

STATEMENT FOR THE PRESS

Released for publication
Friday morning, Oct. 25;
not earlier.

Board of Governors
of the Federal Reserve System
October 24, 1940

CONDITION OF THE FEDERAL RESERVE BANKS

During the week ended October 23 member bank reserve balances increased \$132,000,000. Additions to member bank reserves arose from decreases of \$36,000,000 in Treasury cash, \$80,000,000 in Treasury deposits with Federal Reserve Banks, and \$59,000,000 in nonmember deposits and other Federal Reserve accounts, and increases of \$55,000,000 in gold stock and \$3,000,000 in Treasury currency, offset in part by a decrease of \$93,000,000 in Reserve Bank credit and an increase of \$7,000,000 in money in circulation. Excess reserves of member banks on October 23 were estimated to be approximately \$6,940,000,000, an increase of \$70,000,000 for the week.

The principal change in holdings of bills and securities was a reduction of \$32,000,000 in United States Government securities, direct and guaranteed: holdings of bonds decreased \$12,000,000 and of notes \$20,000,000.

Changes in member bank reserve balances and related items during the week and the year ended October 23, 1940, were as follows:

	Oct. 23, <u>1940</u>	Oct. 16, <u>1940</u>	Oct. 25, <u>1939</u>
	Increase or decrease since		
	(In millions of dollars)		
Bills discounted	4	- -	- 2
U. S. Gov't securities, direct and guaranteed	2,352	- 32	- 384
Industrial advances (not including 7 million commitments - October 23)	8	- -	- 4
Other Reserve Bank credit	24	- 62	+ 6
 Total Reserve Bank credit	 2,388	 - 93	 - 383
Gold stock	21,428	+ 55	+ 4,389
Treasury currency	3,055	+ 3	+ 126
 Member bank reserve balances	 14,148	 + 132	 + 2,198
Money in circulation	8,236	+ 7	+ 934
Treasury cash	2,232	- 36	+ 2
Treasury deposits with F. R. Banks	383	- 80	+ 57
Nonmember deposits and other F. R. accounts	1,872	- 59	+ 940

Released for publication Friday morning, October 25, 1940; not earlier.

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

		Increase or decrease since	
	Oct. 23, 1940	Oct. 16, 1940	Oct. 25, 1939
<u>A S S E T S</u>			
Gold certificates on hand and due from U. S. Treasury	19,167,300	+ 90,001	+4,363,090
Redemption fund - F. R. notes	10,074	- 1,210	+ 1,148
Other cash	<u>335,574</u>	<u>+ 8,913</u>	<u>- 8,707</u>
<u>Total reserves</u>	19,512,948	+ 97,704	+4,355,531
Bills discounted:			
Secured by U. S. Gov't obligations, direct and guaranteed	992	- 320	- 1
Other bills discounted	<u>2,533</u>	<u>+ 108</u>	<u>- 2,225</u>
<u>Total bills discounted</u>	3,525	- 212	- 2,226
Industrial advances	8,305	- 20	- 3,458
U. S. Government securities, direct and guaranteed:			
Bonds	1,386,100	- 11,600	+ 70,158
Notes	965,800	- 20,000	- 279,677
Bills	<u>- -</u>	<u>- -</u>	<u>- 174,320</u>
<u>Total U. S. Government securities, direct and guaranteed</u>	2,351,900	- 31,600	- 383,859
<u>Total bills and securities</u>	2,363,730	- 31,832	- 389,543
Due from foreign banks	47	- -	- -
F. R. notes of other banks	22,233	+ 681	- 1,152
Uncollected items	760,247	-311,377	+ 97,990
Bank premises	41,348	+ 91	- 760
Other assets	<u>54,189</u>	<u>+ 513</u>	<u>- 15,247</u>
T O T A L A S S E T S	22,754,742	-244,220	+4,046,819
<u>L I A B I L I T I E S</u>			
F. R. notes in actual circulation	5,520,271	+ 11,847	+ 776,554
Deposits:			
Member bank - reserve account	14,147,775	+131,963	+2,197,329
U. S. Treasurer - General account	383,052	- 79,558	+ 57,049
Foreign	1,071,443	+ 14,099	+ 652,545
Other deposits	<u>528,776</u>	<u>- 74,226</u>	<u>+ 255,902</u>
<u>Total deposits</u>	16,131,046	- 7,722	+3,162,875
Deferred availability items	736,357	-249,790	+ 92,269
Other liabilities including accrued dividends	<u>4,147</u>	<u>+ 489</u>	<u>- -</u>
T O T A L L I A B I L I T I E S	22,391,821	-245,176	+4,031,648
<u>C A P I T A L A C C O U N T S</u>			
Capital paid in	137,638	- 15	+ 2,081
Surplus (Section 7)	151,720	- -	+ 2,568
Surplus (Section 13b)	26,839	- -	- 425
Other capital accounts	<u>46,724</u>	<u>+ 971</u>	<u>+ 10,947</u>
TOTAL LIABILITIES AND CAPITAL ACCOUNTS	22,754,742	-244,220	+4,046,819
Ratio of total reserves to deposit and F. R. note liabilities combined	90.1%	+ .4%	+ 4.5%
Contingent liability on bills purchased for foreign correspondents	- -	- -	- 101
Commitments to make industrial advances	7,422	- 37	- 2,734

STATEMENT OF CONDITION OF THE FEDERAL RESERVE BANKS ON OCTOBER 23, 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	19,167,300	1,193,565	9,332,583	959,289	1,275,746	512,176	354,568	2,999,803	479,720	285,012	393,728	263,171	1,117,939
Redemption fund - F.R.notes	10,074	1,538	1,256	603	585	1,110	854	1,244	278	435	519	582	1,070
Other cash	335,574	33,491	92,280	26,921	20,889	19,643	16,355	42,593	14,065	7,036	17,561	12,685	32,055
<u>Total reserves</u>	<u>19,512,948</u>	<u>1,228,594</u>	<u>9,426,119</u>	<u>986,813</u>	<u>1,297,220</u>	<u>532,929</u>	<u>371,777</u>	<u>3,043,640</u>	<u>494,063</u>	<u>292,483</u>	<u>411,808</u>	<u>276,438</u>	<u>1,151,064</u>
Bills discounted:													
Secured by U. S. Gov't obligations, direct and guaranteed	992	20	81	184	166	40	2	57	15	118	122	127	60
Other bills discounted	2,533	- -	610	192	105	58	99	149	93	153	787	180	107
<u>Total bills discounted</u>	<u>3,525</u>	<u>20</u>	<u>691</u>	<u>376</u>	<u>271</u>	<u>98</u>	<u>101</u>	<u>206</u>	<u>108</u>	<u>271</u>	<u>909</u>	<u>307</u>	<u>167</u>
Industrial advances	8,305	1,053	1,781	2,408	355	820	260	267	5	268	213	252	623
U. S. Government securities, direct and guaranteed:													
Bonds	1,386,100	99,145	417,262	116,456	139,040	72,137	52,740	156,886	58,608	38,818	66,266	53,024	115,718
Notes	965,800	69,082	290,737	81,145	96,880	50,263	36,748	109,314	40,836	27,046	46,172	36,946	80,631
<u>Total U. S. Gov't securities, direct and guaranteed</u>	<u>2,351,900</u>	<u>168,227</u>	<u>707,999</u>	<u>197,601</u>	<u>235,920</u>	<u>122,400</u>	<u>89,488</u>	<u>266,200</u>	<u>99,444</u>	<u>65,864</u>	<u>112,438</u>	<u>89,970</u>	<u>196,349</u>
<u>Total bills and securities</u>	<u>2,363,730</u>	<u>169,300</u>	<u>710,471</u>	<u>200,385</u>	<u>236,546</u>	<u>123,318</u>	<u>89,849</u>	<u>266,673</u>	<u>99,557</u>	<u>66,403</u>	<u>113,560</u>	<u>90,529</u>	<u>197,139</u>
Due from foreign banks	47	3	18	5	4	2	2	6	1	*	1	1	4
F. R. notes of other banks	22,233	682	2,352	1,033	1,646	2,615	1,971	2,727	2,580	1,094	1,991	656	2,886
Uncollected items	760,247	76,460	177,409	54,537	86,023	71,421	32,279	100,343	42,745	20,717	32,661	27,717	37,935
Bank premises	41,348	2,847	9,750	4,488	5,424	2,591	2,001	3,358	2,422	1,374	3,097	1,121	2,875
Other assets	54,189	3,651	15,682	4,484	5,883	3,127	1,971	5,756	2,123	1,537	2,416	2,776	4,783
<u>T O T A L A S S E T S</u>	<u>22,754,742</u>	<u>1,481,537</u>	<u>10,341,801</u>	<u>1,251,745</u>	<u>1,632,746</u>	<u>736,003</u>	<u>499,850</u>	<u>3,422,503</u>	<u>643,491</u>	<u>383,608</u>	<u>565,534</u>	<u>399,238</u>	<u>1,396,686</u>

*Less than \$500.

STATEMENT OF CONDITION OF THE FEDERAL RESERVE BANKS ON OCTOBER 23, 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	5,520,271	449,002	1,470,529	378,875	505,211	257,582	178,715	1,183,734	206,777	152,308	197,983	89,965	449,590
Deposits:													
Member bank-reserve acct.	14,147,775	853,388	7,446,887	672,573	895,164	334,544	224,704	1,952,483	329,948	164,584	275,909	222,036	775,553
U.S. Treasurer-General acct.	383,052	19,639	116,155	13,884	34,277	20,872	22,328	39,624	21,777	17,965	20,884	23,742	31,905
Foreign	1,071,443	51,794	589,211	73,615	69,859	32,301	26,291	90,141	22,535	16,526	21,784	22,535	54,851
Other deposits	528,776	7,653	430,932	25,309	8,331	3,526	3,194	8,648	7,521	4,075	4,628	1,952	23,007
<u>Total deposits</u>	<u>16,131,046</u>	<u>932,474</u>	<u>8,583,185</u>	<u>785,381</u>	<u>1,007,631</u>	<u>391,243</u>	<u>276,517</u>	<u>2,090,896</u>	<u>381,781</u>	<u>203,150</u>	<u>323,205</u>	<u>270,267</u>	<u>885,316</u>
Deferred availability items	736,357	74,588	161,700	53,563	85,364	71,307	31,272	101,278	43,432	18,588	33,418	27,278	34,564
Other liabilities including accrued dividends	4,147	421	1,180	420	427	141	180	470	139	172	155	150	292
TOTAL LIABILITIES	22,391,821	1,456,485	10,216,594	1,218,244	1,598,633	720,273	486,684	3,376,378	632,129	374,218	554,761	387,660	1,369,762

CAPITAL ACCOUNTS

Capital paid in	137,638	9,333	51,057	11,881	14,075	5,342	4,677	13,961	4,162	2,957	4,423	4,162	11,608
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	46,724	2,440	13,715	3,029	4,708	1,895	2,051	7,911	1,953	2,280	1,595	2,176	2,971

TOTAL LIABILITIES ANDCAPITAL ACCOUNTS

	22,754,742	1,481,537	10,341,801	1,251,745	1,632,746	736,003	499,850	3,422,503	643,491	383,608	565,534	399,238	1,396,686
Commitments to make industrial advances	7,422	263	722	1,038	960	537	509	14	416	50	136	4	2,723

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	3,525	1,166	271	904	728	385	71	--	--	--
Industrial advances	8,305	1,316	276	319	490	630	1,367	1,421	2,486	--
U.S. Government securities, direct and guaranteed	2,351,900	--	--	--	--	95,300	115,300	194,000	681,300	1,366,000

FEDERAL RESERVE NOTE STATEMENT ON OCTOBER 23, 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	5,814,154	468,210	1,551,225	395,361	529,382	269,281	193,732	1,216,182	218,085	156,995	206,026	99,827	509,798
Held by Federal Reserve Bank	293,883	19,208	80,696	16,486	24,171	11,699	15,067	32,448	11,308	4,687	8,043	9,862	60,208
<hr/>													
<u>In actual circulation</u>	5,520,271	449,002	1,470,529	378,875	505,211	257,582	178,715	1,183,734	206,777	152,308	197,983	89,965	449,590
 Collateral held by agent as security for notes issued to banks													
 Gold certificates on hand and due from U. S. Treasury													
Eligible paper	5,930,500	490,000	1,575,000	400,000	532,000	290,000	200,000	1,230,000	219,000	157,500	210,000	103,000	524,000
	1,842	20	362	301	- -	65	- -	- -	85	214	795	- -	- -
<hr/>													
<u>Total collateral</u>	5,932,342	490,020	1,575,362	400,301	532,000	290,065	200,000	1,230,000	219,085	157,714	210,795	103,000	524,000