

STATEMENT FOR THE PRESS

Released for publication
Friday morning, Sept. 15;
not earlier.

Board of Governors
of the Federal Reserve System
September 14, 1939

CONDITION OF FEDERAL RESERVE BANKS

During the week ended September 13 member bank reserve balances increased \$385,000,000. Additions to member bank reserves arose from increases of \$230,000,000 in Reserve bank credit, \$82,000,000 in gold stock and \$3,000,000 in Treasury currency and decreases of \$26,000,000 in money in circulation, \$37,000,000 in Treasury cash and \$61,000,000 in Treasury deposits with Federal Reserve banks, offset in part by an increase of \$54,000,000 in nonmember deposits and other Federal Reserve accounts. Excess reserves of member banks on September 13 were estimated to be approximately \$5,270,000,000, an increase of \$300,000,000 for the week.

The principal change in holdings of bills and securities was a net increase of \$230,000,000 in United States Government securities, direct and guaranteed. Holdings of bonds and notes increased \$248,000,000 and \$7,000,000, respectively, while holdings of bills decreased \$25,000,000.

Changes in member bank reserve balances and related items during the week and the year ended September 13, 1939, were as follows:

	Increase or decrease since		
	Sept. 13, 1939	Sept. 6, 1939	Sept. 14, 1938
(In millions of dollars)			
Bills discounted	7	+ 1	—
Bills bought	1	—	—
U. S. Government securities, direct and guaranteed	2,824	+230	+ 260
Industrial advances (not including 11 million commitments - September 13)	12	—	- 4
Other Reserve bank credit	30	—	+ 21
Total Reserve bank credit	2,873	+230	+ 277
Gold stock	16,808	+ 82	+3,387
Treasury currency	2,911	+ 3	+ 178
Member bank reserve balances	11,526	+385	+3,101
Money in circulation	7,235	- 26	+ 685
Treasury cash	2,227	- 37	- 532
Treasury deposits with F. R. banks	615	- 61	+ 269
Nonmember deposits and other F. R. accounts	989	+ 54	+ 319

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

		Increase or decrease since	
	Sept. 13, 1939	Sept. 6, 1939	Sept. 14, 1938
<u>A S S E T S</u>			
Gold certificates on hand and due from U. S. Treasury	14,576,719	+124,498	+3,946,986
Redemption fund - F. R. notes	8,288	- 356	- 1,144
Other cash	<u>324,422</u>	<u>+ 16,641</u>	<u>- 54,990</u>
<u>Total reserves</u>	14,909,429	+140,783	+3,890,852
Bills discounted:			
Secured by U. S. Gov't obligations, direct and guaranteed	1,556	+ 10	- 2,270
Other bills discounted	<u>5,697</u>	<u>+ 1,245</u>	<u>+ 2,569</u>
<u>Total bills discounted</u>	7,253	+ 1,255	+ 299
Bills bought in open market	546	--	+ 6
Industrial advances	11,617	- 10	- 4,230
U. S. Government securities, direct and guaranteed:			
Bonds	1,268,800	+247,581	+ 524,695
Notes	1,245,497	+ 6,924	+ 49,309
Bills	<u>309,420</u>	<u>- 25,200</u>	<u>- 314,302</u>
<u>Total U. S. Government securities, direct and guaranteed</u>	2,823,717	+229,305	+ 259,702
<u>Total bills and securities</u>	2,843,133	+230,550	+ 255,777
Due from foreign banks	177	--	- 4
F. R. notes of other banks	26,389	+ 3,089	- 903
Uncollected items	733,764	+146,821	- 5,980
Bank premises	42,166	+ 4	- 2,241
Other assets	<u>77,469</u>	<u>+ 16,237</u>	<u>+ 20,467</u>
T O T A L A S S E T S	18,632,527	+537,484	+4,157,968
<u>L I A B I L I T I E S</u>			
F. R. notes in actual circulation	4,678,992	- 4,724	+ 478,163
Deposits:			
Member bank - reserve account	11,525,708	+385,100	+3,100,372
U. S. Treasurer - General account	615,336	- 60,169	+ 269,081
Foreign bank	450,076	+ 52,893	+ 283,416
Other deposits	<u>305,296</u>	<u>+ 14,048</u>	<u>+ 55,968</u>
<u>Total deposits</u>	12,896,466	+391,872	+3,708,837
Deferred availability items	704,124	+147,293	- 26,824
Other liabilities including accrued dividends	<u>6,243</u>	<u>+ 2,686</u>	<u>- 333</u>
T O T A L L I A B I L I T I E S	18,285,825	+537,127	+4,159,843
<u>C A P I T A L A C C O U N T S</u>			
Capital paid in	135,497	+ 1	+ 1,506
Surplus (Section 7)	149,152	--	+ 1,413
Surplus (Section 13b)	27,264	--	- 419
Other capital accounts	<u>34,789</u>	<u>+ 356</u>	<u>- 4,375</u>
TOTAL LIABILITIES AND CAPITAL ACCOUNTS	18,632,527	+537,484	+4,157,968
Ratio of total reserves to deposit and F. R. note liabilities combined	84.8%	- 1.1%	+ 2.5%
Contingent liability on bills purchased for foreign correspondents	101	--	- 183
Commitments to make industrial advances	10,919	- 12	- 2,562

STATEMENT OF CONDITION OF THE FEDERAL RESERVE BANKS ON SEPTEMBER 13, 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	14,576,719	816,196	7,132,530	718,268	839,216	377,329	302,164	2,322,254	378,953	258,233	352,846	237,044	841,686
Redemption fund - F.R. notes	8,288	298	1,137	680	821	1,005	607	818	417	366	621	454	1,064
Other cash	324,422	24,249	88,285	26,328	22,197	18,257	16,624	42,649	15,543	9,402	18,802	15,560	26,526
<u>Total reserves</u>	14,909,429	840,743	7,221,952	745,276	862,234	396,591	319,395	2,365,721	394,913	268,001	372,269	253,058	869,276
Bills discounted:													
Secured by U.S. Gov't obligations, direct and guaranteed	1,556	85	1,139	41	13	69	20	72	43	—	—	19	55
Other bills discounted	5,697	—	3,279	196	235	137	145	245	84	68	289	346	673
<u>Total bills discounted</u>	7,253	85	4,418	237	248	206	165	317	127	68	289	365	728
Bills bought in open market	546	41	212	55	51	24	19	69	2	2	16	16	39
Industrial advances	11,617	1,745	2,040	2,679	364	1,054	751	371	3	816	203	549	1,042
U. S. Government securities, direct and guaranteed:													
Bonds	1,268,800	92,609	384,699	108,305	127,261	68,011	52,377	136,112	55,842	34,888	59,913	46,990	101,793
Notes	1,245,497	90,908	377,634	106,315	124,923	66,761	51,417	133,612	54,817	34,248	58,812	46,127	99,923
Bills	309,420	22,584	93,816	26,412	31,035	16,586	12,773	33,193	13,618	8,508	14,611	11,460	24,824
<u>Total U.S. Gov't securities, direct and guaranteed</u>	2,823,717	206,101	856,149	241,032	283,219	151,358	116,567	302,917	124,277	77,644	133,336	104,577	226,540
<u>Total bills and securities</u>	2,843,133	207,972	862,819	244,003	283,882	152,642	117,502	303,674	124,409	78,530	133,844	105,507	228,349
Due from foreign banks	177	13	67	18	16	8	6	22	2	2	5	5	13
F. R. notes of other banks	26,389	711	5,561	1,313	1,459	2,313	2,022	2,620	1,388	1,397	1,369	703	5,533
Uncollected items	733,764	72,680	173,573	49,312	88,687	64,028	24,675	105,004	33,430	21,128	34,142	26,703	40,402
Bank premises	42,166	2,908	8,912	4,615	5,918	2,570	2,047	3,890	2,261	1,505	3,144	1,222	3,174
Other assets	77,469	4,968	23,005	9,010	7,989	4,591	3,193	7,409	3,057	2,090	3,318	2,711	6,128
TOTAL ASSETS	18,632,527	1,129,995	8,295,889	1,053,547	1,250,135	622,743	468,840	2,788,340	559,460	372,653	548,091	389,909	1,152,875

STATEMENT OF CONDITION OF THE FEDERAL RESERVE BANKS ON SEPTEMBER 13, 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 circulation	4,678,992	397,206	1,183,632	328,469	434,497	210,811	154,343	1,026,671	182,010	135,377	175,773	80,455	369,748
Deposits:													
Member bank-reserve account	11,525,708	550,253	6,343,847	540,693	590,783	276,086	210,679	1,503,424	267,403	147,869	267,726	213,801	613,144
U.S.Treasurer-General account	615,386	47,062	117,448	51,796	47,774	38,708	45,555	42,593	46,311	46,630	45,355	43,990	42,164
Foreign bank	450,076	32,300	160,847	43,642	41,842	19,346	15,747	54,440	13,048	10,348	13,048	13,048	32,420
Other deposits	305,296	6,991	211,429	5,951	16,361	1,926	5,524	9,165	6,719	5,578	1,437	1,733	32,482
<u>Total deposits</u>	<u>12,896,466</u>	<u>636,606</u>	<u>6,833,571</u>	<u>642,082</u>	<u>696,760</u>	<u>336,066</u>	<u>277,505</u>	<u>1,609,622</u>	<u>333,481</u>	<u>210,425</u>	<u>327,566</u>	<u>272,572</u>	<u>720,210</u>
Deferred availability items	704,124	71,871	157,919	47,712	85,922	60,879	24,153	106,926	33,128	17,591	34,484	25,700	37,339
Other liabilities including accrued dividends	6,243	398	1,339	2,879	289	84	150	284	253	131	170	101	165
TOTAL LIABILITIES	18,285,325	1,106,081	8,176,461	1,021,142	1,217,468	607,840	456,151	2,743,503	548,872	363,524	537,993	378,828	1,127,962

CAPITAL ACCOUNTS

Capital paid in	135,497	9,399	50,872	12,116	13,763	5,116	4,561	13,798	3,994	2,917	4,296	4,047	10,618
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	34,789	1,558	8,636	2,177	3,624	1,511	1,785	6,944	1,364	2,058	1,047	1,876	2,209

TOTAL LIABILITIES ANDCAPITAL ACCOUNTS

	18,632,527	1,129,995	8,295,889	1,053,547	1,250,185	622,743	468,840	2,782,340	559,460	372,653	543,091	389,909	1,152,875
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	10,919	595	1,940	1,337	1,471	913	139	30	424	64	596	—	3,410

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	7,253	4,406	251	647	1,788	158	3	—	—	—
Bills bought	546	23	115	93	315	—	—	—	—	—
Industrial advances	11,617	1,317	208	380	506	1,873	2,310	2,525	2,498	—
U. S. Government securities, direct and guaranteed	2,823,717	67,050	38,913	78,077	125,380	105,749	300,488	347,365	589,282	1,171,413

FEDERAL RESERVE NOTE STATEMENT ON SEPTEMBER 13, 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	4,983,108	424,070	1,281,368	343,402	457,648	221,268	166,164	1,055,222	194,535	140,025	184,397	90,948	423,561
Held by Federal Reserve bank	304,116	26,864	97,736	14,933	23,151	10,457	11,821	28,551	12,525	4,648	9,124	10,493	53,813

In actual circulation

4,678,992	397,206	1,183,632	328,469	434,497	210,811	154,343	1,026,671	182,010	135,377	175,773	80,455	369,748
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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

5,066,000	430,000	1,303,000	350,000	460,000	225,000	169,000	1,065,000	196,000	141,500	188,000	94,500	444,000
2,792	85	2,266	41	—	120	—	—	44	6	230	—	—

Total collateral

5,068,792	430,085	1,305,266	350,041	460,000	225,120	169,000	1,065,000	196,044	141,506	188,230	94,500	444,000
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