

STATEMENT FOR THE PRESS

Released for publication
Friday afternoon, Jan. 4;
not earlier.

St. 3872
Federal Reserve Board,
January 3, 1924.

CONDITION OF MEMBER BANKS IN LEADING CITIES

According to the Federal Reserve Board's weekly statement showing the condition of member banks in leading cities at close of business on December 26, 1923, loans and investments of reporting member banks in leading cities increased \$338,000,000 during the past year, an increase of \$605,000,000 in loans and discounts being offset in part by a decrease of \$267,000,000 in investments. These changes in loans and investments went together with a decrease of \$221,000,000 in net demand deposits, and of \$205,000,000 in borrowings at the Federal reserve banks.

On December 27, 1922, loans and discounts of reporting member banks aggregated \$11,329,000,000, reached the maximum for the year - \$11,986,000,000 - on May 2; and declined thereafter until August 22, when they stood at \$11,677,000,000, increased again to \$11,892,000,000 on September 19 and remained at about that level to the end of the year, when they stood at \$11,934,000,000. The principal change in loans and discounts during the year occurred in "All other," largely commercial loans, which increased by \$584,000,000. Loans secured by U. S. Government obligations declined by \$62,000,000, while loans secured by stocks and bonds increased by \$83,000,000. Investments of reporting member banks in leading cities show an opposite trend to that of loans and discounts, that is, during periods when loans were increasing, investments were decreasing, although on a somewhat smaller scale. Holdings of U. S. bonds and Treasury certificates of indebtedness declined \$112,000,000 and \$114,000,000 respectively during the year, and holdings of all other bonds, stocks, and securities - declined \$68,000,000. Of the total decrease of \$199,000,000 in U. S. Government securities over \$139,000,000 is shown for the member banks in New York City, while the decrease of \$68,000,000 in holdings of corporate stocks and bonds of all reporting member banks is exceeded by an even larger reduction of \$83,000,000 reported by member banks in the Chicago district.

Total loans and investments, which stood at \$16,152,000,000 on December 27, 1922, reached the maximum for the year - \$16,635,000,000 - on May 16 and following the course of loans and discounts declined thereafter to \$16,211,000,000 on August 22. During the last three months of the year total loans and investments were at a somewhat higher level and aggregated \$16,490,000,000 on December 26.

Net demand deposits followed a generally downward course during the first eight months of the year, declining from \$11,527,000,000 on January 3, 1923, to \$10,880,000,000 on August 29, after which date the trend was upward. Time deposits, on the other hand, show a fairly steady increase throughout the year, while Government deposits fluctuated considerably in connection with periodical Government financing. Reporting banks in the Dallas and San Francisco districts show substantial increases in net demand deposits, and those in the Cleveland, Richmond, and Chicago districts smaller increases, while the principal decreases are shown for banks in the New York and Kansas City districts. Increases in time deposits are shown for reporting member banks in all Federal reserve districts, except San Francisco, where the withdrawal from membership of a large savings bank more than offset the substantial increase reported by existing members.

Reserve balances with the Federal reserve banks followed more or less closely changes in net demand deposits and stood at \$1,379,000,000 at the end of the year, as compared with \$1,394,000,000 at the end of the preceding year, while aggregate cash holdings of all reporting member banks show only a nominal reduction during the year.

Borrowings of member banks at their reserve banks showed a generally upward trend during the first six months of the year increasing from \$370,000,000 on December 27, 1922, to \$644,000,000 on July 3, while during the remainder of the year borrowings were on a somewhat smaller scale. Borrowings on the final report date of the year, which aggregated \$575,000,000, show an increase, however, of about \$105,000,000 over the figures for the preceding week, largely in connection with the holiday season requirements.

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

	Dec. 26, 1923	Dec. 19, 1923	June 27, 1923	Dec. 27, 1922
Number of reporting banks - - - - -	764	764	774	782
Loans and discounts, gross:				
Secured by U. S. Government obligations - - - - -	228,365	225,413	250,827	290,261
Secured by stocks and bonds (other than U. S. securities) - - - - -	3,857,002	3,830,001	3,806,394	3,774,775
All other loans and discounts - - - - -	<u>7,848,307</u>	<u>7,900,583</u>	<u>7,793,196</u>	<u>7,263,941</u>
Total loans and discounts - - - - -	11,934,334	11,955,997	11,850,417	11,328,977
U. S. Pre-war bonds - - - - -	275,460	275,706	280,746)	
U. S. Liberty bonds - - - - -	1,016,279	1,005,389	1,039,727)	1,485,007
U. S. Treasury bonds - - - - -	81,052	82,703	96,557)	
U. S. Treasury notes - - - - -	852,965	840,088	973,848	*825,736
U. S. Certificates of indebtedness - - - - -	123,464	133,646	143,352	237,956
Other bonds, stocks and securities - - - - -	<u>2,206,111</u>	<u>2,194,893</u>	<u>2,158,134</u>	<u>2,274,145</u>
Total loans and discounts and investments - - - - -	16,489,665	16,488,422	16,542,781	16,151,821
Reserve balance with Federal Reserve Banks - - - - -	1,378,672	1,355,021	1,390,388	1,393,755
Cash in vault - - - - -	355,454	335,637	282,040	358,449
Net demand deposits - - - - -	11,034,063	11,103,347	11,104,201	11,255,425
Time deposits - - - - -	4,072,029	4,057,952	4,000,009	3,708,466
Government deposits - - - - -	185,938	195,566	255,839	471,209
Bills payable and rediscounts with Federal Reserve Banks:				
Secured by U. S. Government obligations - - - - -	305,620	254,305	270,704	206,253
All other - - - - -	269,178	216,161	220,357	163,322
Ratio of bills payable and rediscounts with Federal Reserve Banks to total loans and investments, per cent - - - - -	3.5	2.9	3.0	2.3

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*Includes Victory notes.

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St. 3872b.

PRINCIPAL RESOURCE AND LIABILITY ITEMS OF ALL REPORTING MEMBER BANKS IN EACH FEDERAL RESERVE DISTRICT AS AT CLOSE OF BUSINESS, DECEMBER 26, 1923.

(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	43	112	55	80	76	39	106	35	28	73	52	65	764
Loans and discounts, gross:													
Secured by U.S. Govt. oblig.	13,322	78,759	15,403	28,673	9,966	9,275	36,332	12,008	3,914	6,040	3,190	11,483	228,365
Secured by stocks & bonds	230,961	1,649,472	265,403	408,263	122,113	66,742	592,150	149,540	41,981	80,880	64,648	185,509	3,857,662
All other loans & discounts	635,174	2,470,903	340,962	684,662	333,041	370,578	1,128,936	311,668	194,484	341,255	226,030	810,614	7,848,307
Total loans and discounts	879,457	4,199,134	621,768	1,121,598	465,120	446,595	1,757,418	473,216	240,379	428,175	293,868	1,007,606	11,934,334
U. S. Pre-war bonds	12,731	49,003	10,694	48,411	28,795	14,582	24,785	15,193	9,161	11,531	20,481	30,093	275,460
U. S. Liberty bonds	76,788	449,948	43,337	109,174	27,952	14,772	102,090	22,887	12,373	45,493	15,225	96,240	1,016,279
U. S. Treasury bonds	3,398	25,867	3,088	4,585	2,941	1,878	12,557	6,919	955	3,858	1,963	13,043	81,052
U. S. Treasury notes	21,444	473,938	45,630	53,023	14,892	6,200	123,455	17,383	28,779	16,227	15,034	36,960	852,965
U. S. Certificates of Indebtedness	7,219	28,067	6,147	8,376	4,196	9,116	21,383	8,627	2,572	3,055	6,759	17,947	123,464
Other bonds, stocks and securities	170,441	755,773	185,397	300,636	50,061	42,480	349,770	87,658	28,746	59,413	14,141	161,595	2,206,111
Total loans and discounts and investments	1,171,478	5,981,730	916,061	1,645,803	593,957	535,623	2,391,458	631,883	322,965	567,752	367,471	1,363,484	16,489,665
Reserve balance with F.R. Bk.	79,260	635,222	69,318	104,262	33,203	32,111	201,796	39,874	21,085	43,661	26,854	92,026	1,378,672
Cash in vault	25,518	103,338	19,902	37,670	17,202	13,772	67,630	9,686	7,428	14,328	12,341	26,639	355,454
Net demand deposits	788,151	4,701,075	671,953	868,188	339,153	270,848	1,470,801	342,263	197,019	396,110	257,638	730,864	11,034,063
Time deposits	266,077	895,284	114,593	607,724	150,444	180,701	801,341	189,793	85,309	132,672	83,038	565,053	4,072,029
Government deposits	18,099	54,912	14,744	25,560	6,216	10,284	19,185	6,161	2,294	1,738	7,897	18,848	185,938
Bills payable and rediscounts with F. R. Bank:													
Secured by U.S. Govt. oblig.	12,124	129,524	19,369	21,780	17,828	16,355	37,065	9,752	5,290	15,651	2,248	18,534	305,520
All other	42,943	36,298	9,845	24,397	17,211	29,185	22,657	33,836	4,341	17,548	3,243	27,674	269,178

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

(In thousands of dollars)

	New York City		City of Chicago		All F. R. Bank cities		F. R. Branch cities		Other selected cities	
	Dec. 26	Dec. 19	Dec. 26	Dec. 19	Dec. 26	Dec. 19	Dec. 26	Dec. 19	Dec. 26	Dec. 19
Number of reporting banks	67	67	49	49	257	257	203	203	304	304
Loans and discounts, gross:										
Secured by U. S. Govt. obligations	71,090	68,361	27,242	28,585	150,579	149,618	40,814	40,182	36,972	35,613
Secured by stocks and bonds	1,455,126	1,428,794	440,290	436,642	2,723,746	2,695,299	613,949	616,605	519,967	518,097
All other loans and discounts	2,157,752	2,179,276	662,391	663,202	4,816,873	4,855,069	1,658,494	1,664,982	1,372,940	1,380,532
Total loans and discounts	3,683,968	3,676,431	1,129,923	1,128,429	7,691,198	7,699,986	2,313,257	2,321,769	1,929,879	1,934,242
U. S. Pre-war bonds	38,052	38,051	4,197	4,201	94,101	93,268	74,499	75,547	106,860	106,891
U. S. Liberty bonds	392,027	389,337	45,792	37,268	619,945	609,219	231,785	231,081	164,549	165,089
U. S. Treasury bonds	17,757	17,458	5,304	5,214	41,650	43,137	19,718	20,094	19,684	19,472
U. S. Treasury notes	443,062	440,171	80,128	60,354	640,970	625,160	139,755	142,374	72,240	72,554
U. S. Certificates of indebtedness	24,877	28,061	11,085	9,456	68,660	72,178	39,468	41,475	15,336	19,993
Other bonds, stocks, and securities	539,583	543,834	171,468	167,942	1,166,985	1,162,909	595,246	590,882	443,880	441,102
Total loans and discounts and investments	5,139,326	5,133,343	1,447,897	1,412,864	10,323,509	10,305,857	3,413,728	3,423,222	2,752,428	2,759,343
Reserve balance with F. R. Bank	585,242	552,310	141,776	136,601	980,179	951,291	228,313	240,905	170,180	162,825
Cash in vault	84,070	71,070	38,345	34,937	184,013	163,200	76,461	81,532	94,980	90,905
Net demand deposits	4,212,831	4,236,781	1,003,369	975,238	7,502,887	7,534,904	1,886,517	1,906,643	1,644,659	1,661,800
Time deposits	608,830	607,461	378,930	382,870	1,985,445	1,988,677	1,220,450	1,203,966	866,134	865,309
Government deposits	50,483	54,062	9,316	10,053	119,573	130,145	51,970	49,819	14,395	15,602
Bills payable and rediscounts with F. R. Bank:										
Secured by U.S. Govt. obligations	96,600	47,550	19,827	6,393	181,790	125,207	78,000	85,424	45,830	43,674
All other	26,651	6,845	9,709	4,558	148,913	93,201	66,418	70,063	53,847	52,897
Ratio of bills payable and rediscounts with F. R. Bank to total loans and investments, per cent	2.4	1.1	2.0	.8	3.2	2.1	4.2	4.5	3.6	3.5

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