

STATEMENT FOR THE PRESS

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St. 2274.
Federal Reserve Board
September 15, 1921.

CONDITION OF FEDERAL RESERVE BANKS

Aggregate gains of \$28,100,000 of gold and of \$3,100,000 of other cash reserves, accompanied by reductions of \$25,900,000 in Federal reserve note circulation and of \$12,300,000 in deposits, are indicated in the Federal Reserve Board's weekly consolidated bank statement issued as at close of business on September 14, 1921. The banks' reserve ratio, in consequence of the above changes, shows a rise from 66.2 to 67.5 per cent.

Federal reserve bank holdings of bills secured by United States Government obligations show a further reduction for the week of \$35,600,000, other discounted bills decreased by \$44,700,000, while holdings of acceptances purchased in open market fell off \$4,200,000. Pittman certificates used as cover for Federal reserve bank note circulation show a decrease of \$3,000,000, while other certificates on hand, in consequence of purchases made in open market by the New York bank, show an increase for the week of \$2,700,000. Slight decreases are shown in the holdings of U. S. bonds and Victory notes. Total earning assets in consequence of the changes noted were \$84,900,000 less than the week before, the September 14 total of \$1,710,300,000 being 47.4 per cent below the total reported on the corresponding date last year.

Of the total holdings of \$503,700,000 of paper secured by United States Government obligations, \$345,200,000, or 68.5 per cent, were secured by Liberty and other U. S. bonds, \$132,900,000, or 26.4 per cent, - by Victory notes, \$3,800,000, or .8 per cent, - by Treasury notes and \$21,800,000, or 4.3 per cent, by Treasury certificates, compared with \$355,900,000, \$154,500,000, \$2,800,000 and \$26,100,000 reported the week before.

The total of discounted paper held by the Boston, New York and Cleveland banks includes \$71,000,000 of bills discounted for the Richmond, Atlanta, Minneapolis and Dallas reserve banks, compared with \$69,600,000 shown on the previous Wednesday. Richmond's rediscounts with the New York reserve bank show an increase from \$24,900,000 to about \$25,000,000, while Atlanta reports an increase from \$9,700,000 to \$12,700,000 in bills rediscounted with the Boston and Cleveland banks. Bills discounted by Minneapolis with the New York reserve bank show a further reduction from \$11,000,000 to about \$9,100,000, while rediscounts of the Dallas bank with the Boston and Cleveland reserve banks show a slight increase from \$24,100,000 to \$24,300,000.

Government deposits were \$11,500,000 less than the week before, reserve deposits show a decline of \$1,100,000, while other deposits, composed largely of non-members' clearing accounts and cashier's checks, show a nominal increase.

As against an increase of \$36,100,000 in Federal reserve note circulation for the preceding week to meet the holiday demand for currency, the week under review saw a return flow to the reserve banks of \$25,900,000, reducing Federal reserve note circulation to \$2,491,700,000, a decrease of nearly 25 per cent from the total for the corresponding date in 1920. There was also a decrease of \$4,700,000 in the banks' aggregate liabilities on Federal reserve bank notes in circulation, the September 14 total of \$103,100,000 being less than one-half the corresponding total in 1920.

Total gold reserves on September 14 were \$2,684,500,000, indicating a gain since January 1 of \$621,700,000, as against a loss of \$40,900,000 in other cash reserves, i. e., silver and legals.

RESOURCES AND LIABILITIES
OF THE TWELVE FEDERAL RESERVE BANKS COMBINED.

(In thousands of dollars)

RESOURCES

	Sept. 14, 1921	Sept. 7, 1921	Sept. 17, 1920
Gold and gold certificates	446,642	430,585	164,529
Gold settlement fund - F.R. Board . . .	441,109	438,590	331,308
Gold with foreign agencies	-	-	111,455
<u>Total gold held by banks</u>	<u>887,751</u>	<u>869,175</u>	<u>607,292</u>
Gold with Federal Reserve Agents . . .	1,694,301	1,677,195	1,237,942
Gold redemption fund	102,449	110,008	127,893
<u>Total gold reserves</u>	<u>2,684,501</u>	<u>2,656,378</u>	<u>1,973,127</u>
Legal tender notes, silver, etc. . . .	150,001	146,876	160,018
<u>Total reserves</u>	<u>2,834,502</u>	<u>2,803,254</u>	<u>2,133,145</u>
Bills discounted:			
Sec. by U.S. Government obligations.	503,677	539,333	1,202,593
All other	924,435	969,154	1,306,610
Bills bought in open market	40,712	44,920	321,605
<u>Total bills on hand</u>	<u>1,468,874</u>	<u>1,553,407</u>	<u>2,830,808</u>
U.S. bonds and notes	33,729	33,813	26,874
U.S. Certificates of indebtedness:			
One-year certificates (Pittman Act)	187,875	190,875	259,375
All other	19,803	17,084	134,104
<u>Total earning assets</u>	<u>1,710,281</u>	<u>1,795,179</u>	<u>3,251,161</u>
Bank premises	28,877	27,700	15,263
5% Redemption fund against			
F. R. Bank notes	8,845	9,221	12,024
Uncollected items	641,279	494,667	1,096,293
All other resources	16,801	18,101	5,775
<u>TOTAL RESOURCES</u>	<u>5,240,585</u>	<u>5,148,122</u>	<u>6,513,661</u>

LIABILITIES

Capital paid in	102,982	103,073	97,366
Surplus	213,824	213,824	164,745
Reserved for Gov't. franchise tax . .	50,101	49,099	-
Deposits:			
Government	49,219	60,701	135,178
Member bank - reserve account . . .	1,631,038	1,632,135	1,821,843
All other	25,574	25,232	42,409
<u>Total deposits</u>	<u>1,705,831</u>	<u>1,718,068</u>	<u>1,999,430</u>
F.R. notes in actual circulation . . .	2,491,651	2,517,563	3,289,681
F.R. Bank notes in circulation -			
net liability	103,078	107,759	212,219
Deferred availability items	553,235	418,553	676,265
All other liabilities	19,883	20,183	73,955
<u>TOTAL LIABILITIES</u>	<u>5,240,585</u>	<u>5,148,122</u>	<u>6,513,661</u>
Ratio of total reserves to deposit and			
F.R. note liabilities combined . . .	67.5%	66.2%	*43.8%
Ratio of gold reserves to F.R. notes			
in circulation after setting aside			
35% against deposit liabilities . . .	89.8%	87.5%	*48.1%

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

RESOURCES AND LIABILITIES OF THE FEDERAL RESERVE BANKS AT CLOSE OF BUSINESS SEPT. 14, 1921.

(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	8,107	357,006	1,964	6,725	2,769	4,914	22,069	3,092	8,781	2,231	8,180	20,804	446,642
Gold and gold certificates	41,377	38,709	60,724	55,603	18,128	5,311	114,687	16,239	8,709	39,987	7,243	34,392	441,109
Gold settlement fund - F.R.Board	49,484	395,715	62,688	62,328	20,897	10,225	136,756	19,331	17,490	42,218	15,423	55,196	887,751
Total gold held by banks	171,423	501,598	146,233	183,005	29,762	47,153	326,798	56,910	18,807	36,332	8,534	167,746	1,694,301
Gold with F. R. Agents	22,204	15,000	6,767	6,328	11,059	4,701	13,898	3,633	2,212	3,217	4,457	8,973	102,449
Gold redemption fund	243,111	912,313	215,688	251,661	61,718	62,079	477,452	79,874	38,509	81,767	28,414	231,915	2,684,501
Total gold reserves	15,602	60,075	6,521	7,408	4,570	8,024	19,098	13,192	587	4,651	6,451	3,822	150,001
Legal tender notes, silver, etc.	258,713	972,388	222,209	259,069	66,288	70,103	496,550	93,066	39,096	86,418	34,865	235,737	2,834,502
Total reserves													
Bills discounted: (a)													
Secured by U.S. Govt. obligations	32,960	127,374	74,745	45,095	26,090	36,068	63,392	28,198	9,450	18,207	7,540	34,558	503,677
All other	62,591	190,142	29,001	88,659	72,987	65,702	132,074	45,285	60,538	47,712	44,955	84,839	924,485
Bills bought in open market	3,445	23,334	1,440	1,880	2,449	2,166	1,559	304	-	460	20	3,655	40,712
Total bills on hand	98,996	340,850	105,186	135,634	101,526	103,936	197,025	73,787	69,988	66,379	52,515	123,052	1,468,874
U. S. bonds and notes	553	1,005	1,447	844	1,233	10,359	4,490	1,153	119	8,868	3,454	204	33,729
U. S. Certificates of indebtedness:													
One-year certificates (Pittman Act)	17,436	49,276	23,280	19,799	5,260	8,564	30,112	11,068	4,980	7,320	1,900	8,880	187,875
All other	232	19,050	117	21	-	1	90	135	146	-	-	11	19,803
Total earning assets	117,217	410,181	130,030	156,298	108,019	122,860	231,717	86,143	75,233	82,567	57,869	132,147	1,710,281
Bank premises	4,110	5,592	533	2,871	2,501	854	4,986	627	659	3,455	2,051	638	28,877
5% Redemption fund against													
F. R. Bank notes	772	1,413	700	1,239	263	468	1,693	523	178	916	186	494	8,845
Uncollected items	57,452	133,250	57,144	67,316	49,008	21,971	81,200	34,312	16,891	49,397	27,980	45,358	641,279
All other resources	443	3,199	442	1,067	305	773	1,869	841	597	470	1,794	5,001	16,801
TOTAL RESOURCES	438,707	1,526,023	411,058	487,860	226,384	217,029	818,015	215,512	132,654	223,223	124,745	419,375	5,240,585
(a) Includes bills discounted for other F. R. Banks, viz:	27,058	34,030	-	9,910	-	-	-	-	-	-	-	-	70,998

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RESOURCES AND LIABILITIES OF THE FEDERAL RESERVE BANKS AT CLOSE OF BUSINESS SEPT. 14, 1921.

St-2274c.

(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	7,935	27,069	8,683	11,103	5,401	4,138	14,326	4,567	3,553	4,534	4,314	7,359	102,982
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	2,563	19,590	3,248	2,421	2,290	3,368	9,155	1,259	1,808	1,735	-	2,664	50,101
Deposits:													
Government	2,066	8,597	5,163	5,009	2,160	2,953	5,566	2,046	1,920	8,015	2,021	3,703	49,219
Member bank - reserve account	110,639	623,958	99,364	136,678	50,270	43,696	245,655	58,550	39,902	67,069	40,458	114,799	1,631,038
All other	813	12,478	1,309	1,279	524	381	2,335	859	549	641	504	3,902	25,574
Total deposits	113,518	645,033	105,836	142,966	52,954	47,030	253,556	61,455	42,371	75,725	42,983	122,404	1,705,831
F. R. notes in actual circulation	241,999	639,847	213,815	233,545	106,129	127,393	429,888	99,347	57,172	74,427	39,415	228,674	2,491,651
F. R. Bank notes in circulation - net liability	7,966	23,030	7,476	12,368	4,727	7,344	10,899	5,691	3,528	12,845	3,104	4,100	103,078
Deferred availability items	47,111	107,906	53,501	61,941	42,659	18,085	66,267	32,961	15,733	43,448	26,383	37,240	553,235
All other liabilities	1,273	4,230	935	1,253	1,198	963	3,388	1,118	1,186	1,179	1,433	1,727	19,883
TOTAL LIABILITIES	438,707	1,526,023	411,058	487,860	226,384	217,029	818,015	215,512	132,654	223,223	124,745	419,375	5,240,585
Ratio of total reserves to deposit and F.R. note liabilities combined, per cent	72.8	75.7	69.5	68.8	41.7	40.2	72.7	57.9	39.3	57.6	42.3	67.1	67.5
Contingent liability as endorser on discounted paper rediscounted with other F. R. Banks	-	-	-	-	24,970	12,673	-	-	9,060	-	24,295	-	70,998
Contingent liability on bills purchased for foreign correspondents	2,490	12,725	2,729	2,797	1,672	1,228	4,060	1,603	921	1,638	887	1,569	34,319
FEDERAL RESERVE NOTES OUTSTANDING AND IN ACTUAL CIRCULATION													
F. R. notes outstanding	257,660	795,255	239,300	254,402	113,746	134,135	477,873	122,495	60,308	83,049	42,877	281,570	2,862,670
F. R. notes held by banks	15,661	155,408	25,485	20,857	7,617	6,742	47,985	23,148	3,136	8,622	3,462	52,896	371,019
F. R. notes in actual circulation	241,999	639,847	213,815	233,545	106,129	127,393	429,888	99,347	57,172	74,427	39,415	228,674	2,491,651
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	832,181			168,007		246,313		148,124		33,537			1,428,162
Bills bought in open market	23,864			8,702		5,704		2,342		100			40,712
U. S. Certificates of indebtedness	21,082			16,686		17,280		17,013		135,617			207,678

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FEDERAL RESERVE AGENTS' ACCOUNTS AT CLOSE OF BUSINESS SEPT. 14, 1921.

St.2274d.

(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	101,950	299,500	20,220	44,200	21,849	81,039	163,980	27,660	11,670	4,640	26,132	41,260	844,100
Federal Reserve notes outstanding	257,660	795,255	239,300	254,402	113,746	134,135	477,873	122,495	60,308	83,049	42,877	281,570	2,862,670
Collateral security for Federal Reserve notes outstanding:													
Gold and gold certificates	5,600	346,924	-	23,775	-	3,400	-	6,110	13,052	-	3,876	-	402,737
Gold redemption fund	15,823	18,674	14,844	14,230	1,762	3,053	13,154	3,869	1,555	3,972	3,424	18,835	113,195
Gold settlement fund-F.R.Board	150,000	136,000	131,389	145,000	28,000	40,700	313,644	46,931	4,200	32,360	1,234	148,911	1,178,369
Eligible paper -													
Amount required	86,237	293,657	93,067	71,397	83,984	86,982	151,075	65,585	41,501	46,717	34,343	113,824	1,168,369
Excess amount held	12,759	21,853	1,704	63,556	14,590	16,949	45,502	8,144	27,753	19,545	18,172	9,019	259,546
TOTAL	630,029	1,911,863	500,524	616,560	263,931	366,258	1,165,228	280,794	160,039	199,283	130,058	613,419	6,828,936
L I A B I L I T I E S													
Net amount of Federal Reserve notes received from Comptroller of the Currency	359,610	1,094,755	259,520	298,602	135,595	215,174	641,853	150,155	71,978	87,689	69,009	322,830	3,706,770
Collateral received from Federal Reserve Bank:													
Gold	171,423	501,598	146,233	183,005	29,762	47,153	326,798	56,910	18,807	36,332	8,534	167,746	1,694,301
Eligible paper	98,996	315,510	94,771	134,953	98,574	103,931	196,577	73,729	69,254	66,262	52,515	122,843	1,427,913
TOTAL	630,029	1,911,863	500,524	616,560	263,931	366,258	1,165,228	280,794	160,039	199,283	130,058	613,419	6,828,936