

STATEMENT FOR THE PRESS

Released for publication in
Friday afternoon papers, Jan. 6;
not earlier

St. 2530.
Federal Reserve Board,
January 5, 1922.

CONDITION OF MEMBER BANKS IN LEADING CITIES.

Net liquidation of about \$69,000,000 of loans and discounts and a reduction of \$14,000,000 in investments, accompanied by commensurate reductions in deposits and borrowings from the Federal reserve banks, are indicated in the Federal Reserve Board's weekly consolidated statement of condition on December 28 of 806 member banks in leading cities.

As against a nominal increase in loans secured by corporate stocks and bonds, loans secured by United States Government obligations show a decline for the week of \$4,000,000, and all other loans and discounts, comprising largely commercial and industrial loans, - a decrease of \$66,000,000. As compared with December 31, 1920 figures, a reduction of almost \$400,000,000 in loans secured by Government obligations, as against a slight reduction in loans secured by corporate obligations, is shown. Corresponding changes for member banks in New York City include a reduction for the year of \$233,000,000 in loans secured by Government obligations, as against an increase of \$21,000,000 in loans secured by corporate obligations.

Investments of the reporting institutions in United States bonds, mainly Liberty bonds, show a further increase of \$4,000,000 for the week. As compared with the close of last year, an increase of almost \$40,000,000 in the United States bond holdings of the reporting institutions is shown. Holdings of Victory notes show a decline of \$2,000,000 for the week and of \$38,000,000 for the year. Holdings of Treasury notes increased slightly during the week, while Treasury certificate holdings show a decrease of \$17,000,000 for the week, and of \$49,000,000 for the year. Total United States securities held by the reporting member banks about the close of 1921 were \$1,470,000,000, compared with \$1,391,000,000 at the close of 1920. Member banks in New York City report ^{for the year} an increase of \$52,000,000 in their holdings of U. S. bonds, as against reductions of \$8,000,000 in Victory notes and of \$20,000,000 in Treasury certificates, besides holdings of \$83,000,000 of Treasury notes issued during the summer of the year just past. Total loans and investments of all reporting institutions show a reduction of \$83,000,000 for the week and of \$1,970,000,000 for the year. Corresponding changes for the New York City banks include reductions of \$28,000,000 for the week and of \$869,000,000 for the year.

During the week reporting member banks reduced their accommodation at the Federal reserve banks from \$743,000,000 to \$698,000,000, or from 5 to 4.7 per cent of their total loans and investments. Since December 31, 1920 there has been a decline in these borrowings of about \$1,400,000,000, or from 12.5 to 4.7 per cent of the banks' total loans and investments. Member banks in New York City report for the past year a decrease in accommodation at the local reserve bank from \$766,000,000 to \$131,000,000, or from 13.6 to 2.8 per cent of the banks' aggregate loans and investments.

Government balances with the reporting member banks are shown \$35,000,000 less than the week before. Net demand deposits declined by \$74,000,000, while time deposits show a gain of \$31,000,000. Corresponding changes for the year include a slight decrease in Government deposits, a reduction of \$768,000,000 in other demand deposits (net) and a gain of \$146,000,000 in time deposits. For the member banks in New York City, reductions for the year of \$34,000,000 in Government deposits and of \$288,000,000 in other demand deposits, as against a slight increase in time deposits, are noted.

Reserve balances of the reporting institutions with the Federal reserve banks, in keeping with the reduction in demand deposits and borrowings from the reserve banks, show a decrease of \$41,000,000 for the week, and of \$91,000,000 for the year. Cash in vault declined about \$1,000,000 for the week and \$15,000,000 for the year. Corresponding changes for the member banks in New York City comprise reductions since the close of 1920 of \$23,000,000 in reserve balances and of \$4,000,000 in cash on hand.

PRINCIPAL RESOURCE AND LIABILITY ITEMS OF REPORTING MEMBER BANKS IN LEADING CITIES

(Amounts in thousands of dollars)

	Dec. 28, 1921	Dec. 21, 1921	June 29, 1921	Dec. 31, 1920
Number of reporting banks - - - - -	806	808	817	821
Loans and discounts, including bills rediscounted with F. R. Bank:				
Secured by U. S. Govt. obligations - - - - -	512,520	516,350	672,296	908,908
Secured by stocks and bonds (other than U. S. securities) - - - - -	3,165,481	3,165,109	3,002,994	3,175,906
All other loans and discounts - - - - -	<u>7,542,233</u>	<u>7,507,887</u>	<u>8,208,427</u>	<u>(a)</u>
Total loans and discounts - - - - -	11,220,234	11,289,346	11,883,717	(a)
U. S. bonds - - - - -	950,270	946,303	865,254	910,690
U. S. Victory notes - - - - -	170,639	172,678	171,501	209,079
U. S. Treasury notes - - - - -	125,559	125,091	115,341	-
U. S. Certificates of indebtedness - - - - -	222,855	240,009	221,025	271,599
Other bonds, stocks and securities - - - - -	<u>2,090,025</u>	<u>2,089,107</u>	<u>2,074,305</u>	<u>(a)</u>
Total loans & discounts & invest., including bills redis'd. with F.R.Bk. -	14,779,582	14,862,534	15,331,143	16,750,488
Reserve balance with F. R. Bank - - - - -	1,267,107	1,307,715	1,241,465	1,357,669
Cash in vault - - - - -	339,799	341,294	327,468	354,535
Net demand deposits - - - - -	10,174,437	10,248,233	10,046,398	10,941,847
Time deposits - - - - -	2,998,213	2,966,918	2,933,118	2,852,257
Government deposits - - - - -	257,073	291,502	387,378	262,264
Bills payable with Federal Reserve Bank:				
Secured by U. S. Govt. obligations - - - - -	258,656	278,972	319,001	629,410
All other - - - - -	2,302	2,117	5,618	6,051
Bills rediscounted with Federal Reserve Bank:				
Secured by U. S. Govt. obligations - - - - -	34,326	33,374	93,920	248,850
All other - - - - -	402,937	428,358	796,797	1,213,742
Ratio of bills payable and rediscounts with F. R. Bank to total loans and investments, per cent - - - - -	4.7	5.0	7.9	12.5

(a) Comparable figures not available.

Released for publication Friday afternoon, Jan. 6, 1922; not earlier.

St.2530b.

PRINCIPAL RESOURCE AND LIABILITY ITEMS OF ALL REPORTING MEMBER BANKS IN EACH FEDERAL RESERVE DISTRICT AT CLOSE OF BUSINESS DEC. 28, 1921.

(Amounts in thousands of dollars)

Federal Reserve District	Boston	New York	Phila.	Cleve.	Rich.	Atlanta	Chicago	St. Louis	Minn.	Kans. Cy.	Dallas	San Fran.	Total
Number of reporting banks	49	110	58	85	82	43	112	37	35	80	51	64	806
Loans and discounts, including bills rediscounted with F. R. Bank:													
Secured by U.S. Govt. oblig.	30,433	199,233	51,519	50,418	20,294	16,470	66,270	18,879	11,712	16,513	6,272	24,507	512,520
Secured by stocks and bonds	208,705	1,408,286	199,543	332,046	105,711	51,291	451,127	124,982	31,926	66,532	38,102	147,230	3,165,481
All other loans & discounts	570,223	2,462,747	326,617	617,177	324,570	311,159	1,080,293	302,789	216,278	371,486	200,897	757,997	7,542,233
Total loans and discounts	809,361	4,070,266	577,679	999,641	450,575	378,920	1,597,690	446,650	259,916	454,531	245,271	929,734	11,220,234
U. S. bonds	44,993	363,991	47,623	114,031	61,219	29,483	78,894	26,945	14,760	33,000	34,100	101,231	950,270
U. S. Victory notes	2,743	88,474	12,228	15,283	2,374	1,121	25,583	1,973	405	4,070	1,187	15,198	170,639
U. S. Treasury notes	4,446	87,788	5,034	2,601	4,473	-	8,257	470	1,449	824	722	9,495	125,559
U. S. Certificates of indebtedness	9,891	122,531	10,741	14,322	4,505	1,998	25,554	3,960	4,708	4,011	3,290	17,344	222,855
Other bonds, stocks & securities	140,135	730,257	162,447	266,642	49,861	33,571	380,098	69,550	21,479	49,115	9,444	177,426	2,090,025
Total loans and discounts and investments, including bills rediscounted with F. R. Bk.	1,011,569	5,463,307	815,752	1,412,520	573,007	445,093	2,116,076	549,548	302,717	545,551	294,014	1,250,428	14,779,582
Reserve balance with F. R. Bank	75,603	627,680	59,086	81,268	32,136	28,544	170,578	41,118	17,387	39,066	21,215	73,426	1,267,107
Cash in vault	24,729	111,430	18,939	33,695	16,668	10,373	58,383	8,078	7,069	13,720	10,479	26,236	339,799
Net demand deposits	731,989	4,679,857	612,797	754,192	296,832	213,528	1,246,541	300,497	172,473	371,784	192,069	601,878	10,174,437
Time deposits	180,480	473,236	45,648	418,645	126,591	140,463	655,772	150,427	76,678	106,560	58,995	564,718	2,998,213
Government deposits	19,239	99,691	26,290	27,336	7,780	6,914	32,124	6,653	7,264	5,790	5,650	12,342	257,073
Bills payable with F. R. Bank:													
Secured by U.S. Govt. oblig.	8,358	115,603	27,333	19,775	22,943	8,889	24,642	10,249	331	6,348	3,185	11,000	258,656
All other	-	-	-	27	769	-	180	-	182	-	736	408	2,302
Bills rediscounted with F. R. Bank:													
Secured by U.S. Govt. oblig.	4,109	2,058	9,357	2,645	1,262	4,002	3,802	2,496	1,027	1,431	63	2,074	34,326
All other	33,880	60,769	13,334	56,477	31,550	32,773	76,266	28,188	12,235	28,015	8,703	20,747	402,937

Released for publication Friday afternoon, Jan. 6, 1922; not earlier.

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

(Amounts in thousands of dollars)

	New York City		City of Chicago		All F. R. Bank cities		F. R. Branch cities		Other selected cities	
	Dec. 28	Dec. 21	Dec. 28	Dec. 21	Dec. 28	Dec. 21	Dec. 28	Dec. 21	Dec. 28	Dec. 21
Number of reporting banks	68	68	51	51	277	277	212	212	317	319
Loans and discounts, including bills redis'd. with F. R. Bank:										
Secured by U.S. Govt. oblig.	179,626	178,756	50,242	51,632	360,161	363,049	85,093	86,128	67,266	67,173
Secured by stocks and bonds	1,244,203	1,253,676	331,546	324,300	2,280,639	2,276,999	466,072	467,972	418,770	420,138
All other loans and discounts	2,173,301	2,197,832	680,291	697,267	4,786,318	4,847,059	1,429,998	1,430,555	1,325,917	1,330,263
Total loans and discounts	3,597,130	3,630,264	1,062,079	1,073,199	7,427,118	7,487,107	1,981,163	1,984,665	1,811,953	1,817,574
U. S. bonds	315,821	312,652	22,334	22,393	504,851	502,399	224,462	223,415	220,957	220,489
U. S. Victory notes	80,352	79,506	11,027	12,008	111,631	113,669	39,421	38,905	19,587	20,104
U. S. Treasury notes	83,146	82,511	3,311	3,266	95,064	95,052	16,086	16,808	14,409	13,231
U. S. Certificates of indebtedness	116,234	116,004	16,720	19,713	168,773	179,985	31,452	34,161	22,630	25,863
Other bonds, stocks and securities	553,742	553,222	171,943	173,125	1,156,442	1,156,282	580,733	580,782	352,850	352,043
Total loans and discounts and investments, including bills rediscounted with F. R. Bank	4,746,425	4,774,159	1,287,414	1,303,704	9,463,879	9,534,494	2,873,317	2,878,736	2,442,386	2,449,304
Reserve balance with F. R. Bank	582,432	602,797	121,635	127,176	939,238	980,091	184,635	188,804	143,234	138,820
Cash in vault	97,208	102,481	35,387	34,676	196,132	198,126	64,572	62,777	79,095	80,391
Net demand deposits	4,216,994	4,248,744	863,050	876,759	7,208,658	7,272,716	1,549,617	1,554,923	1,416,162	1,420,594
Time deposits	301,517	284,068	313,413	311,833	1,404,860	1,381,146	921,464	918,086	671,889	667,686
Government deposits	93,423	106,168	25,000	29,605	195,078	222,536	39,334	43,849	22,661	25,117
Bills payable with F. R. Bank:										
Secured by U.S. Govt. obligations	91,830	109,915	2,505	2,515	148,786	168,105	67,351	68,834	42,519	42,033
All other	-	-	180	180	180	180	895	945	1,227	992
Bills rediscounted with F. R. Bank:										
Secured by U.S. Govt. obligations	1,724	1,870	3,071	2,389	22,422	21,658	6,948	7,899	4,956	3,817
All other	37,725	45,775	44,082	47,882	219,896	238,737	89,113	88,635	93,928	100,986
Ratio of bills payable and rediscounts with F. R. Bank to total loans and investments, per cent	2.8	3.3	3.9	4.1	4.1	4.5	5.7	5.8	5.8	6.0