



FEDERAL RESERVE

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

H.4.1

For immediate release
July 28, 1966

Figures on factors affecting bank reserves continue to show effects of delays in inter-city and inter-district check clearances resulting from the airline strike. During the week ended July 27, the average of daily figures of total member bank reserves held decreased a net of \$21 million to \$22,903 million. Estimated currency and coin of member banks increased \$14 million and their reserve balances at the Federal Reserve Banks decreased \$35 million. Estimated required reserves decreased \$88 million; and estimated excess reserves increased \$67 million to \$239 million. Member bank borrowings at the Federal Reserve Banks exceeded excess reserves by \$441 million compared with the revised net borrowed figure of \$459 million the week before.

The principal changes supplying average reserve balances with Federal Reserve Banks were decreases of \$450 million in Federal Reserve float, \$28 million in gold stock, and an increase of \$60 million in Treasury deposits with Federal Reserve Banks. The principal offsetting changes were increases of \$189 million in U. S. Government securities bought outright, and \$49 million in member bank borrowings, and decreases of \$174 million in currency in circulation, \$62 million in "other" F. R. accounts (net), and \$33 million in other deposits with Federal Reserve Banks. Total Reserve Bank credit decreased \$219 million.

As of Wednesday, July 27, holdings of U. S. Government securities bought outright were \$27 million higher than a week earlier. Member bank borrowings were \$720 million higher.

	Averages of daily figures			Wednesday, July 27, 1966
	Week ended July 27, 1966	Change from week ended		
Member bank reserves, Reserve Bank credit, and related items	July 20, 1966	July 28, 1965		
	(In millions of dollars)			
Reserve Bank credit:				
U. S. Government securities--				
Bought outright--System account	41,873	+189	+3,074	41,983
Held under repurchase agreements	--	--	- 214	--
Acceptances--bought outright	65	- 10	+ 29	54
Discounts and advances--				
Member bank borrowings	680	+ 49	+ 201	970
Other	2	+ 2	+ 2	--
Float	2,775	-450	+1,101	2,212
Total Reserve Bank credit	45,396	-219	+4,195	45,219
Gold stock	13,406	- 28	- 517	13,334
Treasury currency outstanding	5,969	+ 3	+ 561	5,971
	64,771	-245	+4,239	64,524
Currency in circulation	42,747	-174	+2,846	42,769
Treasury cash holdings	1,076	+ 14	+ 284	1,089
Treasury deposits with F. R. Banks	1,216	+ 60	+ 343	1,338
Foreign deposits with F. R. Banks	144	- 16	- 12	149
Other deposits with F. R. Banks	400	- 33	+ 214	397
Other F. R. accounts (net)	270	- 62	- 440	319
	45,855	-209	+3,236	46,061
Member bank reserves:				
With Federal Reserve Banks	18,916	- 35	+1,002	18,463
Currency and coin (estimated)	3,987	+ 14	+ 307	4,363
Total reserves held	22,903	- 21	+1,309	22,826
Required reserves (estimated)	22,664	- 88	+1,392	22,694
Excess reserves (estimated)	239	+ 67	- 83	132

On July 27, 1966, U. S. Government securities held in custody by the Federal Reserve Banks for foreign account were \$7,410 million, an increase of \$286 million for the week and an increase of \$218 million from the comparable date a year ago.

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

	July 27, 1966	Change since	
		July 20, 1966	July 28, 1965
A S S E T S			
Gold certificate account	11,058	- 113	- 904
Redemption fund for F. R. notes	<u>1,815</u>	- 3	+ 186
<u>Total gold certificate reserves</u>	12,873	- 116	- 718
Cash	(905) 271	+ 24	+ 151
Discounts and advances	970	+ 720	+ 399
Acceptances:			
Bought outright	54	- 17	+ 18
U. S. Government securities:			
Bought outright--			
Bills	10,166	+ 27	+2,483
Certificates	15	--	+ 15
Notes	25,326	--	- 411
Bonds	<u>6,476</u>	--	+1,092
Total bought outright	41,983	+ 27	+3,179
Held under repurchase agreements	--	--	- 427
<u>Total U. S. Government securities</u>	<u>41,983</u>	+ 27	+2,752
<u>Total loans and securities</u>	<u>43,007</u>	+ 730	+3,169
Cash items in process of collection	(1,602) 7,256	-1,273	+1,582
Bank premises	104	--	+ 2
Other assets ^{1/}	<u>1,022</u>	+ 56	+ 248
<u>TOTAL ASSETS</u>	(2,507) <u>64,533</u>	- 579	+4,434
L I A B I L I T I E S			
Federal Reserve notes	(905) 37,697	- 105	+2,532
Deposits:			
Member bank reserves	18,463	- 283	+ 625
U. S. Treasurer--general account	1,338	+ 566	+ 539
Foreign	149	- 8	- 8
Other ^{2/}	<u>397</u>	+ 28	+ 205
<u>Total deposits</u>	20,347	+ 247	+1,361
Deferred availability cash items	(1,602) 5,044	- 744	+ 677
Other liabilities and accrued dividends	198	- 5	- 198
<u>TOTAL LIABILITIES</u>	(2,507) <u>63,286</u>	- 607	+4,372
C A P I T A L A C C O U N T S			
Capital paid in	564	--	+ 22
Surplus	551	--	+ 27
Other capital accounts	<u>132</u>	+ 28	+ 13
<u>TOTAL LIABILITIES AND CAPITAL ACCOUNTS</u>	(2,507) <u>64,533</u>	- 579	+4,434
Ratio of gold certificate reserves to F. R. note liability (computed from figures as shown on the following pages--not consolidated)	33.3%	.3%	- 4.7%
Contingent liability on acceptances purchased for foreign correspondents	259	+ 12	+ 107

* 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, JULY 27, 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	956	15	1,495	- 38
16 days to 90 days	14	39	10,212	+155
91 days to 1 year	--	--	14,905	- 90
Over 1 year to 5 years	--	--	13,622	--
Over 5 years to 10 years	--	--	1,352	--
Over 10 years	--	--	<u>397</u>	--
Total	<u>970</u>	<u>54</u>	<u>41,983</u>	+ 27

STATEMENT OF CONDITION OF EACH FEDERAL RESERVE BANK ON JULY 27, 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	11,058	509	2,235	611	848	1,045	528	2,238	372	239	511	512	1,410
Redemption fund for F. R. notes	1,815	103	436	98	148	148	103	332	64	33	71	62	217
<u>Total gold certificate reserves</u>	<u>12,873</u>	<u>612</u>	<u>2,671</u>	<u>709</u>	<u>996</u>	<u>1,193</u>	<u>631</u>	<u>2,570</u>	<u>436</u>	<u>272</u>	<u>582</u>	<u>574</u>	<u>1,627</u>
F. R. notes of other Banks	905	59	206	69	61	93	84	74	34	42	39	45	99
Other cash	271	13	31	10	39	14	22	45	27	7	12	16	35
Discounts and advances	970	81	244	6	33	45	88	133	45	13	34	44	204
Acceptances:													
Bought outright	54	--	54	--	--	--	--	--	--	--	--	--	--
Held under repurchase agreements	--	--	--	--	--	--	--	--	--	--	--	--	--
U. S. Government securities:													
Bought outright--													
Bills	10,166	539	2,598	524	837	701	555	1,704	362	202	386	370	1,388
Certificates	15	1	4	1	1	1	1	2	*	*	1	1	2
Notes	25,326	1,344	6,472	1,304	2,084	1,748	1,383	4,245	900	502	964	921	3,459
Bonds	6,476	344	1,655	333	533	447	354	1,086	230	128	246	236	884
Total	<u>41,983</u>	<u>2,228</u>	<u>10,729</u>	<u>2,162</u>	<u>3,455</u>	<u>2,897</u>	<u>2,293</u>	<u>7,037</u>	<u>1,492</u>	<u>832</u>	<u>1,597</u>	<u>1,528</u>	<u>5,733</u>
Held under repurchase agreements	--	--	--	--	--	--	--	--	--	--	--	--	--
<u>Total U. S. Government securities</u>	<u>41,983</u>	<u>2,228</u>	<u>10,729</u>	<u>2,162</u>	<u>3,455</u>	<u>2,897</u>	<u>2,293</u>	<u>7,037</u>	<u>1,492</u>	<u>832</u>	<u>1,597</u>	<u>1,528</u>	<u>5,733</u>
<u>Total loans and securities</u>	<u>43,007</u>	<u>2,309</u>	<u>11,027</u>	<u>2,168</u>	<u>3,488</u>	<u>2,942</u>	<u>2,381</u>	<u>7,170</u>	<u>1,537</u>	<u>845</u>	<u>1,631</u>	<u>1,572</u>	<u>5,937</u>
Cash items in process of collection	8,858	529	1,629	522	655	701	774	1,356	414	279	560	467	972
Bank premises	104	3	9	3	5	5	20	20	8	3	8	10	10
Other assets <u>1/</u>	1,022	42	400	44	71	51	48	131	29	18	36	39	113
TOTAL ASSETS	67,040	3,567	15,973	3,525	5,315	4,999	3,960	11,366	2,485	1,466	2,868	2,723	8,793

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

* Less than \$500,000.

STATEMENT OF CONDITION OF EACH FEDERAL RESERVE BANK ON JULY 27, 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)													
LIABILITIES													
Federal Reserve notes	38,602	2,324	8,788	2,241	3,213	3,487	2,223	7,004	1,436	721	1,460	1,245	4,460
Deposits:													
Member bank reserves	18,463	603	5,092	725	1,277	822	1,042	2,806	633	421	829	955	3,258
U.S. Treasurer--general account	1,338	81	163	64	160	85	79	279	65	65	107	81	109
Foreign	149	7	^{1/} 42	8	13	7	9	21	5	4	6	8	19
Other	397	*	^{2/} 326	*	1	6	1	1	*	*	2	1	59
Total deposits	20,347	691	5,623	797	1,451	920	1,131	3,107	703	490	944	1,045	3,445
Deferred availability cash items	6,646	482	1,187	411	524	512	520	1,038	296	221	402	355	698
Other liabilities and accrued dividends	198	10	51	10	16	13	11	33	7	4	8	8	27
TOTAL LIABILITIES	65,793	3,507	15,649	3,459	5,204	4,932	3,885	11,182	2,442	1,436	2,814	2,653	8,630
CAPITAL ACCOUNTS													
Capital paid in	564	27	146	30	51	29	35	81	20	14	25	33	73
Surplus	551	27	144	30	50	28	33	79	19	13	24	32	72
Other capital accounts	132	6	34	6	10	10	7	24	4	3	5	5	18
TOTAL LIABILITIES AND CAPITAL ACCOUNTS	67,040	3,567	15,973	3,525	5,315	4,999	3,960	11,366	2,485	1,466	2,868	2,723	8,793
Contingent liability on acceptances purchased for foreign correspondents	259	13	^{3/} 68	14	23	13	16	37	9	6	11	15	34
FEDERAL RESERVE AGENT'S ACCOUNTS													
F. R. notes outstanding	41,775	2,487	9,565	2,395	3,515	3,723	2,461	7,468	1,548	770	1,584	1,376	4,880
Collateral for F. R. notes:													
Gold certificate account	6,682	500	1,000	500	600	950	450	1,100	315	127	225	180	735
Eligible paper	51	--	--	6	--	--	--	--	45	--	--	--	--
U. S. Government securities	35,998	2,016	8,700	2,000	3,000	2,812	2,075	6,500	1,310	655	1,400	1,230	4,300
Total collateral	42,731	2,516	9,700	2,506	3,600	3,762	2,525	7,600	1,670	782	1,625	1,410	5,035

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

2/ Includes IMF gold deposit.

3/ After deducting \$191 million participations of other Federal Reserve Banks.

* Less than \$500,000.