

STATEMENT FOR THE PRESS

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Federal Reserve Board
March 27, 1920.

CONDITION OF MEMBER BANKS IN LEADING CITIES.

Liquidation of about 135 millions of U. S. Government war obligations, accompanied by a substantial decline in net demand deposits and a reduction by over 200 millions of the reporting banks' borrowings from Federal Reserve Banks, is indicated in the Federal Reserve Board's weekly statement of condition on March 19 of 809 member banks in leading cities.

Holdings of U. S. bonds increased 1.3 millions, while Victory notes on hand declined 2.9 millions. Holdings of Treasury certificates were 133.7 millions less than a week before, largely as the result of redemption by the Government of tax certificates due on March 15. Liquidation of 4.1 millions of war paper (inclusive of rediscounts with Federal Reserve Banks) is also shown. Loans secured by stocks and bonds were 9.8 millions below the previous week's figure, the decrease for the New York City banks alone being 12.4 millions. All other loans and investments, also inclusive of rediscounts with Federal Reserve Banks, went up 2.5 millions, notwithstanding net liquidation of 19.4 millions shown under that head by the banks in New York City. As a result, total loans and investments of the reporting banks, including rediscounts with Federal Reserve Banks, show a decline of 146.6 millions for the week, the share of the New York City banks being 67.1 millions.

Government deposits show an increase of 65.3 millions for the week, while net demand deposits declined 80.5 millions, apparently in connection with payments of the income and excess profits taxes due on March 15. Time deposits went up about 9 millions. Reserve balances with the Federal Reserve Banks show a reduction of 49.5 millions, while cash in vault continued practically unchanged.

Rediscounted customers' paper held for reporting member banks declined about 66 millions, and collateral notes of these banks - 141.1 millions. Of the total discounts held, 1,132.3 millions was war paper, compared with about 1,278 millions the week before, and 766.8 millions (as against 828.2 millions) - ordinary commercial paper.

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PRINCIPAL RESOURCE AND LIABILITY ITEMS OF REPORTING MEMBER BANKS IN LEADING CITIES
(Amounts in thousands of dollars)

	Mar. 19, 1920	Mar. 12, 1920	Sept. 19, 1919	Mar. 21, 1919
Number of reporting banks - - - - -	809	809	776	772
U. S. bonds to secure circulation - - - - -	268,243	267,994	270,365	267,081
Other U. S. bonds including Liberty bonds - - - - -	593,638	592,494	624,434	665,441
U. S. Victory notes - - - - -	201,212	204,064	312,726	-
U. S. Certificates of indebtedness - - - - -	497,338	631,010	1,125,677	2,022,015
Total U. S. securities - - - - -	1,560,431	1,695,562	2,333,202	2,954,540
Loans and investments, including bills rediscounted with F. R. banks:				
Loans secured by U. S. war obligations - - - - -	1,189,775	1,193,926	(a) 1,343,049	(a) 1,123,551
Loans secured by stocks and bonds other than U. S. securities - - - - -	3,175,231	3,184,987	3,026,163	(a) 10,233,563
All other loans and investments - - - - -	10,998,771	10,996,294	(a) 8,603,216	
Total loans and investments, including rediscounts with F. R. Banks - - - - -	16,924,208	17,070,769	15,641,552	14,605,371
Reserve balances with F. R. Bank - - - - -	1,387,080	1,436,601	1,249,379	1,236,335
Cash in vault - - - - -	368,911	368,749	358,276	347,755
Net demand deposits - - - - -	11,632,909	11,713,449	10,973,284	10,058,842
Time deposits - - - - -	2,574,140	2,565,076	1,978,118	1,674,992
Government deposits - - - - -	104,451	39,175	770,864	690,045
Bills payable with Federal Reserve bank:				
Secured by U. S. war obligations - - - - -	802,050	944,551)	925,339	1,131,300
All other - - - - -	4,272	2,928)		
Bills rediscounted with Federal Reserve bank:				
Secured by U. S. war obligations - - - - -	330,244	333,445)	335,917	293,717
All other - - - - -	762,527	825,330)	(a) Exclusive of rediscounts with F. R. banks.	
Ratio of U. S. war securities and war paper to total loans and investments, including rediscounts with F. R. Banks, per cent - - - - -	14.7	15.4		

PRINCIPAL RESOURCE AND LIABILITY ITEMS OF ALL REPORTING MEMBER BANKS IN EACH FEDERAL RESERVE DISTRICT AT CLOSE OF BUSINESS MARCH 19, 1920

(Amounts in thousands of dollars)

Federal Reserve District	Boston	New York	Phila.	Clevel.	Richm.	Atlanta	Chicago	St.Louis	Minn.	Kans.Cy.	Dallas	San Fran.	Total
No. reporting banks	46	116	56	92	82	47	107	35	35	83	44	66	809
U. S. bonds to secure circulation	13,061	47,248	11,097	41,842	26,501	14,015	21,029	17,176	7,170	14,803	19,573	34,728	268,243
Other U.S., including Liberty bonds	14,467	235,723	26,757	58,968	34,863	28,855	65,960	14,471	10,448	22,721	18,145	62,260	593,638
U.S. Victory notes	7,467	80,624	10,753	20,811	8,831	6,735	38,756	3,769	1,854	5,011	3,790	12,811	201,212
U.S. Certificates of indebtedness	21,645	220,179	44,904	29,534	18,042	16,432	69,263	12,921	10,069	7,738	17,524	29,087	497,338
Total U. S. securities	56,640	583,774	93,511	151,155	88,237	66,037	195,008	48,337	29,541	50,273	59,032	138,886	1,560,431
Loans & investments incl. bills rediscounted with F. R. banks:													
Loans sec. by U.S. war oblig.	71,536	565,856	152,251	96,477	41,784	27,890	110,791	42,346	19,748	23,801	7,102	30,193	1,189,775
Loans sec. by stocks & bonds	196,794	1,336,970	202,263	339,190	109,386	62,954	481,139	157,452	29,530	77,282	35,331	146,940	3,175,231
All other loans & investments	754,044	3,852,983	601,102	907,056	375,019	398,137	1699,854	388,858	302,744	548,559	248,548	921,867	10,998,771
Total loans & investments incl. rediscounts with F. R. banks	1079,014	6,339,583	1,049,127	1493,878	614,426	555,018	2486,792	636,993	381,563	699,915	350,013	1,237,886	16,924,208
Reserve balance with F.R. bank	78,428	644,563	64,003	97,187	38,377	33,132	202,255	48,019	25,247	50,291	28,133	77,445	1,387,080
Cash in vault	24,935	122,531	17,165	35,381	17,958	13,789	63,790	10,541	9,059	15,428	10,904	27,430	368,911
Net demand deposits	791,656	5,168,870	655,410	860,034	362,624	299,528	1513,942	369,808	261,889	472,672	257,100	619,376	11,632,909
Time deposits	137,510	407,420	26,377	358,816	100,145	141,270	602,297	120,035	64,816	95,091	43,787	476,576	2,574,140
Government deposits	6,613	47,073	2,789	10,062	3,790	3,478	14,230	4,307	258	2,624	2,137	7,090	104,451
Bills payable with F.R. bank:													
Sec. by U.S. war obligations	27,810	336,233	81,931	52,852	40,741	38,451	112,230	31,524	11,421	20,784	19,792	28,281	802,050
All other	-	-	-	-	-	60	-	560	-	3,478	-	174	4,272
Bills rediscounted with F.R. bank:													
Sec. by U.S. war obligations	37,877	160,153	73,798	13,185	8,876	3,696	10,855	11,471	4,120	4,215	152	1,846	330,244
All other	65,353	205,967	45,814	42,928	23,658	32,417	164,776	47,338	22,956	53,517	10,066	47,737	762,527

PRINCIPAL RESOURCE AND LIABILITY ITEMS OF MEMBER BANKS IN F. R. BANK AND BRANCH CITIES AND ALL OTHER REPORTING BANKS

(Amounts in thousands of dollars)

	New York City		City of Chicago		All F.R. bank cities		F. R. Branch cities		All other reporting banks	
	Mar.19 ---	Mar.12	Mar.19 ---	Mar.12	Mar.19 --	Mar.12	Mar.19 --	Mar. 12	Mar.19 --	Mar.12
Number of reporting banks	73	73	50	50	278	278	195	195	336	336
U. S. bonds to secure circulation	37,551	37,551	1,439	1,438	99,931	99,831	70,927	70,804	97,385	97,359
Other U.S. bonds including Liberty bonds	204,640	205,444	30,071	27,718	328,655	326,119	144,906	144,594	120,077	121,781
U. S. Victory notes	69,535	70,727	14,196	14,386	104,179	106,167	53,421	53,702	43,612	44,195
U. S. Certificates of indebtedness	206,110	234,937	31,105	46,998	345,697	406,396	95,649	151,437	55,992	73,177
Total U. S. securities	517,836	548,659	76,811	90,540	878,462	938,513	364,903	420,537	317,066	336,512
Loans and investments including bills rediscounted with F. R. banks:										
Loans secured by U. S. war obligations	531,815	536,300	77,170	77,349	926,702	934,017	146,621	143,830	116,452	116,079
Loans secured by stock and bonds	1,177,412	1189,773	363,945	364,838	2,261,574	2,277,855	492,863	487,621	420,794	419,511
All other loans and investments	3,404,652	3,424,096	1,023,587	1,017,519	7,004,942	7,006,255	2,150,929	2,159,437	1,842,900	1,830,602
Total loans and investments including rediscounts with F. R. banks	5,631,715	5,698,828	1,541,513	1,550,246	11,071,680	11,156,640	3,155,316	3,211,425	2,697,212	2,702,704
Reserve balances with F. R. bank	602,054	634,661	141,653	139,671	1,004,271	1,046,471	209,942	213,900	172,867	176,230
Cash in vault	108,654	111,583	35,757	36,688	210,038	213,414	75,685	73,229	83,188	82,106
Net demand deposits	4,670,344	4,670,038	1,023,352	1,023,898	8,072,852	8,111,899	1,786,890	1,818,630	1,773,167	1,782,920
Time deposits	301,850	295,956	270,693	269,882	1,166,744	1,159,469	844,366	845,201	563,030	560,406
Government deposits	45,563	18,894	7,384	2,548	77,330	29,865	15,165	5,849	11,956	3,461
Bills payable with F. R. bank:										
Secured by U. S. war obligations	295,708	355,258	60,160	63,447	538,042	617,604	176,667	224,643	87,341	102,304
All other	-	-	-	-	1,345	1,681	2,927	1,247	-	-
Bills rediscounted with F. R. Bank:										
Secured by U. S. war obligations	156,417	157,645	6,954	7,232	291,607	296,559	21,326	18,907	17,311	17,979
All other	187,489	248,027	139,468	143,241	581,732	650,658	115,348	105,714	65,447	68,958
Ratio of U. S. war securities and war paper to total loans and investments, including redis- counts with F.R. banks, per cent	18.0	18.4	9.9	10.7	15.4	15.9	14.0	15.4	12.5	13.1