



FEDERAL RESERVE

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

H. 4. 1

For immediate release
May 26, 1966

The average of daily figures of total member bank reserves held during the week ended May 25 decreased a net of \$228 million to \$22,235 million. Estimated currency and coin of member banks increased \$100 million and their reserve balances at the Federal Reserve Banks decreased \$328 million. Estimated required reserves decreased \$219 million; and estimated excess reserves decreased \$9 million to \$302 million. Member bank borrowings at the Federal Reserve Banks exceeded excess reserves by \$351 million, compared with the revised net borrowed figure of \$352 million the week before.

The principal changes reducing average reserve balances with Federal Reserve Banks were decreases of \$135 million in U. S. Government securities held under repurchase agreements, and \$42 million in Federal Reserve float, and increases of \$264 million in Treasury deposits with Federal Reserve Banks, \$204 million in "other" F. R. accounts (net), and \$22 million in Treasury cash holdings. The principal offsetting changes were increases of \$203 million in U. S. Government securities bought outright, \$40 million in acceptances held under repurchase agreements, and \$27 million in Treasury currency outstanding, and a decrease of \$65 million in currency in circulation. Total Reserve Bank credit increased \$56 million.

As of Wednesday, May 25, holdings of U. S. Government securities bought outright were \$250 million higher than a week earlier and member bank borrowings were \$523 million lower.

Member bank reserves, Reserve Bank credit, and related items	Averages of daily figures			Wednesday, May 25, 1966
	Week ended May 25, 1966	Change from week ended		
		May 18, 1966	May 26, 1965	
	(In millions of dollars)			
Reserve Bank credit:				
U. S. Government securities--				
Bought outright--System account	41,015	+203	+3,227	41,051
Held under repurchase agreements	--	-135	- 192	--
Acceptances--				
Bought outright	81	+ 1	+ 31	80
Held under repurchase agreements	74	+ 40	+ 54	72
Discounts and advances--				
Member bank borrowings	653	- 10	+ 170	378
Other	21	- 1	+ 7	20
Float	1,983	- 42	+ 385	1,505
Total Reserve Bank credit	43,827	+ 56	+3,681	43,106
Gold stock	13,532	--	- 803	13,534
Treasury currency outstanding	5,860	+ 27	+ 463	5,871
	63,219	+ 82	+3,341	62,511
Currency in circulation	41,859	- 65	+2,812	41,925
Treasury cash holdings	988	+ 22	+ 226	998
Treasury deposits with F. R. Banks	855	+264	+ 64	742
Foreign deposits with F. R. Banks	130	- 7	- 12	138
Other deposits with F. R. Banks	375	- 9	+ 203	393
Other F. R. accounts (net)	640	+204	- 502	632
	44,847	+410	+2,790	44,828
Member bank reserves:				
With Federal Reserve Banks	18,372	-328	+ 551	17,683
Currency and coin (estimated)	3,863	+100	+ 316	4,298
Total reserves held	22,235	-228	+ 867	21,981
Required reserves (estimated)	21,933	-219	+ 875	21,969
Excess reserves (estimated)	302	- 9	- 8	12

On May 25, 1966, U. S. Government securities held in custody by the Federal Reserve Banks for foreign account were \$7,637 million, a decrease of \$37 million for the week and a decrease of \$168 million from the comparable date a year ago.

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

		May 25, 1966	Change since May 18, 1966	May 26, 1965
<u>A S S E T S</u>				
Gold certificate account		11,347	- 3	-1,114
Redemption fund for F. R. notes		<u>1,727</u>	<u>- 1</u>	<u>+ 180</u>
<u>Total gold certificate reserves</u>		13,074	- 4	- 934
Cash	*	(943) 234	- 3	+ 114
Discounts and advances		398	- 523	+ 59
Acceptances:				
Bought outright		80	--	+ 32
Held under repurchase agreements		72	39	+ 48
U. S. Government securities:				
Bought outright--				
Bills		9,500	+ 250	+2,034
Certificates		12	--	+ 12
Notes		25,220	--	- 482
Bonds		<u>6,319</u>	<u>--</u>	<u>+1,352</u>
Total bought outright		41,051	+ 250	+2,916
Held under repurchase agreements		--	--	- 154
<u>Total U. S. Government securities</u>		<u>41,051</u>	<u>+ 250</u>	<u>+2,762</u>
<u>Total loans and securities</u>		<u>41,601</u>	<u>- 234</u>	<u>+2,901</u>
Cash items in process of collection	(1,738)	6,361	-1,106	+ 758
Bank premises		103	--	+ 1
Other assets <u>1/</u>		<u>697</u>	<u>+ 36</u>	<u>+ 418</u>
<u>TOTAL ASSETS</u>	(2,681)	<u>62,070</u>	<u>-1,311</u>	<u>+3,258</u>
<u>L I A B I L I T I E S</u>				
Federal Reserve notes	(943)	36,826	47	+2,493
Deposits:				
Member bank reserves		17,683	- 660	+ 182
U. S. Treasurer--general account		742	+ 137	+ 90
Foreign		138	- 1	- 18
Other <u>2/</u>		<u>393</u>	<u>+ 20</u>	<u>+ 236</u>
<u>Total deposits</u>		<u>18,956</u>	<u>- 504</u>	<u>+ 490</u>
Deferred availability cash items	(1,738)	4,856	- 793	+ 505
Other liabilities and accrued dividends		204	+ 1	- 292
<u>TOTAL LIABILITIES</u>	(2,681)	<u>60,842</u>	<u>-1,343</u>	<u>+3,196</u>
<u>C A P I T A L A C C O U N T S</u>				
Capital paid in		561	1	+ 22
Surplus		551	--	+ 27
Other capital accounts		<u>116</u>	<u>+ 31</u>	<u>+ 13</u>
<u>TOTAL LIABILITIES AND CAPITAL ACCOUNTS</u>	(2,681)	<u>62,070</u>	<u>-1,311</u>	<u>+3,258</u>

Ratio of gold certificate reserves to F. R. note liability (computed from figures as shown on the following pages--not consolidated)	34.6%		- 5.5%
Contingent liability on acceptances purchased for foreign correspondents	160	+ 9	+ 1

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

1/ Includes assets denominated in foreign currencies and IMF gold deposited.

2/ Includes IMF gold deposit.

MATURITY DISTRIBUTION OF LOANS AND SECURITIES, MAY 25, 1966

(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	368	89	1,410	- 31
16 days to 90 days	30	63	9,816	+135
91 days to 1 year	**	--	14,556	+146
Over 1 year to 5 years	--	--	13,579	--
Over 5 years to 10 years	--	--	1,305	--
Over 10 years	--	--	<u>385</u>	--
<u>Total</u>	<u>398</u>	<u>152</u>	<u>41,051</u>	<u>+250</u>

** Less than \$500,000.

STATEMENT OF CONDITION OF EACH FEDERAL RESERVE BANK ON MAY 25, 1966

	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)												
<u>A S S E T S</u>													
Gold certificate account	11,347	505	1,844	683	973	1,141	662	2,338	486	232	466	319	1,698
Redemption fund for F. R. notes	1,727	98	410	94	147	139	99	314	63	33	69	58	203
<u>Total gold certificate reserves</u>	13,074	603	2,254	777	1,120	1,280	761	2,652	549	265	535	377	1,901
F. R. notes of other Banks	943	59	256	50	78	89	103	76	42	22	35	59	74
Other cash	234	14	29	11	34	13	19	38	15	6	11	14	30
Discounts and advances	398	44	122	7	4	18	54	63	11	22	25	21	7
Acceptances:													
Bought outright	80	--	80	--	--	--	--	--	--	--	--	--	--
Held under repurchase agreements	72	--	72	--	--	--	--	--	--	--	--	--	--
U. S. Government securities:													
Bought outright--													
Bills	9,500	521	2,452	492	779	642	504	1,603	332	189	358	366	1,262
Certificates	12	1	3	1	1	1	1	2	*	*	*	*	2
Notes	25,220	1,382	6,507	1,305	2,066	1,705	1,336	4,257	883	503	952	971	3,353
Bonds	6,319	346	1,630	327	517	427	334	1,067	222	126	239	244	840
Total	41,051	2,250	10,592	2,125	3,363	2,775	2,175	6,929	1,437	818	1,549	1,581	5,457
Held under repurchase agreements	--	--	--	--	--	--	--	--	--	--	--	--	--
<u>Total U. S. Government securities</u>	41,051	2,250	10,592	2,125	3,363	2,775	2,175	6,929	1,437	818	1,549	1,581	5,457
<u>Total loans and securities</u>	41,601	2,294	10,866	2,132	3,367	2,793	2,229	6,992	1,448	840	1,574	1,602	5,464
Cash items in process of collection	8,099	532	1,458	494	548	628	707	1,278	374	240	546	464	830
Bank premises	103	3	9	3	5	5	20	20	8	3	7	10	10
Other assets ^{1/}	697	25	316	28	45	32	29	77	18	11	23	25	68
TOTAL ASSETS	64,751	3,530	15,188	3,495	5,197	4,840	3,868	11,133	2,454	1,387	2,731	2,551	8,377

^{1/} Includes assets denominated in foreign currencies and IMF gold deposited.

* Less than \$500,000.

	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)													
<u>L I A B I L I T I E S</u>													
Federal Reserve notes	37,769	2,269	8,600	2,219	3,177	3,382	2,161	6,850	1,422	714	1,427	1,204	4,344
Deposits:													
Member bank reserves	17,683	634	4,595	737	1,327	769	1,021	2,922	633	401	787	829	3,028
U.S. Treasurer--general account	742	49	110	43	62	70	53	70	46	32	40	85	82
Foreign	138	6	1/46	7	11	6	8	18	4	3	6	7	16
Other	393	1	2/318	1	1	5	*	2	1	1	2	3	58
<u>Total deposits</u>	18,956	690	5,069	788	1,401	850	1,082	3,012	684	437	835	924	3,184
Deferred availability cash items	6,594	500	1,146	412	492	529	540	1,057	299	203	409	346	661
Other liabilities and accrued dividends	204	11	54	10	18	13	11	34	7	4	7	8	27
TOTAL LIABILITIES	63,523	3,470	14,869	3,429	5,088	4,774	3,794	10,953	2,412	1,358	2,678	2,482	8,216
<u>CAPITAL ACCOUNTS</u>													
Capital paid in	561	27	146	30	50	29	34	81	19	14	25	33	73
Surplus	551	27	144	30	50	28	33	79	19	13	24	32	72
Other capital accounts	116	6	29	6	9	9	7	20	4	2	4	4	16
TOTAL LIABILITIES AND CAPITAL ACCOUNTS	64,751	3,530	15,188	3,495	5,197	4,840	3,868	11,133	2,454	1,387	2,731	2,551	8,377
Contingent liability on accept- ances purchased for foreign correspondents	160	8	3/42	9	14	8	9	23	6	4	7	9	21
<u>FEDERAL RESERVE AGENT'S ACCOUNTS</u>													
F. R. notes outstanding	40,167	2,405	9,140	2,309	3,437	3,556	2,358	7,196	1,517	754	1,521	1,307	4,667
Collateral for F. R. notes:													
Gold certificate account	6,613	500	1,000	500	600	906	425	1,100	315	127	225	180	735
Eligible paper	14	--	--	4	--	--	--	--	10	--	--	--	--
U. S. Government securities	34,848	1,945	8,300	1,900	2,950	2,693	1,975	6,300	1,310	645	1,350	1,180	4,300
<u>Total collateral</u>	41,475	2,445	9,300	2,404	3,550	3,599	2,400	7,400	1,635	772	1,575	1,360	5,035

1/ After deducting \$ 92 million participations of other Federal Reserve Banks.

2/ Includes IMF gold deposit.

3/ After deducting \$118 million participations of other Federal Reserve Banks.

* Less than \$500,000.