

Released for publication Sunday morning, July 8, 1917 - Not earlier.

STATEMENT FOR THE PRESS.

July 7, 1917.

Liquidation on a large scale of short-term paper, discounted for members in connection with Liberty Loan operations, a reduction by over 157 millions in Government deposits, and a gain of about 79 millions in reserve deposits are indicated in the Federal Reserve Board's weekly bank statement issued to-day as at close of business on July 6, 1917. Aggregate reserves of the Federal reserve banks increased during the week about 21.6 millions, while total gold reserves show an even larger increase of 23.1 millions. The reserve position of the banks, as measured by the ratio of total bank reserves to net deposits, shows an improvement from 73.1 to 77.3 per cent.

The week witnessed considerable concentration of Government funds at the New York bank which, acting as fiscal agent for the Treasury, paid out large amounts in the shape of advances to the Allied Governments. These advances having been deposited with local member banks were largely redeposited by the latter with the Federal reserve bank. The result of these operations is seen in a net decrease by 29 millions in Government deposits, and an increase by 80 millions in member banks' reserve deposits. All the banks, except those located in the three Central Reserve Cities, report decreases in reserves following heavy withdrawals by the Government of Liberty Loan funds. Gains in cash reserve reported by the Chicago and St. Louis banks are due in part to additional transfers of member bank reserve deposits, in the case of Chicago also to the collection of deferred items and a reduction of its favorable balance in account with other Federal reserve banks, and in the case of St. Louis largely to the increase in the amount due to other Federal reserve banks.

Discounted paper on hand shows a decrease of 67.4 millions, the New York bank alone accounting for a decrease of 56.2 millions. Almost the entire decrease is due to the liquidation of member bank collateral notes, total holdings of which declined from 116 millions to 50.4 millions. The amount of collateral notes secured by U. S. Certificates of indebtedness or interim receipts for Liberty Bonds shows a decline for the week from 26.4 millions to 13.4 millions. No substantial changes are shown for other earning assets. The New York bank reports the liquidation of the 21.8 million loan on gold bullion shown the week before. Total earning assets show a decrease of 89 millions, and constitute at present 703 per cent of the banks' paid-in capital, compared with 865 per cent the week before. Of the total, acceptances constitute 49.7 per cent; discounts 32.0 per cent; U. S. Securities 17.7 per cent, and municipal warrants 0.6 per cent.

Largely as the result of admission to the system of the Guardian Savings and Trust Company of Cleveland, and the Merchants' Loan and Trust Company of Chicago, the capital account shows an increase of \$481,000. In addition to the member banks' reserve deposit account the statement, for the first time, shows an amount of 5 million dollars due to nonmember banks, this deposit having been made by a large New York city bank for clearing purposes, in accordance with Section 13 of the amended Act.

Federal reserve notes in circulation show a total of \$527,459,000, having increased \$18,652,000 during the week. The note reserve percentage is given as 80.3 per cent, or 1 per cent above the percentage of deposit reserve shown above.

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STATEMENT OF COMBINED RESOURCES AND LIABILITIES OF THE TWELVE FEDERAL RESERVE BANKS AT CLOSE OF BUSINESS JULY 6, 1917.

| | July 6, 1917 | June 29, 1917 | July 7, 1916 |
|--|------------------------|----------------------|--------------------|
| R E S O U R C E S | | | |
| Gold coin and certificates in vault..... | \$470,359,000 | \$484,264,000 | \$261,232,000 |
| Gold settlement fund..... | 371,380,000 | 345,845,000 | 123,611,000 |
| Gold with foreign agencies..... | 52,501,000 | 52,362,000 | ..... |
| Total gold held by banks..... | 894,240,000 | 882,471,000 | 384,843,000 |
| Gold with Federal Reserve Agents..... | 413,715,000 | 402,693,000 | 168,806,000 |
| Gold redemption fund..... | 9,748,000 | 9,402,000 | 2,011,000 |
| Total gold reserves..... | 1,317,703,000 | 1,294,566,000 | 555,660,000 |
| Legal tender notes, silver, etc..... | 38,314,000 | 39,840,000 | 36,902,000 |
| Total reserves..... | 1,356,017,000 | 1,334,406,000 | 592,562,000 |
| Bills discounted - members..... | 129,853,000 | 197,242,000 | 22,025,000 |
| Bills bought in open market..... | 201,664,000 | 202,270,000 | 70,148,000 |
| Total bills on hand..... | 331,517,000 | 399,512,000 | 92,173,000 |
| U. S. Government long-term securities..... | 42,935,000 | 36,426,000 | 52,589,000 |
| U. S. Government short-term securities..... | 28,659,000 | 34,302,000 | 4,546,000 |
| Municipal warrants..... | 2,442,000 | 2,446,000 | 25,236,000 |
| Loans on gold coin and bullion..... | ..... | 21,850,000 | ..... |
| Total earning assets..... | 405,553,000 | 494,536,000 | 174,544,000 |
| Due from other F. R. Banks - Net..... | 19,465,000 | 1,448,000 | 20,273,000 |
| Uncollected items..... | 251,374,000 | 221,705,000 | ..... |
| Total deductions from gross deposits..... | 270,839,000 | 223,153,000 | 20,273,000 |
| 5% redemption fund against F. R. bank notes..... | 500,000 | 500,000 | 450,000 |
| All other resources..... | 851,000 | 799,000 | 3,979,000 |
| TOTAL RESOURCES..... | 2,033,760,000 | 2,053,394,000 | 791,808,000 |
| L I A B I L I T I E S | | | |
| Capital paid in..... | 57,657,000 | 57,176,000 | 54,858,000 |
| Government deposits..... | 143,626,000 | 300,966,000 | 114,460,000 |
| Due to members - reserve account..... | 1,112,347,000 | 1,033,460,000 | ..... |
| Due to non-member banks - Clearing account..... | 5,000,000 | ..... | ..... |
| Member bank deposits - Net..... | ..... | ..... | 465,840,000 |
| Collection items..... | 164,588,000 | 149,527,000 | ..... |
| Total gross deposits..... | 1,425,561,000 | 1,483,953,000 | 580,300,000 |
| F. R. Notes in actual circulation..... | 527,459,000 | 508,807,000 | 154,687,000 |
| F. R. Bank notes in circulation, net liability..... | 1,175,000 | 934,000 | 1,721,000 |
| All other liabilities including foreign Govt. credits.. | 21,908,000 | 2,524,000 | 242,000 |
| TOTAL LIABILITIES..... | \$2,033,760,000 | 2,053,394,000 | 791,808,000 |
| Gold reserve against net deposit liabilities..... | 76.1% | 69.9% | 68.7% |
| Gold and lawful money reserve ag'st net deposit liabil's | 79.3% | 73.1% | 75.5% |
| Gold reserve against F. R. notes in actual circulation.. | 80.3% | 81.0% | 110.4% |

WEEKLY STATEMENT OF RESOURCES AND LIABILITIES OF EACH OF THE FEDERAL RESERVE BANKS AT CLOSE OF BUSINESS JULY 6, 1917.

(In thousands of dollars)

| RESOURCES . | Boston | N. Y. | Phila. | Clevel. | Richm. | Atlanta | Chicago | St. Louis | Minnls. | Kas. Cy. | Dallas | S. Fran. | Total |
|--|----------|---------|---------|---------|-----------|---------|---------|-----------|---------|----------|--------|-----------|-----------|
| Gold coin and certificates in vault | \$31,269 | 255,643 | 31,186 | 34,654 | 6,443 | 6,740 | 42,089 | 12,077 | 15,471 | 7,534 | 12,077 | 15,176 | 470,359 |
| Gold Settlement Fund | 14,984 | 128,794 | 22,583 | 38,569 | 20,503 | 2,694 | 57,662 | 17,796 | 10,260 | 26,218 | 11,019 | 20,298 | 371,380 |
| Gold with foreign agencies | 3,675 | 18,188 | 3,675 | 4,725 | 1,837 | 1,500 | 7,350 | 2,100 | 2,100 | 2,625 | 1,838 | 2,888 | 52,501 |
| Total gold held by banks | 49,928 | 402,625 | 57,444 | 77,948 | 28,783 | 10,934 | 107,101 | 31,973 | 27,831 | 36,377 | 24,934 | 38,362 | 894,240 |
| Gold with Federal Reserve Agents | 22,433 | 148,002 | 33,512 | 30,045 | 7,735 | 17,397 | 62,003 | 14,345 | 21,418 | 14,778 | 16,904 | 25,143 | 413,715 |
| Gold Redemption Fund | 500 | 5,250 | 450 | 44 | 750 | 338 | 235 | 311 | 341 | 1,333 | 141 | 55 | 9,748 |
| Total gold reserves | 72,861 | 555,877 | 91,406 | 108,037 | 37,268 | 28,669 | 169,339 | 46,629 | 49,590 | 52,488 | 41,979 | 63,560 | 1,317,703 |
| Legal tender notes, silver, etc. | 2,617 | 27,900 | 448 | 207 | 199 | 652 | 1,599 | 3,071 | 97 | 276 | 1,112 | 136 | 38,314 |
| Total reserves | 75,478 | 583,777 | 91,854 | 108,244 | 37,467 | 29,321 | 170,938 | 49,700 | 49,687 | 52,764 | 43,091 | 63,696 | 1,356,017 |
| Bills discounted - Members | 15,823 | 21,918 | 18,037 | 5,646 | 11,869 | 3,479 | 19,776 | 6,345 | 9,460 | 5,168 | 3,724 | 8,608 | 129,853 |
| Bills bought in open market | 17,014 | 101,541 | 9,824 | 10,478 | 5,154 | 1,676 | 29,997 | 4,757 | 883 | 12,183 | 974 | 7,183 | 201,664 |
| Total bills on hand | 32,837 | 123,459 | 27,861 | 16,124 | 17,023 | 5,155 | 49,773 | 11,102 | 10,343 | 17,351 | 4,698 | 15,791 | 331,517 |
| U.S. Government long-term securities | 530 | 1,305 | 549 | 5,853 | 1,152 | 699 | 13,508 | 2,241 | 1,857 | 8,842 | 3,970 | 2,429 | 42,935 |
| U.S. Government short-term securities | 2,194 | 5,550 | 2,548 | 2,868 | 1,969 | 1,871 | 3,361 | 1,444 | 1,420 | 1,784 | 1,430 | 2,220 | 28,659 |
| Municipal warrants | . | 366 | 158 | 1,263 | 15 | 1 | 152 | 212 | . | 51 | 20 | 204 | 2,442 |
| Total earning assets | 35,561 | 130,680 | 31,116 | 26,108 | 20,159 | 7,726 | 66,794 | 14,999 | 13,620 | 28,528 | 10,118 | 20,644 | 405,553 |
| Due from other F. R. Banks - Net | . | 21,209 | . | 3,019 | 1,941 | 2,576 | 3,595 | . | 879 | . | . | 1,135 (a) | 19,465 |
| Uncollected items | 18,879 | 74,167 | 25,897 | 18,502 | 16,336 | 10,720 | 33,109 | 15,849 | 6,784 | 16,746 | 6,315 | 8,070 | 251,374 |
| Total deductions from gross deposits | 18,879 | 95,376 | 25,897 | 21,521 | 18,277 | 13,296 | 36,704 | 15,849 | 7,663 | 16,746 | 6,315 | 9,205 | 270,839 |
| 5% Redempt. Fund ag'tst F.R. Bank Notes | . | . | . | . | . | . | . | . | . | 400 | 100 | . | 500 |
| All other resources | . | . | . | 117 | 113 | 107 | 20 | 60 | 87 | 80 | 267 | . | 851 |
| TOTAL RESOURCES | 129,918 | 809,833 | 148,867 | 155,990 | 76,016 | 50,450 | 274,456 | 80,608 | 71,057 | 98,018 | 59,891 | 93,545 | 2,033,760 |
| LIABILITIES . | | | | | | | | | | | | | |
| Capital paid in | 5,112 | 12,063 | 5,276 | 6,367 | 3,436 | 2,388 | 7,401 | 3,265 | 2,469 | 3,168 | 2,750 | 3,962 | 57,657 |
| Government deposits | 15,625 | 2,906 | 16,077 | 14,685 | 5,716 (b) | 267 | 46,686 | 5,344 | 6,631 | 6,850 | 4,725 | 18,648 | 143,626 |
| Due to members - reserve account | 67,504 | 522,002 | 60,582 | 85,080 | 29,849 | 23,185 | 135,342 | 37,859 | 29,228 | 52,541 | 26,882 | 42,293 | 1,112,347 |
| Due to nonmember banks-clearing ac't. | . | 5,000 | . | . | . | . | . | . | . | . | . | . | 5,000 |
| Collection items | 14,259 | 32,736 | 23,878 | 14,575 | 19,871 | 5,824 | 18,846 | 9,887 | 8,482 | 6,730 | 3,885 | 5,615 | 164,588 |
| Due to other F. R. Banks - Net | 1,406 | . | 1,860 | . | . | . | . | 6,674 | . | 2,223 | 2,726 | . | . |
| Total gross deposits | 98,794 | 562,644 | 102,397 | 114,340 | 55,436 | 28,742 | 200,874 | 59,764 | 44,341 | 68,344 | 38,218 | 66,556 | 1,425,561 |
| F.R. Notes in actual circulation | 25,719 | 213,801 | 41,068 | 35,283 | 17,144 | 19,320 | 66,181 | 17,579 | 24,247 | 25,331 | 18,923 | 22,863 | 527,459 |
| F.R. Bk. Notes in circulation, net liab. | . | . | . | . | . | . | . | . | . | 1,175 | . | . | 1,175 |
| All other liabilities including foreign | | | | | | | | | | | | | |
| Government credits | 293 | 21,325 | 126 | . | . | . | . | . | . | . | . | 164 | 21,908 |
| TOTAL LIABILITIES | 129,918 | 809,833 | 148,867 | 155,990 | 76,016 | 50,450 | 274,456 | 80,608 | 71,057 | 98,018 | 59,891 | 93,545 | 2,033,760 |

(a) Difference between net amounts due from and net amounts due to other F. R. Banks.

(b) Overdraft

STATEMENT OF FEDERAL RESERVE AGENTS' ACCOUNTS AT CLOSE OF BUSINESS JULY 6, 1917.
(In thousands of dollars)

| | Boston | N. Y. | Phila. | Clevel. | Richm. | Atlanta | Chicago | St. Louis | Minnls. | Kas. Cy. | Dallas | S. Fran. | Total |
|---|----------|---------|--------|---------|--------|---------|---------|-----------|---------|----------|--------|----------|---------|
| Federal Reserve Notes: | | | | | | | | | | | | | |
| Received from Comptroller | \$50,680 | 435,040 | 66,900 | 48,000 | 31,720 | 36,380 | 103,100 | 27,340 | 36,640 | 42,720 | 36,920 | 28,660 | 944,100 |
| Returned to Comptroller | 10,747 | 81,438 | 9,588 | 6,015 | 11,260 | 6,707 | 2,317 | 5,778 | 6,136 | 7,224 | 9,222 | 3,517 | 159,949 |
| Chargeable to F. R. Agent | 39,933 | 353,602 | 57,312 | 41,985 | 20,460 | 29,673 | 100,783 | 21,562 | 30,504 | 35,496 | 27,698 | 25,143 | 784,151 |
| In hands of F. R. Agent | 7,500 | 120,600 | 14,500 | 4,940 | 2,530 | 9,205 | 28,500 | 2,660 | 5,290 | 9,440 | 8,261 | . | 213,426 |
| Issued to F. R. Bank less amount returned to F. R. Agent for redemption | 32,433 | 233,002 | 42,812 | 37,045 | 17,930 | 20,468 | 72,283 | 18,902 | 25,214 | 26,056 | 19,437 | 25,143 | 570,725 |
| Collateral held by F. R. Agent, as security for outstanding notes: | | | | | | | | | | | | | |
| Gold coin and certificates on hand | 18,660 | 137,974 | 4,220 | 8,023 | . | 3,296 | . | 3,365 | 14,102 | 2,370 | 11,110 | . | 203,120 |
| Gold redemption fund | 1,773 | 10,028 | 2,052 | 2,022 | 235 | 1,221 | 533 | 540 | 1,066 | 1,348 | 1,634 | 953 | 22,805 |
| With Federal Reserve Board | 2,000 | . | 27,240 | 20,000 | 7,500 | 12,880 | 61,470 | 10,440 | 6,250 | 11,060 | 4,760 | 24,190 | 187,790 |
| Commercial paper, minimum required | 10,000 | 85,000 | 9,300 | 7,000 | 10,195 | 3,071 | 10,280 | 4,557 | 3,796 | 11,278 | 2,533 | . | 157,010 |
| TOTAL | 32,433 | 233,002 | 42,812 | 37,045 | 17,930 | 20,468 | 72,283 | 18,902 | 25,214 | 26,056 | 19,437 | 25,143 | 570,725 |
| Amount of commercial paper delivered to F. R. Agent | 10,118 | 85,665 | 9,306 | 7,085 | 13,735 | 3,078 | 10,459 | 4,559 | 3,796 | 11,568 | 3,364 | . | 162,733 |

M E M O R A N D A.

Federal Reserve Notes outstanding and in actual circulation.

| | | | | | | | | | | | | | |
|-----------------------------------|--------|---------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|
| F. R. Notes outstanding | 32,433 | 233,002 | 42,812 | 37,045 | 17,930 | 20,468 | 72,283 | 18,902 | 25,214 | 26,056 | 19,437 | 25,143 | 570,725 |
| F. R. Notes held by banks | 6,714 | 19,201 | 1,744 | 1,762 | 786 | 1,148 | 6,102 | 1,323 | 967 | 725 | 514 | 2,280 | 43,266 |
| F. R. Notes in actual circulation | 25,719 | 213,801 | 41,068 | 35,283 | 17,144 | 19,320 | 66,181 | 17,579 | 24,247 | 25,331 | 18,923 | 22,863 | 527,459 |

Distribution of Bills and Warrants by Maturities.

| | Within 15 days | 15 to 30 days | 31 to 60 days | 61 to 90 days | Over 90 days | Total |
|-----------------------------|----------------|---------------|---------------|---------------|--------------|---------|
| Bills discounted and bought | 106,557 | 47,412 | 98,797 | 74,323 | 4,428 | 331,517 |
| Municipal warrants | 417 | 923 | 1,079 | 20 | 3 | 2,442 |