

STATEMENT FOR THE PRESS

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CHANGES IN CONDITION OF MEMBER BANKS IN LEADING CITIES DURING 1924.

During 1924 the principal changes in condition of reporting member banks in leading cities were increases of nearly \$2,000,000,000 in loans and investments, of \$1,800,000,000 in demand deposits and of \$745,000,000, in time deposits, and a decrease of \$380,000,000 in borrowings at Federal reserve banks.

Loans and discounts of all reporting member banks, which stood at \$12,067,000,000 on January 2, 1924, remained substantially stable at about \$12,000,000,000 until the middle of June and then increased gradually to \$13,068,000,000 on December 31, the maximum figure that has ever been reported. Of the total increase of \$1,002,000,000 in loans and discounts within the year, \$638,000,000 was in loans secured by corporate stocks and bonds, and \$408,000,000 in "All other," chiefly commercial loans. Loans secured by Government obligations fell off by about \$44,000,000 and now constitute less than 1.5 per cent of total loans and discounts. Loans secured by corporate stocks and bonds constitute about 35.7 per cent of total loans and discounts and "All other" loans and discounts about 62.8 per cent, as compared with about 33.4 per cent and 64.6 per cent, respectively, at the beginning of the year. Loans and discounts of reporting member banks in the New York district increased by \$574,000,000, or by about 13.3 per cent as compared with about 8.3 per cent for all reporting banks. Large increases in other districts were: Chicago - \$141,000,000; Boston - \$50,000,000; Philadelphia - \$48,000,000; San Francisco - \$42,000,000; and Minneapolis - \$36,000,000.

Investments in United States securities declined slightly during the first six months and then increased gradually to a maximum of \$2,735,000,000 on December 3, an increase of \$331,000,000 being shown for the year. Holdings of corporate stocks and bonds went up gradually from \$2,241,000,000 on January 2 to a maximum of \$2,895,000,000 on November 19, the total of \$2,886,000,000 reported on December 31 representing an increase of \$645,000,000 during the year.

Total loans and investments were slightly below the 1923 level until about the middle of the year and then increased steadily to the highest amount that has ever been reported, \$18,601,000,000, on December 24, and stood at about the same level, \$18,599,000,000 on December 31.

Net demand deposits fell off slightly during the first three months of the year and then steadily increased to the record total of \$13,254,000,000, on December 31, while time deposits increased practically continuously from \$4,104,000,000 on January 2 to \$4,862,000,000 on November 19, after which there was a slight recession to \$4,849,000,000 at the close of the year. The principal increases in net demand deposits by Federal reserve districts were: New York - \$1,034,000,000; Chicago - \$230,000,000; Kansas City - \$88,000,000 and Cleveland - \$80,000,000. The highest relative increase, 29.8 per cent, was reported for the Minneapolis district, increases of more than 20 per cent being reported also for the Kansas City and New York districts. The principal increases in time deposits were: New York - \$250,000,000; Chicago \$125,000,000; San Francisco - \$112,000,000; and Cleveland \$73,000,000.

Reserve balances with the Federal reserve banks followed rather closely the changes in net demand deposits and stood at \$1,680,000,000 at the end of the year, as compared with \$1,455,000,000 on January 2, practically all of the increase occurring after the end of May.

Borrowings of all reporting member banks at their reserve banks fell from \$533,000,000 on January 2 to \$255,000,000 on February 6, the decrease during this period being due chiefly to the return flow of currency to the reserve banks which always takes place during the weeks following the Christmas holidays. Total borrowings thereafter continued to decline to the low point of \$59,000,000 on August 27. An increase in borrowings during December brought the total up to \$224,000,000 on December 24 after which there was a decline to \$154,000,000 on December 31, the amount reported at the end of the year representing a decrease of about \$380,000,000 from that reported on January 2. The lower level of borrowings in 1924 as compared with 1923 was due chiefly to increased holdings of United States securities and acceptances by the reserve banks, and to substantial net imports of gold, such gold being used largely either to liquidate borrowings at the reserve banks or to build up reserve balances of member banks in keeping with the growth in their deposits.

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

(In thousands of dollars)

	Dec. 31, 1924	Dec. 24, 1924	July 2, 1924	Jan. 2, 1924
Number of reporting banks - - - - -	737	738	748	766
Loans and discounts, gross:				
Secured by U. S. Government obligations - - - - -	194,974	196,273	215,936	238,929
Secured by stocks and bonds (other than U. S. securities) - - - - -	4,667,760	4,641,014	4,112,881	4,029,958
All other loans and discounts - - - - -	8,205,684	8,185,530	7,821,389	7,797,926
Total loans and discounts - - - - -	13,068,418	13,022,817	12,150,206	12,066,813
U. S. Pre-war bonds - - - - -	261,319	261,492	271,403	269,753
U. S. Liberty bonds - - - - -	1,387,597	1,411,933	1,240,026	1,005,330
U. S. Treasury bonds - - - - -	361,515	369,737	70,055	80,112
U. S. Treasury notes - - - - -	501,588	523,186	660,999	842,914
U. S. Certificates of indebtedness - - - - -	133,296	133,390	131,048	115,803
Other bonds, stocks and securities - - - - -	2,885,541	2,878,369	2,532,722	2,240,815
Total loans and discounts and investments - - - - -	18,599,274	18,600,924	17,056,459	16,621,540
Reserve balances with Federal Reserve Banks - - - - -	1,679,777	1,700,338	1,520,871	1,455,032
Cash in vault - - - - -	323,849	333,491	292,001	322,404
Net demand deposits - - - - -	13,254,328	13,044,529	11,994,330	11,438,129
Time deposits - - - - -	4,848,846	4,814,435	4,418,377	4,103,985
Government deposits - - - - -	165,903	169,195	129,415	162,783
Bills payable and rediscounts with Federal Reserve Banks:				
Secured by U. S. Government obligations - - - - -	114,059	155,364	70,478	300,501
All other - - - - -	40,426	68,893	62,586	232,777
Ratio of bills payable and rediscounts with Federal Reserve Banks to total loans and investments, per cent - - - - -	.8	1.2	.8	3.2

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PRINCIPAL RESOURCE AND LIABILITY ITEMS OF ALL REPORTING MEMBER BANKS IN EACH FEDERAL RESERVE DISTRICT AS AT CLOSE OF BUSINESS, DECEMBER 31, 1924.

(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	42	108	55	76	75	36	100	33	25	71	50	66	737
Loans and discounts, gross:													
Secured by U.S. Govt. oblig.	10,396	71,719	11,266	22,446	7,224	7,692	30,421	11,806	3,839	4,461	3,870	9,834	194,974
Secured by stocks & bonds	291,485	2,200,809	306,818	410,397	122,282	66,489	666,132	177,592	54,961	93,928	67,397	209,470	4,667,760
All other loans & discount	639,456	2,619,329	355,161	715,446	346,383	384,953	1,219,403	310,315	213,114	337,976	233,834	830,314	8,205,684
Total loans & discounts	941,337	4,891,857	673,245	1,148,289	475,889	459,134	1,915,956	499,713	271,914	436,365	305,101	1,049,618	13,068,418
U. S. Pre-war bonds	13,446	52,526	10,672	45,101	25,733	15,001	21,837	14,341	8,481	10,432	18,698	25,051	261,319
U. S. Liberty bonds	88,217	634,613	52,733	175,557	36,916	10,191	162,616	27,207	27,094	38,641	13,014	120,798	1,387,597
U. S. Treasury bonds	12,417	177,464	27,016	20,585	5,005	2,368	40,100	5,782	9,353	6,402	4,327	50,696	361,515
U. S. Treasury notes	9,661	209,673	20,501	55,183	2,655	2,158	111,380	10,965	19,474	23,389	8,069	28,480	501,588
U. S. Certificates of indebtedness	2,281	65,349	7,526	6,714	400	2,144	16,211	2,025	6,520	3,177	2,286	18,663	133,296
Other bonds, stocks and securities	195,280	1,136,153	256,720	343,992	64,874	43,463	419,300	103,409	37,163	72,945	20,599	191,643	2,885,541
Total loans and discounts and investments	1,262,639	7,167,635	1,048,413	1,795,421	611,472	534,459	2,687,400	663,442	379,999	591,351	372,094	1,484,949	18,599,274
Reserve balances with F.R.Bk.	95,500	803,192	79,400	108,773	38,102	36,119	238,367	49,601	26,921	57,094	32,785	113,923	1,679,777
Cash in vault	24,257	93,460	19,792	33,389	15,566	13,216	60,566	9,390	6,553	13,185	11,581	22,894	323,849
Net demand deposits	891,936	5,957,157	753,070	972,457	366,155	317,287	1,744,237	414,041	260,896	483,386	288,585	805,121	13,254,328
Time deposits	316,587	1,156,537	182,331	680,065	181,577	191,956	922,018	212,287	101,614	133,412	89,330	681,132	4,848,846
Government deposits	29,476	37,314	18,748	15,307	4,792	4,804	26,539	7,814	2,117	1,474	2,979	14,539	165,903
Bills payable and rediscounts with F. R. Bank:													
Secured by U.S. Govt. oblig.	2,782	54,797	10,030	17,025	5,999	668	12,925	1,000	-	102	131	8,600	114,059
All other	8,454	3,603	3,060	6,765	8,845	5,511	172	716	50	-	1,936	1,314	40,426

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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. 31	Dec. 24	Dec. 31	Dec. 24	Dec. 31	Dec. 24	Dec. 31	Dec. 24	Dec. 31	Dec. 24
Number of reporting banks	67	67	46	46	254	254	193	193	290	291
Loans and discounts, gross:										
Secured by U.S.Govt. obligations	67,447	73,363	23,212	24,686	133,527	137,520	33,560	31,913	27,887	26,840
Secured by stocks and bonds	1,973,919	1,970,909	500,625	509,117	3,437,867	3,426,795	674,365	665,912	555,528	548,307
All other loans and discounts	2,320,390	2,305,487	718,744	712,462	5,132,478	5,120,099	1,695,628	1,688,546	1,377,578	1,376,885
Total loans and discounts	4,361,756	4,349,759	1,242,581	1,246,265	8,703,872	8,684,414	2,403,553	2,386,371	1,960,993	1,952,032
U. S. Pre-war bonds	41,999	42,001	4,088	4,088	92,990	92,750	71,816	71,560	96,513	97,182
U. S. Liberty bonds	541,957	553,768	81,575	82,510	849,009	868,693	347,068	348,625	191,520	194,615
U. S. Treasury bonds	159,918	161,312	22,642	23,261	258,696	270,662	61,702	58,457	41,117	40,618
U. S. Treasury notes	191,923	212,548	83,449	77,674	344,726	361,433	112,667	118,172	44,195	43,581
U. S. Certificates of indebtedness	63,611	57,781	10,559	12,941	99,198	95,803	23,925	26,766	10,173	10,821
Other bonds, stocks and securities	871,135	859,839	203,985	211,206	1,645,401	1,641,561	702,914	700,492	537,226	536,316
Total loans and discounts and investments	6,232,299	6,237,008	1,648,879	1,657,945	11,993,892	12,015,316	3,723,645	3,710,443	2,881,737	2,875,165
Reserve balances with F. R. Bank	749,050	769,414	173,014	169,161	1,232,389	1,243,673	269,811	273,190	177,577	183,475
Cash in vault	77,754	85,868	31,917	34,202	167,196	180,049	67,163	69,565	89,490	83,877
Net demand deposits	5,401,345	5,345,202	1,180,418	1,163,120	9,254,226	9,139,555	2,196,565	2,150,354	1,803,537	1,754,620
Time deposits	817,004	804,230	452,678	449,412	2,457,083	2,434,741	1,397,486	1,388,150	994,277	991,544
Government deposits	25,878	26,457	17,183	17,069	119,108	119,516	33,029	36,064	13,766	13,615
Bills payable and rediscounts										
with F. R. Bank:										
Secured by U.S.Govt. obligations	29,540	68,690	925	4,055	49,932	98,334	49,237	40,287	14,890	16,743
All other	1,435	20,626	150	617	17,719	39,650	5,575	10,184	17,132	19,059

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