

STATEMENT FOR THE PRESS

Released for publication
Friday morning, June 17;
not earlier.

St. 2058
Federal Reserve Board
June 16, 1921.

CONDITION OF FEDERAL RESERVE BANKS.

Aggregate reductions of over \$200,000,000 in the bill holdings of the Federal Reserve banks, more than offset, however, by an increase of nearly \$300,000,000 in special certificates taken by the banks to cover temporary advances to the Treasury, accompanied by an increase of \$194,000,000 in deposits and a further reduction of \$36,000,000 in Federal Reserve note circulation, are indicated in the Federal Reserve Board's weekly bank statement issued as at close of business on June 15, 1921.

Government operations on that date included the redemption of over \$400,000,000 of tax certificates, the payment of semi-annual interest on First Liberty bonds and on Victory notes, the handling of income and excess profits tax payments and the issuance of a series of 3-year Treasury notes and of another series of 1-year tax certificates, aggregating each over \$300,000,000.

Redemption of Treasury certificates enabled member banks to liquidate considerably their indebtedness to the Federal Reserve Banks. Accordingly loans secured by Government obligations held by the Reserve banks declined by \$82,700,000, while other discounted bills on hand declined by about \$106,000,000. Holdings of acceptances purchased in open market fell off \$16,300,000, while Pittman certificates on deposit with the Treasury to secure Federal Reserve bank note circulation decreased by \$3,000,000. All the banks, except that of Minneapolis, report advances to the Government pending receipt of funds from depository institutions, the total amounting to about \$300,000,000 covered by special certificates. In consequence of the above changes total earning assets of the Reserve banks show an increase of \$93,200,000 and on June 15 stood at \$2,318,800,000, or about 24 per cent below the total reported on June 18 of last year.

Of the total holdings of \$664,300,000 of paper secured by United States Government obligations, \$450,900,000, or 67.9 per cent were secured by Liberty and other U. S. bonds; \$181,300,000, or 27.3 per cent - by Victory notes; over \$31,000,000, or 4.7 per cent, - by Treasury certificates and \$1,100,000 by newly issued Treasury notes, compared with \$483,500,000, \$213,500,000 and \$50,000,000 shown the week before.

During the week under review, the amount of Federal Reserve inter-bank accommodation increased from \$25,000,000 to \$37,500,000, of which over \$30,000,000 is held by New York for the Richmond and Minneapolis Reserve banks and the remainder by Boston for the Dallas Reserve bank.

As against a further reduction of \$5,700,000 in Government deposits reserve deposits show an increase of \$182,400,000, and other deposits, composed largely of non-members' clearing accounts and cashier's checks - an increase of \$17,500,000. Federal Reserve note circulation shows a further decline for the week of \$36,300,000, the June 15 total of \$2,674,400,000 being 21 per cent below the peak figure of December 23, 1920, and \$430,400,000, or about 14 per cent, below the total reported on June 18 of last year. Federal Reserve bank net liabilities on Federal reserve bank notes in circulation show a decrease of \$6,000,000 to \$135,000,000, compared with \$183,900,000 about a year ago.

The banks report a further gain for the week of \$14,900,000 of gold, also a gain of \$8,200,000 of other reserve cash. Notwithstanding the substantial gains in cash reserves and the reduction in Federal Reserve note circulation, the reserve ratio of the banks, because of the much larger increase in deposit liabilities, shows a decline for the week from 58.3 to 56.8 per cent.

RESOURCES AND LIABILITIES
OF THE TWELVE FEDERAL RESERVE BANKS COMBINED.

(In thousands of dollars)

R E S O U R C E S

	June 15, 1921	June 8, 1921	June 18, 1920
Gold and gold certificates	311,017	297,476	162,878
Gold settlement fund - F.R. Board	456,211	521,539	400,833
Gold with foreign agencies	-	-	111,531
<u>Total gold held by banks</u>	<u>767,228</u>	<u>819,015</u>	<u>675,242</u>
Gold with Federal Reserve Agents	1,550,817	1,460,358	1,161,784
Gold redemption fund	127,523	151,299	125,295
<u>Total gold reserves</u>	<u>2,445,568</u>	<u>2,430,672</u>	<u>1,962,321</u>
Legal tender notes, silver, etc.	170,056	161,874	138,579
<u>Total reserves</u>	<u>2,615,624</u>	<u>2,592,546</u>	<u>2,100,900</u>
 Bills discounted:			
Sec. by U.S. Government obligations . .	664,296	747,006	1,231,841
All other	1,043,383	1,149,353	1,064,296
Bills bought in open market	53,200	69,501	398,591
<u>Total bills on hand</u>	<u>1,760,879</u>	<u>1,965,860</u>	<u>2,694,728</u>
U. S. bonds and notes	35,066	32,685	26,864
U. S. Certificates of indebtedness:			
One-year certificates (Pittman Act) . .	222,375	225,375	259,375
All other	300,513	1,652	87,716
<u>Total earning assets</u>	<u>2,318,833</u>	<u>2,225,572</u>	<u>3,068,683</u>
Bank premises	24,442	23,842	13,254
5% Redemption fund against			
F. R. Bank notes	10,176	10,449	12,110
Uncollected items	722,766	541,495	348,863
All other resources	15,338	13,482	9,167
<u>TOTAL RESOURCES</u>	<u>5,707,179</u>	<u>5,407,386</u>	<u>6,152,977</u>

L I A B I L I T I E S

Capital paid in	102,156	102,066	94,462
Surplus	202,036	202,036	120,120
Reserved for Gov't. franchise tax . . .	39,057	38,057	-
Deposits:			
Government	14,597	20,261	56,256
Member bank - reserve account	1,866,455	1,684,075	1,800,117
All other	48,175	30,721	77,485
<u>Total deposits</u>	<u>1,929,227</u>	<u>1,735,057</u>	<u>1,933,858</u>
F.R. notes in actual circulation	2,674,435	2,710,723	3,104,810
F.R. Bank notes in circulation -			
net liability	135,050	141,054	183,904
Deferred availability items	594,207	447,357	633,722
All other liabilities	31,011	31,036	82,101
<u>TOTAL LIABILITIES</u>	<u>5,707,179</u>	<u>5,407,386</u>	<u>6,152,977</u>

Ratio of total reserves to deposit and			
F.R. note liabilities combined	56.8%	58.3%	*44.5%
Ratio of gold reserves to F.R. notes			
in circulation after setting aside			
35% against deposit liabilities	72.6%	73.2%	*49.4%

*Calculated on basis of net deposits and F.R. notes in circulation.

Released for publication Friday morning, June 17, 1921; not earlier.

RESOURCES AND LIABILITIES OF THE FEDERAL RESERVE BANKS AT CLOSE OF BUSINESS JUNE 15, 1921

St. 2058b

	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	7,782	227,729	2,025	5,985	2,710	4,389	19,936	2,722	8,344	2,038	8,427	18,930	311,017
Gold settlement fund - F. R. Board	30,584	99,614	32,730	46,318	22,679	10,284	106,615	16,402	9,312	35,882	3,731	42,060	456,211
Total gold held by banks	38,366	327,343	34,755	52,303	25,389	14,673	126,551	19,124	17,656	37,920	12,158	60,990	767,228
Gold with F. R. Agents	179,997	460,152	128,289	193,758	37,030	66,874	232,097	53,561	21,049	34,074	14,588	129,348	1,550,817
Gold redemption fund	18,262	36,000	13,191	5,022	11,294	4,943	15,589	5,069	2,383	3,229	3,924	8,617	127,523
Total gold reserves	236,625	823,495	176,235	251,083	73,713	86,490	374,237	77,754	41,088	75,223	30,670	198,955	2,445,568
Legal tender notes, silver, etc.	18,464	86,826	5,019	6,894	3,568	6,519	17,536	12,522	894	3,400	5,583	2,831	170,056
Total reserves	255,089	910,321	181,254	257,977	77,281	93,009	391,773	90,276	41,982	78,623	36,253	201,786	2,615,624
Bills discounted: (a)													
Secured by U.S. Gov't obligations	37,547	196,166	104,111	38,346	30,704	38,131	104,924	30,623	7,544	22,580	10,226	43,394	664,296
All other	53,934	217,935	34,969	93,127	68,788	62,605	191,655	46,385	61,628	54,258	51,604	106,495	1,043,383
Bills bought in open market	10,051	17,111	8,149	4,443	2,993	1,108	4,924	372	-	25	171	3,353	53,200
Total bills on hand	101,532	431,212	147,229	135,916	102,485	101,844	301,503	77,380	69,172	76,863	62,001	153,742	1,760,879
U. S. bonds and notes	555	3,130	1,734	844	1,233	8,739	4,490	1,153	137	8,868	3,979	204	35,066
U. S. Certificates of indebtedness:													
One year certificates (Pittman Act)	18,936	54,276	26,780	21,799	9,260	14,564	36,112	11,568	7,980	8,320	2,900	9,880	222,375
All other	18,348	183,000	19,975	39,009	1,001	2,013	16,915	10,139	32	79	2,000	8,002	300,513
Total earning assets	139,371	671,618	195,718	197,568	113,979	127,160	359,020	100,240	77,321	94,130	70,880	171,828	2,318,833
Bank premises	3,602	5,126	528	2,081	2,025	752	3,876	627	657	2,649	1,960	559	24,442
5% Redemption fund against													
F. R. Bank notes	772	2,063	700	1,239	463	521	1,899	523	175	916	361	544	10,176
Uncollected items	59,823	161,101	67,426	68,377	49,104	25,062	105,849	34,138	18,745	53,024	25,353	54,764	722,766
All other resources	574	4,406	831	999	547	748	2,496	645	229	542	649	3,160	15,826
TOTAL RESOURCES	459,231	1,754,635	446,457	528,241	243,399	247,252	864,913	226,449	139,109	229,884	135,456	432,153	5,707,179
(a) Includes bills discounted for other F. R. Banks, viz:	7,408	30,050	-	-	-	-	-	-	-	-	-	-	37,458

Released for publication Friday morning, June 17, 1921; not earlier.

RESOURCES AND LIABILITIES OF THE FEDERAL RESERVE BANKS AT CLOSE OF BUSINESS JUNE 15, 1921.

St. 2058c.

(In thousands of dollars)

LIABILITIES

Federal Reserve Bank	Boston	New York	Phila.	Clevel.	Richm.	Atlanta	Chicago	St. Louis	Minn.	Kans. Cy.	Dallas	San Fran.	Total
Capital paid in	7,911	26,894	8,616	11,047	5,413	4,095	14,249	4,498	3,550	4,355	4,218	7,310	102,156
Surplus	15,711	56,414	17,010	20,305	10,561	8,343	28,980	8,346	6,980	9,159	6,033	14,194	202,036
Reserved for Govt. franchise tax	2,115	16,358	2,497	1,294	1,461	2,450	7,397	717	1,299	1,494	-	1,975	39,057
Deposits:													
Government	107	209	1,303	165	1,078	870	717	1,371	1,183	6,012	1,070	512	14,597
Member bank - reserve account	117,907	789,073	105,406	155,958	52,545	45,161	258,537	64,985	42,459	72,281	44,230	117,913	1,866,455
All other	1,483	23,728	1,954	1,746	543	449	4,828	1,292	798	1,301	558	9,495	48,175
Total deposits	119,497	813,010	108,663	157,869	54,166	46,480	264,082	67,648	44,440	79,594	45,858	127,920	1,929,227
F. R. notes in actual circulation	251,032	688,966	226,633	259,509	122,516	154,333	448,997	104,272	59,765	80,216	48,213	229,983	2,674,435
F. R. Bank notes in circulation - net liability	10,856	24,335	11,078	17,477	6,172	10,442	19,356	6,242	5,314	12,739	4,308	6,731	135,050
Deferred availability items	50,312	121,580	70,159	57,515	41,623	20,048	77,197	32,914	16,256	40,818	24,608	41,177	594,207
All other liabilities	1,797	7,078	1,801	3,225	1,487	1,061	4,655	1,812	1,505	1,509	2,218	2,863	31,011
TOTAL LIABILITIES	459,231	1,754,635	446,457	528,241	243,399	247,252	864,913	226,449	139,109	229,884	135,456	432,153	5,707,179

MEMORANDA

Ratio of total reserves to deposit and F.R. note liabilities combined, per cent	68.8	60.6	54.1	61.8	43.7	46.3	54.9	52.5	40.3	49.2	38.5	56.4	56.8
Contingent liability as endorser on discounted paper rediscounted with other F. R. Banks	-	-	-	-	20,000	-	-	-	10,050	-	7,408	-	37,458
Contingent liability on bills purchased for foreign correspondents	2,336	41,450	2,560	2,624	1,568	1,152	3,808	1,504	864	1,536	832	1,472	61,706

FEDERAL RESERVE NOTES OUTSTANDING AND IN ACTUAL CIRCULATION

F. R. notes outstanding	269,554	836,448	245,156	283,615	128,515	162,256	496,252	125,765	61,865	89,611	51,741	279,272	3,030,050
F. R. notes held by banks	18,522	147,482	18,523	24,106	5,999	7,923	47,255	21,493	2,100	9,395	3,528	49,289	355,615
F. R. notes in actual circulation	251,032	688,966	226,633	259,509	122,516	154,333	448,997	104,272	59,765	80,216	48,213	229,983	2,674,435

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	986,528	186,993	261,852	190,103	82,203	1,707,679
Bills bought in open market	28,520	10,781	10,237	3,662	-	53,200
U. S. Certificates of indebtedness	301,500	3,947	13,120	25,736	178,585	522,888

Released for publication Friday morning, June 17, 1921; not earlier.

St.2058d.

FEDERAL RESERVE AGENTS' ACCOUNTS AT CLOSE OF BUSINESS JUNE 15, 1921.

(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
Federal Reserve notes on hand	96,830	271,200	21,420	42,640	22,168	70,237	169,960	27,480	12,815	4,580	27,067	40,740	807,137
Federal Reserve notes outstanding	269,554	836,448	245,156	283,615	128,515	162,256	496,252	125,765	61,865	89,611	51,741	279,272	3,030,050
Collateral security for Federal Reserve notes outstanding:													
Gold and gold certificates	5,600	286,925	-	23,775	-	3,500	-	6,110	13,052	-	6,131	-	345,093
Gold redemption fund	14,397	22,227	12,900	14,983	2,030	4,374	17,452	2,020	2,797	3,714	4,223	20,024	121,141
Gold settlement fund-F.R.Board	160,000	151,000	115,389	155,000	35,000	59,000	214,645	45,431	5,200	30,360	4,234	109,324	1,084,583
Eligible paper:													
Amount required	89,557	376,296	116,867	89,857	91,485	95,382	264,155	72,204	40,816	55,537	37,153	149,924 ¹	1,479,233 ³
Excess amount held	11,975	19,106	2,504	45,759	8,566	6,457	37,167	4,999	27,299	21,317	24,367	1,699 ¹⁰	211,615 ⁵
TOTAL	647,913	1,963,202	514,236	655,629	287,764	401,206	1,199,631	284,009	163,844	205,119	154,916	600,983¹⁰	7,078,452⁵
L I A B I L I T I E S													
Net amount of Federal Reserve notes received from Comptroller of the Currency	366,384	1,107,648	266,576	326,255	150,683	232,493	666,212	153,245	74,680	94,191	78,808	320,012	3,837,187
Collateral received from Federal Reserve Bank:													
Gold	179,997	460,152	128,289	193,758	37,030	66,874	232,097	53,561	21,049	34,074	14,568	129,348 ¹	1,550,817 ⁵
Eligible paper	101,532	395,402	119,371	135,616	100,051	101,839	301,322	77,203	68,115	76,854	61,520	151,623	1,690,448
TOTAL	647,913	1,963,202	514,236	655,629	287,764	401,206	1,199,631	284,009	163,844	205,119	154,916	600,983¹⁰	7,078,452⁵