

STATEMENT FOR THE PRESS

Released for publication
Friday morning, July 22;
not earlier.

Board of Governors
of the Federal Reserve System
July 21, 1938

CONDITION OF FEDERAL RESERVE BANKS

During the week ended July 20 member bank reserve balances decreased \$71,000,000. Reductions in member bank reserves arose from increases of \$96,000,000 in Treasury deposits with Federal Reserve banks and \$6,000,000 in Treasury cash and a decrease of \$11,000,000 in Reserve bank credit, offset in part by decreases of \$11,000,000 in money in circulation and \$21,000,000 in non-member deposits and other Federal Reserve accounts and an increase of \$10,000,000 in gold stock. Excess reserves of member banks on July 20 were estimated to be approximately \$3,040,000,000, a decrease of \$110,000,000 for the week.

Changes in member bank reserve balances and related items during the week and the year ended July 20, 1938, were as follows:

| | Increase or decrease since | | |
|---|-------------------------------|-----------------|-----------------|
| | July 20 1938 | July 13 1938 | July 21 1937 |
| | (In millions of dollars) | | |
| Bills discounted | 8 | -1 | -4 |
| Bills bought | 1 | - - | -2 |
| U. S. Government securities | 2,564 | - - | +38 |
| Industrial advances (not including 13 million commitments - July 20) | 16 | - - | -6 |
| Other Reserve bank credit | -3 | -9 | -3 |
| Total Reserve bank credit | 2,585 | -11 | +21 |
| Gold stock | 12,989 | +10 | +585 |
| Treasury currency | 2,717 | +1 | +164 |
| Member bank reserve balances | 8,202 | -71 | +1,344 |
| Money in circulation | 6,433 | -11 | -3 |
| Treasury cash | 2,321 | +6 | -1,206 |
| Treasury deposits with F. R. banks | 724 | +96 | +540 |
| Nonmember deposits and other F. R. accounts | 612 | -21 | +96 |

Released for publication Friday morning, July 22, 1938; not earlier.

**ASSETS AND LIABILITIES
OF THE TWELVE FEDERAL RESERVE BANKS COMBINED**

(In thousands of dollars)

| | <u>July 20, 1938</u> | <u>July 13, 1938</u> | <u>July 21, 1937</u> |
|--|----------------------|----------------------|----------------------|
| <u>A S S E T S</u> | | | |
| Gold certificates on hand and due from U. S. Treasury | 10,633,423 | 10,634,922 | 8,833,905 |
| Redemption fund - F. R. notes | 9,996 | 9,884 | 9,976 |
| Other cash | <u>406,959</u> | <u>401,129</u> | <u>318,928</u> |
| <u>Total reserves</u> | 11,050,378 | 11,045,935 | 9,162,809 |
| Bills discounted: | | | |
| Secured by U. S. Gov't obligations, direct or fully guaranteed | 4,467 | 6,005 | 8,619 |
| Other bills discounted | <u>3,118</u> | <u>3,261</u> | <u>3,553</u> |
| <u>Total bills discounted</u> | 7,585 | 9,266 | 12,172 |
| Bills bought in open market | 540 | 540 | 3,280 |
| Industrial advances | 16,214 | 16,274 | 21,665 |
| U. S. Government securities: | | | |
| Bonds | 744,105 | 744,105 | 732,508 |
| Treasury notes | 1,174,105 | 1,174,105 | 1,162,713 |
| Treasury bills | <u>645,805</u> | <u>645,805</u> | <u>630,969</u> |
| <u>Total U.S. Government securities</u> . | 2,564,015 | 2,564,015 | 2,526,190 |
| <u>Total bills and securities</u> | 2,588,354 | 2,590,095 | 2,563,307 |
| Due from foreign banks | 180 | 180 | 222 |
| F. R. notes of other banks | 26,602 | 25,552 | 28,917 |
| Uncollected items | 593,833 | 644,090 | 645,445 |
| Bank premises | 44,581 | 44,578 | 45,582 |
| All other assets | <u>47,486</u> | <u>46,027</u> | <u>43,588</u> |
| TOTAL ASSETS | 14,351,414 | 14,396,457 | 12,489,870 |
| <u>L I A B I L I T I E S</u> | | | |
| F. R. notes in actual circulation . . | 4,124,138 | 4,134,161 | 4,197,871 |
| Deposits: | | | |
| Member bank - reserve account . . . | 8,201,896 | 8,273,069 | 6,858,300 |
| U.S. Treasurer - General account . . | 723,989 | 627,928 | 183,743 |
| Foreign bank | 126,908 | 128,957 | 161,864 |
| Other deposits | <u>226,518</u> | <u>242,816</u> | <u>95,966</u> |
| <u>Total deposits</u> | 9,279,311 | 9,272,770 | 7,299,873 |
| Deferred availability items | 597,151 | 638,000 | 645,176 |
| Capital paid in | 133,760 | 133,706 | 132,514 |
| Surplus (Section 7) | 147,739 | 147,739 | 145,854 |
| Surplus (Section 13 b) | 27,683 | 27,683 | 27,490 |
| Reserve for contingencies | 32,810 | 32,845 | 35,872 |
| All other liabilities | <u>8,822</u> | <u>9,553</u> | <u>5,220</u> |
| TOTAL LIABILITIES | 14,351,414 | 14,396,457 | 12,489,870 |
| Ratio of total reserves to deposit and F. R. note liabilities combined | 82.4% | 82.4% | 79.7% |
| Contingent liability on bills purchased for foreign correspondents | 975 | 1,097 | 3,587 |
| Commitments to make industrial advances | 13,432 | 13,500 | 15,859 |

ASSETS AND LIABILITIES OF THE FEDERAL RESERVE BANKS ON JULY 20, 1938
(In thousands of dollars)

A S S E T S

| | Total | Boston | New York | Phila. | Cleve. | Rich. | Atlanta | Chicago | St.Louis | Minn. | Kans.Cy. | Dallas | San Fran. |
|---|-------------------|----------------|------------------|----------------|------------------|----------------|----------------|------------------|----------------|----------------|----------------|----------------|----------------|
| Gold certificates on hand and due from U. S. Treasury | 10,633,423 | 625,400 | 4,500,356 | 478,702 | 688,673 | 301,180 | 226,170 | 2,092,169 | 320,182 | 223,862 | 278,334 | 189,651 | 708,744 |
| Redemption fund - F. R. notes | 9,996 | 931 | 1,586 | 1,148 | 1,324 | 1,060 | 241 | 755 | 414 | 833 | 234 | 339 | 1,131 |
| Other cash | 406,959 | 42,436 | 110,708 | 25,868 | 28,981 | 23,398 | 18,941 | 56,204 | 16,696 | 9,367 | 21,351 | 16,138 | 36,871 |
| <u>Total reserves</u> | <u>11,050,378</u> | <u>668,767</u> | <u>4,612,650</u> | <u>505,718</u> | <u>718,978</u> | <u>325,638</u> | <u>245,352</u> | <u>2,149,128</u> | <u>337,292</u> | <u>234,062</u> | <u>299,919</u> | <u>206,128</u> | <u>746,746</u> |
| Bills discounted: | | | | | | | | | | | | | |
| Secured by U.S.Gov't obligations, direct or fully guaranteed | 4,467 | 225 | 2,004 | 660 | 359 | 381 | 221 | 110 | 40 | 111 | 38 | 105 | 213 |
| Other bills discounted | 3,118 | 109 | 415 | 594 | 220 | 382 | 567 | 4 | 60 | 71 | 149 | 224 | 323 |
| <u>Total bills discounted</u> | <u>7,585</u> | <u>334</u> | <u>2,419</u> | <u>1,254</u> | <u>579</u> | <u>763</u> | <u>788</u> | <u>114</u> | <u>100</u> | <u>182</u> | <u>187</u> | <u>329</u> | <u>536</u> |
| Bills bought in open market | 540 | 40 | 213 | 55 | 49 | 23 | 19 | 67 | 2 | 2 | 16 | 16 | 38 |
| Industrial advances | 16,214 | 2,391 | 4,192 | 2,858 | 759 | 1,490 | 117 | 523 | 135 | 1,176 | 418 | 811 | 1,344 |
| U. S. Government securities: | | | | | | | | | | | | | |
| Bonds | 744,105 | 56,941 | 226,407 | 66,972 | 69,727 | 36,922 | 32,271 | 80,919 | 33,203 | 21,310 | 34,428 | 24,657 | 60,348 |
| Treasury notes | 1,174,105 | 89,844 | 357,242 | 105,674 | 110,020 | 58,258 | 50,918 | 127,682 | 52,391 | 33,625 | 54,323 | 38,906 | 95,222 |
| Treasury bills | 645,805 | 49,418 | 196,498 | 53,125 | 60,515 | 32,044 | 28,007 | 70,230 | 28,817 | 18,495 | 29,880 | 21,400 | 52,376 |
| <u>Total U.S.Gov't securities</u> | <u>2,564,015</u> | <u>196,203</u> | <u>780,147</u> | <u>230,771</u> | <u>240,262</u> | <u>127,224</u> | <u>111,196</u> | <u>278,831</u> | <u>114,411</u> | <u>73,430</u> | <u>118,631</u> | <u>84,963</u> | <u>207,946</u> |
| <u>Total bills and securities</u> | <u>2,588,354</u> | <u>198,968</u> | <u>786,971</u> | <u>234,938</u> | <u>241,649</u> | <u>129,500</u> | <u>112,120</u> | <u>279,535</u> | <u>114,648</u> | <u>74,790</u> | <u>119,252</u> | <u>86,119</u> | <u>209,864</u> |
| Due from foreign banks | 180 | 14 | 66 | 18 | 17 | 8 | 7 | 22 | 3 | 2 | 5 | 5 | 13 |
| F. R. notes of other banks | 26,602 | 877 | 6,308 | 1,626 | 1,030 | 1,746 | 1,631 | 3,835 | 1,526 | 1,616 | 1,206 | 544 | 4,657 |
| Uncollected items | 593,833 | 59,401 | 144,966 | 45,731 | 64,404 | 47,380 | 19,874 | 75,729 | 26,448 | 17,532 | 37,311 | 24,013 | 31,044 |
| Bank premises | 44,581 | 2,973 | 9,874 | 4,762 | 6,138 | 2,661 | 2,095 | 4,528 | 2,316 | 1,547 | 3,121 | 1,271 | 3,295 |
| All other assets | 47,486 | 3,074 | 14,209 | 4,734 | 5,056 | 2,912 | 2,189 | 4,517 | 1,863 | 1,473 | 2,019 | 1,504 | 3,936 |
| <u>TOTAL ASSETS</u> | <u>14,351,414</u> | <u>934,074</u> | <u>5,575,044</u> | <u>797,527</u> | <u>1,037,272</u> | <u>509,845</u> | <u>383,268</u> | <u>2,517,294</u> | <u>484,096</u> | <u>331,022</u> | <u>462,833</u> | <u>319,584</u> | <u>999,555</u> |

ASSETS AND LIABILITIES OF THE FEDERAL RESERVE BANKS ON JULY 20, 1938
(In thousands of dollars)

LIABILITIES

| | Total | Boston | New York | Phila. | Cleve. | Rich. | Atlanta | Chicago | St.Louis | Minn. | Kans.Cy. | Dallas | San Fran. |
|---|-------------------|----------------|------------------|----------------|------------------|----------------|----------------|------------------|----------------|----------------|----------------|----------------|----------------|
| F.R.notes in actual circulation | 4,124,138 | 355,607 | 898,978 | 301,125 | 405,416 | 188,520 | 140,154 | 958,769 | 172,608 | 132,377 | 164,368 | 75,952 | 330,264 |
| Deposits: | | | | | | | | | | | | | |
| Member bank - reserve account | 8,201,896 | 442,442 | 3,949,118 | 367,501 | 469,926 | 214,620 | 157,270 | 1,317,399 | 228,341 | 119,745 | 220,581 | 166,641 | 548,312 |
| U.S.Treasurer - General account | 723,989 | 39,584 | 247,434 | 34,337 | 45,801 | 36,956 | 44,489 | 101,675 | 28,785 | 45,778 | 27,298 | 33,023 | 38,829 |
| Foreign bank | 126,908 | 9,240 | 44,642 | 12,577 | 11,807 | 5,519 | 4,492 | 15,273 | 3,850 | 2,952 | 3,722 | 3,722 | 9,112 |
| Other deposits | 226,518 | 3,946 | 173,068 | 4,005 | 9,357 | 2,883 | 4,074 | 1,519 | 6,744 | 3,002 | 532 | 2,861 | 14,527 |
| <u>Total deposits</u> | <u>9,279,311</u> | <u>495,212</u> | <u>4,414,262</u> | <u>418,420</u> | <u>536,891</u> | <u>259,978</u> | <u>210,325</u> | <u>1,435,866</u> | <u>267,720</u> | <u>171,477</u> | <u>252,133</u> | <u>206,247</u> | <u>610,780</u> |
| Deferred availability items | 597,151 | 58,951 | 140,603 | 45,195 | 62,263 | 46,229 | 19,764 | 77,388 | 33,087 | 17,682 | 36,040 | 26,216 | 33,733 |
| Capital paid in | 133,760 | 9,415 | 50,958 | 12,245 | 13,389 | 4,962 | 4,461 | 13,213 | 3,919 | 2,910 | 4,177 | 3,939 | 10,172 |
| Surplus (Section 7) | 147,739 | 9,900 | 51,943 | 13,466 | 14,323 | 4,964 | 5,626 | 22,387 | 4,667 | 3,153 | 3,613 | 3,892 | 9,805 |
| Surplus (Section 13 b) | 27,683 | 2,874 | 7,744 | 4,411 | 1,007 | 3,409 | 730 | 1,429 | 545 | 1,001 | 1,142 | 1,270 | 2,121 |
| Reserve for contingencies | 32,810 | 1,448 | 8,210 | 2,000 | 3,176 | 1,401 | 1,603 | 7,146 | 1,215 | 1,901 | 934 | 1,776 | 2,000 |
| All other liabilities | 8,822 | 667 | 2,346 | 665 | 807 | 382 | 605 | 1,096 | 335 | 521 | 426 | 292 | 680 |
| <u>TOTAL LIABILITIES</u> | <u>14,351,414</u> | <u>934,074</u> | <u>5,575,044</u> | <u>797,527</u> | <u>1,037,272</u> | <u>509,845</u> | <u>383,268</u> | <u>2,517,294</u> | <u>484,096</u> | <u>331,022</u> | <u>462,833</u> | <u>319,584</u> | <u>999,555</u> |
| Contingent liability on bills purchased for foreign correspondents | 975 | 70 | 350 | 96 | 90 | 42 | 34 | 116 | 29 | 23 | 28 | 28 | 69 |
| Commitments to make industrial advances | 13,432 | 1,415 | 3,939 | 125 | 1,486 | 1,842 | 183 | 22 | 605 | 238 | 374 | 91 | 3,112 |

MATURITY DISTRIBUTION OF BILLS AND SECURITIES

| | Total | Within 15 days | 16 to 30 days | 31 to 60 days | 61 to 90 days | 91 days to 6 months | 6 months to 1 Year | 1 Year to 2 Years | 2 Years to 5 Years | Over 5 Years |
|-----------------------------|-----------|-------------------|------------------|------------------|------------------|------------------------|-----------------------|----------------------|-----------------------|-----------------|
| Bills discounted | 7,585 | 5,662 | 612 | 417 | 570 | 320 | 4 | -- | -- | -- |
| Bills bought | 540 | 239 | 168 | 23 | 110 | -- | -- | -- | -- | -- |
| Industrial advances | 16,214 | 1,885 | 58 | 367 | 611 | 2,423 | 2,278 | 6,401 | 2,191 | -- |
| U. S. Government securities | 2,564,015 | 81,361 | 92,335 | 192,780 | 229,401 | 92,713 | 168,763 | 462,645 | 579,257 | 664,760 |

FEDERAL RESERVE NOTE STATEMENT ON JULY 20, 1938
(In thousands of dollars)

| | Total | Boston | New York | Phila. | Cleve. | Rich. | Atlanta | Chicago | St.Louis | Minn. | Kans.Cy. | Dallas | San Fran. |
|--|-----------|---------|-----------|---------|---------|---------|---------|-----------|----------|---------|----------|--------|-----------|
| Federal Reserve notes: | | | | | | | | | | | | | |
| Issued to F.R.bank by F.R.agent | 4,455,659 | 381,694 | 1,001,525 | 316,998 | 430,241 | 199,021 | 154,839 | 1,001,821 | 186,189 | 138,336 | 173,708 | 83,249 | 388,038 |
| Held by Federal Reserve bank | 331,521 | 26,087 | 102,547 | 15,873 | 24,825 | 10,501 | 14,685 | 43,052 | 13,581 | 5,959 | 9,340 | 7,297 | 57,774 |
| <u>In actual circulation</u> | 4,124,138 | 355,607 | 898,978 | 301,125 | 405,416 | 188,520 | 140,154 | 958,769 | 172,608 | 132,377 | 164,368 | 75,952 | 330,264 |
| Collateral held by agent as security for notes issued to bank: | | | | | | | | | | | | | |
| Gold certificates on hand and due from U. S. Treasury | 4,528,632 | 390,000 | 1,010,000 | 327,000 | 434,000 | 202,000 | 159,000 | 1,010,000 | 188,632 | 141,500 | 177,000 | 85,500 | 404,000 |
| Eligible paper | 6,615 | 299 | 2,333 | 876 | 404 | 639 | 706 | 114 | 40 | 165 | 178 | 329 | 532 |
| <u>Total collateral</u> | 4,535,247 | 390,299 | 1,012,333 | 327,876 | 434,404 | 202,639 | 159,706 | 1,010,114 | 188,672 | 141,665 | 177,178 | 85,829 | 404,532 |