

## STATEMENT FOR THE PRESS.

August 24, 1918

Increases of 81.6 millions in net deposits and of about 123 millions in earning assets, largely discounted bills, are indicated by the Federal Reserve Board's weekly bank statement issued as at close of business August 23, 1918. Gold reserves of the banks show an increase of 10.5 millions and for the first time exceed 2 billion dollars.

**INVESTMENTS:** Discounted bills on hand show an increase of 108.4 millions, practically all at the New York bank. Of the total commercial paper held, 853.5 millions or 61.2 per cent, against 58.5 per cent the week before, is represented by war paper, i.e., member banks' notes and customers' paper secured by Liberty bonds and Treasury certificates. Acceptances show a net gain of 24.3 millions for the week, the New York, Boston and Cleveland banks reporting substantial increases in their holdings of this class of paper. Following the redemption by the Treasury of a 15 million certificate of indebtedness held by the New York bank government short-term securities show a decrease of 9.1 millions. Total earning assets show an increase for the week of 122.8 millions.

**DEPOSITS:** With the exception of Minneapolis and Dallas, all F.R. banks report substantial gains in government deposits, the total showing an increase for the week of 77.5 millions. Members' reserve deposits decreased about 4.5 millions, while net deposits went up 81.6 millions.

**RESERVES:** As the result chiefly of government operations there has been a further movement of 70 millions of reserves away from the New York bank, all the other Reserve banks, except Minneapolis and Dallas, reporting considerable gains in reserves, chiefly through the gold settlement fund. The banks' reserve percentage declined from 58.5 to 56.7 per cent.

**NOTE CIRCULATION:** Federal Reserve Agents report an increase for the week of 44.9 millions in outstanding F.R. notes. The banks show a Federal Reserve note circulation of 2,032.8 millions, an increase of 47.4 millions for the week, besides an increase of about 1.7 millions in their aggregate liabilities on F.R. bank notes in circulation.

**CAPITAL:** Payment for F.R. bank stock by newly admitted members is largely responsible for an increase of \$790,000 in paid-in capital, the larger portion of this increase being shown for the Chicago bank.

## CONDITION OF MEMBER BANKS AUGUST 16, 1918.

Substantial increases in demand deposits at banks in central and other reserve cities coupled with moderate liquidation of U.S. securities are indicated by the Board's statement of condition on August 16 of 733 member banks in leading cities, compared with like figures for 734 banks on August 9.

Total U.S. securities on hand decreased 39.6 millions, of which 38.5 millions represents the decrease in Treasury certificates held. For the central reserve city banks decreases of 15.1 millions in U.S. bonds other than circulation bonds and of 21.9 millions in certificates are shown. Aggregate loans secured by U.S. war obligations show a slight decline. Other loans and investments fell off 13.9 millions for all reporting banks and 1.4 millions for the banks in the central reserve cities. The ratio of U.S. war obligations and loans secured by such obligations to total investments shows a decline for the week from 15.7 to 15.4 per cent. For the central reserve city banks this ratio declined from 17.2 to 16.7 per cent.

Government deposits at all reporting banks fell off about 21 millions, a reduction of 105.5 millions of Government funds at central reserve city banks being offset largely by gains in government deposits at other banks following the August 6 issue of 500 millions of Treasury certificates.

Net demand deposits show a gain of 125.4 millions, of which the greater part represents gains at banks outside the central reserve cities. Time deposits declined about 34 millions. Total reserves show a gain for the week of 15.6 millions, while cash in vault increased nearly 3 millions.

For all reporting banks the ratio of investments to deposits shows a decline from 125.7 to 124.1 per cent. For the central reserve city banks, owing mainly to the large withdrawals of government deposits, a rise in this ratio from 114.7 to 115 per cent is noted. The ratio of combined reserve and cash to deposits of all reporting banks remains unchanged at 14.4 per cent, while for the central reserve city banks a decline from 15.1 to 14.9 per cent in this ratio is seen. Total excess reserves increased from 74.7 to 77.4 millions. For the central reserve city banks a decrease in this item from 52.6 to 30.2 millions is noted.

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STATEMENT OF COMBINED RESOURCES AND LIABILITIES OF THE TWELVE FEDERAL RESERVE BANKS AT CLOSE OF BUSINESS AUGUST 23, 1918.

RESOURCES	August 23, 1918	August 16, 1918	August 24, 1917
Gold in vault and in transit	\$385,072,000	\$385,017,000	\$426,741,000
Gold settlement fund, F. R. Board	553,060,000	600,083,000	397,067,000
Gold with foreign agencies	5,829,000	<u>5,829,000</u>	52,500,000
Total gold held by banks	943,961,000	990,929,000	876,308,000
Gold with Federal Reserve agents	1,018,767,000	961,498,000	488,536,000
Gold redemption fund	<u>40,323,000</u>	<u>40,116,000</u>	<u>7,375,000</u>
Total gold reserves	2,003,051,000	1,992,543,000	1,372,219,000
Legal tender notes, silver, etc.	52,215,000	52,980,000	52,550,000
Total reserves	<u>2,055,266,000</u>	<u>2,045,523,000</u>	<u>1,424,769,000</u>
Bills discounted for members and F.R. Banks	1,393,785,000	1,285,368,000	128,407,000
Bills bought in open market	<u>236,586,000</u>	<u>212,204,000</u>	<u>159,557,000</u>
Total bills on hand	1,630,321,000	1,497,572,000	287,964,000
U.S. Government long-term securities	30,624,000	31,497,000	45,226,000
U.S. Government short-term securities	23,479,000	32,546,000	30,480,000
All other earning assets	62,000	82,000	1,354,000
Total earning assets	<u>1,684,486,000</u>	<u>1,561,697,000</u>	<u>365,024,000</u>
Uncollected items (Deduct from gross deposits)	601,983,000	623,495,000	210,630,000
5% Redemption fund against F.R. Bank notes	958,000	866,000	500,000
All other resources	11,294,000	10,803,000	217,000
TOTAL RESOURCES	<u>4,353,987,000</u>	<u>4,242,384,000</u>	<u>2,001,140,000</u>
LIABILITIES			
Capital paid in	77,750,000	76,960,000	58,484,000
Surplus	1,134,000	1,134,000	---
Government deposits	173,027,000	95,555,000	59,972,000
Due to members - reserve account	1,459,480,000	1,464,011,000	1,121,129,000
Collection items	450,947,000	461,202,000	32,933,000
Other deposits including foreign gov't. credits	<u>112,597,000</u>	<u>115,234,000</u>	<u>148,955,000</u>
Total gross deposits	2,196,051,000	2,136,002,000	1,362,989,000
F. R. notes in actual circulation	2,032,837,000	1,985,419,000	573,049,000
F.R. bank notes in circulation - net liability	16,864,000	15,167,000	5,473,000
All other liabilities	29,351,000	27,702,000	1,145,000
TOTAL LIABILITIES	<u>4,353,987,000</u>	<u>4,242,384,000</u>	<u>2,001,140,000</u>
Ratio of total reserves to net deposit and F.R. note liabilities combined	56.7%	58.5%	82.6%
Ratio of gold reserves to F.R. notes in actual circulation, after setting aside 35% against net deposit liabilities	73.7%	76.4%	

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WEEKLY STATEMENT OF RESOURCES AND LIABILITIES FOR EACH OF THE FEDERAL RESERVE BANKS AT CLOSE OF BUSINESS AUGUST 16, 1918

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RESOURCES	(In thousands of dollars.)												Total
	Boston	New York	Phila.	Clevel.	Richm.	Atlanta	Chicago	St. Louis	Minn.	Kans. Cy.	Dallas	San Fran.	
Gold in vault and in transit	3,296	287,040	279	22,339	6,280	6,798	29,275	1,980	8,425	219	6,416	12,725	365,072
Gold settlement fund, F.R. Board	79,697	103,553	48,481	67,788	27,830	19,251	81,046	34,032	11,383	30,201	7,299	42,499	353,060
Gold with foreign agencies	408	2,011	408	525	204	175	816	233	233	291	204	321	5,829
Total gold held by banks	83,401	392,604	49,168	90,652	34,314	26,224	111,137	36,245	20,041	30,711	13,919	55,545	543,961
Gold with Federal Reserve Agents	60,185	277,893	113,780	126,174	38,278	27,424	156,622	51,775	22,862	48,711	13,873	81,190	1,018,767
Gold redemption fund	4,070	15,000	5,000	1,007	924	2,355	4,511	2,611	2,415	1,101	1,248	81	40,323
Total gold reserves	147,656	685,497	167,948	217,833	73,516	56,003	272,270	90,631	45,318	80,523	29,040	136,816	2,000,051
Legal tender notes, silver, etc.	2,344	43,231	730	320	802	434	1,872	607	106	402	1,182	185	52,215
Total reserves	150,000	728,728	168,678	218,153	74,318	56,437	274,142	91,238	45,424	80,925	30,222	137,001	2,052,266
Bills discounted for members and F.R. Banks	67,414	552,409	85,183	82,512	56,567	46,965	209,629	47,687	64,288	62,489	42,917	75,725	1,393,795
Bills bought in open market	26,440	125,276	11,035	26,111	5,598	3,122	14,714	1,925	435	129	634	21,117	236,526
Total bills on hand	93,854	677,685	96,218	108,623	62,155	50,087	224,343	49,622	64,723	62,618	43,551	96,842	1,630,321
U.S. Government long-term securities	942	1,453	1,348	2,560	1,233	625	4,509	1,153	122	8,871	4,347	3,461	30,524
U.S. Government short-term securities	1,416	10,158	1,210	1,695	1,510	991	2,112	321	926	1,239	901	1,000	23,479
All other earning assets	---	---	---	---	---	62	---	---	---	---	---	---	62
Total earning assets	96,212	689,296	98,776	112,878	64,898	51,765	230,964	51,096	65,771	72,728	48,799	101,303	1,684,405
Uncollected items (deduct from gross deposits)	40,933	145,515	71,341	47,742	38,232	27,562	82,364	38,839	10,783	50,523	16,536	31,613	601,983
5% Redemption fund against F.R. bank notes	---	74	50	---	---	19	200	---	---	394	137	84	958
All other resources	771	1,856	1,623	677	779	749	1,160	552	209	908	654	1,356	11,294
<b>TOTAL RESOURCES</b>	<b>287,916</b>	<b>1,565,469</b>	<b>340,468</b>	<b>379,450</b>	<b>178,227</b>	<b>136,532</b>	<b>588,830</b>	<b>181,725</b>	<b>122,187</b>	<b>205,478</b>	<b>96,348</b>	<b>271,357</b>	<b>4,353,987</b>
<b>LIABILITIES</b>													
Capital paid in	5,492	20,017	7,151	8,703	3,921	3,114	10,693	3,687	2,864	3,545	3,050	4,513	77,750
Surplus	75	649	---	---	116	40	216	---	38	---	---	---	1,134
Government deposits	21,059	19,279	13,628	20,854	6,676	9,655	26,941	9,975	1,733	11,181	9,576	22,470	173,027
Due to members, reserve account	89,839	643,645	82,559	108,363	46,225	37,581	191,793	54,758	36,369	68,319	30,321	69,708	1,459,480
Collection items	34,088	113,354	55,041	39,078	32,111	22,501	47,553	30,176	19,393	26,690	11,621	19,341	450,947
Other deposits including foreign government credits	---	108,002	---	160	---	11	1,272	120	36	---	3	2,993	112,597
Total gross deposits	144,986	884,280	151,228	168,455	85,012	69,748	267,559	95,029	57,531	106,190	51,521	114,512	2,196,051
F.R. notes in actual circulation	134,157	649,650	180,426	200,159	87,767	62,722	302,269	81,825	60,607	85,958	38,079	149,218	2,032,837
F.R. bank notes in circ., net liab.	---	344	258	---	---	110	4,216	---	---	7,820	2,691	1,425	16,864
All other liabilities	2,206	10,529	1,405	2,133	1,411	798	3,877	1,184	1,147	1,965	1,007	1,689	29,351
<b>TOTAL LIABILITIES</b>	<b>287,916</b>	<b>1,565,469</b>	<b>340,468</b>	<b>379,450</b>	<b>178,227</b>	<b>136,532</b>	<b>588,830</b>	<b>181,725</b>	<b>122,187</b>	<b>205,478</b>	<b>96,348</b>	<b>271,357</b>	<b>4,353,987</b>

## STATEMENT OF FEDERAL RESERVE AGENTS' ACCOUNTS AT CLOSE OF BUSINESS AUGUST 23, 1918.

(In thousands of dollars.)

FEDERAL RESERVE NOTES:	Boston	New York	Phila.	Clevel.	Richm.	Atlanta	Chicago	St Louis	Minn.	Kans.Cy.	Dallas	San Fran.	Total
Received from Comptroller	195,940	1,051,680	247,120	246,040	127,920	115,860	394,980	117,880	81,580	119,700	68,500	173,040	2,940,240
Returned to Comptroller	37,365	242,857	44,252	21,946	27,807	21,210	26,964	20,565	15,817	20,656	17,713	---	497,152
Chargeable to F.R. agent	158,575	808,823	202,868	224,094	100,113	94,650	368,016	97,315	65,763	99,044	50,787	173,040	2,443,088
In hands of F. R. Agent	20,600	109,200	7,560	13,120	6,510	28,630	46,220	10,250	4,375	7,720	11,960	13,106	279,251
Issued to F.R. bank less amount returned to F.R. Agent for redemption	137,975	699,623	195,308	210,974	93,603	66,020	321,796	87,065	61,388	91,324	38,827	159,934	2,163,837

## COLLATERAL SECURITY FOR OUTSTANDING

## NOTES:

Gold coin and certificates on hand	5,000	163,740	---	24,313	---	2,503	---	---	13,102	---	11,581	---	220,239
Gold redemption fund	6,685	14,153	10,073	11,861	1,778	2,101	416	2,644	1,460	2,351	1,908	7,989	63,419
Gold settlement fund, F.R. board	48,500	100,000	103,707	90,000	36,500	22,820	156,206	49,131	8,300	46,360	384	73,201	735,109
Eligible paper, minimum required	77,790	421,732	81,528	84,800	55,325	38,596	159,174	35,290	38,526	42,613	24,954	78,744	1,145,070
Total	137,975	699,623	195,308	210,974	93,603	66,020	321,796	87,065	61,388	91,324	38,827	159,934	2,163,837

## AMOUNT OF ELIGIBLE PAPER

## DELIVERED TO F.R. AGENT

93,854	677,685	83,047	106,680	61,222	39,610	223,707	46,545	52,036	62,618	43,551	82,554	1,573,109
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## M E M O R A N D A

## FEDERAL RESERVE NOTES OUTSTANDING AND IN ACTUAL CIRCULATION

F. R. notes outstanding	137,975	699,623	195,308	210,974	93,603	66,020	321,796	87,065	61,388	91,324	38,827	159,934	2,163,837
F. R. notes held by bank	3,818	49,973	14,822	10,815	5,836	3,298	19,527	5,240	781	5,366	748	10,716	131,000
F.R. notes in actual circulation	134,157	649,650	180,426	200,159	87,767	62,722	302,269	81,825	60,607	85,958	38,079	149,218	2,032,837

## DISTRIBUTION OF BILLS, U. S. GOVERNMENT SHORT TERM SECURITIES 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	1,006,967	160,579	223,723	216,473	22,588	1,630,321
U.S. Government short-term securities	4,660	-	4,683	771	13,365	23,479
Municipal warrants	-	-	41	5	16	62

STATEMENT SHOWING PRINCIPAL RESOURCE AND LIABILITY ITEMS OF MEMBER BANKS LOCATED IN CENTRAL RESERVE, RESERVE AND OTHER  
SELECTED CITIES AS AT CLOSE OF BUSINESS AUGUST 16, 1918.  
(In thousands of dollars.)

## 1. Data for all reporting banks in each district.

	Boston	New York	Phila.	Clevel	Richm.	Atlanta	Chicago	St. Louis	Minn.	Kans. Cy.	Dallas	San Fran.	Total
No. reporting banks	42	102	50	85	78	45	96	32	35	73	44	51	733
U.S. bonds to secure circulation	14,353	50,584	12,770	42,046	24,621	15,465	18,642	16,995	6,469	13,873	17,929	34,205	267,952
Other U.S. bonds including													
Liberty bonds	15,410	238,846	30,601	53,512	31,042	25,105	66,479	18,638	15,738	17,205	15,917	25,455	553,948
U.S. certificates of indebtedness	54,589	495,318	49,703	72,312	26,683	26,689	108,525	29,009	18,781	31,203	14,327	51,640	978,779
Total U.S. securities	84,352	784,748	93,074	167,870	82,346	67,259	193,646	64,642	40,988	62,281	48,173	111,300	1,800,679
Loans secured by U.S. bonds, etc.	39,785	217,029	44,225	38,068	20,028	7,522	61,283	13,273	9,156	4,375	5,299	9,391	469,434
All other loans and investments	778,190	4,436,176	620,256	973,214	367,588	287,587	1,440,540	382,988	267,786	468,947	174,574	524,925	10,722,771
Reserve with F.R. bank	67,436	576,598	66,063	88,607	29,865	25,618	145,146	33,974	17,785	48,048	14,412	43,970	1,157,522
Cash in vault	25,220	118,803	21,004	30,271	16,199	14,025	59,837	11,157	7,968	14,988	11,102	19,262	349,636
Net demand deposits	652,524	4,287,035	578,632	694,661	305,395	204,499	1,048,703	266,037	165,376	371,468	138,648	383,195	9,096,173
Time deposits	96,921	276,779	14,421	232,304	57,540	90,378	358,898	74,785	45,407	63,176	25,339	112,940	1,448,888
Government deposits	86,943	503,999	42,451	67,348	24,954	21,674	81,307	30,866	25,507	33,740	10,500	13,816	943,105

## 2. Data for banks in each Central Reserve City, banks in all other reserve cities, and other reporting banks.

	New York		Chicago	St. Louis	Total Cen. Res. Cities		Reserve Cities		Country Banks		Total	
	Aug. 16	Aug. 9	Aug. 16	Aug. 16	Aug. 16	Aug. 9	Aug. 16	Aug. 9	Aug. 16	Aug. 9	Aug. 16	Aug. 9
No. reporting banks	69	69	40	14	123	123	446	447	164	164	733	734
U.S. bonds to secure circulation	36,340	36,903	1,282	9,970	47,592	48,141	171,835	170,618	48,525	48,505	267,952	267,264
Other U.S. bonds including												
Liberty bonds	215,140	214,101	32,004	12,539	259,683	274,800	240,776	230,338	53,489	50,636	553,948	555,774
U.S. certificates of indebtedness	473,252	493,243	57,490	21,164	551,906	573,802	364,101	381,829	62,772	61,622	978,779	1,017,253
Total U.S. securities	724,732	744,247	90,776	43,673	859,181	896,743	776,712	782,785	164,786	160,763	1,800,679	1,840,291
Loans secured by U.S. bonds, etc.	196,828	202,078	44,545	9,809	251,182	255,148	190,632	186,201	27,620	29,424	469,434	470,773
All other loans and investments	4,087,862	4,087,181	882,546	279,711	5,250,119	5,251,563	4,649,414	4,649,115	823,238	835,992	10,722,771	10,736,670
Reserve with F.R. bank	551,527	567,640	100,778	25,877	678,182	693,577	425,911	395,349	53,429	53,028	1,157,522	1,141,954
Cash in vault	106,005	110,332	36,572	5,609	148,186	148,921	164,915	162,316	36,535	35,414	349,636	346,651
Net demand deposits	3,990,899	3,962,252	705,572	192,705	4,889,176	4,836,157	3,551,062	3,486,985	655,935	647,623	9,096,173	8,970,765
Time deposits	225,840	224,180	132,415	53,822	412,077	410,717	845,613	879,651	191,198	192,568	1,448,888	1,482,936
Government deposits	467,446	586,379	54,225	24,382	546,053	651,530	338,144	263,110	58,908	49,491	943,105	964,131

Ratio of combined reserve and  
cash to total net deposits, per  
cent

14.6	14.7	17.4	13.7	14.9	15.1	14.3	13.9	---	---	14.4	14.4
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