

STATEMENT FOR THE PRESS

Released for publication
Friday morning, Oct. 18;
not earlier.

Board of Governors
of the Federal Reserve System
October 17, 1940

CONDITION OF THE FEDERAL RESERVE BANKS

During the week ended October 16 member bank reserve balances increased \$89,000,000. Additions to member bank reserves arose from decreases of \$116,000,000 in Treasury deposits with Federal Reserve Banks and \$26,000,000 in Treasury cash, and increases of \$36,000,000 in Reserve Bank credit, \$24,000,000 in gold stock, and \$4,000,000 in Treasury currency, offset in part by increases of \$30,000,000 in money in circulation and \$87,000,000 in nonmember deposits and other Federal Reserve accounts. Excess reserves of member banks on October 16 were estimated to be approximately \$6,870,000,000, an increase of \$50,000,000 for the week.

The principal change in holdings of bills and securities was a reduction of \$15,000,000 in United States Government securities, direct and guaranteed; holdings of bonds decreased \$2,000,000 and of notes \$13,000,000.

Changes in member bank reserve balances and related items during the week and the year ended October 16, 1940, were as follows:

	Increase or decrease since		
	Oct. 16, 1940	Oct. 9, 1940	Oct. 18, 1939
	(In millions of dollars)		
Bills discounted	4	- 4	- 2
Bills bought	- -	- -	- 1
U. S. Gov't securities, direct and guaranteed	2,384	- 15	- 364
Industrial advances (not including 7 million commitments - October 16)	8	- -	- 4
Other Reserve Bank credit	86	+ 56	+ 35
Total Reserve Bank credit	2,481	+ 36	- 336
Gold stock	21,373	+ 24	+4,376
Treasury currency	3,052	+ 4	+ 125
Member bank reserve balances	14,016	+ 89	+2,109
Money in circulation	8,229	+ 30	+ 899
Treasury cash	2,268	- 26	+ 52
Treasury deposits with F. R. Banks	463	-116	+ 114
Nonmember deposits and other F. R. accounts	1,931	+ 87	+ 992

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

	Increase or decrease since		
	Oct. 16, 1940	Oct. 9, 1940	Oct. 18, 1939
<u>A S S E T S</u>			
Gold certificates on hand and due from U. S. Treasury	19,077,299	+ 44,999	+4,308,093
Redemption fund - F. R. notes	11,284	- 97	+ 1,507
Other cash	<u>326,661</u>	<u>+ 7,314</u>	<u>- 5,722</u>
<u>Total reserves</u>	19,415,244	+ 52,216	+4,303,878
Bills discounted:			
Secured by U. S. Gov't obligations, direct and guaranteed	1,312	- 2,058	+ 230
Other bills discounted	<u>2,425</u>	<u>- 2,190</u>	<u>- 2,116</u>
<u>Total bills discounted</u>	3,737	- 4,248	- 1,886
Bills bought in open market	- -	- -	- 415
Industrial advances	8,325	- 75	- 3,462
U. S. Government securities, direct and guaranteed:			
Bonds	1,397,700	- 2,400	+ 81,758
Notes	985,800	- 13,200	- 259,697
Bills	<u>- -</u>	<u>- -</u>	<u>- 186,820</u>
<u>Total U. S. Government securities, direct and guaranteed</u>	2,383,500	- 15,600	- 364,759
<u>Total bills and securities</u>	2,395,562	- 19,923	- 370,522
Due from foreign banks	47	- -	- 261
F. R. notes of other banks	21,552	+ 979	- 1,633
Uncollected items	1,071,624	+382,540	+ 269,048
Bank premises	41,257	- 2	- 830
Other assets	<u>53,676</u>	<u>- 1,217</u>	<u>- 14,987</u>
<u>T O T A L A S S E T S</u>	22,998,962	+414,593	+4,184,693
<u>L I A B I L I T I E S</u>			
F. R. notes in actual circulation	5,508,424	+ 29,060	+ 751,967
Deposits:			
Member bank - reserve account	14,015,812	+ 83,798	+2,108,965
U. S. Treasurer - General account	462,610	-116,443	+ 113,473
Foreign	1,057,344	+ 943	+ 642,639
Other deposits	<u>603,002</u>	<u>+ 85,149</u>	<u>+ 319,462</u>
<u>Total deposits</u>	16,138,768	+ 58,447	+3,184,539
Deferred availability items	986,147	+327,023	+ 233,897
Other liabilities including accrued dividends	<u>3,658</u>	<u>- 216</u>	<u>- 277</u>
<u>T O T A L L I A B I L I T I E S</u>	22,636,997	+414,314	+4,170,126
<u>C A P I T A L A C C O U N T S</u>			
Capital paid in	137,653	+ 12	+ 2,084
Surplus (Section 7)	151,720	- -	+ 2,568
Surplus (Section 13b)	26,839	- -	- 425
Other capital accounts	<u>45,753</u>	<u>+ 267</u>	<u>+ 10,340</u>
<u>TOTAL LIABILITIES AND CAPITAL ACCOUNTS</u>	22,998,962	+414,593	+4,184,693
Ratio of total reserves to deposit and F. R. note liabilities combined	89.7%	- .1%	+ 4.4%
Contingent liability on bills purchased for foreign correspondents	- -	- -	- 101
Commitments to make industrial advances	7,459	- 139	- 2,777

STATEMENT OF CONDITION OF THE FEDERAL RESERVE BANKS ON OCTOBER 16, 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	19,077,299	1,169,682	9,189,346	967,344	1,257,359	516,393	357,555	3,062,281	478,094	295,532	408,432	269,410	1,105,871
Redemption fund - F.R.notes	11,284	1,606	1,522	706	676	1,663	894	1,339	296	348	538	594	1,102
Other cash	326,661	33,005	83,905	26,995	21,201	21,534	17,217	38,298	14,318	6,997	18,890	12,490	31,811
Total reserves	19,415,244	1,204,293	9,274,773	995,045	1,279,236	539,590	375,666	3,101,918	492,708	302,877	427,860	282,494	1,138,784
Bills discounted:													
Secured by U. S. Gov't obligations, direct and guaranteed	1,312	- -	596	114	141	40	2	57	- -	99	112	126	25
Other bills discounted	2,425	- -	1,024	173	82	22	142	92	86	115	394	209	86
Total bills discounted	3,737	- -	1,620	287	223	62	144	149	86	214	506	335	111
Industrial advances	8,325	1,060	1,781	2,410	365	821	260	269	5	265	214	252	623
U. S. Government securities, direct and guaranteed:													
Bonds	1,397,700	99,913	422,093	117,487	140,242	72,493	53,105	157,963	58,875	39,024	66,531	53,317	116,657
Notes	985,800	70,470	297,703	82,862	98,914	51,131	37,457	111,411	41,524	27,522	46,924	37,604	82,278
Total U. S. Gov't securities, direct and guaranteed	2,383,500	170,383	719,796	200,349	239,156	123,624	90,562	269,374	100,399	66,546	113,455	90,921	198,935
Total bills and securities	2,395,562	171,443	723,197	203,046	239,744	124,507	90,966	269,792	100,490	67,025	114,175	91,508	199,669
Due from foreign banks	47	3	18	5	4	2	2	6	1	*	1	1	4
F. R. notes of other banks	21,552	668	2,515	870	1,622	2,558	2,315	2,618	1,858	651	1,657	520	3,700
Uncollected items	1,071,624	99,893	263,221	81,406	130,448	85,331	44,249	152,288	58,703	24,059	43,120	40,090	48,816
Bank premises	41,257	2,847	9,750	4,488	5,436	2,487	2,002	3,358	2,423	1,374	3,097	1,120	2,875
Other assets	53,676	3,604	15,586	4,456	5,855	3,093	1,949	5,620	2,102	1,520	2,394	2,752	4,745
T O T A L A S S E T S	22,998,962	1,482,751	10,289,060	1,289,316	1,662,345	757,568	517,149	3,535,600	658,285	397,506	592,304	418,485	1,398,593

*Less than \$500.

STATEMENT OF CONDITION OF THE FEDERAL RESERVE BANKS ON OCTOBER 16, 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	5,508,424	448,096	1,470,994	378,036	501,838	256,728	177,919	1,180,434	205,654	151,934	197,533	89,278	449,980
Deposits:													
Member bank-reserve acct.	14,015,812	831,071	7,322,900	681,472	895,250	340,442	228,156	1,934,661	327,493	167,724	285,564	225,515	775,564
U.S.Treasurer-General acct.	462,610	24,455	146,919	21,250	31,838	26,571	24,625	48,898	26,423	25,832	30,113	28,930	26,756
Foreign	1,057,344	51,192	576,971	73,400	69,655	32,206	26,214	89,878	22,469	16,478	21,721	22,459	54,691
Other deposits	603,002	7,409	417,684	26,361	8,559	3,320	6,158	92,121	8,723	4,172	4,710	1,986	21,799
<u>Total deposits</u>	<u>16,138,768</u>	<u>1,914,127</u>	<u>8,464,474</u>	<u>802,483</u>	<u>1,005,302</u>	<u>402,539</u>	<u>285,153</u>	<u>2,165,558</u>	<u>385,108</u>	<u>214,206</u>	<u>342,108</u>	<u>278,900</u>	<u>878,810</u>
Deferred availability items	986,147	95,146	227,670	75,007	120,780	82,515	40,792	143,197	56,081	21,854	41,806	38,638	42,661
Other liabilities including accrued dividends	3,658	413	1,003	369	413	113	159	394	120	153	145	128	248

TOTAL LIABILITIES	22,636,997	1,457,782	10,164,141	1,255,895	1,628,333	741,895	504,023	3,489,583	646,963	388,147	581,592	406,944	1,371,699
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CAPITAL ACCOUNTS

Capital paid in	137,653	9,333	51,052	11,881	14,068	5,338	4,677	13,952	4,162	2,953	4,423	4,158	11,656
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	45,753	2,357	13,432	2,949	4,614	1,842	2,011	7,812	1,913	2,253	1,534	2,143	2,893

TOTAL LIABILITIES AND CAPITAL ACCOUNTS	22,998,962	1,482,751	10,289,060	1,289,316	1,662,345	757,568	517,149	3,535,600	658,285	397,506	592,304	418,485	1,398,593
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Commitments to make industrial advances	7,459	267	722	1,038	960	612	509	14	416	50	136	4	2,731
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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	3,737	1,941	180	612	735	252	17	- -	- -	- -
Industrial advances	8,325	1,412	196	199	445	796	1,364	1,407	2,506	- -
U. S. Government securities, direct and guaranteed	2,383,500	- -	- -	- -	- -	99,800	115,300	194,000	696,800	1,275,600

FEDERAL RESERVE NOTE STATEMENT ON OCTOBER 16, 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	5,785,779	462,044	1,545,180	397,366	524,346	268,674	192,626	1,210,275	216,551	156,851	204,430	96,113	511,323
Held by Federal Reserve Bank	277,355	13,948	74,186	19,330	22,508	11,946	14,707	29,841	10,897	4,917	6,897	6,835	61,343

In actual circulation

5,508,424	448,096	1,470,994	378,036	501,838	256,728	177,919	1,180,434	205,654	151,934	197,533	89,278	449,980
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Collateral held by agent as
security for notes issued to bank:

Gold certificates on hand and
due from U. S. Treasury
Eligible paper

5,878,000	470,000	1,565,000	400,000	528,000	290,000	195,000	1,220,000	219,000	157,500	210,000	99,500	524,000
2,195	- -	1,197	236	- -	40	- -	- -	70	175	477	- -	-

Total collateral

5,880,195	470,000	1,566,197	400,236	528,000	290,040	195,000	1,220,000	219,070	157,675	210,477	99,500	524,000
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