

STATEMENT FOR THE PRESS

Released for publication
Sunday morning, Sept. 12,
1920; not earlier.

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Federal Reserve Board
Sept. 11, 1920.

CONDITION OF FEDERAL RESERVE BANKS.

Reduction of 66.3 millions in total bill holdings, as against an increase of 52.8 millions in Treasury certificate holdings is indicated by the Federal Reserve Board's weekly bank statement issued as at close of business on September 10, 1920. As against a decline of 55.7 millions in deposit liabilities, the Reserve Banks report a further expansion of 51.9 millions in Federal Reserve note circulation, and a gain of 13.3 millions in cash reserves, with the consequence that the reserve ratio shows a rise for the week from 42.5 to 42.8 per cent.

Holdings of paper secured by United States war obligations show a reduction of 33.8 millions, those of other discounted paper - a reduction of about 36 millions, while the total of acceptances bought in open market and held by the Reserve Banks increased by 3.5 millions. During the week the New York Reserve Bank purchased from local member banks and sold to the Boston and Cleveland Reserve Banks a total of 45 millions of Treasury certificates. This transaction brought about a substantial improvement in the New York Bank's reserve position, through a corresponding credit in the Gold Settlement Fund, besides causing a more equable geographic distribution of Treasury tax certificates, thereby facilitating the redemption of these certificates/ ^{at maturity.} It is understood that the bulk of the certificates acquired during the week by the Boston and Cleveland Banks will be held until September 15, when they are to be redeemed by the Government. Total earning assets of the Reserve Banks show a decrease of 13.5 millions.

Of the total of 1,299.1 millions of paper secured by Government war obligations 675.5 millions, or 52 per cent, were secured by Liberty bonds, 316.3 millions, or 24.3 per cent, by Victory notes, and 307.3 millions, or 23.7 per cent by Treasury certificates, as against 49.6, 23.8 and 26.6 per cent of a corresponding total of 1332.9 millions shown the week before. Totals of discounted paper held by the Boston, Philadelphia and Cleveland Banks include 193.2 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 Banks are inclusive of 22.7 millions of bankers' bills purchased from the New York and Chicago Banks, compared with 34.5 millions reported the week before.

Government deposits show a reduction for the week of 34.4 millions, members' reserve and other deposits show a combined decline of 1.3 millions, while the "float" carried by the Reserve Banks and treated as a deduction from gross deposits was 20 millions larger than the week before, with the consequence that calculated net deposits are 55.7 millions less than on the preceding Friday. All Reserve Banks report further additions to their note circulation, the total expansion for the week including besides 51.9 millions of Federal Reserve note circulation also 3.7 millions of Federal Reserve bank notes.

Acquisition of gold received during the week from foreign sources partly accounts for an increase of 13.9 millions in gold reserves. The capital account shows a further increase of \$58,000, in consequence of moderate Federal Reserve stock issues by 9 Reserve Banks.

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

	Sept. 10, 1920	Sept. 3, 1920	Sept. 12, 1919
R E S O U R C E S			
Gold and gold certificates	\$150,990,000	\$165,070,000	\$231,609,000
Gold settlement fund - F. R. Board	428,768,000	410,507,000	537,723,000
Gold with foreign agencies	111,455,000	111,455,000	-
Total gold held by banks	691,213,000	687,032,000	769,332,000
Gold with Federal Reserve Agents	1,147,239,000	1,132,219,000	1,190,769,000
Gold redemption fund	137,774,000	143,059,000	108,766,000
Total gold reserves	\$1,976,226,000	\$1,962,310,000	2,068,867,000
Legal tender notes, silver, etc.	155,021,000	155,647,000	69,632,000
Total reserves	2,131,247,000	2,117,957,000	2,138,499,000
Bills discounted (Secured by Government war obligations)	1,299,123,000	1,332,892,000	1,524,521,000
(All other)	1,376,076,000	1,412,035,000	230,317,000
Bills bought in open market	316,982,000	313,501,000	362,005,000
Total bills on hand	2,992,181,000	3,058,428,000	2,116,843,000
U. S. Government bonds	26,807,000	26,806,000	27,096,000
U. S. Victory notes	69,000	69,000	192,000
U. S. Certificates of indebtedness	332,426,000	279,633,000	341,655,000
Total earning assets	3,351,483,000	3,364,936,000	2,485,786,000
Bank premises	15,086,000	*14,921,000	13,143,000
Uncollected items and other deductions from gross deposits	837,060,000	*753,707,000	1,031,298,000
5% Redemption fund against F.R. Bank notes	11,788,000	11,695,000	11,343,000
All other resources	6,569,000	*3,875,000	11,007,000
TOTAL RESOURCES	6,353,233,000	*6,267,091,000	5,691,076,000
L I A B I L I T I E S			
Capital paid-in	97,191,000	97,133,000	85,140,000
Surplus	164,745,000	164,745,000	81,087,000
Government deposits	30,975,000	65,387,000	33,584,000
Due to members - Reserve account	1,828,924,000	*1,829,832,000	1,802,791,000
Deferred availability items	617,785,000	*554,475,000	679,043,000
Other deposits, including foreign government credits	38,793,000	39,123,000	134,096,000
Total gross deposits	2,516,477,000 ⁸	*2,488,817,000	2,649,514,000
F. R. notes in actual circulation	3,295,175,000 ⁷	3,243,270,000	2,621,228,000
F. R. Bank notes in circulation - net liability	209,083,000	205,423,000	228,169,000
All other liabilities	70,562,000	67,703,000	25,938,000
TOTAL LIABILITIES	6,353,233,000	*6,267,091,000	5,691,076,000
Ratio of total reserves to net deposit and F. R. note liabilities combined	42.8%	42.5%	50.4%
Ratio of gold reserves to F.R. notes in circulation after setting aside 35% against net deposit liabilities	46.8%	46.6%	60.0%

* Revised figures.

RESOURCES AND LIABILITIES OF THE FEDERAL RESERVE BANKS AT CLOSE OF BUSINESS SEPTEMBER 10, 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	12,282	63,613	1,326	10,670	2,445	8,352	24,416	3,514	7,198	592	4,976	11,606	150,990
Gold settlement fund - F.R.Board	28,718	75,565	46,953	52,410	22,318	3,066	103,805	9,266	8,504	21,928	6,531	49,704	428,768
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	49,136	180,083	57,195	72,219	30,224	15,431	141,484	18,018	18,711	27,870	14,405	66,437	691,213
Gold with F. R. Agents	114,964	269,181	118,141	151,692	48,794	53,914	160,844	47,099	30,867	39,004	27,460	85,279	1,147,239
Gold redemption fund	15,954	35,899	12,921	1,316	6,138	5,146	34,738	5,301	215	4,335	5,730	10,081	137,774
Total gold reserves	180,054	485,163	188,257	225,227	85,156	74,491	337,066	70,418	49,793	71,209	47,595	161,797	1,976,226
Legal tender notes, silver, etc.	5,750	125,126	284	1,831	33	1,417	8,086	7,783	80	1,484	2,445	702	155,021
Total reserves	185,804	610,289	188,541	227,058	85,189	75,908	345,152	78,201	49,873	72,693	50,040	162,499	2,131,247
Bills discounted: (a)													
Secured by Govt.war obligations	98,032	547,148	139,458	96,162	42,354	62,569	157,840	33,753	11,456	41,038	17,856	51,457	1,299,123
All other	89,679	347,525	37,493	120,368	63,316	57,352	273,661	80,808	73,662	68,056	56,569	107,587	1,376,076
Bills bought in open market (b)	25,502	102,655	18,644	43,712	7,512	1,637	48,638	1,630	1,038	3,701	698	61,615	316,982
Total bills on hand	213,213	997,328	195,595	260,242	113,182	121,558	480,139	116,191	86,156	112,795	75,123	220,659	2,992,181
U. S. Government bonds	556	1,462	1,386	833	1,233	113	4,490	1,153	116	8,867	3,966	2,632	26,807
U. S. Victory notes	5	50	-	10	-	3	-	-	-	1	-	-	69
U. S. Certificates of indebtedness	53,171	76,594	33,340	43,322	12,260	15,665	39,643	17,536	8,481	12,826	8,300	11,288	332,426
Total earning assets	266,945	1,075,434	230,321	304,407	126,675	137,339	524,272	134,880	94,753	134,489	87,389	234,579	3,351,483
Bank premises	1,789	3,946	638	1,168	1,191	615	2,137	866	586	836	1,082	232	15,086
Uncollected items and other de-													
ductions from gross deposits	60,026	179,388	71,288	78,898	59,398	30,606	110,247	52,583	25,957	74,234	56,435	38,000	837,060
5% Redemption fund against F.R.													
Bank notes	1,072	2,281	1,300	1,139	451	541	1,781	624	432	916	586	665	11,788
All other resources	1,085	1,036	559	656	933	238	529	360	99	250	366	458	6,569
TOTAL RESOURCES	516,721	1,872,374	492,647	613,326	273,837	245,247	984,118	267,514	171,700	283,418	195,898	436,433	6,353,233
(a) Includes bills discounted for other F. R. Banks, viz:	72,812	-	3,999	116,388	-	-	-	-	-	-	-	-	193,199
(b) Includes bankers' acceptances bought from other F.R.Banks: Without their endorsement	-	-	10,050	2,615	-	-	-	-	-	-	-	10,014	22,679

RESOURCES AND LIABILITIES OF THE FEDERAL RESERVE BANKS AT CLOSE OF BUSINESS SEPTEMBER 10, 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	7,584	25,353	8,402	10,249	5,147	3,917	13,704	4,299	3,329	4,426	3,951	6,830	97,191
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	1,396	9,494	4,435	789	1,665	2,012	2,512	2,567	1,194	2,535	1,465	911	30,975
Due to members - reserve account	119,887	719,672	110,791	148,248	60,318	46,198	257,473	65,039	48,996	80,497	54,829	116,976	1,828,924
Deferred availability items	46,435	110,180	53,608	62,742	47,011	24,232	78,974	43,951	22,564	61,721	37,026	29,341	617,785
Other deposits, including foreign													
• government credits	1,889	19,312	2,615	1,896	1,110	836	3,456	1,325	1,039	1,156	703	3,456	38,793
Total gross deposits	169,607	858,658	171,449	213,675	110,104	73,278	342,415	112,882	73,793	145,909	94,023	150,684	2,516,477
F. R. notes in actual circulation	307,079	864,439	276,054	350,558	137,603	146,346	558,335	132,163	79,522	106,508	84,567	252,001	3,295,175
F. R. Bank notes in circulation -													
net liability	16,656	39,001	20,475	21,059	11,028	12,514	35,843	9,962	7,982	15,779	7,415	11,369	209,083
All other liabilities	3,444	33,615	3,198	4,073	1,888	2,142	9,904	2,324	1,896	2,401	1,790	3,887	70,562
TOTAL LIABILITIES	516,721	1,872,374	492,647	613,326	273,837	245,247	984,118	267,514	171,700	283,418	195,898	436,433	6,353,233

Ratio of total reserves to net deposit and F.R.

note liabilities combined, per cent 44.6 39.5 50.1 46.8 45.2 40.2 43.7 40.6 39.2 40.8 41.0 44.6 42.8

M E M O R A N D A

Contingent liability as endorser on -

Discounted paper rediscounted with other F. R. Banks	-	34,600	-	-	20,000	31,711	-	26,172	18,777	22,842	39,097	-	193,199
Bankers' acceptances sold to other F.R.Banks without endorsement	-	20,064	-	-	-	-	2,615	-	-	-	-	-	22,679
Contingent liability on bills purchased for foreign correspondents	1,168	6,076	1,280	1,312	784	576	1,904	752	432	768	416	736	16,204

FEDERAL RESERVE NOTES OUTSTANDING AND IN ACTUAL CIRCULATION

F. R. notes outstanding	317,951	964,867	284,148	362,675	143,809	151,633	613,779	150,183	80,423	110,871	87,660	281,042	3,549,041
F. R. notes held by banks	10,872	100,428	8,094	12,117	6,206	5,287	55,444	18,020	901	4,363	3,093	28,930	253,755
F. R. notes in actual circulation	307,079	864,439	276,054	350,558	137,603	146,346	558,335	132,163	79,522	106,508	84,567	252,001	3,295,175

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	1,608,558	268,947	512,529	253,001	32,164	2,675,199
Bills bought in open market	112,627	67,941	107,939	28,475	-	316,982
U. S. Certificates of indebtedness	84,560	17,195	25,029	16,700	188,942	332,426

FEDERAL RESERVE AGENTS' ACCOUNTS AT CLOSE OF BUSINESS SEPTEMBER 10, 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
R E S O U R C E S													
Federal Reserve notes on hand	42,000	143,000	32,740	24,725	24,599	67,950	56,280	15,920	8,025	5,430	12,560	5,380	438,609
Federal Reserve notes outstanding	317,951	964,867	284,148	362,675	143,809	151,633	613,779	150,183	80,423	110,871	87,660	281,042	3,549,041
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	18,064	14,574	16,752	19,667	3,294	5,414	8,700	3,058	1,615	2,644	6,395	17,092	117,269
Gold settlement fund-F.R.Board	96,000	45,000	101,389	100,000	45,500	46,000	152,144	40,231	16,200	36,360	8,734	68,187	755,745
Eligible paper -													
Amount required	202,987	695,686	166,007	210,983	95,015	97,719	452,935	103,084	49,556	71,867	60,200	195,763	2,401,802
Excess amount held	10,226	271,844	9,269	38,153	16,396	23,831	26,955	13,072	19,844	39,868	14,923	13,289	497,670
TOTAL	688,128	2,344,578	610,305	788,228	328,613	395,047	1,310,793	329,358	188,715	267,040	202,803	580,753	8,034,361
L I A B I L I T I E S													
Federal Reserve notes received from Comptroller - gross	642,300	2,263,660	641,240	662,040	361,880	374,000	1,118,440	360,620	173,080	246,620	181,820	499,440	7,525,140
Less amounts returned for destruction	282,349	1,155,793	324,352	274,640	193,472	154,417	448,381	194,517	84,632	130,319	81,600	213,018	3,537,490
Net amount of Federal Reserve notes received from Comptroller of the Currency	359,951	1,107,867	316,888	387,400	168,408	219,583	670,059	166,103	88,448	116,301	100,220	286,422	3,987,650
Collateral received from Federal Reserve Bank:													
Gold	114,964	269,181	118,141	151,692	48,794	53,914	160,844	47,099	30,867	39,004	27,460	85,279	1,147,239
Eligible paper	213,213	967,530	175,276	249,136	111,411	121,550	479,890	116,156	69,400	111,735	75,123	209,052	2,899,472
TOTAL	688,128	2,344,578	610,305	788,228	328,613	395,047	1,310,793	329,358	188,715	267,040	202,803	580,753	8,034,361