

STATEMENT FOR THE PRESS

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Federal Reserve Board
Sept. 4, 1920.

CONDITION OF FEDERAL RESERVE BANKS.

Aggregate increases of 77.8 millions in discounted bills on hand, accompanied by an increase of 17.2 millions in net deposits and a further expansion by 39.6 millions of Federal Reserve note circulation are indicated in the Federal Reserve Board's consolidated weekly bank statement, issued as at close of business on September 3, 1920. As against these increases in deposit and note liabilities, cash reserves show a reduction of nearly 10 millions, with the consequence that the Banks' reserve ratio shows a decline for the week from 43.2 to 42.5 per cent.

Holdings of paper secured by United States war obligations increased by 18.1 millions, those of other discounted paper - by 59.7 millions, while acceptances bought in open market show a reduction of 8.5 millions. Treasury certificates on hand went up by 5.9 millions, while total earning assets show an increase for the week of 75.2 millions.

Of the total of 1332.9 millions of paper secured by Government war obligations, 661.5 millions, or 49.6 per cent, were secured by Liberty bonds, 317.2 millions, or 23.8 per cent, by Victory notes, and 354.2 millions, or 26.6 per cent, by Treasury certificates as against 50.2, 23.4 and 26.4 per cent of a corresponding total of 1314.8 millions shown the week before. Discounted paper held by the Boston and Cleveland Banks includes over 212 millions of paper discounted for the New York Bank and six other Reserve Banks in the South and Middle West, while acceptance holdings of the Philadelphia, Cleveland and San Francisco Bank are inclusive of 33.5 millions of bankers' bills purchased from the New York and Chicago Banks, compared with 48.9 millions reported the week before.

Government deposits show an increase of 21.9 millions, members' Reserve deposits - an increase of 11.3 millions, other deposits, including largely foreign government credits and non-members' clearing accounts, declined by 4.1 millions while the "float" carried by the Reserve banks and treated as a deduction from gross deposits shows an increase of 11.9 millions. As a consequence, calculated net deposits are 17.2 millions larger than the week before. All the Banks, except Cleveland, report substantial additions to their outstanding note circulation, the total including besides 39.6 millions of Federal Reserve notes also 4.6 millions of Federal Reserve bank notes.

Gold reserves, because of further export withdrawals for shipment to Japan and South America declined by 9.5 millions, while other cash reserves show a reduction of 0.4 million. The Banks' capital account shows an increase of \$78,000 in consequence of moderate Federal Reserve stock issues by nine Reserve Banks.

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

	Sept. 3, 1920	Aug. 27, 1920	Sept. 5, 1919
R E S O U R C E S			
Gold and gold certificates	\$165,070,000	\$186,139,000	\$243,238,000
Gold settlement fund - F. R. Board	410,507,000	373,272,000	542,310,000
Gold with foreign agencies	111,455,000	111,455,000	-
Total gold held by banks	687,032,000	670,866,000	785,548,000
Gold with Federal Reserve Agents	1,132,219,000	1,154,684,000	1,172,168,000
Gold redemption fund	143,059,000	146,275,000	109,336,000
Total gold reserves	\$1,962,310,000	\$1,971,825,000	2,067,052,000
Legal tender notes, silver, etc.	155,647,000	156,002,000	69,818,000
Total reserves	2,117,957,000	2,127,827,000	2,136,870,000
Bills discounted (Secured by Government war obligations)	1,332,892,000	1,314,830,000	1,635,233,000
(All other)	1,412,035,000	1,352,297,000	212,185,000
Bills bought in open market	313,501,000	321,965,000	354,667,000
Total bills on hand	3,058,428,000	2,989,092,000	2,202,085,000
U. S. Government bonds	26,806,000	26,810,000	27,096,000
U. S. Victory notes	69,000	69,000	197,000
U. S. Certificates of indebtedness	279,633,000	273,701,000	250,223,000
Total earning assets	3,364,936,000	3,289,672,000	2,479,601,000
Bank premises	14,885,000	14,869,000	12,815,000
Uncollected items and other deductions from gross deposits	754,947,000	729,889,000	934,964,000
5% Redemption fund against F. R. Bank notes	11,695,000	11,956,000	11,160,000
All other resources	3,889,000	4,558,000	9,511,000
TOTAL RESOURCES	6,268,309,000	6,178,771,000	5,584,921,000
L I A B I L I T I E S			
Capital paid-in	97,133,000	97,055,000	84,996,000
Surplus	164,745,000	164,745,000	81,087,000
Government deposits	65,387,000	43,510,000	59,110,000
Due to members - Reserve account	1,829,799,000	1,818,502,000	1,757,641,000
Deferred availability items	555,726,000	542,564,000	643,194,000
Other deposits, including foreign government credits	39,123,000	43,180,000	99,136,000
Total gross deposits	2,490,035,000	2,447,756,000	2,559,081,000
F. R. notes in actual circulation	3,243,870,000	3,203,637,000	2,611,697,000
F. R. Bank notes in circulation - net liability	205,423,000	200,793,000	223,565,000
All other liabilities	67,703,000	64,785,000	24,495,000
TOTAL LIABILITIES	6,268,309,000	6,178,771,000	5,584,921,000
Ratio of total reserves to net deposit and F. R. note liabilities combined	42.5%	43.2%	50.4%
Ratio of gold reserves to F.R. notes in circulation after setting aside 35% against net deposit liabilities	46.6%	47.7%	60.1%

RESOURCES AND LIABILITIES OF THE FEDERAL RESERVE BANKS AT CLOSE OF BUSINESS SEPTEMBER 3, 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	12,229	77,022	1,313	10,638	2,435	8,273	24,338	3,631	7,237	576	4,891	12,487	165,070
Gold settlement fund - F.R.Board	31,975	50,102	42,374	57,123	30,628	6,106	95,687	8,655	8,342	24,798	7,084	47,633	410,507
Gold with foreign agencies	8,136	40,905	8,916	9,139	5,461	4,013	13,263	5,238	3,009	5,350	2,898	5,127	111,455
Total gold held by banks	52,340	168,029	52,603	76,900	38,524	18,392	133,288	17,524	18,588	30,724	14,873	65,247	687,032
Gold with F. R. Agents	116,592	275,070	114,818	149,448	40,951	48,237	163,221	45,666	30,817	37,869	26,272	83,258	1,132,219
Gold redemption fund	15,588	35,803	12,829	689	9,615	9,545	32,779	5,778	285	4,809	5,360	9,979	143,059
Total gold reserves	184,520	478,902	180,250	227,037	89,090	76,174	329,288	68,968	49,690	73,402	46,505	158,484	1,962,310
Legal tender notes, silver, etc.	6,136	124,841	326	1,901	109	1,510	8,064	7,933	83	1,501	2,427	816	155,647
Total reserves	190,656	603,743	180,576	228,938	89,199	77,684	337,352	76,901	49,773	74,903	48,932	159,300	2,117,957
Bills discounted: (a)													
Secured by Govt.war obligations	114,073	582,978	136,677	76,983	45,443	64,469	159,622	31,182	8,575	41,715	17,811	53,364	1,332,892
All other	96,284	344,868	42,584	129,430	62,968	55,319	289,233	83,162	74,920	68,505	55,567	109,195	1,412,035
Bills bought in open market (b)	25,383	94,476	18,889	57,110	7,111	1,676	44,097	1,970	1,038	3,510	508	57,733	313,501
Total bills on hand	235,740	1,022,322	198,150	263,523	115,522	121,464	492,952	116,314	84,533	113,730	73,886	220,292	3,058,428
U. S. Government bonds	555	1,462	1,386	833	1,233	113	4,490	1,153	116	8,867	3,966	2,632	26,806
U. S. Victory notes	5	50	-	10	-	3	-	-	-	1	-	-	69
U. S. Certificates of indebtedness	21,469	75,767	33,198	23,322	12,260	15,665	39,643	17,525	8,481	12,826	8,300	11,177	279,633
Total earning assets	257,769	1,099,601	232,734	287,688	129,015	137,245	537,085	134,992	93,130	135,424	86,152	234,101	3,364,936
Bank premises	1,731	3,907	638	1,156	1,135	615	2,146	866	586	791	1,082	232	14,885
Uncollected items and other de-		43											370
ductions from gross deposits	53,854	168,039	66,341	73,916	51,404	25,872	98,788	44,672	21,327	66,329	45,950	38,455	754,947
5% Redemption fund against F. R.													
Bank notes	1,072	2,122	1,300	1,139	451	537	1,798	621	488	916	586	665	11,695
All other resources	301	734	512	200	157	123	599	364	83	245	180	391	3,889
TOTAL RESOURCES	505,383	1,878,146	482,101	593,037	271,361	242,076	977,768	258,416	165,387	278,608	182,882	433,144	6,268,309
											1664		7091
(a) Includes bills discounted for													
other F. R. Banks, viz:	97,014	-	-	114,993	-	-	-	-	-	-	-	-	212,007
(b) Includes bankers' acceptances													
bought from other F.R.Banks:													
Without their endorsement	-	-	10,050	13,122	-	-	-	-	-	-	-	11,364	34,536

RESOURCES AND LIABILITIES OF THE FEDERAL RESERVE BANKS AT CLOSE OF BUSINESS SEPTEMBER 3, 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	7,580	25,352	8,400	10,249	5,131	3,911	13,687	4,299	3,329	4,420	3,947	6,828	97,133
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	1,902	27,006	3,711	3,078	4,441	1,238	10,876	2,417	2,590	3,359	2,249	2,520	65,387
Due to members - reserve account	116,881	719,621	112,435	146,561	62,318	49,158	261,191	62,530	46,510	83,516	51,572	117,506	1,829,799
Deferred availability items	41,722	101,260	47,694	61,654	42,240	22,465	67,823	38,109	19,371	54,385	29,818	29,185	555,726
Other deposits, including foreign government credits	1,890	19,171	2,917	1,949	1,111	847	3,540	1,674	771	1,316	690	3,247	39,123
Total gross deposits	162,395	867,058	166,757	213,242	110,110	73,708	343,430	104,730	69,242	142,576	84,329	152,458	2,490,035
F. R. notes in actual circulation	303,206	865,548	270,631	331,336	135,126	142,961	551,714	131,114	77,918	105,151	81,527	247,038	3,243,270
F. R. Bank notes in circulation - net liability	16,642	36,268	20,206	20,619	11,118	12,447	35,582	10,188	7,900	15,753	7,202	11,498	205,423
All other liabilities	3,209	32,612	3,038	3,879	1,809	1,999	9,438	2,201	1,820	2,313	1,725	3,660	67,703
TOTAL LIABILITIES	505,383	1,878,146	482,101	593,037	271,361	242,076	977,768	258,416	165,387	278,608	182,882	433,144	6,268,309
											1664		7091
Ratio of total reserves to net deposit and F.R. note liabilities combined, per cent	46.3	38.6	48.7	48.6	46.0	40.7	42.4	40.2	39.6	41.3	40.8	44.1	42.5

M E M O R A N D A

Contingent liability as endorser on -													
Discounted paper rediscounted with other F. R. Banks	-	47,500	-	-	20,000	30,824	-	33,640	20,123	21,018	38,902	-	212,007
Contingent liability on bills purchased for foreign correspondents	1,168	6,070	1,280	1,312	784	576	1,904	752	432	768	416	736	16,198

FEDERAL RESERVE NOTES OUTSTANDING AND IN ACTUAL CIRCULATION

F. R. notes outstanding	312,379	971,102	280,625	349,450	140,566	147,946	604,796	147,870	78,873	110,536	85,112	272,642	3,501,897
F. R. notes held by banks	9,173	105,554	9,994	18,114	5,440	4,985	53,082	16,756	955	5,385	3,585	25,604	258,627
F. R. notes in actual circulation	303,206	865,548	270,631	331,336	135,126	142,961	551,714	131,114	77,918	105,151	81,527	247,038	3,243,270

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	1,666,391	243,771	504,969	294,330	35,466	2,744,927
Bills bought in open market	99,481	77,394	109,404	27,222	-	313,501
U. S. Certificates of indebtedness	32,568	20,695	27,929	12,501	185,940	279,633

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FEDERAL RESERVE AGENTS' ACCOUNTS AT CLOSE OF BUSINESS SEPTEMBER 3, 1920.

St.1403d.

(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	45,760	141,000	31,940	27,785	23,698	69,710	65,280	19,000	6,525	5,630	12,920	6,080	455,328
Federal Reserve notes outstanding	312,379	971,102	280,625	349,450	140,566	147,946	604,796	147,870	78,873	110,536	85,112	272,642	3,501,897
Collateral security for Federal Reserve notes outstanding:													
Gold and gold certificates	900	209,607	-	32,025	-	2,500	-	3,810	13,052	-	12,331	-	274,225
Gold redemption fund	19,692	15,463	18,429	17,423	1,451	4,737	10,077	2,825	1,565	3,509	5,207	12,419	112,797
Gold settlement fund-F.R.Board	96,000	50,000	96,389	100,000	39,500	41,000	153,144	39,031	16,200	34,360	8,734	70,839	745,197
Eligible paper -													
Amount required	195,787	696,032	165,807	200,002	99,615	99,709	441,575	102,204	48,056	72,667	58,840	189,384	2,369,678
Excess amount held	39,953	290,703	5,039	60,877	12,797	21,743	51,377	13,979	23,073	39,511	15,046	18,627	592,725
TOTAL	710,471	2,373,907	598,229	787,562	317,627	387,345	1,326,249	328,719	187,344	266,213	198,190	569,991	8,051,847
L I A B I L I T I E S													
Federal Reserve notes received from Comptroller - gross	638,860	2,258,260	635,240	650,120	356,580	371,000	1,116,080	359,620	169,580	245,620	178,820	488,760	7,468,540
Less amounts returned for destruction	280,721	1,146,158	322,675	272,885	192,316	153,344	446,004	192,750	84,182	129,454	80,788	210,038	3,511,315
Net amount of Federal Reserve notes received from Comp- troller of the Currency	358,139	1,112,102	312,565	377,235	164,264	217,656	670,076	166,870	85,398	116,166	98,032	278,722	3,957,225
Collateral received from Federal Reserve Bank:													
Gold	116,592	275,070	114,818	149,448	40,951	48,237	163,221	45,666	30,817	37,869	26,272	83,258	1,132,219
Eligible paper	235,740	986,735	170,846	260,879	112,412	121,452	492,952	116,183	71,129	112,178	73,886	208,011	2,962,403
TOTAL	710,471	2,373,907	598,229	787,562	317,627	387,345	1,326,249	328,719	187,344	266,213	198,190	569,991	8,051,847