

STATEMENT FOR THE PRESS

Released for publication
Friday morning, May 10;
not earlier.

Board of Governors
of the Federal Reserve System
May 9, 1940

CONDITION OF THE FEDERAL RESERVE BANKS

During the week ended May 8 member bank reserve balances increased \$7,000,000. Increases in member bank reserves arose from increases of \$64,000,000 in gold stock, \$7,000,000 in Reserve bank credit and \$4,000,000 in Treasury currency, offset in part by increases of \$19,000,000 in money in circulation, \$16,000,000 in Treasury cash, \$22,000,000 in Treasury deposits with Federal Reserve banks and \$9,000,000 in nonmember deposits and other Federal Reserve accounts. Excess reserves of member banks on May 8 were estimated to be approximately \$6,130,000,000, an increase of \$20,000,000 for the week.

Changes in member bank reserve balances and related items during the week and the year ended May 8, 1940, were as follows:

		Increase or decrease since		
	May 8, 1940	May 1, 1940	May 10, 1939	
	(In millions of dollars)			
Bills discounted	3	- -	- 1	
Bills bought	- -	- -	- 1	
U. S. Gov't securities, direct and guaranteed	2,467	- -	- 97	
Industrial advances (not including 9 million commitments - May 8)	9	- -	- 4	
Other Reserve bank credit	29	+ 8	+ 35	
 Total Reserve bank credit	 2,507	 + 7	 - 68	
Gold stock	18,835	+ 64	+2,979	
Treasury currency	3,004	+ 4	+ 150	
 Member bank reserve balances	 12,877	 + 7	 +2,910	
Money in circulation	7,589	+ 19	+ 685	
Treasury cash	2,309	+ 16	- 369	
Treasury deposits with F. R. banks	512	+ 22	- 447	
Nonmember deposits and other F. R. accounts	1,058	+ 9	+ 282	

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

		Increase or decrease since	
	May 8, <u>1940</u>	May 1, <u>1940</u>	May 10, <u>1939</u>
<u>A S S E T S</u>			
Gold certificates on hand and due from U. S. Treasury	16,496,977	+ 53,999	+3,298,259
Redemption fund - F. R. notes	9,087	- 553	+ 11
Other cash	<u>366,076</u>	<u>- 13,886</u>	<u>+ 6,251</u>
<u>Total reserves</u>	16,872,140	+ 39,560	+3,304,521
Bills discounted:			
Secured by U. S. Gov't obligations, direct and guaranteed	742	+ 121	- 1,372
Other bills discounted	<u>2,053</u>	<u>+ 6</u>	<u>+ 95</u>
<u>Total bills discounted</u>	2,795	+ 127	- 1,277
Bills bought in open market	- -	- -	- 562
Industrial advances	9,296	- 37	- 3,514
U.S. Government securities, direct and guaranteed:			
Bonds	1,337,495	- -	+ 426,405
Notes	1,129,225	- -	- 46,884
Bills	<u>- -</u>	<u>- -</u>	<u>- 476,816</u>
<u>Total U. S. Government securities, direct and guaranteed</u>	2,466,720	- -	- 97,295
<u>Total bills and securities</u>	2,478,811	+ 90	- 102,648
Due from foreign banks	47	- -	- 114
F.R. notes of other banks	22,197	+ 446	+ 3,206
Uncollected items	599,213	- 89,116	+ 49,687
Bank premises	41,536	+ 3	- 1,013
Other assets	<u>60,293</u>	<u>+ 769</u>	<u>+ 8,674</u>
T O T A L A S S E T S	20,074,237	- 48,248	+3,262,313
<u>L I A B I L I T I E S</u>			
F. R. notes in actual circulation	4,954,783	+ 9,283	+ 495,419
Deposits:			
Member bank - reserve account	12,877,017	+ 7,101	+2,910,112
U. S. Treasurer - General account	512,185	+ 22,079	- 447,104
Foreign bank	360,819	+ 3,607	+ 110,324
Other deposits	<u>441,280</u>	<u>+ 5,368</u>	<u>+ 171,060</u>
<u>Total deposits</u>	14,191,301	+ 38,155	+2,744,392
Deferred availability items	570,750	- 96,291	+ 14,568
Other liabilities including accrued dividends	<u>4,484</u>	<u>+ 420</u>	<u>- 567</u>
T O T A L L I A B I L I T I E S	19,721,318	- 48,433	+3,253,812
<u>C A P I T A L A C C O U N T S</u>			
Capital paid in	136,117	+ 4	+ 1,135
Surplus (Section 7)	151,720	- -	+ 2,568
Surplus (Section 13b)	26,839	- -	- 425
Other capital accounts	<u>38,243</u>	<u>+ 181</u>	<u>+ 5,223</u>
TOTAL LIABILITIES AND CAPITAL ACCOUNTS	20,074,237	- 48,248	+3,262,313
Ratio of total reserves to deposit and F. R. note liabilities combined	88.1%	- -	+ 2.8%
Commitments to make industrial advances	8,965	- 260	- 2,721

STATEMENT OF CONDITION OF THE FEDERAL RESERVE BANKS ON MAY 8, 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	16,496,977	904,905	8,134,966	924,840	1,049,567	414,258	325,861	2,572,461	360,045	280,574	359,912	235,606	933,982
Redemption fund - F.R.notes	9,087	301	1,253	755	506	1,511	528	632	543	605	263	736	1,454
Other cash	366,076	32,078	109,594	28,420	24,252	19,977	18,506	48,042	16,851	8,411	16,977	15,357	27,611
<u>Total reserves</u>	16,872,140	937,284	8,245,813	954,015	1,074,325	435,746	344,895	2,621,135	377,439	289,590	377,152	251,699	963,047
Bills discounted:													
Secured by U. S. Gov't obligations, direct and guaranteed	742	62	310	46	23	75	19	54	50	30	15	35	23
Other bills discounted	2,053	- -	567	130	119	113	78	122	140	62	266	305	145
<u>Total bills discounted</u>	2,795	62	877	176	142	188	97	182	190	92	281	340	168
Industrial advances	9,296	1,196	2,028	2,688	359	910	283	337	60	170	110	477	673
U. S. Government securities, direct and guaranteed:													
Bonds	1,337,495	97,529	400,969	106,802	136,778	68,248	56,495	146,335	61,325	40,271	61,738	51,517	109,438
Notes	1,129,225	82,343	338,532	90,170	115,478	57,622	47,700	123,590	51,775	34,000	52,123	43,495	92,397
<u>Total U. S. Gov't securities, direct and guaranteed</u>	2,466,720	179,872	739,501	196,972	252,256	125,870	104,195	269,975	113,100	74,271	113,861	95,012	201,835
<u>Total bills and securities</u>	2,478,811	181,130	742,406	199,836	252,757	126,968	104,580	270,494	113,350	74,533	114,252	95,829	202,676
Due from foreign banks	47	3	18	5	4	2	2	6	1	*	1	1	4
F. R. notes of other banks	22,197	693	1,631	936	1,698	4,453	2,111	3,370	1,829	1,032	1,354	482	2,108
Uncollected items	599,213	59,317	139,926	47,170	66,878	52,144	21,926	87,782	28,183	15,969	28,659	22,482	28,777
Bank premises	41,536	2,871	9,823	4,530	5,498	2,519	2,019	3,367	2,269	1,386	3,181	1,153	2,920
Other assets	60,293	4,089	17,342	4,784	6,745	3,517	2,483	6,264	2,637	1,858	2,676	2,584	5,314
T O T A L A S S E T S	20,074,237	1,185,387	9,156,959	1,211,276	1,407,905	625,349	478,016	2,992,418	525,708	384,368	527,775	374,230	1,204,846

*Less than \$500.

STATEMENT OF CONDITION OF THE FEDERAL RESERVE BANKS ON MAY 8, 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	4,954,783	406,251	1,286,607	346,097	456,441	217,972	160,355	1,091,644	192,422	143,059	182,376	79,580	391,979
Deposits:													
Member bank-reserve acct.	12,877,017	634,796	6,963,746	709,860	763,144	299,022	239,655	1,664,747	248,704	176,768	268,466	215,370	692,739
U.S.Treasurer-General acct.	512,185	29,524	159,612	26,407	43,947	21,050	24,757	61,398	29,077	28,426	26,665	31,557	24,255
Foreign bank	360,819	25,617	129,876	35,104	33,313	15,402	12,537	42,984	10,746	7,880	10,388	10,746	26,226
Other deposits	441,280	6,501	361,664	13,622	8,144	5,229	6,207	3,737	6,617	5,131	1,739	3,801	18,888
<u>Total deposits</u>	14,191,301	696,438	7,614,898	784,993	853,548	340,703	283,166	1,773,366	295,144	218,205	307,258	261,474	762,108
Deferred availability items	570,750	57,849	131,997	46,937	64,235	51,204	21,482	81,891	27,068	13,746	27,446	21,759	25,136
Other liabilities including accrued dividends	4,484	418	1,273	424	474	153	181	559	130	178	254	164	276
TOTAL LIABILITIES	19,721,318	1,160,956	9,034,775	1,178,451	1,374,698	610,032	465,184	2,947,460	514,764	375,188	517,334	362,977	1,179,499
<u>C A P I T A L A C C O U N T S</u>													
Capital paid in	136,117	9,331	51,049	11,911	14,016	5,276	4,632	13,624	4,128	2,955	4,377	4,111	10,707
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	38,243	1,821	10,700	2,323	3,861	1,548	1,762	7,081	1,569	2,072	1,309	1,902	2,295
TOTAL LIABILITIES AND CAPITAL ACCOUNTS	20,074,237	1,185,387	9,156,959	1,211,276	1,407,905	625,349	478,016	2,992,418	525,708	384,368	527,775	374,230	1,204,846
Commitments to make industrial advances	8,965	329	848	1,145	1,185	701	516	18	179	58	175	- -	3,811

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	2,795	969	1,137	190	190	304	5	- -	- -	- -
Industrial advances	9,296	1,590	86	737	916	626	1,250	1,970	2,121	- -
U. S. Government securities, direct and guaranteed	2,466,720	- -	- -	- -	- -	- -	224,796	248,417	731,708	1,261,799

FEDERAL RESERVE NOTE STATEMENT ON MAY 8, 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	5,275,419	424,021	1,392,823	364,811	478,370	235,388	174,786	1,132,160	202,710	147,544	194,502	86,535	441,769
Held by Federal Reserve bank	320,636	17,770	106,216	18,714	21,929	17,416	14,431	40,516	10,288	4,485	12,126	6,955	49,790

In actual circulation

4,954,783	406,251	1,286,607	346,097	456,441	217,972	160,355	1,091,644	192,422	143,059	182,376	79,580	391,979
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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

5,375,500	440,000	1,405,000	375,000	479,000	250,000	180,000	1,140,000	209,000	148,500	125,000	90,000	464,000
1,170	62	450	78	- -	145	- -	- -	115	70	250	- -	- -

Total collateral

5,376,670	440,062	1,405,450	375,078	479,000	250,145	180,000	1,140,000	209,115	148,570	125,250	90,000	464,000
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