

STATEMENT FOR THE PRESS

Released for publication
Friday morning, Jan. 5;
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St. 3272
Federal Reserve Board
January 4, 1923.

CONDITION OF FEDERAL RESERVE BANKS

Net reduction of \$53,100,000 in Federal reserve note circulation and an increase of \$14,100,000 in cash reserves, accompanied by an increase of \$124,500,000 in deposit liabilities, are shown in the Federal Reserve Board's weekly bank statement issued as at close of business on January 3, 1923. In consequence of these changes the reserve ratio shows a decline from 72.1 to 71.3 per cent for the week.

The statement introduces a new item "non-reserve cash," which is composed of national bank notes, Federal reserve bank notes, unassorted currency and nickels and cents formerly included in "uncollected items," and subsidiary silver formerly included in "legal tender notes, silver, etc."

During the week the Treasury redeemed the remaining \$12,000,000 of Pittman certificates, held as cover for outstanding Federal reserve bank notes. Two Federal reserve banks still show a liability on Federal Reserve bank notes in circulation, which are secured by U. S. bonds. Other Treasury certificates increased by \$7,600,000, while total earning assets of the reserve banks show an increase of \$5,300,000.

Gold reserves of the System increased by over \$9,000,000. Chicago reports an increase of \$15,300,000, St. Louis an increase of about \$15,000,000 and Boston - an increase of \$14,000,000. Smaller increases in gold reserves totaling \$25,300,000 are shown for the Richmond, Philadelphia, San Francisco, Minneapolis and Kansas City banks. The largest decrease in gold reserves for the week, amounting to \$43,900,000, is shown for the New York bank, while smaller decreases totaling \$16,600,000 are reported by the three remaining reserve banks.

Holdings of paper secured by Government obligations show an increase for the week from \$316,500,000 to \$351,500,000. Of the total held on January 3, \$195,600,000, or 55.6 per cent, were secured by U. S. bonds, \$1,500,000, or 0.5 per cent, by Victory notes, \$125,500,000, or 35.7 per cent, by Treasury notes and \$28,900,000, or 8.2 per cent, by Treasury certificates, compared with \$206,900,000, \$2,300,000, \$98,400,000 and \$8,900,000 reported the week before.

After closing their books on December 30 and paying the accrued 6 per cent dividend the reserve banks paid to the Government a total of \$10,851,000 of franchise taxes and increased their surplus account by about \$3,000,000 to \$218,400,000, or to slightly over 100 per cent of the banks' total subscribed capital.

A summary of changes in the principal assets and liabilities of the reserve banks on January 3, 1923 as compared with a week and a year ago, follows:

	Increase or Decrease In millions of dollars since	
	Dec. 27, 1922	Jan. 4, 1923
Total reserves	+ 14.1	+ 153.1
Gold reserves	+ 9.0	+ 174.2
Total earning assets	+ 5.3	- 131.5
Discounted bills, total	- 2.2	- 484.9
Secured by U. S. Government obligations	+ 35.0	- 126.0
Other bills discounted	- 37.2	- 358.9
Purchased bills	+ 8.9	+ 128.3
United States securities, total	- 1.3	+ 225.4
Bonds and notes	+ 3.1	+ 133.6
Pittman certificates	- 12.0	- 113.0
Other Treasury certificates	+ 7.6	+ 204.8
Total deposits	+ 124.5	+ 195.6
Members' reserve deposits	+ 81.5	+ 211.4
Government deposits	- 1.2	- 61.7
Other deposits	+ 44.2	+ 45.9
Federal Reserve notes in circulation	- 53.1	+ 5.7
F. R. Bank notes in circulation, net liability	- 7.7	- 80.9

RESOURCES AND LIABILITIES
OF THE TWELVE FEDERAL RESERVE BANKS COMBINED.

(In thousands of dollars)

R E S O U R C E S

	Jan. 3, 1923	Dec. 27, 1922	Jan. 4, 1922
Gold and gold certificates	272,504	273,825	377,675
Gold settlement fund - F. R. Board . . .	550,126	509,580	507,836
<u>Total gold held by banks</u>	822,630	783,405	885,511
Gold with Federal Reserve Agents	2,165,627	2,198,846	1,902,912
Gold redemption fund	61,194	58,188	86,875
<u>Total gold reserves</u>	3,049,451	3,040,439	2,875,298
Reserves other than gold	113,442 ³¹⁹	108,398	134,504
<u>Total reserves</u>	3,162,893 ⁷⁷⁰	3,148,837	3,009,802
Non-reserve cash	94,442 ⁵⁶¹	*	*
Bills discounted:			
Sec. by U.S. Government obligations . .	351,483	316,495	477,456
Other bills discounted	276,162	313,390	635,111
Bills bought in open market	255,182	246,293	126,865
<u>Total bills on hand</u>	882,827	876,178	1,239,432
U. S. bonds and notes	182,315	179,192	48,675
U. S. Certificates of indebtedness:			
One-year certificates (Pittman Act) . .	-	12,000	113,000
Other certificates	274,239	266,691	69,435
Municipal warrants	39	40	379
<u>Total earning assets</u>	1,339,420	1,334,101	1,470,921
Bank premises	45,281	47,227	35,305
5% Redemption fund against			
F. R. Bank notes	2,097	2,520	7,926
Uncollected items	770,070	757,500	638,462
All other resources	15,506	15,226	14,001
<u>TOTAL RESOURCES</u>	5,429,709	5,305,411	5,176,417

L I A B I L I T I E S

Capital paid in	107,450	107,256	103,203
Surplus	218,369	215,398	215,523
Deposits:			
Government	6,630	7,809	68,307
Member bank - reserve account	1,942,749	1,861,281	1,731,374
Other deposits	75,394	31,165	29,457
<u>Total deposits</u>	2,024,773	1,900,255	1,829,138
F. R. notes in actual circulation	2,411,058	2,464,121	2,405,316
F. R. Bank notes in circulation -			
net liability	2,947	10,632	83,880
Deferred availability items	655,532	578,502	523,293
All other liabilities	9,580	29,247	16,064
<u>TOTAL LIABILITIES</u>	5,429,709	5,305,411	5,176,417
Ratio of total reserves to deposit and			
F. R. note liabilities combined	71.3%	72.1%	71.1%

*Not shown separately prior to January 1923.

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RESOURCES AND LIABILITIES OF THE FEDERAL RESERVE BANKS AT CLOSE OF BUSINESS, JANUARY 3, 1923.

(In thousands of dollars)

	R E S O U R C E S												
Federal Reserve Bank of	Boston	New York	Phila.	Cleve.	Rich.	Atlanta	Chicago	St.Louis	Minn.	Kans.Cy.	Dallas	San Fran.	Total
Gold and gold certificates	16,174	117,648	19,601	13,349	6,861	5,635	51,088	2,796	7,514	2,689	10,114	19,035	272,504
Gold settlement fund - F. R. Board	33,345	198,387	23,005	65,848	22,090	18,549	58,636	28,675	24,541	30,963	8,799	37,288	550,126
Total gold held by banks	49,519	316,035	42,606	79,197	28,951	24,184	109,724	31,471	32,055	33,652	18,913	56,323	822,630
Gold with F. R. Agents	158,528	658,892	180,438	192,314	63,359	108,568	411,802	75,492	46,372	51,655	19,684	198,523	2,165,627
Gold redemption fund	10,058	9,588	7,565	6,195	4,872	2,097	5,010	2,734	3,323	2,476	1,600	5,676	61,194
Total gold reserves	218,105	984,515	230,609	277,706	97,182	134,849	526,536	109,697	81,750	87,783	40,197	260,522	3,049,451
Reserves other than gold	8,782	29,055	15,379	6,287	8,436	4,631	20,859	9,012	587	2,739	4,632	3,043	113,442
Total reserves	226,887	1,013,570	245,988	283,993	105,618	139,480	547,395	118,709	82,337	90,522	44,829	263,565	3,162,893
Non-reserve cash	12,523	11,530	2,737	8,555	3,707	9,536	12,341	5,931	2,209	4,974	4,200	16,199	94,442
Bills discounted:								6,054					561
Secured by U. S. Govt. obligations	20,885	169,695	38,033	24,339	19,824	1,764	31,246	13,182	2,413	15,978	1,074	13,050	351,483
Other bills discounted	30,775	15,889	10,010	24,704	29,659	26,687	46,545	13,487	18,838	18,755	13,352	27,461	276,162
Bills bought in open market	23,627	51,796	21,910	50,065	1,519	10,897	16,098	12,778	-	402	25,132	40,958	255,182
Total bills on hand	75,287	237,380	69,953	99,108	51,002	39,348	93,889	39,447	21,251	35,135	39,558	81,469	882,827
U. S. bonds and notes	6,312	44,164	24,350	11,897	1,291	313	7,633	16,765	11,816	27,528	2,629	27,617	182,315
U. S. Certificates of indebtedness	34,494	77,205	9,750	36,862	5,000	9,031	49,162	7,781	5,495	17,630	10,679	11,150	274,239
Municipal warrants	-	-	-	-	-	-	-	-	39	-	-	-	39
Total earning assets	116,093	358,749	104,053	147,867	57,293	48,692	150,684	63,993	38,601	80,293	52,866	120,236	1,339,420
Bank premises	4,434	10,100	640	7,005	2,617	1,960	8,288	911	943	4,702	1,937	1,744	45,281
5% Redemption fund against F. R. Bank notes	422	-	-	-	-	468	665	-	196	200	146	-	2,097
Uncollected items	72,660	178,108	68,074	82,604	59,600	25,928	93,929	44,073	18,559	50,259	32,165	44,111	770,070
All other resources	319	2,088	392	589	635	289	683	1,015	1,844	1,077	1,919	4,656	15,506
TOTAL RESOURCES	433,338	1,574,145	421,884	530,613	229,470	226,353	813,985	234,632	144,689	232,027	138,062	450,511	5,429,709

RESOURCES AND LIABILITIES OF THE FEDERAL RESERVE BANKS AT CLOSE OF BUSINESS JANUARY 3, 1923.

(In thousands of dollars)

LIABILITIES

Federal Reserve Bank	Boston	New York	Phila.	Cleve.	Rich.	Atlanta	Chicago	St. Louis	Minn.	Kans. Cy.	Dallas	San Fran.	Total
Capital paid in	8,120	28,688	9,327	11,712	5,597	4,310	14,778	4,829	3,535	4,623	4,195	7,736	107,450
Surplus	16,312	59,800	18,749	23,495	11,288	8,942	30,398	9,665	7,473	9,488	7,496	15,263	218,369
Deposits;													
Government	73	241	574	765	833	319	1,528	224	436	408	191	1,038	6,630
Member bank - reserve account	127,649	741,929	114,912	161,643	62,859	59,062	269,917	78,171	50,948	84,968	52,192	138,499	1,942,749
Other deposits	9,575	12,285	5,739	14,062	518	5,848	2,172	2,364	4,835	11,600	2,087	4,309	75,394
Total deposits	137,297	754,455	121,225	176,470	64,210	65,229	273,617	80,759	56,219	96,976	54,470	143,846	2,024,773
F. R. notes in actual circulation	207,208	597,350	212,917	242,859	98,499	126,325	419,333	93,918	59,539	70,328	38,595	244,187	2,411,058
F. R. Bank notes in circulation - net liability	-	-	-	-	-	-	-	-	-	2,177	770	-	2,947
Deferred availability items	64,139	131,992	59,408	75,292	49,460	20,897	74,855	44,745	17,108	48,003	31,098	38,535	655,532
All other liabilities	262	1,860	258	785	416	650	1,004	716	815	432	1,438	944	9,580
TOTAL LIABILITIES	433,338	1,574,145	421,884	530,613	229,470	226,353	813,985	234,632	144,689	232,027	138,062	450,511	5,429,709
Ratio of total reserves to deposit and F. R. note liabilities combined, per cent	65.9	75.0	73.6	67.7	64.9	72.8	79.0	68.0 ^{2.9}	71.1	54.1	48.2	67.9	71.3
Contingent liability on bills purchased for foreign correspondents	2,511	12,130	2,752	2,815	1,686	1,238	4,093	1,617	929	1,651	894	1,582 ⁹⁶	33,898 ⁹¹²

FEDERAL RESERVE NOTES OUTSTANDING AND IN ACTUAL CIRCULATION

F. R. notes outstanding	228,115	779,558	241,806	273,911	111,358	132,238	467,497	114,157	63,213	78,231	42,433	277,737	2,810,254
F. R. notes held by banks	20,907	182,208	28,889	31,052	12,859	5,913	48,164	20,239	3,674	7,903	3,838	33,550	399,196
F. R. notes in actual circulation	207,208	597,350	212,917	242,859	98,499	126,325	419,333	93,918	59,539	70,328	38,595	244,187	2,411,058

DISTRIBUTION OF BILLS, U. S. CERTIFICATES OF INDEBTEDNESS AND MUNICIPAL WARRANTS BY MATURITIES

	Within 15 days	16 to 30 days	31 to 60 days	61 to 90 days	Over 90 days	Total
Bills discounted	443,297	43,826	61,399	49,550	29,573	627,645
Bills bought in open market	97,524	45,049	68,309	37,180	7,120	255,182
U. S. Certificates of indebtedness	100,385	-	-	66,616	107,238	274,239
Municipal warrants	26	-	6	6	1	39

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FEDERAL RESERVE AGENTS' ACCOUNTS AT CLOSE OF BUSINESS, JANUARY 3, 1923.

(In thousands of dollars)

Federal Reserve Agent at	Boston	New York	Phila.	Cleve.	Rich.	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	80,700	398,690	48,920	31,340	27,260	78,249	83,760	22,740	10,310	20,060	17,904	53,470	873,403
Federal Reserve notes outstanding	228,115	779,558	241,806	273,911	111,358	132,238	467,497	114,157	63,213	78,231	42,433	277,737	2,810,254
Collateral security for Federal Reserve notes outstanding:													
Gold and gold certificates	15,300	283,184	7,000	13,275	-	2,400	-	11,780	13,052	-	7,471	-	353,462
Gold redemption fund	15,228	34,708	12,549	14,039	3,564	6,168	16,158	4,212	1,320	4,295	2,713	15,477	130,431
Gold fund - F. R. Board	128,000	341,000	160,889	165,000	59,795	100,000	395,644	59,500	32,000	47,360	9,500	183,046	1,681,734
Eligible paper -													
Amount required	69,587	120,656	61,368	81,597	47,999	23,670	55,695	38,665	16,841	26,576	22,749	79,214	644,627
Excess amount held	5,700	91,095	5,846	16,115	2,151	15,616	38,161	782	3,360	8,559	16,561	2,177	206,123
TOTAL	542,630	2,048,901	538,378	595,277	252,127	358,341	1,056,915	251,836	140,096	185,081	119,331	611,121	6,700,034
L I A B I L I T I E S													
Net amount of Federal Reserve notes received from Comptroller of the Currency	308,815	1,178,248	290,726	305,251	138,618	210,487	551,257	136,897	73,523	98,291	60,337	331,207	3,683,657
Collateral received from Federal Reserve Bank:													
Gold	158,528	658,892	180,438	192,314	63,359	108,568	411,802	75,492	46,372	51,655	19,684	198,523	2,165,627
Eligible paper	75,287	211,761	67,214	97,712	50,150	39,286	93,856	39,447	20,201	35,135	39,310	81,391	850,750
TOTAL	542,630	2,048,901	538,378	595,277	252,127	358,341	1,056,915	251,836	140,096	185,081	119,331	611,121	6,700,034