[Per cent per annum]

	Nov. 1, 1933, to Jan. 31, 1935	Feb. 1, 1935, to Dec. 31, 1935	In effect beginning Jan. 1, 1936
Savings deposits.....	3	2½	2½
Postal Savings deposits.....	3	2½	2½
Other time deposits payable in:			
6 months or more.....	3	2½	2½
90 days to 6 months.....	3	2½	2
Less than 90 days.....	3	2½	1

NOTE.—Maximum rates that may be paid by insured nonmember banks as established by the Federal Deposit Insurance Corporation, effective February 1, 1936, are the same as those in effect for member banks. Under Regulation Q the rate payable by a member bank may not in any event exceed the maximum rate payable by State banks or trust companies on like deposits under the laws of the State in which the member bank is located.

NO. 11.—MEMBER BANK RESERVE REQUIREMENTS

[Per cent of deposits]

Classes of deposits and banks	Aug. 16, 1936- Feb. 28, 1937	Mar. 1, 1937- Apr. 30, 1937	May 1, 1937- Apr. 15, 1938 ²	Apr. 16, 1938- Oct. 31, 1941	Effective Nov. 1, 1941 ²
On net demand deposits: ¹					
Central reserve city.....	19½	22¾	26	22¾	26
Reserve city.....	15	17½	20	17½	20
Country.....	10½	12¼	14	12	14
On time deposits:					
All member banks.....	4½	5¼	6	5	6

¹ Gross demand deposits minus demand balances with domestic banks (except private banks and American branches of foreign banks) and cash items in process of collection.

² Percentages in this column are double the basic statutory requirements, which were in effect June 21, 1917-August 15, 1936.

NO. 12.—MARGIN REQUIREMENTS¹

Prescribed by Board of Governors of the Federal Reserve System in accordance with Securities Exchange Act of 1934

[Per cent of market value]

	Apr. 1, 1936- Oct. 31, 1937	Nov. 1, 1937 and after
For extensions of credit by brokers and dealers on listed securities, under Regulation T.....	55	40
For short sales, under Regulation T.....	(²)	50
For loans by banks on stocks, under Regulation U.....	(²)55	40

¹ Regulations T and U limit the amount of credit that may be extended on a security by prescribing a maximum loan value, which is a specified percentage of its market value at the time of the extension; the "margin requirements" shown in this table are the difference between the market value (100%) and the maximum loan value.

² Requirement under Regulation T was the margin "customarily required" by the broker.

³ Regulation U became effective May 1, 1936.

NOTE.—Regulations T and U also provide special margin requirements on "omnibus" accounts and loans to brokers and dealers.

NO. 13.—ALL MEMBER BANKS—CONDITION ON DECEMBER 31, 1941, BY CLASSES OF BANKS

[Amounts in thousands of dollars]

	All member banks	All national member banks	All State member banks	Central reserve city member banks ¹		Reserve city member banks ¹	Country member banks ¹
				New York	Chicago		
ASSETS							
Loans (including overdrafts).....	18,020,904	11,725,496	6,295,408	4,072,172	954,288	7,104,682	5,889,762
United States Government direct obligations.....	15,706,687	9,755,221	5,951,466	5,585,248	1,311,338	5,293,564	3,516,537
Obligations guaranteed by United States Government.....	3,832,035	2,283,760	1,548,275	1,679,444	118,811	1,172,961	860,819
Obligations of States and political subdivisions.....	3,089,606	2,020,413	1,069,193	728,696	182,344	956,473	1,222,093
Obligations of Government corporations and agencies not guaranteed by United States.....	557,231	331,566	225,665	217,157	51,340	175,943	112,791
Other bonds, notes, and debentures.....	1,921,832	1,252,670	669,182	471,271	117,941	504,057	828,583
Corporate stocks (including Federal Reserve Bank stock).....	392,244	201,728	190,516	141,625	23,928	139,748	86,943
Total loans and investments.....	43,520,559	27,570,854	15,949,705	12,895,613	2,759,990	15,347,428	12,517,528
Reserve with Federal Reserve Banks.....	12,396,344	7,399,238	4,997,106	5,105,316	1,020,645	4,060,488	2,209,895
Cash in vault.....	1,086,752	779,420	307,332	93,061	42,727	425,150	525,814
Demand balances with banks in United States (except private banks and American branches of foreign banks).....	6,147,354	4,656,120	1,491,234	139,764	294,423	2,559,516	3,153,651
Other balances with banks in United States.....	98,519	74,973	23,546	1,588	3,797	30,521	62,613
Balances with banks in foreign countries.....	11,134	7,582	3,552	6,485	284	3,193	1,172
Due from own foreign branches.....	4,215	4,078	137			4,078	
Cash items in process of collection.....	3,382,586	2,060,017	1,322,569	1,290,434	204,149	1,439,492	448,511
Bank premises owned and furniture and fixtures.....	911,213	588,875	322,338	199,920	19,013	324,668	367,612
Other real estate owned.....	179,139	81,692	97,447	21,127	1,554	68,043	88,415
Investments and other assets indirectly representing bank premises or other real estate.....	98,449	54,036	44,413	10,169	718	65,648	21,914
Customers' liability on acceptances.....	72,427	40,112	32,315	43,558	1,675	23,772	3,422
Income accrued but not yet collected.....	110,586	64,145	46,441	39,927	8,609	41,830	20,220
Other assets.....	101,579	51,885	49,694	15,330	5,440	35,740	45,069
Total assets.....	68,120,856	43,433,027	24,687,829	19,862,429	4,363,024	24,429,567	19,465,836
LIABILITIES							
Demand deposits—Total.....	49,230,638	31,038,022	18,192,616	17,119,289	3,581,284	17,403,048	11,127,017
Individuals, partnerships, and corporations.....	33,061,264	20,445,710	12,615,554	11,282,381	2,152,174	11,126,938	8,499,771
United States Government ²	1,709,333	1,088,443	620,890	866,272	127,186	490,642	225,233
States and political subdivisions.....	3,065,567	2,232,509	833,058	318,656	232,766	1,143,880	1,370,265
Banks in United States.....	9,713,951	6,356,435	3,357,516	3,594,756	1,026,999	4,302,130	790,066
Banks in foreign countries.....	671,186	331,113	340,073	607,150	8,264	53,509	2,263
Certified and officers' checks, cash letters of credit and travelers' checks, etc.....	1,009,337	583,812	425,525	450,074	33,895	285,949	239,419
Time deposits—Total.....	12,486,751	8,420,374	4,066,377	812,565	475,820	4,910,994	6,288,272
Individuals, partnerships, and corporations:							
Savings deposits.....	10,513,338	7,185,971	3,327,367	407,729	424,868	4,148,305	5,532,436
Certificates of deposit.....	611,226	463,754	147,472	9,030	25,982	135,630	440,584
Christmas savings and similar accounts.....	30,136	20,337	9,799	1,067	203	10,832	18,034
Open accounts.....	723,343	264,688	458,655	360,202	24,567	247,536	91,038

Postal savings ²	50,473	36,347	14,126			19,896	30,577
States and political subdivisions.....	418,220	350,626	67,594	29,015	200	243,402	145,603
Banks in United States.....	132,923	93,339	39,584	180		102,743	30,000
Banks in foreign countries.....	7,002	5,312	1,780	5,342		1,750	
Total deposits	61,717,389	39,458,996	22,258,993	17,931,854	4,057,104	22,313,142	17,415,289
Due to own foreign branches.....	148,921	114,088	34,833	148,921			
Bills payable, rediscounts, and other liabilities for borrowed money.....	4,312	3,778	534				4,312
Acceptances outstanding.....	86,358	47,531	38,827	53,002	2,060	27,800	3,496
Dividends declared but not yet payable.....	37,902	23,459	14,443	17,338	980	11,594	7,990
Income collected but not yet earned.....	76,373	52,594	23,779	10,908	2,534	39,662	23,269
Expenses accrued and unpaid.....	98,807	62,497	36,310	26,062	10,217	42,820	19,708
Other liabilities.....	64,430	30,205	34,225	25,882	1,955	27,235	9,358
Total liabilities	62,234,492	39,792,548	22,441,944	18,213,967	4,074,850	22,462,253	17,483,422
CAPITAL ACCOUNTS							
Capital (see table 14).....	2,362,185	1,511,994	850,191	548,091	101,600	789,581	922,913
Surplus.....	2,394,336	1,386,051	1,008,285	840,674	120,590	763,842	669,230
Undivided profits.....	775,145	498,624	276,521	212,908	29,089	259,901	273,247
Reserves for contingencies.....	312,467	210,177	102,290	43,594	36,658	139,338	92,877
Other capital accounts.....	42,231	33,633	8,598	3,195	237	14,652	24,147
Total capital accounts	5,886,364	3,640,479	2,245,885	1,648,462	288,174	1,967,314	1,982,414
Total liabilities and capital accounts	68,120,856	43,433,027	24,687,829	19,862,429	4,363,024	24,429,567	19,465,836
Net demand deposits subject to reserve.....	39,707,549	24,325,282	15,382,267	15,689,091	3,083,912	13,405,669	7,528,877
Demand deposits-adjusted ³	33,753,582	21,202,014	12,551,568	10,760,677	2,214,686	11,117,275	9,660,944
Number of banks.....	6,619	5,117	1,502	36	13	351	6,219

¹ Banks are classed according to the reserves which they are required to carry (see table 11). Some banks classed as "country banks" are in outlying sections of reserve cities or central reserve cities, and some banks classed as "reserve city banks" are in outlying sections of central reserve cities. Figures for each class of banks include assets and liabilities of their domestic branches, whether located within or outside the cities in which the parent banks are located.

² United States Treasurer's *time* deposits, open accounts, are combined with postal savings (time) deposits.

³ Demand deposits other than interbank and United States Government, less cash items reported as in process of collection

NO. 14.—ALL MEMBER BANKS—CLASSIFICATION OF LOANS, INVESTMENTS, REAL ESTATE, AND CAPITAL ON DECEMBER 31, 1941
BY CLASSES OF BANKS

[In thousands of dollars]

	All member banks	All national member banks	All State member banks	Central reserve city member banks ¹		Reserve city member banks ¹	Country member banks ¹
				New York	Chicago		
Loans—Total	18,020,904	11,725,496	6,295,408	4,072,172	954,288	7,104,682	5,889,762
Commercial and industrial loans.....	8,063,757	5,176,981	2,886,776	2,715,736	711,190	3,205,791	1,431,040
Agricultural loans.....	972,321	518,172	154,149	8,096	5,515	299,921	658,789
Commercial paper bought in open market.....	477,939	319,189	158,750	16,195	16,330	205,811	239,603
Bills, acceptances, etc. payable in foreign countries.....	6,930	5,964	966	38	1,652	4,071	1,169
Acceptances of other banks, payable in United States.....	44,888	21,016	23,872	38,802	94	3,652	2,340
Reporting banks' own acceptances.....	77,600	48,970	28,630	36,203	2,699	36,923	1,775
Loans to brokers and dealers in securities.....	594,193	253,949	340,244	411,944	48,120	114,416	19,713
Other loans for purchasing or carrying securities.....	597,684	336,202	261,482	168,594	51,930	194,330	182,330
Real estate loans: On farm land.....	294,962	222,466	72,496	30	323	79,824	214,785
On residential property.....	2,396,116	1,542,503	853,613	62,482	12,701	1,086,631	1,234,302
On other properties.....	802,831	479,517	323,314	60,034	8,478	360,842	373,477
Loans to banks.....	39,023	14,641	24,382	31,955	585	4,215	2,268
All other loans.....	3,642,364	2,478,136	1,164,228	520,041	92,523	1,504,760	1,525,040
Overdrafts.....	10,296	7,790	2,506	2,022	2,148	3,495	2,631
United States Government direct obligations—Total	15,706,687	9,755,221	5,951,466	5,585,248	1,311,338	5,293,564	3,516,537
Treasury bills.....	970,898	675,265	295,633	310,707	255,855	294,668	109,668
Treasury notes.....	3,007,041	1,886,439	1,120,602	1,622,670	152,709	750,603	481,059
Bonds maturing in 5 years or less.....	1,452,292	736,185	716,107	804,147	60,563	359,255	228,327
Bonds maturing in 5 to 10 years.....	3,653,798	1,966,265	1,687,533	1,434,799	118,908	1,277,833	822,258
Bonds maturing in 10 to 20 years.....	5,456,368	3,690,358	1,766,010	1,258,371	540,742	2,233,981	1,423,274
Bonds maturing after 20 years.....	1,166,290	800,709	365,581	154,554	182,561	377,224	451,951
Obligations guaranteed by United States Government—Total	3,832,035	2,283,760	1,548,275	1,679,444	118,811	1,172,961	860,819
<i>Total amount maturing in 5 years or less</i>	2,602,315	1,384,251	1,218,064	1,202,241	114,827	744,557	540,690
Reconstruction Finance Corporation.....	1,338,847	612,017	726,830	703,002	84,219	330,286	221,340
Home Owners' Loan Corporation.....	1,427,822	1,034,358	393,464	574,309	5,857	493,585	354,071
Federal Farm Mortgage Corporation.....	499,986	294,890	205,096	196,421	1,008	166,713	135,844
Other Government corporations and agencies.....	565,380	342,495	222,885	205,712	27,727	182,377	149,564
Obligations of Government corporations and agencies, not guaranteed by United States—Total	557,231	331,566	225,665	217,157	51,340	175,943	112,791
<i>Total amount maturing in 5 years or less</i>	432,332	233,670	198,662	183,708	36,171	142,196	70,257
Federal Land Banks.....	167,471	110,840	56,631	56,865	16,349	42,318	51,939
Federal Intermediate Credit Banks.....	199,042	111,066	87,976	96,118	18,146	69,031	15,747
Other Government corporations and agencies.....	190,718	109,660	81,058	64,174	16,845	64,594	45,105
Obligations of States and political subdivisions—Total	3,089,606	2,020,413	1,069,193	728,696	182,344	956,473	1,222,093
In default.....	2,872	2,457	415	303	.....	728	1,841
Without specific maturity.....	190,054	148,994	41,060	8,221	66,264	55,304	60,265
Maturing in 5 years or less.....	1,827,730	1,059,891	767,839	579,275	78,654	514,189	655,612
Maturing after 5 years.....	1,068,950	809,071	259,879	140,897	37,426	386,252	504,375

Other bonds, notes, and debentures—Total	1,921,852	1,252,670	669,182	471,271	117,941	504,057	828,583
<i>Total amount in default</i>	<i>38,660</i>	<i>22,789</i>	<i>15,871</i>	<i>9,737</i>	<i>854</i>	<i>14,073</i>	<i>13,996</i>
<i>Total amount maturing in 5 years or less</i>	<i>625,572</i>	<i>339,636</i>	<i>285,936</i>	<i>238,571</i>	<i>60,499</i>	<i>169,277</i>	<i>157,225</i>
Railroads.....	698,640	458,285	240,355	162,661	33,159	193,436	309,384
Public utilities.....	421,102	279,102	142,000	57,853	30,393	102,166	230,690
Industrials.....	527,938	352,529	175,409	159,679	41,202	132,228	194,829
Other domestic corporations.....	137,312	73,415	63,897	62,402	5,107	35,088	34,715
Foreign public and private.....	136,860	89,339	47,521	28,676	8,080	41,139	58,965
Corporate stocks—Total	392,244	201,728	190,516	141,625	23,928	139,748	86,943
Federal Reserve Banks.....	142,117	86,562	55,555	41,303	6,660	46,531	47,623
Affiliates of reporting banks.....	98,174	45,928	52,246	40,801	276	51,767	5,330
Other domestic banks.....	15,329	4,643	10,686	1,869	9	6,253	7,198
Other domestic corporations.....	135,583	64,153	71,430	57,036	16,983	34,969	26,595
Foreign corporations.....	1,041	442	599	616		228	197
Bank premises, furniture and fixtures, and other real estate—Total	1,090,352	670,567	419,785	221,047	20,567	392,711	456,027
Bank premises.....	839,503	534,309	305,194	199,198	18,819	295,504	325,982
Furniture and fixtures.....	71,710	54,566	17,144	722	194	29,164	41,630
Farm land (including improvements).....	12,649	9,624	3,025	6	49	4,569	8,025
Residential properties.....	63,736	25,373	38,363	7,486	739	19,131	36,380
Other real properties.....	102,754	46,695	56,059	13,635	766	44,343	44,010
Assets indirectly representing bank premises or other real estate—Total	98,449	54,036	44,413	10,169	718	65,648	21,914
Investments.....	72,816	47,413	25,403	8,428	613	46,966	16,809
Other assets.....	25,633	6,623	19,010	1,741	105	18,682	5,105
Capital:							
Par or face value—Total	2,364,456	1,513,564	850,892	548,091	101,600	789,581	925,184
Capital notes and debentures.....	38,512		38,512	261		22,584	15,667
First preferred stock.....	220,587	155,429	65,158	9,011	1,600	86,631	123,345
Second preferred stock.....	17,716	12,983	4,733			2,150	15,566
Common stock.....	2,087,641	1,345,152	742,489	538,819	100,000	678,216	770,606
Retirable value of: First preferred stock.....	312,077	202,790	109,287	22,350	1,600	119,943	168,184
Second preferred stock.....	23,591	14,931	8,660			2,150	21,441

1 For footnote see preceding table.

NO. 15.—MEMBER BANK RESERVE BALANCES, RESERVE BANK CREDIT, AND RELATED ITEMS—END OF YEAR 1918–1940 AND END OF MONTH 1941

[In millions of dollars]

End of year or month	Reserve Bank credit outstanding					Gold stock ²	Treasury currency out-standing ³	Money in circulation	Treasury cash holdings ⁴	Treasury deposits with Federal Reserve Banks	Nonmember deposits ⁵	Other Federal Reserve accounts ⁶	Member bank reserve balances	
	Bills discounted	Bills bought	U. S. Government securities	Other Reserve Bank credit ¹	Total								Total	Excess ⁷
1918	1,766	287	239	206	2,498	2,873	1,795	4,951	288	51	121	118	1,636	51
1919	2,215	574	300	203	3,292	2,707	1,707	5,091	385	31	101	208	1,890	68
1920	2,687	260	287	120	3,355	2,639	1,709	5,325	218	57	23	298	1,781	.....
1921	1,144	145	234	40	1,563	3,373	1,842	4,403	214	96	27	285	1,753	99
1922	618	272	436	79	1,405	3,642	1,958	4,530	225	11	29	276	1,934	.....
1923	723	355	134	27	1,238	3,957	2,009	4,757	213	38	23	275	1,898	14
1924	320	387	540	54	1,302	4,212	2,025	4,760	211	51	39	258	2,220	59
1925	643	374	375	67	1,459	4,112	1,977	4,817	203	16	29	272	2,212	-44
1926	637	381	315	49	1,381	4,205	1,991	4,808	201	17	65	293	2,194	-56
1927	582	392	617	64	1,655	4,092	2,006	4,716	208	18	26	301	2,487	63
1928	1,056	489	228	35	1,809	3,854	2,012	4,686	202	23	27	348	2,389	-41
1929	632	392	511	48	1,583	3,997	2,022	4,578	216	29	30	393	2,355	-73
1930	251	364	729	29	1,373	4,306	2,027	4,603	211	19	28	375	2,471	96
1931	638	339	817	59	1,853	4,173	2,035	5,360	222	54	110	354	1,961	-33
1932	235	33	1,855	22	2,145	4,226	2,204	5,388	272	8	43	355	2,509	576
1933	98	133	2,437	20	2,688	4,036	2,303	5,519	284	3	132	360	2,729	859
1934	7	6	2,430	20	2,463	8,238	2,511	5,536	3,029	121	189	241	4,096	1,814
1935	5	5	2,431	45	2,486	10,125	2,476	5,882	2,566	544	255	253	5,587	2,844
1936	3	3	2,430	64	2,500	11,258	2,532	6,543	2,376	244	259	261	6,606	1,984
1937	10	1	2,564	38	2,612	12,760	2,637	6,550	3,619	142	407	263	7,027	1,212
1938	4	1	2,564	33	2,601	14,512	2,798	6,856	2,706	923	441	260	8,724	3,205
1939	7	.....	2,484	102	2,593	17,644	2,963	7,598	2,409	634	653	251	11,653	5,209
1940	3	.....	2,184	87	2,274	21,995	3,087	8,732	2,213	368	1,732	284	14,026	6,615
1941—Jan.	2	.....	2,184	64	2,250	22,116	3,097	8,593	2,193	688	1,777	282	13,930	6,380
Feb.	3	.....	2,184	78	2,265	22,232	3,102	8,781	2,187	343	1,805	281	14,203	6,534
Mar.	3	.....	2,184	56	2,243	22,367	3,109	8,924	2,236	1,180	1,721	288	13,371	5,776
Apr.	2	.....	2,184	48	2,234	22,506	3,122	9,071	2,283	865	1,830	288	13,524	5,771
May	4	.....	2,184	92	2,280	22,575	3,134	9,357	2,215	443	1,965	285	13,724	5,801
June	2	.....	2,184	81	2,267	22,624	3,149	9,612	2,275	980	1,831	290	13,051	5,215
July	5	.....	2,184	104	2,293	22,675	3,166	9,732	2,334	877	1,752	287	13,051	5,215
Aug.	11	.....	2,184	80	2,275	22,719	3,181	9,995	2,376	906	1,821	284	12,794	4,796
Sept.	11	.....	2,184	69	2,264	22,761	3,198	10,163	2,281	423	1,838	292	13,227	5,169
Oct.	6	.....	2,184	119	2,309	22,800	3,219	10,364	2,207	987	1,899	291	12,580	4,557
Nov.	6	.....	2,184	122	2,312	22,785	3,231	10,640	2,188	429	1,644	288	13,140	3,828
Dec.	3	.....	2,254	104	2,361	22,737	3,247	11,160	2,215	867	1,360	291	12,450	3,085

¹ Includes Government overdrafts in 1918, 1919 and 1920; includes industrial advances outstanding since July 1934.

² By proclamation of the President, dated January 31, 1934, the weight of the gold dollar was reduced from 25 8/10 grains to 15 5/21 grains, nine-tenths fine. Between January 31, 1934, and February 1, 1934, the gold stock increased \$2,985,000,000, of which \$2,806,000,000 was the increment resulting from the reduction in the weight of the gold dollar and the remainder was gold which had been purchased by the Treasury previously but not added to the gold stock. The increment was covered into the Treasury as a miscellaneous receipt, and appeared together with the new gold as a General Fund asset. These transactions were also reflected in an increase in the item "Treasury cash." The increment arising from United States gold coin turned in by the public after January 31, 1934, was also added to both gold stock and Treasury cash at the time of receipt. The increment from this source amounted to about \$7,000,000, from February 1 to December 31, 1934, to about \$1,000,000 in 1935, to \$1,800,000 in 1936, to \$1,200,000 in 1937, to \$500,000 in 1938, to \$350,000 in 1939, to \$450,000 in 1940 and to \$205,000 in 1941.

³ Comprises outstanding United States notes, national bank notes, silver bullion, Treasury notes of 1890, standard silver dollars, subsidiary silver and minor coin, and the Federal Reserve Bank notes for the retirement of which lawful money has been deposited with the Treasurer of the United States, including the currency of these kinds that is held in the Treasury and the Federal Reserve Banks as well as that in circulation.

⁴ Cash (including gold bullion) held in the Treasury excepting (a) gold and silver held against gold and silver certificates and (b) amounts held for the Federal Reserve Banks.

⁵ Item includes all deposits in Federal Reserve Banks except Government deposits and member bank reserve balances.

⁶ This item is derived from the condition statement of the Federal Reserve Banks by adding capital, surplus, other capital accounts, and "other liabilities, including accrued dividends," and subtracting the sum of bank premises and "other assets."

⁷ Represents excess of total reserve balances over reserves required to be held by member banks against their deposits. Figures not available prior to 1929 except on call dates, and since April 1933 are for licensed member banks only. For required reserves and changes in the percentages of requirements see table 11.

NO. 16.—NUMBER OF BANKS AND BRANCHES IN UNITED STATES, 1933-1941

End of year figures	Member banks		Nonmember banks			Total	Branches		
	National	State	Other than mutual savings and private banks		Mutual savings		Private ²	In head-office cities	Outside head-office cities
			Insured ¹	Non-insured ¹					
Number of banking offices									
1933	6,275	1,817	9,041		704	103	17,940		
1934	6,705	1,961	39,579		705	246	19,196		
1935	6,715	1,953	8,556	1,088	698	143	19,153		
1936	6,723	2,032	8,436	1,043	693	139	19,066		
1937	6,745	2,075	8,340	997	691	79	18,927		
1938	6,723	2,106	8,224	958	690	73	18,774		
1939	6,705	2,177	8,098	931	683	69	18,663		
1940	6,683	2,344	7,891	895	686	62	18,561		
1941	6,682	2,517	7,741	846	4680	558	18,524		
Number of banks (Head offices)									
1933	5,154	857	8,341		579	98	15,029		
1934	5,462	980	7,693	1,108	579	241	16,063		
1935	5,386	1,001	7,728	1,046	570	138	15,869		
1936	5,325	1,051	7,588	1,004	565	134	15,667		
1937	5,260	1,081	7,449	960	563	74	15,387		
1938	5,224	1,114	7,316	917	555	68	15,194		
1939	5,187	1,175	7,171	887	551	63	15,034		
1940	5,144	1,342	6,951	851	551	56	14,895		
1941	5,117	61,502	6,809	800	545	52	14,825		
Number of branches									
1933	1,121	960	700		125	5	2,911	1,784	1,127
1934	1,243	981	778		126	5	3,133	1,776	1,357
1935	1,329	952	828	42	128	5	3,284	1,754	1,530
1936	1,398	981	848	39	128	5	3,399	1,749	1,650
1937	1,485	994	891	37	128	5	3,540	1,757	1,783
1938	1,499	992	908	41	135	5	3,580	1,743	1,837
1939	1,518	1,002	927	44	132	6	3,629	1,738	1,891
1940	1,539	1,002	940	44	135	6	3,666	1,716	1,950
1941	1,565	1,015	932	46	135	6	3,699	1,726	1,973

¹ Federal deposit insurance did not become operative until January 1, 1934.

² The figures for December 1934 include 140 private banks which reported to the Comptroller of the Currency under the provisions of Section 21(a) of the Banking Act of 1933. Under the provisions of the Banking Act of 1935, private banks no longer report to the Comptroller of the Currency and, accordingly, only such private banks as report to State banking departments are in the figures shown for subsequent years.

³ Separate figures not available for branches of insured and noninsured banks.

⁴ Comprises 49 insured banks with 32 branches and 496 noninsured banks with 103 branches. The figures beginning with 1939 exclude one bank with 4 branches which theretofore was classified as an insured mutual savings bank but is now included with "Nonmember banks other than mutual savings and private banks."

⁵ Comprises 1 insured bank with no branches and 51 noninsured banks with 6 branches.

⁶ Includes 3 mutual savings banks.

NO. 17.—ANALYSIS OF CHANGES IN NUMBER OF BANKS AND BRANCHES DURING 1941

	Total	Member banks		Nonmember banks			
		National	State	Other than mutual savings and private banks		Mutual savings	Private
				Insured	Non-insured		
ANALYSIS OF BANK CHANGES							
Number of banks on December 31, 1940.....	14,895	5,144	1,342	6,951	851	551	56
Increases in number of banks:							
Primary organizations (new banks) ¹	+53	+7	+1	+32	+13		
Decreases in number of banks:							
Suspensions.....	-8	-4		-3	-1		
Voluntary liquidations ²	-42	-6	-2	-16	-16		-2
Consolidations, absorptions, etc.....	-63	-22	-1	-29	-7	-3	-1
Unclassified.....	-10			-2	-8		
Inter-class bank changes:							
Conversions—							
National into State.....		-8	+2	+6			
State into national.....		+6	-4	-2			
Private into State.....				+1			-1
Federal Reserve membership— ³							
Admissions of State banks.....			+169	-162	-4	-3	
Withdrawals of State banks.....			-5	+5			
Federal deposit insurance— ⁴							
Admissions of State banks.....				+29	-29		
Withdrawals of State banks.....				-1	+1		
Net increase or decrease in number of banks.....	-70	-27	+160	-142	-51	-6	-4
Number of banks on December 31, 1941.....	14,825	5,117	⁵ 1,502	6,809	800	545	52
ANALYSIS OF BRANCH CHANGES							
Number of branches on December 31, 1940.....	3,666	1,539	1,002	940	44	135	6
Increases in number of branches:							
De novo branches.....	+51	+15	+7	+23	+6		
Banks converted into branches.....	+19	+3	+6	+9		+1	
Decreases in number of branches:							
Voluntary liquidation of parent bank.....	-1	-1					
Otherwise discontinued.....	-36	-9	-8	-16	-2	-1	
Interclass branch changes:							
From national to State.....		-2		+2			
From State to national.....		+20	-20				
From nonmember to State member.....			+28	-28			
From uninsured to insured nonmember.....				+2	-2		
Net increase or decrease in number of branches.....	+33	+26	+13	-8	+2		
Number of branches on December 31, 1941.....	3,699	1,565	1,015	932	46	135	6

¹ Exclusive of new banks organized to succeed operating banks.

² Exclusive of liquidations incident to the succession, conversion, and absorption of banks.

³ Exclusive of conversions of national banks into State bank members, or vice versa, as such conversions do not affect Federal Reserve membership.

⁴ Exclusive of conversions of member banks into insured nonmember banks, or vice versa, as such conversions do not affect Federal Deposit Insurance Corporation membership.

⁵ Includes 3 mutual savings banks.

NO. 18.—NUMBER OF BANKS ON PAR LIST AND NOT ON PAR LIST¹ BY FEDERAL RESERVE DISTRICTS AND STATES, ON DECEMBER 31, 1940 AND 1941

Federal Reserve district or State	Member banks		Nonmember banks, other than mutual savings banks			
			On par list		Not on par list	
	Dec. 31, 1941	Dec. 31, 1940	Dec. 31, 1941	Dec. 31, 1940	Dec. 31, 1941	Dec. 31, 1940
DISTRICT						
Boston.....	347	350	162	165		
New York.....	797	765	195	243		
Philadelphia.....	659	651	224	236		
Cleveland.....	673	658	538	558	2	2
Richmond.....	447	431	275	289	289	289
Atlanta.....	317	316	82	82	704	695
Chicago.....	899	856	1,338	1,392	220	221
St. Louis.....	437	415	621	661	443	443
Minneapolis.....	452	460	115	120	716	706
Kansas City.....	741	739	905	919	176	176
Dallas.....	573	568	241	246	152	154
San Francisco.....	277	277	228	235	29	29
Total.....	6,619	6,486	4,924	5,146	2,731	2,715
STATE						
New England:						
Maine.....	40	42	26	27		
New Hampshire.....	53	53	12	12		
Vermont.....	40	41	32	32		
Massachusetts.....	153	154	41	42		
Rhode Island.....	14	14	9	9		
Connecticut.....	60	58	57	59		
Middle Atlantic:						
New York.....	580	557	133	170		
New Jersey.....	291	280	61	74		
Pennsylvania.....	778	773	288	298		
East North Central:						
Ohio.....	379	363	312	330		
Indiana.....	201	184	296	315	3	3
Illinois.....	434	419	364	394	32	28
Michigan.....	224	220	230	237	1	1
Wisconsin.....	145	137	260	272	161	160
West North Central:						
Minnesota.....	207	209	48	50	420	415
Iowa.....	154	148	390	397	114	113
Missouri.....	160	150	344	363	107	106
North Dakota.....	45	45	4	5	112	113
South Dakota.....	60	63	6	6	96	95
Nebraska.....	147	147	107	108	164	162
Kansas.....	209	206	447	457		1
South Atlantic:						
Delaware.....	18	19	23	23		
Maryland.....	74	73	100	101		
District of Columbia.....	17	15	5	7		
Virginia.....	184	176	91	99	39	39
West Virginia.....	101	98	74	76	6	6
North Carolina.....	55	54	17	18	125	125
South Carolina.....	27	26	4	4	119	119
Georgia.....	69	69	19	17	261	256
Florida.....	58	57	15	15	89	88
East South Central:						
Kentucky.....	113	112	275	280	10	10
Tennessee.....	77	77	47	51	173	169
Alabama.....	82	82	4	4	132	131
Mississippi.....	26	26	6	4	175	177
West South Central:						
Arkansas.....	59	57	44	46	127	133
Louisiana.....	37	37	4	4	105	104
Oklahoma.....	218	219	160	159	12	12
Texas.....	530	525	227	232	96	98
Mountain:						
Montana.....	66	67	24	24	22	20
Idaho.....	28	27	22	23		
Wyoming.....	35	35	22	22	1	1
Colorado.....	93	93	51	52		1
New Mexico.....	27	27	15	14		
Arizona.....	7	7	5	5		
Utah.....	34	33	26	27		
Nevada.....	8	8	4	3		
Pacific:						
Washington.....	57	57	51	51	26	26
Oregon.....	32	32	36	36	3	3
California.....	113	115	86	92		

¹ Includes all member banks, and all nonmember banks on which checks are drawn (except mutual savings banks, on a few of which some checks are drawn). Banks "not on par list" comprise non-member banks which have not agreed to pay without deduction such checks drawn upon them as may be forwarded for payment through the Federal Reserve Banks. Checks on such banks are not collectible through the Federal Reserve Banks. The difference of 6 between the number of nonmember banks on December 31, 1941 shown in this table and in table 16 is due to the fact that this table excludes 142 banks (principally 64 industrial banks and 59 non-deposit trust companies) on which no checks are drawn, and includes 136 banks (principally 117 private banks and 15 cooperative banks) on which checks are drawn but which (1) are not reporting to State banking departments, (2) are in Federal Reserve Bank of St. Louis

NO. 19.—MONEY RATES, BOND YIELDS, AND STOCK PRICES ¹

Year and Month	Open-market rates in New York City ² (per cent per annum)				Bond Yields ³ (per cent per annum)			Common stock prices ⁴ (1935-39 = 100)			
	Prime commercial paper, 4-6 months	U. S. Treasury bills ⁵	U. S. Treasury notes		U. S. Treasury	Corporate		Total	Industrial	Rail-road	Public utility
			Tax-exempt	Tax-able ⁶		Aaa	Baa				
Number of issues . . .			1-6	1-2	2-6	30	30	402	354	20	28
1919	75.37				4.73	5.49	7.25	74.6	65.6	186.5	70.5
1920	77.50				5.32	6.12	8.20	67.8	59.8	169.6	63.6
1921	76.61				5.09	5.97	8.35	58.3	46.7	163.8	67.5
1922	74.52				4.30	5.10	7.08	71.5	58.4	192.7	82.8
1923	75.07				4.36	5.12	7.24	72.9	60.1	190.6	86.2
1924	73.96				4.06	5.00	6.83	76.9	62.9	203.5	92.1
1925	74.04				3.86	4.88	6.27	94.8	79.9	237.5	110.9
1926	4.34				3.68	4.73	5.87	105.6	90.3	215.8	116.9
1927	4.11				3.34	4.57	5.48	124.9	107.0	315.8	135.5
1928	4.86				3.33	4.55	5.48	158.3	139.4	340.9	173.9
1929	5.85				3.60	4.73	5.90	200.9	171.1	390.7	274.1
1930	3.59				3.29	4.55	5.90	158.2	127.0	331.3	250.7
1931	2.63	1.402			3.34	4.58	7.62	99.5	78.5	191.3	172.8
1932	2.73	0.879			3.68	5.01	9.30	51.2	41.8	69.5	92.1
1933	1.72	0.515	2.66		3.31	4.49	7.76	67.0	59.9	100.8	91.4
1934	1.02	0.256	2.12		3.12	4.00	6.32	76.6	73.4	110.1	80.5
1935	.76	0.137	1.29		2.79	3.60	5.75	82.9	82.2	90.2	83.9
1936	.75	0.143	1.11		2.65	3.24	4.77	117.5	115.2	136.5	122.1
1937	.95	0.447	1.40		2.68	3.26	5.03	117.5	118.1	129.8	110.4
1938	.81	0.053	0.83		2.56	3.19	5.80	88.2	90.1	69.5	85.6
1939	.59	0.023	0.59		2.36	3.01	4.96	94.2	94.8	74.7	98.6
1940	.56	0.014	0.50		2.21	2.84	4.75	88.1	87.9	71.1	95.8
1941	.54	0.103	0.46	0.76	1.95	2.77	4.33	80.0	80.4	70.6	81.0
1940											
January	.56	(?)	0.47		2.30	2.88	4.86	97.4	97.7	77.7	103.0
February	.56	0.004	0.46		2.32	2.86	4.83	96.8	97.1	76.5	102.4
March	.56	(?)	0.42		2.25	2.84	4.80	96.7	97.3	76.7	101.6
April	.56	0.003	0.45		2.25	2.82	4.74	98.1	98.7	77.3	102.6
May	.56	0.042	0.65		2.38	2.93	4.94	85.1	85.2	65.4	92.3
June	.56	0.071	0.76		2.39	2.96	5.11	78.1	77.3	60.8	88.5
July	.56	0.009	0.57		2.28	2.88	4.80	80.8	79.3	62.8	93.9
August	.56	0.019	0.58		2.25	2.85	4.76	81.6	80.3	66.0	93.5
September	.56	0.021	0.48		2.18	2.82	4.66	85.5	84.6	71.6	94.7
October	.56	(?)	0.43		2.10	2.79	4.56	86.0	85.4	72.6	93.7
November	.56	0.003	0.34		1.97	2.75	4.48	86.7	86.6	73.6	92.3
December	.56	(?)	0.35		1.89	2.71	4.45	84.9	84.9	70.0	90.6
1941											
January	.56	(?)	0.43	0.76	1.99	2.75	4.38	85.0	84.7	73.4	91.1
February	.56	0.034	0.55	0.81	2.10	2.78	4.42	80.1	79.4	70.0	87.1
March	.56	0.089	0.50	0.84	2.01	2.80	4.38	80.3	79.6	70.6	87.1
April	.56	0.092	0.52	0.81	1.96	2.82	4.33	77.9	77.3	71.2	83.1
May	.56	0.082	0.44	0.72	1.92	2.81	4.32	77.1	77.3	70.7	78.9
June	.56	0.089	0.38	0.68	1.91	2.77	4.31	79.5	79.7	70.9	81.6
July	.56	0.097	0.37	0.67	1.90	2.74	4.28	83.2	84.2	73.8	81.8
August	.50	0.108	0.33	0.62	1.94	2.74	4.27	83.2	84.3	74.4	81.0
September	.50	0.055	0.34	0.62	1.94	2.75	4.30	83.6	84.8	72.6	81.3
October	.50	0.049	0.41	0.72	1.88	2.73	4.28	80.4	81.6	70.3	78.5
November	.50	0.242	0.57	0.90	1.85	2.72	4.28	77.4	78.6	68.4	74.5
December	.56	0.298	0.64	1.02	1.97	2.80	4.38	71.8	73.8	61.0	66.2

¹ Annual data are averages of monthly figures. [†] Revised.

² For commercial paper, monthly data are prevailing rates; for Treasury bills, the average rates on new issues within period; and for Treasury notes the averages of daily figures for 3- to 5-year issues. Treasury bill series comprises 90-day bills to February 16, 1934; 182-day bills from February 23, 1934 to February 23, 1935; 273-day bills from March 1, 1935 to October 15, 1937; bills maturing about March 16, 1938, from October 22 to December 10, 1937; and 91-day bills thereafter, with the exception of those issued December 24 and 31, 1941, which were 82 and 76-day bills, respectively.

³ Monthly data are averages of daily figures. U. S. Treasury bond yields are averages of all outstanding partially tax-exempt bonds due or callable in more than eight years from 1919 to 1925 and in more than twelve years beginning in 1926. Corporate average yields are as published by Moody's Investors Service; until 1928 each rating group included 15 bonds; since the early part of 1934 there have been less than 30 bonds in the Aaa group owing to the limited number of suitable issues in the industrial and railroad groups.

⁴ Standard and Poor's Corporation. Monthly data are averages of Wednesday figures.

⁵ Tax-exempt bills prior to March 1941; taxable bills thereafter.

⁶ First issued in December 1940.

⁷ Negative rate.

NO. 20.—BUSINESS INDEXES¹

[Adjusted for seasonal variation]

Year and month	Industrial production (physical volume) 1935-39 = 100				Construction contracts awarded (value) ² 1923-25 = 100			Employment (number)		Freight-car loadings (number) 1935-39 = 100	Department store sales (value) 1923-25 = 100	Wholesale commodity prices* 1926 = 100	National income payments (value) 1935-39 = 100	
	Total	Durable manufactures	Non-durable manufactures	Minerals	Total	Residential	All other	Nonagricultural 1935-39 = 100	Factory 1923-25 = 100					
1919	72	84	62	71	63	44	79	106.7	98.0	120	78	138.6		
1920	75	93	60	83	63	30	90	107.1	117.2	129	94	154.4		
1921	58	53	57	66	56	44	65	82.0	75.6	110	87	97.6		
1922	73	81	67	71	79	68	88	90.7	81.2	121	88	96.7		
1923	88	103	72	98	84	81	86	103.8	102.9	142	98	100.6		
1924	82	95	69	89	94	95	94	96.4	96.0	139	99	98.1		
1925	90	107	76	92	122	124	120	99.8	101.1	146	103	103.5		
1926	96	114	79	100	129	121	135	101.7	104.2	152	106	100.0		
1927	95	107	83	100	129	117	139	99.5	102.4	147	107	95.4		
1928	99	117	85	99	135	126	142	99.7	103.5	148	108	96.7		
1929	110	132	93	107	117	87	142	106.0	110.4	152	111	95.3	122.9	
1930	91	98	84	93	92	50	125	100.3	92.4	89.4	131	86.4	109.1	
1931	75	67	79	80	63	37	84	91.6	78.1	67.8	105	92	73.0	92.3
1932	58	41	70	67	28	13	40	82.2	66.3	46.7	78	69	64.8	70.6
1933	69	54	79	76	25	11	37	82.9	73.4	50.1	82	67	65.9	68.9
1934	75	65	81	80	32	12	48	90.1	85.7	64.5	89	75	74.9	78.7
1935	87	83	90	86	37	21	50	93.8	91.3	74.1	92	79	80.0	87.1
1936	103	108	100	99	55	37	70	99.8	99.0	85.8	107	88	80.8	101.3
1937	113	122	106	112	59	41	74	105.0	108.6	102.5	111	92	86.3	107.7
1938	89	78	95	97	64	45	80	98.6	90.9	78.5	89	85	78.6	98.5
1939	108	109	108	106	72	60	81	102.8	99.9	92.2	101	90	77.1	105.5
1940	123	138	113	117	81	72	89	106.4	107.5	105.4	109	94	78.6	113.8
1941	156	193	135	125	122	89	149	115.6	127.7	148.8	130	110	87.3	137.0
1940														
January	122	134	113	118	75	53	93	105.6	107.6	99.8	111	92	79.4	110.7
February	116	124	110	114	63	56	68	104.9	105.8	99.3	105	90	78.7	110.7
March	113	118	107	117	62	57	66	104.7	104.0	99.8	100	89	78.4	110.3
April	112	116	107	119	64	62	66	104.0	102.8	97.9	103	89	78.6	110.6
May	116	123	110	117	64	64	65	104.5	102.8	97.8	106	89	78.4	112.0
June	122	133	114	119	74	69	77	105.0	103.9	99.5	111	91	77.5	112.1
July	122	136	113	119	85	77	91	105.4	105.1	98.2	110	92	77.7	112.8
August	124	143	112	114	90	82	98	106.3	107.4	103.5	112	98	77.4	113.9
September	127	151	112	117	93	82	101	106.9	108.9	111.6	112	97	78.0	115.5
October	130	155	117	113	95	85	103	108.1	111.4	116.2	110	94	78.7	117.2
November	134	157	120	118	111	87	130	109.7	114.2	116.4	116	100	79.6	117.7
December	139	164	124	118	115	90	136	111.5	116.6	122.4	119	101	80.0	121.3
1941														
January	140	171	123	119	103	84	117	111.8	118.3	120.7	122	101	80.8	123.4
February	144	176	126	118	99	76	118	112.5	118.6	126.8	124	103	80.6	125.4
March	147	180	128	125	94	74	109	112.3	119.4	131.2	126	103	81.5	127.2
April	144	180	131	95	103	80	121	112.5	122.0	134.7	112	104	83.2	129.4
May	154	190	135	126	101	88	111	114.0	124.9	144.1	135	105	84.9	133.6
June	159	195	139	132	117	101	129	115.4	128.7	152.1	139	104	87.1	137.0
July	160	199	138	131	139	115	158	117.1	133.3	152.7	138	115	88.8	138.9
August	160	199	139	132	132	112	184	117.7	133.3	158.1	139	134	90.3	141.1
September	161	203	137	131	161	105	206	117.5	132.3	162.6	130	116	91.8	143.1
October	163	207	139	130	145	87	192	118.0	132.8	167.0	127	105	92.4	145.4
November	166	209	144	131	138	74	189	119.2	134.4	165.4	135	116	92.5	146.5
December	167	214	141	130	123	69	167	120.0	134.9	170.2	137	111	93.6	154.7

* Without seasonal adjustment.

¹ Indexes compiled by the Board of Governors of the Federal Reserve System, except for indexes of wholesale commodity prices and factory pay rolls, compiled by the United States Bureau of Labor Statistics, and the index of income payments, compiled by the United States Department of Commerce. Descriptions and back figures for the Board's indexes may be obtained from the Division of Research and Statistics.

² Three-month moving average, centered at second month, based on F. W. Dodge Corporation data for 37 Eastern States.

APPENDIX

RECORD OF POLICY ACTIONS

BOARD OF GOVERNORS

MEETING ON JANUARY 16, 1941

Members present: Mr. Eccles, Chairman; Mr. Ransom, Vice Chairman; Mr. Szymczak, Mr. McKee, Mr. Davis, Mr. Draper.

Amendment to Regulation U. Loans by Banks for the Purpose of Purchasing or Carrying Stocks Registered on a National Securities Exchange.

By unanimous vote, Regulation U, Loans by Banks for the Purpose of Purchasing or Carrying Stocks Registered on a National Securities Exchange, was amended in certain respects, effective February 17, 1941. It was stated, however, that any bank, at its option, could conduct its operations in accordance with the amendment at any time prior to that date.

In connection with this action, the Board issued a statement to the press under date of January 17, 1941, in which the reasons for the amendment are set forth as follows:

"The Board of Governors of the Federal Reserve System has adopted the attached amendment to Regulation U, Loans by Banks for the Purpose of Purchasing or Carrying Stocks Registered on a National Securities Exchange.

"The amendment, which becomes effective February 17, 1941, is essentially technical. Its principal purpose is to reconcile provisions of Regulation U with rules recently issued by the Securities and Exchange Commission with respect to the hypothecation by brokers or dealers of securities carried by them for the account of customers (Rule X-8C-1 and Rule X-15C2-1), which become effective on February 17, 1941.

"These SEC rules, in order to safeguard the rights of customers in their securities, provide among other things that when a broker or dealer borrows on any customers' securities he must not commingle them with his own under the same pledge. The amendment to Regulation U takes account of this requirement by providing, in effect, that any indebtedness of a broker or dealer that is secured by customers' securities shall be treated separately from any of his other indebtedness. There are provisions, however, both in the SEC rules and in Regulation U, which permit an agreement between the borrower and the lender by which securities belonging to the broker or dealer himself may be used as supplementary collateral for a loan secured by securities of his customers.

"In addition to making changes necessitated by the SEC rules, the amendment to Regulation U provides for a simple mechanism by which collateral that is used to meet the requirements of Regulation U may be earmarked and distinguished from other collateral which, even though it secures a loan subject to the regulation, is not used for the purpose of meeting those requirements. This will simplify operations under the regulation, especially in cases involving loans to a broker and dealer in securities who has at the bank both a loan that is subject to the

Board's margin requirements and a loan that is not subject to these requirements. In connection with this mechanism, collateral which must be used to meet the Board's margin requirements for certain loans to brokers and dealers may be used for other purposes only to a limited extent. In particular, it may not be used to enable the borrower to obtain on the basis of the same collateral both a loan subject to the Board's margin requirements and a loan not subject thereto. This restriction, however, does not apply to the use of collateral for purposes of maintaining both loans, provided both loans have been properly made in the first place.

"One effect of the amendment will be to enable banks which must revise any of their loan agreements with brokers or dealers as a consequence of the SEC rules to do so with a minimum of inconvenience.

"The amendment does not require any bank to reduce any loan, to obtain additional collateral for any loan, or to call any outstanding loan because of insufficient collateral."

(Secretary's Note: At the meeting of the Board of Governors on February 13, 1941, at which Messrs. Eccles, Ransom, Szymczak, Davis and Draper were present, it was unanimously voted to postpone to February 24, 1941, the effective date of the amendment to Regulation U above referred to. The reason for the extension was that the Securities and Exchange Commission, at the request of certain brokers and dealers in securities, had postponed until February 24, 1941, the effective date of its rules with respect to the hypothecation of customer securities.)

MEETING ON AUGUST 21, 1941

Members present: Mr. Eccles, Chairman; Mr. Ransom, Vice Chairman; Mr. Szymczak, Mr. Draper.

Adoption of Regulation W. Consumer Credit.

By unanimous vote, Regulation W relating primarily to extensions of instalment credit for the purpose of purchasing certain designated types of consumers' durable goods was adopted to become effective on September 1, 1941, except that certain sections were made effective October 1, 1941, November 1, 1941, and January 1, 1942.

The reasons for regulating consumer credit and for assigning this task to the Board of Governors of the Federal Reserve System are set forth in the Executive Order of the President of the United States under which the regulation was issued. After the Executive Order became effective representatives of the Board conferred with the consultative committee created by section 1(c) of the Executive Order and with representatives of the Federal Reserve Banks and the trade, and the regulation was adopted after careful consideration of suggestions made by interested parties.

The Board took the position that it was desirable that in the beginning the Regulation be in such form as to apply moderate restrictions in a manner consistent, where possible, with prevailing trade standards and thereby lay a basis for such subsequent changes in coverage and adjustment of terms as experience and economic developments might indicate to be necessary in order to carry out the purposes of the Executive Order, without imposing unnecessary burdens on consumers, dealers, or credit institutions.

The following statement with respect to the reasons for the Regulation was released to the press by Chairman Eccles on August 25, 1941:

"It is important that the public know why they are asked to accept and to cooperate in making effective the President's Executive Order calling for regulation of instalment credit. Employment and national income are rapidly rising to new high levels primarily because of the huge defense expenditures. This means that by and large people have more money to spend than ever before. This is happening at a time when more and more of our industrial plant must be used to produce defense materials. To the extent that plants can be expanded, or can work longer hours, or that shortages of strategic materials or of skilled help, can be overcome, we can produce both for defense and for civilian consumption. And the aim of all policy should be to increase production to the fullest possible extent. But we know that there are acute shortages of certain metals and other strategic materials. We know that beyond a point our plants cannot turn out more and more goods for the public and at the same time produce more and more for defense. The imperative demands of defense must have the right of way over civilian needs.

"If there are no restraints upon the public's spending of increasing income for articles that cannot be produced in sufficient quantity to meet the increasing demand, the inevitable result is that the prices of these articles will be rapidly bid up. The consequence is what is commonly termed inflation. Inflation is as destructive as deflation. It shatters all of the adjustments of our economic machine. It hits hardest of all those of small means. It would not only vastly increase the costs of defense, but it would imperil our entire economy and make increasingly difficult the adjustments of the post-war period.

"The Government is striving in various ways to combat inflation. Taxation is a means not only of helping to pay for defense but of drawing off buying power that would otherwise inundate our markets. Similarly, the Treasury has appealed to the public to invest in savings bonds and stamps, and in tax anticipation notes, to aid in meeting the costs of defense and to divert money from the marketplace until such time as we can turn again to peace time production.

"These broad measures have to be backed up by others. Thus, in the case of acute shortages, the Government has had to fix prices, to invoke rationing and priorities. Beyond all this, however, it is evident that if we, in effect, draw off buying power with one hand and extend credit with the other, we have accomplished nothing in reducing the aggregate demand in the markets. If you pay \$50 in taxes and invest \$50 in savings bonds, and then turn around and borrow \$100 to spend, you have not curtailed your purchases by a penny.

"Accordingly, it is of primary importance that restraints be placed upon the wholesale extension of credit, including instalment buying. The volume of instalment credit has been expanding very rapidly, as it always does in times of rising national income. Yet when incomes are at high levels, that is the time when people should reduce their debts or get out of debt. Our people cannot spend their increased incomes and go into debt for more and more things today without precipitating a price inflation that would recoil ruinously upon all of us. Instead of an ever-expanding volume of consumer credit, we need to bring about a substantial reduction in the total outstanding. Civilian demand for goods must be adjusted as closely as possible to supplies available for

consumption. Regulation of instalment credit is a necessary measure to this end. By deferring civilian demand at this time we can help avoid inflation, we can aid in defense, and we can store up a backlog of buying power that will help offset a post-defense slump.

"The impression held by some that regulation of instalment buying tends to restrict production or to curtail the business of dealers in merchandise is based on misunderstanding. It is because of defense needs, not because of regulation of instalment credit, that civilian supply is reduced in various lines, such as automobiles. The purpose of instalment credit regulation is to help dampen demand for goods the civilian supply of which has already been reduced and must be further reduced because of defense needs. In a word, the purpose is to dampen demand, not to diminish production. If production could keep pace with both civilian and defense demands, we would have no price inflation troubles. We would need none of the measures of control and regulation which are being invoked with the objective of protecting the public.

"The regulation issued by the Board of Governors of the Federal Reserve System covers a list of consumers' durable goods. Demand for these goods tends to cause inflationary price rises as well as to absorb materials increasingly needed for defense. The regulation prescribes instalment terms that are by no means stringent or onerous. It does not prohibit buying on instalments, whether it be automobiles or ice boxes. It is a supplemental instrument to be used in conjunction with the broader, more basic fiscal and other governmental powers in combating price inflation. It is not being used as an instrument of reform or alteration of the fundamentals of our economic system. In effect, it recognizes what in many lines are standard practices. The intent is not to disrupt but to protect the economy.

"The public should be fully aware, however, that the regulation is subject to change from time to time as experience with its administration develops, and as economic conditions require a further dampening of buying power in order to safeguard the interests of consumers and the public generally."

MEETING ON SEPTEMBER 19, 1941

Members present: Mr. Ransom, Vice Chairman; Mr. Szymczak, Mr. McKee, Mr. Draper.

Amendment No. 1 to Regulation W. Consumer Credit.

By unanimous vote, Part 3(a) of the Supplement to Regulation W was amended, effective September 20, 1941, to provide that the basis for determining the maximum credit value of new automobiles would include (in addition to taxes and bona fide charges for delivery and accessories not otherwise included) the manufacturer's retail quotation at the factory or the equivalent of such quotation, and transportation charges from factory to point of delivery as suggested or recommended by the manufacturer for inclusion in the retail delivered price at that point, or in the absence of any such suggestion or recommendation then an amount substantially equal to the freight by rail from factory to that point.

The regulation originally provided that the advertised delivered price of the automobile from the factory and transportation charges established by the manufacturer from factory to point of delivery should be used in determining the maximum credit value of an automobile. However, some of the manufacturers did not follow the practice of establishing transportation charges and when the 1942 model cars were placed on the market some manufacturers did not announce advertised delivered prices. The amendment was adopted to meet this situation.

MEETING ON SEPTEMBER 23, 1941

Members present: Mr. Ransom, Vice Chairman; Mr. Szymczak, Mr. McKee, Mr. Draper.

Increase in Required Reserves of Member Banks.

By unanimous vote (Chairman Eccles was unable to be present at this meeting but had stated that he was in full accord with the proposed action), a revised supplement to Regulation D, Reserves of Member Banks, was adopted, effective as of November 1, 1941, to require that on and after that date each member bank shall maintain on deposit with the Federal Reserve Bank of its district reserve balances equal to 6 per cent of its time deposits, plus 14 per cent of its net demand deposits if the bank is not located in a reserve or central city, 20 per cent of its net demand deposits if the bank is located in a reserve city, and 26 per cent of its net demand deposits if the bank is located in a central reserve city. The revised supplement also provided that for one month after the increase became effective on November 1, 1941, penalties for deficient reserves would be based upon requirements in effect prior to that date.

By this action, which was taken after consultation with the Secretary of the Treasury, the Board increased required reserves of member banks to the limit of its statutory authority. At the time member banks had approximately \$5,200,000,000 of excess reserves and it was estimated that the increase would reduce that excess to approximately \$4,000,000,000 which would leave the banks as a whole with ample funds to meet all bank credit needs of the defense program and all legitimate requirements of their customers. A survey made by the Board a short time before showed that a large majority of the member banks would be able to meet the increased requirements out of existing excess reserves and all but a few of the remainder would be able to do so by drawing upon a portion of their deposits with correspondents.

The Board realized that the increase in requirements would not have a material effect in counteracting inflationary developments since the banks would still have a large volume of reserves available as a basis of expansion in meeting the growing demand for credit from the Government and private business. Prevention of inflation, the Board knew, would require the use by the Government of more effective powers including taxation, price regulation, priorities, and allocations. It was decided, however, that the action would be a desirable step toward the prevention of injurious credit expansion and would assist, to the limit of the Board's authority over member bank reserves, in carrying out the announced policy of the Government to use its powers to combat inflation.

In connection with the action taken by the Board, the Secretary of the

Treasury and the Chairman of the Board of Governors issued the following joint statement in which the Board concurred:

"The Treasury and the Board of Governors will continue to watch the economic situation and to cooperate with other agencies of the Government in their efforts, through priorities, allocations, price regulation, and otherwise, to fight inflation. Recommendations on the question of what additional powers, if any, over bank reserves the Board should have during the present emergency and what form these powers should take will be made whenever the Treasury and the Board, after further consultation, determine that such action is necessary to help in combating inflationary developments."

MEETING ON OCTOBER 23, 1941

Members present: Mr. Eccles, Chairman; Mr. Szymczak, Mr. McKee, Mr. Draper.

Amendment No. 2 to Regulation W. Consumer Credit.

By unanimous vote the effective date of Sections 8(a), 8(b), 8(c), and 8(d) of Regulation W was postponed from November 1 to December 1, 1941, and the Regulation was amended in certain other respects, effective as of December 1, 1941.

This amendment was adopted by the Board to close certain loopholes in Regulation W, thereby making it more effective in achieving its purpose, to simplify the provisions of the Regulation wherever possible so as not to impose unnecessary hardship on vendors and lenders in carrying out its requirements, and to remove certain possible causes of annoyance and criticism on the part of the public where it was felt that changes which would accomplish this end could be made without impairing the effectiveness of the Regulation. When the Regulation was issued originally Sections 8(a), 8(b), 8(c), and 8(d) were made effective November 1, 1941, in order to provide an opportunity for further study of their possible effects. This effective date was postponed to December 1, 1941, in order that these sections might take effect in their amended form.

The following statement with respect to the amendment was released to the press on October 25, 1941:

"The Board of Governors of the Federal Reserve System has adopted, effective December 1, 1941, several amendments to Regulation W, dealing with instalment credit. The amendments are mainly of an administrative and technical nature.

"The amendments include adoption of the so-called 'purpose test', requiring a borrower on an instalment loan, after January 1, 1942, to sign a statement as to the purpose of the loan; exempting business instalment loans from the Regulation, as well as loans to purchase or construct an entire building, and making the 18-month maximum maturity apply to all instalment loans of \$1,500 or less, instead of \$1,000 or less, as previously provided. In addition, more liberal provisions have been adopted to facilitate repayment of instalment loans by farmers in accordance with the seasonal nature of their income. Also, in the case of so-called 'add-on', options are provided—either the additional credit may be treated separately, or the combined credit may be paid in 15 months, the monthly payments to be not less than they would have been without the add-on.

"As amended, the Regulation closes the loophole whereby, although dealers in listed articles were required to obtain down payments, cash lenders were free to lend the full price unless the article was given as security for the loan.

"Other provisions are as follows:

"All instalment loans of \$1,500 or less which are not for the purpose of purchasing a listed article are made subject to the 18-month maturity limit (except modernization loans, where the figure remains \$1,000).

"Down payments of \$2 or less will no longer be required; and the \$5 minimum on monthly instalments (which was to become effective January 1, 1942) is eliminated.

"The extension of an instalment loan which is for the purpose of making a down payment on a listed article is prohibited.

"All business loans are exempted from the Regulation unless they are for the purpose of purchasing listed articles.

"The provision covering instalment credit for farmers permits any schedule of payments, if the down payment and maturity requirements of the Regulation are complied with, and if one-half of the balance is paid within the first half of the maximum maturity.

"These amendments are effective December 1, 1941, and the provisions of the Regulation which were to have become effective on November 1 are postponed to December 1.

"Distribution of copies of the amendments will be made by Federal Reserve Banks and Branches."

RECORD OF POLICY ACTIONS FEDERAL OPEN MARKET COMMITTEE

MEETING ON MARCH 17, 1941

Members present: Mr. Eccles, Chairman; Mr. Sproul, Vice Chairman; Mr. Szymczak, Mr. McKee, Mr. Ransom, Mr. Davis, Mr. Draper, Mr. Fleming, Mr. Leach, Mr. Peyton, Mr. C. S. Young (Alternate for Mr. Davis who had been selected by the Federal Reserve Banks of Chicago and St. Louis as a representative member of the Federal Open Market Committee, but who had not yet assumed his duties).

Upon motion duly made and seconded, the following resolution, which was in the same form as the resolution adopted at the meeting of the Federal Open Market Committee on December 18, 1940, was adopted by unanimous vote:

“That the executive committee be directed until otherwise directed by the Federal Open Market Committee to arrange for such transactions for the System open market account (including purchases, sales, exchanges, replacement of maturing securities, and letting maturities run off without replacement) as in its judgment from time to time may be advisable in the light of existing conditions; provided that the aggregate amount of securities held in the account at the close of this date shall not be increased or decreased by more than \$200,000,000.”

When this meeting of the Federal Open Market Committee was held the unsettled conditions resulting from the war, which are discussed elsewhere in this report, continued to exist and were becoming more intensified. In these circumstances, the members of the Committee were agreed that it was essential that its executive committee continue to be in a position to act in accordance with its best judgment within the limits established by the above resolution and in the light of developments from time to time and that, therefore, the existing authority of the executive committee should be renewed.

During the discussion of the resolution, question was raised whether, because of possible emergencies that might develop, the \$200,000,000 limit in the resolution should be increased, but there was unanimous agreement that if it should appear likely that occasion would arise for the purchase or sale of securities beyond that limit another meeting of the Committee should be called.

MEETING ON JUNE 10, 1941

Members present: Mr. Eccles, Chairman; Mr. Sproul, Vice Chairman; Mr. Szymczak, Mr. McKee, Mr. Ransom, Mr. Draper, Mr. Fleming, Mr. Leach, Mr. Davis, Mr. Peyton.

Upon motion duly made and seconded, and by unanimous vote, the following resolution was adopted:

“That the executive committee be directed until otherwise directed by the Federal Open Market Committee to arrange for such transactions for the System open market account (including purchases, sales, exchanges, replacement of maturing securities, and letting maturities run off without replacement) as in its judgment from time to time may

be advisable in the light of existing conditions; provided that the aggregate amount of securities held in the account at the close of this date shall not be increased or decreased by more than \$200,000,000."

This resolution, which was in the same form as the resolution approved at the two previous meetings of the Federal Open Market Committee, was adopted for substantially the same reasons as prompted the earlier actions.

MEETING ON SEPTEMBER 27, 1941

Members present: Mr. Eccles, Chairman; Mr. Sproul, Vice Chairman; Mr. Szymczak, Mr. McKee, Mr. Ransom, Mr. Draper, Mr. Fleming, Mr. Leach, Mr. Davis, Mr. Peyton.

Upon motion duly made and seconded, the following resolution was adopted by unanimous vote:

"That the executive committee be directed until otherwise directed by the Federal Open Market Committee to arrange for such transactions for the System open market account (including purchases, sales, exchanges, replacement of maturing securities, and letting maturities run off without replacement) as in its judgment from time to time may be advisable in the light of existing conditions; provided that the aggregate amount of securities held in the account at the close of this date shall not be increased or decreased by more than \$200,000,000."

The action of the Committee on this resolution was taken in the light of further developments in the war situation, the action of the Board of Governors of the Federal Reserve System on September 23, 1941, to increase reserve requirements of member banks, effective November 1, 1941, and other steps that had been taken or had been suggested to finance the defense program and to combat inflationary tendencies. It was recognized by the Committee that the increase in required reserves of member banks might cause some liquidation in bank holdings of Government securities over the next few weeks, and that the System might be called upon to purchase further amounts of securities to meet this condition as well as possible further market disturbances resulting from the war. There was unanimous agreement, however, that, in the absence of unforeseen developments, the situation could be met by continuing the authority of the executive committee in the same form as that granted at the three previous meetings of the full Committee.

MEETING ON DECEMBER 12, 1941

Members present: Mr. Eccles, Chairman; Mr. Sproul, Vice Chairman; Mr. Szymczak, Mr. McKee, Mr. Ransom, Mr. Draper, Mr. Fleming, Mr. Leach, Mr. Davis, Mr. Peyton.

On December 8, 1941, at the request of the members of the executive committee, the members of the Federal Open Market Committee approved an increase from \$200,000,000 to \$400,000,000 in the limit on the authority granted to the executive committee to increase or decrease the total amount of securities held in the System account.

At this meeting, upon motion duly made and seconded, and by unanimous vote, the action of the members of the Federal Open Market Committee as stated above was approved, ratified and confirmed.

Following the attack by Japan on the territory of Hawaii, the Pacific island possessions of the United States, and the Philippine Islands, members of the executive committee met and decided that, in order that it might be in a position to take whatever action was necessary in an effort to prevent disorderly conditions in the Government securities market that might otherwise develop as a result of the entry of the United States into the war, the members of the Federal Open Market Committee should be requested to approve an increase to \$400,000,000 in the limit of the authority of the executive committee to increase or decrease the total amount of securities held in the System account. The members of the Federal Open Market Committee who were not members of the executive committee were called by telephone on December 8 and there was unanimous agreement that the enlarged authority should be granted for the purpose stated. The securities purchased for the System account during the week following the outbreak of war included \$45,270,000 of the new 1951-1955 and 1967-1972 bonds, and \$12,370,000 of Treasury bills, \$2,000,000 of which were resold during the week. Purchases of \$13,700,000 of various issues of bonds that were in supply in the market were also made against the sale of a like amount of bonds that were in demand.

Upon motion duly made and seconded, the following resolution was adopted by unanimous vote, with the understanding that, when the market recovered and conditions justified, the securities added to the System account during the current week would be resold:

"That the executive committee be directed until otherwise directed by the Federal Open Market Committee to arrange for such transactions for the System open market account (including purchases, sales, exchanges, replacement of maturing securities, and letting maturities run off without replacement) as in its judgment from time to time may be advisable in the light of existing conditions; provided that the aggregate amount of securities held in the account at the close of this date shall not be increased or decreased by more than \$500,000,000."

This resolution was in the same form as the resolution adopted at the four previous meetings of the Committee except that it increased from \$200,000,000 to \$500,000,000 the amount by which the aggregate amount of securities held in the System account could be increased or decreased. On the day this meeting was held the indications were that the market's reaction to the outbreak of war would not be a serious one, but because of the uncertainty in the general picture and the possibility that further war developments might call for substantial purchases of securities for the System open market account, the Committee was of the opinion that broader authority should be vested in the executive committee to take such action as in its judgment might be required by any conditions that might arise, it being understood that if it should appear that authority was needed beyond the limit granted in the resolution another meeting of the Federal Open Market Committee should be called.

RECOMMENDATION OF THE FEDERAL ADVISORY
COUNCIL TO THE BOARD OF GOVERNORS
OF THE FEDERAL RESERVE SYSTEM

SEPTEMBER 15, 1941

Topic No. 1. Reserve Requirements.

RECOMMENDATION: The Federal Advisory Council has frequently drawn the attention of the Board of Governors to the many elements in our monetary and credit system that are of an inflationary character and has recommended action to eliminate or to control them. Most of these defects require legislation for correction; and a composite program looking to that end was contained in the special report by the System to the Congress dated December 31, 1940. In the meanwhile inflationary tendencies have manifested themselves with steadily growing and disturbing rapidity.

Concerned by this development the Federal Advisory Council, therefore, unanimously recommends to the Board of Governors that it immediately raise the reserve requirements for the three classifications of banks to the maximum limits authorized by the Banking Act of 1935, such increases to become effective upon 30 days' notice to the banks affected.

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

[December 31, 1941]

	Term expires
MARRINER S. ECCLES, of Utah, <i>Chairman</i>	January 31, 1944
RONALD RANSOM, of Georgia, <i>Vice Chairman</i>	January 31, 1942
M. S. SZYMCAK, of Illinois	January 31, 1948
JOHN K. MCKEE, of Ohio	January 31, 1946
ERNEST G. DRAPER, of Connecticut	January 31, 1950

LAWRENCE CLAYTON, *Assistant to the Chairman*
ELLIOTT THURSTON, *Special Assistant to the Chairman*
CHESTER MORRILL, *Secretary*
LISTON P. BETHEA, *Assistant Secretary*
S. R. CARPENTER, *Assistant Secretary*
FRED A. NELSON, *Assistant Secretary*
WALTER WYATT, *General Counsel*
J. P. DREIBELBIS, *Assistant General Counsel*
GEORGE B. VEST, *Assistant General Counsel*
B. MAGRUDER WINGFIELD, *Assistant General Counsel*
E. A. GOLDENWEISER, *Director, Division of Research and Statistics*
WOODLIEF THOMAS, *Assistant Director, Division of Research and Statistics*
LEO H. PAULGER, *Chief, Division of Examinations*
R. F. LEONARD, *Assistant Chief, Division of Examinations*
C. E. CAGLE, *Assistant Chief, Division of Examinations*
EDWARD L. SMEAD, *Chief, Division of Bank Operations*
J. R. VAN FOSSEN, *Assistant Chief, Division of Bank Operations*
J. E. HORBETT, *Assistant Chief, Division of Bank Operations*
CARL E. PARRY, *Chief, Division of Security Loans*
PHILIP E. BRADLEY, *Assistant Chief, Division of Security Loans*
O. E. FOULK, *Fiscal Agent*
JOSEPHINE E. LALLY, *Deputy Fiscal Agent*

FEDERAL OPEN MARKET COMMITTEE

[December 31, 1941]

Members

MARRINER S. ECCLES, *Chairman* (Board of Governors)
ALLAN SPROUL, *Vice Chairman* (Elected by Federal Reserve Banks of Boston and New York)
M. S. SZYMCAK (Board of Governors)
JOHN K. MCKEE (Board of Governors)
RONALD RANSOM (Board of Governors)
ERNEST G. DRAPER (Board of Governors)
M. J. FLEMING (Elected by Federal Reserve Banks of Philadelphia and Cleveland)
HUGH LEACH (Elected by Federal Reserve Banks of Richmond, Atlanta, and Dallas)
CHESTER C. DAVIS (Elected by Federal Reserve Banks of Chicago and St. Louis)
JOHN N. PEYTON (Elected by Federal Reserve Banks of Minneapolis, Kansas City, and San Francisco)

Officers

CHESTER MORRILL, *Secretary*
S. R. CARPENTER, *Assistant Secretary*
E. A. GOLDENWEISER, *Economist*
JOHN H. WILLIAMS, *Associate Economist*
WALTER WYATT, *General Counsel*
J. P. DREIBELBIS, *Assistant General Counsel*

Agent

FEDERAL RESERVE BANK OF NEW YORK
R. G. ROUSE, *Manager of System Open Market Account*

FEDERAL ADVISORY COUNCIL

[December 31, 1941]

OFFICERS

President, EDWARD E. BROWN
Vice President, GEORGE L. HARRISON
Secretary, WALTER LICHTENSTEIN

EXECUTIVE COMMITTEE

EDWARD E. BROWN	S. E. RAGLAND
GEORGE L. HARRISON	B. G. HUNTINGTON
W. F. KURTZ	ROBERT M. HANES

MEMBERS

- District No. 1—CHARLES E. SPENCER, JR., President, The First National Bank of Boston, Boston, Massachusetts.
- District No. 2—GEORGE L. HARRISON, President, New York Life Insurance Company, New York, New York.
- District No. 3—WILLIAM F. KURTZ, President, The Pennsylvania Company for Insurances on Lives and Granting Annuities, Philadelphia, Pennsylvania.
- District No. 4—B. G. HUNTINGTON, President, The Huntington National Bank, Columbus, Ohio.
- District No. 5—ROBERT M. HANES, President, Wachovia Bank and Trust Company, Winston-Salem, North Carolina.
- District No. 6—RYBURN G. CLAY, Director, Fulton National Bank, Atlanta, Georgia.
- District No. 7—EDWARD E. BROWN, President, The First National Bank of Chicago, Chicago, Illinois.
- District No. 8—S. E. RAGLAND, President, The First National Bank of Memphis, Memphis, Tennessee.
- District No. 9—LYMAN E. WAKEFIELD, President, First National Bank and Trust Company of Minneapolis, Minneapolis, Minnesota.
- District No. 10—W. DALE CLARK, President, The Omaha National Bank, Omaha, Nebraska.
- District No. 11—R. E. HARDING, President, The Fort Worth National Bank, Fort Worth, Texas.
- District No. 12—PAUL S. DICK, President, United States National Bank, Portland, Oregon.

SENIOR OFFICERS AND DIRECTORS OF FEDERAL RESERVE BANKS

[December 31, 1941]

CHAIRMEN AND DEPUTY CHAIRMEN

Federal Reserve Bank of—	Chairman	Deputy Chairman
Boston	Frederic H. Curtiss	Henry S. Dennison
New York	Beardsley Ruml	Edmund E. Day
Philadelphia	Thomas B. McCabe	Warren F. Whittier
Cleveland	Geo. C. Brainard	R. E. Klages
Richmond	Robt. Lassiter	W. G. Wysor
Atlanta	Frank H. Neely	J. F. Porter
Chicago	F. J. Lewis	
St. Louis	Wm. T. Nardin	Oscar Johnston
Minneapolis	W. C. Coffey	Roger B. Shepard
Kansas City	R. B. Caldwell	J. J. Thomas
Dallas	J. H. Merritt	Jay Taylor
San Francisco	R. C. Force	St. George Holden

Each Federal Reserve Bank has nine directors divided equally into Classes A, B, and C. The term of office of a director is three years. The Class C directors are appointed by the Board of Governors of the Federal Reserve System, and cannot be officers, directors, employees, or stockholders of any bank. The Class B directors, elected by member banks, must be actively engaged in some commercial, agricultural, or industrial pursuit and may not be officers, directors, or employees of any bank. The Class A directors are elected by the member banks as the banks' own representatives.

For the purpose of electing Class A and Class B directors, the member banks in each Federal Reserve district are divided into three groups—large, small, and medium-sized banks. Each of the three groups elects one Class A and one Class B director. The Board of Governors of the Federal Reserve System designates one of the Class C directors as chairman and Federal Reserve agent, and another as deputy chairman. The board of directors of each Federal Reserve Bank appoints a president and first vice president, subject to the approval of the Board of Governors, to serve for terms of five years. The president is the chief executive officer of the bank and all other officers and employees are responsible to him.

Federal Reserve Bank branches have either five or seven directors, of whom a majority, including the managing director, are appointed by the board of directors of the parent Federal Reserve Bank and the others are appointed by the Board of Governors of the Federal Reserve System.

PRESIDENTS AND VICE PRESIDENTS

Federal Reserve Bank of—	President	First Vice President	Vice Presidents
Boston.....	R. A. Young.....	W. W. Paddock.....	William Willett ¹
New York.....	Allan Sproul.....	L. R. Rounds.....	R. M. Gidney L. W. Knoke Walter S. Logan J. M. Rice Robert G. Rouse John H. Williams
Philadelphia.....	Alfred H. Williams....	Frank J. Drinnen.....	W. J. Davis E. C. Hill C. A. McIlhenny ² C. A. Sienkiewicz
Cleveland.....	M. J. Fleming.....	F. J. Zurlinden.....	Wm. H. Fletcher R. B. Hays W. F. Taylor ² G. H. Wagner
Richmond.....	Hugh Leach.....	J. S. Walden, Jr.....	J. G. Fry Geo. H. Keese ¹ R. W. Mercer
Atlanta.....	W. S. McLarin, Jr....	Malcolm H. Bryan.....	H. F. Conniff L. M. Clark
Chicago.....	C. S. Young.....	H. P. Preston.....	Allan M. Black ¹ J. H. Dillard A. J. Mulroney
St. Louis.....	Chester C. Davis.....	F. Guy Hitt.....	O. M. Attebery C. M. Stewart ¹
Minneapolis.....	J. M. Peyton.....	O. S. Powell.....	E. W. Swanson Harry I. Ziemer ²
Kansas City.....	H. G. Leedy.....	Henry O. Koppang.....	J. W. Helm ² D. W. Woolley
Dallas.....	R. R. Gilbert.....	E. B. Stroud.....	R. B. Coleman W. J. Evans W. O. Ford ¹
San Francisco.....	Wm. A. Day.....	Ira Clerk.....	C. E. Earhart ¹ W. M. Hale R. B. West

¹ Cashier.² Also Cashier.

DIRECTORS OF FEDERAL RESERVE BANKS

District No. 1—Boston

*Term
Expires
Dec. 31*

<i>Class A:</i>		
Allan Forbes	President, State Street Trust Co., Boston, Mass.	1941
Leon A. Dodge	President, First National Bank, Damariscotta, Me.	1942
Lewis S. Reed	President, Citizens and Manufacturers National Bank, Waterbury, Conn.	1943
<i>Class B:</i>		
Philip R. Allen	Chairman, Bird & Son, Inc., E. Walpole, Mass.	1941
Edward J. Frost	Vice President, Treasurer, and Director, William Filene's Sons Co., Boston, Mass.	1942
Ralph E. Flanders	President, Jones and Lamson Machine Co., Springfield, Vt.	1943
<i>Class C:</i>		
Frederic H. Curtiss	Vice President, Board of Trustees, Wellesley College, Wellesley, Mass.	1941
Henry S. Dennison	President, Dennison Manufacturing Co., Framingham, Mass.	1942
Henry I. Harriman	Director, New England Power Co., Boston, Mass.	1943

District No. 2—New York

<i>Class A:</i>		
Otis A. Thompson	President, National Bank & Trust Co., Norwich, N. Y.	1941
Neil H. Dorrance	President, First National Bank & Trust Co., Camden, N. Y.	1942
Leon Fraser	President, First National Bank, New York, N. Y.	1943
<i>Class B:</i>		
W. C. Teagle	Chairman, Standard Oil Co. of New Jersey, New York, N. Y.	1941
Robert T. Stevens	President, J. P. Stevens & Co., Inc., New York, N. Y.	1942
Donaldson Brown	Vice President, General Motors Corp., New York, N. Y.	1943
<i>Class C:</i>		
Beardsley Ruml	Treasurer, R. H. Macy & Co., Inc., New York, N. Y.	1941
Edmund E. Day	President, Cornell University, Ithaca, N. Y.	1942
Randolph E. Paul	Member law firm: Lord, Day & Lord, New York, N. Y.	1943

Buffalo Branch

<i>Appointed by Federal Reserve Bank:</i>		
R. M. O'Hara	Managing Director, Buffalo, N. Y.	1941
Frank F. Henry	Chairman, Washburn Crosby Co., Inc., Buffalo, N. Y.	1941
George F. Rand	President, The Marine Trust Co., Buffalo, N. Y.	1942
Raymond N. Ball	President, Lincoln-Alliance Bank & Trust Co., Rochester, N. Y.	1943
<i>Appointed by Board of Governors:</i>		
M. B. Folsom	Treasurer, Eastman Kodak Co., Rochester, N. Y.	1941
Gilbert A. Prole	Genesee Farm Supply Co., Batavia, N. Y.	1942
Howard Kellogg	President, Spencer Kellogg & Sons, Inc., Buffalo, N. Y.	1943

District No. 3—Philadelphia

<i>Class A:</i>		
Joseph Wayne, Jr.	Chairman, Philadelphia National Bank, Philadelphia, Pa.	1941
George W. Reily	President, Harrisburg National Bank, Harrisburg, Pa.	1942
John B. Henning	President, Wyoming National Bank, Tunkhannock, Pa.	1943
<i>Class B:</i>		
Harry L. Cannon	President, H. P. Cannon & Son, Inc., Bridgeville, Del.	1941
W. D. Kerlin	Secretary and Treasurer, Camden Forge Co., Camden, N. J.	1942
C. Frederick C. Stout	John R. Evans & Company, Camden, N. J.	1943
<i>Class C:</i>		
Winfield W. Riefler	Institute for Advanced Study, Princeton, N. J.	1941
Thomas B. McCabe	President, Scott Paper Co., Chester, Pa.	1942
Warren F. Whittier	Farmer, dairyman and cattle breeder, Douglassville, Pa.	1943

District No. 4—Cleveland

<i>Class A:</i>		
F. F. Brooks	President, First National Bank, Pittsburgh, Pa.	1941
Ben R. Conner	President, First National Bank, Ada, Ohio	1942
H. B. McDowell	President, McDowell National Bank, Sharon, Pa.	1943
<i>Class B:</i>		
G. D. Crabbs	President, Philip Carey Manufacturing Co., Cincinnati, Ohio.	1941
T. E. Millsop	President, Weirton Steel Co., Weirton, W. Va.	1942
R. P. Wright	Secretary-Treasurer, Reed Manufacturing Co., Erie, Pa.	1943
<i>Class C:</i>		
Walter H. Lloyd	Editor, The Ohio Farmer, Cleveland, Ohio.	1941
R. E. Klages	President, Columbus Auto Parts Co., Columbus, Ohio.	1942
Geo. C. Brainard	President, General Fireproofing Co., Youngstown, Ohio.	1943

DIRECTORS OF FEDERAL RESERVE BANKS—Continued

Cincinnati Branch

		<i>Term Expires Dec. 31</i>
<i>Appointed by Federal Reserve Bank:</i>		
B. J. Lazar	Managing Director, Cincinnati, Ohio	1941
Buckner Woodford	Vice President and Cashier, Bourbon-Agricultural Bank and Trust Co., Paris, Ky.	1941
John J. Rowe	President, Fifth Third Union Trust Co., Cincinnati, Ohio	1942
<i>Appointed by Board of Governors:</i>		
Stuart B. Sutphin	President, I. V. Sutphin Co., Cincinnati, Ohio	1941
Frank A. Brown	Farmer, Chillicothe, Ohio	1942

Pittsburgh Branch

<i>Appointed by Federal Reserve Bank:</i>		
P. A. Brown	Managing Director, Pittsburgh, Pa.	1941
Clarence Stanley	President, Union Trust Co., Pittsburgh, Pa.	1941
E. B. Harshaw	Vice President and Cashier, Grove City National Bank, Grove City, Pa.	1942
<i>Appointed by Board of Governors:</i>		
H. S. Wherrett	President, Pittsburgh Plate Glass Co., Pittsburgh, Pa.	1941
Geo. T. Ladd	President, United Engineering & Foundry Co., Pittsburgh, Pa.	1942

District No. 5—Richmond

<i>Class A:</i>		
L. E. Johnson	Chairman, First National Bank, Alderson, W. Va.	1941
Charles E. Rieman	President, Western National Bank, Baltimore, Md.	1942
J. C. Braswell	President, Planters National Bank & Trust Co., Rocky Mount, N. C.	1943
<i>Class B:</i>		
Edwin Malloy	President & Treasurer, Cheraw Cotton Mills, Inc., Cheraw, S. C.	1941
Chas. C. Reed	Vice President & General Manager, Williams & Reed, Inc., Richmond, Va.	1942
John H. Hanna	Chairman, Capital Transit Co., Washington, D. C.	1943
<i>Class C:</i>		
Charles P. McCormick	President, McCormick & Co., Inc., Baltimore, Md.	1941
W. G. Wysor	General Manager, Southern States Cooperative, Inc., Richmond, Va.	1942
Robt. Lassiter	Chairman, Mooresville Cotton Mills, Mooresville, N. C.	1943

Baltimore Branch

<i>Appointed by Federal Reserve Bank:</i>		
W. R. Milford	Managing Director, Baltimore, Md.	1941
George W. Reed	President, National Marine Bank, Baltimore, Md.	1941
James C. Fenhagen	Chairman, Executive Committee, Baltimore National Bank, Baltimore, Md.	1942
James Dixon	President, Easton National Bank, Easton, Md.	1943
<i>Appointed by Board of Governors:</i>		
W. Frank Thomas	Construction Engineer and Real Estate Management, Westminster, Md.	1941
Jos. D. Baker, Jr.	Secretary & Treasurer, Standard Lime and Stone Co., Baltimore, Md.	1942
W. Frank Roberts	President, Standard Gas Equipment Corp., Baltimore, Md.	1943

Charlotte Branch

<i>Appointed by Federal Reserve Bank:</i>		
W. T. Clements	Managing Director, Charlotte, N. C.	1941
J. Gerald Cowan	Vice President, Wachovia Bank & Trust Co., Asheville, N. C.	1941
B. M. Edwards	Executive Vice President, South Carolina National Bank, Columbia, S. C.	1942
T. E. Hemby	Executive Vice President, American Trust Co., Charlotte, N. C.	1943
<i>Appointed by Board of Governors:</i>		
Chas. L. Creech, Sr.	Chairman, B. F. Huntley Furniture Co., Winston-Salem, N. C.	1941
D. W. Watkins	Director of Extension, Clemson College, Clemson, S. C.	1942
Geo. M. Wright	President, Republic Cotton Mills, Great Falls, S. C.	1943

District No. 6—Atlanta

<i>Class A:</i>		
Geo. J. White	President, First National Bank, Mount Dora, Fla.	1941
Thos. K. Glenn	Chairman, Trust Co. of Georgia, Atlanta, Ga.	1942
W. D. Cook	Executive Vice President, First National Bank, Meridian, Miss.	1943
<i>Class B:</i>		
Ernest T. George	President and Chairman, Seaboard Refining Company, Ltd., New Orleans, La.	1941
J. A. McCrary	Vice President & Treasurer, J. B. McCrary Company, Inc., Atlanta, Ga.	1942
Fitzgerald Hall	President, Nash., Chat. & St. Louis Ry., Nashville, Tenn.	1943

DIRECTORS OF FEDERAL RESERVE BANKS—Continued

*Term Expires
Dec. 31*

Class C:

Frank H. Neely.....	Executive Vice President & Secretary, Rich's Inc., Atlanta, Ga.....	1941
J. F. Porter.....	President, Tenn. Farm Bureau Fed., Columbia, Tenn.....	1942
Rufus C. Harris.....	President, Tulane University, New Orleans, La.....	1943

Birmingham Branch

Appointed by Federal Reserve Bank:

P. L. T. Beavers.....	Managing Director, Birmingham, Ala.....	1941
Gordon D. Palmer.....	President, First National Bank, Tuscaloosa, Ala.....	1941
John C. Persons.....	President, First National Bank, Birmingham, Ala.....	1942
John S. Coleman.....	President, Birmingham Tr. & Sav. Co., Birmingham, Ala.....	1943

Appointed by Board of Governors:

Donald Comer.....	Chairman, Avondale Mills, Birmingham, Ala.....	1941
Howard Gray.....	Farmer, New Market, Ala.....	1942
Ed. L. Norton.....	Exec. Vice President, Munger Realty Co., Birmingham, Ala.....	1943

Jacksonville Branch

Appointed by Federal Reserve Bank:

Geo. S. Vardeman, Jr.....	Managing Director, Jacksonville, Fla.....	1941
W. R. McQuaid.....	President, Barnett National Bank, Jacksonville, Fla.....	1941
B. C. Teed.....	First Vice President, First National Bank, Palm Beach, Fla.....	1942
J. C. McCrocklin.....	Executive Vice President, First National Bank, Tarpon Springs, Fla.....	1943

Appointed by Board of Governors:

Robert H. Gamble.....	President, Florida Brick & Tile Corp., Jacksonville, Fla.....	1941
Howard Phillips.....	Executive Vice President, Dr. P. Phillips Co., Inc., Orlando, Fla.....	1942
F. D. Jackson.....	President, Jackson Grain Co., Tampa, Fla.....	1943

Nashville Branch

Appointed by Federal Reserve Bank:

Joel B. Fort, Jr.....	Managing Director, Nashville, Tenn.....	1941
E. B. Maupin.....	Cashier, Peoples National Bank, Shelbyville, Tenn.....	1941
F. M. Farris.....	President, Third National Bank, Nashville, Tenn.....	1942
Geo. Neal Bass.....	Cashier, First National Bank of Franklin Co., Decherd, Tenn.....	1943

Appointed by Board of Governors:

Clyde B. Austin.....	President, The Austin Co., Inc., Greeneville, Tenn.....	1941
W. E. McEwen.....	Farmer and Stock Raiser, Williamsport, Tenn.....	1942
E. W. Palmer.....	President, Kingsport Press, Inc., Kingsport, Tenn.....	1943

New Orleans Branch

Appointed by Federal Reserve Bank:

E. P. Paris.....	Managing Director, New Orleans, La.....	1941
Herbert Holmes.....	President, Delta National Bank, Yazoo City, Miss.....	1941
E. E. Soulier.....	President, First National Bank, Lafayette, La.....	1942
O. G. Lucas.....	President, National Bank of Commerce, New Orleans, La.....	1943

Appointed by Board of Governors:

Alexander Fitz-Hugh.....	Vice President, P. P. Williams Co., Vicksburg, Miss.....	1941
H. G. Chalkley, Jr.....	President and General Manager, Sweet Lake Land & Oil Co., Inc., Lake Charles, La.....	1942
E. F. Billington.....	Vice President and Secretary, Soule Steam Feed Works, Meridian, Miss.....	1943

District No. 7—Chicago

Class A:

Frank D. Williams.....	Executive Vice President & Cashier, First Capital National Bank, Iowa City, Iowa.....	1941
Walter J. Cummings.....	Chairman, Cont'l Ill. Nat. Bank and Tr. Co., Chicago, Ill.....	1942
Edward R. Estberg.....	Chairman, Waukesha National Bank, Waukesha, Wis.....	1943

Class B:

Nicholas H. Noyes.....	Vice President & Treasurer, Eli Lilly and Company, Indianapolis, Ind.....	1941
Max W. Babb.....	President, Allis-Chalmers Mfg. Co., Milwaukee, Wis.....	1942
Charles B. Van Dusen.....	Director, S. S. Kresge Co., Detroit, Mich.....	1943

Class C:

Simcon E. Leland.....	Chairman, Department of Economics, University of Chicago, Chicago, Ill.....	1941
W. W. Waymack.....	Vice President & Editor, Des Moines Register and Tribune, Des Moines, Iowa.....	1942
F. J. Lewis.....	Chairman, F. J. Lewis Mfg. Co., 3650 East 112th Street, Chicago, Ill.....	1943

Detroit Branch

Appointed by Federal Reserve Bank:

H. J. Chalfont.....	Managing Director, Detroit, Mich.....	1941
Joseph M. Dodge.....	President, The Detroit Bank, Detroit, Mich.....	1941
James E. Davidson.....	President, Peoples Com. & Sav. Bank, Bay City, Mich.....	1942
Walter S. McLucas.....	Chairman, The National Bank of Detroit, Detroit, Mich.....	1943

DIRECTORS OF FEDERAL RESERVE BANKS—Continued

		<i>Term Expires Dec. 31</i>
<i>Appointed by Board of Governors:</i>		
L. Whitney Watkins.....	Farmer, Manchester, Mich.....	1941
H. L. Pierson.....	President, Detroit Harvester Co., Detroit, Mich.....	1942
C. W. Avery.....	President & Chairman, Murray Corp. of America, Detroit, Mich.....	1943
District No. 8—St. Louis		
<i>Class A:</i>		
Sidney Maestre.....	President, Mississippi Valley Trust Co., St. Louis, Mo.....	1941
Max B. Nahm.....	Vice President, Citizens National Bank, Bowling Green, Ky.....	1942
C. R. Corlis.....	Cashier, Anna National Bank, Anna, Ill.....	1943
<i>Class B:</i>		
John R. Stanley.....	Secretary-Treasurer, Stanley Clothing Co., Evansville, Ind.....	1941
J. W. Harris.....	Chairman, Harris-Langenberg Hat Co., St. Louis, Mo.....	1942
H. H. Tucker.....	President, Fones Brothers Hardware Co., Little Rock, Ark.....	1943
<i>Class C:</i>		
Douglas W. Brooks.....	President, The Newburger Co., Falls Bldg., Memphis, Tenn.....	1941
Wm. T. Nardin.....	Vice President & General Manager, Pet Milk Company, St. Louis, Mo.....	1942
Oscar Johnston.....	President, Delta and Pine Land Co., Scott, Miss.....	1943
Little Rock Branch		
<i>Appointed by Federal Reserve Bank:</i>		
A. F. Bailey.....	Managing Director, Little Rock, Ark.....	1941
Paul R. McCoy.....	Chairman, Peoples National Bank, Stuttgart, Ark.....	1941
James H. Penick.....	President, W. B. Worthen Co., Little Rock, Ark.....	1942
Arthur E. McLean.....	President, Commercial National Bank, Little Rock, Ark.....	1943
<i>Appointed by Board of Governors:</i>		
Vacancy.....		1941
R. E. Short.....	Farmer, Brinkley, Ark.....	1942
I. N. Barnett, Jr.....	Manager, Barnett Bros. Mercantile Company, Batesville, Ark.....	1943
Louisville Branch		
<i>Appointed by Federal Reserve Bank:</i>		
C. A. Schacht.....	Managing Director, Louisville, Ky.....	1941
Ralph C. Gifford.....	President, First National Bank, Louisville, Ky.....	1941
J. O. Sanders.....	President, First National Bank, Huntingburg, Ind.....	1942
Phil E. Chappell.....	President, Planters Bank & Trust Co., Hopkinsville, Ky.....	1943
<i>Appointed by Board of Governors:</i>		
J. B. Hill.....	President, Louisville & Nashville R.R., Louisville, Ky.....	1941
G. O. Boomer.....	Vice President, Girdler Corporation, Louisville, Ky.....	1942
Perry B. Gaines.....	Farmer and Stockraiser, Carrollton, Ky.....	1943
Memphis Branch		
<i>Appointed by Federal Reserve Bank:</i>		
W. H. Glasgow.....	Managing Director, Memphis, Tenn.....	1941
Oliver Benton.....	President, National Bank of Commerce, Jackson, Tenn.....	1941
V. J. Alexander.....	President, Union Planters National Bank & Trust Co., Mem- phis, Tenn.....	1942
B. A. Lynch.....	President, Farmers Bank & Trust Co., Blytheville, Ark.....	1943
<i>Appointed by Board of Governors:</i>		
J. Holmes Sherard.....	President, Jno. H. Sherard & Son, Sherard, Miss.....	1941
J. P. Norfleet.....	President, Sledge & Norfleet, Memphis, Tenn.....	1942
R. C. Branch.....	Cotton Farmer and Ginner, Pecan Point, Ark.....	1943
District No. 9—Minneapolis		
<i>Class A:</i>		
J. R. McKnight.....	President, Pierre National Bank, Pierre, S. D.....	1941
F. D. McCartney.....	Vice President, First National Bank, Oakes, N. D.....	1942
S. S. Ford.....	President, Northwestern National Bank & Trust Co., Minne- apolis, Minn.....	1943
<i>Class B:</i>		
J. E. O'Connell.....	President, Eddy's Bakeries, Inc., Helena, Mont.....	1941
Albert P. Funk.....	President, LaCrosse Rubber Mills Co., LaCrosse, Wis.....	1942
Homer P. Clark.....	Chairman, West Publishing Co., St. Paul, Minn.....	1943
<i>Class C:</i>		
Roger B. Shepard.....	President, Finch, Van Slyck & McConville, St. Paul, Minn.....	1941
W. C. Coffey.....	President, University of Minnesota, Minneapolis, Minn.....	1942
W. D. Cochran.....	President, Cochran Freight Lines, Iron Mountain, Mich.....	1943
Helena Branch		
<i>Appointed by Federal Reserve Bank:</i>		
R. E. Towle.....	Managing Director, Helena, Mont.....	1941
Peter Pauly.....	President, Deer Lodge Bank and Trust Co., Deer Lodge, Mont.....	1941
P. B. McClintock.....	Cashier, Farmers National Bank, Chinook, Mont.....	1942
<i>Appointed by Board of Governors:</i>		
H. D. Myrick.....	Farmer, Square Butte, Mont.....	1941
Alex Cunningham.....	Vice President & Treasurer, Western Life Insurance Co., Helena, Mont.....	1942

DIRECTORS OF FEDERAL RESERVE BANKS—Continued

District No. 10—Kansas City

		<i>Term Expires Dec. 31</i>
<i>Class A:</i>		
E. E. Mullaney	President, Farmers & Merchants Bank, Hill City, Kans.	1941
Thomas A. Dines	President, U. S. National Bank, Denver, Colo.	1942
M. A. Limbocker	President & Chairman, Citizens National Bank, Emporia, Kans.	1943
<i>Class B:</i>		
L. E. Phillips	Vice President, Phillips Petroleum Co., Bartlesville, Okla.	1941
Willard D. Hosford	Vice President, John Deere Plow Co., Omaha, Neb.	1942
J. M. Bernardin	Vice President, Burk Lumber Company, Dawson, N. M.	1943
<i>Class C:</i>		
J. J. Thomas	Attorney-at-Law, Seward, Neb.	1941
Clarence Roberts	Editor, The Farmer-Stockman, Oklahoma City, Okla.	1942
R. B. Caldwell	McCune, Caldwell & Downing, Kansas City, Mo.	1943

Denver Branch

<i>Appointed by Federal Reserve Bank:</i>		
Jos. E. Olson	Managing Director, Denver, Colo.	1941
Harold Kountze	President, Colorado National Bank, Denver, Colo.	1941
Roblin H. Davis	President, Denver National Bank, Denver, Colo.	1942
W. C. Kurtz	President & General Manager, Independent Lumber Co., Grand Junction, Colo.	1943
<i>Appointed by Board of Governors:</i>		
J. B. Grant	Lewis and Grant, Denver, Colo.	1941
Wilson McCarthy	President, Denver & Salt Lake R. R. Co., Denver, Colo.	1942
Vacancy		1943

Oklahoma City Branch

<i>Appointed by Federal Reserve Bank:</i>		
G. H. Pipkin	Managing Director, Oklahoma City, Okla.	1941
L. D. Edgington	President, First National Bank, Ponca City, Okla.	1941
A. E. Stephenson	President, Central National Bank, Enid, Okla.	1942
D. M. Tyler	First Vice President, Dewey Portland Cement Co., Dewey, Okla.	1943
<i>Appointed by Board of Governors:</i>		
Neil R. Johnson	Rancher and Farmer, Norman, Okla.	1941
Lloyd Noble	President, Noble Drilling Corp., Tulsa, Okla.	1942
Phil Ferguson	Rancher, Woodward, Okla.	1943

Omaha Branch

<i>Appointed by Federal Reserve Bank:</i>		
L. H. Earhart	Managing Director, Omaha, Neb.	1941
George W. Holmes	President, First National Bank, Lincoln, Neb.	1941
Thomas L. Davis	President, First National Bank, Omaha, Neb.	1942
Geo. A. Bible	President, First National Bank, Rawlins, Wyo.	1943
<i>Appointed by Board of Governors:</i>		
R. E. Campbell	Chairman, Miller & Paine, Lincoln, Neb.	1941
H. L. Dempster	President, Dempster Mill Mfg. Co., Beatrice, Neb.	1942
W. H. Schellberg	President, Union Stock Yards Co., Omaha, Neb.	1943

District No. 11—Dallas

<i>Class A:</i>		
J. E. Woods	President, Teague National Bank, Teague, Tex.	1941
Ed. H. Winton	Executive Vice President, Continental National Bank, Fort Worth, Tex.	1942
Frank Turner	President, First National Bank, Decatur, Tex.	1943
<i>Class B:</i>		
E. L. Kurth	Vice President & General Manager, Angelina County Lumber Co., Keltys, Tex.	1941
J. R. Milam	President, Cooper Company, Inc., Waco, Tex.	1942
Geo. A. Hill, Jr.	President, Houston Oil Company of Texas, Houston, Tex.	1943
<i>Class C:</i>		
J. H. Merritt	Retired, McKinney, Tex.	1941
Jay Taylor	Rafter O Cattle Company, Amarillo, Tex.	1942
J. B. Cozzo	Womack and Cozzo, Dallas, Tex.	1943

El Paso Branch

<i>Appointed by Federal Reserve Bank:</i>		
J. L. Hermann	Managing Director, El Paso, Tex.	1941
Frank R. Coon	President, Mimbres Valley Bank, Deming, N. M.	1941
H. A. Jacobs	Vice President, El Paso National Bank, El Paso, Tex.	1942
R. W. McAfee	Vice President, State National Bank, El Paso, Tex.	1943
<i>Appointed by Board of Governors:</i>		
F. M. Hayner	President, Las Cruces Lumber Co., Las Cruces, N. M.	1941
R. E. Sherman	President, Leavell and Sherman, Inc., El Paso, Tex.	1942
Jack B. Martin	President, Arizona Ice & Cold Storage Co., Tucson, Ariz.	1943

Houston Branch

<i>Appointed by Federal Reserve Bank:</i>		
W. D. Gentry	Managing Director, Houston, Tex.	1941
Sam R. Lawder	Vice President, First National Bank, Houston, Tex.	1941
P. B. Doty	President, First National Bank, Beaumont, Tex.	1942
W. N. Greer	President, Citizens State Bank, Houston, Tex.	1943

DIRECTORS OF FEDERAL RESERVE BANKS—Continued

		<i>Term Expires Dec. 31</i>
<i>Appointed by Board of Governors:</i>		
H. Renfert.....	Renfert-Helmbrecht Co., Galveston, Tex.....	1941
Sam Taub.....	J. N. Taub & Sons, Houston, Tex.....	1942
George G. Chance.....	Farmer, Bryan, Tex.....	1943
San Antonio Branch		
<i>Appointed by Federal Reserve Bank:</i>		
M. Crump.....	Managing Director, San Antonio, Tex.....	1941
J. K. Beretta.....	Chairman, National Bank of Commerce, San Antonio, Tex.....	1941
E. J. Miller.....	President, South Texas National Bank, San Antonio, Tex.....	1942
J. A. Walker.....	Cashier, Del Rio National Bank, Del Rio, Tex.....	1943
<i>Appointed by Board of Governors:</i>		
J. M. Odom.....	General Contractor, Austin, Tex.....	1941
Edwin F. Flato.....	President, Corpus Christi Hardware Company, Corpus Christi, Tex.....	1942
Dolph Briscoe.....	Stockraiser, Uvalde, Tex.....	1943
District No. 12—San Francisco		
<i>Class A:</i>		
Reno Odlin.....	President, Puget Sound National Bank, Tacoma, Wash.....	1941
Carroll F. Byrd.....	Executive Vice President & Chairman, First National Bank, Willows, Calif.....	1942
C. K. McIntosh.....	Chairman, Bank of California, N. A., San Francisco, Calif.....	1943
<i>Class B:</i>		
Wm. G. Volkmann.....	Partner, A. Schilling and Co., San Francisco, Calif.....	1941
Reese H. Taylor.....	President, Union Oil Company, Los Angeles, Calif.....	1942
Elmer H. Cox.....	President, Madera Sugar Pine Co., San Francisco, Calif.....	1943
<i>Class C:</i>		
R. C. Force.....	Chairman, Executive Committee, Caterpillar Tractor Co., San Leandro, Calif.....	1941
C. Thorpe.....	General Manager, California Walnut Growers Assn., Los Angeles, Calif.....	1942
St. George Holden.....	President, St. George Holden Realty Co., San Francisco, Calif.....	1943
Los Angeles Branch		
<i>Appointed by Federal Reserve Bank:</i>		
W. N. Ambrose.....	Managing Director, Los Angeles, Calif.....	1941
C. E. Brouse.....	President, Citizens National Trust & Savings Bank, Riverside, Calif.....	1941
H. D. Ivey.....	President, Citizens National Trust & Savings Bank, Los Angeles, Calif.....	1942
<i>Appointed by Board of Governors:</i>		
C. V. Newman.....	President, Calavo Growers of California, Los Angeles, Calif..	1941
W. S. Rosecrans.....	Land Management & Investments, Los Angeles, Calif.....	1942
Portland Branch		
<i>Appointed by Federal Reserve Bank:</i>		
D. L. Davis.....	Managing Director, Portland, Ore.....	1941
E. B. MacNaughton.....	President, First National Bank, Portland, Ore.....	1941
N. A. Davis.....	Vice President, Baker-Boyer National Bank, Walla Walla, Wash.....	1942
<i>Appointed by Board of Governors:</i>		
George T. Gerlinger.....	President, Willamette Valley Lumber Company, Portland, Ore.....	1941
A. E. Engbretson.....	President, Engbretson Seed Co., Astoria, Ore.....	1942
Salt Lake City Branch		
<i>Appointed by Federal Reserve Bank:</i>		
W. L. Partner.....	Managing Director, Salt Lake City, Utah.....	1941
Frederick P. Champ.....	President, Utah Mortgage Loan Corp., Logan, Utah.....	1941
Orval W. Adams.....	Executive Vice President, Utah State National Bank, Salt Lake City, Utah.....	1942
<i>Appointed by Board of Governors:</i>		
Herbert S. Auerbach.....	President, Auerbach Co., Salt Lake City, Utah.....	1941
R. C. Rich.....	President, R. C. Rich Sheep Co., Burley, Idaho.....	1942
Seattle Branch		
<i>Appointed by Federal Reserve Bank:</i>		
C. R. Shaw.....	Managing Director, Seattle, Wash.....	1941
Andrew Price.....	President, National Bank of Commerce, Seattle, Wash.....	1941
Fred L. Stanton.....	Vice President & Secretary, Washington Trust Company, Spokane, Wash.....	1942
<i>Appointed by Board of Governors:</i>		
Charles F. Larrabee.....	Vice President, Pacific American Fisheries, Inc., Bellingham, Wash.....	1941
Fred Nelsen.....	Dairy Farmer, Seattle, Wash.....	1942

STATE BANK AND TRUST COMPANY MEMBERS

Following is a list of the 1,502 State bank and trust company members of the Federal Reserve System on December 31, 1941.

DISTRICT NO. 1 (43 banks)

CONNECTICUT¹ (6 banks)

Hartford.....	Phoenix State Bank & Trust Co
Meriden.....	Puritan Bank & Trust Co.
New Haven.....	Union & New Haven Trust Co.
Torrington.....	Brooks Bank & Trust Co.
Waterbury.....	Colonial Trust Co.
	Waterbury Trust Co.

MAINE (5 banks)

Augusta.....	Depositors Trust Co.
Bangor.....	Merrill Trust Co.
Bar Harbor.....	Bar Harbor Banking & Trust Co.
Ellsworth.....	Union Trust Co.
Sanford.....	Sanford Trust Co.

MASSACHUSETTS (29 banks)

Arlington.....	Menotomy Trust Co.
Boston.....	New England Trust Co.
	Old Colony Trust Co.
	Pilgrim Trust Co.
	State Street Trust Co.
	United States Trust Co.
Bridgewater.....	Bridgewater Trust Co.
Brookline.....	Norfolk County Trust Co.
Cambridge.....	County Bank & Trust Co.
	Harvard Trust Co.
Fall River.....	B. M. C. Durfee Trust Co.
	Fall River Trust Co.
Gloucester.....	Gloucester Safe Deposit & Trust Co.
Greenfield.....	Franklin County Trust Co.
Holyoke.....	Hadley Falls Trust Co.
Hyannis.....	Hyannis Trust Co.
Lynn.....	Security Trust Co.
Milton.....	Blue Hill Bank & Trust Co.
Newton.....	Newton Trust Co.
Norwood.....	Norwood Trust Co.
Quincy.....	Quincy Trust Co.
Salem.....	Naumkeag Trust Co.
Somerville.....	Somerville Trust Co.
Springfield.....	Springfield Safe Deposit & Trust Co.
	Union Trust Co.
Taunton.....	Bristol County Trust Co.
Wellesley Hills.....	Wellesley Trust Co.
Winchester.....	Winchester Trust Co.
Worcester.....	Worcester County Trust Co.

NEW HAMPSHIRE (1 bank)

Conway.....	Carroll County Trust Co.
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RHODE ISLAND (2 banks)

Providence.....	Industrial Trust Co.
	Union Trust Co.

DISTRICT NO. 2 (217 banks)

CONNECTICUT¹ (2 banks)

Bridgeport.....	West Side Bank
Springdale.....	Springdale Bank & Trust Co.

NEW JERSEY¹ (57 banks)

Bayonne.....	Bayonne Trust Co.
Bloomfield.....	Bloomfield Bank & Trust Co.
	Community Trust Co.
Bogota.....	Bank of Bogota
Boonton.....	Boonton Trust Co.
Bound Brook.....	Bound Brook Trust Co.
Carteret.....	Carteret Bank & Trust Co.
Cranford.....	Cranford Trust Co.
Dover.....	Dover Trust Co.

DISTRICT NO. 2—Continued

NEW JERSEY—continued

Dunellen.....	Peoples Trust Co.
East Orange.....	Amperre Bank & Trust Co.
	Savings Investment & Trust Co.
Elizabeth.....	Central Home Trust Co.
	Elizabethport Banking Co.
Fair Lawn.....	Fair Lawn-Radburn Trust Co.
Fort Lee.....	Fort Lee Trust Co.
Franklin.....	Sussex County Trust Co.
Glen Ridge.....	Glen Ridge Trust Co.
Glen Rock.....	Glen Rock Bank
Hackensack.....	Hackensack Trust Co.
	Peoples Trust Co. of Bergen County
Jersey City.....	Commercial Trust Co. of New Jersey
Keyport.....	Keyport Banking Co.
Linden.....	Linden Trust Co.
Long Branch.....	Long Branch Trust Co.
Maplewood.....	Maplewood Bank & Trust Co.
Montclair.....	Bank of Montclair
	Montclair Trust Co.
Morristown.....	Morristown Trust Co.
Newark.....	Clinton Trust Co.
	Columbus Trust Co.
	Federal Trust Co.
	Fidelity Union Trust Co.
	Franklin-Washington Trust Co.
	Merchants & Newark Trust Co.
	United States Trust Co.
	West Side Trust Co.
Nutley.....	Bank of Nutley
Passaic.....	Bank of Passaic & Trust Co.
	Peoples Bank & Trust Co.
Perth Amboy.....	First Bank & Trust Co.
Phillipsburg.....	Phillipsburg Trust Co.
Plainfield.....	Mid-City Trust Co.
	Plainfield Trust Co.
	State Trust Co.
Red Bank.....	Merchants Trust Co.
Ridgefield Park.....	Ridgefield Park Trust Co.
Ridgewood.....	North Jersey Trust Co.
Rochelle Park.....	Rochelle Park Bank
Rutherford.....	Rutherford Trust Co.
South Orange.....	South Orange Trust Co.
Summit.....	Citizens Trust Co.
	Summit Trust Co.
Tenafly.....	Tenafly Trust Co.
Washington.....	Washington Trust Co.
Westfield.....	Peoples Bank & Trust Co.
	Westfield Trust Co.

NEW YORK (158 banks)

Adams.....	Citizens & Farmers Trust Co.
Albany.....	First Trust Co.
	State Bank of Albany
Amityville.....	Bank of Amityville
Amsterdam.....	Montgomery County Trust Co.
Arcade.....	Citizens Bank
Arlington.....	Vassar Bank
Attica.....	Bank of Attica
Auburn.....	Auburn Trust Co.
Avoca.....	Bank of Avoca
Babylon.....	Bank of Babylon
Baldwin.....	Peoples State Bank
Batavia.....	Genesee Trust Co.
Bayshore.....	South Side Bank
Belmont.....	State Bank of Belmont
Binghamton.....	Marine Midland Trust Co.
Blasdell.....	Bank of Blasdell
Brooklyn (see New York)	
Buffalo.....	Liberty Bank
	Manufacturers & Traders Trust Co.
	Marine Trust Co.

Exclusive of part of State located in another district.

STATE BANK AND TRUST COMPANY MEMBERS—Continued

DISTRICT NO. 2—Continued

NEW YORK—continued

Camillus	Camillus Bank
Canandaigua	Ontario County Trust Co.
Canaseraga	Canaseraga State Bank
Canisteo	First State Bank
Cattaraugus	Bank of Cattaraugus
Center Moriches	Center Moriches Bank
Chatham	State Bank of Chatham
Chestertown	Chester-Schroon-Horicon Bank
Cicero	Cicero State Bank
Clyde	Citizens Bank
Clymer	Clymer State Bank
Cohocton	Cohocton State Bank
De Ruyter	De Ruyter State Bank
Dunkirk	Dunkirk Trust Co.
East Aurora	Eric County Trust Co.
Ellenburg Depot	State Bank of Ellenburg
Elmira	Chemung Canal Trust Co. Elmira Bank & Trust Co.
Endicott	Endicott Trust Co. Union Trust Co.
Evans Mills	Peoples Bank
Farmingdale	Bank of Farmingdale
Floral Park	Floral Park Bank & Trust Co.
Forest Hills (see New York)	
Fredonia	Citizens Trust Co.
Garden City	Garden City Bank & Trust Co.
Geneva	Geneva Trust Co.
Glen Cove	Glen Cove Trust Co.
Gloversville	Trust Co. of Fulton County
Great Neck	Bank of Great Neck
Hamburg	Peoples Bank
Hammondsport	Bank of Hammondsport
Hicksville	Bank of Hicksville
Hudson	Hudson River Trust Co.
Huntington	Bank of Huntington & Trust Co.
Ithaca	Tompkins County Trust Co.
Jamestown	Bank of Jamestown
Johnson City	Workers Trust Co.
Katonah	Northern Westchester Bank
Kenmore	State Bank of Kenmore
Kingston	Kingston Trust Co.
Lackawanna	American Bank
Lindenhurst	Lindenhurst Bank
Little Falls	Herkimer County Trust Co.
Liverpool	Liverpool Bank
Locke	Citizens Bank
Locust Valley	Matinecock Bank
Lowville	Lewis County Trust Co.
Malone	Peoples Trust Co.
Massena	Massena Banking & Trust Co.
Mayville	State Bank of Mayville
Middletown	Orange County Trust Co.
Millbrook	Bank of Millbrook
Minerola	Nassau County Trust Co.
Monticello	Sullivan County Trust Co.
Mount Vernon	Fleetwood Bank Mount Vernon Trust Co.
Newburgh	Columbus Trust Co.
New York	Amalgamated Bank Bankers Trust Co. Bank of the Manhattan Co. Bank of New York Bank of Yorktown Boulevard Bank Bronx County Trust Co. Brooklyn Trust Co. Central Hanover Bank & Trust Co. Chemical Bank & Trust Co. City Bank-Farmers Trust Co. Clinton Trust Co. Colonial Trust Co. Continental Bank & Trust Co. Corn Exchange Bank Trust Co. Federation Bank & Trust Co. Fifth Avenue Bank Fulton Trust Co. Guaranty Trust Co. Irving Trust Co. Lawyers Trust Co. Manufacturers Trust Co. Marine Midland Trust Co. Merchants Bank New York Trust Co.

DISTRICT NO. 2—Continued

NEW YORK—continued

	Pan American Trust Co.
	Pennsylvania Exchange Bank
	Schroder Trust Co.
	Trade Bank & Trust Co.
	United States Trust Co.
Niagara Falls	Power City Trust Co.
North Collins	Bank of North Collins
Northville	Northville Bank
Norwood	State Bank of Norwood
Nyack	Nyack Bank & Trust Co.
Ogdensburg	Ogdensburg Trust Co.
Olean	Olean Trust Co.
Oneida	Madison County Trust & Deposit Co.
Ontario	State Bank of Ontario
Orchard Park	Bank of Orchard Park
Oriskany Falls	First Trust & Deposit Co.
Ossining	Ossining Trust Co.
Parish	State Bank of Parish
Patchogue	Patchogue Citizens Bank & Trust Co.
Pearl River	State Bank of Pearl River
Perry	Citizens Bank
Port Jefferson	Bank of Port Jefferson
Rensselaer	Rensselaer County Bank & Trust Co.
Riverhead	Suffolk County Trust Co.
Rochester	Central Trust Co. Lincoln-Alliance Bank & Trust Co.
Rockville Centre	Bank of Rockville Centre Trust Co.
Rome	Rome Trust Co.
Rye	Rye Trust Co.
Sag Harbor	Peconic Bank
Salamanca	Salamanca Trust Co.
Saratoga Springs	Adirondack Trust Co.
Sayville	Oystermen's Bank & Trust Co.
Schenectady	Citizens Trust Co. Schenectady Trust Co.
Schoharie	Schoharie County Bank
Scotia	Glenville Bank
Sea Cliff	State Bank of Sea Cliff
Smithtown Branch	Bank of Smithtown
Solvay	Solvay Bank
Spring Valley	Ramapo Trust Co.
Stony Brook	Bank of Suffolk County
Syracuse	First Trust & Deposit Co. Syracuse Trust Co.
Tarrytown	Washington Irving Trust Co.
Utica	First Bank & Trust Co.
Warsaw	Wyoming County Bank & Trust Co.
Waterford	Bank of Waterford
Watertown	Northern New York Trust Co.
Westbury	Bank of Westbury Trust Co.
Westhampton Beach	Seaside Bank
West New Brighton	West New Brighton Bank
White Plains	Citizens Bank County Trust Co.
Williamson	State Bank of Williamson
Worcester	Bank of Worcester

DISTRICT NO. 3 (80 banks)

DELAWARE (4 banks)

Wilmington	Equitable Trust Co. Industrial Trust Co. Security Trust Co. Wilmington Trust Co.
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NEW JERSEY¹ (10 banks)

Bordentown	Bordentown Banking Co.
Burlington	Burlington City Loan & Trust Co.
Camden	Camden Trust Co.
Egg Harbor City	Egg Harbor City Trust Co.
Hightstown	Hightstown Trust Co.
Mount Holly	Farmers Trust Co.
Princeton	Princeton Bank & Trust Co.
Riverside	Riverside Trust Co.
Swedesboro	Swedesboro Trust Co.
Wildwood	Union Bank

¹ Exclusive of part of State located in another district.

STATE BANK AND TRUST COMPANY MEMBERS—Continued

DISTRICT NO. 3 Continued

PENNSYLVANIA¹ (66 banks)

Allentown	Liberty Bank & Trust Co.
Bloomsburg	Bloomsburg Bank-Columbia Trust Co.
Carlisle	Carlisle Trust Co.
Chester	Chester-Cambridge Bank & Trust Co.
Clearfield	Clearfield Trust Co.
Danville	Montour County Trust Co.
Du Bois	Union Banking & Trust Co.
Easton	Easton Trust Co.
East Petersburg	East Petersburg State Bank
Egypt	Farmers Bank
Glen Rock	Peoples Bank
Harrisburg	Central Trust Co. Dauphin Deposit Trust Co. Markle Banking & Trust Co. Peoples Savings & Trust Co. Traders Bank & Trust Co.
Hazleton	Wayne County Savings Bank
Honesdale	Houtzdale Trust Co.
Houtzdale	Grange Trust Co.
Jenkintown	Jenkintown Bank & Trust Co.
Jersey Shore	Jersey Shore State Bank
Kane	Kane Bank & Trust Co.
Lancaster	Farmers Bank & Trust Co. Northern Bank & Trust Co.
Lemoyne	Lemoyne Trust Co.
Lewistown	Lewistown Trust Co.
Littlestown	Littlestown State Bank
Lock Haven	Lock Haven Trust Co.
Lykens	Miners Bank & Trust Co.
Mahanoy City	Merchants Banking Trust Co.
Middletown	Citizens Bank & Trust Co. Farmers Trust Co.
Mont Alto	Mont Alto State Bank
Mount Carmel	Liberty State Bank & Trust Co.
Myerstown	Myerstown Trust Co.
Nanticoke	Peoples Bank
New Oxford	Farmers & Merchants Bank
Newtown	Newtown Title & Trust Co.
Norristown	Montgomery Trust Co. Norristown-Penn Trust Co.
Orrstown	Orrstown Bank
Paoli	Paoli Bank
Paradise	State Bank of Paradise
Philadelphia	Fidelity-Philadelphia Trust Co. First Trust Co. Gimbel Bros. Bank & Trust Co. Girard Trust Co. Ninth Bank & Trust Co. Pennsylvania Co. for Insurances on Lives and Granting Annuities Provident Trust Co. Security Bank & Trust Co. Interboro Bank & Trust Co.
Prospect Park	Quakertown Trust Co.
Quakertown	Quakertown Trust Co.
Reading	City Bank & Trust Co. Reading Trust Co.
Schnecksville	Schnecksville State Bank
Schuylkill Haven	Schuylkill Haven Trust Co.
Steelton	Steelton Bank & Trust Co.
Tamaqua	Peoples Trust Co.
Temple	Temple State Bank
White Haven	White Haven Savings Bank
Wilkes-Barre	Wilkes-Barre Deposit & Savings Bank
Williamsport	West Branch Bank & Trust Co.
Wyomissing	Peoples Trust Co.
York	Guardian Trust Co. York Trust Co.

DISTRICT NO. 4 (174 banks)

KENTUCKY¹ (7 banks)

Catlettsburg	Kentucky-Farmers Bank
Covington	Peoples-Liberty Bank & Trust Co.
Lexington	Bank of Commerce Security Trust Co.
Paris	Bourbon-Agricultural Bank & Trust Co. Peoples Deposit Bank & Trust Co.
Richmond	State Bank & Trust Co.

DISTRICT NO. 4—Continued

OHIO (137 banks)

Ada	Liberty Bank
Akron	Freestone Park Trust & Savings Bank First-Central Trust Co.
Alger	Alger Savings Bank
Alliance	Mount Union Bank
Antwerp	Antwerp Exchange Bank
Apple Creek	Apple Creek Banking Co.
Archbold	Peoples State Bank Co.
Arlington	Farmers & Merchants Bank Co.
Ashland	Ashland Bank & Savings Co.
Ashville	Ashville Banking Co.
Bellevue	Union Bank & Savings Co.
Bellville	Farmers Bank
Bolivar	Bolivar State Bank Co.
Bowling Green	Bank of Wood County Co.
Brecksville	Brecksville Bank Co.
Bucyrus	Farmers & Citizens Bank & Savings Co.
Canal Winchester	Peoples Bank Co.
Canton	First Trust & Savings Bank Geo. D. Harter Bank Peoples Bank
Castalia	Castalia Banking Co.
Celina	Commercial Bank Co.
Christiansburg	Farmers & Merchants Bank Co.
Cincinnati	Central Trust Co. Fifty-Third Union Trust Co. Peoples Bank & Savings Co. Provident Savings Bank & Trust Co. Southern Ohio Savings Bank & Trust Co. Western Bank & Trust Co.
Cleveland	Cleveland Trust Co. Lorain Street Bank Union Bank of Commerce Co.
Columbiana	Union Banking Co.
Columbus	Fifth Avenue Savings Bank Co.
Conneaut	Citizens Banking & Savings Co. Conneaut Banking & Trust Co.
Cortland	Cortland Savings & Banking Co.
Coshocton	Peoples Bank & Trust Co.
Crestline	Farmers & Citizens State Bank
Croton	Croton Bank Co.
Danville	Commercial & Savings Bank Co.
Delphos	Commercial Bank Peoples Bank
Delta	Peoples Savings Bank Co.
East Liverpool	Potters Bank & Trust Co.
Elmore	Bank of Elmore Co.
Elyria	Elyria Savings & Trust Co. Savings Deposit Bank & Trust Co.
Findlay	Ohio Bank & Savings Co.
Fort Recovery	Fort Recovery Banking Co.
Freeport	Freeport State Bank
Geneva	Geneva Savings & Trust Co.
Genoa	Genoa Banking Co.
Gibsonburg	Home Banking Co.
Gnadenhutzen	Gnadenhutzen Bank
Green Springs	Commercial Bank Co.
Hillsboro	Hillsboro Bank & Savings Co.
Hubbard	Hubbard Banking Co.
Killbuck	Killbuck Savings Bank Co.
Kipton	Kipton Bank Co.
Leesburg	Citizens Bank & Savings Co.
Lodi	Lodi State Bank
Logan	Farmers & Merchants Bank
Lorain	Central Bank Co. City Bank Co. Lorain Banking Co.
Luckey	Exchange Bank
Lyons	Farmers State Bank
Madison	Citizens Bank
Mansfield	Farmers Savings & Trust Co. Richland Trust Co.
Marblehead	Marblehead Bank Co.
Martins Ferry	Peoples Savings Bank Co.
Mason	First-Mason Bank
Massillon	Ohio-Merchants Trust Co.
Maumee	State Savings Bank Co.
McComb	Peoples Banking Co.
Middlepoint	Middlepoint Banking Co.

¹ Exclusive of part of State located in another district.

STATE BANK AND TRUST COMPANY MEMBERS—Continued

DISTRICT NO. 4—Continued

OHIO—continued

Middletown	First American Bank & Trust Co.
Minerva	Minerva Banking Co.
	Minerva Savings & Bank Co.
Minster	Minster State Bank
Monroeville	Farmers & Citizens Banking Co.
Mount Blanchard	Citizens Bank
Mount Gilead	Peoples Savings Bank Co.
Mount Sterling	Sterling State Bank
Mount Vernon	Knox County Savings Bank
Napoleon	Community Bank
Newark	Licking County Bank
	Newark Trust Co.
New Knoxville	Peoples Savings Bank
New Lexington	Perry County Bank
New Philadelphia	Ohio Savings & Trust Co.
New Waterford	New Waterford Savings & Bank- ing Co.
Niles	Niles Bank Co.
Northfield	Macedonia-Northfield Banking Co.
Norwalk	Huron County Banking Co.
Norwood	Norwood-Hyde Park Bank & Trust Co.
Oak Harbor	Oak Harbor State Bank Co.
Oberlin	Oberlin Savings Bank Co.
Orrville	Orrville Savings Bank
Pemberville	Citizens Savings Bank Co.
Polk	Polk State Bank
Pomeroy	Farmers Bank & Savings Co.
Ravenna	First Savings Bank
Reading	Reading Bank
Richwood	Richwood Banking Co.
Rittman	Rittman Savings Bank
Russellville	Bank of Russellville
St. Bernard	Citizens Bank
St. Henry	St. Henry Bank
St. Marys	Home Banking Co.
Sandusky	Citizens Banking Co.
	Western Security Bank
Shelby	Citizens Bank
Shiloh	Shiloh Savings Bank Co.
Shreve	Farmers Bank
Silverton	Silverton Bank
Strasburg	Citizens State Bank
Sylvania	Sylvania Savings Bank Co.
Toledo	Commerce Guardian Bank
	Morris Plan Bank
	Ohio Citizens Trust Co.
	Toledo Trust Co.
Utica	Utica Savings Bank Co.
Vandalia	Vandalia State Bank
Van Wert	Peoples Savings Bank
Wakeman	Wakeman Bank Co.
Waterville	Waterville State Savings Bank
Wellington	First Wellington Bank
West Carrollton	West Carrollton Bank
Woodville	State Savings Bank
Wooster	Commercial Banking & Trust Co.
Yellow Springs	Miami Deposit Bank Co.
Youngstown	City Trust & Savings Bank
	Dollar Savings & Trust Co.

PENNSYLVANIA¹ (27 banks)

Aliquippa	Woodlawn Trust Co.
Ambridge	Economy Bank
Beaver	Beaver Trust Co.
Dormont	Dormont Savings & Trust Co.
Elizabeth	Bank of Elizabeth
Eric	Security-Peoples Trust Co.
Homestead	Monongahela Trust Co.
Linesville	Farmers & Merchants Bank
McKeesport	Peoples City Bank
Meadville	Crawford County Trust Co.
New Brighton	Beaver County Trust Co.
New Castle	Lawrence Savings & Trust Co.
Pittsburgh	Allegheny Trust Co.
	Allegheny Valley Bank
	Bank of Ohio Valley
	Colonial Trust Co.
	Commonwealth Trust Co.
	Homewood Bank
	Iron & Glass Dollar Savings

DISTRICT NO. 4—Continued

PENNSYLVANIA—continued

	Peoples-Pittsburgh Trust Co.
	Potter Title & Trust Co.
	St. Clair Deposit Bank
	Union Trust Co.
Somerset	Somerset Trust Co.
Turtle Creek	Turtle Creek Bank & Trust Co.
Warren	Warren Bank & Trust Co.
Windber	Windber Trust Co.

WEST VIRGINIA¹ (3 banks)

Sistersville	First-Tyler Bank & Trust Co.
Wheeling	Security Trust Co.
	Wheeling Dollar Savings & Trust Co.

DISTRICT NO. 5 (110 banks)

DISTRICT OF COLUMBIA (8 banks)

Washington	American Security & Trust Co.
	City Bank
	McLachlen Banking Corp.
	Munsey Trust Co.
	National Savings & Trust Co.
	Security Savings & Commercial Bank
	Union Trust Co.
	Washington Loan & Trust Co.

MARYLAND (11 banks)

Baltimore	Baltimore Commercial Bank
	Calvert Bank
	Fidelity Trust Co.
	Maryland Trust Co.
	Union Trust Co. of Maryland
Cambridge	County Trust Co. of Maryland
Ellicott City	Commercial & Farmers Bank
Forest Hill	Forest Hill State Bank
Hagerstown	Hagerstown Trust Co.
Salisbury	Farmers & Merchants Bank
Williamsport	Savings Bank of Williamsport

NORTH CAROLINA (11 banks)

Charlotte	American Trust Co.
Concord	Citizens Bank & Trust Co.
Durham	Fidelity Trust Co.
Edenton	Bank of Edenton
Marshall	Citizens Bank
Tryon	Tryon Bank & Trust Co.
Wadesboro	Bank of Wadesboro
Washington	Bank of Washington
Wilmington	Peoples Savings Bank & Trust Co.
	Wilmington Savings & Trust Co.
Winston-Salem	Wachovia Bank & Trust Co.

SOUTH CAROLINA (5 banks)

Bishopville	Peoples Bank
Camden	Commercial Bank
Charleston	Carolina Savings Bank
Chester	Commercial Bank
Hartsville	Bank of Hartsville

VIRGINIA (54 banks)

Abingdon	Farmers Exchange Bank
Alberta	Bank of Alberta
Amelia	Union Bank & Trust Co.
Amherst	Farmers & Bank of Amherst
Blacksburg	Farmers & Merchants Bank
Blackstone	Citizens Bank & Trust Co.
Bridgewater	Planters Bank
Chase City	Peoples Bank & Trust Co.
Chatham	Planters Bank & Trust Co.
Christiansburg	Bank of Christiansburg
Coeburn	Farmers Exchange Bank
Edinburg	Farmers Bank
Elkton	Bank of Elkton
Farmville	Planters Bank & Trust Co.

STATE BANK AND TRUST COMPANY MEMBERS—Continued

DISTRICT NO. 5—Continued

VIRGINIA—continued

Glade Spring.....	Bank of Glade Spring
Halifax.....	Bank of Halifax
Hallsville.....	Carroll County Bank
Kenbridge.....	Bank of Lunenburg
Lacrosse.....	Bank of Lacrosse
Lawrenceville.....	Farmers & Merchants Bank
Lynchburg.....	Lynchburg Trust & Savings Bank
Mathews.....	Farmers Bank
McKenney.....	Bank of Dinwiddie
Montross.....	Peoples Bank
Mount Jackson.....	Peoples Bank
Odd.....	Citizens Bank of Poquoson
Petersburg.....	Petersburg Savings & American Trust Co.
Phoebus.....	Bank of Phoebus
Portsmouth.....	Merchants & Farmers Bank
Powhatan.....	Bank of Powhatan
Pulaski.....	Pulaski Trust Co.
Remington.....	State Bank of Remington
Rich Creek.....	Farmers & Merchants Bank
Richmond.....	Bank of Commerce & Trusts Mechanics & Merchants Bank Southern Bank & Trust Co. State-Planters Bank & Trust Co.
Rural Retreat.....	Peoples Bank
Shawsville.....	Bank of Shawsville
Smithfield.....	Bank of Smithfield Merchants & Farmers Bank
South Boston.....	Citizens Bank South Boston Bank & Trust Co.
South Hill.....	Citizens Bank
Stanardsville.....	Bank of Greene
Suffolk.....	American Bank & Trust Co. Farmers Bank of Nansemond
Tazewell.....	Farmers Bank of Clinch Valley
Vienna.....	Vienna Trust Co.
Waynesboro.....	Citizens-Waynesboro Bank & Trust Co.
Williamsburg.....	Peninsula Bank & Trust Co.
Winchester.....	Union Bank
Woodstock.....	Shenandoah County Bank & Trust Co.

WEST VIRGINIA¹ (21 banks)

Belington.....	Belington Bank
Berwind.....	Berwind Bank
Buffalo.....	Buffalo Bank
Charleston.....	Kanawha Banking & Trust Co. Kanawha Valley Bank
Greenville.....	Bank of Greenville
Hurricane.....	Putnam County Bank
Lewisburg.....	Greenbrier Valley Bank
Martinsburg.....	Peoples Trust Co.
Parsons.....	Tucker County Bank
Petersburg.....	Potomac Valley Bank
Quinwood.....	Bank of Quinwood
Rainelle.....	Bank of Rainelle
Romney.....	Bank of Romney
St. Albans.....	Bank of St. Albans
St. Marys.....	Pleasants County Bank
Spencer.....	Traders Trust & Banking Co.
Summersville.....	Farmers & Merchants Bank
Union.....	Bank of Monroe
Wardensville.....	Capon Valley Bank
White Sulphur Springs.....	Bank of White Sulphur Springs

DISTRICT NO. 6 (54 banks)

ALABAMA (16 banks)

Aliceville.....	Aliceville Bank & Trust Co.
Birmingham.....	Birmingham Trust & Savings Co.
Clanton.....	Peoples Savings Bank
Clayton.....	Bank of Commerce
Columbiana.....	Columbiana Savings Bank
Cullman.....	Parker Bank & Trust Co.
Dothan.....	Dothan Bank & Trust Co.
Eutaw.....	Merchants & Farmers Bank of Greene County
Guin.....	Marion County Banking Co.
Marion Junction.....	Marion Junction State Bank

DISTRICT NO. 6—Continued

ALABAMA—continued

Montgomery.....	Union Bank & Trust Co.
Oneonta.....	Citizens Bank
Pine Apple.....	Bank of Pine Apple
Selma.....	Peoples Bank & Trust Co.
Thomaston.....	Planters Bank & Trust Co.
York.....	Bank of York

FLORIDA (5 banks)

Bradenton.....	Manatee River Bank & Trust Co.
Fort Lauderdale.....	Broward Bank & Trust Co.
Marianna.....	Citizens State Bank
Ocala.....	Commercial Bank & Trust Co.
St. Petersburg.....	Union Trust Co.

GEORGIA (18 banks)

Adairsville.....	Bank of Adairsville Trust Co. of Georgia
Augusta.....	Georgia Railroad Bank & Trust Co.
Bainbridge.....	Citizens Bank & Trust Co. Blackshear Bank
Brunswick.....	Brunswick Bank & Trust Co.
Canton.....	Bank of Canton
Columbus.....	Columbus Bank & Trust Co. Merchants & Mechanics Bank
Commerce.....	Northeastern Banking Co.
Lawrenceville.....	Brand Banking Co.
Millen.....	Bank of Millen
Monroe.....	Farmers Bank
Pelham.....	Farmers Bank
Savannah.....	Citizens Bank & Trust Co. Savannah Bank & Trust Co.
Soperton.....	Bank of Soperton
Swainsboro.....	Central Bank

LOUISIANA¹ (6 banks)

Alexandria.....	Rapides Bank & Trust Co.
Arabi.....	St. Bernard Bank & Trust Co.
Lake Charles.....	Lake Charles Bank & Trust Co.
New Orleans.....	American Bank & Trust Co. Louisiana Savings Bank & Trust Co.
Slidell.....	Bank of Slidell

MISSISSIPPI (2 banks)

Forest.....	Bank of Forest
Jackson.....	Deposit Guaranty Bank & Trust Co.

TENNESSEE (7 banks)

Carthage.....	Citizens Bank & Trust Co.
Chattanooga.....	American Trust & Banking Co.
Greeneville.....	Greene County Bank
Hartsville.....	Bank of Hartsville
Knoxville.....	Commercial Bank & Trust Co.
Lewisburg.....	Peoples & Union Bank
Nashville.....	Commerce Union Bank

DISTRICT NO. 7 (364 banks)

ILLINOIS¹ (70 banks)

Argenta.....	Gerber State Bank
Arthur.....	State Bank of Arthur
Bloomington.....	Corn Belt Bank Peoples Bank
Blue Island.....	State Bank of Blue Island
Blue Mound.....	State Bank of Blue Mound
Bushnell.....	Farmers & Merchants State Bank
Byron.....	Rock River Community Bank
Camp Grove.....	Camp Grove State Bank
Chadwick.....	Farmers State Bank
Chicago.....	Amalgamated Trust & Savings Bank East Side Trust & Savings Bank Harris Trust & Savings Bank Kaspar-American State Bank Lake Shore Trust & Savings Bank

¹ Exclusive of part of State located in another district

STATE BANK AND TRUST COMPANY MEMBERS—Continued

DISTRICT NO. 7—Continued

ILLINOIS—continued

	Lake View Trust & Savings Bank
	Main State Bank
	Metropolitan State Bank
	Metropolitan Trust Co.
	Northern Trust Co.
	Sears-Community State Bank
	State Bank of Clearing
	State Bank of Cowden
Cowden.....	Kane County Bank & Trust Co.
Elburn.....	State Bank of Eureka
Eureka.....	Evanston Trust & Savings Bank
Evanston.....	State Bank & Trust Co.
	State Bank of Freeport
Freeport.....	Fulton State Bank
Fulton.....	Farmers & Mechanics Bank
Galesburg.....	State Bank of Geneva
Geneva.....	Glasford State Bank
Glasford.....	Old Farmers & Merchants State Bank
Hillsdale.....	Joy State Bank
Joy.....	Exchange State Bank
Lanark.....	LaSalle State Bank
LaSalle.....	Farmers State Bank
Lostant.....	West McHenry State Bank
McHenry.....	Metamora State Bank
Metamora.....	Citizens State Bank
Milford.....	Farmers State Bank
Millbrook.....	Moline State Trust & Savings Bank
Moline.....	Parish Bank & Trust Co.
Momence.....	Smith Trust & Savings Bank
Morrison.....	Farmers Bank
Mt. Pulaski.....	State Bank of Niantic
Niantic.....	Oak Park Trust & Savings Bank
Oak Park.....	Schirding State Bank
Petersburg.....	State Bank of Piper City
Piper City.....	First Trust & Savings Bank
Riverdale.....	Rochester State Bank
Rochester.....	State Bank of Rock Island
Rock Island.....	Rushville State Bank
Rushville.....	First State Bank
Shannon.....	Shelby County State Bank
Shelbyville.....	Shelby Loan & Trust Co.
	Niles Center State Bank
Skokie.....	Springfield Marine Bank
Springfield.....	Thomson State Bank
Thomson.....	Bremen State Park
Tinley Park.....	Citizens Bank
Tolono.....	Busey's State Bank
Urbana.....	Villa Grove State Bank
Villa Grove.....	Citizens State Bank
Walnut.....	Danforth Banking Co.
Washington.....	First State Bank
Wenona.....	Gary-Wheaton Bank
Wheaton.....	Wheaton Trust & Savings Bank
	Wilmette State Bank
Wilmette.....	Farmers State Bank
Yorkville.....	

INDIANA¹ (69 banks)

Amboy.....	State Bank of Amboy
Anderson.....	Citizens Banking Co.
Andrews.....	State Bank of Andrews
Angola.....	Steuben County State Bank
Auburn.....	Auburn State Bank
Avilla.....	Community State Bank
Battle Ground.....	Battle Ground State Bank
Berne.....	First Bank of Berne
Bippus.....	Bippus State Bank
Boswell.....	Farmers & Merchants Bank
Bourbon.....	First State Bank
Brazil.....	Brazil Trust Co.
Bremen.....	Bremen State Bank
Brookville.....	Peoples Trust Co.
Cambridge City.....	Wayne Trust Co.
Carthage.....	State Bank of Carthage
Chesterton.....	Chesterton State Bank
Columbia City.....	Citizens State Bank
	Farmers Loan & Trust Co.
Connorsville.....	Fayette Bank & Trust Co.
Crawfordsville.....	Elston Bank & Trust Co.
Darlington.....	Farmers & Merchants State Bank
Decatur.....	First State Bank

DISTRICT NO. 7—Continued

INDIANA—continued

Delphi.....	Union Bank & Trust Co.
Elkhart.....	First Old State Bank
	St. Joseph Valley Bank
Etna Green.....	Etna Bank
Fairmount.....	Fairmount State Bank
Fowler.....	Fowler State Bank
Franklin.....	Farmers Trust Co.
Garrett.....	Garrett State Bank
Gary.....	Gary State Bank
	Gary Trust & Savings Bank
Greencastle.....	First-Citizens Bank & Trust Co.
Greenfield.....	Greenfield Banking Co.
Greensburg.....	Union Trust Co.
Hartford City.....	Citizens State Bank
Hebron.....	Citizens Bank
Hope.....	Hope State Bank
Indianapolis.....	Fletcher Trust Co.
Jamestown.....	Citizens State Bank
Kokomo.....	Union Bank & Trust Co.
La Fayette.....	La Fayette Savings Bank
Linden.....	Linden State Bank
Logansport.....	Farmers & Merchants State Bank
Marshall.....	Citizens State Bank
Mohawk.....	Mohawk State Bank
Monticello.....	State & Savings Bank
Montpelier.....	Bank of Montpelier
Muncie.....	Merchants Trust Co.
Nappanee.....	State Bank of Nappanee
Oldenburg.....	Farmers & Merchants State Bank
Parker.....	Parker Banking Co.
Pendleton.....	Pendleton Banking Co.
Poland.....	Poland-State Bank
Porter.....	First State Bank
Reynolds.....	Bank of Reynolds
Rising Sun.....	Rising Sun State Bank
Roachdale.....	Roachdale Bank & Trust Co.
Saratoga.....	Saratoga State Bank
South Bend.....	First Bank & Trust Co.
Sweetser.....	Farmers State Bank
Tipton.....	Farmers Loan & Trust Co.
Valparaiso.....	First State Bank
Van Buren.....	Van Buren Bank
Warren.....	Exchange Bank
Warsaw.....	Lake City Bank
Waterloo.....	Citizens State Bank
West College Corner (College Corner, Ohio, P. O.).....	Farmers State Bank

IOWA (51 banks)

Algona.....	Iowa State Bank
	Security State Bank
Auburn.....	Auburn Savings Bank
Aurelia.....	First Trust & Savings Bank
Blencoe.....	Blencoe State Bank
Cherokee.....	Cherokee State Bank
Churdan.....	First State Bank
Clarinda.....	Citizens State Bank
Clear Lake.....	Clear Lake Bank & Trust Co.
Corydon.....	Corydon State Bank
Davenport.....	Davenport Bank & Trust Co.
Des Moines.....	Bankers Trust Co.
Dubuque.....	American Trust & Savings Bank
Early.....	Early Savings Bank
Estherville.....	Iowa Trust & Savings Bank
Fairfield.....	Iowa State Bank & Trust Co.
Fontanelle.....	State Savings Bank
Forest City.....	Forest City Bank & Trust Co.
Fort Dodge.....	The State Bank
Fort Madison.....	Fort Madison Savings Bank
Gladbrook.....	State Bank
Glenwood.....	Glenwood State Bank
Holstein.....	Holstein State Bank
Hull.....	Iowa State Bank
Ida Grove.....	Ida County State Bank
Jesup.....	Farmers State Bank
Keota.....	Security State Bank
Lineville.....	Lineville State Bank
Lohrville.....	Commercial Savings Bank
Maquoketa.....	Jackson State Savings Bank
Mason City.....	United Home Bank & Trust Co.
Mondamin.....	Mondamin Savings Bank

¹ Exclusive of part of State located in another district.

STATE BANK AND TRUST COMPANY MEMBERS—Continued

DISTRICT NO. 7—Continued

IOWA—continued

Monticello.....	Monticello State Bank
Moorhead.....	Moorhead State Bank
Muscatine.....	Central State Bank
	Muscatine Bank & Trust Co.
New Hampton.....	Security State Bank
Newton.....	Jasper County Savings Bank
Osage.....	Home Trust & Savings Bank
Ottumwa.....	Fidelity Savings Bank
	Union Bank & Trust Co.
Riceville.....	Riceville State Bank
Royal.....	Home State Bank
Sheldon.....	Security State Bank
Shenandoah.....	Security Trust & Savings Bank
Storm Lake.....	Commercial Trust & Savings Bank
	Security Trust & Savings Bank
Strawberry Point.....	Union Bank & Trust Co.
Templeton.....	Templeton Savings Bank
Washington.....	Washington State Bank
Williams.....	Williams Savings Bank

MICHIGAN¹ (132 banks)

Adrian.....	Adrian State Savings Bank
	Commercial Savings Bank
	Lenawee County Savings Bank
Albion.....	Commercial & Savings Bank
Algonac.....	Algonac Savings Bank
Allegan.....	Allegan State Bank
Alpena.....	Alpena Savings Bank
Alto.....	Farmers State Bank
Ann Arbor.....	Ann Arbor Savings & Commercial Bank
	State Savings Bank
Armada.....	Armada State Bank
Bay City.....	Bay City Bank
	Peoples Commercial & Savings Bank
Belleville.....	Peoples State Bank
Berrien Springs.....	Berrien Springs State Bank
Big Rapids.....	Big Rapids Savings Bank
Blanchard.....	Blanchard State Bank
Blissfield.....	Blissfield State Bank
Bronson.....	Peoples State Bank
Brown City.....	Brown City Savings Bank
Byron Center.....	Byron Center State Bank
Caledonia.....	State Bank of Caledonia
Capac.....	Capac State Savings Bank
Cass City.....	Cass City State Bank
	Pinney State Bank
Cassopolis.....	Cass County State Bank
Charlevoix.....	Charlevoix County State Bank
Charlotte.....	Eaton County Savings Bank
Chelsea.....	Chelsea State Bank
Chesaning.....	Chesaning State Bank
Clare.....	Citizens State Bank
Clarkston.....	Clarkston State Bank
Coloma.....	State Bank of Coloma
Coopersville.....	Coopersville State Bank
Corunna.....	Old Corunna State Bank
Croswell.....	State Bank of Croswell
Davison.....	Davison State Bank
Decatur.....	First State Bank
Detroit.....	Commonwealth Bank
	Detroit Bank
	United Savings Bank
Dexter.....	Dexter Savings Bank
Dundee.....	Monroe County Bank
Durand.....	Shiawassee County Bank
Ecorse.....	Ecorse Savings Bank
Farmington.....	Farmington State Bank
Fennville.....	Old State Bank
Fenton.....	State Savings Bank
Flint.....	Citizens Commercial & Savings Bank
	Genesee County Savings Bank
	Merchants & Mechanics Bank
Flushing.....	Peoples State Bank
Fountain.....	Fountain State Bank
Frankenmuth.....	Frankenmuth State Bank
Frankfort.....	State Savings Bank
Fremont.....	Fremont State Bank
	Old State Bank
Gagetown.....	State Savings Bank

DISTRICT NO. 7—Continued

MICHIGAN—continued

Gaylord.....	Gaylord State Savings Bank
Grand Haven.....	Grand Haven State Bank
	Peoples Savings Bank
Grand Rapids.....	Old Kent Bank
Grandville.....	Community State Bank
Grant.....	Grant State Bank
Greenville.....	Commercial State Savings Bank
	First State Bank
Grosse Pointe.....	Grosse Pointe Bank
Hamtramck.....	Liberty State Bank
Harbor Beach.....	State Bank
Harbor Springs.....	Emmet County State Bank
Hillsdale.....	Hillsdale State Savings Bank
Holland.....	Holland State Bank
	Peoples State Bank
Holly.....	First State & Savings Bank
Howell.....	First State & Savings Bank
Imlay City.....	Imlay City State Bank
Jackson.....	Jackson City Bank & Trust Co.
Jonesville.....	Grosvenor Savings Bank
Kingston.....	Kingston State Bank
Lakeview.....	Bank of Lakeview
Lansing.....	American State Savings Bank
	Bank of Lansing
Lapeer.....	Lapeer Savings Bank
Lawrence.....	Home State Bank
Lowell.....	State Savings Bank
Ludington.....	Ludington State Bank
Manchester.....	Peoples Bank
	Union Savings Bank
Manistee.....	Manistee County Savings Bank
Marcellus.....	G. W. Jones Exchange Bank
Mason.....	Farmers Bank
Merrill.....	Farmers & Merchants State Bank
Midland.....	Chemical State Savings Bank
Milan.....	Peoples State Bank
Montague.....	Farmers State Bank
Morrice.....	Morrice State Bank
Mount Clemens.....	Mount Clemens Savings Bank
Mount Pleasant.....	Exchange Savings Bank
	Isabella County State Bank
New Baltimore.....	Citizens State Savings Bank
New Boston.....	Peoples State Bank
New Haven.....	New Haven Savings Bank
North Branch.....	Pioneer Bank
Onsted.....	Onsted State Bank
Oxford.....	Oxford Savings Bank
Petoskey.....	First State Bank
Pigeon.....	Pigeon State Bank
Pinconning.....	Pinconning State Bank
Plymouth.....	Plymouth United Savings Bank
Richmond.....	Macomb County Saving Bank
River Rouge.....	River Rouge Savings Bank
Romeo.....	Romeo Savings Bank
St. Clair.....	Commercial & Savings Bank
St. Johns.....	State Bank of St. Johns
Saugatuck.....	Fruit Growers State Bank
Sebewaing.....	Farmers & Merchants State Bank
South Haven.....	Citizens State Bank
	First State Bank
Sparta.....	Sparta State Bank
Spring Lake.....	Spring Lake State Bank
Springport.....	Springport State Savings Bank
Traverse City.....	First-Peoples State Bank
	Traverse City State Bank
Trenton.....	Trenton State Bank
Vassar.....	State Bank of Vassar
Wayne.....	Wayne State Bank
West Branch.....	State Savings Bank
Whitehall.....	State Bank of Whitehall
Williamston.....	Peoples State Bank
Wyandotte.....	Wyandotte Savings Bank
Yale.....	Yale State Bank
Zeeland.....	Zeeland State Bank

WISCONSIN¹ (42 banks)

Antigo.....	Fidelity Savings Bank
Beloit.....	Beloit Savings Bank
	Beloit State Bank
Berlin.....	Farmers & Merchants Bank
Burlington.....	Bank of Burlington
Chilton.....	Commercial Bank
Cudahy.....	Cudahy State Bank

¹Exclusive of part of State located in another district.

STATE BANK AND TRUST COMPANY MEMBERS—Continued

DISTRICT NO. 7—Continued

WISCONSIN—continued

De Forest.....	De Forest-Morrisonville Bank
Denmark.....	Denmark State Bank
Edgerton.....	Tobacco Exchange Bank
Evansville.....	Union Bank & Trust Co.
Fox Lake.....	State Bank of Fox Lake
Francis Creek.....	State Bank of Francis Creek
Green Bay.....	Peoples Trust & Savings Bank
Green Lake.....	Green Lake State Bank
Kaukauna.....	Bank of Kaukauna
Kewaunee.....	State Bank of Kewaunee
Lake Mills.....	Bank of Lake Mills
Lancaster.....	Lancaster State Bank
Manitowoc.....	Manitowoc Savings Bank
Markesan.....	Markesan State Bank
Mayville.....	State Bank of Mayville
Milwaukee.....	American State Bank
	Commonwealth Mutual Savings Bank
	Home Savings Bank
	Marshall & Ilsley Bank
	Northern Bank
	Park Savings Bank
	Teutonia Avenue State Bank
	West Side Bank
Platteville.....	State Bank of Platteville
Sauk City.....	Farmers & Citizens Bank
Sheboygan.....	Bank of Sheboygan
	Citizens State Bank
South Milwaukee.....	Home State Bank
Sturgeon Bay.....	Bank of Sturgeon Bay
Viroqua.....	State Bank of Viroqua
Waupaca.....	Farmers State Bank
Waupun.....	State Bank of Waupun
Wausau.....	Citizens State Bank
West Allis.....	Milwaukee County Bank
Whitewater.....	First Citizens State Bank

DISTRICT NO. 8 (118 banks)

ARKANSAS (9 banks)

Arkadelphia.....	Elk Horn Bank & Trust Co.
Batesville.....	Citizens Bank & Trust Co.
Blytheville.....	Farmers Bank & Trust Co.
Camden.....	Merchants & Planters Bank
Fordyce.....	Fordyce Bank & Trust Co.
Little Rock.....	W. B. Worthen Co., Bankers
Russellville.....	Bank of Russellville
	Peoples Exchange Bank
Waldron.....	Bank of Waldron

ILLINOIS¹ (26 banks)

Breese.....	State Bank of Breese
Cairo.....	First Bank & Trust Co.
Clay City.....	Clay City Banking Co.
Dongola.....	First State Bank
Dupo.....	Dupo State Savings Bank
DuQuoin.....	DuQuoin State Bank
East St. Louis.....	Union Trust Co.
Edwardsville.....	Bank of Edwardsville
Effingham.....	Effingham State Bank
Eldorado.....	C. P. Burnett & Sons, Bankers
Farina.....	State Bank of Farina
Hillsboro.....	Montgomery County Bank
Hoyleton.....	Hoyleton State & Savings Bank
Jacksonville.....	Elliott State Bank
Johnston City.....	Johnston City State Bank
Keysport.....	State Bank of Keysport
Litchfield.....	Litchfield Bank & Trust Co.
Mounds.....	First State Bank
Olmsted.....	First State Bank
Red Bud.....	First State Bank
Richview.....	Richview State Bank
Ridgway.....	Gallatin County Bank
St. Elmo.....	Fayette County Bank
St. Peter.....	First State Bank
Teutopolis.....	Teutopolis State Bank
Vandalia.....	Farmers & Merchants Bank

INDIANA¹ (8 banks)

Bloomfield.....	Bloomfield State Bank
Charlestown.....	First Bank of Charlestown

DISTRICT NO. 8—Continued

INDIANA—continued

Oaktown.....	Oaktown Bank
Orleans.....	Bank of Orleans
Richland.....	Lake State Bank
Salem.....	State Bank of Salem
Sandborn.....	Sandborn Banking Co.
Scottsburg.....	Scott County State Bank

KENTUCKY¹ (11 banks)

Bardstown.....	Farmers Bank & Trust Co.
Campbellsville.....	Citizens Bank & Trust Co.
Clay.....	Farmers Bank
Danville.....	Boyle Bank & Trust Co.
Hartford.....	Citizens Bank
Hopkinsville.....	Planters Bank & Trust Co.
Louisville.....	Kentucky Title Trust Co.
	Lincoln Bank & Trust Co.
	Louisville Trust Co.
Middletown.....	Bank of Middletown
Owensboro.....	First-Owensboro Bank & Trust Co.

MISSOURI¹ (64 banks)

Arnold.....	Bank of Maxville
California.....	Farmers & Traders Bank
Camdenton.....	Camden County Bank
Carrollton.....	Carroll County Trust Co.
Clayton.....	St. Louis County Bank
Clinton.....	Union State Bank
Crane.....	Bank of Crane
Cuba.....	Peoples Bank
Eldon.....	Bank of Eldon
Elsberry.....	Bank of Lincoln County
Fair Play.....	Citizens State Bank
Farmington.....	United Bank
Fenton.....	Farmers & Merchants Bank
Fulton.....	Callaway Bank
Glasgow.....	Glasgow Savings Bank
Hannibal.....	Farmers & Merchants Bank & Trust Co.
Keytesville.....	Bank of Keytesville
Lancaster.....	Schuyler County State Bank
Lebanon.....	State Bank of Lebanon
	State Savings Bank
Luxemburg.....	Lemay Bank & Trust Co.
Maplewood.....	Maplewood Bank & Trust Co.
	Peoples State Bank
Marshall.....	Wood & Huston Bank
Memphis.....	Bank of Memphis
Moberly.....	City Bank & Trust Co.
	Mechanics Bank & Trust Co.
Monroe City.....	Monroe City Bank
Normandy.....	Normandy State Bank
Paris.....	Paris Savings Bank
Pine Lawn.....	Pine Lawn Bank & Trust Co.
Polo.....	Farmers Bank
St. Charles.....	St. Charles Savings Bank
	Union Savings Bank
Ste. Genevieve.....	Bank of Ste. Genevieve
St. Louis.....	Baden Bank
	Bremen Bank & Trust Co.
	Cass Bank & Trust Co.
	Chippewa Trust Co.
	Easton-Taylor Trust Co.
	Jefferson Bank & Trust Co.
	Jefferson-Gravois Bank
	Lindell Trust Co.
	Manchester Bank
	Manufacturers Bank & Trust Co.
	Mercantile-Commerce Bank & Trust Co.
	Mississippi Valley Trust Co.
	Mound City Trust Co.
	North St. Louis Trust Co.
	Plaza Bank
	Southern Commercial & Savings Bank
	Southwest Bank
	Tower Grove Bank & Trust Co.
	United Bank & Trust Co.
St. Louis County.....	Gravois Bank
Sedalia.....	Sedalia Bank & Trust Co.

¹ Exclusive of part of State located in another district.

STATE BANK AND TRUST COMPANY MEMBERS—Continued

DISTRICT NO. 8—Continued

MISSOURI—continued

Springfield.....	Southern Missouri Trust Co.
Steelville.....	Community Bank
Sweet Springs.....	Chemical Bank
Vandalia.....	Vandalia State Bank
Versailles.....	Bank of Versailles
Vienna.....	Maries County Bank
Washington.....	Franklin County Bank
Webster Groves.....	Webster Groves Trust Co.

DISTRICT NO. 9 (88 banks)

MICHIGAN¹ (14 banks)

Bark River.....	Bark River State Bank
Escanaba.....	State Savings Bank
Ewen.....	State Bank of Ewen
Gladstone.....	Gladstone State Savings Bank
Gwinn.....	Gwinn State Savings Bank
Iron River.....	Miners' State Bank
L'Anse.....	Commercial Bank
Manistique.....	State Savings Bank
Menominee.....	Commercial Bank
Newberry.....	Newberry State Bank
Ontonagon.....	Citizens State Bank
Sault Ste. Marie.....	Central Savings Bank
South Range.....	South Range State Bank

MINNESOTA (21 banks)

Caledonia.....	Sprague State Bank
Cannon Falls.....	Security State Bank
Chatfield.....	Root River State Bank
Clinton.....	Clinton State Bank
Hawley.....	State Bank of Hawley
Houston.....	Security State Bank
Lakefield.....	Farmers State Bank
Madelia.....	Farmers State Bank
Minneapolis.....	Fidelity State Bank
Owatonna.....	Security Bank & Trust Co.
Plainview.....	Peoples State Bank
Rockville.....	State Bank of Rockville
Rushmore.....	First State Bank
St. Cloud.....	Zapp State Bank
Sleepy Eye.....	State Bank of Sleepy Eye
Springfield.....	Farmers & Merchants State Bank
Wadena.....	Wadena County State Bank
Welcome.....	Welcome State Bank
West Concord.....	Farmers State Bank
Winona.....	Merchants Bank

MONTANA (25 banks)

Anaconda.....	Daly Bank & Trust Co.
Belt.....	Belt Valley Bank
Big Timber.....	Citizens Bank & Trust Co.
Billings.....	Security Trust & Savings Bank
Bozeman.....	Gallatin Trust & Savings Bank
Broadus.....	Security Bank & Trust Co.
Butte.....	Powder River County Bank
Cascade.....	Metals Bank & Trust Co.
Choteau.....	Stockmens Bank
Columbus.....	Citizens State Bank
Deer Lodge.....	Yellowstone Bank
Denton.....	Deer Lodge Bank & Trust Co.
Fromberg.....	Farmers State Bank
Glasgow.....	Clarks Fork Valley Bank
Great Falls.....	Farmers-Stockgrowers Bank
Helena.....	Montana Bank & Trust Co.
Laurel.....	Union Bank & Trust Co.
Libby.....	Yellowstone Bank
Richey.....	First State Bank
Ronan.....	First State Bank
Terry.....	Ronan State Bank
Townsend.....	State Bank of Terry
Victor.....	State Bank of Townsend
Worden.....	Farmers State Bank

SOUTH DAKOTA (23 banks)

Alcester.....	State Bank of Alcester
Arlington.....	Citizens State Bank

DISTRICT NO. 9—Continued

SOUTH DAKOTA—continued

Belle Fourche.....	Bank of Belle Fourche
Belvidere.....	Belvidere State Bank
Buffalo.....	First State Bank
Custer.....	Custer County Bank
Faith.....	Farmers State Bank
Flandreau.....	Farmers State Bank
Freeman.....	Merchants State Bank
Fulton.....	Fulton State Bank
Huron.....	Farmers & Merchants Bank
Madison.....	Security Bank & Trust Co.
Miller.....	Hand County State Bank
Mitchell.....	Commercial Trust & Savings Bank
Mobridge.....	Citizens Bank
Onida.....	Onida Bank
Presho.....	Farmers & Merchants State Bank
Sioux Falls.....	Union Savings Bank
Sturgis.....	Bear Butte Valley Bank
Toronto.....	Bank of Toronto
Vermillion.....	Citizens Bank
Webster.....	Security Bank
Woonsocket.....	Sanborn County Bank

WISCONSIN¹ (5 banks)

Boyceville.....	Bank of Boyceville
Glenwood City.....	First State Bank
Menomonee.....	Kraft State Bank
Rhineland.....	Merchants State Bank
Tomahawk.....	Bradley Bank

DISTRICT NO. 10 (91 banks)

COLORADO (45 banks)

Brighton.....	Brighton State Bank
Craig.....	Moffatt County State Bank
Del Norte.....	Rio Grande County Bank
Delta.....	Colorado Bank & Trust Co.
Denver.....	Central Savings Bank & Trust Co.
Eaton.....	International Trust Co.
Fort Morgan.....	Eaton Bank
Grand Junction.....	Farmers State Bank
Gunnison.....	United States Bank
Haxtun.....	Gunnison Bank & Trust Co.
La Junta.....	Haxtun State Bank
Sterling.....	Colorado Savings & Trust Co.
Yuma.....	Commercial Savings Bank
	Security State Bank
	Farmers State Bank

KANSAS (29 banks)

Abilene.....	Citizens Bank
Augusta.....	Prairie State Bank
Burns.....	Burns State Bank
Caldwell.....	Stock Exchange Bank
Eldorado.....	Citizens State Bank
Goodland.....	Goodland State Bank
Great Bend.....	American State Bank
Hiawatha.....	Morrill & Janes Bank
Hill City.....	Farmers & Merchants Bank
Horton.....	Home State Bank
Hoxie.....	Hoxie State Bank
Hutchinson.....	Hutchinson State Bank
Kansas City.....	Riverview State Bank
Kinsley.....	Kinsley Bank
Liberal.....	Citizens State Bank
Luray.....	Peoples State Bank
Ness City.....	First State Bank
Norton.....	First State Bank
Oakley.....	Farmers State Bank
Osage City.....	Citizens State Bank
Pratt.....	Peoples Bank
Rossville.....	Peoples State Bank
Sedan.....	Sedan State Bank
St. Marys.....	St. Marys State Bank
Sylvan Grove.....	Sylvan State Bank
Tonganoxie.....	First State Bank
Topoka.....	Fidelity Savings State Bank
Wakefield.....	Farmers & Merchants State Bank
Winfield.....	The State Bank

¹ Exclusive of part of State located in another district.

STATE BANK AND TRUST COMPANY MEMBERS—Continued

DISTRICT NO. 10—Continued

MISSOURI (12 banks)

Albany.....	Gentry County Bank
Carthage.....	Bank of Carthage
Craig.....	Bank of Craig
Kansas City.....	Commerce Trust Co. Mercantile Home Bank & Trust Co.
King City.....	Merchants Bank
Lamar.....	First State Bank
Rich Hill.....	Barton County State Bank
St. Joseph.....	Security Bank
South St. Joseph.....	Empire Trust Co.
Stanberry.....	First St. Joseph Stock Yards Bank Farmers State Bank

NEBRASKA (14 banks)

Aima.....	Harlan County Bank
Bancroft.....	Citizens Bank
Blair.....	Washington County Bank
Bluehill.....	Commercial Bank
Chappell.....	Duel County State Bank
Hartington.....	Bank of Hartington
Lexington.....	Farmers State Bank
North Platte.....	McDonald State Bank
Pawnee City.....	Citizens State Bank
Scribner.....	Farmers State Bank
Stromsburg.....	Stromsburg Bank
Valley.....	Bank of Valley
Wahoo.....	Wahoo State Bank
Wallace.....	Farmers State Bank

NEW MEXICO¹ (2 banks)

Aztec.....	Citizens Bank
Taos.....	First State Bank

OKLAHOMA¹ (10 banks)

Ada.....	Oklahoma State Bank
Canton.....	Bank of Canton
Eldorado.....	First State Bank
Fairview.....	Fairview State Bank
Garber.....	Bank of Garber
Medford.....	Grant County Bank
Okarche.....	First Bank of Okarche.
Purcell.....	First State Bank
Stroud.....	First State Bank
Woodward.....	Bank of Woodward

WYOMING (9 banks)

Evanston.....	Stockgrowers Bank
Lusk.....	Lusk State Bank
Mountain View.....	Uinta County State Bank
Newcastle.....	First State Bank
Saratoga.....	Saratoga State Bank
Sundance.....	Sundance State Bank
Wheatland.....	State Bank of Wheatland
Worland.....	Stock Growers Bank Farmers State Bank

DISTRICT NO. 11 (93 banks)

ARIZONA¹ (1 bank)

Tucson.....	Southern Arizona Bank & Trust Co.
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LOUISIANA¹ (2 banks)

Minden.....	Minden Bank & Trust Co.
Shreveport.....	Continental-American Bank & Trust Co.

NEW MEXICO¹ (3 banks)

Carlsbad.....	American Bank
Deming.....	Mimbres Valley Bank
Logan.....	McFarland Bros. Bank

OKLAHOMA¹ (1 bank)

Atoka.....	Atoka State Bank
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DISTRICT NO. 11—Continued

TEXAS (86 banks)

Aransas Pass.....	First State Bank
Bandera.....	First State Bank
Bangs.....	First State Bank
Bay City.....	Bay City Bank & Trust Co.
Beaumont.....	Security State Bank & Trust Co.
Beeville.....	State Bank & Trust Co.
Brackettville.....	First State Bank
Bremond.....	First State Bank
Brenham.....	Washington County State Bank
Brownfield.....	Brownfield State Bank
Bryan.....	First State Bank & Trust Co.
Celina.....	First State Bank
Clarendon.....	Farmers State Bank
Cleveland.....	Farmers State Bank
Clifton.....	Farmers State Bank
Crosby.....	Crosby State Bank
Crowell.....	Crowell State Bank
Cuero.....	Farmers State Bank & Trust Co.
Dalhart.....	Citizens State Bank
Dallas.....	Liberty State Bank
De Kalb.....	State Bank of De Kalb
Del Rio.....	Del Rio Bank & Trust Co.
Dodson.....	First State Bank
Dumas.....	First State Bank
East Bernard.....	Union State Bank
Eden.....	Eden State Bank
Ferris.....	Farmers & Merchants State Bank
Forney.....	Forney State Bank
Franklin.....	First State Bank
Fredericksburg.....	Security State Bank
Gatesville.....	Guaranty Bank & Trust Co.
Gladewater.....	First State Bank
Gonzales.....	Gonzales State Bank
Granger.....	First State Bank
Hamilton.....	Hamilton Bank & Trust Co.
Houston.....	Citizens State Bank Guardian Trust Co.
Iola.....	Iola State Bank
Kerrville.....	First State Bank
Knox City.....	Citizens State Bank
Kosse.....	First State Bank
Ladonia.....	Farmers & Merchants State Bank
Llano.....	Moore State Bank
Loraine.....	First State Bank
Lorenzo.....	Lorenzo State Bank
Madisonville.....	Farmers State Bank
Marlin.....	First State Bank
Matador.....	First State Bank
Mathis.....	First State Bank
Maypearl.....	First State Bank
McAllen.....	City State Bank & Trust Co.
Monahans.....	First State Bank
Mount Pleasant.....	Guaranty Bond State Bank
Muleshoe.....	Muleshoe State Bank
Pearsall.....	Security State Bank
Ralls.....	Security State Bank & Trust Co.
Rankin.....	First State Bank
Richardson.....	Citizens State Bank
Robert Lee.....	Robert Lee State Bank
Roby.....	Citizens State Bank
Rocksprings.....	First State Bank
Roscoe.....	Roscoe State Bank
Royse City.....	Citizens State Bank
Rusk.....	Farmers & Merchants State Bank & Trust Co.
San Marcos.....	State Bank & Trust Co.
Schertz.....	Schertz State Bank
Seminole.....	Seminole State Bank
Shamrock.....	Farmers & Merchants State Bank
Shiro.....	Farmers State Bank
Silsbee.....	Silsbee State Bank
Sinton.....	Commercial State Bank
Spearman.....	First State Bank
Spur.....	Spur Security Bank
Sulphur Springs.....	Sulphur Springs State Bank
Taft.....	First State Bank
Talpa.....	First State Bank
Temple.....	Farmers State Bank
Thorndale.....	Thorndale State Bank
Tomball.....	Guaranty Bond State Bank
Trent.....	Home State Bank
Wellington.....	Wellington State Bank
West Columbia.....	First Capitol State Bank

¹ Exclusive of part of State located in another district.

STATE BANK AND TRUST COMPANY MEMBERS—Continued

DISTRICT NO. 11—Continued

TEXAS—continued

Wharton.....	Security Bank & Trust Co.
	Wharton Bank & Trust Co.
Winters.....	Winters State Bank
Yorktown.....	First State Bank

DISTRICT NO. 12 (70 banks)

ARIZONA¹ (1 bank)

Buckeye.....	Buckeye Valley Bank
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CALIFORNIA (17 banks)

Auburn.....	Placer County Bank
Carmel.....	Bank of Carmel
Fairfield.....	Solano County Bank
Lodi.....	Farmers & Merchants Bank
Long Beach.....	Farmers & Merchants Bank
Los Angeles.....	California Bank
	California Trust Co.
	Union Bank & Trust Co.
Newman.....	Bank of Newman
Oakland.....	Bank of Commerce
Pasadena.....	Citizens Commercial Trust & Savings Bank
	First Trust & Savings Bank
Salinas.....	Monterey County Trust & Savings Bank
San Francisco.....	American Trust Co.
	Wells Fargo Bank & Union Trust Co.
San Rafael.....	Bank of San Rafael
Santa Paula.....	Citizens State Bank

IDAHO (9 banks)

Aberdeen.....	Bank of Aberdeen
American Falls.....	American Falls Bank
Arco.....	Butte County Bank
Hazelton.....	Hazelton State Bank
Malad City.....	J. N. Ireland & Co., Bankers
Orofino.....	Bank of Orofino
Richfield.....	First State Bank
Soda Springs.....	Largilliere Co., Bankers
Twin Falls.....	Twin Falls Bank & Trust Co.

NEVADA (2 banks)

Elko.....	Nevada Bank of Commerce
Pioche.....	Bank of Pioche

DISTRICT NO. 12—Continued

OREGON (6 banks)

Albany.....	Bank of Albany
Beaverton.....	First Security Bank
Dallas.....	Dallas City Bank
Halsey.....	Halsey State Bank
Myrtle Point.....	Security Bank
Oakland.....	E. G. Young & Co. Bank

UTAH (21 banks)

Brigham.....	State Security Bank
Cedar City.....	Bank of Southern Utah
Ephraim.....	Bank of Ephraim
Gunnison.....	Gunnison Valley Bank
Heber.....	Commercial Bank of Heber City
Helper.....	Helper State Bank
Kaysville.....	Barnes Banking Co.
Logan.....	Cache Valley Banking Co.
Nephi.....	Commercial Bank
Ogden.....	Commercial Security Bank
Price.....	Carbon Emery Bank
Provo.....	Farmers & Merchants Bank
Salina.....	First State Bank
Salt Lake City.....	Tracy Loan & Trust Co.
	Utah Savings & Trust Co.
	Walker Bank & Trust Co.
Spanish Fork.....	Bank of Spanish Fork
	Commercial Bank
Springville.....	Springville Banking Co.
Vernal.....	Bank of Vernal
	Uintah State Bank

WASHINGTON (14 banks)

Almira.....	Almira State Bank
Cashmere.....	Cashmere Valley Bank
Coulee City.....	Security State Bank
Kelso.....	Cowlitz Valley Bank
Lacrosse.....	First State Bank
Puyallup.....	Citizens State Bank
Ridgefield.....	Ridgefield State Bank
Ritzville.....	Ritzville State Bank
Rockford.....	Farmers & Merchants Bank
Seattle.....	Seattle Trust & Savings Bank
Selah.....	Selah State Bank
Spokane.....	Washington Trust Co.
Uniontown.....	Farmers State Bank
Wilbur.....	State Bank of Wilbur

¹Exclusive of part of State located in another district.

DESCRIPTION OF FEDERAL RESERVE DISTRICTS

Federal Reserve district	Land area ¹ (square miles)	Popula- tion April 1, 1940
No. 1—Boston	62,573	8,018,906
No. 2—New York	52,153	17,129,265
No. 3—Philadelphia	37,023	7,777,910
No. 4—Cleveland	74,027	11,809,528
No. 5—Richmond	152,471	12,330,219
No. 6—Atlanta	247,778	12,597,347
No. 7—Chicago	190,446	19,406,389
No. 8—St. Louis	195,902	10,187,405
No. 9—Minneapolis	412,304	5,542,966
No. 10—Kansas City	480,537	7,855,397
No. 11—Dallas	386,447	7,733,748
No. 12—San Francisco	685,438	11,280,195
Total	2,977,099	131,669,275

FEDERAL RESERVE DISTRICTS

DISTRICT NO. 1—BOSTON	62,573	8,018,906	
Connecticut (excluding Fairfield County)	4,266	1,290,858	
Maine	31,040	847,226	
Massachusetts	7,907	4,316,721	
New Hampshire	9,024	491,524	
Rhode Island	1,058	713,346	
Vermont	9,278	359,231	
DISTRICT NO. 2—NEW YORK	52,153	17,129,265	
Connecticut (Fairfield County)	633	418,384	
New Jersey	3,591	3,231,739	
Counties of—			
Bergen	Hunterdon	Morris	Sussex
Essex	Middlesex	Passaic	Union
Hudson	Monmouth	Somerset	Warren
New York			
	47,929	13,479,142	
DISTRICT NO. 3—PHILADELPHIA	37,023	7,777,910	
Delaware	1,978	266,505	
New Jersey	3,931	928,426	
Counties of—			
Atlantic	Cape May	Gloucester	Ocean
Burlington	Cumberland	Mercer	Salem
Camden			
Pennsylvania (eastern part)			
Counties of—			
Adams	Clinton	Lebanon	Philadelphia
Bedford	Columbia	Lehigh	Pike
Berks	Cumberland	Luzerne	Potter
Blair	Dauphin	Lycoming	Schuylkill
Bradford	Delaware	McKean	Snyder
Bucks	Elk	Mifflin	Sullivan
Cambria	Franklin	Monroe	Susquehanna
Cameron	Fulton	Montgomery	Tioga
Carbon	Huntingdon	Montour	Union
Center	Juniata	Northampton	Wayne
Chester	Lackawanna	Northumberland	Wyoming
Clearfield	Lancaster	Perry	York
	31,114	6,582,979	
DISTRICT NO. 4—CLEVELAND	74,027	11,809,528	
Kentucky (eastern part)	17,772	1,379,425	
Counties of—			
Bath	Elliott	Jessamine	Lincoln
Bell	Estill	Johnson	McCreary
Boone	Fayette	Kenton	Madison
Bourbon	Fleming	Knott	Magoffin
Boyd	Floyd	Knox	Martin
Bracken	Garrard	Laurel	Mason
Breathitt	Grant	Lawrence	Menifee
Campbell	Greenup	Lee	Montgomery
Carter	Harlan	Leslie	Morgan
Clark	Harrison	Letcher	Nicholas
Clay	Jackson	Lewis	Owsley

¹ Data for land areas of States were recomputed in preparation for the 1940 Census and, therefore, differ somewhat from those shown in issues previous to 1940.

DESCRIPTION OF FEDERAL RESERVE DISTRICTS—Continued

Federal Reserve district	Land area ¹ (square miles)	Population April 1, 1940	
DISTRICT NO. 4—CLEVELAND—Continued			
Kentucky (eastern part)			
Counties of—Continued			
Pendleton	Powell	Rockcastle	Whitley
Perry	Pulaski	Rowan	Wolfe
Pike	Robertson	Scott	Woodford
Ohio		41,122	6,907,612
Pennsylvania (western part)			
Counties of—			
Allegheny	Crawford	Indiana	Venango
Armstrong	Erie	Jefferson	Warren
Beaver	Fayette	Lawrence	Washington
Butler	Forest	Mercer	Westmoreland
Clarion	Greene	Somerset	
West Virginia (northern part)		1,202	205,290
Counties of—			
Brooke	Marshall	Tyler	
Hancock	Ohio	Wetzel	
DISTRICT NO. 5—RICHMOND			
		152,471	12,330,219
District of Columbia			
		61	663,091
Maryland			
		9,887	1,821,244
North Carolina			
		49,142	3,571,623
South Carolina			
		30,594	1,899,804
Virginia			
		39,899	2,677,773
West Virginia (southern part)			
		22,888	1,696,684
Counties of—			
Barbour	Hardy	Mingo	Roane
Berkeley	Harrison	Monongalia	Summers
Boone	Jackson	Monroe	Taylor
Braxton	Jefferson	Morgan	Tucker
Cabell	Kanawha	Nicholas	Upshur
Calhoun	Lewis	Pendleton	Wayne
Clay	Lincoln	Pleasants	Webster
Doddridge	Logan	Pocahontas	Wirt
Fayette	McDowell	Preston	Wood
Gilmer	Marion	Putnam	Wyoming
Grant	Mason	Raleigh	
Greenbrier	Mercer	Randolph	
Hampshire	Mineral	Ritchie	
DISTRICT NO. 6—ATLANTA			
		247,778	12,597,347
Alabama			
		51,078	2,832,961
Florida			
		54,262	1,897,414
Georgia			
		58,518	3,123,723
Louisiana (southern part)			
		26,630	1,611,595
Parishes of—			
Acadia	Evangeline	Rapides	Tangipahoa
Allen	Iberia	St. Bernard	Terrebonne
Ascension	Iberville	St. Charles	Vermilion
Assumption	Jefferson	St. Helena	Vernon
Avoyelles	Jefferson Davis	St. James	Washington
Beauregard	Lafayette	St. John the Baptist	West Baton Rouge
Calcasieu	La Fourche	St. Landry	West Feliciana
Cameron	Livingston	St. Martin	
East Baton Rouge	Orleans	St. Mary	
East Feliciana	Plaquemines	St. Tammany	
Mississippi (southern part)	Pointe Coupee		
		26,092	1,073,748
Counties of—			
Adams	Harrison	Lawrence	Scott
Amite	Hinds	Leake	Sharkey
Claiborne	Issaquena	Lincoln	Simpson
Clarke	Jackson	Madison	Smith
Copiah	Jasper	Marion	Stone
Covington	Jefferson	Neshoba	Walthall
Forrest	Jefferson Davis	Newton	Warren
Franklin	Jones	Pearl River	Wayne
George	Kemper	Perry	Wilkinson
Greene	Lamar	Pike	Yazoo
Hancock	Lauderdale	Rankin	
Tennessee (eastern part)			
		31,198	2,057,906
Counties of—			
Anderson	Clay	Grainger	Jackson
Bedford	Cocke	Greene	Jefferson
Bledsoe	Coffee	Grundy	Johnson
Blount	Cumberland	Hamblen	Knox
Bradley	Davidson	Hamilton	Lawrence
Campbell	De Kalb	Hancock	Lewis
Cannon	Dickson	Hawkins	Lincoln
Carter	Fentress	Hickman	Loudon
Cheatham	Franklin	Houston	McMinn
Claiborne	Giles	Humphreys	Macon

DESCRIPTION OF FEDERAL RESERVE DISTRICTS—Continued

Federal Reserve district				Land area (square miles)	Population April 1, 1940
DISTRICT NO. 6—ATLANTA—Continued					
Tennessee (eastern part)					
Counties of—Continued					
Marion	Perry	Sequatchie	Van Buren		
Marshall	Pickett	Sevier	Warren		
Maury	Polk	Smith	Washington		
Meigs	Putnam	Stewart	Wayne		
Monroe	Rhea	Sullivan	White		
Montgomery	Roane	Sumner	Williamson		
Moore	Robertson	Trousdale	Wilson		
Morgan	Rutherford	Unicoi			
Overton	Scott	Union			
DISTRICT NO. 7—CHICAGO				190,446	19,406,389
Illinois (northern part)				35,333	6,591,832
Counties of—					
Boone	Ford	Livingston	Rock Island		
Bureau	Fulton	Logan	Sangamon		
Carroll	Grundy	McDonough	Schuyler		
Cass	Hancock	McHenry	Shelby		
Champaign	Henderson	McLean	Stark		
Christian	Henry	Macon	Stephenson		
Clark	Iroquois	Marshall	Tazewell		
Coles	Jo Daviess	Mason	Vermilion		
Cook	Kane	Menard	Warren		
Cumberland	Kankakee	Mercer	Whiteside		
De Kalb	Kendall	Moultrie	Will		
De Witt	Knox	Ogle	Winnebago		
Douglas	Lake	Peoria	Woodford		
Du Page	La Salle	Piatt			
Edgar	Lee	Putnam			
Indiana (northern part)				26,779	2,788,910
Counties of—					
Adams	Fountain	La Porte	Ripley		
Allen	Franklin	Madison	Rush		
Bartholomew	Fulton	Marion	St. Joseph		
Benton	Grant	Marshall	Shelby		
Blackford	Hamilton	Miami	Starke		
Boone	Hancock	Monroe	Steuben		
Brown	Hendricks	Montgomery	Tippecanoe		
Carroll	Henry	Morgan	Tipton		
Cass	Howard	Newton	Union		
Clay	Huntington	Noble	Vermillion		
Clinton	Jasper	Ohio	Vigo		
Dearborn	Jay	Owen	Wabash		
Decatur	Jennings	Parke	Warren		
De Kalb	Johnson	Porter	Wayne		
Delaware	Kosciusko	Pulaski	Wells		
Elkhart	Lagrange	Putnam	White		
Fayette	Lake	Randolph	Whitley		
Iowa				55,986	2,538,268
Michigan (southern part)				40,484	4,932,562
Counties of—					
Alcona	Eaton	Lapeer	Ogemaw		
Allegan	Emmet	Leelanau	Osceola		
Alpena	Genesee	Lenawee	Oscoda		
Antrim	Gladwin	Livingston	Otsego		
Arenac	Grand Traverse	Macomb	Ottawa		
Barry	Griatiot	Manistee	Presque Isle		
Bay	Hillsdale	Mason	Roscommon		
Benzie	Huron	Mecosta	Saginaw		
Berrien	Ingham	Midland	St. Clair		
Branch	Ionia	Missaukee	St. Joseph		
Calhoun	Iosco	Monroe	Sanilac		
Cass	Isabella	Montcalm	Shiawassee		
Charlevoix	Jackson	Montmorency	Tuscola		
Cheboygan	Kalamazoo	Muskegon	Van Buren		
Clare	Kalkaska	Newaygo	Washtenaw		
Clinton	Kent	Oakland	Wayne		
Crawford	Lake	Oceana	Wexford		
Wisconsin (southern part)				31,864	2,554,817
Counties of—					
Adams	Door	Juneau	Marquette		
Brown	Fond du Lac	Kenosha	Milwaukee		
Calumet	Grant	Kewaunee	Monroe		
Clark	Green	Lafayette	Oconto		
Columbia	Green Lake	Langlade	Outagamie		
Crawford	Iowa	Manitowoc	Ozaukee		
Dane	Jackson	Marathon	Portage		
Dodge	Jefferson	Marinette	Racine		

DESCRIPTION OF FEDERAL RESERVE DISTRICTS—Continued

Federal Reserve district	Land area (square miles)	Population April 1, 1940	
DISTRICT NO. 7—CHICAGO—Continued			
Wisconsin (southern part)			
Counties of—Continued			
Richland	Waukesha	Wood	
Rock	Sheboygan		
Sauk	Vernon		
Shawano	Walworth		
	Washington	Winnebago	
DISTRICT NO. 8—ST. LOUIS	195,902	10,187,405	
Arkansas	52,725	1,949,387	
Illinois (southern part)	20,613	1,305,409	
Counties of—			
Adams	Franklin	Macoupin	Randolph
Alexander	Gallatin	Madison	Richland
Bond	Greene	Marion	St. Clair
Brown	Hamilton	Massac	Saline
Calhoun	Hardin	Monroe	Scott
Clay	Jackson	Montgomery	Union
Clinton	Jasper	Morgan	Wabash
Crawford	Jefferson	Perry	Washington
Edwards	Jersey	Pike	Wayne
Efingham	Johnson	Pope	White
Fayette	Lawrence	Pulaski	Williamson
Indiana (southern part)		9,399	638,886
Counties of—			
Clark	Greene	Martin	Spencer
Crawford	Harrison	Orange	Sullivan
Daviess	Jackson	Perry	Switzerland
Dubois	Jefferson	Pike	Vanderburg
Floyd	Knox	Posey	Warrick
Gibson	Lawrence	Scott	Washington
Kentucky (western part)		22,337	1,466,202
Counties of—			
Adair	Crittenden	Hopkins	Ohio
Allen	Cumberland	Jefferson	Oldham
Anderson	Daviess	Larue	Owen
Ballard	Edmonson	Livingston	Russell
Barren	Franklin	Logan	Shelby
Boyle	Fulton	Lyon	Simpson
Breckinridge	Gallatin	McCracken	Spencer
Bullitt	Graves	McLean	Taylor
Butler	Grayson	Marion	Todd
Caldwell	Green	Marshall	Trigg
Calloway	Hancock	Meade	Trimble
Carlisle	Hardin	Mercer	Union
Carroll	Hart	Metcalfe	Warren
Cassy	Henderson	Monroe	Washington
Christian	Henry	Muhlenberg	Wayne
Clinton	Hickman	Nelson	Webster
Mississippi (northern part)		21,328	1,110,048
Counties of—			
Alcorn	De Soto	Monroe	Tate
Attala	Grenada	Montgomery	Tippah
Benton	Holmes	Noxubee	Tishomingo
Bolivar	Humphreys	Oktibbeha	Tunica
Calhoun	Itawamba	Panola	Union
Carroll	Lafayette	Pontotoc	Washington
Chickasaw	Lee	Prentiss	Webster
Choctaw	Leflore	Quitman	Winston
Clay	Lowndes	Sunflower	Yalobusha
Coahoma	Marshall	Tallahatchie	
Missouri (eastern part)		58,737	2,859,538
Counties of—			
Adair	Clark	Hickory	Maries
Audrain	Cole	Howard	Marion
Barry	Cooper	Howell	Mercer
Benton	Crawford	Iron	Miller
Bollinger	Dade	Jefferson	Mississippi
Boone	Dallas	Johnson	Moniteau
Butler	Daviess	Knox	Monroe
Caldwell	Dent	Laclede	Montgomery
Callaway	Douglas	Lafayette	Morgan
Camden	Dunklin	Lawrence	New Madrid
Cape Girardeau	Franklin	Lewis	Oregon
Carroll	Gasconade	Lincoln	Osage
Carter	Greene	Linn	Ozark
Cedar	Grundy	Livingston	Pemiscot
Chariton	Harrison	Macon	Perry
Christian	Henry	Madison	Pettis

DESCRIPTION OF FEDERAL RESERVE DISTRICTS—Continued

Federal Reserve district	Land area (square miles)	Population April 1, 1940	
DISTRICT NO. 8—ST. LOUIS—Continued			
Missouri (eastern part)			
Counties of—Continued			
Phelps	Reynolds	Saline	Sullivan
Pike	Ripley	Schuyler	Taney
Polk	St. Charles	Scotland	Texas
Pulaski	St. Clair	Scott	Warren
Putnam	St. Francois	Shannon	Washington
Ralls	St. Louis	Shelby	Wayne
Randolph	St. Louis City	Stoddard	Webster
Ray	Ste. Genevieve	Stone	Wright
Tennessee (western part).....		10,763	857,935
Counties of—			
Benton	Fayette	Henry	Shelby
Carroll	Gibson	Lake	Tipton
Chester	Hardeman	Lauderdale	Weakley
Crockett	Hardin	McNairy	
Decatur	Haywood	Madison	
Dyer	Henderson	Obion	
DISTRICT NO. 9—MINNEAPOLIS.....		412,304	5,542,966
Michigan (northern part).....			
Counties of—			
Alger	Dickinson	Keweenaw	Menominee
Baraga	Gogebic	Luce	Ontonagon
Chippewa	Houghton	Mackinac	Schoolcraft
Delta	Iron	Marquette	
Minnesota.....			2,792,300
Montana.....			146,316
North Dakota.....			70,054
South Dakota.....			76,536
Wisconsin (northern part).....			22,851
Counties of—			
Ashland	Dunn	Oneida	Sawyer
Barron	Eau Claire	Pepin	Taylor
Bayfield	Florence	Pierce	Trempealeau
Buffalo	Forest	Polk	Vilas
Burnett	Iron	Price	Washburn
Chippewa	La Crosse	Rusk	
Douglas	Lincoln	St. Croix	
DISTRICT NO. 10—KANSAS CITY.....		480,537	7,855,397
Colorado.....			
Kansas.....			
Missouri (western part).....			
Counties of—			
Andrew	Cass	Holt	Nodaway
Atchison	Clay	Jackson	Platte
Barton	Clinton	Jasper	Vernon
Bates	De Kalb	McDonald	Worth
Buchanan	Gentry	Newton	
Nebraska.....			76,653
New Mexico (northern part).....		48,045	1,315,834
Counties of—			
Bernalillo	Mora	San Miguel	Valencia
Colfax	Rio Arriba	Santa Fe	
Harding	Sandoval	Taos	
McKinley	San Juan	Union	
Oklahoma (northwestern part).....		61,720	2,149,297
Counties of—			
Adair	Ellis	Logan	Pontotoc
Alfalfa	Garfield	Love	Pottawatomie
Beaver	Garvin	McClain	Roger Mills
Beckham	Grady	McIntosh	Rogers
Blaine	Grant	Major	Seminole
Caddo	Greer	Mayes	Sequoyah
Canadian	Harmon	Murray	Stephens
Carter	Harper	Muskogee	Texas
Cherokee	Haskell	Noble	Tillman
Cimarron	Hughes	Nowata	Tulsa
Cleveland	Jackson	Okfuskee	Wagoner
Comanche	Jefferson	Oklahoma	Washington
Cotton	Kay	Okmulgee	Washita
Craig	Kingfisher	Osage	Woods
Creek	Kiowa	Ottawa	Woodward
Custer	Latimer	Pawnee	
Delaware	La Flore	Payne	
Dewey	Lincoln	Pittsburg	
Wyoming.....		97,506	250,742

DESCRIPTION OF FEDERAL RESERVE DISTRICTS—Continued

Federal Reserve district	Land area (square miles)	Population April 1, 1940	
DISTRICT NO. 11—DALLAS.....	386,447	7,733,748	
Arizona (southeastern part).....	23,227	137,758	
Counties of—			
Cochise	Greenlee	Pima	Santa Cruz
Graham			
Louisiana (northern part).....	18,547	752,285	
Parishes of—			
Bienville	De Soto	Madison	Tensas
Bossier	East Carroll	Morehouse	Union
Caddo	Franklin	Natchitoches	Webster
Caldwell	Grant	Ouachita	West Carroll
Catahoula	Jackson	Red River	Winn
Claiborne	La Salle	Richland	
Concordia	Lincoln	Sabine	
New Mexico (southern part).....	73,466	241,744	
Counties of—			
Catron	Eddy	Lincoln	Sierra
Chaves	Grant	Luna	Socorro
Curry	Guadalupe	Otero	Torrance
De Baca	Hidalgo	Quay	
Dona Ana	Lea	Roosevelt	
Oklahoma (southeastern part).....	7,563	187,137	
Counties of—			
Atoka	Choctaw	Johnston	Marshall
Bryan	Coal	McCurtain	Pushmataha
Texas.....	263,644	6,414,824	
DISTRICT NO. 12—SAN FRANCISCO.....	685,438	11,280,195	
Arizona (northwestern part).....	90,353	361,503	
Counties of—			
Apache	Maricopa	Navajo	Yavapai
Coconino	Mohave	Pinal	Yuma
Gila			
California.....	156,803	6,907,387	
Idaho.....	82,808	524,873	
Nevada.....	109,802	110,247	
Oregon.....	96,349	1,089,684	
Utah.....	82,346	550,310	
Washington.....	66,977	1,736,191	

FEDERAL RESERVE BRANCH TERRITORIES

[December 31, 1941]

- BUFFALO BRANCH** (district No. 2) —The 10 most westerly counties of New York State, as follows:
- | | | | | |
|---------|---------|-------------|------------|------------|
| Monroe | Orleans | Allegany | Wyoming | Chautauqua |
| Genesee | Erie | Cattaraugus | Livingston | Niagara |
- CINCINNATI BRANCH** (district No. 4).—That part of Kentucky in Federal Reserve district No. 4, and the following counties in southern Ohio:
- | | | | | |
|--------|----------|----------|------------|------------|
| Adams | Clermont | Greene | Meigs | Ross |
| Athens | Clinton | Hamilton | Miami | Scioto |
| Brown | Darke | Highland | Montgomery | Vinton |
| Butler | Fayette | Jackson | Pike | Warren |
| Clark | Gallia | Lawrence | Preble | Washington |
- PITTSBURGH BRANCH** (district No. 4).—Those portions of the States of Pennsylvania and West Virginia included in Federal Reserve district No. 4.
- BALTIMORE BRANCH** (district No. 5).—The State of Maryland and the following counties of West Virginia:
- | | | | | |
|-----------|-----------|------------|-----------|---------|
| Barbour | Grant | Lewis | Pendleton | Taylor |
| Berkeley | Hampshire | Marion | Pleasants | Tucker |
| Braxton | Hardy | Mineral | Preston | Upshur |
| Calhoun | Harrison | Monongalia | Randolph | Webster |
| Doddridge | Jackson | Morgan | Ritchie | Wirt |
| Gilmer | Jefferson | Nicholas | Roane | Wood |
- CHARLOTTE BRANCH** (district No. 5).—The following counties in the States of North Carolina and South Carolina:
- | | | | | |
|----------------|------------|-----------|-------------|--------------|
| NORTH CAROLINA | | | | |
| Alamance | Catawba | Guilford | Mecklenburg | Stanly |
| Alexander | Chatham | Haywood | Mitchell | Stokes |
| Alleghany | Cherokee | Henderson | Montgomery | Surry |
| Anson | Clay | Iredell | Moore | Swain |
| Ashe | Cleveland | Jackson | Polk | Transylvania |
| Avery | Davidson | Lee | Randolph | Union |
| Buncombe | Davie | Lincoln | Richmond | Watauga |
| Burke | Forsyth | Macon | Rockingham | Wilkes |
| Cabarrus | Gaston | Madison | Rowan | Yadkin |
| Caldwell | Graham | McDowell | Rutherford | Yancey |
| SOUTH CAROLINA | | | | |
| Abbeville | Edgefield | Lancaster | Newberry | Saluda |
| Aiken | Fairfield | Laurens | Onconee | Spartanburg |
| Anderson | Greenville | Lexington | Pickens | Union |
| Cherokee | Greenwood | McCormick | Richland | York |
- BIRMINGHAM BRANCH** (district No. 6).—The State of Alabama except the following counties:
- | | | | | |
|---------|-----------|--------|---------|---------|
| Baldwin | Covington | Geneva | Houston | Pike |
| Barbour | Dale | Henry | Mobile | Russell |
- and towns and cities in Lee and Chambers counties located on or south of the Atlanta & West Point Railroad and the Western Railway of Alabama.
- JACKSONVILLE BRANCH** (district No. 6).—The entire State of Florida.
- NASHVILLE BRANCH** (district No. 6).—That part of the State of Tennessee included in Federal Reserve district No. 6 with the exception of the city of Chattanooga.
- NEW ORLEANS BRANCH** (district No. 6) —Those parts of the States of Louisiana and Mississippi located in Federal Reserve district No. 6, and the counties of Baldwin and Mobile in Alabama.
- SAVANNAH AGENCY** (district No. 6).—Savannah, Ga.
- DETROIT BRANCH** (district No. 7) —The following counties in the State of Michigan:
- | | | | | |
|-----------|---------|------------|------------|-----------|
| Bay | Ingham | Livingston | Saginaw | Tuscola |
| Genesee | Jackson | Macomb | Sanilac | Washtenaw |
| Hillsdale | Lapeer | Monroe | St. Clair | Wayne |
| Huron | Lenawee | Oakland | Shiawassee | |
- LITTLE ROCK BRANCH** (district No. 8).—The State of Arkansas except the following counties:
- | | | | | |
|---------------------|------------|----------|-------------|------------------------|
| Baxter | Craighead | Greene | Mississippi | Sabastian ² |
| Benton ¹ | Crawford | Lawrence | Phillips | Sharp |
| Boone | Crittenden | Lee | Poinsett | Washington |
| Carroll | Cross | Madison | Randolph | Woodruff |
| Clay | Fulton | Marion | St. Francis | |
- and except also the towns of De Valls Bluff (Prairie County), Mena (Polk County), and Newport (Jackson County)
- LOUISVILLE BRANCH** (district No. 8).—That part of the State of Kentucky included in Federal Reserve district No. 8, with the exception of the town of Morganfield (Union County), and the following counties in the State of Indiana:
- | | | | | |
|---------------------|----------|---------------------|--------|-------------|
| Clark | Floyd | Jefferson | Orange | Switzerland |
| Crawford | Harrison | Lawrence | Perry | Washington |
| Dubois ³ | Jackson | Martin ⁴ | Scott | |
- MEMPHIS BRANCH** (district No. 8).—Those parts of the States of Mississippi and Tennessee included in Federal Reserve district No. 8, with the exception of Union City (Obion County), Tennessee, and Paris (Henry County) Tennessee, and the following counties in the State of Arkansas:
- | | | | | |
|------------|----------|-------------|----------|-------------|
| Craighead | Cross | Lee | Phillips | St. Francis |
| Crittenden | Lawrence | Mississippi | Poinsett | Woodruff |
- also the town of De Valls Bluff (Prairie County), Arkansas.
- HELENA BRANCH** (district No. 9).—The entire state of Montana.

¹ Town of Gentry assigned to Little Rock Branch.² Town of Mansfield assigned to Little Rock Branch.³ Except the towns of Ferdinand and Holland.⁴ Except the town of Loogootee.

FEDERAL RESERVE BRANCH TERRITORIES—Continued

DENVER BRANCH (district No. 10).—The entire State of Colorado and that part of the State of New Mexico included in Federal Reserve district No. 10.

OKLAHOMA CITY BRANCH (district No. 10).—That part of the State of Oklahoma located in Federal Reserve district No. 10.

OMAHA BRANCH (district No. 10).—The entire States of Nebraska and Wyoming.

EL PASO BRANCH (district No. 11).—That part of the States of Arizona and New Mexico located in Federal Reserve district No. 11, and the following counties in the State of Texas:

Andrews	Ector	Jeff Davis	Midland	Reeves
Crane	El Paso	Loving	Pecos	Ward
Culberson	Hudspeth	Martin	Presidio	Winkler

HOUSTON BRANCH (district No. 11).—The following counties in the southeastern part of the State of Texas:

Anderson	Cherokee	Jackson	Nacogdoches	Shelby
Angelina	Colorado	Jasper	Newton	Trinity
Austin	Fayette	Jefferson	Orange	Tyler
Bastrop	Fort Bend	Lavaca	Polk	Victoria
Brazoria	Galveston	Lee	Refugio	Walker
Brazos	Grimes	Liberty	Sabine	Waller
Burleson	Hardin	Madison	San Augustine	Washington
Calhoun	Harris	Matagorda	San Jacinto	Wharton
Chambers	Houston	Montgomery		

SAN ANTONIO BRANCH (district No. 11).—The following counties in the State of Texas:

Aransas	De Witt	Hidalgo	La Salle	Starr
Atascosa	Dimmit	Jim Hogg	Llano	Terrell
Bandera	Duval	Jim Wells	Live Oak	Travis
Bee	Edwards	Karnes	Mason	Uvalde
Bexar	Frio	Kendall	Maverick	Val Verde
Blanco	Gillespie	Kenedy	McMullen	Webb
Brewster	Goliad	Kerr	Medina	Willacy
Brooks	Gonzales	Kimble	Nueces	Wilson
Caldwell	Guadalupe	Kinney	Real	Zapata
Cameron	Hays	Kleberg	San Patricio	Zavalla
Comal				

LOS ANGELES BRANCH (district No. 12).—That part of the State of Arizona located in Federal Reserve district No. 12, and the following counties in California:

Imperial	Los Angeles	Riverside	San Diego	Ventura
Inyo	Orange	San Bernardino	Santa Barbara	

PORTLAND BRANCH (district No. 12).—The entire State of Oregon, and the town of Ilwaco and the following counties in the State of Washington:

Asotin	Columbia	Garfield	Skamania	Walla Walla
Clark	Cowlitz	Klickitat	Wahkiakum	

Also, the following counties in the State of Idaho:

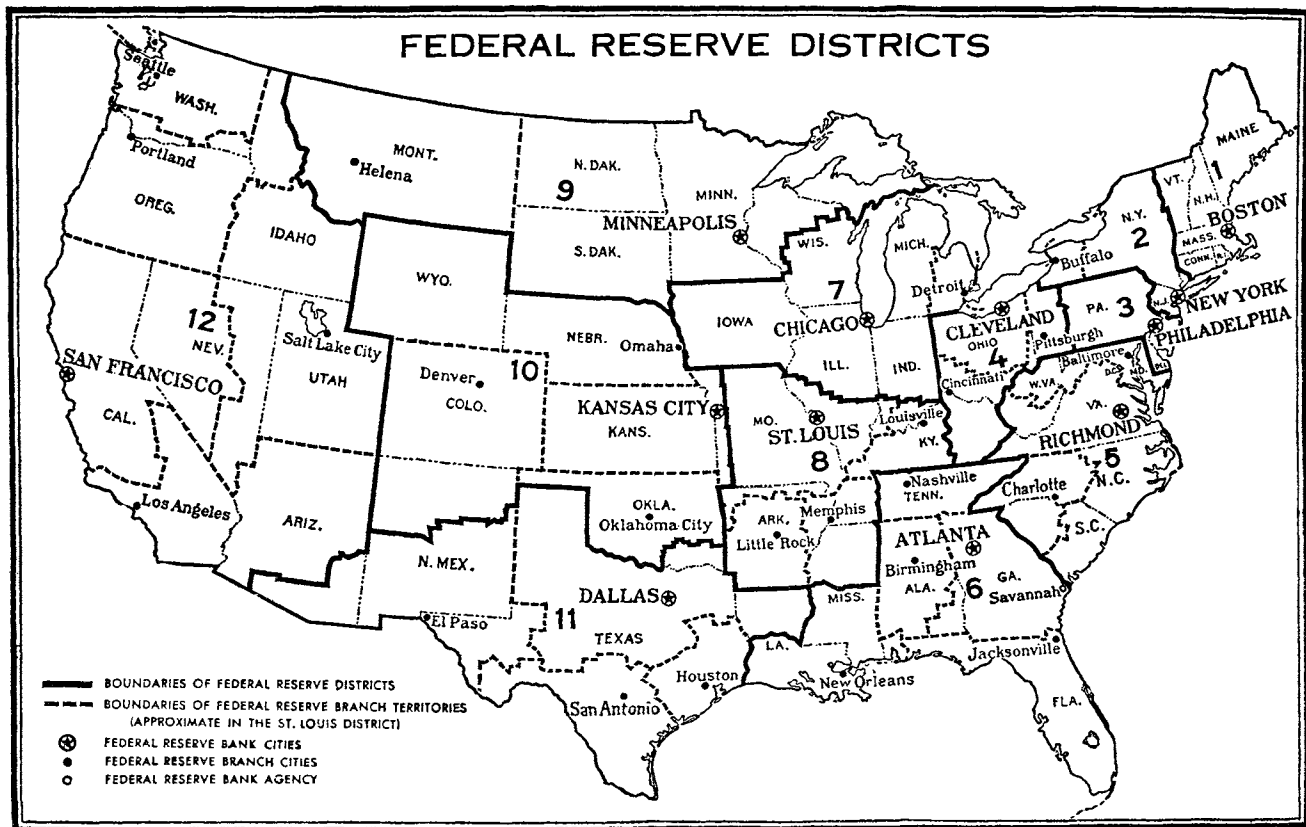
Benewah	Boundary	Idaho	Latah	Nez Perce
Bonner	Clearwater	Kootenai	Lewis	Shoshone

SALT LAKE CITY BRANCH (district No. 12).—The entire State of Utah and the following counties in Nevada:

		IDAHO		
Ada	Bonneville	Custer	Jerome	Payette
Adams	Butte	Elmore	Lemhi	Power
Bannock	Camas	Franklin	Lincoln	Teton
Bear Lake	Canyon	Fremont	Madison	Twin Falls
Bingham	Caribou	Gem	Minidoka	Valley
Blaine	Cassia	Gooding	Oneyda	Washington
Boise	Clark	Jefferson	Owyhee	
		NEVADA		
Clark	Elko	Lincoln	White Pine	

SEATTLE BRANCH (district No. 12).—The entire State of Washington except the town of Ilwaco and the following counties which are affiliated with the Portland Branch:

Asotin	Columbia	Garfield	Skamania	Walla Walla
Clark	Cowlitz	Klickitat	Wahkiakum	



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