

STATEMENT FOR THE PRESS

Released for publication
Friday morning, Sept. 1;
not earlier.

Board of Governors
of the Federal Reserve System
August 31, 1939

CONDITION OF FEDERAL RESERVE BANKS

During the week ended August 30 member bank reserve balances increased \$122,000,000. Additions to member bank reserves arose from increases of \$137,000,000 in gold stock, \$7,000,000 in Reserve bank credit and \$2,000,000 in Treasury currency and decreases of \$15,000,000 in Treasury deposits with Federal Reserve banks and \$7,000,000 in Treasury cash, offset in part by increases of \$43,000,000 in money in circulation and \$3,000,000 in nonmember deposits and other Federal Reserve accounts. Excess reserves of member banks on August 30 were estimated to be approximately \$4,800,000,000, an increase of \$60,000,000 for the week.

The principal changes in holdings of bills and securities were increases of \$3,000,000 in United States Treasury notes and \$1,000,000 in Treasury bonds and a decrease of \$1,000,000 in Treasury bills.

Changes in member bank reserve balances and related items during the week and the year ended August 30, 1939, were as follows:

| | Increase or decrease since | | |
|---|-------------------------------|------------------|------------------|
| | Aug. 30, 1939 | Aug. 23, 1939 | Aug. 31, 1938 |
| | (In millions of dollars) | | |
| Bills discounted | 6 | + 1 | - 1 |
| Bills bought | 1 | — | — |
| U. S. Government securities | 2,426 | + 3 | - 138 |
| Industrial advances (not including 11 million commitments - August 30) | 12 | — | - 4 |
| Other Reserve bank credit | 3 | + 2 | + 5 |
| Total Reserve bank credit | 2,448 | + 7 | - 137 |
| Gold stock | 16,638 | +137 | +3,502 |
| Treasury currency | 2,905 | + 2 | + 174 |
| Member bank reserve balances | 10,951 | +122 | +2,772 |
| Money in circulation | 7,141 | + 43 | + 637 |
| Treasury cash | 2,327 | - 7 | - 153 |
| Treasury deposits with F. R. banks | 709 | - 15 | - 11 |
| Nonmember deposits and other F.R. accounts | 863 | + 3 | + 295 |

Released for publication Friday morning, Sept. 1, 1939; not earlier.

STATEMENT OF CONDITION
OF THE TWELVE FEDERAL RESERVE BANKS COMBINED
(In thousands of dollars)

| | | Increase or decrease since | |
|---|------------------|-------------------------------|------------------|
| | Aug. 30, 1939 | Aug. 23, 1939 | Aug. 31, 1938 |
| <u>A S S E T S</u> | | | |
| Gold certificates on hand and due from U. S. Treasury | 14,312,220 | +144,500 | +3,679,807 |
| Redemption fund - F. R. notes | 8,644 | - 482 | + 1,223 |
| Other cash | 339,748 | - 5,098 | - 45,927 |
| <u>Total reserves</u> | 14,660,612 | +138,920 | +3,635,103 |
| Bills discounted: | | | |
| Secured by U. S. Gov't obligations, direct or fully guaranteed | 2,109 | + 1,097 | - 1,932 |
| Other bills discounted | 4,081 | + 275 | + 978 |
| <u>Total bills discounted</u> | 6,190 | + 1,372 | - 954 |
| Bills bought in open market | 546 | - 29 | + 9 |
| Industrial advances | 11,667 | - 10 | - 4,232 |
| U. S. Government securities: | | | |
| Bonds | 912,460 | + 1,370 | + 168,355 |
| Treasury notes | 1,179,109 | + 3,000 | - 17,079 |
| Treasury bills | 334,620 | - 920 | - 289,102 |
| <u>Total U.S. Government securities</u> | 2,426,189 | + 3,450 | - 137,826 |
| <u>Total bills and securities</u> | 2,444,592 | + 4,783 | - 143,003 |
| Due from foreign banks | 177 | + 28 | - 7 |
| F. R. notes of other banks | 23,664 | + 1,932 | - 1,953 |
| Uncollected items | 588,704 | - 15,561 | + 63,401 |
| Bank premises | 42,211 | - 13 | - 2,199 |
| Other assets | 52,122 | + 1,090 | - 417 |
| T O T A L A S S E T S | 17,812,082 | +131,179 | +3,550,925 |
| <u>L I A B I L I T I E S</u> | | | |
| F. R. notes in actual circulation | 4,609,282 | + 37,152 | + 440,020 |
| Deposits: | | | |
| Member bank - reserve account | 10,951,004 | +122,034 | +2,772,153 |
| U.S. Treasurer - General account | 708,611 | - 15,143 | - 11,637 |
| Foreign bank | 350,132 | + 26,372 | + 224,192 |
| Other deposits | 257,768 | - 22,418 | + 70,446 |
| <u>Total deposits</u> | 12,267,515 | +110,845 | +3,055,154 |
| Deferred availability items | 585,540 | - 17,680 | + 57,774 |
| Other liabilities including accrued dividends | 3,948 | + 830 | + 628 |
| T O T A L L I A B I L I T I E S | 17,466,285 | +131,147 | +3,553,576 |
| <u>C A P I T A L A C C O U N T S</u> | | | |
| Capital paid in | 135,487 | + 1 | + 1,493 |
| Surplus (Section 7) | 149,152 | - | + 1,413 |
| Surplus (Section 13b) | 27,264 | - | - 419 |
| Other capital accounts | 33,894 | + 31 | - 5,138 |
| TOTAL LIABILITIES AND CAPITAL ACCOUNTS | 17,812,082 | +131,179 | +3,550,925 |
| Ratio of total reserves to deposit and F. R. note liabilities combined | 86.9% | + .1% | + 4.5% |
| Contingent liability on bills purchased for foreign correspondents | 101 | - | - 369 |
| Commitments to make industrial advances | 11,009 | - 66 | - 2,534 |

STATEMENT OF CONDITION OF THE FEDERAL RESERVE BANKS ON AUGUST 30, 1939
(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 | 14,312,220 | 807,237 | 6,956,799 | 717,335 | 853,120 | 372,951 | 307,269 | 2,268,190 | 370,579 | 257,700 | 352,908 | 227,704 | 820,428 |
| Redemption fund - F.R. notes | 8,644 | 334 | 1,287 | 742 | 888 | 871 | 641 | 891 | 435 | 375 | 635 | 463 | 1,082 |
| Other cash | 339,748 | 22,209 | 87,531 | 27,036 | 22,211 | 20,922 | 20,990 | 46,576 | 17,642 | 8,938 | 18,925 | 15,537 | 31,231 |
| <u>Total reserves</u> | 14,660,612 | 829,780 | 7,045,617 | 745,113 | 876,219 | 394,744 | 328,900 | 2,315,657 | 388,656 | 267,013 | 372,468 | 243,704 | 852,741 |
| Bills discounted: | | | | | | | | | | | | | |
| Secured by U.S. Gov't obligations, direct or fully guaranteed | 2,109 | 170 | 1,468 | 133 | 113 | 60 | 30 | 20 | — | 10 | — | 50 | 55 |
| Other bills discounted | 4,081 | — | 1,277 | 196 | 236 | 292 | 139 | 245 | 143 | 78 | 334 | 405 | 736 |
| <u>Total bills discounted</u> | 6,190 | 170 | 2,745 | 329 | 349 | 352 | 169 | 265 | 143 | 88 | 334 | 455 | 791 |
| Bills bought in open market | 546 | 41 | 213 | 55 | 51 | 23 | 19 | 69 | 2 | 2 | 16 | 16 | 39 |
| Industrial advances | 11,667 | 1,741 | 2,052 | 2,700 | 365 | 1,061 | 752 | 372 | 3 | 824 | 204 | 551 | 1,042 |
| U.S. Government securities: | | | | | | | | | | | | | |
| Bonds | 912,460 | 67,099 | 265,604 | 77,283 | 91,377 | 51,312 | 38,836 | 98,803 | 42,326 | 25,970 | 45,438 | 34,899 | 73,513 |
| Treasury notes | 1,179,109 | 86,708 | 343,221 | 99,867 | 118,078 | 66,307 | 50,186 | 127,676 | 54,696 | 33,560 | 58,716 | 45,099 | 94,995 |
| Treasury bills | 334,620 | 24,607 | 97,403 | 28,341 | 33,510 | 18,817 | 14,242 | 36,233 | 15,522 | 9,524 | 16,664 | 12,798 | 26,959 |
| <u>Total U.S. Gov't securities</u> | 2,426,189 | 178,414 | 706,228 | 205,491 | 242,965 | 136,436 | 103,264 | 262,712 | 112,544 | 69,054 | 120,818 | 92,796 | 195,467 |
| <u>Total bills and securities</u> | 2,444,592 | 180,366 | 711,238 | 208,575 | 243,730 | 137,872 | 104,204 | 263,418 | 112,692 | 69,968 | 121,372 | 93,818 | 197,339 |
| Due from foreign banks | 177 | 13 | 66 | 18 | 16 | 8 | 6 | 22 | 3 | 2 | 5 | 5 | 13 |
| F.R. notes of other banks | 23,664 | 379 | 4,955 | 1,009 | 1,734 | 1,765 | 2,100 | 2,827 | 1,234 | 1,437 | 1,190 | 523 | 4,511 |
| Uncollected items | 588,704 | 59,702 | 152,952 | 42,385 | 67,280 | 50,611 | 20,828 | 79,377 | 24,232 | 15,912 | 28,401 | 20,066 | 26,958 |
| Bank premises | 42,211 | 2,908 | 8,926 | 4,615 | 5,918 | 2,570 | 2,048 | 3,899 | 2,261 | 1,508 | 3,157 | 1,227 | 3,174 |
| Other assets | 52,122 | 3,340 | 15,499 | 4,625 | 5,686 | 3,497 | 2,298 | 5,024 | 2,116 | 1,479 | 2,370 | 1,933 | 4,255 |
| TOTAL ASSETS | 17,812,082 | 1,076,488 | 7,939,253 | 1,006,340 | 1,200,583 | 591,067 | 460,384 | 2,670,224 | 531,194 | 357,319 | 528,963 | 361,276 | 1,088,991 |

STATEMENT OF CONDITION OF THE FEDERAL RESERVE BANKS ON AUGUST 30, 1939
(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 cir- culation | 4,609,282 | 392,979 | 1,159,958 | 323,346 | 429,919 | 205,734 | 152,687 | 1,017,201 | 180,387 | 133,407 | 173,608 | 78,286 | 361,770 |
| Deposits: | | | | | | | | | | | | | |
| Member bank-reserve account | 10,951,004 | 516,962 | 6,084,479 | 515,302 | 568,479 | 256,654 | 208,107 | 1,388,861 | 249,736 | 140,091 | 250,004 | 193,135 | 579,194 |
| U.S.Treasurer-General account | 708,611 | 52,675 | 136,175 | 49,826 | 58,954 | 46,834 | 48,325 | 81,873 | 48,807 | 44,734 | 50,251 | 44,418 | 45,739 |
| Foreign bank | 350,132 | 25,205 | 124,985 | 33,958 | 32,558 | 15,054 | 12,253 | 42,361 | 10,152 | 8,052 | 10,153 | 10,153 | 25,248 |
| Other deposits | 257,768 | 4,642 | 173,963 | 7,338 | 12,137 | 1,510 | 6,013 | 10,542 | 6,001 | 5,650 | 5,437 | 2,156 | 22,379 |
| <u>Total deposits</u> | 12,267,515 | 599,484 | 6,519,602 | 606,424 | 672,128 | 320,052 | 274,698 | 1,523,637 | 314,696 | 198,527 | 315,845 | 249,862 | 672,560 |
| Deferred availability items | 585,540 | 59,780 | 138,751 | 43,830 | 65,637 | 50,348 | 20,216 | 84,350 | 25,484 | 16,155 | 29,270 | 21,981 | 29,738 |
| Other liabilities including accrued dividends | 3,948 | 369 | 1,703 | 458 | 256 | 64 | 142 | 319 | 80 | 118 | 203 | 91 | 145 |
| TOTAL LIABILITIES | 17,466,285 | 1,052,612 | 7,820,014 | 974,058 | 1,167,940 | 576,198 | 447,743 | 2,625,507 | 520,647 | 348,207 | 518,926 | 350,220 | 1,064,213 |

CAPITAL ACCOUNTS

| | | | | | | | | | | | | | |
|---|------------|-----------|-----------|-----------|-----------|---------|---------|-----------|---------|---------|---------|---------|-----------|
| Capital paid in | 135,487 | 9,405 | 50,873 | 12,116 | 13,752 | 5,114 | 4,559 | 13,803 | 3,994 | 2,917 | 4,296 | 4,042 | 10,616 |
| Surplus (Section 7) | 149,152 | 10,083 | 52,463 | 13,696 | 14,323 | 4,983 | 5,630 | 22,666 | 4,685 | 3,153 | 3,613 | 3,892 | 9,965 |
| Surplus (Section 13b) | 27,264 | 2,874 | 7,457 | 4,416 | 1,007 | 3,293 | 713 | 1,429 | 545 | 1,001 | 1,142 | 1,266 | 2,121 |
| Other capital accounts | 33,894 | 1,514 | 8,446 | 2,054 | 3,561 | 1,479 | 1,739 | 6,819 | 1,323 | 2,041 | 986 | 1,856 | 2,076 |
| TOTAL LIABILITIES AND CAPITAL ACCOUNTS | 17,812,082 | 1,076,488 | 7,939,253 | 1,006,340 | 1,200,583 | 591,067 | 460,384 | 2,670,224 | 531,194 | 357,319 | 528,963 | 361,276 | 1,088,991 |

| | | | | | | | | | | | | | |
|---|--------|-----|-------|-------|-------|-----|-----|----|-----|----|-----|---|-------|
| Contingent liability on bills purchased for foreign correspondents | 101 | 7 | 36 | 10 | 10 | 4 | 4 | 12 | 3 | 2 | 3 | 3 | 7 |
| Commitments to make industrial advances | 11,009 | 605 | 2,014 | 1,341 | 1,445 | 928 | 139 | 30 | 424 | 65 | 596 | — | 3,422 |

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 | 6,190 | 2,484 | 2,191 | 678 | 550 | 284 | 3 | — | — | — |
| Bills bought | 546 | 314 | 23 | 209 | — | — | — | — | — | — |
| Industrial advances | 11,667 | 1,314 | 78 | 444 | 445 | 2,003 | 2,330 | 2,535 | 2,518 | — |
| U. S. Government securities | 2,426,189 | 60,625 | 67,050 | 68,050 | 97,615 | 143,956 | 296,068 | 329,575 | 531,535 | 831,715 |

FEDERAL RESERVE NOTE STATEMENT ON AUGUST 30, 1939
(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 | 4,892,298 | 414,844 | 1,244,492 | 341,707 | 448,582 | 216,987 | 164,464 | 1,048,214 | 192,478 | 137,928 | 182,723 | 86,787 | 413,092 |
| Held by Federal Reserve bank | 283,016 | 21,865 | 84,534 | 18,361 | 18,663 | 11,253 | 11,777 | 31,013 | 12,091 | 4,521 | 9,115 | 8,501 | 51,322 |

In actual circulation

| | | | | | | | | | | | | |
|-----------|---------|-----------|---------|---------|---------|---------|-----------|---------|---------|---------|--------|---------|
| 4,609,282 | 392,979 | 1,159,958 | 323,346 | 429,919 | 205,734 | 152,687 | 1,017,201 | 180,387 | 133,407 | 173,608 | 78,286 | 361,770 |
|-----------|---------|-----------|---------|---------|---------|---------|-----------|---------|---------|---------|--------|---------|

Collateral held by agent as security for notes issued to bank:

Gold certificates on hand and

due from U.S. Treasury

Eligible paper

| | | | | | | | | | | | | |
|-----------|---------|-----------|---------|---------|---------|---------|-----------|---------|---------|---------|--------|---------|
| 4,967,000 | 420,000 | 1,263,000 | 345,000 | 450,000 | 220,000 | 169,000 | 1,055,000 | 196,000 | 139,500 | 185,000 | 90,500 | 434,000 |
| 3,389 | 170 | 1,877 | 133 | — | 265 | — | — | 9 | 16 | 274 | — | 645 |

Total collateral

| | | | | | | | | | | | | |
|-----------|---------|-----------|---------|---------|---------|---------|-----------|---------|---------|---------|--------|---------|
| 4,970,389 | 420,170 | 1,264,877 | 345,133 | 450,000 | 220,265 | 169,000 | 1,055,000 | 196,009 | 139,516 | 185,274 | 90,500 | 434,645 |
|-----------|---------|-----------|---------|---------|---------|---------|-----------|---------|---------|---------|--------|---------|