



FEDERAL RESERVE

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

For immediate release
September 1, 1966

The average of daily figures of total member bank reserves held during the week ended August 31 increased a net of \$131 million to \$22,578 million. (Comparisons with the prior week are affected by the airline strike which continued through part of that week.) Estimated currency and coin of member banks increased \$72 million and their reserve balances at the Federal Reserve Banks increased \$59 million. Estimated required reserves increased \$219 million; and estimated excess reserves decreased \$88 million to \$269 million. Member bank borrowings at the Federal Reserve Banks exceeded excess reserves by \$422 million compared with the revised net borrowed figure of \$362 million the week before.

The principal changes supplying average reserve balances with Federal Reserve Banks were increases of \$784 million in U. S. Government securities bought outright and decreases of \$127 million in currency in circulation and \$34 million in "other" F. R. accounts (net). The principal offsetting changes were decreases of \$766 million in Federal Reserve float, \$54 million in gold stock, and \$28 million in member bank borrowings, and an increase of \$27 million in Treasury deposits with F. R. Banks. Total Reserve Bank credit decreased \$7 million.

As of Wednesday, August 31, holdings of U. S. Government securities bought outright were \$847 million higher than a week earlier and member bank borrowings were \$421 million lower.

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Member bank reserves, Reserve Bank credit, and related items	Averages of daily figures			Wednesday, Aug. 31, 1966
	Week ended Aug. 31, 1966	Change from week ended		
		Aug. 24, 1966	Sept. 1, 1965	
	(In millions of dollars)			
Reserve Bank credit:				
U. S. Government securities--				
Bought outright--System account	42,597	+784	+3,523	42,518
Held under repurchase agreements	--	--	- 78	--
Acceptances--				
Bought outright	49	+ 2	- 13	48
Held under repurchase agreements	--	--	- 19	--
Discounts and advances--				
Member bank borrowings	691	- 28	+ 154	384
Other	2	+ 1	+ 2	2
Float	1,775	-766	+ 348	1,485
Total Reserve Bank credit	45,114	- 7	+3,944	44,437
Gold stock	13,258	- 54	- 600	13,259
Treasury currency outstanding	6,040	+ 10	+ 587	6,047
	64,412	- 51	+3,930	63,743
Currency in circulation	42,767	-127	+2,709	42,882
Treasury cash holdings	1,082	+ 1	+ 272	1,059
Treasury deposits with F. R. Banks	1,083	+ 27	+ 132	1,614
Foreign deposits with F. R. Banks	138	+ 12	- 102	170
Other deposits with F. R. Banks	412	+ 11	+ 235	395
Other F. R. accounts (net)	352	- 34	- 46	224
	45,833	-111	+3,197	46,344
Member bank reserves:				
With Federal Reserve Banks	18,578	+ 59	+ 732	17,399
Currency and coin (estimated)	4,000	+ 72	+ 272	4,405
Total reserves held	22,578	+131	+1,004	21,804
Required reserves (estimated)	22,309	+219	+1,168	22,424
Excess reserves (estimated)	269	- 88	- 164	-620

On August 31, 1966, U. S. Government securities held in custody by the Federal Reserve Banks for foreign account were \$7,042 million, a decrease of \$128 million for the week and a decrease of \$223 million from the comparable date a year ago.

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

		Aug. 31, 1966	Change since	
			Aug. 24, 1966	Sept. 1, 1965
<u>A S S E T S</u>				
Gold certificate account		10,983	+ 14	- 967
Redemption fund for F. R. notes	*	<u>1,805</u>	+ 2	+ 159
<u>Total gold certificate reserves</u>	(931)	12,788	+ 16	- 808
Cash		306	+ 8	+ 193
Discounts and advances		386	-426	+ 255
Acceptances:				
Bought outright		48	--	+ 12
Held under repurchase agreements		--	--	- 18
U. S. Government securities:				
Bought outright--				
Bills		10,701	+847	+2,928
Certificates		4,366	--	+4,366
Notes		21,013	--	-3,746
Bonds		<u>6,438</u>	--	- 29
Total bought outright		42,518	+847	+3,519
Held under repurchase agreements		--	--	--
<u>Total U. S. Government securities</u>		<u>42,518</u>	+847	+3,519
<u>Total loans and securities</u>		42,952	+421	+3,768
Cash items in process of collection	(1,734)	6,351	-165	+ 504
Bank premises		104	--	+ 2
Other assets <u>1/</u>		<u>1,176</u>	+202	+ 85
<u>TOTAL ASSETS</u>	(2,665)	<u>63,677</u>	+482	+3,744
<u>L I A B I L I T I E S</u>				
Federal Reserve notes	(931)	37,729	- 15	+2,357
Deposits:				
Member bank reserves		17,399	-319	+ 617
U. S. Treasurer--general account		1,614	+645	+ 354
Foreign		170	+ 40	- 37
Other <u>2/</u>	(13)	<u>395</u>	- 27	+ 214
<u>Total deposits</u>		19,578	+339	+1,148
Deferred availability cash items	(1,721)	4,866	+ 95	+ 303
Other liabilities and accrued dividends		<u>231</u>	+ 29	- 133
<u>TOTAL LIABILITIES</u>	(2,665)	<u>62,404</u>	+448	+3,675
<u>C A P I T A L A C C O U N T S</u>				
Capital paid in		565	--	+ 21
Surplus		551	--	+ 27
Other capital accounts		<u>157</u>	+ 34	+ 21
<u>TOTAL LIABILITIES AND CAPITAL ACCOUNTS</u>	(2,665)	<u>63,677</u>	+482	+3,744

Ratio of gold certificate reserves to F. R. note

liability (computed from figures as shown on
the following pages--not consolidated)

33.1% -- - 4.6%

Contingent liability on acceptances purchased
for foreign correspondents

272 - 6 + 128

* 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, AUGUST 31, 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		U. S. Government securities	
	advances	Acceptances	Holdings	Changes during week
Within 15 days	373	12	1,347	-245
16 days to 90 days	13	36	5,222	+342
91 days to 1 year	--	--	20,661	+750
Over 1 year to 5 years	--	--	13,699	--
Over 5 years to 10 years	--	--	1,192	--
Over 10 years	--	--	<u>397</u>	--
<u>Total</u>	<u>386</u>	<u>48</u>	42,518	+847

STATEMENT OF CONDITION OF EACH FEDERAL RESERVE BANK ON AUGUST 31, 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	10,983	720	2,075	644	983	1,051	635	2,298	402	192	502	260	1,221
Redemption fund for F. R. notes	1,805	101	429	95	151	154	102	330	64	33	70	61	215
<u>Total gold certificate reserves</u>	12,788	821	2,504	739	1,134	1,205	737	2,628	466	225	572	321	1,436
F. R. notes of other Banks	931	83	216	82	67	82	99	74	32	46	39	40	71
Other cash	306	14	35	11	44	18	26	49	32	8	13	17	39
Discounts and advances	386	32	79	9	4	22	67	83	21	6	43	20	*
Acceptances:													
Bought outright	48	--	48	--	--	--	--	--	--	--	--	--	--
Held under repurchase agreements	--	--	--	--	--	--	--	--	--	--	--	--	--
U. S. Government securities:													
Bought outright--													
Bills	10,701	556	2,614	548	865	760	572	1,764	381	228	419	446	1,548
Certificates	4,366	227	1,066	224	353	310	233	720	155	93	171	182	632
Notes	21,013	1,091	5,132	1,078	1,699	1,492	1,123	3,465	747	447	823	876	3,040
Bonds	6,438	334	1,573	330	521	457	344	1,062	229	137	252	268	931
Total	42,518	2,208	10,385	2,180	3,438	3,019	2,272	7,011	1,512	905	1,665	1,772	6,151
Held under repurchase agreements	--	--	--	--	--	--	--	--	--	--	--	--	--
<u>Total U. S. Government securities</u>	42,518	2,208	10,385	2,180	3,438	3,019	2,272	7,011	1,512	905	1,665	1,772	6,151
<u>Total loans and securities</u>	42,952	2,240	10,512	2,189	3,442	3,041	2,339	7,094	1,533	911	1,708	1,792	6,151
Cash items in process of collection	8,085	539	1,436	504	594	635	667	1,318	377	266	521	423	805
Bank premises	104	3	9	3	5	5	20	20	8	3	8	10	10
Other assets ^{1/}	1,176	47	454	53	85	54	57	143	34	22	44	52	131
<u>TOTAL ASSETS</u>	66,342	3,747	15,166	3,581	5,371	5,040	3,945	11,326	2,482	1,481	2,905	2,655	8,643

^{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	38,660	2,307	8,831	2,209	3,219	3,484	2,233	7,017	1,428	707	1,470	1,247	4,508
Deposits:													
Member bank reserves	17,399	727	4,194	716	1,323	816	970	2,784	625	458	855	918	3,013
U.S. Treasurer--general account	1,614	115	268	135	164	110	115	179	69	52	112	70	225
Foreign	170	9	1/37	10	16	9	11	26	6	4	8	10	24
Other	408	14	2/329	*	1	5	1	1	1	1	3	1	51
<u>Total deposits</u>	19,591	865	4,828	861	1,504	940	1,097	2,990	701	515	978	999	3,313
Deferred availability cash items	6,587	501	1,119	432	517	532	526	1,093	301	224	393	328	621
Other liabilities and accrued dividends	231	12	57	12	18	16	12	38	8	5	9	10	34
<u>TOTAL LIABILITIES</u>	65,069	3,685	14,835	3,514	5,258	4,972	3,868	11,138	2,438	1,451	2,850	2,584	8,476
<u>CAPITAL ACCOUNTS</u>													
Capital paid in	565	27	147	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	157	8	40	7	12	11	9	28	5	3	6	6	22
<u>TOTAL LIABILITIES AND CAPITAL ACCOUNTS</u>	66,342	3,747	15,166	3,581	5,371	5,040	3,945	11,326	2,482	1,481	2,905	2,655	8,643
Contingent liability on acceptances purchased for foreign correspondents	272	13	3/71	15	24	14	16	39	9	7	12	16	36
<u>FEDERAL RESERVE AGENT'S ACCOUNTS</u>													
F. R. notes outstanding	41,492	2,463	9,416	2,340	3,522	3,689	2,447	7,482	1,529	758	1,578	1,366	4,902
Collateral for F. R. notes:													
Gold certificate account	6,627	500	1,000	500	600	895	450	1,100	315	127	225	180	735
Eligible paper	27	--	--	6	--	--	--	--	21	--	--	--	--
U. S. Government securities	36,426	2,016	8,700	2,000	3,000	2,940	2,075	6,500	1,310	655	1,400	1,230	4,600
<u>Total collateral</u>	43,080	2,516	9,700	2,506	3,600	3,835	2,525	7,600	1,646	782	1,625	1,410	5,335

1/ After deducting \$133 million participations of other Federal Reserve Banks.

2/ Includes IMF gold deposit.

* Less than \$500,000.

3/ After deducting \$201 million participations of other Federal Reserve Banks.