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Statement for the Press.

September 8, 1917.

Large discount and open market operations, also substantial additions by all the Reserve banks to outstanding Federal Reserve note circulation are indicated in the weekly bank statement of the Federal Reserve Board issued as at close of business on September 7, 1917. Government financing, including payments to allied governments, caused transfers on government account of over 75 million dollars from the interior to the Federal Reserve Bank of New York. These payments totaled 80 millions, the British and French governments receiving 40 millions each. A credit of 10 millions standing to the credit of the Italian government was also withdrawn from the New York Reserve bank. Large government expenditures caused additional withdrawals of funds, with the result that total government deposits show a decrease for the week of 114.4 millions. A large portion of the funds withdrawn by the government was deposited with member banks and by the latter redeposited with the Federal Reserve banks. As a result of these operations and the payment of reserves by newly admitted members, reserve deposits show a net increase for the week of 68.7 millions, largely at the New York bank.

Aggregate gold reserves against deposits show a further increase of 9.5 millions, while the total gold holdings of both the banks and agents increased by about 11.3 millions. The ratio of cash reserve to net deposits shows but a slight decrease from 79.9 per cent to 79.0, while the ratio of gold cover to reserve notes in circulation declined from 85.1 per cent to 80.8 per cent. As a matter of fact, of the 35.1 millions of Federal Reserve notes issued during the week nearly 90 per cent were secured by commercial paper pledged with the Agents, the latter holding at present about 187.2 millions of discounts and acceptances as collateral for notes issued to the banks, as against 156.2 millions the week before.

Higher money and commercial paper rates caused a considerable demand for funds, which was met largely through the discount and open market operations of the New York Reserve bank, the latter reporting an increase for the week of 25.6 millions in discounted paper, mostly collateral notes, and of 17.4 millions in acceptances on hand. Of the total discounts, 64.1 millions is represented by collateral notes, of which 20.6 millions were secured by Liberty Loan bonds or U. S. certificates of indebtedness. U. S. bonds on hand show a slight decrease, while the holdings of short-term government securities increased by about 10 millions, the New York bank reporting an investment of this amount in U. S. certificates of indebtedness. Municipal warrants no longer constitute any appreciable portion of the banks' earning assets, the decrease for the week representing amounts matured and liquidated. Total earning assets show an increase for the week of 48.4 millions and constitute 725 per cent of the banks' paid-in capital, compared with 647 per cent reported a week earlier. Of the total, 40.3 per cent is represented by acceptances; 39.2 per cent by discounts; and 20.5 per cent by U. S. securities.

Admission to the Federal Reserve system of state banks and trust companies, also additions to capital and surplus of member banks account for an increase of \$352,000 in paid-in capital, the Chicago and Kansas City reserve banks reporting the largest gain for the week. An increase of 23.4 millions is shown in nonmember clearing deposits. During the past week the Metropolitan Trust Co. of New York opened a clearing account with the Federal Reserve bank.

Federal Reserve notes issued to the banks are given as \$680,073,000 secured by \$494,779,000 of gold and \$187,218,000 of paper. The banks report an actual circulation of \$621,299,000 of Federal Reserve notes, an increase for the week of \$33,384,000.

STATEMENT OF COMBINED RESOURCES AND LIABILITIES OF THE TWELVE FEDERAL RESERVE BANKS AT CLOSE OF BUSINESS SEPTEMBER 7, 1917.

RESOURCES	September 7, 1917	August 31, 1917	September 8, 1916.
Gold coin and certificates in vault.....	\$414,433,000	\$416,797,000	\$248,846,000
Gold settlement fund.....	395,853,000	383,937,000	118,950,000
Gold with foreign agencies.....	52,500,000	52,500,000	...
Total gold held by banks.....	862,786,000	853,234,000	367,796,000
Gold with Federal Reserve Agents.....	494,779,000	493,185,000	181,029,000
Gold redemption fund.....	7,218,000	7,079,000	1,884,000
Total gold reserves.....	1,364,783,000	1,353,498,000	550,709,000
Legal tender notes, silver, etc.....	50,608,000	52,610,000	27,487,000
Total reserves.....	1,415,391,000	1,406,108,000	578,196,000
Bills discounted - Members.....	168,217,000	147,315,000	27,527,000
Bills bought in open market.....	173,199,000	154,591,000	79,808,000
Total bills on hand.....	341,416,000	301,906,000	107,335,000
U. S. Government long-term securities.....	45,394,000	45,406,000	45,954,000
U. S. Government short-term securities.....	42,441,000	32,521,000	9,055,000
Municipal warrants.....	204,000	1,230,000	21,166,000
Total earning assets.....	429,455,000	381,063,000	183,510,000
Due from other F. R. Banks - Net.....	12,036,000	10,233,000	28,706,000
Uncollected items.....	216,960,000	260,184,000	...
Total deductions from gross deposits.....	228,996,000	270,417,000	28,706,000
5% redemption fund against F. R. bank notes.....	500,000	500,000	484,000
All other resources.....	372,000	293,000	3,403,000
TOTAL RESOURCES.....	2,074,714,000	2,058,381,000	794,299,000
LIABILITIES			
Capital paid in.....	59,256,000	58,904,000	55,406,000
Government deposits.....	39,926,000	154,358,000	44,236,000
Due to members - reserve account.....	1,138,542,000	1,069,804,000	...
Due to non-member banks - Clearing account.....	52,339,000	28,903,000	...
Member bank deposits - Net.....	...	...	514,225,000
Collection items.....	154,112,000	140,278,000	...
Total gross deposits.....	1,384,919,000	1,393,343,000	558,461,000
F. R. Notes in actual circulation.....	621,299,000	587,915,000	177,781,000
F. R. Bank notes in circulation, net liability.....	6,894,000	6,023,000	2,334,000
All other liabilities including foreign Govt. credits..	2,346,000	12,196,000	317,000
TOTAL LIABILITIES.....	2,074,714,000	2,058,381,000	794,299,000
Gold reserve against net deposit liabilities.....	74.6%	75.2%	69.5%
Gold and lawful money reserve against net deposit liabilities.	79.0%	79.9%	74.6%
Gold reserve against F.R. notes in actual circulation.	80.8%	85.1%	102.9%
(a) Net amount due to F. R. Banks.			

WEEKLY STATEMENT OF RESOURCES AND LIABILITIES OF EACH OF THE FEDERAL RESERVE BANKS AT CLOSE OF BUSINESS SEPTEMBER 7, 1917.
(In thousands of dollars)

	Boston	N. Y.	Phila.	Clevel.	Richm.	Atlanta	Chicago	St. Louis	Minneapolis	Kas. City	Dallas	S. Fran.	Total
R E S O U R C E S													
Gold coin and Certificates in vault	\$30,175	238,724	11,097	26,693	6,285	6,308	40,484	3,186	16,015	8,693	13,939	12,834	414,433
Gold settlement fund	7,259	114,960	32,000	48,574	30,965	1,972	70,768	26,142	6,168	36,739	7,121	12,957	395,853
Gold with foreign agencies	3,675	18,112	3,675	4,725	1,837	1,575	7,350	2,100	2,100	2,625	1,838	2,888	52,500
Total gold held by banks	41,109	371,796	47,000	79,992	39,087	9,855	118,602	31,428	24,283	48,057	22,898	28,679	862,786
Gold with Federal Reserve Agents	23,605	195,649	30,187	34,890	10,650	24,610	78,824	16,518	16,255	17,383	16,534	29,674	494,779
Gold Redemption Fund	500	2,500	700	23	829	283	255	379	709	520	498	22	7,218
Total gold reserves	65,214	569,945	77,887	114,905	50,566	34,748	197,681	48,325	41,247	65,960	39,930	58,375	1,364,783
Legal tender notes, silver, etc.	3,807	18,604	1,143	347	130	353	3,336	1,439	344	168	860	77	50,608
Total reserves	69,021	588,549	79,030	115,252	50,696	35,101	201,017	49,764	41,591	66,128	40,790	58,452	1,415,391
Bills discounted - Members	16,100	16,853	11,764	6,425	13,284	5,833	14,980	10,923	14,585	12,624	7,544	7,302	168,217
Bills bought in open market	16,541	63,871	22,002	20,844	2,062	1,523	16,287	4,912	3,430	9,147	2,865	9,715	173,199
Total bills on hand	32,641	110,724	33,766	27,249	15,346	7,576	31,267	15,835	17,815	21,771	10,409	17,017	341,416
U.S. Government long-term securities	610	2,804	867	7,918	1,153	703	11,915	2,235	1,859	8,849	3,969	2,512	45,394
U.S. Government short-term securities	2,194	13,538	2,548	2,865	1,969	5,504	3,660	1,444	1,554	1,789	1,869	3,507	42,441
Municipal warrants	...	...	126	32	...	...	...	...	...	...	46	...	204
Total earning assets	35,445	127,066	37,307	38,064	18,468	13,783	46,842	19,514	21,228	34,409	16,293	23,036	429,455
Due from other F. R. Banks - Net	3,547	...	5,981	667	...	...	7,338	1,341	1,418	154	...	3,909 (a)	12,036
Uncollected items	23,150	47,106	30,636	14,048	12,690	11,968	25,634	12,913	7,833	12,283	8,691	10,008	216,960
Total deductions from gross deposits	26,697	47,106	36,617	14,715	12,690	11,968	33,972	14,254	9,251	12,437	8,691	13,917	228,996
5% Redemption Fund ag't F.R. Bk. notes	...	...	...	...	...	...	...	...	...	400	100	...	500
All other resources	...	...	...	...	...	75	50	16	...	...	130	101	372
TOTAL RESOURCES	131,163	782,721	132,954	168,031	81,854	60,927	280,881	83,548	72,070	111,374	66,004	95,506	2,074,714
L I A B I L I T I E S													
Capital paid in	5,464	12,125	5,267	6,459	3,476	2,505	7,993	3,269	2,556	3,372	2,772	3,998	59,256
Government deposits	3,627	8,927	2,848	2,621	2,522 (b)	815	5,993	3,935	3,330	2,110	2,253	2,575	39,926
Due to members-reserve account	71,342	435,211	73,687	101,280	37,526	25,171	160,319	47,219	36,549	66,630	31,461	55,147	1,138,542
Due to nonmember banks-clearing acct.	...	47,571	...	...	...	...	4,534	...	...	...	...	434	52,339
Collection items	18,324	30,018	27,382	11,682	10,960	8,179	17,394	9,062	3,242	8,088	2,546	7,235	154,112
Due to other F.R. Banks - Net	...	7,371	...	...	3,486	345	...	...	...	...	1,117	...	...
Total gross deposits	93,293	529,098	103,917	115,583	54,494	32,880	188,240	57,216	43,121	76,828	37,377	65,191	1,384,919
F.R. Notes in actual circulation	32,009	239,987	43,501	45,939	23,846	25,542	87,648	23,063	26,345	24,247	25,855	26,317	621,299
F.R. Bk. Notes in circulation, net liab.	...	...	...	...	...	...	...	...	...	6,894	...	...	6,894
All other liabilities including foreign Government credits	397	1,511	269	50	38	...	...	...	43	33	...	...	2,346
TOTAL LIABILITIES	131,163	782,721	132,954	168,031	81,854	60,927	280,881	83,548	72,070	111,374	66,004	95,506	2,074,714

(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 SEPTEMBER 7, 1917.
(In thousands of dollars)

Federal Reserve Notes:	Boston	N. Y.	Phila.	Clevel.	Richm.	Atlanta	Chicago	St. Louis	Winn's	Kas. Cy.	Dallas	S. Fran	Total
Received from comptroller	\$62,680	473,760	71,500	64,000	39,840	41,080	116,060	33,700	38,640	45,720	42,920	33,760	1,065,660
Returned to Comptroller	12,915	88,991	11,413	6,670	12,413	7,808	3,735	6,525	6,999	8,712	10,305	4,086	180,572
Chargeable to F.R. Agent	49,765	384,769	60,087	57,330	27,427	33,272	114,325	27,175	31,641	37,008	32,615	29,674	885,088
In hands of F.R. Agent	12,000	116,620	15,000	9,440	1,560	5,150	23,580	2,690	3,590	8,960	6,425	.	205,015
Issued to F.R. Bank less amount returned to F.R. Agent for redemption	37,765	268,149	45,087	47,890	25,867	28,122	90,745	24,485	28,051	28,048	26,190	29,674	680,073
Collateral held by F.R. Agent as security for outstanding notes Gold coin and certificates on hand	19,550	185,205	4,220	12,379	.	3,338	.	3,353	13,102	2,370	12,610	.	256,127
Gold redemption fund	2,055	10,444	2,488	2,511	650	1,222	287	1,005	903	953	1,280	1,434	25,232
With Federal Reserve Board	2,000	.	23,479	20,000	10,000	20,050	78,537	12,160	2,250	14,060	2,644	28,240	213,420
Commercial paper, minimum required	14,160	72,500	14,900	13,000	15,217	3,512	11,921	7,967	11,796	10,665	9,656	.	185,294
TOTAL	37,765	268,149	45,087	47,890	25,867	28,122	90,745	24,485	28,051	28,048	26,190	29,674	680,073
Amount of commercial paper de- livered to F. R. Agent	14,176	73,256	14,905	13,004	15,346	4,017	12,141	7,971	11,796	10,942	9,664	.	187,218

M E M O R A N D AFederal Reserve notes outstanding and in actual circulation.

F.R. notes outstanding	37,765	268,149	45,087	47,890	25,867	28,122	90,745	24,485	28,051	28,048	26,190	29,674	680,073
F. R. Notes held by banks	5,756	28,162	1,586	1,951	2,021	2,580	6,097	1,422	1,706	3,801	335	3,357	58,774
F. R. Notes in actual circulation	32,009	239,987	43,501	45,939	23,846	25,542	84,648	23,063	26,345	24,247	25,855	26,317	621,299

Distribution of Bills and Warrants by Maturities.

	Within 15 days	16 to 30 days	31 to 60 days	61 to 90 days	over 90 days	Total
Bills discounted and bought	128,459	56,671	96,983	57,455	1,848	341,416
Municipal warrants	.	126	20	.	58	204