

STATEMENT FOR THE PRESS

Released for publication
Friday morning, Dec. 29;
not earlier.

Board of Governors
of the Federal Reserve System
December 28, 1939

CONDITION OF THE FEDERAL RESERVE BANKS

During the week ended December 27 member bank reserve balances increased \$115,000,000. Additions to member bank reserves arose from decreases of \$48,000,000 in Treasury deposits with Federal Reserve banks, \$16,000,000 in money in circulation, and \$85,000,000 in nonmember deposits and other Federal Reserve accounts, and increases of \$44,000,000 in gold stock, and \$4,000,000 in Treasury currency, offset in part by a decrease of \$77,000,000 in Reserve bank credit and an increase of \$6,000,000 in Treasury cash. Excess reserves of member banks on December 27 were estimated to be approximately \$5,050,000,000, an increase of \$150,000,000 for the week.

The principal change in holdings of bills and securities was a net decrease of \$7,000,000 in United States Government securities, direct and guaranteed; holdings of bonds increased \$93,000,000 and holdings of notes decreased \$100,000,000.

Changes in member bank reserve balances and related items during the week and the year ended December 27, 1939, were as follows:

		Increase or decrease since	
	Dec. 27, 1939	Dec. 20, 1939	Dec. 28, 1938
	(In millions of dollars)		
Bills discounted	8	--	+ 1
Bills bought	--	--	- 1
U. S. Gov't securities, direct and guaranteed	2,489	- 7	- 75
Industrial advances (not including 9 million commitments - December 27)	11	--	- 5
Other Reserve bank credit	60	- 69	+ 37
Total Reserve bank credit	2,568	- 77	- 42
Gold stock	17,620	+ 44	+3,112
Treasury currency	2,963	+ 4	+ 173
Member bank reserve balances	11,493	+115	+2,916
Money in circulation	7,663	- 16	+ 751
Treasury cash	2,417	+ 6	- 290
Treasury deposits with F. R. banks	646	- 48	- 295
Nonmember deposits and other F. R. accounts	933	- 85	+ 163

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

		Increase or decrease since	
	Dec. 27, 1939	Dec. 20, 1939	Dec. 28, 1938
<u>A S S E T S</u>			
Gold certificates on hand and due from U. S. Treasury	15,173,794	+ 39,175*	+3,386,075
Redemption fund - F. R. notes	9,903	- 70	+ 30
Other cash	269,328	+ 14,899	- 56,143
<u>Total reserves</u>	15,453,025	+ 54,004*	+3,329,962
Bills discounted:			
Secured by U. S. Gov't obligations, direct and guaranteed	1,515	- 162	- 3,416
Other bills discounted	6,536	- 251	+ 4,487
<u>Total bills discounted</u>	8,051	- 413	+ 1,071
Bills bought in open market	-	-	- 549
Industrial advances	11,113	- 26	- 4,575
U. S. Government securities, direct and guaranteed:			
Bonds	1,356,197	+ 93,000	+ 515,304
Notes	1,133,225	-100,000	- 23,722
Bills	-	-	- 566,175
<u>Total U. S. Government securities, direct and guaranteed</u>	2,489,422	- 7,000	- 74,593
<u>Total bills and securities</u>	2,508,586	- 7,439	- 78,646
Due from foreign banks	47	-	- 125
F. R. notes of other banks	28,164	+ 2,248	+ 2,762
Uncollected items	787,478	- 90,424*	+ 100,263
Bank premises	42,164	- 21	- 1,512
Other assets	59,494	- 150	+ 25,282
<u>T O T A L A S S E T S</u>	18,878,958	- 41,782	+3,367,466
<u>L I A B I L I T I E S</u>			
F. R. notes in actual circulation	4,977,654	- 2,196	+ 507,192
Deposits:			
Member bank - reserve account	11,493,118	+ 114,954	+2,915,951
U. S. Treasury- General account	646,014	- 47,551	- 294,990
Foreign bank	407,840	- 4,919	+ 200,137
Other deposits	269,961	- 21,962	- 26,882
<u>Total deposits</u>	12,816,933	- 19,478	+2,794,216
Deferred availability items	727,960	- 20,940	+ 63,811
Other liabilities including accrued dividends	5,575	+ 315	- 128
<u>T O T A L L I A B I L I T I E S</u>	18,528,122	- 42,299	+3,365,091
<u>C A P I T A L A C C O U N T S</u>			
Capital paid in	135,494	+ 60	+ 1,043
Surplus (Section 7)	149,152	-	+ 1,413
Surplus (Section 13b)	27,264	-	- 419
Other capital accounts	38,926	+ 457	+ 338
<u>TOTAL LIABILITIES AND CAPITAL ACCOUNTS</u>	18,878,958	- 41,782	+3,367,466
Ratio of total reserves to deposit and F. R. note liabilities combined	86.8%	+ .4%	+ 3.2%
Contingent liability on bills purchased for foreign correspondents	-	-	- 76
Commitments to make industrial advances	9,220	- 54	- 4,941

*Dec. 20 figures revised.

STATEMENT OF CONDITION OF THE FEDERAL RESERVE BANKS ON DECEMBER 27, 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	15,173,794	866,130	7,072,466	846,837	1,024,275	418,848	304,346	2,573,037	412,310	257,059	350,511	242,995	804,930
Redemption fund - F.R. notes	9,903	924	1,619	1,071	816	935	745	624	772	219	478	364	1,336
Other cash	269,328	24,122	68,458	23,142	12,692	16,367	12,241	32,982	13,493	7,835	15,010	13,120	29,866
<u>Total reserves</u>	<u>15,453,025</u>	<u>891,226</u>	<u>7,142,543</u>	<u>871,050</u>	<u>1,037,783</u>	<u>436,150</u>	<u>317,332</u>	<u>2,606,643</u>	<u>426,575</u>	<u>265,113</u>	<u>365,999</u>	<u>256,479</u>	<u>836,132</u>
Bills discounted:													
Secured by U. S. Gov't obligations,													
direct and guaranteed	1,515	110	435	185	113	273	194	41	15	90	20	4	35
Other bills discounted	6,536	—	2,258	513	581	335	346	646	186	217	947	146	361
<u>Total bills discounted</u>	<u>8,051</u>	<u>110</u>	<u>2,693</u>	<u>698</u>	<u>694</u>	<u>608</u>	<u>540</u>	<u>687</u>	<u>201</u>	<u>307</u>	<u>967</u>	<u>150</u>	<u>396</u>
Industrial advances	11,113	1,377	2,025	3,076	320	948	695	324	1	753	181	505	908
U. S. Government securities,													
direct and guaranteed:													
Bonds	1,356,197	98,464	421,377	116,123	141,504	70,303	54,787	149,091	45,965	36,802	61,216	49,139	111,426
Notes	1,133,225	82,275	352,100	97,032	118,240	58,745	45,778	124,578	38,409	30,750	51,151	41,059	93,108
<u>Total U. S. Gov't securities,</u>													
<u>direct and guaranteed</u>	<u>2,489,422</u>	<u>180,739</u>	<u>773,477</u>	<u>213,155</u>	<u>259,744</u>	<u>129,048</u>	<u>100,565</u>	<u>273,669</u>	<u>84,374</u>	<u>67,552</u>	<u>112,367</u>	<u>90,198</u>	<u>204,534</u>
<u>Total bills and securities</u>	<u>2,508,586</u>	<u>182,226</u>	<u>778,195</u>	<u>216,929</u>	<u>260,758</u>	<u>130,604</u>	<u>101,800</u>	<u>274,680</u>	<u>84,576</u>	<u>68,612</u>	<u>113,515</u>	<u>90,853</u>	<u>205,838</u>
Due from foreign banks	47	3	18	5	4	2	2	6	1	*	1	1	4
F.R. notes of other banks	28,164	432	3,830	1,107	1,716	2,852	2,388	3,899	3,013	1,726	1,973	730	4,498
Uncollected items	787,478	71,245	192,149	50,436	103,349	67,859	33,304	104,274	39,789	19,795	36,645	28,171	40,462
Bank premises	42,164	2,894	8,867	4,573	5,869	2,545	2,265	3,862	2,246	1,498	3,106	1,259	3,180
Other assets	59,494	3,832	18,839	5,118	6,681	3,595	2,345	5,942	1,852	1,629	2,470	2,100	5,091
<u>TOTAL ASSETS</u>	<u>18,878,958</u>	<u>1,351,858</u>	<u>8,144,441</u>	<u>1,149,218</u>	<u>1,416,160</u>	<u>643,607</u>	<u>459,436</u>	<u>2,999,306</u>	<u>558,052</u>	<u>358,373</u>	<u>523,709</u>	<u>379,593</u>	<u>1,095,205</u>

*Less than \$500.

STATEMENT OF CONDITION OF THE FEDERAL RESERVE BANKS ON DECEMBER 27, 1939
(In thousands of dollars)

LIABILITIES

	Total	Boston	New York	Phila.	Cleve.	Pich.	Atlanta	Chicago	St. Louis	Minn.	Kans. Cy.	Dallas	San Fran.
F. R. notes in actual circulation	4,977,654	411,544	1,263,235	351,332	469,846	232,205	164,885	1,088,194	194,697	141,528	184,255	85,370	390,563
Deposits:													
Member bank-reserve account	11,493,118	531,916	6,096,382	588,955	660,881	289,288	207,995	1,637,832	267,396	154,587	263,989	214,479	579,418
U.S. Treasurer-General account	646,014	79,453	171,180	67,322	107,936	22,651	22,370	69,471	28,553	19,638	18,096	22,035	17,309
Foreign bank	407,840	29,434	144,730	39,674	38,038	17,587	14,315	49,490	11,861	9,407	11,861	11,861	29,582
Other deposits	269,961	6,245	178,743	19,661	8,308	3,211	6,772	5,763	6,935	6,879	980	7,865	18,599
<u>Total deposits</u>	<u>12,816,933</u>	<u>647,048</u>	<u>6,591,035</u>	<u>715,612</u>	<u>815,163</u>	<u>332,737</u>	<u>251,452</u>	<u>1,762,556</u>	<u>314,745</u>	<u>190,511</u>	<u>294,926</u>	<u>256,240</u>	<u>644,908</u>
Deferred availability items	727,960	68,572	166,965	48,911	97,408	63,371	30,070	103,054	37,736	16,945	34,068	26,616	34,244
Other liabilities including accrued dividends	5,575	449	2,116	561	538	165	208	555	135	174	200	153	321

TOTAL LIABILITIES 18,528,122 1,127,613 8,023,351 1,116,416 1,382,955 628,478 446,615 2,954,359 547,313 349,158 513,449 368,379 1,070,036

CAPITAL ACCOUNTS

Capital paid in	135,494	9,384	50,957	12,115	13,830	5,160	4,584	13,463	4,067	2,930	4,314	4,063	10,627
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	1,439	545	1,601	1,142	1,266	2,121
Other capital accounts	38,926	1,904	10,213	2,575	4,045	1,693	1,894	7,389	1,442	2,131	1,191	1,993	2,456

TOTAL LIABILITIES AND CAPITAL ACCOUNTS 18,878,958 1,151,858 8,144,441 1,149,218 1,416,160 643,607 459,436 2,999,306 558,052 358,373 523,709 379,593 1,095,205

Commitments to make industrial advances	9,220	482	1,803	920	1,185	761	78	22	313	62	532	—	3,062
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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	8,051	1,807	230	1,598	3,787	606	23	—	—	—
Industrial advances	11,113	2,043	190	205	266	895	2,395	2,969	2,150	—
U.S. Government securities, direct and guaranteed	2,489,422	—	—	—	—	136,783	105,974	280,315	696,524	1,269,826

FEDERAL RESERVE NOTE STATEMENT ON DECEMBER 27, 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	5,282,206	430,644	1,365,374	370,261	488,950	245,493	178,066	1,122,378	205,560	146,883	192,894	92,137	443,566
Held by Federal Reserve bank	304,552	19,100	102,139	18,929	19,104	13,288	13,181	34,184	10,863	5,355	8,639	6,767	53,003

In actual circulation

4,977,654	411,544	1,263,235	351,332	469,846	232,205	164,885	1,088,194	194,697	141,528	184,255	85,370	390,563
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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

5,371,000	440,000	1,385,000	375,000	491,000	250,000	180,000	1,140,000	209,000	147,500	195,000	94,500	464,000
2,236	110	529	212	—	392	—	—	55	158	780	—	—

Total collateral

5,373,236	440,110	1,385,529	375,212	491,000	250,392	180,000	1,140,000	209,055	147,658	195,780	94,500	464,000
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