

STATEMENT FOR THE PRESS

St. 1248

Released for publication Sunday
morning, June 27; not earlier.

Federal Reserve Board,
June 26, 1920.

CONDITION OF FEDERAL RESERVE BANKS.

Substantial increases in discount operations and corresponding additions to deposit liabilities are indicated in the Federal Reserve Board's weekly bank statement issued as at close of business on June 25, 1920. During the week the banks gained 7.1 millions in gold and 7.7 millions in total cash reserves, while Federal Reserve note circulation increased 11.9 millions. The result of these changes is seen in a decline of the reserve ratio from 44.5 to 43.6 per cent.

Bills secured by U. S. war obligations show an increase for the week of 46.1 millions, other discounts on hand - an increase of 89.5 millions, and acceptance holdings - an increase of 0.6 million. A decline of 21.7 millions in treasury certificates on hand represents the amount of special certificates retired by the Treasury during the week. These certificates are held to cover advances to the Government pending the collection of funds from depository institutions. Total earning assets are shown 114.6 millions larger than the week before.

Of the 1,278 millions of paper secured by United States war obligations, 611.8 millions, or 48 per cent, were secured by Liberty bonds, 298.3 millions, or 23.4 per cent, by Victory notes, and 367.9 millions, or 28.6 per cent, by Treasury certificates, as against 49, 23.3 and 27.7 per cent of a corresponding total of 1,231.8 millions shown the week before. Total discounts held by the Boston, New York and Cleveland banks are inclusive of about 125 millions of paper discounted for 7 other Reserve Banks in the South and Middle West, while acceptance holdings of the Boston, Cleveland and San Francisco Banks include 6.6 millions of bills purchased from the New York and St. Louis Banks.

8 - As against a decline of 42.2 millions in Government deposits the Banks report an increase of 31.9 millions in reserve deposits, and of about 23.3 millions in other deposits, including foreign government credits and non-member banks' clearing accounts. Following the collection of the large volume of checks and drafts received by the Government in payment of June 15 taxes and credited to its deposit account by the Federal Reserve Banks the "float" carried by the Reserve Banks and treated as a deduction from gross deposits, shows a reduction of 91.6 , 22.9 millions. The result of the above changes is seen in an increase of 104.6 millions in calculated net deposits.

The statement for the first time shows the reserve percentages for each Federal Reserve Bank. These percentages range between a minimum of 39.2 per cent for the New York Bank and a maximum of 56.8 per cent for the Boston Bank.

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STATEMENT OF COMBINED RESOURCES AND LIABILITIES OF THE FEDERAL RESERVE BANKS

	June 25, 1920	June 18, 1920	June 27, 1919
R E S O U R C E S			
Gold and gold certificates	\$171,120,000	\$162,878,000	\$314,135,000
Gold settlement fund - F. R. Board	402,628,000	400,833,000	597,046,000
Gold with foreign agencies	111,531,000	111,531,000	-
Total gold held by banks	685,279,000	675,242,000	911,181,000
Gold with Federal Reserve Agents	1,150,175,000	1,161,784,000	1,113,824,000
Gold redemption fund	133,921,000	125,295,000	122,779,000
Total gold reserves	\$1,969,375,000	\$1,962,321,000	2,147,784,000
Legal tender notes, silver, etc.	139,230,000	138,579,000	68,472,000
Total reserves	2,108,605,000	2,100,900,000	2,216,256,000
(Secured by Government war obligations)	1,277,980,000	1,231,841,000	1,573,483,000
Bills discounted (All other)	1,153,814,000	1,064,296,000	244,557,000
Bills bought in open market	399,185,000	398,591,000	304,558,000
Total bills on hand	2,830,979,000	2,694,728,000	2,122,598,000
U. S. Government bonds	26,793,000	26,795,000	27,130,000
U. S. Victory notes	69,000	69,000	335,000
U. S. Certificates of indebtedness	325,434,000	347,091,000	204,104,000
Total earning assets	3,183,275,000	3,068,683,000	2,354,167,000
Bank premises	13,492,000	13,254,000	11,257,000
Uncollected items and other deductions from gross deposits	781,844,000	949,977,000	686,063,000
5% Redemption fund against F. R. Bank notes	12,148,000	12,110,000	9,714,000
All other resources	6,598,000	8,053,000	10,551,000
TOTAL RESOURCES	6,105,954,000	6,152,977,000	5,288,008,000
L I A B I L I T I E S			
Capital paid-in	94,506,000	94,462,000	82,764,000
Surplus	120,120,000	120,120,000	49,466,000
Government deposits	14,189,000	56,356,000	73,614,000
Due to members - Reserve account	1,831,916,000	1,800,017,000	1,713,030,000
Deferred availability items	550,012,000	626,580,000	534,420,000
Other deposits, including foreign government credits	107,950,000	84,627,000	115,693,000
Total gross deposits	69.981	2,504,067,000	2,436,757,000
F. R. notes in actual circulation	3,116,718,000	3,104,810,000	2,499,180,000
F. R. Bank notes in circulation - net liability	185,604,000	183,904,000	177,185,000
All other liabilities	84,939,000	82,101,000	42,656,000
TOTAL LIABILITIES	6,105,954,000	6,152,977,000	5,288,008,000
Ratio of total reserves to net deposit and F. R. note liabilities combined	43.6	44.5%	52.1%
Ratio of gold reserves to F.R. notes in circulation after setting aside 35% against net deposit liabilities	48.3	49.4%	64.2%

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RESOURCES AND LIABILITIES OF THE FEDERAL RESERVE BANKS AT CLOSE OF BUSINESS JUNE 25, 1920.

R E S O U R C E S

(In thousands of dollars)

	Boston	New York	Phila.	Clevel.	Richm.	Atlanta	Chicago	St. Louis	Minn.	Kans. Cy.	Dallas	San Fran.	Total
Federal Reserve Bank of													
Gold and gold certificates	11,453	83,530	1,082	10,252	2,440	7,915	24,276	3,583	7,223	472	5,287	13,607	171,120
Gold Settlement Fund - F. R. Board	61,648	71,628	44,326	51,444	15,167	6,741	56,546	12,813	6,271	27,195	7,732	41,117	402,628
Gold with foreign agencies	8,142	40,932	8,922	9,146	5,465	4,015	13,272	5,242	3,011	5,353	2,900	5,131	111,531
Total gold held by banks	81,243	196,090	54,330	70,842	23,072	18,671	94,094	21,638	16,505	33,020	15,919	59,855	685,279
Gold with F. R. Agents	116,509	283,547	86,652	149,321	40,797	49,034	174,208	45,416	32,329	36,265	25,186	110,911	1,150,175
Gold redemption fund	16,552	33,975	14,414	1,076	6,724	7,740	26,950	5,218	8	3,460	7,812	9,992	133,921
Total gold reserves	214,304	513,612	155,396	221,239	70,593	75,445	295,252	72,272	48,842	72,745	48,917	180,758	1,969,375
Legal tender notes, silver, etc.	8,058	106,491	275	1,729	123	1,682	9,217	7,359	79	1,572	1,995	650	139,230
Total reserves	222,362	620,103	155,671	222,968	70,716	77,127	304,469	79,631	48,921	74,317	50,912	181,408	2,108,605
Bills discounted: (a)													
Secured by Govt. war obligations	86,196	518,503	161,234	119,577	48,302	48,984	130,747	54,601	5,096	33,287	29,228	42,225	1,277,980
All other	60,020	263,059	29,187	53,833	50,765	65,074	296,208	52,078	67,029	76,851	44,247	95,463	1,153,814
Bills bought in open market (b)	33,183	189,342	2,012	53,822	8,171	4,621	54,648	3,657	4,205	2,102	405	43,017	399,185
Total bills on hand	179,399	970,904	192,433	227,232	107,238	118,679	481,603	110,336	76,330	112,240	73,880	180,705	2,830,979
U. S. Government bonds	560	1,457	1,386	833	1,233	114	4,477	1,153	116	8,866	3,966	2,632	26,793
U. S. Victory notes	5	50	-	10	-	3	-	-	-	1	-	-	69
U. S. Certificates of indebtedness	21,932	117,248	36,091	24,025	12,260	15,666	39,631	17,316	8,486	13,079	8,495	11,205	325,434
Total earning assets	201,896	1,089,659	229,910	252,100	120,731	134,462	525,711	128,805	84,932	134,186	86,341	194,542	3,183,275
Bank premises	1,388	3,657	592	1,155	739	589	2,116	866	556	730	872	232	13,492
Uncollected items and other deductions from gross deposits	64,484	155,757 187,115	63,343	79,111	58,183	28,865	100,726	42,455	21,074	57,529	38,761	40,198	50,486 781,844
5% Redemption fund against F. R. Bank notes	1,072	3,116	1,300	871	451	523	1,557	523	568	916	586	665	12,148
All other resources	429	1,473	690	417	274	237	1,205	491	471	331	198	374	6,590
TOTAL RESOURCES	491,631	1,905,123	451,506	556,622	251,094	241,803	935,784	252,771	156,522	268,009	177,670	417,419	6,105,954
		873,760										536	614,713
(a) Includes bills discounted for other F. R. Banks, viz:	12,128	61,971	-	50,868	-	-	-	-	-	-	-	-	124,967
(b) Includes bankers' acceptances bought from other F. R. Banks:													
With their endorsement	-	-	-	1,210	-	-	-	-	-	-	-	-	1,210
Without their endorsement	5,002	-	-	-	-	-	-	-	-	-	-	392	5,394

RESOURCES AND LIABILITIES OF THE FEDERAL RESERVE BANKS AT CLOSE OF BUSINESS JUNE 25, 1920.

(In thousands of dollars)

	L I A B I L I T I E S												Total
Federal Reserve Bank of	Boston	New York	Phila.	Clevel.	Richm.	Atlanta	Chicago	St. Louis	Minn.	Kans. Cy.	Dallas	San Fran.	
Capital paid-in	7,532	24,669	8,326	10,125	4,823	3,779	13,290	4,247	3,269	4,308	3,744	6,394	94,506
Surplus	8,359	45,082	8,805	9,089	5,820	4,695	14,292	3,724	3,569	6,116	3,030	7,539	120,120
Government deposits	1,103	244	1,488	274	1,768	1,029	4,025	945	419	623	1,029	1,242	14,189
Due to members - Reserve account	117,948	745,307	103,508	136,379	56,764	53,229	252,674	65,885	44,660	82,677	51,140	121,745	1,831,916
Deferred availability items	52,810	101,296	51,017	58,430	44,735	22,255	67,284	36,866	15,639	54,823	25,621	19,236	550,012
Other deposits, including foreign government credits	3,812	31,332	4,690	4,204	2,488	1,878	7,242	2,717	1,545	2,752	1,463	12,469	67,781
Total gross deposits	175,673	909,537	160,703	199,287	105,755	78,391	331,225	106,413	62,263	140,875	79,253	154,692	2,504,067
F. R. notes in actual circulation	280,617	859,232	248,785	315,789	122,109	140,592	531,449	126,289	77,728	97,622	82,351	234,155	3,116,718
F. R. Bank notes in circulation - net liability	14,019	37,724	19,143	16,096	9,489	11,024	31,328	8,765	7,057	15,218	7,059	8,682	185,604
All other liabilities	5,431	28,879	5,744	6,236	3,098	3,322	14,200	3,333	2,636	3,870	2,233	5,957	84,939
TOTAL LIABILITIES	491,631	1,805,123	451,506	556,622	251,094	241,803	935,784	252,771	156,522	268,009	177,670	417,419	6,105,954
Ratio of total reserves to net deposit and F.R. note liabilities combined, per cent	56.8	39.2	45.0	51.1	41.7	40.6	40.0	41.9	41.1	41.1	41.4	52.0	43.6

M E M O R A N D A

Contingent liability as endorser on - Discounted paper rediscounted with other F. R. Banks	-	-	-	-	24,904	7,960	24,950	25,523	23,672	12,958	5,000		124,967
Bankers' acceptances sold to other F. R. Banks	-	-	-	-	-	-	-	1,210	-	-	-	-	1,210
Contingent liability on bills purchased for foreign correspondents	1,168	6,089	1,280	1,312	784	576	1,904	752	432	768	416	736	16,217

FEDERAL RESERVE NOTES OUTSTANDING AND IN ACTUAL CIRCULATION

F. R. notes outstanding	288,796	980,049	260,479	328,508	126,717	144,589	583,923	144,320	79,410	103,582	85,910	269,885	3,396,168
F. R. notes held by banks	8,179	120,817	11,694	12,719	4,608	3,997	52,474	18,031	1,682	5,960	3,559	35,730	279,450
F. R. notes in actual circulation	280,617	859,232	248,785	315,789	122,109	140,592	531,449	126,289	77,728	97,622	82,351	234,155	3,116,718

DISTRIBUTION OF BILLS AND U. S. CERTIFICATES OF INDEBTEDNESS BY MATURITIES

	Within 15 days	16 to 30 days	31 to 60 days	61 to 90 days	Over 90 days	Total
Bills discounted	1,283,470	335,105	469,460	259,993	83,766	2,431,794
Bills bought in open market	120,799	83,588	152,918	41,880	-	399,185
U. S. Certificates of indebtedness	62,873	7,559	13,100	29,867	212,035	325,434

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FEDERAL RESERVE AGENTS' ACCOUNTS AT CLOSE OF BUSINESS JUNE 25, 1920.

(In thousands of dollars)

	Boston	New York	Phila.	Clevel.	Richm.	Atlanta	Chicago	St.Louis	Minn.	Kans.Cy.	Dallas	San Fran.	Total
FEDERAL RESERVE NOTES:													
Received from Comptroller	598,300	2,199,600	600,080	600,940	332,280	350,980	1,056,480	332,860	166,580	226,180	167,660	459,620	7,091,560
Returned to Comptroller	255,804	1,090,951	301,341	245,512	174,969	138,446	410,017	171,700	76,545	117,558	70,875	186,385	3,240,103
Chargeable to F. R. Agent	342,496	1,108,649	298,739	355,428	157,311	212,534	646,463	161,160	90,035	108,622	96,785	273,235	3,851,457
In hands of F. R. Agent	53,700	128,600	38,260	26,920	30,594	67,945	62,540	16,840	10,625	5,040	10,875	3,350	455,289
Issued to F. R. Bank less amount returned to F. R. Agent for redemption	288,796	980,049	260,479	328,508	126,717	144,589	583,923	144,320	79,410	103,582	85,910	269,885	3,396,168

COLLATERAL SECURITY FOR OUTSTANDING NOTES:

Gold and gold certificates on hand	900	196,608	-	32,025	-	2,500	-	3,810	13,052	-	10,331	-	259,226
Gold redemption fund	18,609	13,939	14,763	17,296	3,797	4,034	9,063	1,875	1,677	3,405	5,121	19,502	113,081
Gold settlement fund - F. R. Board	97,000	73,000	71,889	100,000	37,000	42,500	165,145	39,731	17,600	32,860	9,734	91,409	777,868
Eligible paper, minimum required	172,287	696,502	173,827	179,187	85,920	95,555	409,715	98,904	47,081	67,317	60,724	158,974	2,245,993
TOTAL	288,796	980,049	260,479	328,508	126,717	144,589	583,923	144,320	79,410	103,582	85,910	269,885	3,396,168

AMOUNT OF ELIGIBLE PAPER DELIVERED TO F. R. AGENT

179,399	968,861	175,059	225,563	104,064	118,673	481,513	110,311	68,367	112,218	73,880	170,489	2,788,397
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