

# STATEMENT FOR THE PRESS

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Federal Reserve Board,  
August 7, 1920.

## CONDITION OF FEDERAL RESERVE BANKS.

Increases in discount operations and in Federal Reserve note circulation, as against a small gain in cash reserves, are indicated in the Federal Reserve Board's weekly bank statement issued as at close of business on August 6, 1920. The Banks' reserve ratio shows a decline from 44.2 to slightly over 44 per cent.

Holdings of paper secured by U. S. war obligations increased by 44.4 millions, and other discounts on hand - by 13.8 millions, while holdings of acceptances purchased in open market show a decline of 5.9 millions. A decrease of 27 millions in Treasury certificates is accounted for largely by the redemption of all the special temporary certificates held by four Banks on the previous Friday. Total earning assets of the Reserve Banks stood at 3,187.6 millions, or 25.3 millions in excess of the previous week's total.

Of the total of 1,285.4 millions of loans secured by United States war obligations held, 618.4 millions, or 48.1 per cent, were secured by Liberty bonds, 322.3 millions, or 25.1 per cent, by Victory notes, and 344.7 millions, or 26.8 per cent, by Treasury certificates, as against 47.2, 24.9, and 27.9 per cent of a corresponding total of about 1,241 millions reported the week before. Discounted paper held by the Boston, New York and Cleveland Reserve Banks is inclusive of 150.9 millions of paper discounted for six Reserve banks in the South and Middle West, compared with 138.7 millions the week before, while acceptance holdings of the Boston, Philadelphia, Cleveland and San Francisco Banks include 38.5 millions of bank acceptances purchased from the New York and Chicago Banks, compared with 42.6 millions reported at the close of the previous week.

Government deposits show an increase of 8.1 millions, members' reserve deposits - an increase of 8.6 millions, other deposits, including foreign Government credits and non-members' clearing accounts, declined 6.5 millions, while the "float" carried by the Reserve banks and treated as a deduction from gross deposits shows an increase of 9.5 millions. As a consequence, calculated net deposits, about 1,698 millions, are 0.7 million larger than the week before. Increases in Federal Reserve note circulation are reported by all Federal Reserve Banks, except those of Cleveland and Minneapolis, the total increase for the week being 21.7 millions. In addition an increase of 2.7 millions in Federal Reserve Bank note circulation is shown.

Gold reserves show a gain of 2.9 millions and other cash reserves - a gain of 0.2 million. Of the total increase of \$116,000 in paid-in capital, nearly one-half represents the increase of the paid-in capital of the Chicago Bank, smaller increases being shown by nearly all the other Reserve Banks.

## STATEMENT OF COMBINED RESOURCES AND LIABILITIES OF THE FEDERAL RESERVE BANKS.

|   | Aug. 6, 1920    | July 30, 1920   | August 8, 1919 |
|---|-----------------|-----------------|----------------|
| Gold and gold certificates  | \$185,165,000   | \$174,179,000   | \$262,745,000  |
| Gold settlement fund - F. R. Board  | 381,259,000     | 389,389,000     | 618,636,000    |
| Gold with foreign agencies  | 111,531,000     | 111,531,000     | -              |
| Total gold held by banks  | 677,955,000     | 675,099,000     | 881,381,000    |
| Gold with Federal Reserve Agents  | 1,150,343,000   | 1,153,712,000   | 1,084,047,000  |
| Gold redemption fund  | 152,307,000     | 148,893,000     | 119,328,000    |
| Total gold reserves   | \$1,980,605,000 | \$1,977,704,000 | 2,084,756,000  |
| Legal tender notes, silver, etc.  | 151,139,000     | 150,936,000     | 67,362,000     |
| Total reserves  | 2,131,744,000   | 2,128,640,000   | 2,152,118,000  |
| Bills discounted (Secured by Government war obligations)  | 1,285,398,000   | 1,241,017,000   | 1,608,583,000  |
| (All other)   | 1,264,435,000   | 1,250,613,000   | 225,535,000    |
| Bills bought in open market   | 339,390,000     | 345,305,000     | 381,241,000    |
| Total bills on hand   | 2,889,223,000   | 2,836,935,000   | 2,215,359,000  |
| U. S. Government bonds  | 26,810,000      | 26,791,000      | 27,095,000     |
| U. S. Victory notes   | 69,000          | 69,000          | 280,000        |
| U. S. Certificates of indebtedness  | 271,490,000     | 298,520,000     | 229,724,000    |
| Total earning assets  | 3,187,592,000   | 3,162,315,000   | 2,472,458,000  |
| Bank premises   | 14,444,000      | 14,289,000      | 11,805,000     |
| Uncollected items and other deductions from gross deposits  | 733,688,000     | 711,064,000     | 793,301,000    |
| 5% Redemption fund against F. R. Bank notes   | 12,644,000      | 12,684,000      | 10,803,000     |
| All other resources   | 3,332,000       | 3,777,000       | 9,816,000      |
| TOTAL RESOURCES   | 6,083,443,000   | 6,032,769,000   | 5,450,301,000  |
| LIABILITIES   |                 |                 |                |
| Capital paid-in   | 95,341,000      | 95,225,000      | 83,807,000     |
| Surplus   | 164,745,000     | 164,745,000     | 81,087,000     |
| Government deposits   | 20,253,000      | 12,167,000      | 108,686,000    |
| Due to members - Reserve account  | 1,816,798,000   | 1,808,156,000   | 1,756,807,000  |
| Deferred availability items   | 549,778,000     | 536,690,000     | 555,485,000    |
| Other deposits, including foreign government credits  | 44,821,000      | 51,296,000      | 107,882,000    |
| Total gross deposits  | 2,431,650,000   | 2,408,309,000   | 2,528,860,000  |
| F. R. notes in actual circulation   | 3,141,861,000   | 3,120,138,000   | 2,532,057,000  |
| F. R. Bank notes in circulation - net liability   | 194,834,000     | 192,168,000     | 205,318,000    |
| All other liabilities   | 55,012,000      | 52,184,000      | 19,172,000     |
| TOTAL LIABILITIES   | 6,083,443,000   | 6,032,769,000   | 5,450,301,000  |
| Ratio of total reserves to net deposit and F. R. note liabilities combined                                  | 44.0%           | 44.2%           | 50.4%          |
| Ratio of gold reserves to F. R. notes in circulation after setting aside 5% against net deposit liabilities | 48.9%           | 49.2%           | 61.0%          |

## RESOURCES AND LIABILITIES OF THE FEDERAL RESERVE BANKS AT CLOSE OF BUSINESS AUGUST 6, 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         | 11,934            | 89,755    | 1,196   | 10,351  | 2,415   | 7,840   | 24,364  | 3,096     | 7,209   | 532       | 5,690   | 20,783    | 185,165                   |
| Gold settlement fund - F. R. Board | 39,644            | 50,589    | 50,116  | 65,364  | 19,371  | 7,212   | 71,364  | 11,721    | 8,250   | 26,359    | 5,312   | 25,957    | 381,259                   |
| 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           | 59,720            | 181,276   | 60,234  | 84,861  | 27,251  | 19,067  | 109,000 | 20,059    | 18,470  | 32,244    | 13,902  | 51,871    | 677,955                   |
| Gold with F. R. Agents             | 134,754           | 278,544   | 103,727 | 148,633 | 44,008  | 47,720  | 154,529 | 45,775    | 30,904  | 37,867    | 26,348  | 97,534    | 1,150,343                 |
| Gold redemption fund               | 19,919            | 35,943    | 11,145  | 2,347   | 5,961   | 9,012   | 43,481  | 5,173     | 188     | 3,578     | 4,943   | 10,617    | 152,307                   |
| Total gold reserves                | 214,393           | 495,763   | 175,106 | 235,841 | 77,220  | 75,799  | 307,010 | 71,007    | 49,562  | 73,689    | 45,193  | 160,022   | 1,980,605                 |
| Legal tender notes, silver, etc.   | 6,752             | 119,528   | 255     | 2,283   | 145     | 1,669   | 8,416   | 7,742     | 75      | 1,829     | 1,525   | 920       | 151,139                   |
| Total reserves                     | 221,145           | 615,291   | 175,361 | 238,124 | 77,365  | 77,468  | 315,426 | 78,749    | 49,637  | 75,518    | 46,718  | 160,942   | 2,131,744                 |
| Bills discounted: (a)              |                   |           |         |         |         |         |         |           |         |           |         |           |                           |
| Secured by Govt. war obligations   | 105,030           | 551,919   | 138,296 | 77,068  | 41,533  | 56,121  | 155,956 | 35,427    | 10,014  | 47,319    | 17,299  | 49,416    | 1,285,398                 |
| All other                          | 58,631            | 306,659   | 36,175  | 90,583  | 63,163  | 59,780  | 284,473 | 73,679    | 70,593  | 61,957    | 55,929  | 102,813   | 1,264,435                 |
| Bills bought in open market (b)    | 25,009            | 134,576   | 11,158  | 54,866  | 6,451   | 3,472   | 39,924  | 2,619     | 2,905   | 3,916     | 1,123   | 53,371    | 339,390                   |
| Total bills on hand                | 188,670           | 993,154   | 185,629 | 222,517 | 111,147 | 119,373 | 480,353 | 111,725   | 83,512  | 113,192   | 74,351  | 205,600   | 2,889,223                 |
| U. S. Government bonds             | 557               | 1,462     | 1,386   | 834     | 1,233   | 114     | 4,490   | 1,153     | 116     | 8,867     | 3,966   | 2,632     | 26,810                    |
| U. S. Victory notes                | 5                 | 50        | -       | 10      | -       | 3       | -       | -         | -       | 1         | -       | -         | 69                        |
| U. S. Certificates of indebtedness | 21,541            | 68,743    | 32,165  | 23,322  | 12,260  | 15,665  | 39,723  | 17,274    | 8,481   | 12,842    | 8,300   | 11,174    | 271,490                   |
| Total earning assets               | 210,773           | 1,063,409 | 219,180 | 246,683 | 124,640 | 135,155 | 524,566 | 130,152   | 92,109  | 134,902   | 86,617  | 219,406   | 3,187,592                 |
| Bank premises                      | 1,582             | 3,869     | 619     | 1,156   | 1,079   | 603     | 2,118   | 866       | 566     | 762       | 992     | 232       | 14,444                    |
| Uncollected items and other de-    |                   |           |         |         |         |         |         |           |         |           |         |           |                           |
| ductions from gross deposits       | 57,362            | 154,059   | 59,798  | 71,858  | 53,904  | 23,534  | 99,966  | 46,329    | 19,078  | 68,089    | 42,304  | 37,407    | 733,688                   |
| 5% Redemption fund against F. R.   |                   |           |         |         |         |         |         |           |         |           |         |           |                           |
| Bank notes                         | 1,072             | 3,156     | 1,300   | 959     | 451     | 526     | 2,505   | 527       | 339     | 916       | 586     | 665       | 12,644                    |
| All other resources                | 288               | 598       | 371     | 227     | 242     | 161     | 451     | 152       | 105     | 283       | 182     | 271       | 3,331                     |
| TOTAL RESOURCES                    | 492,222           | 1,840,382 | 456,629 | 559,007 | 257,681 | 237,447 | 945,032 | 256,417   | 161,834 | 280,470   | 177,399 | 418,923   | 6,083,443                 |
| (a) Includes bills discounted for  |                   |           |         |         |         |         |         |           |         |           |         |           |                           |
| other F. R. Banks, viz:            | 59,514            | 27,285    | -       | 64,083  | -       | -       | -       | -         | -       | -         | -       | -         | 150,882                   |
| (b) Includes bankers' acceptances  |                   |           |         |         |         |         |         |           |         |           |         |           |                           |
| bought from other F. R. Banks:     |                   |           |         |         |         |         |         |           |         |           |         |           |                           |
| Without their endorsement          | 2,518             | -         | 10,014  | 9,329   | -       | -       | -       | -         | -       | -         | -       | 16,590    | 38,451                    |

## RESOURCES AND LIABILITIES OF THE FEDERAL RESERVE BANKS AT CLOSE OF BUSINESS AUGUST 6, 1920.

(In thousands of dollars)

## L I A B I L I T I E S

| Federal Reserve Bank  | Boston  | New York  | Phila.  | Clevel. | Richm.  | Atlanta | Chicago | St. Louis | Minn.   | Kans. Cy. | Dallas  | San Fran. | Total     |
|---|---------|-----------|---------|---------|---------|---------|---------|-----------|---------|-----------|---------|-----------|-----------|
| Capital paid-in   | 7,586   | 24,680    | 8,312   | 10,166  | 4,878   | 3,864   | 13,550  | 4,272     | 3,311   | 4,322     | 3,924   | 6,476     | 95,341    |
| Surplus   | 12,351  | 51,308    | 13,069  | 13,712  | 8,067   | 7,050   | 23,917  | 5,884     | 5,178   | 8,395     | 4,152   | 11,662    | 164,743   |
| Government deposits   | 1,110   | 10,014    | 1,039   | 316     | 2,218   | 1,160   | 1,064   | 134       | 533     | 643       | 1,638   | 384       | 20,252    |
| Due to members - reserve account  | 117,727 | 722,701   | 106,997 | 142,913 | 58,593  | 49,757  | 258,318 | 60,801    | 48,174  | 79,652    | 53,677  | 117,488   | 1,816,798 |
| Deferred availability items   | 43,636  | 94,727    | 46,853  | 53,258  | 42,416  | 20,361  | 64,987  | 44,902    | 18,419  | 67,966    | 24,836  | 27,417    | 549,778   |
| Other deposits, including foreign government credits                                | 3,386   | 21,340    | 2,773   | 2,416   | 1,350   | 1,055   | 3,808   | 1,676     | 941     | 1,471     | 889     | 3,716     | 44,821    |
| Total gross deposits  | 165,859 | 848,782   | 157,662 | 198,903 | 104,577 | 72,333  | 328,177 | 107,513   | 68,067  | 149,732   | 81,040  | 149,005   | 2,431,650 |
| F. R. notes in actual circulation   | 289,872 | 852,369   | 255,765 | 314,771 | 128,224 | 140,787 | 537,951 | 128,214   | 76,052  | 100,454   | 79,509  | 237,893   | 3,141,861 |
| F. R. Bank notes in circulation - net liability                                     | 14,297  | 35,360    | 19,465  | 18,675  | 10,572  | 11,805  | 34,312  | 8,776     | 7,720   | 15,486    | 7,278   | 11,088    | 194,834   |
| All other liabilities   | 2,257   | 27,883    | 2,356   | 2,780   | 1,363   | 1,608   | 7,125   | 1,758     | 1,506   | 2,081     | 1,496   | 2,799     | 55,012    |
| TOTAL LIABILITIES   | 492,222 | 1,840,382 | 456,629 | 559,007 | 257,681 | 237,447 | 945,032 | 256,417   | 161,834 | 280,470   | 177,399 | 418,923   | 6,083,443 |
| Ratio of total reserves to net deposit and F.R. note liabilities combined, per cent | 55.5    | 39.8      | 49.6    | 53.9    | 43.2    | 40.9    | 41.2    | 41.6      | 39.7    | 41.5      | 39.5    | 46.1      | 44.0      |

## M E M O R A N D A

|  |       |       |       |       |        |        |       |        |        |        |        |     |         |
|--|-------|-------|-------|-------|--------|--------|-------|--------|--------|--------|--------|-----|---------|
| Contingent liability as endorser on -                              |       |       |       |       |        |        |       |        |        |        |        |     |         |
| Discounted paper rediscounted with other F. R. Banks               | -     | -     | -     | -     | 24,924 | 28,183 | -     | 31,904 | 12,226 | 25,756 | 27,889 | -   | 150,882 |
| Contingent liability on bills purchased for foreign correspondents | 1,168 | 6,093 | 1,280 | 1,312 | 784    | 576    | 1,904 | 752    | 432    | 768    | 416    | 736 | 16,221  |

## FEDERAL RESERVE NOTES OUTSTANDING AND IN ACTUAL CIRCULATION

|                                   |         |         |         |         |         |         |         |         |        |         |        |         |           |
|-----------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|--------|---------|--------|---------|-----------|
| F. R. notes outstanding           | 299,841 | 974,670 | 269,335 | 330,870 | 155,928 | 146,695 | 599,764 | 145,279 | 77,240 | 105,983 | 83,157 | 271,738 | 3,438,500 |
| F. R. notes held by banks         | 9,969   | 12,301  | 13,570  | 16,099  | 5,704   | 5,908   | 61,813  | 17,065  | 1,188  | 5,529   | 3,648  | 33,845  | 296,639   |
| F. R. notes in actual circulation | 289,872 | 852,369 | 255,765 | 314,771 | 128,224 | 140,787 | 537,951 | 128,214 | 76,052 | 100,454 | 79,509 | 237,893 | 3,141,861 |

## 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                   | 1,529,341      | 189,930       | 434,400       | 342,326       | 53,836       | 2,549,833 |
| Bills bought in open market        | 114,800        | 69,882        | 122,345       | 32,363        | -            | 339,390   |
| U. S. Certificates of indebtedness | 17,967         | 12,900        | 37,738        | 40,273        | 162,612      | 271,490   |

## FEDERAL RESERVE AGENTS' ACCOUNTS AT CLOSE OF BUSINESS AUGUST 6, 1920.

(In thousands of dollars)

| Federal Reserve Agent at  | Boston         | New York         | Phila.         | Clevel.        | Richm.         | Atlanta        | Chicago          | St. Louis      | Minn.          | Kans.-Cy.      | Dallas         | San Fran.      | Total            |
|---|----------------|------------------|----------------|----------------|----------------|----------------|------------------|----------------|----------------|----------------|----------------|----------------|------------------|
| <b>R E S O U R C E S</b>  |                |                  |                |                |                |                |                  |                |                |                |                |                |                  |
| Federal Reserve notes on hand   | 43,300         | 135,000          | 22,780         | 30,750         | 26,714         | 68,165         | 66,140           | 17,040         | 11,095         | 5,640          | 12,110         | 5,080          | 443,814          |
| Federal Reserve notes outstanding   | 299,841        | 974,670          | 269,335        | 330,870        | 133,928        | 146,695        | 599,764          | 145,279        | 77,240         | 105,983        | 83,157         | 271,738        | 3,438,500        |
| Collateral security for Federal Reserve notes outstanding:                    |                |                  |                |                |                |                |                  |                |                |                |                |                |                  |
| Gold and gold certificates  | 900            | 195,608          | -              | 32,025         | -              | 2,500          | -                | 3,810          | 13,052         | -              | 10,331         | -              | 259,226          |
| Gold redemption fund  | 16,854         | 18,936           | 17,338         | 16,608         | 2,508          | 5,220          | 9,384            | 2,934          | 2,052          | 2,507          | 5,283          | 18,160         | 117,784          |
| Gold settlement fund-F.R. Board   | 117,000        | 63,000           | 86,389         | 100,000        | 41,500         | 40,000         | 145,145          | 39,031         | 15,800         | 35,360         | 10,734         | 79,374         | 773,333          |
| Eligible paper-   |                |                  |                |                |                |                |                  |                |                |                |                |                |                  |
| Amount required   | 165,087        | 696,126          | 165,608        | 182,237        | 89,920         | 98,975         | 445,235          | 99,504         | 46,336         | 68,116         | 56,809         | 174,204        | 2,288,157        |
| Excess amount held  | 23,583         | 263,734          | 6,381          | 38,003         | 19,697         | 20,392         | 35,131           | 12,101         | 26,790         | 44,887         | 17,542         | 22,088         | 530,329          |
| <b>TOTAL</b>  | <b>666,565</b> | <b>2,348,074</b> | <b>567,831</b> | <b>730,493</b> | <b>314,267</b> | <b>381,947</b> | <b>1,300,799</b> | <b>319,699</b> | <b>192,365</b> | <b>262,493</b> | <b>195,966</b> | <b>570,644</b> | <b>7,851,143</b> |
| <b>L I A B I L I T I E S</b>  |                |                  |                |                |                |                |                  |                |                |                |                |                |                  |
| Federal Reserve notes received from Comptroller - gross                       | 615,700        | 2,238,960        | 605,880        | 624,820        | 345,900        | 361,720        | 1,095,600        | 346,960        | 169,580        | 236,080        | 171,980        | 477,580        | 7,290,760        |
| Less amounts returned for destruction   | 272,559        | 1,129,290        | 313,765        | 263,200        | 185,258        | 146,860        | 429,696          | 184,641        | 81,245         | 124,457        | 76,713         | 200,762        | 3,408,446        |
| Net amount of Federal Reserve notes received from Comptroller of the Currency | 343,141        | 1,109,670        | 292,115        | 361,620        | 160,642        | 214,860        | 665,904          | 162,319        | 88,335         | 111,623        | 95,267         | 276,818        | 3,882,314        |
| Collateral received from Federal Reserve Bank:                                |                |                  |                |                |                |                |                  |                |                |                |                |                |                  |
| Gold  | 134,754        | 278,544          | 103,727        | 148,633        | 44,008         | 47,720         | 154,529          | 45,775         | 30,904         | 37,867         | 26,348         | 97,534         | 1,150,343        |
| Eligible paper  | 188,670        | 959,860          | 171,989        | 220,240        | 109,617        | 119,367        | 480,366          | 111,605        | 73,126         | 113,003        | 74,351         | 196,292        | 2,818,486        |
| <b>TOTAL</b>  | <b>666,565</b> | <b>2,348,074</b> | <b>567,831</b> | <b>730,493</b> | <b>314,267</b> | <b>381,947</b> | <b>1,300,799</b> | <b>319,699</b> | <b>192,365</b> | <b>262,493</b> | <b>195,966</b> | <b>570,644</b> | <b>7,851,143</b> |