

STATEMENT FOR THE PRESS

Released for publication
Friday morning, Sept. 13;
not earlier.

Board of Governors
of the Federal Reserve System
September 12, 1940

CONDITION OF THE FEDERAL RESERVE BANKS

During the week ended September 11 member bank reserve balances increased \$72,000,000. Additions to member bank reserves arose from decreases of \$12,000,000 in money in circulation, \$29,000,000 in Treasury deposits with Federal Reserve Banks, and \$5,000,000 in Treasury cash, and increases of \$37,000,000 in gold stock and \$2,000,000 in Treasury currency, offset in part by a decrease of \$5,000,000 in Reserve Bank credit and an increase of \$9,000,000 in nonmember deposits and other Federal Reserve accounts. Excess reserves of member banks on September 11 were estimated to be approximately \$6,540,000,000, an increase of \$50,000,000 for the week.

Changes in member bank reserve balances and related items during the week and the year ended September 11, 1940, were as follows:

	Increase or decrease since		
	Sept. 11, 1940	Sept. 4, 1940	Sept. 13, 1939
(In millions of dollars)			
Bills discounted	5	- 1	- 2
Bills bought	- -	- -	- 1
U.S. Gov't securities, direct and guaranteed	2,434	- -	- 390
Industrial advances (not including 8 million commitments - September 11)	9	- -	- 3
Other Reserve Bank credit	38	- 4	+ 8
 Total Reserve Bank credit	 2,485	 - 5	 - 388
Gold stock	20,981	+ 37	+4,173
Treasury currency	3,038	+ 2	+ 127
 Member bank reserve balances	 13,596	 + 72	 +2,070
Money in circulation	8,080	- 12	+ 845
Treasury cash	2,287	- 5	+ 60
Treasury deposits with F. R. Banks	762	- 29	+ 147
Nonmember deposits and other F. R. accounts	1,780	+ 9	+ 791

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

	Increase or decrease since		
	Sept. 11, 1940	Sept. 4, 1940	Sept. 13, 1939
<u>A S S E T S</u>			
Gold certificates on hand and due from U. S. Treasury	18,671,299	+ 40,002	+4,094,580
Redemption fund - F. R. notes	11,397	- 1	+ 3,109
Other cash	340,820	+ 18,006	+ 16,398
<u>Total reserves</u>	19,023,516	+ 58,007	+4,114,087
Bills discounted:			
Secured by U. S. Gov't obligations, direct and guaranteed	980	- 523	- 576
Other bills discounted	4,258	+ 227	- 1,439
<u>Total bills discounted</u>	5,238	- 296	- 2,015
Bills bought in open market	- -	- -	- 546
Industrial advances	8,630	- 15	- 2,987
U. S. Government securities, direct and guaranteed:			
Bonds	1,318,600	- -	+ 49,800
Notes	1,115,000	- -	- 130,497
Bills	- -	- -	- 309,420
<u>Total U. S. Government securities, direct and guaranteed</u>	2,433,600	- -	- 390,117
<u>Total bills and securities</u>	2,447,468	- 311	- 395,665
Due from foreign banks	47	- -	- 130
F.R. notes of other banks	22,962	+ 1,741	- 3,427
Uncollected items	706,834	+ 43,265	- 26,930
Bank premises	41,310	+ 3	- 856
Other assets	65,117	+ 3,887	- 12,352
<u>T O T A L A S S E T S</u>	22,307,254	+106,592	+3,674,727
<u>L I A B I L I T I E S</u>			
F. R. notes in actual circulation	5,393,924	+ 3,139	+ 714,932
Deposits:			
Member bank - reserve account	13,595,824	+ 71,963	+2,070,116
U. S. Treasurer - General account	761,686	- 29,496	+ 146,300
Foreign	956,537	- 40,979	+ 506,461
Other deposits	563,403	+ 50,878	+ 258,107
<u>Total deposits</u>	15,877,450	+ 52,366	+2,980,984
Deferred availability items	669,184	+ 47,464	- 34,940
Other liabilities including accrued dividends	6,129	+ 3,276	- 114
<u>T O T A L L I A B I L I T I E S</u>	21,946,687	+106,245	+3,660,862
<u>C A P I T A L A C C O U N T S</u>			
Capital paid in	137,620	+ 34	+ 2,123
Surplus (Section 7)	151,720	- -	+ 2,568
Surplus (Section 13b)	26,839	- -	- 425
Other capital accounts	44,388	+ 313	+ 9,599
<u>TOTAL LIABILITIES AND CAPITAL ACCOUNTS</u>	22,307,254	+106,592	+3,674,727
Ratio of total reserves to deposit and F.R. note liabilities combined	89.4%	- -	+ 4.6%
Contingent liability on bills purchased for foreign correspondents	- -	- -	- 101
Commitments to make industrial advances	8,123	- 60	- 2,796

STATEMENT OF CONDITION OF THE FEDERAL RESERVE BANKS ON SEPTEMBER 11, 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	18,671,299	1,132,782	9,139,040	955,365	1,237,184	491,324	362,253	2,877,346	452,910	290,767	405,032	255,838	1,071,458
Redemption fund - F.R.notes	11,397	1,802	1,280	993	1,000	1,123	1,111	733	383	485	620	640	1,227
Other cash	340,820	33,073	95,414	29,440	21,251	20,528	17,876	39,772	16,366	7,498	16,420	13,350	29,832
<u>Total reserves</u>	19,023,516	1,167,657	9,235,734	985,798	1,259,435	512,975	381,240	2,917,851	469,659	298,750	422,072	269,828	1,102,517
Bills discounted:													
Secured by U. S. Gov't obligations, direct and guaranteed	980	- -	360	134	123	60	12	20	- -	10	46	175	40
Other bills discounted	4,258	- -	2,993	115	34	- -	143	- -	80	41	223	614	15
<u>Total bills discounted</u>	5,238	- -	3,353	249	157	60	155	20	80	51	269	789	55
Industrial advances	8,630	1,127	1,798	2,399	374	849	267	271	5	228	215	461	636
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	88,430	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>	2,447,468	178,715	750,147	195,655	250,103	122,903	89,712	258,610	112,955	72,006	115,682	96,222	204,758
Due from foreign banks	47	3	18	5	4	2	2	6	1	*	1	1	4
F. R. notes of other banks	22,962	988	2,673	1,085	1,421	3,343	1,406	4,197	1,682	618	2,220	522	2,807
Uncollected items	706,834	63,389	162,048	49,494	87,375	59,343	23,690	98,871	38,879	20,817	33,328	25,270	44,330
Bank premises	41,310	2,852	9,768	4,497	5,450	2,494	2,005	3,345	2,394	1,377	3,117	1,127	2,884
Other assets	65,117	4,283	18,363	7,782	6,896	3,519	2,197	6,276	2,725	1,867	2,820	2,863	5,526
T O T A L A S S E T S	22,307,254	1,417,887	10,178,751	1,244,316	1,610,684	704,579	500,252	3,289,156	628,295	395,435	579,240	395,833	1,362,826

*Less than \$500.

STATEMENT OF CONDITION OF THE FEDERAL RESERVE BANKS ON SEPTEMBER 11, 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	5,393,924	440,416	1,438,694	372,758	497,046	241,947	172,770	1,158,238	199,850	148,035	193,727	85,433	445,010
Deposits:													
Member bank-reserve acct.	13,595,824	794,241	7,155,415	658,995	884,078	323,830	230,591	1,825,621	314,191	165,045	281,733	214,626	747,458
U.S. Treasurer-General acct.	761,686	41,681	315,348	36,699	43,074	34,193	32,826	73,809	36,683	35,864	38,894	37,961	34,654
Foreign	956,537	46,171	532,943	64,548	61,255	28,322	23,053	79,039	19,760	14,490	19,101	19,760	48,095
Other deposits	563,403	8,536	463,429	27,950	6,649	3,454	5,254	8,504	7,435	3,702	5,260	2,347	20,883
<u>Total deposits</u>	15,877,450	890,629	8,467,135	788,192	995,056	389,799	291,724	1,986,973	378,069	219,101	344,988	274,694	851,090
Deferred availability items	669,184	61,505	147,611	46,979	84,370	57,112	22,522	97,731	39,005	18,826	29,706	24,079	39,738
Other liabilities including accrued dividends	6,129	461	861	3,078	353	106	147	360	112	148	138	139	226
<u>TOTAL LIABILITIES</u>	21,946,687	1,393,011	10,054,301	1,211,007	1,576,825	688,964	487,163	3,243,302	617,036	386,110	563,559	384,345	1,336,064

CAPITAL ACCOUNTS

Capital paid in	137,620	9,332	51,081	11,880	14,061	5,339	4,678	13,920	4,154	2,952	4,422	4,151	11,650
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	44,388	2,265	12,934	2,838	4,468	1,783	1,973	7,681	1,858	2,220	1,504	2,097	2,767

TOTAL LIABILITIES

AND CAPITAL ACCOUNTS	22,307,254	1,417,887	10,178,751	1,244,316	1,610,684	704,579	500,252	3,289,156	628,295	395,435	579,240	395,833	1,362,826
Commitments to make industrial advances	8,123	260	740	1,032	1,109	645	510	15	369	52	144	4	3,243

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	5,238	3,418	319	734	506	261	--	--	--	--
Industrial advances	8,630	1,568	253	138	269	911	1,372	1,508	2,611	--
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 11, 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	5,688,926	457,758	1,524,027	389,172	517,959	256,929	187,432	1,190,509	210,807	153,117	203,340	93,484	504,392
Held by Federal Reserve Bank	295,002	17,342	85,333	16,414	20,913	14,982	14,662	32,271	10,957	5,082	9,613	8,051	59,382
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<u>In actual circulation</u>	5,393,924	440,416	1,438,694	372,758	497,046	241,947	172,770	1,158,238	199,850	148,035	193,727	85,433	445,010
Collateral held by agent as security for notes issued to bank:													
Gold certificates on hand and due from U. S. Treasury	5,790,000	470,000	1,535,000	400,000	521,500	275,000	190,000	1,210,000	219,000	154,500	205,000	96,000	514,000
Eligible paper	3,844	- -	3,153	249	- -	60	- -	- -	80	42	260	- -	- -
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<u>Total collateral</u>	5,793,844	470,000	1,538,153	400,249	521,500	275,060	190,000	1,210,000	219,080	154,542	205,260	96,000	514,000