

STATEMENT FOR THE PRESS

Released for publication
Friday morning, August 23;
not earlier.

Board of Governors
of the Federal Reserve System
August 22, 1940

CONDITION OF THE FEDERAL RESERVE BANKS

During the week ended August 21 member bank reserve balances increased \$79,000,000. Additions to member bank reserves arose from a decrease of \$51,000,000 in Treasury deposits with Federal Reserve banks and increases of \$111,000,000 in gold stock and \$3,000,000 in Treasury currency, offset in part by increases of \$32,000,000 in money in circulation, \$10,000,000 in Treasury cash, and \$41,000,000 in nonmember deposits and other Federal Reserve accounts, and a decrease of \$3,000,000 in Reserve bank credit. Excess reserves of member banks on August 21 were estimated to be approximately \$6,420,000,000, an increase of \$30,000,000 for the week.

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

	Increase or decrease since		
	Aug. 21, 1940	Aug. 14, 1940	Aug. 23, 1939
	(In millions of dollars)		
Bills discounted	3	- -	- 2
Bills bought	- -	- -	- 1
U.S. Gov't securities, direct and guaranteed	2,446	- -	+ 23
Industrial advances (not including 8 million commitments - August 21)	9	- -	- 3
Other Reserve bank credit	35	- 3	+ 34
 Total Reserve bank credit	 2,492	 - 3	 + 51
Gold stock	20,800	+ 111	+4,299
Treasury currency	3,030	+ 3	+ 127
 Member bank reserve balances	 13,419	 + 79	 +2,590
Money in circulation	7,976	+ 32	+ 878
Treasury cash	2,291	+ 10	- 43
Treasury deposits with F. R. banks	289	- 51	+ 165
Nonmember deposits and other F. R. accounts	1,747	+ 41	+ 887

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

		Increase or decrease since	
	Aug. 21, 1940	Aug. 14, 1940	Aug. 23, 1939
<u>A S S E T S</u>			
Gold certificates on hand and due from U. S. Treasury	18,486,978	+ 98,998	+4,319,258
Redemption fund - F. R. notes	11,826	- 125	+ 2,700
Other cash	354,056	- 8,010	+ 9,210
<u>Total reserves</u>	18,852,860	+ 90,863	+4,331,168
Bills discounted:			
Secured by U. S. Gov't obligations, direct and guaranteed	1,119	+ 107	+ 107
Other bills discounted	1,939	+ 4	- 1,867
<u>Total bills discounted</u>	3,058	+ 111	- 1,760
Bills bought in open market	- -	- -	- 575
Industrial advances	8,561	+ 16	- 3,116
U. S. Government securities, direct and guaranteed:			
Bonds	1,319,196	- -	+ 408,106
Notes	1,126,732	- -	- 49,377
Bills	- -	- -	- 335,540
<u>Total U. S. Government securities, direct and guaranteed</u>	2,445,928	- -	+ 23,189
<u>Total bills and securities</u>	2,457,547	+ 127	+ 17,738
Due from foreign banks	47	- -	- 102
F. R. notes of other banks	20,041	- 1,638	- 1,691
Uncollected items	661,319	-117,305	+ 57,054
Bank premises	41,395	- 12	- 829
Other assets	59,326	+ 572	+ 8,294
<u>T O T A L A S S E T S</u>	22,092,535	- 27,393	+4,411,632
<u>L I A B I L I T I E S</u>			
F. R. notes in actual circulation	5,309,939	+ 17,136	+ 737,809
Deposits:			
Member bank - reserve account	13,418,718	+ 79,131	+2,589,748
U. S. Treasurer - General account	889,274	- 50,730	+ 165,520
Foreign bank	867,059	+ 25,718	+ 543,299
Other deposits	618,466	+ 15,542	+ 338,280
<u>Total deposits</u>	15,793,517	+ 69,661	+3,636,847
Deferred availability items	626,546	-114,417	+ 23,326
Other liabilities including accrued dividends	2,896	+ 5	- 222
<u>T O T A L L I A B I L I T I E S</u>	21,732,898	- 27,615	+4,397,760
<u>C A P I T A L A C C O U N T S</u>			
Capital paid in	137,562	+ 9	+ 2,076
Surplus (Section 7)	151,720	- -	+ 2,568
Surplus (Section 13b)	26,839	- -	- 425
Other capital accounts	43,516	+ 213	+ 9,653
<u>TOTAL LIABILITIES AND CAPITAL ACCOUNTS</u>	22,092,535	- 27,393	+4,411,632
Ratio of total reserves to deposit and F. R. note liabilities combined	89.3%	- -	+ 2.5%
Contingent liability on bills purchased for foreign correspondents	- -	- -	- 101
Commitments to make industrial advances	8,241	- 129	- 2,834

STATEMENT OF CONDITION OF THE FEDERAL RESERVE BANKS ON AUGUST 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	18,486,978	1,144,905	8,975,371	967,917	1,235,001	475,395	367,785	2,865,087	460,355	285,398	399,515	254,358	1,055,891
Redemption fund - F.R.notes	11,826	1,850	1,477	1,077	402	1,618	1,147	829	400	495	633	650	1,248
Other cash	354,056	31,485	95,222	31,706	23,131	24,080	20,542	38,047	17,645	8,104	19,027	12,987	32,080
<u>Total reserves</u>	<u>18,852,860</u>	<u>1,178,240</u>	<u>9,072,070</u>	<u>1,000,700</u>	<u>1,258,534</u>	<u>501,093</u>	<u>389,474</u>	<u>2,903,963</u>	<u>478,400</u>	<u>293,997</u>	<u>419,175</u>	<u>267,995</u>	<u>1,089,219</u>
Bills discounted:													
Secured by U.S. Gov't obligations,													
direct and guaranteed	1,119	15	440	94	113	60	9	56	- -	65	36	161	70
Other bills discounted	1,939	9	397	54	34	65	200	10	125	80	226	709	30
<u>Total bills discounted</u>	<u>3,058</u>	<u>24</u>	<u>837</u>	<u>148</u>	<u>147</u>	<u>125</u>	<u>209</u>	<u>66</u>	<u>125</u>	<u>145</u>	<u>262</u>	<u>870</u>	<u>100</u>
Industrial advances	8,561	1,132	1,808	2,420	373	790	209	272	5	222	216	462	652
U. S. Government securities,													
direct and guaranteed:													
Bonds	1,319,196	96,236	404,294	104,677	135,286	66,053	48,383	139,987	61,076	38,829	62,345	51,423	110,607
Notes	1,126,732	82,194	345,311	89,406	115,550	56,416	41,324	119,562	52,166	33,165	53,249	43,920	94,469
<u>Total U.S.Gov't securities,</u>													
<u>direct and guaranteed</u>	<u>2,445,928</u>	<u>178,430</u>	<u>749,605</u>	<u>194,083</u>	<u>250,836</u>	<u>122,469</u>	<u>89,707</u>	<u>259,549</u>	<u>113,242</u>	<u>71,994</u>	<u>115,594</u>	<u>95,343</u>	<u>205,076</u>
<u>Total bills and securities</u>	<u>2,457,547</u>	<u>179,586</u>	<u>752,250</u>	<u>196,651</u>	<u>251,356</u>	<u>123,384</u>	<u>90,125</u>	<u>259,837</u>	<u>113,372</u>	<u>72,361</u>	<u>116,072</u>	<u>96,675</u>	<u>205,828</u>
Due from foreign banks	47	3	18	5	4	2	2	6	1	*	1	1	4
F. R. notes of other banks	20,041	1,108	1,829	1,136	1,672	2,502	1,891	1,951	1,755	1,189	2,193	376	2,439
Uncollected items	661,319	61,100	160,704	49,520	75,263	56,924	23,657	92,509	27,279	18,766	29,632	23,310	42,655
Bank premises	41,395	2,857	9,785	4,508	5,449	2,500	2,008	3,351	2,398	1,379	3,133	1,134	2,893
Other assets	59,326	4,090	17,334	4,645	6,603	3,369	2,142	6,008	2,602	1,796	2,698	2,751	5,288
T O T A L A S S E T S	22,092,535	1,426,984	10,013,990	1,257,165	1,598,881	689,774	509,299	3,267,675	625,807	389,488	572,904	392,242	1,348,326

*Less than \$500.

STATEMENT OF CONDITION OF THE FEDERAL RESERVE BANKS ON AUGUST 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	5,309,939	433,796	1,418,624	367,293	486,964	232,147	172,157	1,148,821	198,586	144,776	192,766	83,162	430,847
Deposits:													
Member bank-reserve acct.	13,418,718	766,791	7,158,549	643,932	834,429	307,083	231,040	1,776,375	313,255	161,045	275,637	212,557	737,825
U.S.Treasurer-General acct.	889,274	72,450	329,859	55,435	81,498	41,725	35,018	88,633	42,228	34,576	38,254	34,865	34,733
Foreign bank	867,059	61,940	308,332	84,960	80,625	37,278	30,343	104,033	26,008	19,073	25,141	26,008	63,318
Other deposits	618,466	7,777	529,482	24,095	7,165	1,145	4,908	9,622	6,950	4,304	1,156	1,839	20,023
<u>Total deposits</u>	15,793,517	908,958	8,326,222	808,422	1,003,717	387,231	301,309	1,978,663	388,441	218,908	340,388	275,269	855,899
Deferred availability items	626,546	58,964	144,266	48,088	74,092	54,728	22,637	94,125	27,475	16,266	28,948	22,235	34,722
Other liabilities including accrued dividends	2,896	418	760	279	304	68	130	302	97	128	150	113	147
<u>TOTAL LIABILITIES</u>	21,732,898	1,402,136	9,839,872	1,224,082	1,565,077	674,174	496,233	3,221,911	614,599	380,168	562,252	380,779	1,321,615

CAPITAL ACCOUNTS

Capital paid in	137,562	9,333	51,075	11,880	14,059	5,330	4,669	13,910	4,154	2,960	4,416	4,139	11,637
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	43,516	2,236	12,608	2,612	4,415	1,777	1,959	7,601	1,807	2,207	1,481	2,084	2,729
<u>TOTAL LIABILITIES AND CAPITAL ACCOUNTS</u>	22,092,535	1,426,984	10,013,990	1,257,165	1,598,881	689,774	509,299	3,267,675	625,807	389,438	572,904	392,242	1,348,326

Commitments to make industrial advances	8,241	260	742	1,034	1,121	689	510	15	374	54	144	4	3,294
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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	3,058	1,579	198	409	639	231	2	--	--	--
Industrial advances	8,561	1,545	200	243	297	943	1,279	1,497	2,557	--
U. S. Government securities, direct and guaranteed	2,445,928	--	--	--	--	104,774	234,247	129,940	733,467	1,243,500

FEDERAL RESERVE NOTE STATEMENT ON AUGUST 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	5,607,570	447,577	1,503,890	388,714	509,314	249,352	186,274	1,181,287	208,618	150,095	201,667	89,809	490,473
Held by Federal Reserve bank	297,631	13,781	85,266	21,421	22,350	17,705	14,117	32,466	10,032	5,319	8,901	6,647	59,626
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<u>In actual circulation</u>	5,309,939	433,796	1,418,624	367,293	486,964	232,147	172,157	1,148,821	198,586	144,776	192,766	83,162	430,847
 Collateral held by agent as security for notes issued to bank:													
 Gold certificates on hand and due from U. S. Treasury													
Eligible paper	5,688,000	460,000	1,515,000	390,000	511,500	260,000	190,000	1,200,000	219,000	150,500	205,000	93,000	494,000
	1,625	24	837	148	- -	125	- -	- -	100	136	253	- -	- -
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<u>Total collateral</u>	5,689,625	460,024	1,515,837	390,148	511,500	260,125	190,000	1,200,000	219,100	150,638	205,253	93,000	494,000