

STATEMENT FOR THE PRESS

Released for publication
Friday morning, Sept. 2;
not earlier.

Board of Governors
of the Federal Reserve System
September 1, 1938.

CONDITION OF FEDERAL RESERVE BANKS

During the week ended August 31 member bank reserve balances increased \$23,000,000. Additions to member bank reserves arose from decreases of \$51,000,000 in Treasury deposits with Federal Reserve banks and \$3,000,000 in nonmember deposits and other Federal Reserve accounts and increases of \$56,000,000 in gold stock, \$6,000,000 in Reserve bank credit and \$3,000,000 in Treasury currency, offset in part by increases of \$63,000,000 in Treasury cash and \$33,000,000 in money in circulation. Excess reserves of member banks on August 31 were estimated to be approximately \$2,940,000,000, a decrease of \$40,000,000 for the week.

Changes in member bank reserve balances and related items during the week and the year ended August 31, 1938, were as follows:

	Increase or decrease since		
	Aug. 31 <u>1938</u>	Aug. 24 <u>1938</u>	Sept. 1 <u>1937</u>
	(In millions of dollars)		
Bills discounted	7	—	-17
Bills bought	1	—	-2
U. S. Government securities	2,564	—	+38
Industrial advances (not including 14 million commitments - August 31)	16	—	-5
Other Reserve bank credit	-2	+6	-7
 Total Reserve bank credit	 2,585	 +6	 +6
Gold stock	13,135	+56	+568
Treasury currency	2,730	+3	+145
 Member bank reserve balances	 8,179	 +23	 +1,448
Money in circulation	6,503	+33	-29
Treasury cash	2,480	+63	-1,239
Treasury deposits with F. R. banks	720	-51	+564
Nonmember deposits and other F. R. accounts	568	-3	-25

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ASSETS AND LIABILITIES
OF THE TWELVE FEDERAL RESERVE BANKS COMBINED

(In thousands of dollars)

	<u>Aug. 31, 1938</u>	<u>Aug. 24, 1938</u>	<u>Sept. 1, 1937</u>
<u>A S S E T S</u>			
Gold certificates on hand and due			
from U. S. Treasury	10,632,413	10,632,411	8,831,389
Redemption fund - F. R. notes	7,421	9,112	8,949
Other cash	<u>385,675</u>	<u>396,893</u>	<u>294,237</u>
<u>Total reserves</u>	11,025,509	11,038,416	9,134,575
Bills discounted:			
Secured by U. S. Gov't obligations,			
direct or fully guaranteed	4,041	3,699	12,915
Other bills discounted	<u>3,103</u>	<u>3,042</u>	<u>10,811</u>
<u>Total bills discounted</u>	7,144	6,741	23,726
Bills bought in open market	537	537	3,076
Industrial advances	15,899	15,852	20,785
U. S. Government securities:			
Bonds	744,105	744,105	738,073
Treasury notes	1,196,188	1,196,188	1,157,713
Treasury bills	<u>623,722</u>	<u>623,722</u>	<u>630,404</u>
<u>Total U.S. Government securities</u>	2,564,015	2,564,015	2,526,190
<u>Total bills and securities</u>	2,587,595	2,587,145	2,573,777
Due from foreign banks	184	184	221
F.R. notes of other banks	25,617	24,955	27,785
Uncollected items	525,303	501,237	625,356
Bank premises	44,410	44,462	45,423
All other assets	<u>52,539</u>	<u>51,950</u>	<u>45,515</u>
TOTAL ASSETS	14,261,157	14,248,349	12,452,652
<u>L I A B I L I T I E S</u>			
F. R. notes in actual circulation	4,169,262	4,144,760	4,260,604
Deposits:			
Member bank - reserve account	8,178,851	8,156,037	6,731,214
U. S. Treasurer - General account	720,248	770,784	156,264
Foreign bank	125,940	119,166	189,657
Other deposits	<u>187,322</u>	<u>195,662</u>	<u>146,887</u>
<u>Total deposits</u>	9,212,361	9,241,649	7,224,022
Deferred availability items	527,766	509,855	620,482
Capital paid in	133,994	133,991	132,594
Surplus (Section 7)	147,739	147,739	145,854
Surplus (Section 13 b)	27,683	27,683	27,490
Reserve for contingencies	32,776	32,775	35,839
All other liabilities	<u>9,576</u>	<u>9,897</u>	<u>5,767</u>
TOTAL LIABILITIES	14,261,157	14,248,349	12,452,652
Ratio of total reserves to deposit and			
F. R. note liabilities combined	82.4%	82.5%	79.5%
Contingent liability on bills purchased			
for foreign correspondents	470	604	1,873
Commitments to make industrial advances	13,543	13,684	15,404

ASSETS AND LIABILITIES OF THE FEDERAL RESERVE BANKS ON AUGUST 31, 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	10,632,413	609,731	4,547,738	458,533	717,306	325,521	228,554	2,044,545	304,733	221,160	292,183	184,411	697,998
Redemption fund - F.R. notes	7,421	762	927	890	1,015	437	458	403	333	708	173	299	1,016
Other cash	385,675	42,958	109,763	31,647	24,687	21,109	12,685	51,600	14,828	9,291	17,293	12,767	37,047
<u>Total reserves</u>	11,025,509	653,451	4,658,428	491,070	743,008	347,067	241,697	2,096,548	319,894	231,159	309,649	197,477	736,061
Bills discounted:													
Secured by U.S. Gov't obligations, direct or fully guaranteed	4,041	30	1,746	379	568	272	93	170	145	108	51	206	273
Other bills discounted	3,103	34	446	600	161	309	577	—	75	44	179	418	260
<u>Total bills discounted</u>	7,144	64	2,192	979	729	581	670	170	220	152	230	624	533
Bills bought in open market	537	40	210	55	49	23	19	67	2	2	16	16	38
Industrial advances	15,899	2,371	3,685	3,300	689	1,506	119	441	135	1,120	427	846	1,260
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>	2,564,015	196,203	780,147	230,771	240,262	127,224	111,196	278,831	114,411	73,430	118,631	84,963	207,946
<u>Total bills and securities</u>	2,567,595	198,678	786,234	235,105	241,729	129,334	112,004	279,509	114,768	74,704	119,304	86,449	209,777
Due from foreign banks	184	14	70	18	17	8	6	23	3	2	5	5	13
F. R. notes of other banks	25,617	2,000	4,773	1,854	1,557	1,293	1,433	3,485	1,636	1,349	1,611	434	4,192
Uncollected items	525,303	51,818	135,626	41,682	57,003	46,496	17,226	66,679	21,666	15,722	27,043	22,420	21,922
Bank premises	44,410	2,964	9,841	4,741	6,092	2,647	2,090	4,516	2,308	1,543	3,115	1,276	3,277
All other assets	52,539	3,465	15,669	5,265	5,461	3,165	2,457	5,029	2,110	1,641	2,225	1,707	4,345
TOTAL ASSETS	14,261,157	912,390	5,610,641	779,735	1,054,867	530,010	376,913	2,455,789	462,385	326,120	462,952	309,768	979,587

ASSETS AND LIABILITIES OF THE FEDERAL RESERVE BANKS ON AUGUST 31, 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	4,169,262	357,678	918,386	303,889	407,392	200,957	139,981	958,460	171,743	132,596	165,744	76,250	336,186
Deposits:													
Member bank - reserve account	8,178,851	439,040	3,936,262	355,676	495,609	229,939	157,628	1,294,433	218,864	120,677	227,444	163,426	539,853
U.S.Treasurer - General account	720,248	25,808	320,440	32,587	41,889	28,885	39,802	73,306	28,576	42,208	27,340	28,460	30,947
Foreign bank	125,940	8,609	49,299	11,718	11,000	5,141	4,185	14,228	3,587	2,750	3,467	3,467	8,489
Other deposits	187,322	4,791	131,677	2,318	10,468	3,254	5,440	1,892	5,867	3,269	834	2,514	14,998
<u>Total deposits</u>	<u>9,212,361</u>	<u>478,248</u>	<u>4,437,678</u>	<u>402,299</u>	<u>558,966</u>	<u>267,219</u>	<u>207,055</u>	<u>1,383,859</u>	<u>256,894</u>	<u>168,904</u>	<u>259,085</u>	<u>197,867</u>	<u>594,287</u>
Deferred availability items	527,766	52,063	133,137	40,516	55,823	46,679	16,795	68,078	23,043	15,132	27,371	24,497	24,132
Capital paid in	133,994	9,408	50,944	12,215	13,390	4,991	4,473	13,275	3,918	2,908	4,190	3,940	10,342
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	32,776	1,448	8,210	2,000	3,176	1,401	1,603	7,118	1,215	1,894	935	1,776	2,000
All other liabilities	9,576	771	2,599	939	790	390	650	1,183	360	532	372	276	714
TOTAL LIABILITIES	14,261,157	912,390	5,610,641	779,735	1,054,867	530,010	376,913	2,455,789	462,385	326,120	462,952	309,768	979,587
Contingent liability on bills purchased for foreign correspondents	470	34	169	46	43	20	16	56	14	11	14	14	33
Commitments to make industrial advances	13,543	1,360	3,846	339	1,513	1,796	178	19	580	237	360	51	3,264

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	7,144	5,546	262	837	339	159	1	—	—	—
Bills bought	537	117	—	212	208	—	—	—	—	—
Industrial advances	15,899	1,311	162	591	624	2,188	2,907	5,449	2,667	—
U. S. Government securities	2,564,015	103,830	110,650	186,757	176,385	88,885	168,763	479,410	584,575	664,760

FEDERAL RESERVE NOTE STATEMENT ON AUGUST 31, 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	4,449,156	380,049	1,001,355	322,498	429,784	211,157	156,900	986,017	184,835	137,298	174,778	82,618	381,867
Held by Federal Reserve bank	279,894	22,371	82,969	18,609	22,392	10,200	16,919	27,557	13,092	4,702	9,034	6,368	45,681

<u>In actual circulation</u>	4,169,262	357,678	918,386	303,889	407,392	200,957	139,981	958,460	171,743	132,596	165,744	76,250	336,186
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Collateral held by agent as security for notes issued to bank:

Gold certificates on hand and
due from U. S. Treasury
Eligible paper

4,544,632	390,000	1,010,000	327,000	434,000	215,000	159,000	1,010,000	188,632	141,500	180,000	85,500	404,000
6,166	30	2,162	488	608	514	528	170	160	143	221	609	533

<u>Total collateral</u>	4,550,798	390,030	1,012,162	327,488	434,608	215,514	159,528	1,010,170	188,792	141,643	180,221	86,109	404,533
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