

## STATEMENT FOR THE PRESS

Released for publication  
Friday morning, Aug. 5;  
not earlier.

Board of Governors  
of the Federal Reserve System  
August 4, 1938.

## CONDITION OF FEDERAL RESERVE BANKS

During the week ended August 3 member bank reserve balances decreased \$114,000,000. Reductions in member bank reserves arose from increases of \$49,000,000 in money in circulation, \$29,000,000 in Treasury cash, \$43,000,000 in Treasury deposits with Federal Reserve banks and \$8,000,000 in nonmember deposits and other Federal Reserve accounts and a decrease of \$9,000,000 in Reserve bank credit, offset in part by increases of \$23,000,000 in gold stock and \$2,000,000 in Treasury currency. Excess reserves of member banks on August 3 were estimated to be approximately \$2,920,000,000, a decrease of \$120,000,000 for the week.

The principal changes in holdings of bills and securities were an increase of \$5,000,000 in United States Treasury notes and a decrease of \$5,000,000 in United States Treasury bills.

Changes in member bank reserve balances and related items during the week and the year ended August 3, 1938, were as follows:

	Aug. 3 <u>1938</u>	July 27 <u>1938</u>	Aug. 4 <u>1937</u>
	Increase or decrease since		
	(In millions of dollars)		
Bills discounted	6	-1	-9
Bills bought	1	- -	-2
U. S. Government securities	2,564	- -	+38
Industrial advances (not including 14 million commitments - August 3)	16	- -	-5
Other Reserve bank credit	-12	-7	-8
Total Reserve bank credit	2,574	-9	+13
Gold stock	13,025	+23	+563
Treasury currency	2,721	+2	+149
Member bank reserve balances	8,074	-114	+1,438
Money in circulation	6,465	+49	-3
Treasury cash	2,357	+29	-1,248
Treasury deposits with F. R. banks	775	+43	+466
Nonmember deposits and other F. R. accounts	649	+8	+71

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

(In thousands of dollars)

	<u>Aug. 3, 1938</u>	<u>July 27, 1938</u>	<u>Aug. 4, 1937</u>
<b><u>ASSETS</u></b>			
Gold certificates on hand and due from U. S. Treasury . . . . .	10,632,904	10,633,400	8,833,399
Redemption fund - F. R. notes . . .	9,437	9,098	9,784
Other cash . . . . .	<u>397,013</u>	<u>421,229</u>	<u>312,308</u>
<u>Total reserves</u> . . . . .	11,039,354	11,063,727	9,155,491
Bills discounted:			
Secured by U. S. Gov't obligations, direct or fully guaranteed . . . .	3,339	*4,162	10,026
Other bills discounted . . . . .	<u>3,127</u>	<u>*3,160</u>	<u>5,377</u>
<u>Total bills discounted</u> . . . . .	6,466	7,322	15,403
Bills bought in open market . . . .	539	539	3,078
Industrial advances . . . . .	15,647	16,308	21,082
U. S. Government securities:			
Bonds . . . . .	744,105	744,105	732,508
Treasury notes . . . . .	1,196,188	1,190,870	1,157,713
Treasury bills . . . . .	<u>623,722</u>	<u>629,040</u>	<u>635,969</u>
<u>Total U.S. Government securities</u> .	2,564,015	2,564,015	2,526,190
<u>Total bills and securities</u> . . . .	2,586,667	2,588,184	2,565,753
Due from foreign banks . . . . .	181	181	222
F. R. notes of other banks . . . . .	22,948	23,516	28,198
Uncollected items . . . . .	547,727	534,141	601,649
Bank premises . . . . .	44,486	44,559	45,500
All other assets . . . . .	<u>49,585</u>	<u>49,113</u>	<u>42,692</u>
<b>TOTAL ASSETS</b> . . . . .	14,290,948	14,303,421	12,439,505
<b><u>LIABILITIES</u></b>			
F. R. notes in actual circulation .	4,138,706	4,109,643	4,222,016
Deposits:			
Member bank - reserve account . . .	8,074,340	8,187,723	6,635,764
U. S. Treasurer - General account .	774,757	732,462	308,778
Foreign bank . . . . .	123,956	125,243	195,093
Other deposits . . . . .	<u>267,742</u>	<u>257,455</u>	<u>124,926</u>
<u>Total deposits</u> . . . . .	9,240,795	9,302,883	7,264,561
Deferred availability items . . . .	560,292	539,276	606,265
Capital paid in . . . . .	133,814	133,785	132,442
Surplus (Section 7) . . . . .	147,739	147,739	145,854
Surplus (Section 13 b) . . . . .	27,682	27,683	27,490
Reserve for contingencies . . . . .	32,810	32,810	35,873
All other liabilities . . . . .	<u>9,110</u>	<u>9,602</u>	<u>5,004</u>
<b>TOTAL LIABILITIES</b> . . . . .	14,290,948	14,303,421	12,439,505
Ratio of total reserves to deposit and F. R. note liabilities combined . . . .	82.5%	82.5%	79.7%
Contingent liability on bills purchased for foreign correspondents . . . . .	727	879	2,917
Commitments to make industrial advances	13,809	13,731	15,366

\*Revised.

ASSETS AND LIABILITIES OF THE FEDERAL RESERVE BANKS ON AUGUST 3, 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	10,632,904	626,916	4,537,899	473,244	682,174	313,873	235,333	2,076,214	312,097	219,470	276,607	182,522	696,555
Redemption fund - F. R. notes	9,437	867	1,398	1,059	1,218	733	664	644	384	821	214	326	1,109
Other cash	397,013	41,506	108,257	28,635	28,829	21,031	14,926	54,091	16,216	9,744	18,673	16,008	39,097
<u>Total reserves</u>	<u>11,039,354</u>	<u>669,289</u>	<u>4,647,554</u>	<u>502,938</u>	<u>712,221</u>	<u>335,637</u>	<u>250,923</u>	<u>2,130,949</u>	<u>328,697</u>	<u>230,035</u>	<u>295,494</u>	<u>198,856</u>	<u>736,761</u>
Bills discounted:													
Secured by U.S. Gov't obligations, direct or fully guaranteed	3,339	120	801	773	304	402	187	115	95	111	29	164	238
Other bills discounted	3,127	88	327	640	200	415	643	- -	60	64	122	279	289
<u>Total bills discounted</u>	<u>6,466</u>	<u>208</u>	<u>1,128</u>	<u>1,413</u>	<u>504</u>	<u>817</u>	<u>830</u>	<u>115</u>	<u>155</u>	<u>175</u>	<u>151</u>	<u>443</u>	<u>527</u>
Bills bought in open market	539	40	212	55	49	23	19	67	2	2	16	16	38
Industrial advances	15,647	2,381	3,695	2,904	741	1,481	119	448	135	1,126	417	852	1,348
U. S. Government securities:													
Bonds	744,105	56,940	226,408	66,972	69,727	36,921	32,270	80,920	33,204	21,310	34,428	24,657	60,348
Treasury notes	1,196,188	91,535	363,960	107,662	112,089	59,355	51,876	130,083	53,375	34,257	55,345	39,638	97,013
Treasury bills	623,722	47,728	189,779	56,137	58,446	30,948	27,050	67,828	27,832	17,863	28,858	20,668	50,585
<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>2,586,667</u>	<u>198,832</u>	<u>785,182</u>	<u>235,143</u>	<u>241,556</u>	<u>129,545</u>	<u>112,164</u>	<u>279,461</u>	<u>114,703</u>	<u>74,733</u>	<u>119,215</u>	<u>86,274</u>	<u>209,859</u>
Due from foreign banks	181	14	67	18	17	8	6	23	3	2	5	5	13
F. R. notes of other banks	22,948	1,186	3,883	1,341	1,388	1,381	1,035	2,826	1,884	1,687	1,762	375	4,200
Uncollected items	547,727	56,860	126,799	41,499	60,852	45,613	21,168	74,192	24,048	17,203	29,239	19,876	30,378
Bank premises	44,486	2,968	9,857	4,752	6,117	2,654	2,094	4,518	2,314	1,545	3,115	1,266	3,286
All other assets	49,585	3,255	14,873	4,885	5,204	3,024	2,297	4,767	1,962	1,542	2,076	1,593	4,107
<b>TOTAL ASSETS</b>	<b>14,290,948</b>	<b>932,404</b>	<b>5,588,215</b>	<b>790,576</b>	<b>1,027,355</b>	<b>517,862</b>	<b>389,687</b>	<b>2,496,736</b>	<b>473,611</b>	<b>326,747</b>	<b>450,906</b>	<b>308,245</b>	<b>988,604</b>

ASSETS AND LIABILITIES OF THE FEDERAL RESERVE BANKS ON AUGUST 3, 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	4,138,706	356,406	907,784	301,245	405,288	191,305	142,395	957,265	172,779	132,199	164,234	76,243	331,563
Deposits:													
Member bank - reserve account	8,074,340	444,684	3,835,461	367,278	474,128	227,057	161,261	1,302,851	224,292	118,292	214,703	167,390	536,943
U.S.Treasurer - General account	774,757	37,392	344,209	32,183	33,600	31,860	43,285	95,840	25,546	43,647	21,668	25,576	39,951
Foreign bank	123,956	9,021	43,643	12,279	11,527	5,388	4,385	14,910	3,759	2,882	3,633	3,633	8,896
Other deposits	267,742	3,885	214,703	2,451	9,540	3,495	4,063	1,654	6,257	3,943	1,007	2,604	14,140
<u>Total deposits</u>	9,240,795	494,982	4,438,016	414,191	528,795	267,800	212,994	1,415,255	259,854	168,764	241,011	199,203	599,930
Deferred availability items	560,292	56,655	121,160	42,336	60,547	43,620	21,240	78,857	30,268	16,283	35,393	21,621	32,312
Capital paid in	133,814	9,413	50,966	12,220	13,391	4,972	4,467	13,266	3,924	2,906	4,179	3,941	10,169
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)	27,682	2,873	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	9,110	727	2,392	707	828	391	632	1,131	359	540	400	299	704
<b>TOTAL LIABILITIES</b>	<b>14,290,948</b>	<b>932,404</b>	<b>5,588,215</b>	<b>790,576</b>	<b>1,027,355</b>	<b>517,862</b>	<b>389,687</b>	<b>2,496,736</b>	<b>473,611</b>	<b>326,747</b>	<b>450,906</b>	<b>308,245</b>	<b>988,604</b>
Contingent liability on bills purchased for foreign correspondents	727	53	254	72	68	32	26	88	22	17	21	21	53
Commitments to make industrial advances	13,809	1,407	3,945	405	1,487	1,839	181	21	586	237	442	91	3,168

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	6,466	4,916	255	426	628	236	5	--	--	--
Bills bought	539	105	125	70	239	--	--	--	--	--
Industrial advances	15,647	1,123	193	469	730	2,185	3,127	5,494	2,326	--
U. S. Government securities	2,564,015	92,335	88,950	215,480	193,257	76,485	168,763	479,410	584,575	664,760

FEDERAL RESERVE NOTE STATEMENT ON AUGUST 3, 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	4,431,040	380,865	1,002,098	317,388	428,386	200,040	157,732	989,543	184,112	137,774	173,039	82,731	377,332
Held by Federal Reserve bank	292,334	24,459	94,314	16,143	23,098	8,735	15,337	32,278	11,333	5,575	8,805	6,488	45,769
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<u>In actual circulation</u>	4,138,706	356,406	907,784	301,245	405,288	191,305	142,395	957,265	172,779	132,199	164,234	76,243	331,563
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	5,449	173	1,068	965	354	673	737	115	95	161	142	443	523
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<u>Total collateral</u>	4,534,081	390,173	1,011,068	327,965	434,354	202,673	159,737	1,010,115	188,727	141,661	177,142	85,943	404,523