

STATEMENT FOR THE PRESS

Released for publication
Friday morning, Oct. 27;
not earlier.

Board of Governors
of the Federal Reserve System
October 26, 1939

CONDITION OF FEDERAL RESERVE BANKS

During the week ended October 25 member bank reserve balances increased \$43,000,000. Additions to member bank reserves arose from decreases of \$28,000,000 in money in circulation, \$23,000,000 in Treasury deposits with Federal Reserve banks, and \$7,000,000 in nonmember deposits and other Federal Reserve accounts, and increases of \$42,000,000 in gold stock, and \$2,000,000 in Treasury currency, offset in part by a decrease of \$46,000,000 in Reserve bank credit and an increase of \$14,000,000 in Treasury cash. Excess reserves of member banks on October 25 were estimated to be approximately \$5,530,000,000, an increase of \$20,000,000 for the week.

The principal change in holdings of bills and securities was a decrease of \$12,000,000 in holdings of United States Treasury bills.

Changes in member bank reserve balances and related items during the week and the year ended October 25, 1939, were as follows:

| | Increase or decrease since | | |
|--|-------------------------------|------------------|------------------|
| | Oct. 25, 1939 | Oct. 18, 1939 | Oct. 26, 1938 |
| | (In millions of dollars) | | |
| Bills discounted | 6 | — | - 1 |
| Bills bought | — | - 1 | - 1 |
| U. S. Gov't securities, direct and guaranteed | 2,736 | - 12 | + 172 |
| Industrial advances (not including 10 million commitments - October 25) | 12 | — | - 3 |
| Other Reserve bank credit | 18 | - 33 | + 25 |
| Total Reserve bank credit | 2,771 | - 46 | + 191 |
| Gold stock | 17,039 | + 42 | +2,988 |
| Treasury currency | 2,929 | + 2 | + 180 |
| Member bank reserve balances | 11,950 | + 43 | +3,210 |
| Money in circulation | 7,302 | - 28 | + 648 |
| Treasury cash | 2,230 | + 14 | - 537 |
| Treasury deposits with F.R. banks | 326 | - 23 | - 258 |
| Nonmember deposits and other F. R. accounts | 932 | - 7 | + 297 |

Released for publication Friday morning, Oct. 27, 1939; not earlier.

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

| | | Increase or decrease since | |
|---|------------------|-------------------------------|------------------|
| | Oct. 25, 1939 | Oct. 18, 1939 | Oct. 26, 1938 |
| <u>A S S E T S</u> | | | |
| Gold certificates on hand and due from U. S. Treasury | 14,804,210 | + 35,004 | +3,551,499 |
| Redemption fund - F. R. notes | 8,926 | - 851 | + 123 |
| Other cash | <u>344,281</u> | <u>+ 11,898</u> | <u>- 34,504</u> |
| <u>Total reserves</u> | 15,157,417 | + 46,051 | +3,517,118 |
| Bills discounted: | | | |
| Secured by U. S. Gov't obligations, direct and guaranteed | 993 | - 89 | - 3,372 |
| Other bills discounted | <u>4,758</u> | <u>+ 217</u> | <u>+ 1,888</u> |
| <u>Total bills discounted</u> | 5,751 | + 128 | - 1,484 |
| Bills bought in open market | -- | - 415 | - 541 |
| Industrial advances | 11,763 | - 24 | - 3,573 |
| U. S. Government securities, direct and guaranteed: | | | |
| Bonds | 1,315,942 | -- | + 528,615 |
| Notes | 1,245,497 | -- | + 80,932 |
| Bills | <u>174,320</u> | <u>- 12,500</u> | <u>- 437,803</u> |
| <u>Total U.S. Government securities, direct and guaranteed</u> | 2,735,759 | - 12,500 | + 171,744 |
| <u>Total bills and securities</u> | 2,753,273 | - 12,811 | + 166,146 |
| Due from foreign banks | 47 | - 261 | - 133 |
| F. R. notes of other banks | 23,385 | + 200 | + 282 |
| Uncollected items | 662,257 | -140,319 | + 75,607 |
| Bank premises | 42,108 | + 21 | - 2,174 |
| Other assets | <u>69,436</u> | <u>+ 773</u> | <u>+ 20,869</u> |
| T O T A L A S S E T S | 18,707,923 | -106,346 | +3,777,711 |
| <u>L I A B I L I T I E S</u> | | | |
| F. R. notes in actual circulation | 4,743,717 | - 12,740 | + 459,340 |
| Deposits: | | | |
| Member bank - reserve account | 11,950,446 | + 43,599 | +3,210,363 |
| U.S. Treasurer - General account | 326,003 | - 23,134 | - 258,150 |
| Foreign bank: | 418,898 | + 4,193 | + 206,404 |
| Other deposits | <u>272,874</u> | <u>- 10,666</u> | <u>+ 111,276</u> |
| <u>Total deposits</u> | 12,968,221 | + 13,992 | +3,269,893 |
| Deferred availability items | 644,088 | -108,162 | + 50,210 |
| Other liabilities including accrued dividends | <u>4,147</u> | <u>+ 212</u> | <u>- 321</u> |
| T O T A L L I A B I L I T I E S | 18,360,173 | -106,698 | +3,779,122 |
| <u>C A P I T A L A C C O U N T S</u> | | | |
| Capital paid in | 135,557 | - 12 | + 1,569 |
| Surplus (Section 7) | 149,152 | -- | + 1,413 |
| Surplus (Section 13b) | 27,264 | -- | - 419 |
| Other capital accounts | <u>35,777</u> | <u>+ 364</u> | <u>- 3,974</u> |
| TOTAL LIABILITIES AND CAPITAL ACCOUNTS | 18,707,923 | -106,346 | +3,777,711 |
| Ratio of total reserves to deposit and F. R. note liabilities combined | 85.6% | + .3% | + 2.4% |
| Contingent liability on bills purchased for foreign correspondents | 101 | -- | - 237 |
| Commitments to make industrial advances | 10,156 | - 80 | - 4,385 |

STATEMENT OF CONDITION OF THE FEDERAL RESERVE BANKS ON OCTOBER 25, 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 | 14,804,210 | 853,152 | 7,124,328 | 731,589 | 883,761 | 379,274 | 268,600 | 2,499,949 | 410,036 | 247,764 | 336,867 | 215,654 | 853,236 |
| Redemption fund - F.R. notes | 8,926 | 1,116 | 1,345 | 454 | 536 | 575 | 348 | 968 | 840 | 327 | 552 | 415 | 1,450 |
| Other cash | 344,281 | 29,184 | 90,041 | 29,648 | 22,248 | 20,500 | 17,537 | 46,370 | 14,361 | 8,927 | 18,371 | 17,570 | 29,524 |
| <u>Total reserves</u> | <u>15,157,417</u> | <u>883,452</u> | <u>7,215,714</u> | <u>761,691</u> | <u>906,545</u> | <u>400,349</u> | <u>286,485</u> | <u>2,547,287</u> | <u>425,237</u> | <u>257,018</u> | <u>355,790</u> | <u>233,639</u> | <u>884,210</u> |
| Bills discounted: | | | | | | | | | | | | | |
| Secured by U.S.Gov't obligations, direct and guaranteed | 993 | — | 313 | 63 | 138 | 110 | 10 | 145 | 60 | 30 | 65 | 4 | 55 |
| Other bills discounted | 4,758 | — | 1,474 | 321 | 478 | 342 | 136 | 417 | 146 | 147 | 884 | 112 | 301 |
| <u>Total bills discounted</u> | <u>5,751</u> | <u>—</u> | <u>1,787</u> | <u>384</u> | <u>616</u> | <u>452</u> | <u>146</u> | <u>562</u> | <u>206</u> | <u>177</u> | <u>949</u> | <u>116</u> | <u>356</u> |
| Industrial advances | 11,763 | 1,571 | 1,998 | 3,136 | 339 | 1,016 | 644 | 445 | 7 | 828 | 200 | 522 | 1,057 |
| U. S. Government securities, direct and guaranteed: | | | | | | | | | | | | | |
| Bonds | 1,315,942 | 95,178 | 416,676 | 113,124 | 136,950 | 66,530 | 52,347 | 143,664 | 44,078 | 35,051 | 57,790 | 46,908 | 107,646 |
| Notes | 1,245,497 | 90,084 | 394,370 | 107,068 | 129,619 | 62,969 | 49,545 | 135,972 | 41,716 | 33,174 | 54,697 | 44,397 | 101,886 |
| Bills | 174,320 | 12,608 | 55,196 | 14,935 | 18,142 | 8,813 | 6,934 | 19,031 | 5,839 | 4,643 | 7,655 | 6,214 | 14,260 |
| <u>Total U.S.Gov't securities, direct and guaranteed</u> | <u>2,735,759</u> | <u>197,870</u> | <u>866,242</u> | <u>235,177</u> | <u>284,711</u> | <u>138,312</u> | <u>108,826</u> | <u>298,667</u> | <u>91,633</u> | <u>72,868</u> | <u>120,142</u> | <u>97,519</u> | <u>223,792</u> |
| <u>Total bills and securities</u> | <u>2,753,273</u> | <u>199,441</u> | <u>870,027</u> | <u>238,697</u> | <u>285,666</u> | <u>139,760</u> | <u>109,616</u> | <u>299,674</u> | <u>91,846</u> | <u>73,873</u> | <u>121,291</u> | <u>98,157</u> | <u>225,205</u> |
| Due from foreign banks | 47 | 3 | 18 | 5 | 4 | 2 | 2 | 6 | 1 | * | 1 | 1 | 4 |
| F.R. notes of other banks | 23,385 | 553 | 4,746 | 943 | 1,401 | 2,969 | 2,168 | 2,603 | 1,640 | 1,411 | 1,605 | 557 | 2,789 |
| Uncollected items | 662,257 | 66,123 | 167,343 | 48,775 | 72,030 | 56,263 | 25,217 | 90,933 | 30,287 | 19,126 | 28,780 | 26,388 | 30,182 |
| Bank premises | 42,103 | 2,903 | 8,908 | 4,594 | 5,894 | 2,564 | 2,040 | 3,880 | 2,256 | 1,508 | 3,132 | 1,272 | 3,157 |
| Other assets | 69,436 | 4,534 | 22,252 | 6,027 | 7,644 | 4,081 | 2,923 | 6,928 | 2,173 | 1,875 | 2,842 | 2,390 | 5,767 |
| <u>TOTAL ASSETS</u> | <u>18,707,923</u> | <u>1,157,009</u> | <u>8,289,008</u> | <u>1,060,732</u> | <u>1,279,234</u> | <u>606,708</u> | <u>426,451</u> | <u>2,951,361</u> | <u>553,440</u> | <u>354,821</u> | <u>513,441</u> | <u>362,404</u> | <u>1,151,314</u> |

*Less than \$500.

STATEMENT OF CONDITION OF THE FEDERAL RESERVE BANKS ON OCTOBER 25, 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 | 4,743,717 | 400,330 | 1,187,036 | 333,002 | 440,727 | 220,481 | 158,778 | 1,043,041 | 187,157 | 137,274 | 177,792 | 82,536 | 375,563 |
| Deposits: | | | | | | | | | | | | | |
| Member bank-reserve account | 11,950,446 | 606,676 | 6,404,940 | 581,117 | 651,208 | 278,174 | 199,166 | 1,682,706 | 285,712 | 153,554 | 270,802 | 207,650 | 628,741 |
| U.S.Treasurer-General account | 326,003 | 21,652 | 95,204 | 13,836 | 33,899 | 16,960 | 10,874 | 29,745 | 18,621 | 23,931 | 13,582 | 18,044 | 29,655 |
| Foreign bank | 418,898 | 30,875 | 142,998 | 41,613 | 39,897 | 18,447 | 15,015 | 51,909 | 12,441 | 9,837 | 12,441 | 12,441 | 30,954 |
| Other deposits | 272,874 | 6,006 | 183,713 | 10,657 | 7,665 | 1,911 | 7,111 | 5,307 | 7,760 | 5,007 | 900 | 3,379 | 33,458 |
| <u>Total deposits</u> | <u>12,968,221</u> | <u>665,209</u> | <u>6,826,855</u> | <u>647,223</u> | <u>732,669</u> | <u>315,492</u> | <u>232,166</u> | <u>1,769,667</u> | <u>324,534</u> | <u>192,359</u> | <u>297,725</u> | <u>241,514</u> | <u>722,808</u> |
| Deferred availability items | 644,088 | 67,130 | 153,732 | 47,580 | 72,614 | 55,681 | 24,598 | 93,324 | 30,998 | 15,928 | 27,628 | 27,147 | 27,728 |
| Other liabilities including accrued dividends | 4,147 | 342 | 1,449 | 453 | 394 | 118 | 185 | 384 | 164 | 123 | 175 | 112 | 248 |
| <u>TOTAL LIABILITIES</u> | <u>18,360,173</u> | <u>1,133,011</u> | <u>8,169,072</u> | <u>1,028,258</u> | <u>1,246,404</u> | <u>591,772</u> | <u>415,727</u> | <u>2,906,416</u> | <u>542,853</u> | <u>345,684</u> | <u>503,320</u> | <u>351,309</u> | <u>1,126,347</u> |

CAPITAL ACCOUNTS

| | | | | | | | | | | | | | |
|------------------------|---------|--------|--------|--------|--------|-------|-------|--------|-------|-------|-------|-------|--------|
| Capital paid in | 135,557 | 9,383 | 50,909 | 12,117 | 13,792 | 5,105 | 4,561 | 13,803 | 3,992 | 2,919 | 4,303 | 4,050 | 10,623 |
| 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 | 35,777 | 1,658 | 9,107 | 2,245 | 3,708 | 1,555 | 1,820 | 7,047 | 1,365 | 2,064 | 1,063 | 1,837 | 2,258 |

TOTAL LIABILITIES AND
CAPITAL ACCOUNTS

| | | | | | | | | | | | | | |
|--|------------|-----------|-----------|-----------|-----------|---------|---------|-----------|---------|---------|---------|---------|-----------|
| | 18,707,923 | 1,157,009 | 8,289,008 | 1,060,732 | 1,279,234 | 606,708 | 428,451 | 2,951,361 | 553,440 | 354,321 | 513,441 | 362,404 | 1,151,314 |
| 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 | 10,156 | 493 | 1,891 | 955 | 1,407 | 858 | 78 | 24 | 415 | 64 | 567 | — | 3,404 |

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 | 5,751 | 1,385 | 125 | 3,609 | 207 | 317 | 108 | — | — | — |
| Industrial advances | 11,763 | 1,442 | 343 | 408 | 1,115 | 1,040 | 2,104 | 2,952 | 2,359 | — |
| U. S. Government securities, direct and guaranteed | 2,735,759 | 48,940 | 48,675 | 182,453 | — | 161,705 | 138,783 | 347,365 | 589,282 | 1,218,556 |

FEDERAL RESERVE NOTE STATEMENT ON OCTOBER 25, 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 | 5,060,802 | 429,043 | 1,283,175 | 351,207 | 461,881 | 231,531 | 170,119 | 1,080,862 | 199,722 | 141,662 | 187,064 | 91,390 | 433,146 |
| Held by Federal Reserve bank | 317,085 | 28,713 | 96,139 | 18,205 | 21,154 | 11,050 | 11,341 | 37,821 | 12,565 | 4,383 | 9,272 | 8,854 | 57,583 |
| <hr/> | | | | | | | | | | | | | |
| <u>In actual circulation</u> | 4,743,717 | 400,330 | 1,187,036 | 333,002 | 440,727 | 220,481 | 158,778 | 1,043,041 | 187,157 | 137,274 | 177,792 | 82,536 | 375,563 |
| | | | | | | | | | | | | | |
| Collateral held by agent as security for notes issued to bank: | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| Gold certificates on hand and due from U. S. Treasury | 5,164,000 | 440,000 | 1,305,000 | 360,000 | 465,000 | 235,000 | 174,000 | 1,090,000 | 203,000 | 143,500 | 190,000 | 94,500 | 464,000 |
| Eligible paper | 1,626 | — | 353 | 63 | — | 310 | — | — | 110 | 74 | 716 | — | — |
| <hr/> | | | | | | | | | | | | | |
| <u>Total collateral</u> | 5,165,626 | 440,000 | 1,305,353 | 360,063 | 465,000 | 235,310 | 174,000 | 1,090,000 | 203,110 | 143,574 | 190,716 | 94,500 | 464,000 |