

STATEMENT FOR THE PRESS

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

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

CONDITION OF THE FEDERAL RESERVE BANKS

During the week ended December 4 member bank reserve balances decreased \$138,000,000. Reductions in member bank reserves arose from increases of \$104,000,000 in money in circulation, \$56,000,000 in Treasury deposits with Federal Reserve Banks, \$22,000,000 in Treasury cash, and \$23,000,000 in nonmember deposits and other Federal Reserve accounts, and a decrease of \$10,000,000 in Reserve Bank credit, offset in part by increases of \$72,000,000 in gold stock and \$5,000,000 in Treasury currency. Excess reserves of member banks on December 4 were estimated to be approximately \$6,820,000,000, a decrease of \$110,000,000 for the week.

The principal change in holdings of bills and securities was a reduction of \$9,000,000 in United States Government securities, direct and guaranteed; holdings of bonds decreased \$4,000,000 and of notes \$5,000,000.

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

	Increase or decrease since		
	Dec. 4, <u>1940</u>	Nov. 27, <u>1940</u>	Dec. 6, <u>1939</u>
	(In millions of dollars)		
Bills discounted	4	- -	- 4
U. S. Gov't securities, direct and guaranteed	2,195	- 9	- 317
Industrial advances (not including 7 million commitments - December 4)	8	- -	- 3
Other Reserve Bank credit	59	- 2	+ 23
Total Reserve Bank credit	2,266	- 10	- 302
Gold stock	21,827	+ 72	+4,419
Treasury currency	3,074	+ 5	+ 125
Member bank reserve balances	14,154	-138	+2,537
Money in circulation	8,569	+104	+1,024
Treasury cash	2,204	+ 22	- 187
Treasury deposits with F. R. Banks	255	+ 56	- 91
Nonmember deposits and other F.R. accounts	1,986	+ 23	+ 960

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

	Dec. 4, <u>1940</u>	Nov. 27, <u>1940</u>	Increase or decrease since Dec. 6, <u>1939</u>
<u>A S S E T S</u>			
Gold certificates on hand and due from U. S. Treasury	19,594,780	+ 48,485	+4,608,658
Redemption fund - F. R. notes	11,515	+ 362	+ 1,649
Other cash	<u>274,483</u>	<u>- 24,255</u>	<u>- 28,464</u>
<u>Total reserves</u>	19,880,778	+ 24,592	+4,581,843
Bills discounted:			
Secured by U. S. Gov't obligations, direct and guaranteed	1,585	+ 376	- 72
Other bills discounted	<u>2,550</u>	<u>- 76</u>	<u>- 3,869</u>
<u>Total bills discounted</u>	4,135	+ 300	- 3,941
Industrial advances	7,569	- 47	- 3,818
U. S. Government securities, direct and guaranteed:			
Bonds	1,295,900	- 3,800	+ 16,953
Notes	899,500	- 5,000	- 333,725
<u>Total U. S. Government securities, direct and guaranteed</u>	<u>2,195,400</u>	<u>- 8,800</u>	<u>- 316,772</u>
<u>Total bills and securities</u>	<u>2,207,104</u>	<u>- 8,547</u>	<u>- 324,531</u>
Due from foreign banks	47	- -	- -
F. R. notes of other banks	20,661	- 2,947	- 953
Uncollected items	773,326	- 15,387	+ 116,835
Bank premises	41,193	- 55	- 782
Other assets	<u>56,253</u>	<u>+ 402</u>	<u>- 15,712</u>
T O T A L A S S E T S	22,979,362	- 1,942	+4,356,700
<u>L I A B I L I T I E S</u>			
F. R. notes in actual circulation	5,773,207	+ 70,078	+ 873,707
Deposits:			
Member bank - reserve account	14,153,573	-138,381	+2,537,056
U. S. Treasurer - General account	254,916	+ 56,310	- 91,275
Foreign	1,132,478	- 20,815	+ 734,034
Other deposits	<u>575,976</u>	<u>+ 43,839</u>	<u>+ 189,560</u>
<u>Total deposits</u>	16,116,943	- 59,047	+3,369,375
Deferred availability items	714,660	- 13,297	+ 94,476
Other liabilities including accrued dividends	<u>4,872</u>	<u>- 116</u>	<u>- 1,152</u>
T O T A L L I A B I L I T I E S	22,609,782	- 2,382	+4,336,406
<u>C A P I T A L A C C O U N T S</u>			
Capital paid in	137,890	+ 115	+ 2,639
Surplus (Section 7)	151,720	- -	+ 2,558
Surplus (Section 13b)	26,339	- -	- 425
Other capital accounts	<u>53,131</u>	<u>+ 325</u>	<u>+ 15,512</u>
TOTAL LIABILITIES AND CAPITAL ACCOUNTS	22,979,362	- 1,942	+4,356,700
Ratio of total reserves to deposit and F. R. note liabilities combined	90.8%	- -	+ 4.1%
Commitments to make industrial advances	6,505	- 601	- 2,987

STATEMENT OF CONDITION OF THE FEDERAL RESERVE BANKS ON DECEMBER 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	19,594,780	1,138,621	9,590,898	1,017,662	1,336,240	529,973	371,095	2,956,501	507,522	299,174	411,595	277,269	1,158,230
Redemption fund - F.R.notes	11,515	1,336	1,483	1,281	817	1,462	705	1,419	209	368	448	541	1,446
Other cash	274,483	26,111	63,124	19,997	17,939	18,820	17,031	34,819	14,672	6,471	15,581	12,938	26,980
<u>Total reserves</u>	19,880,778	1,166,068	9,655,505	1,038,940	1,354,996	550,255	388,831	2,992,739	522,403	306,013	427,624	290,748	1,186,656
Bills discounted:													
Secured by U.S. Government obligations, direct and guaranteed	1,585	25	511	339	135	30	2	32	255	203	53	--	--
Other bills discounted	2,550	--	503	254	149	73	36	197	77	191	924	56	90
<u>Total bills discounted</u>	4,135	25	1,014	593	284	103	38	229	332	394	977	56	90
Industrial advances	7,569	998	1,783	2,103	299	785	309	263	5	254	87	82	601
U.S. Government securities, direct and guaranteed:													
Bonds	1,295,900	92,999	383,430	108,606	129,796	68,672	49,683	147,849	55,909	36,888	63,399	50,329	108,340
Notes	899,500	64,553	266,144	75,384	90,092	47,665	34,485	102,625	38,808	25,603	44,007	34,934	75,200
<u>Total U.S.Gov't securities, direct and guaranteed</u>	2,195,400	157,552	649,574	183,990	219,888	116,337	84,168	250,474	94,717	62,491	107,406	85,263	183,540
<u>Total bills and securities</u>	2,207,104	158,575	652,371	186,686	220,471	117,225	84,515	250,966	95,054	63,139	108,470	35,401	184,231
Due from foreign banks	47	3	18	5	4	2	2	6	1	*	1	1	4
F.R. notes of other banks	20,661	504	1,560	1,076	1,641	3,322	1,905	2,743	2,159	1,072	1,789	508	2,382
Uncollected items	773,326	76,685	192,994	56,802	86,161	63,103	29,642	102,298	43,428	19,825	31,668	29,442	41,257
Bank premises	41,193	2,838	9,712	4,495	5,412	2,585	1,995	3,328	2,428	1,369	3,065	1,108	2,858
Other assets	56,253	3,769	15,882	4,828	6,091	3,254	2,045	5,964	2,302	1,630	2,584	2,922	4,982
<u>T O T A L A S S E T S</u>	22,979,362	1,408,443	10,528,042	1,292,832	1,674,776	739,746	508,935	3,358,044	667,775	393,048	575,221	410,130	1,422,370

*Less than \$500.

STATEMENT OF CONDITION OF THE FEDERAL RESERVE BANKS ON DECEMBER 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 circulation	5,773,207	468,210	1,538,242	400,552	525,902	271,334	189,189	1,227,181	214,800	156,703	206,942	95,456	478,696
Deposits:													
Member bank-reserve acct.	14,153,573	767,986	7,528,769	683,448	938,823	348,014	228,667	1,850,676	352,084	174,528	275,251	234,293	770,834
U.S. Treasurer-General acct.	254,916	9,995	77,461	14,108	17,392	6,268	16,104	32,881	16,619	13,022	14,813	14,165	22,068
Foreign	1,132,478	54,486	636,297	75,535	71,682	33,143	26,977	92,492	23,123	16,957	22,352	23,123	56,311
Other deposits	575,976	7,356	458,303	29,483	6,304	3,346	5,128	5,652	6,935	5,250	12,852	3,521	31,846
<u>Total deposits</u>	16,116,943	839,823	8,700,850	802,574	1,034,201	390,771	277,076	1,981,701	398,761	209,757	325,268	275,102	881,059
Deferred availability items	714,660	74,433	160,347	54,972	79,284	61,415	29,046	101,738	42,423	16,837	31,763	27,581	34,821
Other liabilities including accrued dividends	4,972	481	1,443	645	527	178	203	535	132	159	177	164	320
TOTAL LIABILITIES	22,609,782	1,382,947	10,400,882	1,258,743	1,639,914	723,698	495,514	3,311,155	656,116	383,456	564,150	398,303	1,394,904

CAPITAL ACCOUNTS

Capital paid in	137,890	9,337	51,087	11,889	14,175	5,355	4,660	14,031	4,172	2,970	4,423	4,165	11,606
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	53,131	2,880	15,538	3,609	5,357	2,200	2,303	8,605	2,240	2,469	1,893	2,422	3,515
TOTAL LIABILITIES AND CAPITAL ACCOUNTS	22,979,362	1,408,443	10,528,042	1,292,832	1,674,776	739,746	508,935	3,358,044	667,775	393,048	575,221	410,130	1,422,370
Commitments to make industrial advances	6,505	247	711	1,002	842	544	6	23	388	51	120	4	2,567

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	4,135	2,055	320	781	262	666	51	--	--	--
Industrial advances	7,569	1,316	321	302	82	628	1,314	1,408	2,198	--
U. S. Government securities, direct and guaranteed	2,195,400	--	--	--	--	74,800	115,300	194,000	635,500	1,175,800

FEDERAL RESERVE NOTE STATEMENT ON DECEMBER 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	6,064,953	484,569	1,614,297	421,775	549,004	282,359	210,569	1,253,133	228,007	161,210	215,113	103,352	536,565
Held by Federal Reserve Bank	291,746	16,359	76,055	21,223	23,102	11,025	21,380	30,952	13,207	4,507	8,171	7,896	57,869
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<u>In actual circulation</u>	5,773,207	468,210	1,538,242	400,552	525,902	271,334	189,189	1,227,181	214,800	156,703	206,942	95,456	478,696
Collateral held by agent as security for notes issued to bank:													
Gold certificates on hand and due from U. S. Treasury	6,176,500	500,000	1,635,000	430,000	550,000	300,000	220,000	1,270,000	234,000	161,500	220,000	107,000	549,000
Eligible paper	2,770	25	631	495	--	65	--	--	305	325	924	--	--
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<u>Total collateral</u>	6,179,270	500,025	1,635,631	430,495	550,000	300,065	220,000	1,270,000	234,305	161,825	220,924	107,000	549,000