

STATEMENT FOR THE PRESS

Released for publication
Friday morning, Sept. 6;
not earlier.

Board of Governors
of the Federal Reserve System
September 5, 1940

CONDITION OF THE FEDERAL RESERVE BANKS

During the week ended September 4 member bank reserve balances increased \$3,000,000. Additions to member bank reserves arose from a decrease of \$22,000,000 in Treasury deposits with Federal Reserve Banks and increases of \$73,000,000 in gold stock, \$10,000,000 in Reserve Bank credit, and \$2,000,000 in Treasury currency, offset in part by increases of \$86,000,000 in money in circulation and \$12,000,000 in nonmember deposits and other Federal Reserve accounts. Excess reserves of member banks on September 4 were estimated to be approximately \$6,490,000,000, unchanged for the week. The item "Foreign bank" deposits has been changed to "Foreign" deposits as the item now includes deposits of some foreign governments for whom the Federal Reserve Bank of New York, as fiscal agent of the United States, has opened accounts.

The principal change in holdings of bills and securities was a decrease of \$3,000,000 in United States Government securities, direct and guaranteed; holdings of bonds decreased \$1,000,000 and of notes \$7,000,000.

Changes in member bank reserve balances and related items during the week and the year ended September 4, 1940, were as follows:

	Sept. 4, 1940	Aug. 28, 1940	Sept. 6, 1939
	Increase or decrease since		
	(In millions of dollars)		
Bills discounted	6	+ 2	- -
Bills bought	- -	- -	- 1
U. S. Gov't securities, direct and guaranteed	2,434	- 8	- 160
Industrial advances (not including 8 million commitments - September 4)	9	- -	- 3
Other Reserve Bank credit	42	+ 16	+ 12
Total Reserve Bank credit	2,490	+ 10	- 153
Gold stock	20,944	+ 73	+4,218
Treasury currency	3,036	+ 2	+ 128
Member bank reserve balances	13,524	+ 8	+2,383
Money in circulation	8,092	+ 86	+ 831
Treasury cash	2,292	+ 1	+ 28
Treasury deposits with F. R. Banks	791	- 22	+ 115
Nonmember deposits and other F. R. accounts	1,771	+ 12	+ 836

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

		Increase or decrease since	
	Sept. 4, 1940	Aug. 28, 1940	Sept. 6, 1939
<u>A S S E T S</u>			
Gold certificates on hand and due from U. S. Treasury	18,631,297	+ 69,319	+4,179,076
Redemption fund - F. R. notes	11,398	- 428	+ 2,754
Other cash	322,814	- 25,576	+ 15,033
<u>Total reserves</u>	18,965,509	+ 43,315	+4,196,863
Bills discounted:			
Secured by U. S. Gov't obligations, direct and guaranteed	1,503	+ 274	- 43
Other bills discounted	4,031	+ 1,412	- 421
<u>Total bills discounted</u>	5,534	+ 1,686	- 464
Bills bought in open market	- -	- -	- 546
Industrial advances	8,645	+ 92	- 2,982
U. S. Government securities, direct and guaranteed:			
Bonds	1,318,600	- 596	+ 297,381
Notes	1,115,000	- 7,458	- 123,573
Bills	- -	- -	- 334,620
<u>Total U. S. Government securities, direct and guaranteed</u>	2,433,600	- 8,054	- 160,812
<u>Total bills and securities</u>	2,447,779	- 6,276	- 164,804
Due from foreign banks	47	- -	- 130
F. R. notes of other banks	21,221	+ 409	- 2,079
Uncollected items	663,569	+ 26,985	+ 76,626
Bank premises	41,307	- 57	- 855
Other assets	61,230	+ 1,039	- 2
<u>TOTAL ASSETS</u>	22,200,662	+ 65,415	+4,105,619
<u>L I A B I L I T I E S</u>			
F. R. notes in actual circulation	5,390,785	+ 56,545	+ 707,069
Deposits:			
Member bank - reserve account	13,523,861	+ 7,863	+2,383,253
U. S. Treasurer - General account	791,182	- 21,912	+ 115,627
Foreign	997,516	+ 6,856*	+ 600,333
Other deposits	512,525	+ 5,437*	+ 221,277
<u>Total deposits</u>	15,825,084	- 1,756	+3,320,490
Deferred availability items	621,720	+ 10,696	+ 64,889
Other liabilities including accrued dividends	2,853	- 431	- 704
<u>TOTAL LIABILITIES</u>	21,840,442	+ 65,054	+4,091,744
<u>C A P I T A L A C C O U N T S</u>			
Capital paid in	137,586	+ 4	+ 2,090
Surplus (Section 7)	151,720	- -	+ 2,568
Surplus (Section 13b)	26,839	- -	- 425
Other capital accounts	44,075	+ 357	+ 9,642
<u>TOTAL LIABILITIES AND CAPITAL ACCOUNTS</u>	22,200,662	+ 65,415	+4,105,619
Ratio of total reserves to deposit and F. R. note liabilities combined	89.4%	- -	+ 3.5%
Contingent liability on bills purchased for foreign correspondents	- -	- -	- 101
Commitments to make industrial advances	8,192	- 46	- 2,739

*Aug. 28 figures revised.

STATEMENT OF CONDITION OF THE FEDERAL RESERVE BANKS ON SEPTEMBER 4, 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	18,631,297	1,145,286	9,144,389	954,662	1,242,057	488,226	357,683	2,856,072	451,286	282,338	306,007	255,125	1,068,166
Redemption fund - F.R.notes	11,398	1,802	1,280	993	1,000	1,123	1,111	733	383	486	620	640	1,227
Other cash	322,814	29,581	85,611	29,672	21,409	20,610	17,773	36,278	15,830	7,436	16,552	12,314	29,748
<u>Total reserves</u>	18,965,509	1,176,669	9,231,280	985,327	1,264,466	509,959	376,567	2,893,083	467,499	290,260	403,179	268,079	1,099,141
Bills discounted:													
Secured by U. S. Gov't obligations, direct and guaranteed	1,503	90	770	164	113	60	10	20	- -	25	31	180	40
Other bills discounted	4,031	- -	2,685	76	34	- -	167	- -	80	59	235	680	15
<u>Total bills discounted</u>	5,534	90	3,455	240	147	60	177	20	80	84	266	860	55
Industrial advances	8,645	1,127	1,804	2,397	375	850	267	271	5	223	215	463	648
U. S. Government securities, direct and guaranteed:													
Bonds	1,318,600	96,222	403,661	104,577	135,227	66,100	48,380	139,966	61,156	38,864	62,418	51,459	110,570
Notes	1,115,000	81,366	341,335	82,430	114,345	55,894	40,910	118,353	51,714	32,863	52,780	43,513	93,497
<u>Total U.S. Gov't securities, direct and guaranteed</u>	2,433,600	177,588	744,996	193,007	249,572	121,994	89,290	258,319	112,870	71,727	115,198	94,972	204,067
<u>Total bills and securities</u>	2,447,779	178,805	750,255	195,644	250,094	122,904	89,734	258,610	112,955	72,034	115,679	96,295	204,770
Due from foreign banks	47	3	18	5	4	2	2	6	1	*	1	1	4
F. R. notes of other banks	21,221	577	1,924	759	1,843	3,112	2,149	2,714	1,578	1,739	1,935	469	2,422
Uncollected items	663,569	62,556	141,420	41,547	78,835	58,911	28,985	91,237	40,651	20,005	33,542	25,907	39,973
Bank premises	41,307	2,852	9,767	4,497	5,449	2,494	2,005	3,345	2,393	1,377	3,117	1,127	2,884
Other assets	61,230	4,201	17,942	4,788	6,828	3,427	2,166	6,249	2,689	1,842	2,800	2,830	5,468
T O T A L A S S E T S	22,200,662	1,425,663	10,152,606	1,232,567	1,607,519	700,809	501,608	3,255,244	627,766	387,257	560,253	394,708	1,354,662

*Less than \$500.

STATEMENT OF CONDITION OF THE FEDERAL RESERVE BANKS ON SEPTEMBER 4, 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	5,390,785	440,799	1,446,938	371,845	492,015	237,935	173,025	1,159,489	200,005	147,342	194,491	85,292	441,609
Deposits:													
Member bank-reserve acct.	13,523,861	790,879	7,167,891	652,499	867,320	321,052	231,696	1,789,007	309,593	163,080	270,373	219,472	740,999
U.S.Treasurer-General acct.	791,182	54,986	301,575	42,071	69,133	37,479	29,759	82,376	39,814	30,725	32,344	31,116	39,804
Foreign	997,516	46,262	569,876	65,219	61,892	28,617	23,293	79,860	19,965	14,641	19,300	19,965	48,626
Other deposits	512,525	7,762	418,412	27,630	5,628	3,792	5,111	9,101	7,155	4,194	697	2,489	20,554
<u>Total deposits</u>	<u>15,825,084</u>	<u>899,889</u>	<u>8,457,754</u>	<u>787,419</u>	<u>1,003,973</u>	<u>390,940</u>	<u>289,859</u>	<u>1,960,344</u>	<u>376,527</u>	<u>212,640</u>	<u>322,714</u>	<u>273,042</u>	<u>849,983</u>
Deferred availability items	621,720	59,661	122,842	39,905	77,391	56,244	25,510	89,280	39,887	17,817	32,259	24,780	36,144
Other liabilities including accrued dividends	2,853	448	678	287	292	81	131	290	95	136	120	120	175
TOTAL LIABILITIES	21,840,442	1,400,797	10,028,212	1,199,456	1,573,671	685,200	488,525	3,209,403	616,514	377,935	549,584	383,234	1,327,911
<u>C A P I T A L A C C O U N T S</u>													
Capital paid in	137,586	9,332	51,075	11,880	14,058	5,337	4,673	13,918	4,154	2,951	4,422	4,140	11,646
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	44,075	2,255	12,884	2,640	4,460	1,779	1,972	7,670	1,851	2,218	1,492	2,094	2,760
TOTAL LIABILITIES AND CAPITAL ACCOUNTS	22,200,662	1,425,663	10,152,606	1,232,567	1,607,519	700,809	501,608	3,255,244	627,766	387,257	560,253	394,708	1,354,662
Commitments to make industrial advances	8,192	260	740	1,034	1,108	699	510	15	369	52	144	4	3,257

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	5,534	3,806	323	686	449	268	2	- -	- -	- -
Industrial advances	8,645	1,596	209	163	258	955	1,356	1,499	2,609	- -
U. S. Government securities, direct and guaranteed	2,433,600	- -	- -	- -	- -	92,500	234,100	129,800	734,200	1,243,000

FEDERAL RESERVE NOTE STATEMENT ON SEPTEMBER 4, 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	5,639,131	452,261	1,516,656	387,009	512,115	251,137	186,479	1,135,372	208,497	152,098	202,016	91,522	493,969
Held by Federal Reserve Bank	248,346	11,462	69,718	15,164	20,100	13,202	13,454	25,883	8,492	4,756	7,525	6,230	52,360
<u>In actual circulation</u>	5,390,785	440,799	1,446,938	371,845	492,015	237,935	173,025	1,159,489	200,005	147,342	194,491	85,292	441,609
Collateral held by agent as security for notes issued to bank:													
Gold certificates on hand and due from U. S. Treasury	5,739,500	460,000	1,535,000	390,000	515,000	275,000	190,000	1,200,000	219,000	152,500	205,000	94,000	504,000
Eligible paper	4,200	90	3,405	240	- -	60	- -	- -	80	67	258	- -	- -
<u>Total collateral</u>	5,743,700	460,090	1,538,405	390,240	515,000	275,060	190,000	1,200,000	219,080	152,567	205,258	94,000	504,000