

STATEMENT FOR THE PRESS

Released for publication
Friday morning, Sept. 9;
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St. 2258
Federal Reserve Board
September 8, 1921.

CONDITION OF FEDERAL RESERVE BANKS

Aggregate increases of \$36,100,000 in Federal reserve note circulation largely to meet the demand for additional currency during the recent holiday period, accompanied by commensurate increases in bill and certificate holdings, are indicated in the Federal Reserve Board's consolidated weekly bank statement issued as at close of business on September 7, 1921. There is also reported an increase of \$27,300,000 in total deposits while cash reserves show a further gain of \$15,400,000, nearly all in gold. The banks' reserve ratio, in consequence of the above changes, shows a decline for the week from 66.8 to 66.2 per cent.

Federal reserve bank holdings of bills secured by U. S. Government obligations show a reduction for the week of \$5,900,000, other discounted bills increased by \$22,500,000, while holdings of acceptances purchased in open market went up \$9,600,000. Pittman certificates used as cover for Federal reserve bank note circulation showed a further decrease of \$3,000,000, while other certificates on hand, following the purchase in open market by the New York Reserve Bank of \$15,500,000 of loan and tax certificates of various maturities, show an increase for the week of \$14,700,000. A slight decrease is shown in the holdings of U. S. bonds and Victory notes. Total earning assets, in consequence of the changes noted, were \$37,700,000 larger than the week before, aggregating \$1,795,200,000, or 46.4 per cent below the total reported on the corresponding date last year.

Of the total holdings of \$539,300,000 of paper secured by United States Government obligations, \$355,900,000, or 66.0 per cent, were secured by Liberty and other U. S. bonds, \$154,500,000, or 28.6 per cent - by Victory notes, \$2,800,000, or .5 per cent - by Treasury notes, and \$26,100,000, or 4.9 per cent - by Treasury certificates, compared with \$374,800,000, \$140,400,000, \$3,200,000 and \$26,800,000 reported the week before.

Discounted paper held by the Boston, New York and Cleveland banks includes \$69,600,000 of bills discounted for the Richmond, Atlanta, Minneapolis and Dallas reserve banks, compared with \$68,300,000 reported on the previous Wednesday. Richmond shows an increase from \$20,000,000 to \$24,900,000 in bills rediscounted with the New York reserve bank, and Atlanta reports an increase from \$8,900,000 to \$9,700,000 in bills rediscounted with the Boston and Cleveland banks. On the other hand, bills rediscounted by Minneapolis with the New York reserve bank show a reduction from \$14,800,000 to \$11,000,000, while rediscounts of the Dallas bank with the Boston and Cleveland reserve banks decreased from \$24,600,000 to \$24,100,000.

Government deposits were \$13,900,000 larger than the week before, reserve deposits show an increase of \$13,200,000, while other deposits, composed largely of non-members' clearing accounts and cashier's checks, show a nominal increase.

Increases in Federal reserve note circulation are reported by all the reserve banks, though these increases were by no means uniform throughout the country. Of the total increase of \$36,100,000 for the week, about 83 per cent represents the combined share of the New York, Chicago, San Francisco and Boston banks. Aggregate liabilities of the reserve banks on Federal reserve bank notes in circulation show a further decrease for the week of \$2,100,000 and on September 7 stood at \$107,800,000, a decrease of \$101,300,000 for the past twelve months, compared with a decrease of \$68,500,000 in Pittman certificates for the same period.

RESOURCES AND LIABILITIES
OF THE TWELVE FEDERAL RESERVE BANKS COMBINED.

(In thousands of dollars)

R E S O U R C E S

	Sept. 7, 1921	Aug. 31, 1921	Sept. 10, 1920
Gold and gold certificates	430,585	413,900	150,990
Gold settlement fund - F.R. Board	438,590	428,075	428,768
Gold with foreign agencies	-	-	111,455
<u>Total gold held by banks</u>	869,175	841,975	691,213
Gold with Federal Reserve Agents	1,677,195	1,694,523	1,147,239
Gold redemption fund	110,008	104,563	137,774
<u>Total gold reserves</u>	2,656,378	2,641,061	1,976,226
Legal tender notes, silver, etc.	146,876	146,859	155,021
<u>Total reserves</u>	2,803,254	2,787,920	2,131,247
Bills discounted:			
Sec. by U.S. Government obligations.	539,293 ³³³	545,176	1,299,123
All other	969,104 ⁵	946,759	1,376,076
Bills bought in open market	44,920	35,320	316,982
<u>Total bills on hand</u>	1,553,407	1,527,255	2,992,181
U.S. bonds and notes	33,813	34,008	26,876
U.S. Certificates of indebtedness:			
One-year certificates (Pittman Act).	190,875	193,875	259,375
All other	17,084	2,350	73,051
<u>Total earning assets</u>	1,795,179	1,757,488	3,351,483
Bank premises	27,700	27,509	15,086
5% Redemption fund against			
F. R. Bank notes	9,221	9,539	11,788
Uncollected items	494,667	455,897	835,945
All other resources	18,101	17,470	7,684
<u>TOTAL RESOURCES</u>	5,148,122	5,055,823	6,353,233

L I A B I L I T I E S

Capital paid in	103,073	103,050	97,191
Surplus	213,824	213,824	164,745
Reserved for Gov't. franchise tax	49,099	48,061	-
Deposits:			
Government	60,701	46,809	30,975
Member bank - reserve account	1,632,135	1,618,901	1,828,924
All other	25,232	25,044	38,793
<u>Total deposits</u>	1,718,068	1,690,754	1,898,692
F.R. notes in actual circulation	2,517,563	2,481,466	3,295,185
F.R. Bank notes in circulation -			
net liability	107,759	109,864	209,073
Deferred availability items	418,553	389,362	617,785
All other liabilities	20,183	19,442	70,562
<u>TOTAL LIABILITIES</u>	5,148,122	5,055,823	6,353,233
Ratio of total reserves to deposit and			
F.R. note liabilities combined	66.2%	66.8%	*42.8%
Ratio of gold reserves to F.R. notes			
in circulation after setting aside			
35% against deposit liabilities	87.5%	88.5%	*46.8%

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

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RESOURCES AND LIABILITIES OF THE FEDERAL RESERVE BANKS AT CLOSE OF BUSINESS SEPT. 7, 1921.

St.22586.

(In thousands of dollars)

	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 Bank of													
Gold and gold certificates	8,074	341,497	2,152	6,663	2,741	4,955	21,947	3,043	8,756	2,205	7,915	20,637	430,585
Gold settlement fund - F.R.Board	44,432	46,052	51,952	57,923	18,895	5,643	106,308	16,610	9,270	43,764	5,443	32,298	438,590
Total gold held by banks	52,506	387,549	54,104	64,586	21,636	10,598	128,255	19,653	18,026	45,969	13,358	52,935	869,175
Gold with F. R. Agents	165,271	501,848	150,960	184,444	32,650	46,783	314,536	57,123	18,664	36,599	9,229	159,088	1,677,195
Gold redemption fund	28,412	15,000	8,542	5,359	8,475	5,621	16,675	3,438	2,365	2,965	3,768	9,388	110,008
Total gold reserves	246,189	904,397	213,606	254,389	62,761	63,002	459,466	80,214	39,055	85,533	26,355	221,411	2,656,378
Legal tender notes, silver, etc.	16,308	58,090	6,574	6,922	4,173	7,759	18,546	13,322	584	4,059	6,454	4,085	146,876
Total reserves	262,497	962,487	220,180	261,311	66,934	70,761	478,012	93,536	39,639	89,592	32,809	225,496	2,803,254
Bills discounted: (a)													
Secured by U.S. Govt. obligations	31,771	151,038	76,937	46,457	124,706	35,248	67,653	28,722	8,996	18,386	9,174	40,205	539,293
All other	65,853	219,389	26,246	87,913	72,196	64,838	145,581	45,106	62,380	45,649	45,363	88,690	969,104
Bills bought in open market	3,246	25,910	2,288	2,250	2,271	1,446	2,656	374	-	918	42	3,519	44,920
Total bills on hand	100,870	396,337	105,471	136,620	99,173	101,532	215,890	74,202	71,376	64,953	54,569	132,414	1,553,407
U. S. bonds and notes	556	1,005	1,449	844	1,233	10,359	4,490	1,153	124	8,868	3,529	203	33,813
U. S. Certificates of indebtedness:													
One-year certificates (Pittman Act)	17,436	50,776	23,280	19,799	5,260	8,564	31,612	11,068	4,980	7,320	1,900	8,880	190,875
All other	315	15,550	117	3	-	1	822	176	89	-	-	11	17,084
Total earning assets	119,177	463,668	130,317	157,266	105,666	120,456	252,814	86,599	76,569	81,141	59,998	141,508	1,795,179
Bank premises	4,059	5,531	533	2,733	2,352	854	4,478	627	659	3,219	2,017	638	27,700
5% Redemption fund against													
F. R. Bank notes	772	1,684	700	1,239	263	467	1,799	523	178	916	186	494	9,221
Uncollected items	42,492	99,183	42,611	43,204	37,764	17,964	67,601	30,003	15,304	42,703	23,683	32,155	494,667
All other resources	430	3,076	442	1,004	591	910	1,959	826	553	469	2,033	5,808	18,101
TOTAL RESOURCES	429,427	1,535,629	394,783	466,757	213,570	211,412	806,663	212,114	132,902	218,040	120,726	406,099	5,148,122
(a) Includes bills discounted for													
other F. R. Banks, viz:	24,103	35,875	-	9,625	-	-	-	-	-	-	-	-	69,603

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RESOURCES AND LIABILITIES OF THE FEDERAL RESERVE BANKS AT CLOSE OF BUSINESS SEPT. 7, 1921.

St.2258c.

(In thousands of dollars)													
L I A B I L I T I E S													
Federal Reserve Bank	Boston	New York	Phila.	Clevel.	Ricm.	Atlanta	Chicago	St.Louis	Minn.	Kans.Cy.	Dallas	San Fran.	Total
Capital paid in	7,935	27,069	8,683	11,131	5,389	4,132	14,324	4,567	3,553	4,537	4,317	7,436	103,073
Surplus	16,342	59,318	17,564	22,263	11,026	8,708	30,536	9,114	7,303	9,330	7,113	15,207	213,824
Reserved for Govt. franchise tax	2,536	19,280	3,210	2,264	2,239	3,305	9,061	1,198	1,780	1,722	-	2,504	49,099
Deposits:													
Government	8,503	16,467	6,445	4,060	1,119	1,963	10,179	2,373	3,148	2,957	1,738	1,749	60,701
Member bank - reserve account	105,679	643,657	96,348	135,607	49,963	42,511	233,878	60,951	41,239	70,496	39,094	112,712	1,632,135
All Other	1,034	12,841	1,017	733	424	479	2,195	766	541	524	516	4,162	25,232
Total deposits	115,216	672,965	103,810	140,400	51,506	44,953	246,252	64,090	44,928	73,977	41,348	118,623	1,718,068
F. R. notes in actual circulation	244,906	647,337	213,818	235,728	107,740	128,962	438,117	98,936	57,140	75,063	39,409	230,407	2,517,563
F. R. Bank notes in circulation- net liability	7,116	27,541	7,287	12,485	4,660	7,091	12,420	5,537	3,531	12,868	3,137	4,086	107,759
Deferred availability items	34,141	77,661	39,456	41,152	29,840	13,334	52,600	27,575	13,454	39,377	24,008	25,955	418,553
All other liabilities	1,235	4,458	955	1,334	1,170	927	3,353	1,097	1,213	1,166	1,394	1,881	20,183
TOTAL LIABILITIES	429,427	1,535,629	394,783	466,757	213,570	211,412	806,663	212,114	132,902	218,040	120,726	406,099	5,148,122
Ratio of total reserves to deposit and F.R. note liabilities combined, per cent	72.9	72.9	69.3	69.5	42.0	40.7	69.8	57.4	38.8	60.1	40.6	64.6	66.2
Contingent liability as endorser on discounted paper rediscounted with other F. R. Banks	-	-	-	-	24,861	9,669	-	-	11,014	-	24,059	-	69,603
Contingent liability on bills purchased for foreign correspondents	2,490	12,713	2,729	2,797	1,672	1,228	4,060	1,603	921	1,638	887	1,569	34,307
FEDERAL RESERVE NOTES OUTSTANDING AND IN ACTUAL CIRCULATION													
F. R. notes outstanding	258,748	779,350	238,628	256,041	114,835	133,764	480,970	121,348	59,110	82,515	42,771	284,231	2,852,311
F. R. notes held by banks	13,842	132,013	24,810	20,313	7,095	4,802	42,853	22,412	1,970	7,452	3,362	53,824	334,748
F. R. notes in actual circulation	244,906	647,337	213,818	235,728	107,740	128,962	438,117	98,936	57,140	75,063	39,409	230,407	2,517,563
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	878,094	172,739		275,915		153,695		28,044		1,508,487			
Bills bought in open market	27,234	6,243		7,804		3,579		-		44,920			
U. S. Certificates of indebtedness	20,430	23,689		16,063		15,799		131,978		207,959			

FEDERAL RESERVE AGENTS' ACCOUNTS AT CLOSE OF BUSINESS SEPT. 7, 1921.

St.2258d.

(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	96,910	311,500	20,620	43,000	21,649	78,638	167,900	28,160	10,885	3,840	24,932	28,260	836,294
Federal Reserve notes outstanding	258,748	779,350	238,628	256,041	114,835	133,764	480,970	121,348	59,110	82,515	42,771	284,231	2,852,311
Collateral security for Federal Reserve notes outstanding:													
Gold and gold certificates	5,600	346,924	-	23,775	-	3,400	-	6,110	13,052	-	3,877	-	402,738
Gold redemption fund	19,671	18,924	12,571	15,669	1,650	4,683	14,892	4,082	1,412	3,239	2,118	14,931	113,842
Gold settlement fund-F.R.Board	140,000	136,000	138,389	145,000	31,000	38,700	299,644	46,931	4,200	33,360	3,234	144,157	1,160,615
Eligible paper -													
Amount required	93,477	277,502	87,668	71,597	82,185	86,981	166,434	64,225	40,446	45,916	33,542	125,143	1,175,116
Excess Amount held	7,393	92,446	3,381	64,809	14,077	14,541	48,762	9,953	30,020	19,002	20,878	6,809	332,071
TOTAL	621,799	1,962,646	501,257	619,891	265,396	360,707	1,178,602	280,809	159,125	187,872	131,352	603,531	6,872,987
L I A B I L I T I E S													
Net amount of Federal Reserve notes received from Comptroller of the Currency	355,658	1,090,850	259,248	299,041	136,484	212,402	648,870	149,508	69,995	86,355	67,703	312,491	3,688,605
Collateral received from Federal Reserve Bank:													
Gold	165,271	501,848	150,960	184,444	32,650	46,783	314,536	57,123	18,664	36,599	9,229	159,088	1,677,195
Eligible paper	100,870	369,948	91,049	136,406	96,262	101,522	215,196	74,178	70,466	64,918	54,420	131,952	1,507,187
TOTAL	621,799	1,962,646	501,257	619,891	265,396	360,707	1,178,602	280,809	159,125	187,872	131,352	603,531	6,872,987