

STATEMENT FOR THE PRESS

Released for publication
Sunday morning, August 15;
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Federal Reserve Board,
August 14, 1920.

CONDITION OF FEDERAL RESERVE BANKS.

Aggregate increases of 26.7 millions in ~~earning assets~~ and a further addition of 27.3 millions to Federal Reserve note circulation are indicated in the Federal Reserve Board's weekly bank statement issued as at close of business on August 13, 1920. Cash reserves show a gain of 1.1 millions, while net deposits decreased by about 6 millions, with a consequent slight decline of the Banks' reserve ratio from 44 to 43.9 per cent.

Holdings of bills secured by Government war obligations increased by 11.6 millions, other discounts on hand - by 27.6 millions, while holdings of acceptances bought in open market declined by 18.8 millions. An increase of 6.3 millions in Treasury certificates on hand is due largely to the issuance during the week of 9 millions of special certificates to the Boston and Philadelphia Banks, and the liquidation by the New York Bank of 2.6 millions of certificates temporarily purchased.

Of the total of about 1297 millions of bills secured by United States war obligations held, 647.9 millions, or 49.9 per cent, were secured by Liberty bonds, 316.4 millions, or 24.4 per cent, by Victory notes, and 332.7 millions, or 25.7 per cent, by Treasury certificates, as against 48.1, 25.1 and 26.8 per cent of a corresponding total of 1285.4 millions reported the week before. Discounted paper held by the Boston, New York, and Cleveland Reserve Banks is inclusive of 134.8 millions of paper discounted for six Reserve banks in the South and Middle West, compared with 150.9 millions the week before, while acceptance holdings of the Boston, Philadelphia, Cleveland and San Francisco Banks include 47.5 millions of bankers' bills purchased from the New York and Chicago Banks, compared with 38.5 millions reported at the close of the previous week.

Government deposits show a reduction of 9.2 millions, while members' reserve deposits increased by 17.8 millions, and other deposits, including foreign Government credits and non-members' clearing accounts, increased by 0.2 million. The "float" carried by the Reserve Banks and treated as a deduction from gross deposits shows a gain of 14.8 millions. As a consequence, calculated net deposits, 1692.5 millions, are about 6 millions smaller than the week before. Substantial increases in Federal Reserve note circulation are reported by the Boston, Philadelphia, Cleveland, and Richmond Banks, the total increase for the system being 27.3 millions. In addition, there was also an increase of 2.1 millions in Federal Reserve Bank note circulation.

Gold reserves declined by 3.3 millions, while other cash reserves show a gain of 4.4 millions. The unusually large increase of \$1,210,000 in the paid-in capital of the Reserve Banks is due largely to increases in the capital and surplus accounts of existing members in the New York, Richmond and San Francisco districts.

STATEMENT OF COMBINED RESOURCES AND LIABILITIES OF THE FEDERAL RESERVE BANKS

	Aug. 13, 1920	Aug. 6, 1920	August 15, 1919
R E S O U R C E S			
Gold and gold certificates	\$179,630,000	\$185,165,000	\$250,651,000
Gold settlement fund - F. R. Board	389,927,000	381,259,000	591,206,000
Gold with foreign agencies	111,531,000	111,531,000	-
Total gold held by banks	681,088,000	677,955,000	841,857,000
Gold with Federal Reserve Agents	1,164,562,000	1,150,343,000	1,118,894,000
Gold redemption fund	131,708,000	152,307,000	121,836,000
Total gold reserves	\$1,977,358,000	\$1,980,605,000	2,082,587,000
Legal tender notes, silver, etc.	155,527,000	151,139,000	69,136,000
Total reserves	2,132,885,000	2,131,744,000	2,151,723,000
Bills discounted (Secured by Government war obligations)	1,296,981,000	1,285,398,000	1,522,992,000
(All other)	1,292,025,000	1,264,435,000	220,347,000
Bills bought in open market	320,618,000	339,390,000	374,375,000
Total bills on hand	2,909,624,000	2,889,223,000	2,117,714,000
U. S. Government bonds	26,810,000	26,810,000	27,098,000
U. S. Victory notes	69,000	69,000	274,000
U. S. Certificates on indebtedness	277,836,000	271,490,000	295,727,000
Total earning assets	3,214,339,000	3,187,592,000	2,440,813,000
Bank Premises	14,604,000	14,444,000	11,806,000
Uncollected items and other deductions from gross deposits	795,155,000	733,688,000	928,030,000
5% Redemption fund against F. R. Bank notes	11,947,000	13,002,000	11,313,000
All other resources	3,859,000	3,500,000	9,503,000
TOTAL RESOURCES	6,175,789,000	6,083,970,000	5,553,188,000
L I A B I L I T I E S			
Capital paid-in	96,551,000	95,341,000	84,400,000
Surplus	164,745,000	164,745,000	81,087,000
Government deposits	11,623,000	20,780,000	58,590,000
Due to members - Reserve account	1,834,542,000	1,816,798,000	1,778,365,000
Deferred availability items	599,397,000	549,778,000	670,539,000
Other deposits, including foreign government credits	45,043,000	44,821,000	109,210,000
Total gross deposits	6,090	2,432,177,000	2,616,704,000
F. R. notes in actual circulation	3,169,181,000	3,141,861,000	2,540,904,000
F. R. Bank notes in circulation - net liability	196,912,000	194,834,000	209,709,000
All other liabilities	57,795,000	55,012,000	20,384,000
TOTAL LIABILITIES	6,175,789,000	6,083,970,000	5,553,188,000
Ratio of total reserves to net deposit and F. R. note liabilities combined	43.9%	44.0%	50.9%
Ratio of gold reserves to F. R. notes in circulation after setting aside 35% against net deposit liabilities	48.6%	48.9%	61.4%

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RESOURCES AND LIABILITIES OF THE FEDERAL RESERVE BANKS AT CLOSE OF BUSINESS AUGUST 13, 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	11,996	91,440	1,220	10,407	2,380	7,913	24,358	2,997	7,225	548		5,267	13,879	179,630
Gold settlement fund - F.R. Board	42,039	29,238	47,285	65,449	20,532	6,261	88,800	10,027	6,718	27,609		6,419	39,550	389,927
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	62,177	161,610	57,427	85,002	28,377	18,189	126,430	18,266	16,954	33,510		14,586	58,560	681,088
Gold with F. R. Agents	132,865	277,642	101,527	149,261	42,376	49,688	174,823	44,303	30,919	37,747		28,405	95,006	1,164,562
Gold redemption fund	21,343	35,958	11,671	1,558	6,875	7,467	22,668	6,474	7	4,242		3,415	10,030	131,708
Total gold reserves	216,385	475,210	170,625	235,821	77,628	75,344	323,921	69,043	47,880	75,499		46,406	163,596	1,977,358
Legal tender notes, silver, etc.	6,623	123,996	473	2,198	56	1,497	8,087	8,066	54	1,773		1,721	983	155,527
Total reserves	223,008	599,206	171,098	238,019	77,684	76,841	332,008	77,109	47,934	77,272		48,127	164,579	2,132,885
Bills discounted: (a)														
Secured by Govt. war obligations	107,592	554,564	136,899	84,235	41,911	57,378	151,556	41,547	11,140	42,331		17,423	50,405	1,296,981
All other	59,162	347,974	40,865	91,609	62,658	59,842	282,219	70,212	65,893	55,364		53,820	102,407	1,292,025
Bills bought in open market (b)	19,796	109,443	12,489	64,712	7,302	3,220	43,349	2,160	1,230	4,005		688	52,224	320,618
Total bills on hand	186,550	1,011,981	190,253	240,556	111,871	120,440	477,124	113,919	78,263	101,700		71,931	205,036	2,909,624
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	26,525	66,116	36,205	23,322	12,260	15,665	39,656	17,257	8,481	12,845		8,300	11,204	277,836
Total earning assets	213,637	1,079,609	227,844	264,722	125,364	136,222	521,270	132,329	86,860	123,413		84,197	218,872	3,214,339
Bank premises	1,644	3,841	686	1,156	1,129	603	2,118	866	566	762		1,001	232	14,604
Uncollected items and other deductions from gross deposits	66,610	173,908	69,619	78,816	56,113	29,444	101,751	44,890	21,523	70,758		45,712	40,058	920,272
5% Redemption fund against F. R.														798,155
Bank notes	1,072	2,157	1,300	959	451	482	2,433	524	402	916		586	665	11,947
All other resources	402	824	318	197	178	83	700	342	108	257		128	322	3,859
TOTAL RESOURCES	506,373	1,859,545	470,865	583,869	260,919	243,675	960,280	256,060	157,393	273,378		179,751	423,681	6,175,789
(a) Includes bills discounted for other F. R. Banks, viz:	60,429	10,391	-	63,979	-	-	-	-	-	-		-	-	134,799
(b) Includes bankers' acceptances bought from other F. R. Banks: Without their endorsement	1,444	-	7,130	21,559	-	-	-	-	-	-		-	17,389	47,522

RESOURCES AND LIABILITIES OF THE FEDERAL RESERVE BANKS AT CLOSE OF BUSINESS AUGUST 13, 1920.

(In thousands of dollars)

	L I A B I L I T I E S													Total
Federal Reserve Bank	Boston	New York	Phila.	Clevel.	Richm.	Atlanta	Chicago	St.Louis	Minn.	Kans.Cy.	Dallas	San Fran.		
Capital paid-in	7,589	25,338	8,312	10,167	5,097	3,865	13,555	4,272	3,322	4,322	3,929	6,783		96,551
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		164,745
Government deposits	361	3,127	1,106	632	687	730	618	833	316	736	1,250	1,227		11,623
Due to members - reserve account	121,109	727,642	107,531	144,941	57,045	50,157	265,708	64,993	43,272	79,799	53,310	119,035		1,834,542
Deferred availability items	51,144	113,013	53,127	63,207	44,099	26,429	72,184	39,542	19,205	59,351	28,347	29,749		599,397
Other deposits, including foreign government credits	4,311	21,895	3,114	2,408	1,405	1,094	3,635	1,600	961	1,506	860	3,301 2,254	6,090	45,043 ¹⁶⁵²
Total gross deposits	176,925	865,677	164,878	211,188	103,236	78,410	342,145	106,968	63,754	141,392	83,767	152,265		2,490,605
F. R. notes in actual circulation	292,189	852,695	262,309	326,617	132,342	140,707	538,278	128,262	75,799	101,832	79,202	238,949		3,169,181
F. R. Bank notes in circulation - net liability	14,875	35,393	19,835	19,186	10,688	11,901	34,704	8,864	7,802	15,395	7,199	11,070		196,912
All other liabilities	2,444	29,134	2,462	2,999	1,489	1,742	7,681	1,810	1,538	2,042	1,502	2,952		57,795
TOTAL LIABILITIES	506,373	1,859,545	470,865	583,869	260,919	243,675	960,280	256,060	157,393	273,378	179,751	423,681 4728	6,175,789 6836	
Ratio of total reserves to net deposit and F.R. note liabilities combined, per cent	55.4	38.8	47.9	51.9	43.3	40.5	42.6	40.5	40.6	44.8	41.0	46.7		43.9

M E M O R A N D A

Contingent liability as endorser on -														
Discounted paper rediscounted with other F. R. Banks	-	-	-	-	24,667	25,209	-	20,941	10,073	23,534	30,375	-		134,799
Contingent liability on bills purchased for foreign correspondents	1,168	6,083	1,280	1,312	784	576	1,904	752	432	768	416	736		16,211

FEDERAL RESERVE NOTES OUTSTANDING AND IN ACTUAL CIRCULATION

F. R. notes outstanding	303,252	971,932	270,334	338,224	138,296	145,582	596,498	146,967	77,145	107,704	83,305	271,730		3,450,969
F. R. notes held by banks	11,063	119,237	8,025	11,607	5,954	4,875	58,220	18,705	1,346	5,872	4,103	32,781		281,788
F. R. notes in actual circulation	292,189	852,695	262,309	326,617	132,342	140,707	538,278	128,262	75,799	101,832	79,202	238,949		3,169,181

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	1,549,969	189,632	458,770	334,405	56,230	2,589,006
Bills bought in open market	114,917	71,014	105,155	29,532	-	320,618
U. S. Certificates of indebtedness	27,340	16,700	38,102	25,503	170,191	277,836

FEDERAL RESERVE AGENTS' ACCOUNTS AT CLOSE OF BUSINESS AUGUST 13, 1920.

(In thousands of dollars)

Federal Reserve Agent at R E S O U R C E S	Boston	New York	Phila.	Clevel.	Richm.	Atlanta	Chicago	St. Louis	Minn.	Kans.-Cy.	Dallas	San Fran.	Total
Federal Reserve notes on hand	42,000	135,000	24,940	27,725	24,974	71,205	73,900	16,440	10,455	5,280	11,020	5,080	448,019
Federal Reserve notes outstanding	303,252	971,932	270,334	338,224	138,296	145,582	596,498	146,967	77,145	107,704	83,305	271,730	3,450,969
Collateral security for Federal Reserve notes outstanding:													
Gold and gold certificates	900	196,608	-	32,025	-	2,500	-	13,810	13,052	-	11,331	-	260,226
Gold redemption fund	19,965	18,034	15,138	17,236	3,876	3,688	8,679	3,163	1,917	3,387	6,340	16,520	117,943
Gold settlement fund - F.R. Board	112,000	63,000	86,389	100,000	38,500	43,500	166,144	37,330	15,950	34,360	10,734	78,486	786,393
Eligible paper -													
Amount required	170,387	694,290	168,807	188,963	95,920	95,894	421,675	102,664	46,226	69,957	54,900	176,724	2,286,407
Excess amount held	16,163	286,145	2,438	33,877	4,319	24,508	55,175	11,171	23,665	31,640	17,031	13,412	519,544
TOTAL	664,667	2,365,009	568,046	738,050	305,885	386,877	1,322,071	321,545	188,410	252,328	194,661	561,952	7,869,501
L I A B I L I T I E S													
Federal Reserve notes received from Comptroller - gross	619,700	2,245,060	611,240	631,520	350,160	365,680	1,104,800	349,820	169,580	238,560	171,980	480,100	7,338,200
Less amounts returned for destruction	274,448	1,138,128	315,966	265,571	186,890	148,893	434,402	186,413	81,980	125,576	77,655	203,290	3,439,212
Net amount of Federal Reserve notes received from Comptroller of the Currency	345,252	1,106,932	295,274	365,949	163,270	216,787	670,398	163,407	87,600	112,984	94,325	276,810	3,898,988
Collateral received from Federal Reserve Bank:													
Gold	132,865	277,642	101,527	149,261	42,376	49,688	174,823	44,303	30,919	37,747	28,405	95,006	1,164,562
Eligible paper	186,550	980,435	171,245	222,840	100,239	120,402	476,850	113,835	69,891	101,597	71,931	190,136	2,805,951
TOTAL	664,667	2,365,009	568,046	738,050	305,885	386,877	1,322,071	321,545	188,410	252,328	194,661	561,952	7,869,501