

STATEMENT FOR THE PRESS

Released for publication
Saturday morning, June 1;
not earlier.

Board of Governors
of the Federal Reserve System
May 31, 1940

CONDITION OF THE FEDERAL RESERVE BANKS

During the week ended May 29 member bank reserve balances decreased \$8,000,000. Reductions in member bank reserves arose from increases of \$72,000,000 in money in circulation, \$14,000,000 in nonmember deposits and other Federal Reserve accounts and \$8,000,000 in Treasury deposits with Federal Reserve banks and from a decrease of \$9,000,000 in Reserve bank credit, offset in part by an increase of \$91,000,000 in gold stock and a decrease of \$4,000,000 in Treasury cash. Excess reserves of member banks on May 29 were estimated to be approximately \$6,360,000,000, a decrease of \$10,000,000 for the week.

Changes in member bank reserve balances and related items during the week and the year ended May 29, 1940, were as follows:

	Increase or decrease since		
	May 29, 1940	May 22, 1940	May 31, 1939
(In millions of dollars)			
Bills discounted	3	+ 1	- 1
Bills bought	- -	- -	- 1
U. S. Gov't securities, direct and guaranteed	2,477	- -	- 87
Industrial advances (not including 9 million commitments - May 29)	9	- -	- 3
Other Reserve bank credit	22	- 10	+ 30
 Total Reserve bank credit	 2,511	 - 9	 - 62
Gold stock	19,162	+ 91	+3,205
Treasury currency	3,007	- -	+ 145
 Member bank reserve balances	 13,215	 - 8	 +3,186
Money in circulation	7,685	+ 72	+ 718
Treasury cash	2,200	- 4	- 436
Treasury deposits with F. R. banks	378	+ 8	- 542
Nonmember deposits and other F. R. accounts	1,203	+ 14	+ 364

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

		Increase or decrease since		
	May 29, 1940	May 22, 1940	May 31, 1939	
A S S E T S				
Gold certificates on hand and due from U. S. Treasury	16,935,473	+ 93,497	+3,617,751	
Redemption fund - F. R. notes	9,021	+ 1,284	+ 474	
Other cash	359,026	- 15,348	+ 12,359	
<u>Total reserves</u>	17,303,520	+ 79,433	+3,630,584	
Bills discounted:				
Secured by U. S. Gov't obligations, direct and guaranteed	1,760	+ 667	- 324	
Other bills discounted	1,303	+ 69	- 671	
<u>Total bills discounted</u>	3,063	+ 736	- 995	
Bills bought in open market	- -	- -	- 561	
Industrial advances	9,161	- 71	- 3,326	
U. S. Government securities, direct and guaranteed:				
Bonds	1,346,995	- -	+ 435,905	
Notes	1,130,125	- -	- 45,984	
Bills	- -	- -	- 476,816	
<u>Total U. S. Government securities, direct and guaranteed</u>	2,477,120	- -	- 86,895	
<u>Total bills and securities</u>	2,489,344	+ 665	- 91,777	
Due from foreign banks	47	- -	- 114	
F. R. notes of other banks	19,262	- 2,115	- 232	
Uncollected items	637,292	- 26,355	+ 86,063	
Bank premises	41,555	- 40	- 909	
Other assets	63,561	+ 1,096	+ 9,423	
T O T A L A S S E T S	20,554,581	+ 52,184	+3,633,038	
L I A B I L I T I E S				
F. R. notes in actual circulation	5,038,386	+ 53,775	+ 561,622	
Deposits:				
Member bank - reserve account	13,215,148	- 7,354	+3,186,094	
U. S. Treasurer - General account	377,749	+ 7,741	- 542,576	
Foreign bank	440,086	- 9,768	+ 155,280	
Other deposits	509,464	+ 24,703	+ 208,334	
<u>Total deposits</u>	14,542,447	+ 15,322	+3,007,132	
Deferred availability items	615,189	- 17,464	+ 55,508	
Other liabilities including accrued dividends	5,181	+ 453	- 144	
T O T A L L I A B I L I T I E S	20,201,203	+ 52,086	+3,624,118	
C A P I T A L A C C O U N T S				
Capital paid in	136,151	+ 24	+ 1,206	
Surplus (Section 7)	151,720	- -	+ 2,568	
Surplus (Section 13b)	26,839	- -	- 425	
Other capital accounts	38,663	+ 74	+ 5,571	
TOTAL LIABILITIES AND CAPITAL ACCOUNTS	20,554,581	+ 52,184	+3,633,038	
Ratio of total reserves to deposit and F. R. note liabilities combined	88.4%	+ .1%	+ 3.0%	
Commitments to make industrial advances	8,852	- 31	- 2,678	

STATEMENT OF CONDITION OF THE FEDERAL RESERVE BANKS ON MAY 29, 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	16,935,473	918,586	8,438,853	899,468	1,079,006	418,845	324,787	2,681,546	377,111	252,216	350,567	230,386	964,102
Redemption fund - F.R.notes	9,021	218	944	637	913	1,806	480	514	522	594	245	722	1,426
Other cash	359,026	31,102	102,456	25,620	22,943	22,395	20,334	47,584	17,165	6,982	19,551	13,763	29,131
<u>Total reserves</u>	17,303,520	949,906	8,542,253	925,725	1,102,862	443,046	345,601	2,729,644	394,798	259,792	370,363	244,871	994,659
Bills discounted:													
Secured by U. S. Gov't obligations, direct and guaranteed	1,760	80	722	65	23	60	24	54	525	115	15	39	38
Other bills discounted	1,303	16	183	52	37	70	77	10	160	55	264	294	85
<u>Total bills discounted</u>	3,063	96	905	117	60	130	101	64	685	170	279	333	123
Industrial advances	9,161	1,163	2,028	2,614	355	912	269	339	60	168	104	476	673
U. S. Government securities, direct and guaranteed:													
Bonds	1,346,995	98,199	404,247	107,604	137,752	68,663	56,851	147,369	61,672	40,510	62,096	51,835	110,197
Notes	1,130,125	82,387	339,160	90,279	115,574	57,610	47,699	123,644	51,742	33,987	52,098	43,490	92,455
<u>Total U. S. Gov't securities, direct and guaranteed</u>	2,477,120	180,586	743,407	197,883	253,326	126,273	104,550	271,013	113,414	74,497	114,194	95,325	202,652
<u>Total bills and securities</u>	2,489,344	181,845	746,340	200,614	253,741	127,315	104,920	271,416	114,159	74,835	114,577	96,134	203,448
Due from foreign banks	47	3	18	5	4	2	2	6	1	*	1	1	4
F. R. notes of other banks	19,262	661	1,526	826	1,059	2,909	2,114	3,060	1,611	1,721	834	428	2,463
Uncollected items	637,292	60,299	158,427	49,355	80,499	54,442	22,810	88,870	27,798	14,725	26,497	20,754	32,816
Bank premises	41,555	2,866	9,839	4,520	5,486	2,513	2,016	3,362	2,322	1,386	3,181	1,153	2,911
Other assets	63,561	4,304	18,396	5,150	7,056	3,690	2,607	6,639	2,737	1,926	2,822	2,713	5,521
T O T A L A S S E T S	20,554,581	1,199,884	9,476,799	1,186,195	1,450,707	633,917	480,070	3,102,997	543,426	354,385	518,325	366,054	1,241,822

*Less than \$500.

STATEMENT OF CONDITION OF THE FEDERAL RESERVE BANKS ON MAY 29, 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 cir- culation	5,038,386	411,985	1,335,121	351,686	459,813	221,348	161,433	1,102,848	193,051	141,839	182,878	78,224	398,160
Deposits:													
Member bank-reserve acct.	13,215,148	648,364	7,191,608	665,178	799,350	291,243	240,015	1,765,511	270,301	156,435	263,873	217,091	706,179
U.S.Treasurer-General acct.	377,749	16,647	105,373	27,226	29,139	26,012	22,440	40,614	21,865	18,242	21,048	23,109	26,034
Foreign bank	440,086	31,653	154,606	43,401	41,186	19,043	15,500	53,144	13,286	9,743	12,843	13,286	32,395
Other deposits	509,464	7,755	421,358	16,571	8,083	7,262	5,742	4,910	5,847	5,227	440	2,819	23,450
<u>Total deposits</u>	<u>14,542,447</u>	<u>704,419</u>	<u>7,872,945</u>	<u>752,376</u>	<u>877,758</u>	<u>343,560</u>	<u>283,697</u>	<u>1,864,179</u>	<u>311,299</u>	<u>189,647</u>	<u>298,204</u>	<u>256,305</u>	<u>788,058</u>
Deferred availability items	615,189	58,534	144,887	48,685	79,345	53,479	21,877	90,336	27,958	13,541	26,523	20,050	29,974
Other liabilities including accrued dividends	5,181	474	1,488	578	551	190	207	630	149	164	279	193	278
TOTAL LIABILITIES	20,201,203	1,175,412	9,354,441	1,153,325	1,417,467	618,577	467,214	3,057,993	532,457	345,191	507,884	354,772	1,216,470

CAPITAL ACCOUNTS

Capital paid in	136,151	9,332	51,039	11,918	14,000	5,276	4,632	13,649	4,131	2,958	4,378	4,124	10,714
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	38,668	1,861	10,884	2,361	3,910	1,571	1,786	7,102	1,591	2,083	1,308	1,918	2,293

TOTAL LIABILITIES AND

CAPITAL ACCOUNTS	20,554,581	1,199,884	9,476,799	1,186,195	1,450,707	633,917	480,070	3,102,997	543,426	354,385	518,325	366,054	1,241,822
Commitments to make industrial advances	8,852	322	831	1,144	1,173	693	515	18	175	57	167	- -	3,757

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	3,063	2,081	206	208	136	432	- -	- -	- -	- -
Industrial advances	9,161	1,561	145	634	875	785	1,142	1,907	2,112	- -
U. S. Government securities, direct and guaranteed	2,477,120	- -	- -	- -	- -	- -	224,796	248,417	732,608	1,271,299

FEDERAL RESERVE NOTE STATEMENT ON MAY 29, 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	5,342,723	425,623	1,432,639	367,213	482,615	236,934	174,920	1,145,939	203,968	147,258	193,151	85,560	453,853
Held by Federal Reserve bank	311,337	13,638	97,563	15,527	22,802	15,586	13,407	43,091	10,217	5,419	10,273	7,336	55,693
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<u>In actual circulation</u>	5,038,386	411,985	1,335,121	351,686	459,813	221,348	161,433	1,102,848	193,051	141,839	182,873	78,224	398,160
Collateral held by agent as se-													
curity for notes issued to bank:													
Gold certificates on hand and due from U. S. Treasury	5,455,500	440,000	1,455,000	375,000	484,000	250,000	180,000	1,160,000	209,000	148,500	200,000	90,000	464,000
Eligible paper	2,307	96	905	97	- -	130	- -	- -	630	170	279	- -	- -
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<u>Total collateral</u>	5,457,807	440,096	1,455,905	375,097	484,000	250,130	180,000	1,160,000	209,630	148,670	200,279	90,000	464,000