FEDERAL RESERVE

Factors Affecting Bank Reserves and Condition Statement of F.R. Banks

H.4.1

For immediate release
August 31, 1961

The average of daily figures of total member bank reserves held during the week ended August 30 decreased a net of $43 million to $19,159 million. Cash allowed as reserves increased $85 million and member bank reserve balances at the Federal Reserve Banks decreased $128 million. Estimated required reserves decreased $58 million; and estimated excess reserves increased $15 million to $612 million. Excess reserves exceeded member bank borrowings at the Federal Reserve Banks by $575 million, compared with the revised figure of$560 million the week before.

The principal changes reducing average reserve balances with Federal Reserve Banks were decreases of $309 million in Federal Reserve float and $23 million in gold stock. The principal offsetting changes were an increase of $79 million in Federal Reserve holdings of U. S. Government securities and a decrease of $120 million in currency in circulation. Total Reserve Bank credit decreased $234 million.

As of Wednesday, August 30, holdings of U. S. Government securities bought outright were $243 million higher than a week earlier and member bank borrowings were $12 million higher. Outright holdings of bills, notes, and bonds increased $211 million, $18 million, and $14 million, respectively.

Member bank reserves, Reserve Bank credit, and related items	Averages of daily figures: Week ended Aug. 30, 1961	Change from week ended Aug. 23, 1961	Change from week ended Aug. 31, 1960	Wednesday, Aug. 30, 1961
	(In millions of dollars)			
Reserve Bank credit:				
U. S. Government securities--				
Bought outright--System account	27,276	+ 85	+ 594	27,259
Held under repurchase agreement	--	- 6	- 106	--
Acceptances--				
Bought outright	33	- 1	+ 1	32
Held under repurchase agreement	--	--	- 1	--
Discounts and advances--				
Member bank borrowings	37	--	- 236	59
Other	--	- 2	---	--
Float	1,101	-309	+ 313	923
Total Reserve Bank credit	28,447	-234	+ 565	28,273
Gold stock	17,579	- 23	-1,426	17,452
Treasury currency outstanding	5,552	+ 4	+ 182	5,553
	51,578	-252	- 680	51,277-8
Currency in circulation	32,474	-120	+ 494	32,521
Treasury cash holdings	416	- 7	+ 21	422
Treasury deposits with F. R. Banks	498	+ 10	+ 11	525
Foreign deposits with F. R. Banks	230	- 13	+ 5	226
Other deposits with F. R. Banks	298	+ 6	- 86	290
Other F. R. accounts (net)	1,109	+ 1	- 5	1,108
	35,025	-122	+ 539	35,092
Member bank reserves:				
With Federal Reserve Banks	16,554	-128	-1,218	16,185
Cash allowed as reserves (estimated)	2,605	+ 85	+1,910	2,864
Total reserves held	19,159	- 43	+ 692	19,049
Required reserves (estimated)	18,547	- 58	+ 719	18,574
Excess reserves (estimated)	612	+ 15	- 27	475

On August 30, 1961, U. S. Government securities held in custody by the Federal Reserve Banks for foreign account were $5,968 million, a decrease of $43 million for the week and an increase of $545 million from the comparable date a year ago.

CONSOLIDATED STATEMENT OF CONDITION OF THE TWELVE FEDERAL RESERVE BANKS
(In millions of dollars)

	*	Aug. 30, 1961	Change since Aug. 23, 1961	Change since Aug. 31, 1960
A S S E T S				
Gold certificate account		16,142	-149	- 1,594
Redemption fund for F. R. notes		1,045	- 2	+ 72
Total gold certificate reserves		17,187	-151	- 1,522
Cash	(437)	416	+ 1	- 13
Discounts and advances		59	- 3	- 346
Acceptances:				
Bought outright		32	--	--
Held under repurchase agreement		--	--	- 1
U. S. Government securities:				
Bought outright--				
Bills		2,268	+211	- 371
Certificates		1,683	--	-12,324
Notes		19,795	+ 18	+12,285
Bonds		3,513	+ 14	+ 1,029
Total bought outright		27,259	+243	+ 619
Held under repurchase agreement		--	--	- 122
Total U. S. Government securities		27,259	+243	+ 497
Total loans and securities		27,350	+240	+ 150
Cash items in process of collection	(1,010)	4,047	-333	+ 333
Bank premises		111	--	+ 6
Other assets		184	+ 14	- 23
TOTAL ASSETS	(1,447)	49,295	-229	- 1,069
L I A B I L I T I E S				
Federal Reserve notes	(437)	27,541	+ 9	+ 362
Deposits:				
Member bank reserves		16,185	+ 7	- 1,550
U. S. Treasurer--general account		525	- 50	+ 44
Foreign		226	- 18	+ 22
Other		290	- 3	- 142
Total deposits		17,226	- 64	- 1,626
Deferred availability cash items	(1,010)	3,124	-190	+ 117
Other liabilities and accrued dividends		58	+ 2	+ 16
TOTAL LIABILITIES	(1,447)	47,949	-243	- 1,131
C A P I T A L A C C O U N T S				
Capital paid in		430	--	+ 28
Surplus		817	--	+ 42
Other capital accounts		99	+ 14	- 8
TOTAL LIABILITIES AND CAPITAL ACCOUNTS	(1,447)	49,295	-229	- 1,069
Ratio of gold certificate reserves to deposit and F. R. note liabilities combined (computed from figures as shown on the following pages--not consolidated)		38.0%	-.3%	- 2.3%
Contingent liability on acceptances purchased for foreign correspondents		136	- 3	- 68

* Figures in parentheses are the eliminations made in the consolidating process; see comparable figures on combined basis on following pages.

MATURITY DISTRIBUTION ON LOANS AND SECURITIES, AUGUST 30, 1961
(Acceptances and securities held under repurchase agreement are classified as maturing within 15 days in accordance with maximum maturity of the agreements.)

	Discounts and advances	Acceptances	U. S. Government securities: Holdings	U. S. Government securities: Changes during week
Within 15 days	57	12	235	-111
16 days to 90 days	2	20	1,059	+137
91 days to 1 year	-	--	11,601	+201
Over 1 year to 5 years	-	--	11,900	+ 4
Over 5 years to 10 years	-	--	2,246	+ 12
Over 10 years	-	--	218	--
Total	59	32	27,259	+243

STATEMENT OF CONDITION OF EACH FEDERAL RESERVE BANK ON AUGUST 30, 1961

(In millions of dollars)

	Total	Boston	New York	Phila-delphia	Cleve-land	Rich-mond	Atlanta	Chicago	St. Louis	Minne-apolis	Kansas City	Dallas	San Fran-cisco
A S S E T S													
Gold certificate account	16,142	771	4,081	891	1,330	1,084	792	2,802	654	317	723	646	2,051
Redemption fund for F. R. notes	1,045	62	235	64	92	89	64	187	45	27	47	33	100
Total gold certificate reserves	17,187	833	4,316	955	1,422	1,173	856	2,989	699	344	770	679	2,151
F. R. notes of other Banks	437	47	115	37	14	24	61	28	12	23	18	17	41
Other cash	416	26	88	21	37	22	38	66	21	9	11	21	56
Discounts and advances	59	3	22	2	2	3	5	8	1	1	7	5	*
Acceptances:													
Bought outright	32	--	32	--	--	--	--	--	--	--	--	--	--
U. S. Government securities:													
Bought outright--													
Bills	2,268	120	561	131	192	144	125	388	91	53	99	92	272
Certificates	1,683	90	416	97	143	106	93	287	68	40	73	68	202
Notes	19,795	1,054	4,895	1,143	1,678	1,253	1,088	3,383	797	463	863	804	2,374
Bonds	3,513	187	869	203	299	222	193	600	141	82	153	143	421
Total	27,259	1,451	6,741	1,574	2,312	1,725	1,499	4,658	1,097	638	1,188	1,107	3,269
Held under repurchase agreement	--	--	--	--	--	--	--	--	--	--	--	--	--
Total U. S. Government securities	27,259	1,451	6,741	1,574	2,312	1,725	1,499	4,658	1,097	638	1,188	1,107	3,269
Total loans and securities	27,350	1,454	6,795	1,576	2,314	1,728	1,504	4,666	1,098	639	1,195	1,112	3,269
Cash items in process of collection	5,057	363	944	317	420	393	366	830	212	156	253	224	579
Bank premises	111	4	9	4	8	6	13	24	7	5	6	14	11
Other assets	184	10	45	11	15	12	11	31	7	3	9	8	22
TOTAL ASSETS	50,742	2,737	12,312	2,921	4,230	3,358	2,849	8,634	2,056	1,179	2,262	2,075	6,129

* Less than $500,000

STATEMENT OF CONDITION OF EACH FEDERAL RESERVE BANK ON AUGUST 30, 1961

(In millions of dollars)

	Total	Boston	New York	Phila- delphia	Cleve- land	Rich- mond	Atlanta	Chicago	St. Louis	Minne- apolis	Kansas City	Dallas	San Fran- cisco
LIABILITIES													
Federal Reserve notes	27,978	1,626	6,394	1,813	2,518	2,224	1,601	5,197	1,195	579	1,162	845	2,824
Deposits:													
Member bank reserves	16,185	648	4,452	728	1,181	679	812	2,453	585	403	794	913	2,537
U.S. Treasurer-general account	525	35	51	33	31	60	34	60	50	26	39	34	72
Foreign	226	11	1/67	13	21	10	12	31	7	5	9	13	27
Other	290	*	243	1	*	2	1	2	4	*	2	*	35
Total deposits	17,226	694	4,813	775	1,233	751	859	2,546	646	434	844	960	2,671
Deferred availability cash items	4,134	349	723	253	350	317	313	689	167	134	197	191	451
Other liabilities and accrued dividends	58	3	15	3	5	3	3	9	3	1	2	3	8
TOTAL LIABILITIES	49,396	2,672	11,945	2,844	4,106	3,295	2,776	8,441	2,011	1,148	2,205	1,999	5,954
CAPITAL ACCOUNTS													
Capital paid in	430	21	117	25	40	20	23	61	14	10	18	25	56
Surplus	817	40	229	48	75	37	44	116	27	19	35	47	100
Other capital accounts	99	4	21	4	9	6	6	16	4	2	4	4	19
TOTAL LIABILITIES AND CAPITAL ACCOUNTS	50,742	2,737	12,312	2,921	4,230	3,358	2,849	8,634	2,056	1,179	2,262	2,075	6,129
Contingent liability on acceptances purchased for foreign correspondents	136	6	2/38	8	13	6	7	19	5	3	6	8	17

FEDERAL RESERVE AGENTS' ACCOUNTS

	Total	Boston	New York	Phila- delphia	Cleve- land	Rich- mond	Atlanta	Chicago	St. Louis	Minne- apolis	Kansas City	Dallas	San Fran- cisco
F. R. notes outstanding	29,153	1,693	6,667	1,867	2,660	2,297	1,673	5,328	1,242	663	1,201	895	2,967
Collateral for F. R. notes:													
Gold certificate account	9,075	495	2,000	650	870	735	475	1,700	380	170	325	275	1,000
Eligible paper	10	--	--	2	--	--	--	--	1	--	7	--	--
U. S. Government securities	21,380	1,275	5,100	1,325	1,880	1,605	1,300	3,800	935	510	900	650	2,100
Total collateral	30,465	1,770	7,100	1,977	2,750	2,340	1,775	5,500	1,316	680	1,232	925	3,100

1/ After deducting $159 million participations of other Federal Reserve Banks.
2/ After deducting $ 98 million participations of other Federal Reserve Banks.

* Less than $500,000.