

STATEMENT FOR THE PRESS

Released for publication
Friday morning, November 1;
not earlier.

Board of Governors
of the Federal Reserve System
October 31, 1940

CONDITION OF THE FEDERAL RESERVE BANKS

During the week ended October 30 member bank reserve balances increased \$29,000,000. Additions to member bank reserves arose from decreases of \$45,000,000 in Treasury cash and \$7,000,000 in Treasury deposits with Federal Reserve Banks, and an increase of \$71,000,000 in gold stock, offset in part by a decrease of \$7,000,000 in Reserve Bank credit, and increases of \$29,000,000 in money in circulation and \$59,000,000 in nonmember deposits and other Federal Reserve accounts. Excess reserves of member banks on October 30 were estimated to be approximately \$6,930,000,000, a decrease of \$10,000,000 for the week.

The principal change in holdings of bills and securities was a reduction of \$19,000,000 in United States Government securities, direct and guaranteed; holdings of bonds decreased \$7,000,000 and of notes \$12,000,000.

Changes in member bank reserve balances and related items during the week and the year ended October 30, 1940, were as follows:

	Increase or decrease since		
	Oct. 30, <u>1940</u>	Oct. 23, <u>1940</u>	Nov. 1, <u>1939</u>
(In millions of dollars)			
Bills discounted	4	- -	- 2
U. S. Gov't securities, direct and guaranteed	2,333	- 19	- 388
Industrial advances (not including 7 million commitments - October 30)	8	- -	- 4
Other Reserve Bank credit	36	+ 12	+ 10
Total Reserve Bank credit	2,381	- 7	- 384
Gold stock	21,499	+ 71	+4,400
Treasury currency	3,056	+ 1	+ 124
Member bank reserve balances	14,177	+ 29	+2,363
Money in circulation	8,265	+ 29	+ 913
Treasury cash	2,187	- 45	- 63
Treasury deposits with F. R. Banks	376	- 7	+ 27
Nonmember deposits and other F. R. accounts	1,931	+ 59	+ 900

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

		Increase or decrease since	
	Oct. 30, 1940	Oct. 23, 1940	Nov. 1, 1939
<u>A S S E T S</u>			
Gold certificates on hand and due from U. S. Treasury	19,280,299	+112,999	+4,441,093
Redemption fund - F. R. notes	10,073	- 1	+ 1,227
Other cash	<u>341,290</u>	<u>+ 5,716</u>	<u>+ 1,422</u>
<u>Total reserves</u>	19,631,662	+118,714	+4,443,742
Bills discounted:			
Secured by U. S. Gov't obligations, direct and guaranteed	1,044	+ 52	- 136
Other bills discounted	<u>2,955</u>	<u>+ 422</u>	<u>- 2,113</u>
<u>Total bills discounted</u>	3,999	+ 474	- 2,249
Industrial advances	8,193	- 112	- 3,487
U. S. Government securities, direct and guaranteed:			
Bonds	1,379,200	- 6,900	+ 63,258
Notes	953,600	- 12,200	- 291,897
Bills	<u>- -</u>	<u>- -</u>	<u>- 159,380</u>
<u>Total U. S. Government securities, direct and guaranteed</u>	2,332,800	- 19,100	- 388,019
<u>Total bills and securities</u>	2,344,992	- 18,738	- 393,755
Due from foreign banks	47	- -	- -
F. R. notes of other banks	19,754	- 2,479	- 2,379
Uncollected items	759,353	- 894	+ 42,857
Bank premises	41,306	- 42	- 731
Other assets	<u>55,534</u>	<u>+ 1,345</u>	<u>- 13,958</u>
T O T A L A S S E T S	22,852,648	+ 97,906	+4,075,776
<u>L I A B I L I T I E S</u>			
F. R. notes in actual circulation	5,548,874	+ 28,603	+ 767,489
Deposits:			
Member bank - reserve account	14,176,535	+ 28,760	+2,362,871
U. S. Treasurer - General account	375,707	- 7,345	+ 26,677
Foreign	1,091,831	+ 20,388	+ 620,950
Other deposits	<u>567,597</u>	<u>+ 38,821</u>	<u>+ 248,148</u>
<u>Total deposits</u>	16,211,670	+ 80,624	+3,258,646
Deferred availability items	723,645	- 12,712	+ 33,098
Other liabilities including accrued dividends	<u>5,057</u>	<u>+ 910</u>	<u>+ 779</u>
T O T A L L I A B I L I T I E S	22,489,246	+ 97,425	+4,060,012
<u>C A P I T A L A C C O U N T S</u>			
Capital paid in	137,678	+ 40	+ 2,098
Surplus (Section 7)	151,720	- -	+ 2,568
Surplus (Section 13b)	26,839	- -	- 425
Other capital accounts	<u>47,165</u>	<u>+ 441</u>	<u>+ 11,523</u>
TOTAL LIABILITIES AND CAPITAL ACCOUNTS	22,852,648	+ 97,906	+4,075,776
Ratio of total reserves to deposit and F. R. note liabilities combined	90.2%	+ .1%	+ 4.6%
Contingent liability on bills purchased for foreign correspondents	- -	- -	- 101
Commitments to make industrial advances	7,351	- 71	- 2,672

STATEMENT OF CONDITION OF THE FEDERAL RESERVE BANKS ON OCTOBER 30, 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	19,280,299	1,187,333	9,479,470	982,638	1,285,854	518,914	350,991	2,960,934	475,708	287,783	386,657	264,363	1,099,654
Redemption fund - F.R.notes	10,073	1,537	1,256	603	585	1,110	554	1,244	278	435	519	582	1,070
Other cash	341,290	34,270	89,382	27,657	22,048	22,917	18,998	42,167	13,252	7,340	19,029	12,101	32,129
<u>Total reserves</u>	19,631,662	1,223,140	9,570,108	1,010,898	1,308,487	542,941	370,843	3,004,345	489,238	295,558	406,205	277,046	1,132,853
Bills discounted:													
Secured by U. S. Gov't obligations,													
direct and guaranteed	1,044	50	37	229	166	40	2	48	15	178	117	127	35
Other bills discounted	2,955	-	891	231	104	34	64	188	94	199	913	129	108
<u>Total bills discounted</u>	3,999	50	928	460	270	74	66	236	109	377	1,030	256	143
Industrial advances	8,193	1,031	1,779	2,403	326	820	252	267	5	264	212	222	612
U. S. Government securities,													
direct and guaranteed:													
Bonds	1,379,200	98,688	414,369	115,843	138,324	71,928	52,522	156,248	58,452	38,698	66,113	52,853	115,162
Notes	953,600	68,236	286,500	80,097	95,639	49,732	36,316	108,032	40,415	26,755	45,711	36,543	79,624
<u>Total U. S. Gov't securities,</u> <u> direct and guaranteed</u>	2,332,800	166,924	700,869	195,940	233,963	121,660	88,838	264,280	98,867	65,453	111,824	89,396	194,786
<u>Total bills and securities</u>	2,344,992	168,005	703,576	198,803	234,559	122,554	89,156	264,783	98,981	66,094	113,066	89,874	195,541
Due from foreign banks	47	3	18	5	4	2	2	6	1	*	1	1	4
F. R. notes of other banks	19,754	521	1,904	1,055	1,361	2,372	1,909	2,472	1,301	1,612	1,404	522	3,321
Uncollected items	759,353	75,838	175,426	52,721	94,523	60,489	30,177	108,480	39,480	19,468	34,177	25,467	43,107
Bank premises	41,306	2,843	9,750	4,477	5,425	2,592	1,998	3,342	2,420	1,374	3,097	1,121	2,867
Other assets	55,534	3,659	15,993	5,183	5,947	3,189	1,999	5,778	2,135	1,553	2,487	2,779	4,832
<u>T O T A L A S S E T S</u>	22,852,648	1,474,009	10,476,775	1,273,142	1,650,306	734,139	496,084	3,389,206	633,556	385,659	560,437	396,810	1,382,525

*Less than \$500.

STATEMENT OF CONDITION OF THE FEDERAL RESERVE BANKS ON OCTOBER 30, 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	5,548,874	449,210	1,480,643	379,919	503,221	262,075	180,321	1,187,409	208,503	152,945	192,479	91,079	452,070
Deposits:													
Member bank-reserve acct.	14,176,535	846,492	7,532,750	686,763	910,401	336,488	222,536	1,897,180	323,735	168,459	268,157	224,366	759,208
U.S.Treasurer-General acct.	375,707	19,664	109,286	11,978	34,021	23,753	19,718	51,791	19,992	16,459	23,095	20,608	25,342
Foreign	1,091,831	51,119	610,248	73,615	69,859	32,301	26,291	90,141	22,535	16,526	21,784	22,535	54,877
Other deposits	567,597	8,715	458,172	34,326	8,378	3,877	4,728	7,092	7,495	4,291	4,826	2,364	23,333
<u>Total deposits</u>	<u>16,211,670</u>	<u>925,990</u>	<u>8,710,456</u>	<u>806,682</u>	<u>1,022,659</u>	<u>396,419</u>	<u>273,273</u>	<u>2,046,204</u>	<u>373,757</u>	<u>205,735</u>	<u>317,862</u>	<u>269,873</u>	<u>862,760</u>
Deferred availability items	723,645	73,298	159,019	51,954	87,772	59,727	29,131	108,899	39,750	17,425	32,124	24,091	40,455
Other liabilities including accrued dividends	5,057	435	1,273	1,045	497	165	176	518	162	153	182	173	278
TOTAL LIABILITIES	22,489,246	1,448,933	10,351,391	1,239,600	1,616,149	718,386	482,901	3,343,030	622,172	376,258	549,647	385,216	1,355,563
<u>CAPITAL ACCOUNTS</u>													
Capital paid in	137,678	9,337	51,085	11,881	14,075	5,347	4,677	13,963	4,166	2,957	4,422	4,160	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	47,165	2,460	13,864	3,070	4,752	1,913	2,068	7,960	1,971	2,291	1,613	2,194	3,009
TOTAL LIABILITIES AND CAPITAL ACCOUNTS	22,852,648	1,474,009	10,476,775	1,273,142	1,650,306	734,139	496,084	3,389,206	633,556	385,659	560,437	396,810	1,382,525
Commitments to make industrial advances	7,351	262	721	1,012	948	586	508	14	401	50	128	4	2,717

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	3,999	1,444	264	1,022	746	431	92	- -	- -	- -
Industrial advances	8,193	1,313	257	343	473	574	1,354	1,410	2,469	- -
U. S. Government securities, direct and guaranteed	2,332,800	- -	- -	- -	- -	95,300	115,300	194,000	669,100	1,259,100

FEDERAL RESERVE NOTE STATEMENT ON OCTOBER 30, 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	5,837,873	472,678	1,559,074	400,314	527,130	275,121	195,395	1,218,058	219,505	157,606	207,770	99,160	506,062
Held by Federal Reserve Bank	288,999	23,468	78,431	20,395	21,909	13,046	15,074	30,649	11,002	4,661	8,291	8,081	53,992
<u>In actual circulation</u>	5,548,874	449,210	1,480,643	379,919	505,221	262,075	180,321	1,187,409	208,503	152,945	199,479	91,079	452,070
Collateral held by agent as security for notes issued to bank:													
Gold certificates on hand and due from U. S. Treasury	5,946,500	490,000	1,575,000	410,000	532,000	290,000	200,000	1,230,000	224,000	158,500	210,000	103,000	524,000
Eligible paper	2,342	50	587	382	- -	40	- -	- -	85	282	916	- -	- -
<u>Total collateral</u>	5,948,842	490,050	1,575,587	410,382	532,000	290,040	200,000	1,230,000	224,085	158,782	210,916	103,000	524,000