

STATEMENT FOR THE PRESS.

October 11, 1918

Saturday, October 12, having been proclaimed a holiday in Washington, the Federal Reserve Board issued its weekly statement today as at close of business Thursday, October 10. The statement indicates considerable activity of the Federal Reserve banks in financing the Liberty loan operations of the member banks, largely through the discount of their notes secured by U. S. war loan obligations. The effect of such financing is seen also in the increased deposits and note circulation.

INVESTMENTS: Discounts on hand of war loan paper, including both member banks and customers' notes secured by war obligations, show an increase for the week of 52.6 millions, largely at the New York Bank. Other discounts show a decline of 3.2 millions notwithstanding the increase under this head of 8.4 millions reported by the New York Bank. All the Banks show increased holdings of acceptances, the total on hand being 26.6 millions larger than the week before. Increases aggregating 9.7 millions in the holdings of short-term securities are composed chiefly of 2 per cent certificates deposited with the U.S. Treasurer to secure Federal Reserve Bank notes. Total earning assets show an increase for the week of 85.7 millions.

DEPOSITS: Government deposits are given as 33.5 millions in excess of the total shown October 4; members' reserve deposits show an increase of 11.5 millions and net deposits an increase of 31.9 millions.

RESERVES: Gold reserves increased 5.8 millions, largely through the exchange of Federal Reserve notes for gold. The banks' reserve percentage because of the considerable increase in deposit and note liabilities declined from 51.5 to 50.6 per cent.

NOTE CIRCULATION: The week witnessed an increase of 39.9 millions in the net total of Federal Reserve notes issued by the Agents. The banks report an increase of 47.4 millions in their F.R. note circulation, besides an increase of 11.7 millions in their aggregate liabilities on F.R. bank notes in circulation.

CAPITAL: An increase of \$55,000 in paid-in capital, largely of the Chicago bank, is due primarily to payment for F. R. bank stock by newly admitted members.

CONDITION OF MEMBER BANKS, OCTOBER 4, 1918.

Largely increased holdings of Treasury certificates following the October 1 issue of these certificates, also gains for the first time since July 19, in the amounts of U.S. bonds on hand are indicated by the weekly statement of condition on October 4 of 745 banks in leading cities.

Certificates on hand went up 297.6 millions, of which 179.7 millions represented the increase reported by the banks in the three central reserve cities and 159.2 millions the increase for the Greater New York member banks. Holdings of U.S. bonds, other than circulation bonds, show an increase of 36.5 millions, mainly at the banks in the central reserve cities. Loans secured by U.S. war obligations increased 17.6 millions, while other loans and investments declined 110.2 millions, largely at the Greater New York and Chicago banks. The ratio of U.S. war obligations and loans secured by such obligations to total investments rose from 18 to 20.3 per cent. For the central reserve cities this ratio shows a rise from 19.3 to 22.5 per cent.

During the week total Government deposits increased about 258 millions, of which 177.8 millions represent the increase at the central reserve city banks. Net demand deposits declined 13.4 millions, the banks in the central reserve cities reporting a somewhat larger decline. Time deposits show a reduction of about 16.9 millions. Reserve balances with the Federal Reserve banks fell off 8.3 millions, while cash in vault shows a gain of 12.1 millions.

For all reporting banks the ratio of investments to deposits mainly because of the large gains in Government deposits, declined from 127.6 to 127.1 per cent. For the central reserve city banks this ratio shows a corresponding decline from 119.2 to 118.4 per cent. The ratio of combined reserve balances and cash deposits shows a decline from 15.1 to 14.8 per cent for all reporting banks and from 16.3 to 15.6 per cent for banks in central reserve cities. "Excess reserves" of all reporting banks work out at 77.7 millions compared with 83.2 millions the week before. For the central reserve city banks a decrease of this item from 56.9 to 51.7 millions is noted.

STATEMENT OF COMBINED RESOURCES AND LIABILITIES OF THE FEDERAL RESERVE BANKS AT CLOSE OF BUSINESS OCTOBER 10, 1918.

RESOURCES	October 10, 1918	October 4, 1918	October 11-12, 1917
Gold in vault and in transit	\$ 372,922,000	\$ 373,255,000	\$ 482,716,000
Gold settlement fund, F.R. Board	448,720,000	419,665,000	321,778,000
Gold with foreign agencies	5,829,000	5,829,000	52,500,000
Total gold held by banks	827,471,000	798,749,000	856,994,000
Gold with Federal Reserve Agents	1,157,000,000	1,181,485,000	580,734,000
Gold redemption fund	46,765,000	45,200,000	9,717,000
Total gold reserves	2,031,236,000	2,025,434,000	1,447,445,000
Legal tender notes, silver, etc.	52,122,000	51,937,000	48,113,000
Total reserves	2,083,358,000	2,077,371,000	1,495,558,000
Bills discounted: Secured by Gov't. war obligations	1,304,383,000	(a) 1,251,787,000	(293,164,000
All other	450,086,000	(a) 455,246,000	(419
Bills bought in open market	338,620,000	311,990,000	185,775,000
Total bills on hand	2,093,069,000	0,817	2,017,023,000
U. S. Government long-term securities	28,214,000	28,289,000	54,878,000
U. S. Government short-term "	66,193,000	56,514,000	48,517,000
All other earning assets	188,000	202,000	101,000
Total earning assets	2,187,684,000	2,102,028,000	582,435,000
Uncollected items (deduct from gross deposits)	723,430,000	704,046,000	338,352,000
5% Redemption fund against F.R. bank notes	3,177,000	2,679,000	500,000
All other resources	13,485,000	13,262,000	1,000,000
TOTAL RESOURCES	5,011,134,000	4,899,386,000	2,417,845,000
LIABILITIES			
Capital paid in	78,956,000	78,903,000	61,104,000
Surplus	1,134,000	1,134,000	---
Government deposits	230,889,000	197,359,000	74,167,000
Due to members - Reserve account	1,508,334,000	1,496,815,000	1,265,309,000
Collection items	514,110,000	512,227,000	173,825,000
Other deposits, including foreign govt. credits	108,256,000	103,907,000	52,377,000
Total gross deposits	2,361,589,000	2,310,308,000	1,565,678,000
F. R. notes in actual circulation	2,478,378,000	2,431,004,000	779,885,000
F. R. bank notes in circulation, - net liability	52,031,000	40,305,000	8,000,000
All other liabilities	39,046,000	37,732,000	3,178,000
TOTAL LIABILITIES	5,011,134,000	4,899,386,000	2,417,845,000
Ratio of total reserves to net deposit and F.R. note liabilities combined	50.6%	51.5%	74.5%
Ratio of gold reserves to F.R. notes in actual circulation after setting aside 35% against net deposit liabilities	60.9%	62.3%	-

(a) Amended figures.

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WEEKLY STATEMENT OF RESOURCES AND LIABILITIES OF EACH OF THE FEDERAL RESERVE BANKS AT CLOSE OF BUSINESS OCTOBER 10, 1918.

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(In thousands of dollars.)

RESOURCES	Boston	New York	Phila.	Clevel.	Richm.	Atlanta	Chicago	St. Louis	Minn.	Kans. City	Dallas	San Fran.	Total
Gold in vault and in transit	2,978	274,399	,146	30,065	6,210	6,948	25,678	2,219	8,199	,135	5,996	9,949	372,922
Gold Settlement Fund, F.R. Board	51,714	72,448	63,160	37,543	32,374	11,345	66,595	10,713	36,552	24,324	4,755	37,197	448,720
Gold with foreign agencies	408	2,011	408	525	204	175	816	233	233	291	,204	321	5,829
Total gold held by banks	55,100	348,858	63,714	68,133	38,788	18,468	93,089	13,165	44,984	24,750	10,955	47,467	627,471
Gold with Federal Reserve Agents	68,267	285,627	108,412	143,386	50,967	45,844	200,880	44,992	51,232	52,322	25,215	94,856	1,157,000
Gold redemption fund	5,445	14,821	6,000	645	437	3,818	6,089	2,804	3,061	1,237	2,167	241	46,765
Total gold reserves	128,812	649,306	178,126	217,164	90,192	68,130	300,058	60,961	79,277	78,309	38,337	142,564	2,031,236
Legal tender notes, silver, etc.	2,634	44,022	508	323	671	156	1,031	1,614	60	191	671	241	52,122
Total reserves	131,446	693,328	178,634	217,487	90,863	68,286	301,089	62,575	79,337	78,500	39,008	142,805	2,083,358
Bills) Sec. by govt. war obligations	75,205	589,817	90,362	55,686	49,945	47,644	193,575	52,128	22,572	32,971	30,008	64,470	1,304,383
Disctd) All other	11,830	106,391	18,477	28,807	17,373	29,579	59,144	28,036	34,309	48,599	26,947	40,594	450,086
Bills bought in open market	53,825	118,702	24,883	53,598	5,020	8,749	37,063	4,454	1,070	1,547	1,925	27,784	338,620
Total bills on hand	140,860	814,910	133,722	138,091	72,338	85,972	289,782	84,618	57,951	83,117	58,880	132,848	2,093,089
U.S. Gov't. long-term securities	537	1,408	1,348	1,090	1,234	506	4,509	1,153	116	8,867	3,977	3,469	28,214
" short-term "	2,416	29,276	4,321	11,222	1,510	1,991	7,112	3,321	982	1,111	1,672	1,259	66,193
All other earning assets	-	-	-	-	-	61	-	37	-	-	-	90	188
Total earning assets	143,813	845,594	139,391	150,403	75,082	88,530	301,403	89,129	59,049	93,095	64,529	137,666	2,187,684
Uncollected items (deduct from gross deposits)	54,396	162,449	80,434	55,659	51,229	37,023	80,242	74,397	19,581	55,525	20,611	31,884	723,430
5% Redemption fund against F.R. bank notes	71	1,374	200	180	50	76	355	52	88	431	160	140	3,177
All other resources	945	2,475	1,987	733	982	831	1,415	688	207	969	847	1,406	13,485
TOTAL RESOURCES	330,671	1,705,220	400,646	424,462	218,206	194,746	684,504	226,841	158,262	228,520	125,155	313,901	5,011,134
LIABILITIES													
Capital paid-in	6,580	20,184	7,362	8,808	4,010	3,149	10,996	3,734	2,898	3,600	3,108	4,527	78,956
Surplus	75	649	-	-	116	40	216	-	38	-	-	-	1,134
Government deposits	28,319	42,240	24,924	27,030	7,372	10,146	14,435	14,563	9,673	19,441	7,514	25,232	230,889
Due to members, reserve account	91,828	641,429	97,229	108,139	48,999	38,399	214,326	50,408	47,175	61,290	34,613	74,499	1,508,334
Collection items	44,311	137,858	55,287	37,222	39,041	29,003	52,101	47,178	12,030	30,719	12,905	16,455	514,110
All other deposits including foreign govt. credits	-	103,048	-	1	-	33	1,873	192	24	-	165	2,920	108,256
Total gross deposits	164,458	924,575	177,440	172,392	95,412	77,581	282,735	112,341	68,902	111,450	55,197	119,106	2,361,589
F.R. notes in circulation	155,320	727,384	211,234	237,403	116,401	111,640	375,749	107,506	84,272	103,135	62,373	185,961	2,478,378
F.R. bank notes in circulation, net liability	1,408	18,119	2,571	3,069	498	1,148	9,642	1,706	747	7,995	3,174	1,954	52,031
All other liabilities	2,830	14,309	2,039	2,790	1,769	1,188	5,166	1,554	1,405	2,340	1,303	2,353	39,046
TOTAL LIABILITIES	330,671	1,705,220	400,646	424,462	218,206	194,746	684,504	226,841	158,262	228,520	125,155	313,901	5,011,134

STATEMENT SHOWING PRINCIPAL RESOURCE AND LIABILITY ITEMS OF MEMBER BANKS LOCATED IN CENTRAL RESERVE, RESERVE AND OTHER
SELECTED CITIES AS AT CLOSE OF BUSINESS OCTOBER 4, 1918
(In thousands of dollars.)

1. Data for all reporting banks in each district.

	Boston	New York	Phils.	Clevel.	Richm.	Atlanta	Chicago	St. Louis	Minn.	Kans. Cy.	Dallas	San Fran.	Total
No. reporting banks	44	103	52	84	80	45	100	32	35	73	45	52	745
U.S. bonds to secure circulation	14,352	50,923	11,492	42,186	24,251	15,465	18,847	17,677	6,369	13,710	17,238	34,515	267,025
Other U.S. bonds including													
Liberty bonds	13,657	243,337	29,950	48,308	30,023	21,479	43,592	15,162	7,147	13,513	12,979	22,477	501,624
U.S. certificates of indebtedness	126,313	868,314	93,474	125,207	46,564	48,516	192,289	50,187	25,480	52,107	23,492	93,702	1,745,645
Total U.S. securities	154,322	1,162,574	134,916	215,701	100,838	85,460	254,728	83,026	38,996	79,330	53,709	150,694	2,514,294
Loans secured by U.S. bonds, etc.	40,475	209,416	51,926	34,693	20,170	14,086	76,369	14,514	11,327	4,784	5,686	9,144	493,090
All other loans and investments	768,086	4,232,387	618,262	957,442	373,221	305,131	1,412,895	376,928	287,283	461,057	185,082	533,132	10,510,906
Reserve with F. R. bank	72,065	616,026	59,474	81,773	32,535	27,373	145,989	34,926	22,279	43,141	16,422	50,795	1,202,798
Cash in vault	25,397	123,939	20,243	35,978	16,839	14,723	57,612	12,442	10,443	15,798	12,052	21,672	367,138
Net demand deposits	683,727	4,434,285	627,087	747,888	322,233	220,213	1,063,784	264,230	210,100	375,295	153,559	416,040	9,518,441
Time deposits	99,928	263,442	16,458	233,178	55,261	89,768	371,238	72,756	45,176	61,404	24,359	114,212	1,447,180
Government deposits	68,815	384,262	38,540	50,903	14,393	7,892	66,125	21,643	15,467	19,343	5,757	-	693,140

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	
	Oct. 4	Sept. 27	Oct. 4	Oct. 4	Oct. 4	Oct. 4	Oct. 4	Sept. 27	Oct. 4	Sept. 27	Oct. 4	Sept. 27	Oct. 4	Sept. 27
No. reporting banks	70	70	43	14	127	127	451	452	167	168	745	747		
U.S. bonds to secure circulation	36,729	36,729	1,119	10,577	48,425	48,383	170,324	170,049	48,276	48,387	267,025	266,819		
Other U.S. bonds including														
Liberty bonds	220,861	198,021	17,053	9,110	247,024	221,578	206,680	199,033	47,920	44,548	501,624	465,159		
U.S. certificates of indebtedness	824,365	665,125	105,034	38,612	968,011	788,271	668,999	566,204	108,635	93,573	1,745,645	1,448,048		
Total U. S. securities	1,081,955	899,875	123,206	58,299	1,263,460	1,058,232	1,046,003	935,286	204,831	186,508	2,514,294	2,180,026		
Loans secured by U.S. bonds, etc.	191,380	185,945	57,829	11,264	260,473	250,180	206,063	199,268	26,554	26,048	493,090	475,496		
All other loans and investments	3,893,572	3,939,676	871,102	273,369	5,038,043	5,110,783	4,621,455	4,661,262	851,408	849,098	10,510,906	10,621,143		
Reserve with F. R. bank	587,867	598,687	103,551	27,197	718,615	726,627	425,324	424,533	58,859	59,935	1,202,798	1,211,095		
Cash in vault	110,326	110,066	34,245	6,058	150,629	149,940	176,101	167,505	40,408	37,630	367,138	355,075		
Net demand deposits	4,113,975	4,134,468	733,215	189,258	5,036,448	5,057,972	3,773,410	3,774,823	708,583	699,031	9,518,441	9,531,826		
Time deposits	211,482	210,334	141,148	51,924	404,914	407,076	844,295	858,537	197,971	198,494	1,447,180	1,464,107		
Government deposits	352,522	192,866	44,200	16,550	413,272	235,506	232,774	171,844	47,094	27,750	693,140	435,100		
Ratio of combined reserve and cash to total net deposits, per cent	15.5	16.2	17.0	15.3	15.6	16.3	14.1	14.1			14.8	15.1		