

STATEMENT FOR THE PRESS

Released for publication
Saturday morning, Feb. 24;
not earlier.

Board of Governors
of the Federal Reserve System
February 23, 1940

CONDITION OF THE FEDERAL RESERVE BANKS

During the week ended February 21 member bank reserve balances increased \$90,000,000. Additions to member bank reserves arose from decreases of \$27,000,000 in Treasury cash, \$46,000,000 in Treasury deposits with Federal Reserve banks, and \$18,000,000 in nonmember deposits and other Federal Reserve accounts, and an increase of \$45,000,000 in gold stock, offset in part by a decrease of \$7,000,000 in Reserve bank credit and an increase of \$39,000,000 in money in circulation. Excess reserves of member banks on February 21 were estimated to be approximately \$5,630,000,000, an increase of \$50,000,000 for the week.

Changes in member bank reserve balances and related items during the week and the year ended February 21, 1940, were as follows:

	Feb. 21, <u>1940</u>	Feb. 14, <u>1940</u>	Feb. 21, <u>1939</u>
	Increase or decrease since		
	(In millions of dollars)		
Bills discounted	6	- 1	+ 2
Bills bought	—	—	- 1
U. S. Gov't securities, direct and guaranteed	2,477	—	- 87
Industrial advances (not including 9 million commitments - February 21)	10	—	- 5
Other Reserve bank credit	30	- 6	+ 22
 Total Reserve bank credit	 2,523	 - 7	 - 69
Gold stock	18,108	+ 45	+3,290
Treasury currency	2,977	—	+ 156
 Member bank reserve balances	 12,241	 + 90	 +3,400
Money in circulation	7,450	+ 39	+ 742
Treasury cash	2,358	- 27	- 394
Treasury deposits with F. R. banks	596	- 46	- 585
Nonmember deposits and other F. R. accounts	964	- 18	+ 215

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

	Increase or decrease since		
	Feb. 21, <u>1940</u>	Feb. 14, <u>1940</u>	Feb. 21, <u>1939</u>
<u>A S S E T S</u>			
Gold certificates on hand and due from U. S. Treasury	15,739,122	+ 64,504	+3,689,403
Redemption fund - F. R. notes	9,430	- 688	- 829
Other cash	<u>369,498</u>	<u>- 15,293</u>	<u>- 76,377</u>
<u>Total reserves</u>	16,118,050	+ 48,523	+3,612,197
Bills discounted:			
Secured by U. S. Gov't obligations, direct and guaranteed	741	+ 286	- 1,548
Other bills discounted	<u>5,338</u>	<u>- 830</u>	<u>+ 3,210</u>
<u>Total bills discounted</u>	6,079	- 544	+ 1,662
Bills bought in open market	—	—	- 553
Industrial advances	10,427	- 7	- 4,220
U. S. Government securities, direct and guaranteed:			
Bonds	1,344,045	—	+ 503,152
Notes	1,133,225	—	- 82,241
Bills	<u>—</u>	<u>—</u>	<u>- 507,656</u>
<u>Total U. S. Government securities, direct and guaranteed</u>	2,477,270	—	- 86,745
<u>Total bills and securities</u>	2,493,776	- 551	- 89,856
Due from foreign banks	47	—	- 122
F. R. notes of other banks	20,003	- 1,270	+ 2,523
Uncollected items	636,295	-155,745	+ 47,542
Bank premises	41,771	- 21	- 1,033
Other assets	<u>63,931</u>	<u>+ 1,036</u>	<u>+ 13,750</u>
T O T A L A S S E T S	19,373,873	-108,028	+3,585,001
<u>L I A B I L I T I E S</u>			
F. R. notes in actual circulation	4,860,778	+ 14,310	+ 516,316
Deposits:			
Member bank - reserve account	12,240,683	+ 89,274	+3,400,135
U. S. Treasurer - General account	595,990	- 46,148	- 584,801
Foreign bank	361,381	- 31,145	+ 135,407
Other deposits	<u>354,865</u>	<u>+ 14,188</u>	<u>+ 85,961</u>
<u>Total deposits</u>	13,552,919	+ 26,869	+3,036,702
Deferred availability items	606,706	-149,259	+ 25,733
Other liabilities including accrued dividends	<u>2,733</u>	<u>- 134</u>	<u>- 222</u>
T O T A L L I A B I L I T I E S	19,023,136	-108,214	+3,578,529
<u>C A P I T A L A C C O U N T S</u>			
Capital paid in	136,075	- 18	+ 1,145
Surplus (Section 7)	151,720	—	+ 2,568
Surplus (Section 13b)	26,839	—	- 425
Other capital accounts	<u>36,103</u>	<u>+ 204</u>	<u>+ 3,184</u>
TOTAL LIABILITIES AND CAPITAL ACCOUNTS	19,373,873	-108,028	+3,585,001
Ratio of total reserves to deposit and F.R. note liabilities combined	87.5%	—	+ 3.3%
Commitments to make industrial advances	8,638	+ 277	- 4,269

STATEMENT OF CONDITION OF THE FEDERAL RESERVE BANKS ON FEBRUARY 21, 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	15,739,122	880,002	7,826,513	831,852	984,944	408,777	298,699	2,400,682	426,739	244,065	351,172	226,929	858,748
Redemption fund - F.R.notes	9,430	667	1,591	650	471	775	833	1,199	678	668	396	309	1,193
Other cash	369,498	30,692	88,489	27,916	29,233	23,608	21,152	49,099	16,633	9,228	20,545	15,000	37,903
<u>Total reserves</u>	16,118,050	911,361	7,916,593	860,418	1,014,648	433,160	320,684	2,450,980	444,050	253,961	372,113	242,238	897,844
Bills discounted:													
Secured by U.S. Gov't obligations, direct and guaranteed	741	—	475	70	13	22	10	59	—	25	—	24	43
Other bills discounted	5,338	—	1,969	526	484	278	250	567	172	111	439	164	378
<u>Total bills discounted</u>	6,079	—	2,444	596	497	300	260	626	172	136	439	188	421
Industrial advances	10,427	1,420	2,050	3,102	300	931	806	332	—	189	119	483	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>	2,477,270	177,170	752,337	203,155	252,665	125,582	100,440	267,020	111,091	73,304	115,928	94,363	204,215
<u>Total bills and securities</u>	2,493,776	178,590	756,831	206,853	253,462	126,813	101,506	267,978	111,263	73,629	116,486	95,034	205,331
Due from foreign banks	47	3	18	5	4	2	2	6	1	*	1	1	4
F. R. notes of other banks	20,003	596	1,749	853	1,393	2,874	2,658	2,607	1,671	1,397	1,282	574	2,349
Uncollected items	636,295	61,407	159,923	50,698	73,233	51,674	25,722	88,270	25,325	14,923	27,173	24,038	33,909
Bank premises	41,771	2,885	9,876	4,562	5,523	2,538	2,027	3,384	2,244	1,393	3,229	1,172	2,938
Other assets	63,931	4,255	18,717	5,373	7,064	3,736	2,542	6,560	2,719	1,935	2,870	2,520	5,640
T O T A L A S S E T S	19,373,873	1,159,097	8,863,707	1,128,762	1,355,327	620,797	455,141	2,819,785	587,273	347,238	523,154	365,577	1,148,015

*Less than \$500.

STATEMENT OF CONDITION OF THE FEDERAL RESERVE BANKS ON FEBRUARY 21, 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	4,860,778	401,557	1,242,057	345,374	454,924	218,968	157,803	1,069,290	190,276	139,807	180,816	80,435	379,466
Deposits:													
Member bank-reserve account	12,240,683	586,254	6,836,495	595,466	684,746	293,452	213,858	1,460,583	313,607	143,901	261,431	212,592	638,298
U.S.Treasurer-General account	595,990	55,914	135,050	44,263	68,889	23,890	24,844	108,840	26,551	27,046	32,458	25,143	23,102
Foreign bank	361,381	25,828	129,872	35,167	33,373	15,430	12,560	43,062	10,766	7,895	10,407	10,766	26,255
Other deposits	354,865	6,115	253,267	26,284	10,555	4,566	7,773	3,132	9,741	6,616	354	2,404	24,058
<u>Total deposits</u>	13,552,919	674,111	7,354,684	701,180	797,563	337,338	259,035	1,615,617	360,665	185,450	304,650	250,905	711,713
Deferred availability items	606,706	58,863	144,739	49,272	69,573	49,203	25,462	89,840	25,452	12,715	27,098	22,958	31,531
Other liabilities including accrued dividends	2,733	259	668	317	299	70	103	365	55	131	224	99	143
<u>TOTAL LIABILITIES</u>	19,023,136	1,134,790	8,742,148	1,096,143	1,322,359	605,579	442,408	2,775,112	576,448	338,111	512,788	354,397	1,122,853

CAPITAL ACCOUNTS

Capital paid in	136,075	9,346	51,149	11,906	13,992	5,245	4,622	13,581	4,102	2,958	4,374	4,094	10,706
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)	26,839	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	36,103	1,682	9,975	2,122	3,646	1,480	1,673	6,839	1,476	2,016	1,237	1,846	2,111

TOTAL LIABILITIES ANDCAPITAL ACCOUNTS

Commitments to make industrial advances	3,638	356	1,753	426	1,028	767	75	20	151	62	492	—	3,508
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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	6,079	932	4,556	244	198	119	30	—	—	—
Industrial advances	10,427	1,468	171	501	292	1,715	2,204	2,086	1,990	—
U. S. Government securities, direct and guaranteed	2,477,270	—	—	—	—	136,783	105,974	281,368	684,796	1,268,349

FEDERAL RESERVE NOTE STATEMENT ON FEBRUARY 21, 1940
(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	5,166,486	420,085	1,326,308	360,557	479,012	233,173	170,120	1,116,343	200,962	143,819	189,649	88,646	437,812
Held by Federal Reserve bank	305,708	18,528	84,251	15,183	24,088	14,205	12,312	47,053	10,686	4,012	8,833	8,211	58,346
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<u>In actual circulation</u>	4,860,778	401,557	1,242,057	345,374	454,924	218,968	157,808	1,069,290	190,276	139,807	180,816	80,435	379,466
 Collateral held by agent as security for notes issued to bank:													
 Gold certificates on hand and due from U. S. Treasury													
Eligible paper	5,298,500	440,000	1,340,000	375,000	482,000	250,000	175,000	1,130,000	209,000	147,500	195,000	91,000	464,000
	1,068	—	512	105	—	107	—	—	—	36	308	—	—
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<u>Total collateral</u>	5,299,568	440,000	1,340,512	375,105	482,000	250,107	175,000	1,130,000	209,000	147,536	195,308	91,000	464,000