

STATEMENT FOR THE PRESS

Released for publication
Friday morning, July 26;
not earlier.

Board of Governors
of the Federal Reserve System
July 25, 1940

CONDITION OF THE FEDERAL RESERVE BANKS

During the week ended July 24 member bank reserve balances decreased \$298,000,000. Reductions in member bank reserves arose from increases of \$365,000,000 in Treasury deposits with Federal Reserve banks, \$28,000,000 in non-member deposits and other Federal Reserve accounts and \$30,000,000 in Treasury cash and a decrease of \$10,000,000 in Reserve bank credit, offset in part by increases of \$111,000,000 in gold stock and \$4,000,000 in Treasury currency and a decrease of \$18,000,000 in money in circulation. Excess reserves of member banks on July 24 were estimated to be approximately \$6,570,000,000, a decrease of \$310,000,000 for the week.

Changes in member bank reserve balances and related items during the week and the year ended July 24, 1940, were as follows:

		Increase or decrease since	
	July 24, 1940	July 17, 1940	July 26, 1939
	(In millions of dollars)		
Bills discounted	3	+ 1	- 2
Bills bought	- -	- -	- 1
U.S. Gov't securities, direct and guaranteed	2,450	- -	- 38
Industrial advances (not including 9 million commitments - July 24)	9	- -	- 4
Other Reserve bank credit	29	- 11	+ 23
 Total Reserve bank credit	 2,491	 - 10	 - 21
Gold stock	20,367	+111	+4,140
Treasury currency	3,020	+ 4	+ 127
 Member bank reserve balances	 13,565	 -298	 +3,129
Money in circulation	7,854	- 18	+ 852
Treasury cash	2,229	+ 30	- 277
Treasury deposits with F. R. banks	643	+365	- 99
Nonmember deposits and other F. R. accounts	1,588	+ 28	+ 641

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

		Increase or decrease since	
	July 24, 1940	July 17, 1940	July 26, 1939
<u>A S S E T S</u>			
Gold certificates on hand and due from U. S. Treasury	18,113,976	+ 85,498	+4,404,754
Redemption fund - F. R. notes	12,853	+ 2,500	+ 3,752
Other cash	380,284	+ 12,645	+ 9,305
<u>Total reserves</u>	18,507,113	+100,643	+4,417,811
Bills discounted:			
Secured by U. S. Gov't obligations, direct and guaranteed	998	+ 230	- 63
Other bills discounted	1,729	+ 290	- 1,906
<u>Total bills discounted</u>	2,727	+ 520	- 1,969
Bills bought in open market	- -	- -	- 558
Industrial advances	9,103	- 15	- 3,476
U. S. Government securities, direct and guaranteed:			
Bonds	1,323,196	- -	+ 412,106
Notes	1,126,732	- -	- 49,377
Bills	- -	- -	- 401,020
<u>Total U. S. Government securities, direct and guaranteed</u>	2,449,928	- -	- 38,291
<u>Total bills and securities</u>	2,461,758	+ 505	- 44,294
Due from foreign banks	47	- -	- 118
F. R. notes of other banks	21,193	- 2,415	- 1,673
Uncollected items	654,894	-135,419	+ 27,286
Bank premises	41,432	- 8	- 889
Other assets	57,153	+ 1,032	+ 7,781
<u>T O T A L A S S E T S</u>	21,743,590	- 35,655	+4,405,904
<u>L I A B I L I T I E S</u>			
F. R. notes in actual circulation	5,223,282	- 7,077	+ 724,524
Deposits:			
Member bank - reserve account	13,564,561	-298,458	+3,128,275
U. S. Treasurer - General account	642,925	+364,530	- 99,475
Foreign bank	742,077	+ 8,476	+ 454,420
Other deposits	585,358	+ 20,438	+ 182,904
<u>Total deposits</u>	15,534,921	+ 94,986	+3,666,124
Deferred availability items	626,010	-124,385	+ 4,216
Other liabilities including accrued dividends	2,205	+ 515	- 215
<u>T O T A L L I A B I L I T I E S</u>	21,386,418	- 35,961	+4,394,649
<u>C A P I T A L A C C O U N T S</u>			
Capital paid in	137,460	+ 11	+ 2,030
Surplus (Section 7)	151,720	- -	+ 2,568
Surplus (Section 13b)	26,839	- -	- 425
Other capital accounts	41,153	+ 225	+ 7,082
<u>TOTAL LIABILITIES AND CAPITAL ACCOUNTS</u>	21,743,590	- 35,655	+4,405,904
Ratio of total reserves to deposit and F. R. note liabilities combined	89.2%	+ .2%	+ 3.1%
Commitments to make industrial advances	8,587	- 24	- 2,889

STATEMENT OF CONDITION OF THE FEDERAL RESERVE BANKS ON JULY 24, 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	18,113,976	1,048,558	9,017,114	928,662	1,176,523	454,195	331,558	2,632,382	436,835	258,540	377,465	242,151	1,009,893
Redemption fund - F.R.notes	12,853	1,988	1,035	1,302	606	1,935	1,247	1,109	451	518	675	678	1,309
Other cash	380,284	33,406	106,688	32,131	25,551	24,596	20,433	47,199	17,360	7,445	19,527	13,918	32,030
<u>Total reserves</u>	18,507,113	1,083,952	9,124,837	962,095	1,202,780	480,726	353,238	2,800,690	454,646	266,503	397,667	256,747	1,043,232
Bills discounted:													
Secured by U.S.Gov't obligations, direct and guaranteed	998	40	283	126	78	113	15	71	30	155	31	56	- -
Other bills discounted	1,729	21	201	91	40	90	201	18	85	50	313	547	72
<u>Total bills discounted</u>	2,727	61	484	217	118	203	216	89	115	205	344	603	72
Industrial advances	9,103	1,142	1,991	2,673	367	870	222	302	5	213	193	465	660
U. S. Government securities, direct and guaranteed:													
Bonds	1,323,196	96,517	405,667	105,011	135,697	66,228	48,524	140,398	61,227	38,930	62,501	51,559	110,937
Notes	1,126,732	82,186	345,434	89,421	115,549	56,395	41,320	119,550	52,136	33,150	53,221	43,905	94,465
<u>Total U.S.Gov't securities, direct and guaranteed</u>	2,449,928	178,703	751,101	194,432	251,246	122,623	89,844	259,948	113,363	72,080	115,722	95,464	205,402
<u>Total bills and securities</u>	2,461,758	179,906	753,576	197,322	251,731	123,696	90,282	260,339	113,483	72,498	116,259	96,532	206,134
Due from foreign banks	47	3	18	5	4	2	2	6	1	*	1	1	4
F. R. notes of other banks	21,193	624	2,208	1,035	1,510	2,487	2,148	2,554	1,453	1,390	1,318	421	3,995
Uncollected items	654,894	62,472	157,620	45,243	78,282	52,757	32,351	90,813	30,227	18,158	26,974	23,005	36,992
Bank premises	41,432	2,861	9,802	4,508	5,461	2,507	2,011	3,356	2,353	1,381	3,149	1,140	2,903
Other assets	57,153	3,931	16,733	4,439	6,412	3,298	2,051	5,774	2,473	1,713	2,584	2,623	5,122
T O T A L A S S E T S	21,743,590	1,333,749	10,064,794	1,214,697	1,546,180	665,473	482,083	3,243,532	604,636	361,643	547,952	380,469	1,298,382

*Less than \$500.

STATEMENT OF CONDITION OF THE FEDERAL RESERVE BANKS ON JULY 24, 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	5,223,282	428,399	1,392,823	361,037	479,337	227,660	166,239	1,136,878	197,011	142,807	190,799	81,712	418,580
Deposits:													
Member bank-reserve acct.	13,564,561	723,961	7,391,410	659,834	836,532	308,797	211,927	1,769,397	312,169	148,129	272,078	214,759	715,568
U.S.Treasurer-General acct.	642,925	35,045	240,736	32,083	43,795	28,167	28,191	105,235	26,395	24,155	24,528	27,412	27,183
Foreign bank	742,077	53,235	262,599	72,893	69,174	31,984	26,033	89,257	22,314	16,364	21,570	22,314	54,340
Other deposits	585,358	6,797	511,714	10,890	7,722	1,616	4,606	5,155	6,039	5,590	1,417	2,000	21,812
<u>Total deposits</u>	15,534,921	819,038	8,406,459	775,700	957,223	370,564	270,757	1,969,044	366,917	194,238	319,593	266,485	818,903
Deferred availability items	626,010	61,296	141,855	44,740	75,860	51,711	32,010	91,842	29,537	15,221	26,846	20,790	34,302
Other liabilities including accrued dividends	2,205	363	435	190	242	49	112	285	52	121	151	103	102

TOTAL LIABILITIES 21,386,418 1,309,096 9,941,572 1,181,667 1,512,662 649,984 469,118 3,198,049 593,517 352,387 537,389 369,090 1,271,887

CAPITAL ACCOUNTS

Capital paid in	137,460	9,335	51,080	11,878	14,041	5,319	4,649	13,892	4,143	2,959	4,408	4,136	11,620
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	41,153	2,039	11,707	2,561	4,147	1,677	1,878	7,338	1,729	2,144	1,400	2,003	2,530

TOTAL LIABILITIES AND CAPITAL ACCOUNTS 21,743,590 1,333,749 10,064,794 1,214,697 1,546,180 665,473 482,083 3,243,532 604,636 361,643 547,952 380,469 1,298,382

Commitments to make industrial advances	8,587	265	758	1,136	1,160	676	511	16	350	56	152	- -	3,507
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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	2,727	1,402	111	336	324	546	8	- -	- -	- -
Industrial advances	9,103	2,079	67	207	259	986	997	1,428	3,080	
U. S. Government securities, direct and guaranteed	2,449,928	- -	- -	- -	- -	105,974	177,220	186,967	732,267	1,247,500

FEDERAL RESERVE NOTE STATEMENT ON JULY 24, 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	5,566,947	445,615	1,499,220	381,688	500,534	246,956	181,469	1,183,932	208,030	148,614	200,260	90,064	480,565
Held by Federal Reserve bank	343,665	17,216	106,397	20,651	21,197	19,296	15,230	47,054	11,019	5,807	9,461	8,352	61,985
<u>In actual circulation</u>	5,223,282	428,399	1,392,823	361,037	479,337	227,660	166,239	1,136,878	197,011	142,807	190,799	81,712	418,580
Collateral held by agent as security for notes issued to bank:													
Gold certificates on hand and due from U. S. Treasury	5,679,500	460,000	1,525,000	390,000	503,000	260,000	185,000	1,200,000	219,000	150,500	205,000	93,000	489,000
Eligible paper	1,614	61	484	217	- -	203	- -	- -	115	205	329	- -	- -
<u>Total collateral</u>	5,681,114	460,061	1,525,484	390,217	503,000	260,203	185,000	1,200,000	219,115	150,705	205,329	93,000	489,000