

STATEMENT FOR THE PRESS

Released for publication
Friday morning, Feb. 9;
not earlier.

Board of Governors
of the Federal Reserve System
February 8, 1940

CONDITION OF THE FEDERAL RESERVE BANKS

During the week ended February 7, 1940, member bank reserve balances decreased \$53,000,000. Reductions in member bank reserves arose from increases of \$83,000,000 in Treasury deposits with Federal Reserve banks, \$27,000,000 in money in circulation, \$21,000,000 in nonmember deposits and other Federal Reserve accounts and \$7,000,000 in Treasury cash, offset in part by increases of \$67,000,000 in gold stock, \$15,000,000 in Reserve bank credit and \$2,000,000 in Treasury currency. Excess reserves of member banks on February 7 were estimated to be approximately \$5,520,000,000, 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 February 7, 1940, were as follows:

	Feb. 7, <u>1940</u>	Jan. 31, <u>1940</u>	Feb. 8, <u>1939</u>
	Increase or decrease since		
	(In millions of dollars)		
Bills discounted	7	—	—
Bills bought	—	—	- 1
U.S. Gov't securities, direct and guaranteed	2,477	—	- 87
Industrial advances (not including 8 million commitments - February 7)	10	—	- 5
Other Reserve bank credit	23	+ 15	+ 26
 Total Reserve bank credit	 2,518	 + 15	 - 66
Gold stock	17,998	+ 67	+3,266
Treasury currency	2,973	+ 2	+ 155
 Member bank reserve balances	 12,097	 - 53	 +3,079
Money in circulation	7,403	+ 27	+ 730
Treasury cash	2,365	+ 7	- 403
Treasury deposits with F. R. banks	632	+ 83	- 299
Nonmember deposits and other F. R. accounts	992	+ 21	+ 249

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

		Increase or decrease since	
	Feb. 7, <u>1940</u>	Jan. 31, <u>1940</u>	Feb. 8, <u>1939</u>
<u>A S S E T S</u>			
Gold certificates on hand and due from U.S. Treasury	15,619,619	+ 67,499	+3,640,396
Redemption fund - F. R. notes	10,118	+ 783	+ 210
Other cash	<u>387,624</u>	<u>- 25,598</u>	<u>- 54,312</u>
<u>Total reserves</u>	16,017,361	+ 42,684	+3,586,294
Bills discounted:			
Secured by U. S. Gov't obligations, direct and guaranteed	520	- 38	- 4,774
Other bills discounted	<u>6,264</u>	<u>- 124</u>	<u>+ 4,164</u>
<u>Total bills discounted</u>	6,784	- 162	- 610
Bills bought in open market	—	—	- 556
Industrial advances	10,435	+ 112	- 4,253
U. S. Government securities, direct and guaranteed:			
Bonds	1,344,045	—	+ 503,152
Notes	1,133,225	—	- 76,706
Bills	<u>—</u>	<u>—</u>	<u>- 513,191</u>
<u>Total U. S. Government securities, direct and guaranteed</u>	<u>2,477,270</u>	<u>—</u>	<u>- 86,745</u>
<u>Total bills and securities</u>	2,494,539	- 50	- 92,164
Due from foreign banks	47	—	- 119
F. R. notes of other banks	22,084	- 2,542	- 253
Uncollected items	598,495	- 26,573	- 25,384
Bank premises	41,792	- 16	- 1,039
Other assets	<u>61,460</u>	<u>- 513</u>	<u>+ 13,069</u>
T O T A L A S S E T S	19,235,778	+ 12,990	+3,480,404
<u>L I A B I L I T I E S</u>			
F. R. notes in actual circulation	4,836,768	+ 4,667	+ 492,015
Deposits:			
Member bank-reserve account	12,096,727	- 52,849	+3,078,883
U. S. Treasurer - General account	631,565	+ 82,124	- 299,730
Foreign bank	388,173	- 19,140	+ 179,958
Other deposits	<u>354,400</u>	<u>+ 39,124</u>	<u>+ 75,031</u>
<u>Total deposits</u>	13,470,873	+ 49,259	+3,034,142
Deferred availability items	575,359	- 41,342	- 51,662
Other liabilities including accrued dividends	<u>2,415</u>	<u>+ 262</u>	<u>- 174</u>
T O T A L L I A B I L I T I E S	18,885,415	+ 12,846	+3,474,321
<u>C A P I T A L A C C O U N T S</u>			
Capital paid in	136,093	+ 85	+ 1,194
Surplus (Section 7)	151,720	—	+ 2,568
Surplus (Section 13b)	26,839	—	- 425
Other capital accounts	<u>35,711</u>	<u>+ 59</u>	<u>+ 2,746</u>
TOTAL LIABILITIES AND CAPITAL ACCOUNTS	19,235,778	+ 12,990	+3,480,404
Ratio of total reserves to deposit and F. R. note liabilities combined	87.5%	—	+ 3.4%
Commitments to make industrial advances	8,350	- 26	- 4,555

STATEMENT OF CONDITION OF THE FEDERAL RESERVE BANKS ON FEBRUARY 7, 1940
(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	15,619,619	893,136	7,709,967	825,528	973,801	406,395	301,811	2,409,439	429,777	244,235	350,045	229,030	846,455
Redemption fund - F.R.notes	10,118	721	1,798	743	541	1,350	867	1,277	697	177	411	320	1,216
Other cash	387,624	34,749	94,315	32,025	27,636	25,723	21,797	49,996	16,336	8,857	19,791	15,769	40,630
<u>Total reserves</u>	<u>16,017,361</u>	<u>928,606</u>	<u>7,806,080</u>	<u>858,296</u>	<u>1,001,978</u>	<u>433,468</u>	<u>324,475</u>	<u>2,460,712</u>	<u>446,810</u>	<u>253,269</u>	<u>370,247</u>	<u>245,119</u>	<u>888,301</u>
Bills discounted:													
Secured by U.S. Gov't obligations, direct and guaranteed	520	—	145	110	63	31	10	24	—	40	—	39	58
Other bills discounted	6,264	125	2,206	562	538	316	321	630	201	147	639	164	415
<u>Total bills discounted</u>	<u>6,784</u>	<u>125</u>	<u>2,351</u>	<u>672</u>	<u>601</u>	<u>347</u>	<u>331</u>	<u>654</u>	<u>201</u>	<u>187</u>	<u>639</u>	<u>203</u>	<u>473</u>
Industrial advances	10,485	1,423	2,040	3,108	302	934	795	333	11	191	169	484	695
U. S. Government securities, direct and guaranteed:													
Bonds	1,344,045	96,123	408,181	110,221	137,084	68,135	54,495	144,872	60,273	39,771	62,897	51,196	110,797
Notes	1,133,225	81,047	344,156	92,934	115,581	57,447	45,945	122,148	50,818	33,533	53,031	43,167	93,418
<u>Total U. S. Gov't securities, direct and guaranteed</u>	<u>2,477,270</u>	<u>177,170</u>	<u>752,337</u>	<u>203,155</u>	<u>252,665</u>	<u>125,582</u>	<u>100,440</u>	<u>267,020</u>	<u>111,091</u>	<u>73,304</u>	<u>115,928</u>	<u>94,363</u>	<u>204,215</u>
<u>Total bills and securities</u>	<u>2,494,539</u>	<u>178,718</u>	<u>756,728</u>	<u>206,935</u>	<u>253,568</u>	<u>126,863</u>	<u>101,566</u>	<u>268,007</u>	<u>111,303</u>	<u>73,682</u>	<u>116,736</u>	<u>95,050</u>	<u>205,383</u>
Due from foreign banks	47	3	18	5	4	2	2	6	1	*	1	1	4
F. R. notes of other banks	22,084	677	3,177	795	1,240	4,470	2,122	2,373	1,947	1,208	1,597	723	1,755
Uncollected items	598,495	57,937	138,279	50,266	75,595	51,323	22,696	81,114	26,695	16,014	26,008	21,593	30,975
Bank premises	41,792	2,885	9,876	4,562	5,535	2,538	2,030	3,384	2,244	1,393	3,229	1,169	2,947
Other assets	61,460	4,077	17,924	5,088	6,856	3,658	2,439	6,264	2,632	1,859	2,781	2,438	5,444
<u>TOTAL ASSETS</u>	<u>19,235,778</u>	<u>1,172,903</u>	<u>8,732,082</u>	<u>1,125,947</u>	<u>1,344,776</u>	<u>622,322</u>	<u>455,330</u>	<u>2,821,860</u>	<u>591,632</u>	<u>347,425</u>	<u>520,599</u>	<u>366,093</u>	<u>1,134,809</u>

*Less than \$500.

STATEMENT OF CONDITION OF THE FEDERAL RESERVE BANKS ON FEBRUARY 7, 1940
(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	4,836,768	399,215	1,228,400	342,576	453,272	216,732	159,120	1,067,124	190,182	140,167	180,773	80,677	378,530
Deposits:													
Member bank-reserve account	12,096,727	602,603	6,701,341	607,517	688,718	297,025	211,314	1,429,336	314,936	138,141	268,067	215,648	621,581
U.S.Treasurer-General account	631,565	56,717	159,031	26,928	53,558	22,550	27,746	146,112	27,448	31,626	23,007	23,289	33,553
Foreign bank	388,173	28,541	138,313	37,842	35,912	16,604	13,515	46,338	11,584	8,495	11,198	11,584	28,247
Other deposits	354,408	4,975	255,389	26,506	10,672	5,912	8,622	3,615	9,245	5,492	548	2,706	20,726
<u>Total deposits</u>	13,470,873	692,836	7,254,574	698,793	788,860	342,091	261,197	1,625,401	363,213	183,754	302,820	253,227	704,107
Deferred availability items	575,359	56,326	127,153	51,679	69,444	48,278	22,151	84,413	27,372	14,254	26,430	20,936	26,923
Other liabilities including accrued dividends	2,415	257	502	296	282	58	100	307	56	128	221	94	114
<u>TOTAL LIABILITIES</u>	18,885,415	1,148,634	8,610,629	1,093,344	1,311,858	607,159	442,568	2,777,245	580,823	338,303	510,244	354,934	1,109,674

CAPITAL ACCOUNTS

Capital paid in	136,093	9,349	51,179	11,920	13,980	5,223	4,667	13,564	4,096	2,959	4,370	4,084	10,702
Surplus (Section 7)	151,720	10,405	53,326	14,198	14,323	5,247	5,725	22,824	4,709	3,152	3,613	3,974	10,224
Surplus (Section 13b)	26,339	2,874	7,109	4,393	1,007	3,246	713	1,429	538	1,001	1,142	1,266	2,121
Other capital accounts	35,711	1,641	9,839	2,092	3,608	1,447	1,657	6,798	1,466	2,010	1,230	1,835	2,088
<u>TOTAL LIABILITIES AND CAPITAL ACCOUNTS</u>	19,235,778	1,172,903	8,732,082	1,125,947	1,344,776	622,322	455,330	2,821,860	591,632	347,425	520,599	366,093	1,134,809

Commitments to make industrial advances	8,350	364	1,757	427	1,031	737	75	20	151	61	512	—	3,215
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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	6,784	773	1,641	3,818	355	131	66	—	—	—
Industrial advances	10,485	1,439	159	523	184	1,872	2,112	2,170	2,026	—
U. S. Government securities, direct and guaranteed	2,477,270	—	—	—	—	136,783	105,974	281,368	693,971	1,259,174

FEDERAL RESERVE NOTE STATEMENT ON FEBRUARY 7, 1940
(In thousands of dollars)

Total Boston New York Phil^a. Cleve. Rich. Atlanta Chic.go St. Louis Minn. Kans.Cy. Dallas San Fran.

Federal Reserve notes:

Issued to F.R. bank by F.R. agent	5,160,100	423,273	1,322,573	361,435	430,346	230,704	170,959	1,114,987	200,856	144,429	188,073	88,842	433,623
Held by Federal Reserve bank	323,332	24,058	94,173	18,859	27,074	13,972	11,839	47,863	10,674	4,262	7,300	8,165	55,093

In actual circulation

4,836,768	399,215	1,228,400	342,576	453,272	216,732	159,120	1,067,124	190,182	140,167	180,773	80,677	378,530
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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

5,305,000	440,000	1,340,000	375,000	482,000	250,000	180,000	1,130,000	209,000	147,500	195,000	92,500	464,000
1,152	125	202	150	—	132	—	—	—	52	491	—	—

Total collateral

5,306,152	440,125	1,340,202	375,150	482,000	250,132	180,000	1,130,000	209,000	147,552	195,491	92,500	464,000
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