



FEDERAL RESERVE

Factors Affecting Bank Reserves and Condition Statement of F. R. Banks

H.4.1

For immediate release
December 2, 1965

The average of daily figures of total member bank reserves held during the week ended December 1 increased a net of \$386 million to \$22,133 million. Estimated currency and coin of member banks increased \$92 million and their reserve balances at the Federal Reserve Banks increased \$294 million. Estimated required reserves increased \$233 million; and estimated excess reserves increased \$153 million to \$381 million. Member bank borrowings at the Federal Reserve Banks exceeded excess reserves by \$153 million, compared with the revised net borrowed figure of \$133 million the week before.

The principal changes supplying average reserve balances with Federal Reserve Banks were increases of \$747 million in U. S. Government securities bought outright, \$173 million in member bank borrowings, and \$58 million in acceptances held under repurchase agreements, and a decrease of \$123 million in Treasury deposits with Federal Reserve Banks. The principal offsetting changes were decreases of \$462 million in Federal Reserve float and \$35 million in gold stock, and increases of \$212 million in currency in circulation and \$93 million in "other" F. R. accounts (net). Total Reserve Bank credit increased \$517 million.

As of Wednesday, December 1, holdings of U. S. Government securities bought outright were \$696 million higher than a week earlier and member bank borrowings were \$543 million lower.

Member bank reserves, Reserve Bank credit, and related items	Averages of daily figures			Wednesday Dec. 1, 1965
	Week ended Dec. 1, 1965	Change from week ended		
		Nov. 24, 1965	Dec. 2, 1964	
	(In millions of dollars)			
Reserve Bank credit:				
U. S. Government securities--				
Bought outright--System account	40,535	+747	+3,868	40,782
Held under repurchase agreements	--	--	--	--
Acceptances--				
Bought outright	49	+ 1	+ 5	53
Held under repurchase agreements	65	+ 58	+ 44	68
Discounts and advances--				
Member bank borrowings	534	+173	+ 159	216
Other	33	--	+ 31	33
Float	1,802	-462	- 58	1,659
Total Reserve Bank credit	43,018	+517	+4,049	42,811
Gold stock	13,808	- 35	-1,579	13,809
Treasury currency outstanding	5,545	+ 3	+ 89	5,540
	62,371	+486	+2,559	62,160
Currency in circulation	41,732	+212	+2,455	41,845
Treasury cash holdings	821	+ 15	+ 267	803
Treasury deposits with F. R. Banks	761	-123	- 66	791
Foreign deposits with F. R. Banks	159	- 21	65	145
Other deposits with F. R. Banks	235	+ 18	+ 39	244
Other F. R. accounts (net)	412	+ 93	- 474	444
	44,119	+193	+2,155	44,272
Member bank reserves:				
With Federal Reserve Banks	18,253	+294	+ 405	17,888
Currency and coin (estimated)	3,880	+ 92	+ 352	4,244
Total reserves held	22,133	+386	+ 757	22,132
Required reserves (estimated)	21,752	+233	+ 765	21,996
Excess reserves (estimated)	381	+153	- 8	136

On December 1, 1965, U. S. Government securities held in custody by the Federal Reserve Banks for foreign account were \$8,096 million, a decrease of \$117 million for the week and a decrease of \$8 million from the comparable date a year ago.

CONSOLIDATED STATEMENT OF CONDITION
OF THE TWELVE FEDERAL RESERVE BANKS
(In millions of dollars)

	Dec. 1, 1965	Change since	
		Nov. 24, 1965	Dec. 2, 1964
<u>A S S E T S</u>			
Gold certificate account	11,817	+ 1	-1,738
Redemption fund for F. R. notes	1,695	+ 19	+ 159
<u>Total gold certificate reserves</u>	<u>13,512</u>	<u>+ 20</u>	<u>-1,579</u>
Cash	(547) 108	+ 2	- 14
Discounts and advances	249	- 543	+ 97
Acceptances:			
Bought outright	53	+ 5	+ 8
Held under repurchase agreements	68	+ 18	+ 38
U. S. Government securities:			
Bought outright--			
Bills	9,404	+ 696	+2,442
Certificates	--	--	--
Notes	24,828	--	- 328
Bonds	6,550	--	+1,297
<u>Total bought outright</u>	<u>40,782</u>	<u>+ 696</u>	<u>+3,411</u>
Held under repurchase agreements	--	--	--
<u>Total U. S. Government securities</u>	<u>40,782</u>	<u>+ 696</u>	<u>+3,411</u>
<u>Total loans and securities</u>	<u>41,152</u>	<u>+176</u>	<u>+3,554</u>
Cash items in process of collection	(1,639) 6,746	+171	+ 331
Bank premises	101	--	- 1
Other assets	866	-100	+ 485
<u>TOTAL ASSETS</u>	<u>(2,186) 62,485</u>	<u>+269</u>	<u>+2,776</u>
<u>L I A B I L I T I E S</u>			
Federal Reserve notes	(547) 36,919	+118	+2,554
Deposits:			
Member bank reserves	17,888	+ 44	+ 179
U. S. Treasurer--general account	791	- 79	+ 174
Foreign	145	- 13	- 136
Other	244	+ 22	+ 54
<u>Total deposits</u>	<u>19,068</u>	<u>- 26</u>	<u>+ 271</u>
Deferred availability cash items	(1,639) 5,087	+136	+ 336
Other liabilities and accrued dividends	201	+ 13	+ 69
<u>TOTAL LIABILITIES</u>	<u>(2,186) 61,275</u>	<u>+241</u>	<u>+3,230</u>
<u>C A P I T A L A C C O U N T S</u>			
Capital paid in	546	--	+ 24
Surplus	524	--	- 466
Other capital accounts	140	+ 28	- 12
<u>TOTAL LIABILITIES AND CAPITAL ACCOUNTS</u>	<u>(2,186) 62,485</u>	<u>+269</u>	<u>+2,776</u>
Ratio of gold certificate reserves to F. R. note liability (computed from figures as shown on the following pages--not consolidated)	36.1%		- 7.3%
Contingent liability on acceptances purchased for foreign correspondents	145	- 4	+ 20

* Figures in parentheses are the eliminations made in the consolidating process; see comparable figures on combined basis on the following pages.

MATURITY DISTRIBUTION OF LOANS AND SECURITIES, DECEMBER 1, 1965

(Acceptances and securities held under repurchase agreements are classified as maturing within 15 days in accordance with maximum maturity of the agreements.)

	Discounts and advances	Acceptances	U. S. Government securities	
			Holdings	Changes during week
Within 15 days	217	78	925	- 44
16 days to 90 days	32	43	6,214	+475
91 days to 1 year	--	--	17,743	+265
Over 1 year to 5 years	--	--	14,066	--
Over 5 years to 10 years	--	--	1,449	--
Over 10 years	--	--	385	--
<u>Total</u>	<u>249</u>	<u>121</u>	<u>40,782</u>	<u>+696</u>

	Total	Boston	New York	Philadelphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minneapolis	Kansas City	Dallas	San Francisco
(In millions of dollars)													
<u>A S S E T S</u>													
Gold certificate account	11,817	662	3,050	698	999	1,031	703	2,260	465	185	393	279	1,092
Redemption fund for F. R. notes	1,695	98	403	91	147	137	94	310	63	31	65	56	200
<u>Total gold certificate reserves</u>	13,512	760	3,453	789	1,146	1,168	797	2,570	528	216	458	335	1,292
F. R. notes of other Banks	547	44	110	27	27	68	58	55	23	25	24	34	52
Other cash	108	8	13	5	9	7	10	20	7	4	5	5	15
Discounts and advances	249	17	22	3	4	19	25	30	29	23	64	4	9
Acceptances:													
Bought outright	53	--	53	--	--	--	--	--	--	--	--	--	--
Held under repurchase agreements	68	--	68	--	--	--	--	--	--	--	--	--	--
U. S. Government securities:													
Bought outright--													
Bills	9,404	488	2,262	490	794	653	517	1,568	348	197	365	382	1,340
Certificates	--	--	--	--	--	--	--	--	--	--	--	--	--
Notes	24,828	1,289	5,972	1,294	2,097	1,723	1,363	4,139	917	521	966	1,009	3,538
Bonds	6,550	340	1,576	341	553	455	360	1,092	242	137	255	266	933
Total	40,782	2,117	9,810	2,125	3,444	2,831	2,240	6,799	1,507	855	1,586	1,657	5,811
Held under repurchase agreements	--	--	--	--	--	--	--	--	--	--	--	--	--
<u>Total U. S. Government securities</u>	40,782	2,117	9,810	2,125	3,444	2,831	2,240	6,799	1,507	855	1,586	1,657	5,811
<u>Total loans and securities</u>	41,152	2,134	9,953	2,128	3,448	2,850	2,265	6,829	1,536	878	1,650	1,661	5,820
Cash items in process of collection	8,385	564	1,605	526	622	621	675	1,383	404	266	524	401	794
Bank premises	101	3	8	3	5	5	20	21	7	3	6	11	9
Other assets	866	39	248	48	73	45	48	121	28	18	40	43	115
<u>TOTAL ASSETS</u>	64,671	3,552	15,390	3,526	5,330	4,764	3,873	10,999	2,533	1,410	2,707	2,490	8,097

STATEMENT OF CONDITION OF EACH FEDERAL RESERVE BANK ON DECEMBER 1, 1965

	Total	Boston	New York	Phila- delphia	Cleve- land	Rich- mond	Atlanta	Chicago	St. Louis	Minne- apolis	Kansas City	Dallas	San Fran- cisco
(In millions of dollars)													
LIABILITIES													
Federal Reserve notes	37,466	2,232	8,467	2,210	3,205	3,349	2,197	6,825	1,427	688	1,418	1,168	4,280
Deposits:													
Member bank reserves	17,888	699	4,920	740	1,371	773	1,014	2,746	622	438	777	918	2,870
U. S. Treasurer-general account	791	23	247	61	64	47	44	63	106	24	64	3	45
Foreign	145	7	1/38	8	13	7	9	21	5	3	7	8	19
Other	244	*	172	1	1	6	1	2	1	1	4	2	53
<u>Total deposits</u>	19,068	729	5,377	810	1,449	833	1,068	2,832	734	466	852	931	2,987
Deferred availability cash items	6,726	522	1,181	432	550	505	525	1,132	323	223	377	315	641
Other liabilities and accrued dividends	201	10	50	10	18	13	11	34	7	4	8	8	28
TOTAL LIABILITIES	63,461	3,493	15,075	3,462	5,222	4,700	3,801	10,823	2,491	1,381	2,655	2,422	7,936
CAPITAL ACCOUNTS													
Capital paid in	546	26	143	29	49	28	33	78	19	13	24	32	72
Surplus	524	25	137	29	47	26	31	75	18	12	23	31	70
Other capital accounts	140	8	35	6	12	10	8	23	5	4	5	5	19
TOTAL LIABILITIES AND CAPITAL ACCOUNTS	64,671	3,552	15,390	3,526	5,330	4,764	3,873	10,999	2,533	1,410	2,707	2,490	8,097
Contingent liability on acceptances purchased for foreign correspondents	145	7	2/38	8	13	7	9	21	5	3	7	8	19
FEDERAL RESERVE AGENT'S ACCOUNTS													
F. R. notes outstanding	39,464	2,312	8,889	2,296	3,406	3,489	2,358	7,158	1,503	719	1,481	1,269	4,584
Collateral for F. R. notes:													
Gold certificate account	6,595	440	1,000	500	600	883	500	1,100	305	127	225	180	735
Eligible paper	29	--	--	1	--	--	--	--	28	--	--	--	--
U. S. Government securities	34,090	1,895	8,100	1,900	2,950	2,650	1,900	6,400	1,260	605	1,300	1,130	4,000
<u>Total collateral</u>	40,714	2,335	9,100	2,401	3,550	3,533	2,400	7,500	1,593	732	1,525	1,310	4,735

1/ After deducting \$107 million participations of other Federal Reserve Banks.

2/ After deducting \$107 million participations of other Federal Reserve Banks.

* Less than \$500,000.