

## STATEMENT FOR THE PRESS

Released for publication  
Friday morning, August 30;  
not earlier.

Board of Governors  
of the Federal Reserve System  
August 29, 1940

## CONDITION OF THE FEDERAL RESERVE BANKS

During the week ended August 28 member bank reserve balances increased \$97,000,000. Additions to member bank reserves arose from increases of \$71,000,000 in gold stock and \$4,000,000 in Treasury currency, and a decrease of \$76,000,000 in Treasury deposits with Federal Reserve Banks, offset in part by a decrease of \$12,000,000 in Reserve Bank credit, and increases of \$30,000,000 in money in circulation and \$12,000,000 in nonmember deposits and other Federal Reserve accounts. Excess reserves of member banks on August 28 were estimated to be approximately \$6,490,000,000, an increase of \$70,000,000 for the week.

Holdings of United States Treasury notes decreased \$4,000,000 for the week.

Changes in member bank reserve balances and related items during the week and the year ended August 28, 1940, were as follows:

	Increase or decrease since		
	Aug. 28, 1940	Aug. 21, 1940	Aug. 30, 1939
(In millions of dollars)			
Bills discounted	4	+ 1	- 2
Bills bought	- -	- -	- 1
U. S. Gov't securities, direct and guaranteed	2,442	- 4	+ 16
Industrial advances (not including 8 million commitments - August 28)	9	- -	- 3
Other Reserve Bank credit	26	- 9	+ 23
Total Reserve Bank credit	2,480	- 12	+ 32
Gold stock	20,871	+ 71	+ 4,233
Treasury currency	3,034	+ 4	+ 129
Member bank reserve balances	13,516	+ 97	+ 2,565
Money in circulation	8,006	+ 30	+ 865
Treasury cash	2,291	- -	- 36
Treasury deposits with F. R. Banks	813	- 76	+ 104
Nonmember deposits and other F. R. accounts	1,759	+ 12	+ 896

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

		Increase or decrease since	
	Aug. 28, 1940	Aug. 21, 1940	Aug. 30, 1939
<u>A S S E T S</u>			
Gold certificates on hand and due from U. S. Treasury	18,561,978	+ 75,000	+4,249,758
Redemption fund - F. R. notes	11,826	- -	+ 3,182
Other cash	<u>348,390</u>	- 5,666	+ 8,642
<u>Total reserves</u>	18,922,194	+ 69,334	+4,261,582
Bills discounted:			
Secured by U. S. Gov't obligations, direct and guaranteed	1,229	+ 110	- 800
Other bills discounted	<u>2,619</u>	+ 680	- 1,462
<u>Total bills discounted</u>	3,848	+ 790	- 2,342
Bills bought in open market	- -	- -	- 546
Industrial advances	8,553	- 8	- 3,114
U. S. Government securities, direct and guaranteed:			
Bonds	1,319,196	- -	+ 406,736
Notes	1,122,458	- 4,274	- 56,651
Bills	<u>- -</u>	- -	- 334,620
<u>Total U. S. Government securities, direct and guaranteed</u>	2,441,654	- 4,274	+ 15,465
<u>Total bills and securities</u>	2,454,055	- 3,492	+ 9,463
Due from foreign banks	47	- -	- 130
F. R. notes of other banks	20,812	+ 771	- 2,852
Uncollected items	636,584	- 24,735	+ 47,880
Bank premises	41,364	- 31	- 847
Other assets	<u>60,191</u>	+ 865	+ 8,069
<u>T O T A L A S S E T S</u>	22,135,247	+ 42,712	+4,323,165
<u>L I A B I L I T I E S</u>			
F. R. notes in actual circulation	5,334,240	+ 24,301	+ 724,958
Deposits:			
Member bank - reserve account	13,515,998	+ 97,280	+2,564,994
U. S. Treasurer - General account	813,094	- 76,180	+ 104,483
Foreign bank	888,288	+ 21,229	+ 538,156
Other deposits	<u>609,460</u>	- 9,006	+ 351,692
<u>Total deposits</u>	15,826,840	+ 33,323	+3,559,325
Deferred availability items	611,024	- 15,522	+ 25,484
Other liabilities including accrued dividends	<u>3,284</u>	+ 388	- 664
<u>T O T A L L I A B I L I T I E S</u>	21,775,388	+ 42,490	+4,309,103
<u>C A P I T A L A C C O U N T S</u>			
Capital paid in	137,582	+ 20	+ 2,095
Surplus (Section 7)	151,720	- -	+ 2,568
Surplus (Section 13b)	26,839	- -	- 425
Other capital accounts	<u>43,718</u>	+ 202	+ 9,824
<u>TOTAL LIABILITIES AND CAPITAL ACCOUNTS</u>	22,135,247	+ 42,712	+4,323,165
Ratio of total reserves to deposit and F. R. note liabilities combined	89.4%	+ .1%	+ 2.5%
Contingent liability on bills purchased for foreign correspondents	- -	- -	- 101
Commitments to make industrial advances	8,238	- 3	- 2,771

STATEMENT OF CONDITION OF THE FEDERAL RESERVE BANKS ON AUGUST 28, 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	18,561,978	1,145,311	9,009,035	969,122	1,254,354	481,133	366,281	2,878,563	458,287	283,969	386,695	256,821	1,073,007
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	348,390	31,705	95,412	30,241	22,551	21,680	19,345	39,972	17,575	8,090	17,648	14,297	29,874
<u>Total reserves</u>	<u>18,922,194</u>	<u>1,178,866</u>	<u>9,105,924</u>	<u>1,000,440</u>	<u>1,277,307</u>	<u>504,431</u>	<u>386,773</u>	<u>2,919,364</u>	<u>476,262</u>	<u>292,554</u>	<u>404,376</u>	<u>271,768</u>	<u>1,104,129</u>
Bills discounted:													
Secured by U.S. Gov't obligations, direct and guaranteed	1,229	15	660	74	113	60	10	25	- -	50	31	151	40
Other bills discounted	2,619	8	1,200	85	34	- -	198	- -	100	66	211	717	- -
<u>Total bills discounted</u>	<u>3,848</u>	<u>23</u>	<u>1,860</u>	<u>159</u>	<u>147</u>	<u>60</u>	<u>208</u>	<u>25</u>	<u>100</u>	<u>116</u>	<u>242</u>	<u>868</u>	<u>40</u>
Industrial advances	8,553	1,127	1,805	2,419	375	790	208	272	5	227	215	462	648
U. S. Government securities, direct and guaranteed:													
Bonds	1,319,196	96,246	404,139	104,660	135,286	66,080	48,389	140,001	61,113	38,847	62,380	51,444	110,611
Notes	1,122,458	81,892	343,868	89,050	115,111	56,225	41,173	119,122	52,000	33,054	53,077	43,771	94,115
<u>Total U.S.Gov't securities, direct and guaranteed</u>	<u>2,441,654</u>	<u>178,138</u>	<u>748,007</u>	<u>193,710</u>	<u>250,397</u>	<u>122,305</u>	<u>89,562</u>	<u>259,123</u>	<u>113,113</u>	<u>71,901</u>	<u>115,457</u>	<u>95,215</u>	<u>204,726</u>
<u>Total bills and securities</u>	<u>2,454,055</u>	<u>179,288</u>	<u>751,672</u>	<u>196,288</u>	<u>250,919</u>	<u>123,155</u>	<u>89,978</u>	<u>259,420</u>	<u>113,218</u>	<u>72,244</u>	<u>115,914</u>	<u>96,545</u>	<u>205,414</u>
Due from foreign banks	47	3	18	5	4	2	2	6	1	*	1	1	4
F. R. notes of other banks	20,812	893	2,161	1,104	1,310	3,421	2,048	2,550	1,659	1,085	1,445	519	2,617
Uncollected items	636,584	57,203	151,216	45,671	80,844	50,762	23,588	89,704	35,269	17,142	28,672	26,502	30,011
Bank premises	41,364	2,857	9,785	4,497	5,449	2,494	2,005	3,351	2,397	1,379	3,133	1,133	2,884
Other assets	60,191	4,152	17,650	4,715	6,706	3,420	2,159	6,124	2,613	1,807	2,740	2,777	5,328
<u>T O T A L A S S E T S</u>	<u>22,135,247</u>	<u>1,423,262</u>	<u>10,038,426</u>	<u>1,252,720</u>	<u>1,622,539</u>	<u>687,685</u>	<u>506,553</u>	<u>3,280,519</u>	<u>631,419</u>	<u>386,211</u>	<u>556,281</u>	<u>399,245</u>	<u>1,350,387</u>

\*Less than \$500.

STATEMENT OF CONDITION OF THE FEDERAL RESERVE BANKS ON AUGUST 28, 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	5,334,240	436,388	1,426,949	369,546	489,430	234,390	171,500	1,150,618	198,700	145,292	192,343	83,733	435,351
Deposits:													
Member bank-reserve acct.	13,515,998	768,930	7,211,153	650,295	855,423	308,737	228,163	1,797,108	310,747	163,176	269,639	212,147	740,425
U.S.Treasurer-General acct.	313,094	66,374	299,583	40,188	80,032	39,855	34,359	31,132	41,200	29,109	29,818	36,651	34,288
Foreign bank	888,288	63,104	315,286	87,201	82,751	38,261	31,143	106,776	26,694	19,576	25,804	26,694	64,998
Other deposits	609,460	7,454	518,035	27,685	5,447	1,185	5,072	8,514	7,319	4,533	1,061	2,708	20,447
<u>Total deposits</u>	<u>15,826,840</u>	<u>905,862</u>	<u>8,344,062</u>	<u>805,369</u>	<u>1,023,653</u>	<u>388,038</u>	<u>299,242</u>	<u>1,993,530</u>	<u>385,960</u>	<u>216,394</u>	<u>326,372</u>	<u>278,200</u>	<u>860,158</u>
Deferred availability items	611,024	55,703	142,372	44,392	75,322	49,552	22,589	90,208	35,415	15,058	26,720	25,711	27,982
Other liabilities including accrued dividends	3,284	435	863	319	314	101	144	348	129	152	184	132	163
<b>TOTAL LIABILITIES</b>	<b>21,775,388</b>	<b>1,398,388</b>	<b>9,914,246</b>	<b>1,219,626</b>	<b>1,588,719</b>	<b>672,081</b>	<b>493,475</b>	<b>3,234,704</b>	<b>620,204</b>	<b>376,896</b>	<b>545,619</b>	<b>387,776</b>	<b>1,323,654</b>

CAPITAL ACCOUNTS

Capital paid in	137,582	9,332	51,075	11,880	14,059	5,337	4,673	13,914	4,154	2,952	4,422	4,139	11,645
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	43,718	2,263	12,670	2,623	4,431	1,774	1,967	7,648	1,814	2,210	1,485	2,090	2,743

**TOTAL LIABILITIES**

<b>AND CAPITAL ACCOUNTS</b>	<b>22,135,247</b>	<b>1,423,262</b>	<b>10,038,426</b>	<b>1,252,720</b>	<b>1,622,539</b>	<b>687,685</b>	<b>506,553</b>	<b>3,280,519</b>	<b>631,419</b>	<b>386,211</b>	<b>556,281</b>	<b>399,245</b>	<b>1,350,387</b>
Commitments to make industrial advances	8,238	260	741	1,034	1,119	701	510	15	374	54	144	4	3,282

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	3,848	2,217	233	688	518	187	5	--	--	--
Industrial advances	8,553	1,565	173	242	298	953	1,271	1,526	2,525	--
U. S. Government securities, direct and guaranteed	2,441,654	--	--	--	--	100,500	234,247	129,940	733,467	1,243,500

FEDERAL RESERVE NOTE STATEMENT ON AUGUST 28, 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	5,623,589	453,557	1,509,606	388,703	510,325	250,125	185,979	1,180,208	209,377	149,406	202,662	91,237	492,404
Held by Federal Reserve Bank	289,349	17,169	82,657	19,157	20,895	15,735	14,479	29,590	10,677	4,114	10,319	7,504	57,053
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<u>In actual circulation</u>	5,334,240	436,388	1,426,949	369,546	489,430	234,390	171,500	1,150,618	198,700	145,292	192,343	83,733	435,351
Collateral held by agent as security for notes issued to bank:													
Gold certificates on hand and due from U. S. Treasury	5,723,000	460,000	1,525,000	390,000	511,500	275,000	190,000	1,200,000	219,000	150,500	205,000	93,000	504,000
Eligible paper	2,537	23	1,860	155	- -	60	- -	- -	100	105	234	- -	- -
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<u>Total collateral</u>	5,725,537	460,023	1,526,860	390,155	511,500	275,060	190,000	1,200,000	219,100	150,605	205,234	93,000	504,000