FEDERAL RESERVE BULLETIN

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FEDERAL RESERVE BOARD

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FEDERAL RESERVE BOARD.

EX OFFICIO MEMBERS.

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Secretary of the Treasury,
Chairman.

JOHN SKELTON WILLIAMS,
Comptroller of the Currency.

CHARLES S. HAMLIN, *Governor.*
FREDERIC A. DELANO, *Vice Governor.*
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W. P. G. HARDING.
ADOLPH C. MILLER.

H. PARKER WILLIS, *Secretary.*
SHERMAN ALLEN, *Assistant Secretary.*

M. C. ELLIOTT, *Counsel.*

SUBSCRIPTION PRICE OF BULLETIN.

The Federal Reserve Bulletin is distributed without charge to member banks of the system and to the officers and directors of Federal Reserve Banks. In sending the Bulletin to others the Board feels that a subscription should be required. It has accordingly fixed a subscription price of $2 per annum. Single copies will be sold at 20 cents. Foreign postage should be added when it will be required. Remittances should be made to the Federal Reserve Board.

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FEDERAL RESERVE BULLETIN

VOL. 1 DECEMBER 1, 1915 No. 8

WORK OF THE BOARD.

During the month of November the work of the Federal Reserve Board has included the following elements:

(1) Investigation and discussion of the present plans for intradistrict clearing and collection of checks with a view to improving and correcting the same. Reports have been submitted by a conference of transit men representing the banks and by a special committee representing the Federal Reserve Agents. The Board has had a conference with the executive committee of Governors in charge of this matter and has undertaken further investigation with a view to the making of a new order on the subject.

(2) Attention has been given to the five appeals from the decisions of the Organization Committee relating to the division of the country into districts, and a report has been presented to the Board by a committee to which the various appeals had been submitted. An opinion relating to the whole subject was obtained from the Attorney General, but after further investigation it was determined to take no action in any of the cases for the present.

(3) The Secretary of the Treasury has announced his intention to designate the Federal Reserve Banks as fiscal agents, such designation to take effect on January 1, 1916, and the Board has taken such steps as are necessary to cooperate in the undertaking of this new function prescribed by the law.

(4) At conferences with the Federal Reserve Agents arrangements have been made for complete reports concerning the operation of each Federal Reserve Bank, the substance of the same to be supplied to Congress as a part of the Board's annual report. Other problems of the system have been fully discussed at these conferences.

(5) The Board has prepared and issued a revised form of the bankers' acceptance circular and regulation heretofore issued, the new draft including provision for the purchase of acceptances growing out of domestic operations and made by State banks. This regulation is printed elsewhere in this number.

The Board has held three important conferences during the month: First, with Federal Reserve Agents on November 4, 5, and 6; second, with the Federal Advisory Council on November 15 and 16; and the third, with the executive committee representing the Governors of Federal Reserve Banks on November 17, 18, and 19. The main outcome of these meetings is reviewed elsewhere in this issue. The Advisory Council meeting was the regular statutory session provided by law, while the meeting of Federal Reserve Agents was the first that has been held since last winter. It is now intended to have a regular semiannual meeting of Federal Reserve Agents. The meeting of the executive committee of Governors was held by appointment with the Board for the purpose of discussing the clearance plan proposed by transit managers of the several Federal Reserve Banks as the result of their meeting in Chicago early in November.

Numerous applications for power to exercise fiduciary functions have been received during the month and have received due investigation. A list of those granted appears elsewhere in this issue and an additional number are still awaiting action.

Volume I of the Bulletin.

The December number of the Federal Reserve Bulletin will complete volume I, although it will contain but eight numbers. This is regarded as desirable that future volumes of the Bulletin may cover the calendar year. Included in this number is an index of the numbers issued in 1915, so that the eight numbers issued beginning with May may be bound as one volume.

Corrections.

Two slight errors occurred in the November Bulletin. On page 349, under "Earnings and expenditures of Federal Reserve Banks from July 1 to September 30, 1915," the name of the Federal Reserve Bank of Minneapolis was used in place of that of the Federal Reserve Bank of Kansas City as one of four shown not to have earned current expenses for the quarter. In the list of banks in the intradistrict clearing system, on page 368 under district No. 2, the National Bank of Westfield, Westfield, N. J., should have been listed as the National Bank at Westfield, N. Y.

Meeting of Advisory Council.

Members of the Advisory Council of the Federal Reserve Board held a quarterly meeting in the Board room on November 16. Nine members of the Council were present, as follows: Daniel G. Wing, Boston; W. S. Rowe, Cincinnati; George J. Seay, Richmond; Charles A. Lyerly, Chattanooga; James B. Forgan, Chicago; C. T. Jaffray, Minneapolis; E. F. Swinney, Kansas City; J. Howard Ardrey, Dallas; Archibald Kains, San Francisco.

The meeting of the Council was preceded by a meeting of its executive committee held on November 15.

On the morning following the meeting the following statement was given to the press:

The Advisory Council at its meeting held in Washington November 16 suggested several amendments to the Federal Reserve Act, the chief among which are given below. These amendments have not received consideration or action of any kind by the Federal Reserve Board.

1. That the work of the Office of the Comptroller of the Currency be absorbed and administrated by the Federal Reserve Board.

2. That section 24 of the Federal Reserve Act relating to loans on farm lands be amended to read as follows:

"Any national banking association not situated in a central reserve city may make loans secured by improved and unencumbered farm lands situated within its Federal Reserve district, or in an adjoining district provided the land on which the loan is made is within one hundred miles from the office of the bank making the loan."

3. A reduction of two-thirds of the present paid-in capital of the Federal Reserve Banks leaving the subscribed capital and double liability as now constituted.

4. That the Federal Antitrust Act be amended so that the second paragraph of section 8 will read as follows:

"No bank, banking association, or trust company, organized or operating under the laws of the United States in any city or incorporated town or village of more than two hundred thousand inhabitants, as shown by the last preceding decennial census of the United States, shall have as a director or other officer or employee *any person who may be connected in either of these official capacities with more than one* other bank, banking association, or trust company located in the same place: *Provided*, That nothing in this section shall apply to mutual savings banks not having a capital stock represented by shares: *Provided further*, That a director or other officer or employee of such bank, banking association, or trust company may, besides being an officer or director in one other bank, be a director or other officer or employee of not more than one additional bank or trust company organized under the laws of the United States or any State where the entire capital stock of one is owned by stockholders in the other: *And provided further*, That nothing contained in this section shall forbid a director of Class A of a Federal Reserve Bank, as defined in the Federal Reserve Act, from being an officer or director, or both an officer and director, in one member bank."

5. That the antitrust act be so amended as to permit joint stock ownership by national banks or banks organized to do business in foreign countries through branches established therein.

6. That the National Bank Act be amended to permit the establishment by national banks having an unimpaired capital of not less than $1,000,000 of branches, provided that no branches are placed outside of the limits of the city where the bank itself is located.

Upon the request of the Board for the views of the Council as to whether Federal Reserve Banks can do anything with their member banks to discourage or put a stop to the present high rates of interest on demand deposits, the Council held that the rate of interest paid to the public on deposits is regulated by the accumulation or lack of wealth in the communities in which the banks do business.

The Council also passed the following resolution:

"That this Council is unalterably opposed to any provision whereby farm-loan bonds described in the Hollis bill may become security for loans from Federal Reserve Banks and to their being made a basis for acceptances by member banks."

Meeting of Federal Reserve Agents.

Federal Reserve Agents, who are also chairmen of the boards of directors of the Federal Reserve Banks, met in Washington for a three-day session, beginning on Tuesday, November 4. All of the agents were present, and several joint meetings were held with the Federal Reserve Board.

The meeting was called for the discussion of a large number of problems originating in the work of the Board and the administration of the Federal Reserve Banks. Action was taken under which stated meetings of the agents will be held in Washington semiannully, in May and October.

Federal Reserve Banks as Fiscal Agents.

The Secretary of the Treasury has sent the following letter to the Federal Reserve Board, as result of which Federal Reserve Banks will become fiscal agents on January 1, 1916:

NOVEMBER 23, 1915.

The FEDERAL RESERVE BOARD,
Washington, D. C.

GENTLEMEN: In accordance with the provisions of section 15 of the Federal Reserve Act, which provides that—

"The moneys held in the general fund of the Treasury * * * may, upon the direction of the Secretary of the Treasury, be deposited in Federal Reserve Banks, which banks, when required by the Secretary of the Treasury, shall act as fiscal agents of the United States * * *,"

I have determined to appoint the Federal Reserve Banks depositaries and fiscal agents in the manner thus indicated by the Act. In order that the reserve banks may not be embarrassed by the addition of an unduly large volume of business upon undertaking their functions in this connection, I have decided to make a beginning by transferring to each of the Federal Reserve Banks the funds of the Government now on deposit with the national banks in each of the cities in which a bank is located, thus giving to each of the reserve banks the funds held by the national banks in its own city. Each Federal Reserve Bank will be required to perform on behalf of the Government the services which are now rendered by the national-bank depositaries locatea in said cities, as well as any other services incident to or growing out of the duties and responsibilities of fiscal agents.

May I ask you to cooperate in carrying out the provisions of the Federal Reserve Act in this regard, and to take any and all steps that may be desirable to perfect such arrangements by the Federal Reserve Banks as will enable them to fully and satisfactorily perform these functions from and after January 1, 1916, the date on which it is my purpose to make the proposed arrangements effective? I have designated Hon. William P. Malburn, Assistant Secretary of the Treasury, in charge of the fiscal bureau, to act for the Treasury Department in carrying out the details so far as this department is concerned. I have deferred action until this time in order that the organization of the Federal Reserve Banks might be completed and gotten into good working order through experience and practice, and with the hope that a satisfactory clearing and collection system would, by this time, have been evolved. I feel convinced, however, that I should not longer delay giving these banks the opportunity of performing these services for the Government and enlarging their field of usefulness.

Very truly, yours,

W. G. MCADOO, *Secretary.*

It is estimated that the following amounts may be transferred to the several Federal Reserve Banks:

Boston	$796,000
New York	1,437,000
Philadelphia	1,175,000
Cleveland	285,000
Richmond	425,000
Atlanta	520,000
Chicago	1,436,000
St. Louis	850,000
Kansas City	655,000
Minneapolis	225,000
Dallas	191,000
San Francisco	441,000
Total	8,436,000

Opinion on Redistricting.

There is printed below the full text of an opinion rendered to the President by the Attorney General of the United States, Hon. T. W. Gregory, on the power of the Federal Reserve Board to abolish existing Federal Reserve districts or Federal Reserve banks.

DEPARTMENT OF JUSTICE,
Washington, November 22, 1915.

SIR: I have your letter transmitting a request from the Governor of the Federal Reserve Board for my opinion as to the power of the Board to *abolish* any of the existing Federal Reserve Districts or Federal Reserve Banks. The Secretary of the Treasury, who is ex-officio Chairman of the Board, unites with the Governor in making this request; and you ask that I comply with it.

The Act creating the Federal Reserve System (38 Stat., 251, ch. 6) provided for an "Organization Committee" to be composed of the Secretary of the Treasury, the Secretary of Agriculture, and the Comptroller of the Currency (sec. 2).

The Act also established a permanent body known as the "Federal Reserve Board" (sec. 10).

A reading of the Act shows at once that the Organization Committee was created not merely for the purpose of attending to the formalities of organization or to serve as a stop-gap until the Federal Reserve Board should come into existence, but that it had an independent function to perform and to that end was invested with wide powers. That is to say, its function was to *organize* the system as contradistinguished from the function of the Federal Reserve Board, which was primarily to *administer* the system.

This being the general scheme, the Act provided that the Organization Committee,
"as soon as practicable, * * * shall designate not less than 8 nor more than 12 cities to be known as Federal Reserve cities, and shall divide the continental United States, excluding Alaska, into districts, each district to contain only one of such Federal Reserve cities" (sec. 2).

It provided further that these districts—
"shall be apportioned with due regard to the convenience and customary course of business, and shall not necessarily be coterminous with any State or States."

And—
"shall be known as Federal Reserve Districts, and may be designated by numbers" (sec. 2).

In order that it might have the information and advice essential to the discharge of this duty the Organization Committee was authorized—
"to employ counsel and expert aid, to take testimony, to send for persons and papers, to administer oaths, and to make such investigation as may be deemed necessary by the said committee in determining the reserve district and in designating the cities within such districts where such Federal Reserve Banks shall be severally located" (sec. 2).

Upon the establishment of the Federal Reserve Districts by the Organization Committee a certificate must be filed with the Comptroller of the Currency—
"showing the geographical limits of such districts and the Federal Reserve city designated in each of such districts" (sec. 4).

Having thus authorized the Organization Committee to designate Federal Reserve cities and to create around each a Federal Reserve District, the Act directed that—
"the said committee shall supervise the organization in each of the cities designated of a Federal Reserve Bank" * * * (sec. 2).

The Act then prescribes how these banks shall be constituted:

Every national bank is required to subscribe to the capital stock of the Federal Reserve Bank of its district in a sum equal to 6 per cent of its paid-up capital stock and surplus, one-sixth payable on the call of the Organization Committee or of the Federal Reserve Board, one-sixth within three months, and one-sixth within six months, the remainder subject to call by the Federal Reserve Board when deemed necessary (sec. 2). State banks declared eligible by the Organization Committee, while of course not required to subscribe, were authorized to do so (secs. 2, 4).

If the subscriptions by banks to the stock of any Federal Reserve Bank in the judgment of the Organization Committee do not provide an adequate capital, the Organization Committee may offer the stock of such Federal Reserve Bank to public subscription; and if the total subscriptions by banks and the public fall short of supplying an adequate capital, the Organization Committee shall allot to the United States such an amount of the stock of the Federal Reserve Bank in question as the committee shall determine. Stock not held by banks has no voting power (sec. 2).

No Federal Reserve Bank is permitted to commence business with a subscribed capital of less than $4,000,000 (sec. 2), nor until authorized so to do by the Comptroller of the Currency (sec. 4).

When the minimum amount of capital stock required for the organization of any Federal Reserve Bank shall have been subscribed, the Organization Committee is directed to designate any five of the subscribing banks to complete the organization and to execute and file with the Comptroller of the Currency a certificate of organization, stating the name of such Federal Reserve Bank, the city and State in which it is located, the territorial extent of the district in which its operations are to be carried on, the amount of its capital stock and the number of shares into which the same is divided, the name and place of business of each bank executing the certificate of organization and of each subscribing bank and the number of shares subscribed by each, etc. (sec. 4).

Upon the filing of this certificate such Federal Reserve Bank becomes a body corporate, with the powers which are enumerated, amongst them the power—

"to have succession for a period of twenty years from its organization unless it is sooner dissolved by an act of Congress, or unless its franchise becomes forfeited for some violation of law" (sec. 4).

Acting under the authority of these provisions, the Organization Committee divided the country into 12 Federal Reserve Districts and designated in each a Federal Reserve city. Boston was designated as the Federal Reserve city for district No. 1; New York for district No. 2; Philadelphia for district No. 3; Cleveland for district No. 4; Richmond for district No. 5; Atlanta for district No. 6; Chicago for district No. 7; St. Louis for district No. 8; Minneapolis for district No. 9; Kansas City for district No. 10; Dallas for district No. 11; San Francisco for district No. 12. A certificate to that effect was filed on April 2, 1914, in the office of the Comptroller of the Currency.

A Federal Reserve Bank was duly organized at each of these cities. On May 18–20, 1914, all filed their certificates of organization and thereby became bodies corporate with the rights and powers enumerated in section 4 of the Act. Their organization was officially announced by the Secretary of the Treasury, pursuant to the second paragraph of section 19 of the Act, and on November 14, 1914, pursuant to section 4 of the Act, they were authorized by the Comptroller of the Cureency to commence business.

They have been engaged in business for a little over a year. Their statement for the week ending November 12, 1915, shows their capital, deposits, and total resources, as follows:

Federal Reserve Bank of—	Capital.	Deposits.	Resources.
Boston	$5,171,000	$22,218,000	$28,615,000
New York	11,059,000	181,710,000	196,544,000
Philadelphia	5,273,000	19,933,000	25,206,000
Cleveland	5,945,000	18,556,000	24,501,000
Richmond	3,352,000	[1] 13,160,000	21,669,000
Atlanta	2,417,000	[1] 11,268,000	16,629,000
Chicago	6,635,000	49,993,000	56,628,000
St. Louis	2,778,000	11,204,000	13,982,000
Minneapolis	2,495,000	10,425,000	12,920,000
Kansas City	3,027,000	9,826,000	14,080,000
Dallas	2,753,000	[1] 11,992,000	18,671,000
San Francisco	3,941,000	14,032,000	17,973,000
Total	54,846,000	374,317,000	446,192,000

[1] Includes Government deposit of $5,000,000.

All of them have issued Federal Reserve notes, of which at present time $160,000,000 in round figures are outstanding.

One has purchased a site for its bank building, and the others have leased quarters for long terms.

The question is, Has the Federal Reserve Board the power to *abolish* any of the existing Federal Reserve Districts established by the Organization Committee as hereinabove described?

As there can be only one Federal Reserve Bank in a district, a district can not be abolished without abolishing a bank. Therefore, inseparably linked with the question first stated is the further question, Has the Federal Reserve Board the power to *abolish* a Federal Reserve Bank?

And since, concededly, the power to *abolish* a Federal Reserve District or a Federal Reserve Bank is not granted in express terms, the question finally becomes, Is it to be implied from other provisions of the Act that Congress intended to confer that power?

The Counsel of the Board held not, in an opinion dated March 1, 1915. Subsequently, Mr. Joseph P. Cotton, of New York, was consulted, and he reached the opposite conclusion in an opinion dated November 19, 1915.

The Federal Reserve Banks are not banks in the ordinary sense. They are banks composed of banks. They touch the business life of the Nation in its most sensitive spot. Of all the processes of business, theirs is perhaps the most delicate.

In determining whether Congress intended by implication to confer upon the Federal Reserve Board power to abolish one or more of these institutions, it is proper to consider that if the power exists at all it may be exercised not only now, but at any time in the future. Certainly it was the expectation of Congress that the Federal Reserve Banks would extend their roots deep; that upon them as a foundation permanent banking arrangements better than any we have ever known would be constructed; and that they would become interwoven with the business fabric of the country.

If these expectations shall be realized, and in this discussion we must assume that they will be, the abolition of one or more of the Federal Reserve Districts, and consequently of one or more of the Federal Reserve Banks, whether for better or for worse, would profoundly affect the currents of trade and alter the whole face of business throughout vast sections of the country, to say nothing of the effect upon the investments of member banks and perhaps of the public in the capital stocks of reserve banks.

It must be acknowledged that the power to do such a thing is, to borrow a phrase of the Supreme Court, "a power of supreme delicacy and importance"; and I am of the opinion that the failure to confer such a power in express terms would be regarded by the courts as virtually conclusive that Congress did not intend it to be exercised except by itself.

A leading case in point is Interstate Commerce Commission *v.* Railway Co. (167 U. S., 479). There the question was whether the Interstate Commerce Commission, when it found a particular rate to be unreasonable, was given the power by the act to regulate commerce as originally enacted to prescribe what should be a reasonable rate for the future. As in the present instance, the power in question was not expressly given, but the commission claimed that it had the power by necessary implication.

Briefly stated, its contention was, that it was expressly charged with the enforcement and execution of the provisions of the act; that amongst other provisions was section 1 which required all charges to be reasonable and just and prohibited every unjust and unreasonable charge; that in the nature of things it could not enforce this mandate of the law without a determination of what are reasonable and just charges; and finally, since no other tribunal was created to make that determination, it must be implied that the commission was authorized to do so (167 U. S., 500, 501).

The court, overruling this contention, held that as the act did not expressly grant the power the commission did not possess it. Speaking through Mr. Justice Brewer, the court said:

"The question debated is whether it (Congress) vested in the commission the power and the duty to fix rates; and the fact that this is a debatable question, and has been most strenuously and earnestly debated, is very persuasive that it did not. The grant of such a power is never to be implied" (494).

Again, it refers to—

"the inference which irresistibly follows from the omission to grant in express terms to the commission this power of fixing rates" (506).

And again—

"The vice of this argument is that it is building up indirectly and by implication a power which is not in terms granted" (509).

Still again—

"And if it (Congress) had intended to grant the power to establish rates, it would have said so in unmistakable terms" (509).

Whilst this seems to me decisive of the matter, I will nevertheless examine the provision of the act which is put forward as a ground for implying that Congress intended to confer upon the Federal Reserve Board the power in question. That provision, which is found in section 2 immediately following the grant of power to the Organization Committee to designate Federal Reserve cities and to establish Federal Reserve Districts, reads as follows:

"The determination of said organization committee shall not be subject to review except by the Federal Reserve Board when organized: *Provided*, That the districts shall be apportioned with due regard to the convenience and customary course of business and shall not necessarily be coterminous with any State or States. The districts thus created may be readjusted and new districts may from time to time be created by the Federal Reserve Board, not to exceed twelve in all."

The merely negative statement that the determination of the Organization Committee "*shall not* be subject to review except by the Federal Reserve Board when organized" clearly can not be enlarged into an affirmative grant of power to the Board to review and set aside everything done by the Organization Committee. The reasonable view is that by that language Congress meant that the determination of the Organization Committee should not be subject to review at all, except in so far as the subsequent provisions specifically authorize a review by the Federal Reserve Board. The only subsequent provision authorizing a review of the determination of the Organization Committee of the Federal Reserve Board is contained in the sentence—

"The districts thus created may be readjusted and new districts may from time to time be created by the Federal Reserve Board, not to exceed twelve in all."

But the power to *readjust* districts does not necessarily carry with it the power to *abolish* districts and banks. On the contrary, it would be departing from the usual meaning of the language to give it that effect. In the affairs of business especially the word "readjust" is associated with the idea of preservation rather than of destruction. When it is used in connection with any business or political entity we instinctively think not of the destruction of that entity but of its preservation in some other form. When it is used in connection with a geographical area, such as a district, we instinctively think of changes in boundary lines, not of the blotting out of anything. To illustrate, suppose the Constitution had provided that Congress should have power to *readjust* the States taken into the Union. Would it be contended that this included power to abolish States? I can not think so. Likewise here, in my opinion, the power to readjust districts refers to changes in boundary lines.

This conception of the power is exemplified in the changes heretofore made by the Federal Reserve Board in the boundaries of the districts as fixed by the Organization Committee. To cite one instance, northern New Jersey was detached from the district of which Philadelphia is the center and annexed to the district of which New York is the center.

But if what was meant by readjustment of districts were obscure instead of reasonably clear, there would still be no ground for implying the power to abolish districts and consequently to abolish banks from a power to readjust districts and to add new districts.

A power not expressly conferred can arise as an incident to the exercise of some other power only because essential to the exercise of that power or because included therein as a *lesser* power of like nature or effect. (The Floyd Acceptance, 7 Wall., 666, 680; Branch *v.* Jessup, 106 U. S., 468, 478.)

No one would say that the power to *abolish* is a lesser power than the power to readjust. It only remains then to inquire whether the power to *abolish districts and banks* is essential to the exercise of the power to *readjust districts.* In other words, would the power to *readjust districts,* which is expressly conferred upon the Board, be nullified or rendered impotent if the power to *abolish districts and banks* is withheld?

I have not heard that contention made and do not see how it could be made. Obviously the power conferred can fall short of the power of abolition and still have a wide and useful field of operations. From time to time much may be done to promote the convenience and efficiency of the system by readjusting the boundaries of districts, adding here and taking away there, without abolishing districts and without abolishing banks.

The only grounds upon which a power may be implied are thus lacking here. Rather the specification of the power to readjust districts and of the power to increase the number of districts carries with it the implication that Congress did not intend to grant the greater power to abolish districts. As the Supreme Court has said in similar circumstances:

"* * * If Congress had desired to grant such authority it would have been easy to have said so in express terms." (Tillson *v.* United States, 100 U. S., 43, 46.)

Again it does not seem reasonable to suppose that Congress would have authorized the Organization Committee to establish these very elaborate banking units if another body to be organized only a few months later was to have the power not only to make readjustments among them but to abolish altogether a substantial number of them.

Finally, the power of readjusting districts and of creating new districts conferred by this provision upon the Federal Reserve Board is subject to two limitations only: (1) There must be "due regard to the convenience and customary course of business," and (2) the number of districts can not exceed 12 (sec. 2). If, therefore, the power to readjust districts includes the power to abolish districts, I see nothing to prevent the Board from abolishing districts and banks until the number is reduced not only to eight but to six, four, or even one, if in the judgment of the Board "due regard to the convenience and customary course of business" dictates that policy. Assuredly Congress intended no such result.

But not only does *this* provision afford no sufficient basis for implying that Congress intended to grant the power in question; there is *another* provision in the Act which shows affirmatively, I think, that it *did not* intend to grant that power.

Section 4 provides that—

"Upon the filing of such certificate with the Comptroller of the Currency as aforesaid, the said Federal Reserve Bank shall become a body corporate and as such, and in the name designated in such organization certificate, shall have power * * *.

* * * * *

"Second. *To have succession for a period of twenty years from its organization unless it is* *sooner dissolved by an act of Congress, or unless its franchise becomes forfeited by some violation of the law.*"

Here is an assurance by Congress that a Federal Reserve Bank organized under the provisions of this Act shall have the right to exist for a period of 20 years, except in two specific contingencies, i. e., unless it shall forfeit the right by a violation of law, or unless Congress itself shall shorten the period.

The Federal Reserve Banks were organized, their capital subscribed, and large obligations undertaken by them on the faith of that express assurance and in the expectation of enjoying that right.

Manifestly, to imply a power in the Federal Reserve Board to abolish Federal Reserve Banks at will would directly conflict with the rights and powers expressly conferred upon those banks by this section.

A power thus *expressly* conferred can not be destroyed or seriously impaired by *implying* a conflicting power—at least not unless the grounds for the implication are irresistible, which, as we have seen, is not the case here. (Texas & Pacific Ry. Co. *v.* Abilene Cotton Oil Co., 204 U. S., 426, 440, 441, 446; Wilder Mfg. Co. *v.* Corn Products Co., 236 U. S., 165, 174, 175.)

Finally, it remains to be observed that the reports of the committees which considered this Act and the debates attending its passage, while discussing fully many different powers conferred or proposed to be conferred upon the Federal Reserve Board, contain no mention of the power here in question. This is very significant. It shows, I think, an entire absence on the part of Congress of any thought of conferring such a power. For, considering the far-reaching consequence of the power, it is not easy to believe that if the granting of it had been under consideration at all, the fact would not have been mentioned by some one in the course of the thorough and exhaustive discussion which the subject underwent in Congress.

I sum up my conclusions as follows:

First, concededly the power to abolish Federal Reserve Districts and Federal Reserve Banks is not conferred upon the Federal Reserve Board in express terms; second, it is a rule of statutory construction that the failure to grant in express terms a power of such great consequence raises a convincing presumption that Congress did not intend to grant it; third, putting out of view that presumption, there is no provision in the Act from which an intention to confer this power can fairly be implied, but on the contrary there is a provision which shows affirmatively that Congress did not intend to confer it; fourth, the absence of any mention of such a power in the reports of committees and the debates dealing with the legislation shows that the thought of conferring it was not in the mind of Congress. I am of the opinion, therefore, that the Board does not possess the power in question.

Very respectfully,

T. W. GREGORY,
Attorney General.

The PRESIDENT,
The White House.

Committees of the Board.

These committees of the Federal Reserve Board were established on November 23 and supersede previous lists:

Audit and examination.—Mr. Delano, Mr. Harding, Mr. Warburg.

Clearings.—Mr. Delano, Mr. Harding.

Discount policy.—Mr. Warburg, Mr. Miller, Mr. Harding.

Executive.—Mr. Hamlin, Mr. Delano, Mr. Miller.

Foreign branches and agencies.—Mr. Warburg, Mr. Delano.

Gold settlement fund.—Mr. Harding, Mr. Warburg.

Investments.—Mr. Warburg, Mr. Harding.

Issue and redemption.—Mr. Miller, Mr. Delano, Mr. Harding.

Law.—Mr. Hamlin, Mr. Delano, Mr. Warburg.

Operation of Federal Reserve Banks:

Boston: Mr. Warburg, Mr. Hamlin.

New York, Philadelphia: Mr. Warburg, Mr. Delano.

Cleveland, Chicago, Minneapolis: Mr. Delano, Mr. Warburg.

Richmond: Mr. Harding, Mr. Williams.

St. Louis, Kansas City, San Francisco: Mr. Miller, Mr. Harding.

Atlanta, Dallas: Mr. Harding, Mr. Miller.

Open-market operations.—Mr. Harding, Mr. Delano.

Member and State banks.—Mr. Harding, Mr. Warburg, Mr. Williams.

Organization and expenditures.—Mr. Delano, Mr. Harding, Mr. Miller.

(*a*) Subcommittee, organization and staff: Mr. Delano, Mr. Harding.

(*b*) Subcommittee, budget and expenditures: Mr. Delano, Mr. Miller.

Relations with Federal Reserve Agents.—Mr. Miller, Mr. Delano.

Relations with Treasury Department.—Mr. Delano, Mr. Miller, Mr. Williams.

Reports and statistics.—Mr. Miller, Mr. Williams.

GOLD-SETTLEMENT FUND.

Combined balances of Federal Reserve Banks and Federal Reserve Agents carried in the gold-settlement fund of the Federal Reserve Board passed $100,000,000 at the settlement of November 18. This was the day before the expiration of the first six months of operation of the fund.

In this connection the Federal Reserve Board gave the following statement to newspapers:

More than $100,000,000 is now held by the Federal Reserve Board in its gold-settlement fund, made up of balances to the credit of the 12 Federal Reserve Banks and the Federal Reserve Agents. In the weekly clearing made by the Board to-day the balance in the fund was shown to be $102,620,000, made up of deposits held to the credit of the Federal Reserve Banks and Federal Reserve Agents for the purpose of clearing balances between them existing at the close of business each Wednesday. Each bank telegraphs to the Federal Reserve Board a statement of the amounts due to other banks and the clearing takes place on each Thursday morning.

Clearing operations were begun on May 19, 1915, and the fund is therefore now six months old. The first actual clearing was on May 26, each Federal Reserve Bank at that time being required to deposit $1,000,000 in the fund and an amount in addition equal to its indebtedness to other Federal Reserve Banks.

Authority for clearings between Federal Reserve Banks is found in section 16 of the Federal Reserve Act, under which the Board is authorized in its discretion to exercise the functions of a clearing house for the Federal Reserve Banks. A regulation covering the matter was issued by the Board on May 8. Deposits by the Federal Reserve Banks in this fund are counted as legal reserve. On September 8, 1915, the Board authorized accounts to be opened with the 12 Federal Reserve Agents. The fund is now divided as follows: Balances to the credit of Federal Reserve Banks, $69,240,000; balances to the credit of Federal Reserve Agents, $33,380,000.

These amounts are now held by the Board in gold-order certificates in denominations of $10,000. Deposits in the fund are, through the courtesy of the Treasury Department, made by Federal Reserve Banks through the subtreasuries. When a deposit is made at a subtreasury, advice is wired to the Treasurer of the United States at Washington who then causes gold certificates to be issued to the Federal Reserve Board. When payments are made from the fund, the operation is of course reversed. Transfers are, however, for the most part on the books of the gold-settlement fund by credits and debits between the 12 banks or between banks and the Federal Reserve Agents.

The gold settlement fund is administered for the Board by officers connected with its organization who do the work in addition to their other duties. Its cost of administration during the first six months of its existence has been slightly in excess of $1,000. During this period balances of $719,688,000 have been settled.

In providing for clearings between the Federal Reserve Banks the Federal Reserve Board agreed that the cost of operation of the gold settlement fund and such shipments of currency as were necessary should be apportioned by semiannual accounting among the 12 Federal Reserve Banks. The expense for the first six months of operation, ending November 20, 1915, was estimated at $1,037.30, an amount relatively so small that the Federal Reserve Board decided without creating precedent to charge this amount against the funds derived from the regular semiannual assessment for expenses of the Federal Reserve Board. A detailed statement of the expenses of the fund is as follows:

Equipment	$412.01
Printing	196.80
Telegrams	228.49
Consultation, prior to opening	200.00
Total	1,037.30

Total amount of clearings to Nov. 26, 1915.

	Total clearings.	Balances.
Previously reported	$548,153,000	$110,720,000
Settlement of—		
Oct. 28	40,046,000	9,385,000
Nov. 4	37,227,000	3,934,000
Nov. 11	43,317,000	5,729,000
Nov. 18	50,945,000	8,953,000
Nov. 26	44,937,000	8,727,000
Total	764,625,000	147,448,000

Gold settlement fund—Summary of transactions Oct. 22, 1915, to Nov. 25, 1915.

Federal Reserve Bank of—	Balance last statement, Oct. 21, 1915.	Gold.		Transfers.		Settlement of Oct. 28, 1915.				Oct. 28, 1915, balance in fund after clearing.
		Withdrawn.	Deposited.	Debit.	Credit.	Net debits.	Total debits.	Total credits.	Net credits.	
Boston	$2,620,000						$4,009,000	$6,653,000	$2,644,000	$5,264,000
New York	3,734,000		$10,000,000			$9,242,000	17,132,000	7,890,000		4,492,000
Philadelphia	2,339,000						4,635,000	5,459,000	824,000	3,163,000
Cleveland	4,597,000						627,000	964,000	337,000	4,934,000
Richmond	6,904,000	1,100,000					3,219,000	4,584,000	1,365,000	7,169,000
Atlanta	2,736,000	700,000			$118,000		1,608,000	2,199,000	591,000	2,745,000
Chicago	10,868,000						3,503,000	3,971,000	468,000	11,336,000
St. Louis	4,054,000						3,645,000	4,250,000	605,000	4,659,000
Minneapolis	5,125,000					143,000	177,000	34,000		4,982,000
Kansas City	2,748,000						1,098,000	1,258,000	160,000	2,908,000
Dallas	6,062,000	500,000		$118,000			384,000	1,940,000	1,556,000	7,000,000
San Francisco	3,683,000						9,000	844,000	835,000	4,518,000
Total	55,470,000	2,300,000	10,000,000	118,000	118,000	9,385,000	40,046,000	40,046,000	9,385,000	63,170,000

Federal Reserve Bank of—	Balance last statement Oct. 28, 1915.	Gold.		Transfers.		Settlement of Nov. 4, 1915.				Nov. 4, 1915, balance in fund after clearing.
		Withdrawn.	Deposited.	Debit.	Credit.	Net debits.	Total debits.	Total credits.	Net credits.	
Boston	$5,264,000					$1,794,000	$6,272,000	$4,478,000		$3,470,000
New York	4,492,000					757,000	9,893,000	9,136,000		3,735,000
Philadelphia	3,163,000					1,034,000	4,919,000	3,885,000		2,129,000
Cleveland	4,934,000						788,000	1,082,000	$294,000	5,228,000
Richmond	7,169,000	[1] $400,000	$90,000				3,153,000	3,193,000	40,000	6,899,000
Atlanta	2,745,000	[1] 850,000					1,460,000	2,268,000	808,000	2,703,000
Chicago	11,336,000						4,496,000	5,060,000	564,000	11,900,000
St. Louis	4,659,000						3,720,000	4,039,000	319,000	4,978,000
Minneapolis	4,982,000	[1] 1,000,000					104,000	1,485,000	1,381,000	5,363,000
Kansas City	2,908,000					349,000	1,738,000	1,389,000		2,559,000
Dallas	7,000,000						573,000	1,065,000	492,000	7,492,000
San Francisco	4,518,000	[1] 200,000					111,000	147,000	36,000	4,354,000
Total	63,170,000	2,450,000	90,000			3,934,000	37,227,000	37,227,000	3,934,000	60,810,000

Federal Reserve Bank of—	Balance last statement Nov. 4, 1915.	Gold.		Transfers.		Settlement of Nov. 11, 1915.				Nov. 11, 1915, balance in fund after clearing.
		Withdrawn.	Deposited.	Debit.	Credit.	Net debits.	Total debit.	Total credit.	Net credit.	
Boston	$3,470,000						$5,529,000	$6,626,000	$1,097,000	$4,567,000
New York	3,735,000		$5,000,000			$5,729,000	16,739,000	11,010,000		3,006,000
Philadelphia	2,129,000						5,440,000	5,954,000	514,000	2,643,000
Cleveland	5,228,000						863,000	1,002,000	139,000	5,367,000
Richmond	6,899,000						4,676,000	4,680,000	4,000	6,903,000
Atlanta	2,703,000	[1] $1,000,000					1,572,000	2,384,000	812,000	2,515,000
Chicago	11,900,000						3,048,000	3,342,000	294,000	12,194,000
St. Louis	4,978,000						3,141,000	3,785,000	644,000	5,622,000
Minneapolis	5,363,000	[1] 1,000,000					148,000	743,000	595,000	4,958,000
Kansas City	2,559,000						1,659,000	2,203,000	544,000	3,103,000
Dallas	7,492,000	[1] 500,000	[2] 250,000				490,000	1,461,000	971,000	8,213,000
San Francisco	4,354,000						12,000	127,000	115,000	4,469,000
Total	60,810,000	2,500,000	5,250,000			5,729,000	43,317,000	43,317,000	5,729,000	63,560,000

Federal Reserve Bank of—	Balance last statement, Nov. 11, 1915.	Gold.		Transfers.		Settlement of Nov. 18, 1915.				Nov. 18, 1915, balance in fund after clearing.
		Withdrawn.	Deposited.	Debit.	Credit.	Net debit.	Total debit.	Total credit.	Net credit.	
Boston	$4,567,000			$50,000			$7,640,000	$8,650,000	$1,010,000	$5,527,000
New York	3,006,000		$6,000,000			$6,115,000	16,249,000	10,134,000		2,891,000
Philadelphia	2,643,000		500,000	15,000		1,936,000	7,358,000	5,422,000		1,192,000
Cleveland	5,367,000		100,000	44,000	$22,000		1,078,000	3,222,000	2,144,000	7,589,000
Richmond	6,903,000						4,107,000	5,840,000	1,733,000	8,636,000
Atlanta	2,515,000	[1] $150,000			242,000	463,000	1,847,000	1,384,000		2,144,000
Chicago	12,194,000	[1] 4,260,000	4,260,000	6,000			5,293,000	5,396,000	103,000	12,291,000
St. Louis	5,622,000	[1] 1,000,000				439,000	5,343,000	4,904,000		4,183,000
Minneapolis	4,958,000			69,000			104,000	540,000	436,000	5,325,000
Kansas City	3,103,000						1,403,000	3,462,000	2,059,000	5,162,000
Dallas	8,213,000						505,000	797,000	292,000	8,505,000
San Francisco	4,469,000		[2] 230,000	80,000			18,000	1,194,000	1,176,000	5,795,000
Total	63,560,000	5,410,000	11,090,000	264,000	264,000	8,953,000	50,945,000	50,945,000	8,953,000	69,240,000

[1] Transfer to Federal Reserve Agent.

[2] Transfer from Federal Reserve Agent.

Gold settlement fund—Summary of transactions Oct. 22, 1915, to Nov. 25, 1915—Continued.

Federal Reserve Bank of—	Balance last statement, Nov. 18, 1915.	Gold.		Transfers.		Settlement of Nov. 26, 1915.				Nov. 26, 1915, balance in fund after clearing.
		Withdrawn.	Deposited.	Debit.	Credit.	Net debits.	Total debits.	Total credits.	Net credits.	
Boston	$5,527,000			$15,000		$253,000	$5,117,000	$4,864,000		$5,259,000
New York	2,891,000		$5,000,000			4,006,000	12,175,000	8,169,000		3,885,000
Philadelphia	1,192,000						5,926,000	8,724,000	$2,798,000	3,990,000
Cleveland	7,589,000				$346,000		871,000	2,106,000	1,235,000	9,170,000
Richmond	8,636,000		90,000				4,729,000	5,271,000	542,000	9,268,000
Atlanta	2,144,000			292,000	74,000	517,000	1,821,000	1,304,000		1,409,000
Chicago	12,291,000			322,000	292,000	2,525,000	7,602,000	5,077,000		9,736,000
St. Louis	4,183,000					1,426,000	5,140,000	3,714,000		2,757,000
Minneapolis	5,325,000			33,000			124,000	629,000	505,000	5,797,000
Kansas City	5,162,000			50,000			1,149,000	2,395,000	1,246,000	6,358,000
Dallas	8,505,000						269,000	929,000	660,000	9,165,000
San Francisco	5,795,000						14,000	1,755,000	1,741,000	7,536,000
Total	69,240,000		5,090,000	712,000	712,000	8,727,000	44,937,000	44,937,000	8,727,000	74,330,000

Federal Reserve Agents' fund—Summary of transactions Oct. 22, 1915, to Nov. 26, 1915.

Federal Reserve Agent at—	Oct. 21, 1915, balance.	Week ending Oct. 28, 1915.		Week ending Nov. 4, 1915.	
		Deposited.	Balance.	Deposited.	Balance.
Richmond	$7,300,000	$1,100,000	$8,400,000	$400,000	$8,800,000
Atlanta	8,500,000	700,000	9,200,000	850,000	10,050,000
Minneapolis				1,000,000	1,000,000
Dallas	1,000,000	500,000	1,500,000		1,500,000
San Francisco	4,400,000		4,400,000	200,000	4,600,000
Total	21,200,000	2,300,000	23,500,000	2,450,000	25,950,000

Federal Reserve Agent at—	Week ending Nov. 11, 1915.			Week ending Nov. 18, 1915.			Week ending Nov. 26, 1915.	
	Withdrawn.	Deposited.	Balance.	Withdrawn.	Deposited.	Balance.	Deposited.	Balance.
Richmond			$8,800,000			$8,800,000		$8,800,000
Atlanta		$1,000,000	11,050,000		$150,000	11,200,000		11,200,000
Chicago					4,260,000	4,260,000		4,260,000
St. Louis					1,000,000	1,000,000		1,000,000
Minneapolis		1,000,000	2,000,000			2,000,000		2,000,000
Dallas	$250,000	500,000	1,750,000			1,750,000		1,750,000
San Francisco			4,600,000	$230,000		4,370,000		4,370,000
Total	250,000	2,500,000	28,200,000	230,000	5,410,000	33,380,000		33,380,000

DISCOUNT RATES.

Discount rates of each Federal Reserve Bank in effect Nov. 26, 1915.

	Maturities of 10 days and less.	Maturities of over 10 to 30 days, inclusive.	Maturities of over 30 to 60 days, inclusive.	Maturities of over 60 to 90 days, inclusive.	Agricultural and live-stock paper over 90 days.	Trade acceptances.		Commodity paper.
						To 60 days, inclusive.	Over 60 to 90 days, inclusive.	
Boston	3	4	4	4	5	3½	3½	[1] 3½
New York	3	4	4	4	5	3½	3½	
Philadelphia	3	4	4	4	4½	3	3	[1] 3
Cleveland	3½	4	4	4½	5	3½	4	
Richmond		4	4	4	5	3½	4	[1] 3
Atlanta		4	4	4	5	3½	3½	3
Chicago		4	4	4½	5			
St. Louis	3	4	4	4	5	3½	3½	3
Minneapolis		4	4	4½	5			3
Kansas City		4	4	4	5	3½	3½	3
Dallas		4	4	4	4½	3½	4	3
San Francisco	3	3½	4	4½	6	3	3½	(2)

[1] Rate for commodity paper maturing within 90 days.
[2] Rate for commodity paper maturing within 30 days, 3½ per cent; over 30 to 60 days, 4 per cent; over 60 to 90 days, 4½ per cent; over 90 days, 5 per cent.

INFORMAL RULINGS OF THE BOARD.

Below are reproduced letters sent out from time to time over the signatures of the officers of the Federal Reserve Board, which contain information believed to be of general interest to Federal Reserve Banks and member banks of the system:

Payment for Unfit Notes.

A committee of the Federal Reserve Board has had under consideration the question whether Federal Reserve Agents should be permitted to make transfers from the Federal Reserve Agents' fund to the credit of their banks in the gold settlement fund, in payment of unfit Federal Reserve notes shipped by the banks to the Comptroller of the Currency. This committee has reported as follows, which report has to-day been approved by the Federal Reserve Board:

"There is no objection to such transfers, provided that these transfers are being made in amounts which are multiples of ten thousand. It is important that the principle be observed that no payment or transfer should be made which can not be settled by the use of $10,000 gold certificates."

No ruling has yet been made as to who shall forward and pay charges for shipment of notes.

Liquidating Banks.

I am instructed to advise you that the Board is of the opinion that the provision in section 5222, Revised Statutes, requiring a national bank to deposit with the Treasurer of the United States lawful money of the United States sufficient to redeem all its outstanding circulation within six months from the date of the vote to go into liquidation is mandatory, and this office has no authority to grant any extension of time.

Acceptances.

Your letter of October 19, inquiring whether a 90-day sight draft drawn by a firm in Calcutta on a company in Boston and accepted by that firm, covering a transaction involving the transportation of merchandise from Calcutta to Honolulu, should be accepted by you as an eligible banker's acceptance is received.

My impression is that it could not be accepted as a banker's acceptance, but could be as a trade acceptance. It is supposed that the company is not granting a banker's credit in order to finance a shipment of goods from Calcutta to Honolulu, but probably the company has bought the goods in Calcutta and is shipping them to Honolulu as a consignment or as the consequence of a sale there.

It is true that our regulation permits as eligible the acceptance of a firm "engaged in the business of accepting or discounting," but my understanding is that this accepting must be done by the firm or corporation acting as banker; that is to say, granting an acceptance credit and not simply using its acceptance to finance its own transactions.

Whether or not my reasoning is correct in this instance will, of course, depend upon the details of the transaction and the position therein occupied by the company. As to that, you will be in a better position to find out than the Board.

OCTOBER 26, 1915.

Use of Official Stationery.

I am sending you attached a letter addressed to the Comptroller of the Currency by a director of a Federal Reserve Bank, and written on the letterhead of your bank, touching a matter in controversy between a national bank of which he is president and the office of the Comptroller regarding charging off some real estate owned by his bank. The matter in question has no reference to the activities of the Federal Reserve Bank or the writer's function as a director of the bank. Some question has in consequence been raised as to the propriety of his using the letterhead of your bank in this correspondence and over his signature as a director of said bank. I am inclined to think that bad taste has been shown by the writer of the letter in this matter, and I believe it would not be improper for you, in such way as you deem best, to call his attention to it.

OCTOBER 27, 1915.

Cancellation of Bonds.

Your letter of October 28, asking that the bond of the Deputy Federal Reserve Agent of your bank be returned to you for cancellation, has been received and considered by the Board.

These bonds were, of course, in force during the period that your associate served as Deputy Federal Reserve Agent and should therefore be retained as a part of the records of this office.

If you desire to take up with the company the question of repaying any premiums for the unexpired period covered by these bonds, it should be sufficient for you to furnish to such company a certificate to the effect that your associate resigned as Deputy Federal Reserve Agent on a given date. A copy of this certificate may be filed with the bonds in this office as a mater of record.

Although the premium was paid for one year, the bond will, of course, be effective only for the period of service as Deputy Federal Reserve Agent, and evidence of the termination of this service should be sufficient for the bonding company.

NOVEMBER 1, 1915.

Clayton Act Interpretations.

I wish to acknowledge receipt of your letter of October 29, 1915, relating to the construction of section 8 of the Clayton Act.

You are advised that the Counsel for the Federal Reserve Board has ruled, in an opinion dated November 21, 1914, and printed on page 27 of the May Bulletin, that the two-year limitation of section 8 applies to all three paragraphs and not merely to the first and third paragraphs of that section.

Regarding your second question, namely, whether the provisos in the second paragraph of section 8 apply to the entire section or merely to the second paragraph, you are advised that Counsel for the Board is of the opinion that all three provisos in that paragraph apply to the first as well as to the second paragraph of section 8, and that, therefore, a man may be a director or other officer or employee of two banks or trust companies if the entire capital stock of one is owned by the stockholders of the other, regardless of the amount of deposit, capital, surplus, and undivided profits, and regardless of the location of either bank.

NOVEMBER 1, 1915.

Your letter of October 4, requesting information regarding the requirements of the Clayton Antitrust Law, is received. Your letter has been referred to Counsel, who is of the opinion that a violation of the terms of that act would not be committed by your continuing to qualify after October 15, 1916, as a director and officer in five incorporated banks located in as many villages of less than 1,000 population each, organized and operating under the laws of Michigan, the total resources of none of which State banks exceeds $500,000, and at the same time continuing to qualify as a director and an officer of a national bank in the State, whose total resources are slightly in excess of five and one-half million dollars, provided none of the State banks in question is a member of the Federal Reserve System.

OCTOBER 7, 1915.

You are advised that the Clayton Antitrust Act does not prohibit an officer or director of a national bank with total assets of less than $5,000,000 from serving at the same time as an officer or director in a State bank or trust company with total assets of less than $5,000,000, provided, that the banks in question are not both located in the same city of 200,000 inhabitants or more.

Section 8 of the Clayton Antitrust Act does not, therefore, prohibit a person from serving as a director of two banks of the kind and under the circumstances mentioned by you.

NOVEMBER 18, 1915.

Identification of Specific Goods Under Acceptances.

The inquiry contained in your letter of the 4th instant, viz, whether or not the Second National Bank can give its assurance that its acceptance is based upon an import or export transaction without being able to identify the specific goods covered by the transaction, has been placed before the Federal Reserve Board. The Board has authorized me to say to you in reply that it is not necessary that the specific goods covered by the acceptance must be identified at the time of the acceptance.

As a matter of fact, the law says that the transactions must "involve" the importation or exportation of goods, and I refer you to a ruling of the Board in this respect, from which you may see that the goods may be purchased and shipped subsequent to the time of the first acceptance (p. 276 of the Bulletin of Sept. 1); provided, however, that there is a definite, bona fide contract for the shipment of the goods involved within a specified and reasonable time.

In a similar manner, upon payment of the acceptance, the accepting bank may, for a reasonable period, accept new drafts for the financing of the original transaction, even after the shipment and delivery of the goods; provided, however, that such renewals be stipulated in the original contract as an incidental condition of the transaction of importation or exportation upon which the acceptance is based.

Your correspondent appears to raise the further question as to the evidence that he may accept as covering his own certification in the matter. The Board feels that, in this matter, good faith must be relied upon to a large extent, and that a member bank would be justified in putting on the legend: "This acceptance is based upon a transaction involving the importation or exportation of goods;" provided, it is satisfied the statement by its customer is made in good faith.

You are aware of the fact that the Federal Reserve Bank reserves the right to ask State member banks for evidence underlying the certification given to it, and the bank examiner may require evidence from the national bank. Member banks would, therefore, best protect themselves by stipulating for themselves the right at times to ask for substantiation of the assurances given by their customers that the proceeds have been or are to be used for transactions involving the importation or exportation of goods, unless the documents passing through the hands of the member banks furnish the acceptor with sufficient evidence of the transaction.

NOVEMBER 9, 1915.

Potatoes Not Security for Commodity Loans.

By direction of the Board I have the honor to return herewith the file of papers relating to the use of potatoes as a basis for commodity loans at Federal Reserve Banks. The Board has directed me to say that, in its judgment, potatoes not being a nonperishable product, are unsuitable for use as a basis for rediscount under the commodity rate circular.

NOVEMBER 10, 1915.

Stock Adjustments.

Your attention is invited to my letter dated March 13, last, relative to the matter of stock adjustments, in which you were requested to ask member banks to file their applications quarterly—that is, on the 1st days of January, April, July, and October of each year—in all cases where additional stock is applied for or where member banks desire to surrender or cancel a part of the stock held.

With a view to having the practice uniform in the different Federal Reserve Banks, it is suggested that such applications be received during the first month of the quarterly period, at the end of which time they should be forwarded to the Board, and that those received thereafter during that quarter be held and forwarded with others at the beginning of the next quarter, unless there is some special reason why a particular application should have action at an earlier date.

It will facilitate the work here if a certificate of increase or decrease, as required by section 5 of the Federal Reserve Act, is filed as of the last day of each quarter. This will enable the office to adjust its records with those of the Federal Reserve Banks at the beginning of each quarter.

NOVEMBER 16, 1915.

Purchase of Commodity Loans.

I acknowledge receipt of your letter of November 12 asking whether it would be proper for your bank to buy from member banks commodity loans without their indorsement, and have to reply that the transaction in question would fall under the open-market section of the Act (sec. 14), and more particularly paragraph C, which authorizes Federal Reserve Banks to purchase from member banks bills of exchange arising out of commercial transactions.

So far, therefore, as concerns the propriety of your bank buying paper from its member banks without indorsement, there appears to be no question, provided the paper is otherwise eligible. You will note, however, that such purchases are limited in paragraph C to bills of exchange, while the commodity loans that you appear to have in mind are in form ordinary promissory notes or one-name paper. Unless, therefore, there is two-name commodity paper, or such paper can be created in connection with commodity loans, the transaction would not come within the provisions of the law, the "discount of notes (promissory notes)" being limited to operations under section 13 where the indorsement of a member bank is a prerequisite.

NOVEMBER 16, 1915.

Loans by Member Banks.

The Act does not make it obligatory upon member banks to loan money to farmers on warehouse receipts, but if they do make such loans at 6 per cent it is possible for them to rediscount the notes at the Federal Reserve Bank for the district in which they are situated at 3 per cent, making a profit of 3 per cent on the transaction. This means that they may make a loan of $1,000 in your city, send the note to the Federal Reserve Bank with proper warehouse receipt and certificate of insurance attached, and receive a similar loan on this paper from the Federal Reserve Bank. This, as you will see, enables them to rediscount the paper and repeat the operation with a profit of 3 per cent in each instance.

Interest rates which may be charged are generally covered by State law.

A bank which replies to your request for a loan, that it has loaned to the limit, may, if it has notes which comply with the definition of commercial or other discountable paper, send this paper to the Federal Reserve Bank for rediscount and so be able to reloan the money which it thus receives.

NOVEMBER 20, 1915.

PRESS STATEMENTS.

Various questions have been brought before the Federal Reserve Board with reference to the elections of directors which are now in progress. In some districts it has appeared that only one eligible candidate was nominated for a given place, and the question has arisen how the preferential voting system under the Act shall be carried on.

The Federal Reserve Board has taken the view that where only one or two candidates are nominated preferential ballots may be limited to one or two choices as the case may be, without invalidating the ballot, but that where three or more candidates are nominated the preferential ballot must be completely filled.

In the case of electors representing the several banks, empowered to cast the ballot of those banks, the Board is urging the election of such electors. Where directors' meeting of member banks are not to be held for some time to come, it is permitting the elector chosen last year to cast the ballot of the bank this year. In addition, however, the Board is recognizing the chairman of each bank as being in full charge of the process of electing electors and directors, and it has to-day sent all Federal Reserve Agents, in accordance with this theory, the following telegram:

"Organization Committee in holding previous elections acted as chairman of Board of Federal Reserve Banks, and its rulings were made in that capacity. Questions submitted involve interpretation of United States statutes. In making rulings in present election you may consult counsel for bank, or are at liberty to consult counsel for Board, who will advise you as to rulings by Organization Committee in previous elections for your information. While it is desirable that procedure in all districts should be uniform and suggestions are made to that end, determination of questions arising under statute rests with chairman of board of each bank."

NOVEMBER 8, 1915.

A committee appointed by the Federal Reserve Board to consider appeals from the decisions of the Reserve Bank Organization Committee regarding the determination of Federal Reserve districts and cities, to-day reported to the Federal Reserve Board that the following appeals are now pending:

First, the appeal of Baltimore that it be selected in preference to Richmond as the Federal Reserve city of the fifth district.

Second, the appeal of Pittsburgh that it be selected in preference to Cleveland as the Federal Reserve city of the fourth district.

Third, the appeal of a group of banks in certain counties of Wisconsin that they be taken out of the Minneapolis district and added to the Chicago district.

Fourth, the appeal of certain banks in the western half of Connecticut that they be taken out of the Boston district and added to the New York district.

Fifth, the appeal of certain banks of Louisiana that they be included in the Atlanta district and operate through the New Orleans branch in preference to being included in the Dallas district.

The committee asked for instructions as to whether these five cases be dealt with in a comprehensive way by considering the broader question of readjustment of districts or whether it should handle each question by itself.

There was also presented to the Board an opinion of the Attorney General of the United States dealing with some phases of the legal right of the Board in regard to action on such appeals. After a general discussion of the whole situation, it was unanimously agreed that further investigation of the powers of the Board with reference to the whole question was required before any action could be taken, and the report of the committee was laid on the table pending the making of further investigation of the subject.

NOVEMBER 22, 1915.

Intradistrict Clearing System.

Additions to and withdrawals from the system since the publication of the lists in previous issues of the Bulletin are as follows:

DISTRICT No. 2.

Additions:
- Orange National Bank, Orange, N. J.
- Mariner Harbor National Bank, Mariner Harbor, N.Y.
- Stapleton National Bank, Stapleton, N. Y.

Withdrawal:
- First National Bank, Dunellen, N. J.

DISTRICT No. 3.

Addition:
- Manayunk National Bank, Philadelphia, Pa.

Withdrawals:
- First National Bank, Liverpool, Pa.
- Mount Jewett National Bank, Mount Jewett, Pa.

DISTRICT No. 4.

Addition:
- First National Bank, Bucyrus, Ohio.

Withdrawal:
- Commercial National Bank, Pittsburgh, Pa.

DISTRICT No. 5.

Withdrawal:
- National Bank of Greenville, Greenville, N. C.

DISTRICT No. 6.

Addition:
- Farmers National Bank, Fayetteville, Tenn.

Withdrawal:
- First National Bank, Quitman, Ga.

DISTRICT No. 7.

Additions:
- Farmers and Merchants National Bank, Benton Harbor, Mich.
- First National Bank, Morrisonville, Ill.

Withdrawals:
- First National Bank, Waterloo, Iowa.
- Leavitt and Johnson National Bank, Waterloo, Iowa.

DISTRICT No. 8.

Addition:
- Staunton National Bank, Staunton, Ill.

Withdrawals:
- Simmons National Bank, Pine Bluff, Ark.
- State National Bank, Texarkana, Ark.
- First National Bank, Stuttgart, Ark.

DISTRICT No. 11.

Withdrawals:
- First National Bank, Canton, Tex.
- Coleman National Bank, Coleman, Tex.
- American National Bank, Fort Worth, Tex.
- Farmers & Mechanics National Bank, Fort Worth, Tex.
- First National Bank, Fort Worth, Tex.
- Fort Worth National Bank, Fort Worth, Tex.
- First National Bank, Gainesville, Tex.
- Lindsay National Bank, Gainesville, Tex.

Withdrawals—Continued.
- Houston National Exchange Bank, Houston, Tex.
- Citizens National Bank, Waco, Tex.
- Waxahachie National Bank, Waxahachie, Tex.
- Citizens National Bank, Weatherford, Tex.
- City National Bank, Wichita Falls, Tex.

DISTRICT No. 12.

Additions:
- First National Bank, Calexico, Cal.
- Citizens National Bank, Redlands, Cal.
- First National Bank, Santa Maria, Cal.

Withdrawals:
- Citrus National Bank, Exeter, Cal.
- First National Bank, Fullerton, Cal.

Fiduciary Powers.

Applications from the following banks for permission to act under section 11 (*k*) of the Federal Reserve Act have been approved since the issue of the November Bulletin, as follows:

DISTRICT No. 2.

Trustee, executor, administrator, and registrar of stocks and bonds:
- First National Bank, Long Branch, N. J.
- First National Bank, Hoboken, N. J.
- Essex County National Bank, Newark, N. J.
- Merchants National Bank, Newark, N. J.
- Peoples National Bank, New Brunswick, N. J.
- City National Bank, Plainfield, N. J.

DISTRICT No. 3.

Trustee, executor, administrator, and registrar of stocks and bonds:
- Peoples National Bank, Laurel, Del.

DISTRICT No. 5.

Trustee, executor, administrator, and registrar of stocks and bonds:
- First National Bank, Newport News, Va.

DISTRICT No. 6.

Trustee, executor, administrator, and registrar of stocks and bonds:
- First National Bank, Tuscaloosa, Ala.

DISTRICT No. 7.

Trustee, executor, administrator, and registrar of stocks and bonds:
- City National Bank, Clinton, Iowa.

Trustee, executor, and administrator:
- First National Bank, Traverse City, Mich.

DISTRICT No. 9.

Trustee, executor, administrator, and registrar of stocks and bonds:
- City National Bank, Oshkosh, Wis.

DISTRICT No. 12.

Trustee, executor, and administrator:
- First National Bank, Junction City, Oreg.

LAW DEPARTMENT.

The following opinions of counsel have been authorized for publication by the Board since the last edition of the Bulletin:

Reserve Against Postal Savings Deposits.

All member banks must maintain the amount of reserve prescribed by section 19 of the Federal Reserve Act against all public deposits, including postal savings deposits.

NOVEMBER 5, 1915.

SIR: This office has been requested to give an opinion on the question of whether or not national banks are required to carry reserve against postal savings deposits.

Section 5191 of the Revised Statutes, which prescribes the amount of reserve to be carried by national banks, did not exempt from its provisions public deposits. The Secretary of the Treasury, on October 4, 1902, issued a circular letter to the effect that the comptroller and the Secretary would not enforce penalties for failure to maintain reserve against banks failing to carry reserve against public deposits.

The act of May 30, 1908, commonly known as the "Aldrich-Vreeland Act," provided in section 14:

"That the provisions of section 5191 of the Revised Statutes with reference to the reserve of national banking associations shall not apply to deposits of public moneys by the United States in designated depositories."

This act expired by limitation under its terms on the 30th day of June, 1914, but its provisions were extended, by section 27 of the Federal Reserve Act, to June 30, 1915, with the proviso that section 5191, above referred to, and certain other sections which were amended by the act of May 30, 1908, be reenacted to read as such sections read prior to May 30, 1908, subject, however, to such amendments or modifications as were prescribed in the Federal Reserve Act. Accordingly, section 5191 as reenacted does not exempt public deposits from reserve requirements (which requirements have been materially reduced by the provisions of the Federal Reserve Act), and banks holding such deposits are by law required to carry reserve against them in the same manner and to the same extent as such banks carry reserve against other deposits.

In prescribing reserve to be carried under the provisions of the Federal Reserve Act by member banks, a distinction is made between time and demand deposits. It is understood by this office, however, that all postal savings deposits are subject to demand and can not be classed as time deposits.

Under the terms of the Federal Reserve Act, therefore, all member banks should maintain the amount of reserve prescribed by section 19 of the act against public as well as against other deposits.

Respectfully,

M. C. ELLIOTT, *Counsel.*

To Hon. CHARLES S. HAMLIN,
Governor Federal Reserve Board.

Nebraska Law Relating to the Guaranty of Deposits.

The following opinion of the Solicitor of the Treasury holds that national banks located in Nebraska can not avail themselves of the privileges offered by the laws of that State, relating to the guaranty of deposits:

WASHINGTON, *November 8, 1915.*

HON. J. S. WILLIAMS,
Comptroller of the Currency.

SIR: I am in receipt of your letter of the 3d instant, inclosing a copy of the banking laws of the State of Nebraska and requesting to be advised whether national banks located in that State can be permitted to avail themselves of the State law for guaranty of deposits.

Section 344 of the State laws referred to provides that—

"Whenever by act of Congress, or by decision of a Federal court, or departmental construction of the national banking act, national banking associations located and doing business within this State are permitted to avail their depositors of the protection of the depositors' guarantee fund, established by the law of this State for the payment of deposits in closed banks, any such association, after examination at its expense by the State banking board or its agent, and upon its approval as to its financial condition may participate in the assets and benefits of the depositors' guarantee fund upon terms and conditions in harmony with the banking law of this State to be fixed by said board: *Provided,* In the event national banking associations shall be required by Federal enactment to pay assessment to any depositors' guarantee fund of the Federal Government, and thereby the depositors in such associations in this State shall be guaranteed by virtue of Federal laws, that the associations having availed themselves of the benefits of this article, may withdraw therefrom and have returned to them seventy-five per cent of the unused portion of all assessments levied upon and paid by such associations."

I do not know exactly what terms and conditions have been fixed by the State banking board of Nebraska permitting national banks to avail themselves of the benefits of the State law, but such terms and conditions would have to be in harmony with the banking laws of the State. These laws provide for assessments against the capital of a bank to raise and maintain a fund for the guaranty of deposits, sections 324, 325, 326, 327; for examinations and reports by State examiners, section 287; for the appointment of a receiver in case of insolvency or violation of the State laws, section 328; for such receiver to take and retain possession of the bank, its moneys, rights, credit, and property of every description, section 335; for priority in payment of claims, section 332, etc.

These provisions would be in conflict with the laws of the United States pertaining to national banks. Section 5204 of the Revised Statutes of the United States prohibits a national bank from withdrawing or permitting to be withdrawn "either in the form of dividends or otherwise" any portion of its capital; section 5234 provides for the appointment of receivers and their taking possession of the books, records, and assets of every description of an insolvent national bank; section 5241 prohibits any visitorial powers other than such as are authorized by the national-banking laws or are vested in the courts of justice; section 5236 provides for a ratable distribution of the assets of an insolvent national bank among the creditors without priorities except as to any deficiency that may be due the United States upon the redemption of the bank's notes, etc.

I therefore answer the inquiry contained in your letter in the negative.

I have refrained from discussing this matter at any length for the reason that it was very fully discussed in an opinion of this office of March 16, 1908, to the Secretary of the Treasury (a copy of which I inclose herewith) in relation to national banks availing themselves of the depositors' guarantee fund under the laws of the State of Oklahoma. This opinion was approved by the Attorney General in 27 Opinions, 37, and 27 Opinions, 272. It appears, however, that he did not ground his conclusion on the fact that national banks are without the power to contract for insuring the payment of depositors in full. (Opin. A. G., Mar. 31, 1915.[1])

The copy of the banking laws of Nebraska which accompanied your letter is herewith returned.

Very respectfully,

LAURENCE BECKER,
Solicitor.

[1] See p. 29 of May Bulletin.

GENERAL BUSINESS CONDITIONS.

General business and banking conditions are described in reports made by Federal Reserve Agents for the 12 Federal Reserve Districts.

Below are given in detail digests of conditions in the various districts substantially as reported by Federal Reserve Agents.

DISTRICT NO. 1—BOSTON.

There has been but little change in business conditions in this district during the past month. Business has improved but slightly, if at all. Economies which have been practiced by all classes for the last year or two are perhaps not being so rigidly observed, and the public generally is spending money more freely than in the past. This is presumably due to a large extent to the general improvement in conditions and especially to the fact that labor is more generally employed.

Money rates show no advance, the tone being decidedly easy and the supply large. The withdrawals for the second payment of reserve to the Federal Reserve Bank and the withdrawal of the money deposited in connection with the Anglo-French loan have apparently had little effect on the local banks. Loans and discounts of the Boston banks show an increase over last month of $25,754,000 and demand deposits have increased from $324,482,000 to $338,489,000 in the same time. The amount "due to banks" by the Boston banks has decreased $6,502,000 in the past month.

The excess reserve of Boston banks has increased as follows: November 13, 1915, $65,-512,000; October 16, 1915, $78,831,000.

Exchanges of the Boston Clearing House banks for the week ending November 13, 1915, were $196,767,337, as compared with $203,-964,782 in the week ending October 16, 1915, and $138,952,738 in the corresponding week last year.

Building and engineering operations in New England from January 1 to November 10, 1915, $152,925,000, compared with $144,494,000 in 1914, and show an increase during the last month of $14,017,000.

Exports and imports for October at the port of Boston compare with previous years as follows:

Exports:	
1915	$8,703,362
1914	9,766,318
1913	6,518,390
Imports:	
1915	11,854,449
1914	11,059,171
1913	9,398,952

Receipts of the Boston post office for October show an increase of about 2 per cent over the same month in 1914, and for the first 15 days of November show an increase of $50,000, or nearly 15 per cent over the corresponding period of last year.

The Boston & Maine Railroad reports for the three months ending September 30, 1915, a net operating revenue of $4,164,745, as compared with $2,944,590 for the same period in 1914, and net income of $1,374,474, as compared with $126,619 in 1914. New York, New Haven & Hartford Railroad reports for the quarter ending September 30, 1915, net after taxes, $6,470,688, an increase of $1,497,216 over the same period last year, and surplus over charges of $2,096,048, as compared with $1,228,376 in 1914.

There were 156 failures in this district during October, 1915, with total liabilities of $1,970,300, as compared with 138 in October, 1914, with liabilities of $1,535,314.

The demand for money is small and rates remain about the same as last month. Call loans, 3 per cent; time loans, 3 to 3½ per cent for short dates and 3½ to 4 per cent for six months. Commercial paper, 3 to 3½ per cent. Town notes, 2.10 to 2.40 per cent. Ninety-day bankers' acceptances, 2 to 2¾ per cent.

Woolen mills are extremely busy and the worsted mills have shown considerable improvement during the last month. A very large percentage of the business of the woolen mills is emergency orders for European nations; in some places this is estimated to be as high as 50 per cent. Demand for wool is somewhat better and prices are stronger.

The boot and shoe industry does not show much improvement over last month, but a decided improvement over two months ago. Orders are coming in steadily from the West and especially from the South. Wholesalers report that the stocks of retailers are lower than for some years and that in many cases retailers are asking for early delivery. Business in women's shoes has become a matter of styles and retailers hesitate to order any amount in advance. In men's standard styles the spring orders are good, especially in the cheaper grade of shoes selling at $4 or under, the business in the better grades being more quiet. The shoe business for European countries is pretty well cleaned up, there being but one order of any size reported in this district, that being for high boots.

The cotton-mill situation is little changed. Labor is very fully employed and mills are running at capacity. The fine-goods mills are making money, due to a large extent to the cutting off of importations of this class of goods by the European war. These mills are buying cotton to cover orders as they are received. The mills in New Bedford are doing a good business and several mills that have not paid dividends for some time are resuming payments. In coarse goods the situation is not so satisfactory, except in the mills making heavier fabrics.

Southern cotton mills have continued to put out goods at prices lower than Fall River mills, and consequently a larger share of the business than normal has gone to the South. The feeling is that there is not much profit in the regular lines at current prices, if cotton to cover these orders must be bought at the present market, with the possible exception of some of the heavier goods. The dye situation is still serious and the demand for cotton fabrics in the gray for dyeing has slackened perceptibly during the last two weeks.

Bond houses report a good volume of business in high-grade railroad and municipal bonds. The savings banks have money to invest, and one or two new issues legal for savings banks in Massachusetts have been sold quickly.

DISTRICT NO. 2—NEW YORK.

Activity and improvement of trade and industry continued during October. Retail and department stores report business very much better, with an increasing demand for higher grade goods.

Orders for steel are reported as very heavy, notwithstanding steadily advancing prices and output. Pig-iron production in October was 3,125,000 tons, which exceeds all previous monthly records.

Leading wholesale houses have given information on various lines of business as follows: Dry goods and textiles—market conditions very good, sales large, payments prompt and anticipated. Leather—improvement in all lines, largely from foreign demand, but domestic sales large and growing and collections good. Coffee—sales much larger and collections better than a year ago. Sugar—very active, market showing general improvement and good collections. Meats and provisions—a great improvement in business during the past month.

Real estate agents report more activity in renting offices and rents increasing in some buildings.

New York Clearing House banks on November 20 report loans, etc., $3,131,463,000; deposits, $3,370,206,000; and excess reserves, $193,674,960. Compared with the figures of October 2, loans, etc., increased $351,013,000, deposits $409,646,000, and excess reserves decreased $2,697,170.

In October, $104,490,000 par value of bonds sold on the New York Stock Exchange, an increase of $22,828,500 over September, and $26,639,081 shares of stocks, an increase of 8,141,284 over the previous month. There has been a marked increase in activity in the bond market and a strong demand for the railroad issues. The stock market continues active but the trading is more general in character with larger dealings in railroad shares. Other statistics for October, 1915, compared with October, 1914, are the following: Exchanges through New York Clearing House, $12,739,878,692.18, an increase of $7,130,441,714.09. These figures are higher than ever before, the previous high monthly record being $11,249,075,000 in January, 1910. New York City building permits, 66, for structures to cost $2,420,750, increased 28 in number, but decreased $1,130,325 in amount. New York State failures, 225, with liabilities $3,597,170, decreased 62 in number and $1,229,112 in liabilities. New incorporations in the Eastern States, $208,695,000, increased $173,207,500. The total for 10 months is $1,172,167,100, against $775,547,000 for the same period last year. Exports of merchandise from the port of New York, $172,680,402, an increase of $86,599,431. Imports of merchandise at New York, $77,121,468, a decrease of $35,297. The latest figures of the foreign trade of the port of New York show exports for the year to date, $1,316,546,827, against $751,998,543 for the same period last year, and imports, $811,260,119, against $827,451,913.

A recent compilation shows the foreign loans and credits arranged here since the European war began amount to $843,250,000. A further credit of $15,000,000 to French banks has been arranged and negotiations are under way for a credit reported to be $50,000,000 to English banks.

Between October 9 and November 15, imports of gold received at the assay office, New York, amounted to $85,816,700. From January 1, imports aggregate $339,950,000.

Foreign exchange was fairly steady at low levels from about the 1st until the 20th of October when further weakness resulted from the great export movement. The range of quotations at closing rates was: Sterling, $4.72\frac{1}{2}$–$4.61\frac{5}{8}$; francs, $5.76\frac{1}{2}$–$5.97\frac{1}{2}$; marks, $84\frac{1}{2}$–$81\frac{1}{2}$; rubles, 35–33; lire, 6.22–6.47.

DISTRICT NO. 3—PHILADELPHIA.

Business conditions throughout this district are gradually becoming better and substantial improvement is being reported in nearly all lines. Mills and factories of all kinds are working at nearer normal capacity than for sometime. Some concerns have voluntarily increased wages and reduced working hours, and in many cases pay rolls are larger than they have ever been. There is a dearth of skilled mechanics, and labor generally seems to be fully employed.

The railroads are enjoying unusually heavy freight traffic, and the net earnings for September of the principal railroad in the district were the largest for any one month in the history of the company, while gross earnings exceeded all months except August and October, 1913. Repair shops are working at full capacity. Car movement reports continue to show large increases in the number of both loaded and empty cars being moved, for eastbound and westbound traffic. There are no idle good-order cars.

Conditions in the iron and steel industries are very promising. Although the demand for war-order supplies is still large, domestic business has now reached an encouraging stage. Considerable orders have been received for cars, locomotives, structural steel, rails, etc., prices are advancing, and the outlook is highly satisfactory. The October production of pig iron was the largest ever recorded in any one month.

A decided improvement is reported in coal mining, many collieries working to capacity. Shippers, however, are confronted with a shortage of cars, which is likely to check the output to some extent.

Crude oil and oil refining are operating at full time, with a good demand and increasing prices. Considerable foreign business is being done. The Delaware River shipyards are busier than ever.

The textile trades are running at nearly normal capacity, knitting mills in particular showing much improvement. Silk and lace mills are very busy, and four new mills are being built in eastern Pennsylvania. Many hosiery mills are doing a capacity business, but it is predicted that some will be compelled to close unless a supply of dyestuffs can be obtained or white hosiery becomes popular. In many instances manufacturers of hosiery have increased their prices. Dry goods jobbers report satisfactory domestic conditions. The foreign trade is not so good, with the exception of South America. Prices are advancing, due to increases in the cost of raw materials.

Manufacturers of cotton waists and dresses have had an unsatisfactory season. Cloak and suit concerns report difficulty in securing raw materials, while clothing manufacturers say trade has been better than for two or three years. Good business is reported in the manufacture of men's neckwear, shoddy, and umbrellas.

Manufacturers of stoves and heating apparatus report business good for heaters but poor for stoves, except for the cheaper grades, there being a demand for the latter in plants recently erected for laborers working in factories specializing in war orders.

The leather market continues active and prices are high. Glazed kid dealers report a greater demand and firmer prices, while stocks on hand are only moderate. Boot and shoe manufacturing is increasing and in some lines is approaching normal. Tanning materials have shown considerable advances.

The brick and lumber trades are still far from satisfactory, but are showing some signs of improvement. Prices are still very low and profits correspondingly small. Cement production is not up to normal, with only a fair demand. Prices are improved. The slate industry has suffered severely and shows no material improvement.

Buying is quite active and business is good in chemicals, paints, and wall paper. The distributors of electrical apparatus and supplies report good conditions. Canneries have not done as well as usual.

Agricultural conditions are generally good, and the farmers have had a prosperous year. In some sections the corn crop is only about 60 per cent of normal, due to storms during the growing season. The apple and cranberry crops are reported as satisfactory. The tobacco crop has been good, and it is curing nicely. There is increased activity in the leaf-tobacco market, and satisfactory conditions prevail with regard to cigar manufacturers.

General retail trade throughout the district is improved, and merchants, anticipating a

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brisk holiday and winter trade, are buying freely.

During October a new high record was established for goods shipped through the port of Philadelphia to foreign countries, amounting to $13,645,557, compared with $5,823,859 in October, 1914. Grain was the chief commodity shipped, valued at about $6,000,000. Imports were slightly ahead of last year, sugar, as usual, being one of the principal commodities.

More member banks have been rediscounting with us, and most of our member banks report a better demand for money. Rates for money in Philadelphia show no change and are low, but the reports of condition of the banks in the local clearing house association suggest that surplus funds are beginning to be absorbed because of the increased business activity.

DISTRICT NO. 4—CLEVELAND.

Tremendous demand for steel products and unprecedented activity in the steel and allied businesses continue throughout District No. 4. Prices are highest since the early part of 1908, when they were maintained for the purpose of aiding liquidation after the panic. It seems certain that the steel supply of this country is taken up to the 1st of next July on a very full basis of operation. Glass factories in the district are operating to a fuller extent than for months. The output from automobile concerns and rubber manufacturers is at capacity.

There is no lack of employment, but rather a scarcity of labor.

Post-office receipts in the five largest cities of the district show $844,037.16 for October, 1915, as against $797,522.98 for the same month last year.

Building permits in six large cities of the district show $6,785,958 for October, 1915, as against $7,252,791 for September, 1915, and $4,807,425 for October, 1914. The building operations in these six cities up to November 1, 1915, are approximately $5,000,000 ahead of the 10 months of last year.

There is a 40 per cent reduction in the total liabilities of commercial failures in this district reported during October, as compared with the same month in 1914.

The coal trade shows little change over last month except a tendency to further improvement through the activity and advance in other lines. The lake season closes December 1.

Garment manufacturers report a satisfactory season for winter goods, but not as large as anticipated, due to dealers not placing orders soon enough. The outlook for spring trade is good.

Retail merchants state that merchandise is moving satisfactorily and that sales are considerably ahead of last year in fall and winter lines.

Tobacco has all been housed and is ready to be marketed. The market will open about December 1. The weight of the crop is not as large as was anticipated on the basis of bulk, but the quality is good.

From a credit and collection standpoint conditions are satisfactory, with occasional difficulty in the completion of contracts, due to inability of concerns to secure the necessary materials in line with original schedules, thus delaying payments. There is complaint, too, from some country merchants growing out of the fact that farmers have held their small grain in anticipation of prices that prevailed a year ago.

Bank statements show record deposits, and as a rule large reserves, the exception being banks located in the agricultural portions of the district, where farmers are borrowing freely to buy cattle to feed this winter.

A number of changes in ownership of industrial properties have occurred during the past month, and several important consolidations have taken place, effecting larger units of operation.

Investors are expressing a preference for municipal bonds, as they have for two years past. Activity in public-utility issues is beginning, however, and the investment field is broadening.

Money rates have been stationary and low during the month.

DISTRICT NO. 5—RICHMOND.

November has witnessed a further development of the very satisfactory general conditions heretofore reported as strongly in evidence. The Carolinas sold cotton freely at top prices and in doing so permitted general and generous liquidation. With the recent softening in the market for cotton, the planters are somewhat disposed to store it rather than force its sale.

The weather has been most favorable for out-door operations. Many farmers, in deferring the handling of the remainder of their crops, are preparing some share of their land for wheat. Tobacco, both natural and manufactured, is in a satisfactory position.

Some coal concerns are now doing the largest business in their history. At some points there is car shortage. Mines are working at full capacity and some concerns have ceased giving out quotations on spot product. While a heavy export demand continues, the consumption for domestic purposes is very greatly increased. Prospects for the future are better than fair, operators fearing only the possible handicap of shortage in labor.

The lumber industry is improving slowly, and an increasing demand both for export and domestic uses is anticipated.

Manufacturing enterprises are doing well, while jobbers are booking generous orders from interior merchants desiring to replenish exhausted stock.

Collections are good. Commodity liquidation has permitted borrowing banks to meet their maturing obligations and has provided surplus funds. For these there is at the moment no real demand. Banks throughout the district are in a more comfortable position than for some years. Borrowers in many directions have been able to pay their indebtedness, due to their operations in the past season, and to settle a generous share of debts carried over from 1914.

While the banks are not able profitably to employ their full resources, it is true that in the district as a whole general business is in excellent position, both immediately and prospectively.

Labor is fully employed.

DISTRICT NO. 6—ATLANTA.

The general condition in this district for the past 30 days represent more a continuance of the favorable situation and outlook reported for last month than the introduction of any new features.

Weather conditions for the past 30 days have been favorable for handling the remnant of the cotton crop, as well as for the preparation and planting of the winter wheat crop in the northern part of the district, and the maturing citrus crops in Florida.

The tobacco sections of both Tennessee and Florida report light sales, with large stocks held. Delivered prices for export are high, but packers are unable to realize on account of difficulty in delivery and high ocean rates.

Retail dealers report that the mild weather has retarded anticipated sales of heavy goods, but at the same time has prolonged the purchase of light stocks so that the amount carried over this season will be much smaller than usual.

Collections are reported to be good both in the wholesale and retail lines, the retail lines reporting better collections than for a long period.

In the industrial lines steel and foundry products are holding the high record previously reported, and it is now a question on the part of producers as to the acceptance of orders for future delivery which they may be unable to fill.

Textile mills are running at full time, and in some cases overtime. This has done much to sustain the cotton market by liberal purchases of raw material.

Lumber shows an advancing tendency. Recent purchases by the Russian and Italian Governments have tended to materially strengthen this market. Railroads have purchased more freely for the past 30 days than for any like period since 1910.

Naval stores are congested at concentration points, but the statistical position of this industry indicates a substantial advance with the opening of export. Acreage for the next season's operation will likely be smaller than in years, due to the hesitancy of factors to advance funds to any but the most substantial operator.

Building trades report small increase. Railroad earnings show a gratifying increase over last month, as well as over the same period last year.

Money is plentiful for established demands only, with rates rather lower than at any previous time.

DISTRICT NO. 7—CHICAGO.

Business development in this district during November has been favorable and confirms former reports of general recovery.

Advices from the steel and iron trade show increasing demands and output, and that almost all the new tonnage entered at the furnaces and mills was for domestic requirements. Accumulation of orders for future delivery in steel, equipment, cars, and heavy structural forms has been sustained and exceeds all previous experience. This movement has been accompanied with advance in prices.

Confidence in the future is indicated by the large expenditures being undertaken for the purpose of enlarging outputs. Increased furnace and steel rolling capacity at Gary is announced to cost $7,500,000; a new grain elevator at South Chicago of the largest capacity in the world to cost $3,000,000; and an entirely new undertaking at Joilet to cost nearly $1,000,000 for the production of materials for dyestuffs.

Most of the large cities in the district show building gains in the past month well over the figures of a year ago. The building gains at Chicago exceeded $5,700,000; at Detroit, $1,120,000; Indianapolis, $200,000; Sioux City, $95,000; Springfield, $90,000. There was also a good gain at Milwaukee. This has created extraordinary demand for prompt supply of materials.

Advices indicate that general merchandising operations both retail and wholesale are in greater volume than at this season last year.

Deposits in the 20 national and 89 State banks of Chicago, as reported at the call of November 10, reached the high mark of $1,155,340,537, the increase over the call of September 2 being $40,752,900.

Commercial paper rates remain at the low figures heretofore prevailing and, with continued increase in bank deposits, there is nothing to indicate anything for the present but a continuance of low-interest rates.

DISTRICT NO. 8—ST. LOUIS.

Reports indicate a considerable increase in business activity in all parts of this district. Business men are generally confident and even optimistic in their views for the future. The improvement is noted in practically all lines. Jobbing interests are probably making the greatest gains, and their activity has resulted in an increased demand on the manufacturers. This, in turn, through larger pay rolls, has increased the buying power of the public, and is reflected in the increased activities of the retail merchants.

The manifest improvement noted in the past 60 days has gone far toward wiping out the losses incurred in the early months of the year, and from reports business interests generally should show a comfortable increase at the close of 1915. In addition to the domestic demands, more and more firms are feeling the effect of the demand for goods for export, and this is a contributing factor toward the present prosperity. The abundant crops harvested this year have increased the buying power of all classes, confidence has been restored, and the outlook is altogether favorable.

The weather has been nearly ideal for agricultural purposes. The rainfall was below the normal for the month, but plenty of moisture remained in the ground from rains during the summer. The warm sunny days in October greatly aided the harvesting of the various crops. This favorable weather helped the cotton in the southern parts of the district. The corn and other grain crops were aided materially by the absence of killing frosts. Cotton is not moving as freely as it was a month ago, farmers generally holding at least a part of their crop. There is but little demand for cotton for export, and this together with the comparatively small taking by eastern mills has resulted in a considerable holding of stocks at terminal points in the district. There is, however, no appearances of congestion, and it is probable that the crop will find its way to market in an entirely normal manner.

Reports indicate that the tobacco crop in Kentucky and Tennessee is about the average. Other crops in this district, such as corn, oats, barley, potatoes, apples, small fruits, and truck-farm products, are bountiful.

The live-stock market does not show the activity noted in previous reports. The demand for horses for export has slackened and foreign buyers have largely withdrawn from the market. Hog receipts at the National Stock Yards, East St. Louis, are heavy but there is little demand and the prices are correspondingly low. The season's demand for mules from the South is reported to be better than in 1914 but is still not up to the normal for this time of the year.

This fall there has been an unusual lack of demand for funds for crop-moving purposes. The banks in the reserve and central reserve cities have not had the customary call from country customers and hold reserves largely in excess of legal requirements. The same is true to a lesser degree of the country banks. In October there was some demand for funds from the cotton-producing sections of the country. The bank rate of discount to customers and to country correspondents continues low, the prevailing rate being from 4 to 5 per cent. There has been a considerable demand for commercial paper but the rate for best names has been so low that it hardly tempts the banks. There is also a scarcity of the best name paper. Generally speaking, the bond market has shown some activity and in some quarters a scarcity of marketable bonds is reported. This is especially true of good municipal issues.

In October the Federal Reserve Bank cleared 182,692 items, aggregating $63,532,030.66. This is a gain of nearly 32,000 in the number of items and of over $11,000,000 in total amount as compared to September. The clearings were the largest of any month since the bank has been in operation. This was due to increased business activity and the fact that our member banks are becoming more familiar with and are using more freely the collection facilities offered by the St. Louis Federal Reserve Bank.

Exchange charges are being gradually eliminated throughout this district. The St. Louis Clearing House has amended its rules so that local business men and merchants should no longer have to pay exchange on checks received by them drawn on member banks, located outside of St. Louis, that are members of our clearing system. This will mean a great saving to the public at large.

DISTRICT NO. 9—MINNEAPOLIS.

The Comptroller's call of November 10 found 28 Minneapolis commercial banks with deposits which were $27,848,000 greater than shown in the call of September 2, 1915. The same banks show an increase in loans and discounts of only $3,424,000. This reflects a condition that prevails in many of the larger member banks in the ninth district. Deposits are high, while loans have shown only a very moderate expansion.

With three months of the new crop-moving season already gone, the usual heavy demand for money for financing and marketing of the northwestern small grains is still lacking. September, October, and November demands have been light compared with former years, and the crop is moving so slowly that it has been largely financed on the farmers' money.

November receipts at the Minneapolis and Duluth terminals have been very heavy, but very little grain has gone into store. The export and outside milling demand plus a heavy demand from Minneapolis and Duluth mills and from the so-called outside mills within this district has absorbed the shipments about as fast as they have come in. An unusual amount of wheat is being held in temporary storage on the farms, and a disposition to expect high prices is general with the farmers throughout the district and as far west as the eastern slope of the Rocky Mountains.

The milling output of the Minneapolis and Duluth mills is running between 475,000 and 500,000 barrels a week, and the outside mills are adding about 250,000 barrels to this production.

Money rates are at about the same levels as a month ago. The best commercial paper has taken a rate of 4 to 4½ per cent, and rates through the district show practically no change. Collections are somewhat better, and local busiis active.

It is estimated that the Twin City banks are in a position to loan an additional $30,000,000 without effort, and a very similar situation prevails at Duluth, Winona, Fargo, Grand Forks, and other centers throughout the district.

There has been a large amount of construction at all of the urban centers and an active demand at line yards for lumber and material for construction on the farm. Industrial conditions are good, and labor is fully employed.

DISTRICT NO. 10—KANSAS CITY.

Weather conditions prevailing throughout District No. 10 have been unusual in that the precipitation for the month of October and thus far in November has been far below normal. This condition, however, has not seriously retarded the preparation of ground and the planting and seeding of fall crops, most of which has been done.

While there has been a decided inclination on the part of farmers to hold their wheat for higher prices, and this inclination has been general throughout the district, a considerable amount of wheat is now moving to the markets.

The recent demand for money has been quite heavy, and many of the larger banks having the accounts of country banks have been compelled to discount paper with their correspondents to meet the requirements. The demand is coming almost entirely from the country, the borrowing of city wholesalers and jobbers being below normal.

The rates of discount prevailing throughout this district range from 6 to 8 per cent, with a few favored customers in reserve and central reserve cities who are accorded a 5 per cent rate.

Wholesalers and jobbers report a fair volume of business, with improved collections, and retailers report trade as about normal.

The money which is being received on account of general market transactions is being largely used in the purchase of live stock for fattening purposes, although there is more or less liquidation. Abundant crops have filled the granaries, and farmers and stockmen generally prefer to feed this grain rather than market at present prices. This has caused unusual activity in the cattle market, although prices have not been abnormal.

For the month of October, 1915, the receipts of cattle at the principal live-stock centers of this district, as compared with the month of October, 1914, were as follows (figures for Sioux City, Iowa, are given for the reason that that market draws largely from the tenth district):

	1915	1914	Increase.
Kansas City	$292,493	$274,976	$17,517
Omaha	172,660	124,148	48,512
Denver	71,569	65,781	5,788
St. Joseph	43,573	38,364	5,209
Sioux City, Iowa	60,756	34,869	25,887

As an evidence of the extent to which grain is being withheld from the market, it is interesting to note the number of "feeders" going from the market to the feeding lots. During the month of October the total of feeders shipped and driven to the country from the Kansas City yards were 174,248, as compared with 139,660 for the corresponding month of last year, an increase of 34,588. When it is realized that feeders are selling at from $6 to $8 per hundredweight, say, about $7, and will average about 1,000 pounds each in weight, it will be seen that something in excess of

$12,000,000 was invested in cattle for feeding purposes on the Kansas City market alone during the month of October, 1915, or an increase of nearly $2,500,000 over the same month last year. What is said of Kansas City in this connection is also true of other live stock centers in this district.

The lead and zinc mining industry, on account of prevailing high prices, is still very active, and during the past several months has enjoyed the greatest prosperity in its history. The approach of winter has stimulated the coal-mining industry, and conditions in connection therewith are about normal.

The oil industry is more active than it has been at any time during the present year. This is accounted for by the fact that crude oil is now selling at or in excess of $1 per barrel, whereas less than four months ago it was selling at about 40 cents per barrel.

There is great activity in the building trades and civic and public improvements, which is giving fair employment to all classes of labor, both common and skilled.

The activity of the Kansas City trade territory is somewhat reflected by the fact that during the month of October the Kansas City Clearing House Association broke three records for that institution—those for the greatest clearings for one day, one week, and one month. The clearings for the week ending November 13 showed an increase of 27 per cent over the corresponding week of last year and of 67 per cent over those of two years ago. The big gain over a year ago is especially significant, because the business originating from the movement of grain is less now than a year ago; so that the percentage given reflects a substantial expansion in general business. While the above applies to Kansas City only, nevertheless, the same general condition prevails with every clearing-house association in the district.

With the approach of cold weather and the activities of the holiday season, it is expected that the commercial, industrial, and business conditions will materially improve, and the district, generally speaking, is facing the next few months with optimistic complacency.

DISTRICT NO. 11—DALLAS.

Tabulated reports from the various sections of the eleventh Federal Reserve district, which includes all of Texas, southern Oklahoma, northern Louisiana, southern New Mexico and southeastern Arizona, show a gratifying recovery from conditions that existed at this period a year ago.

Throughout the agricultural district reports show that the cost of production of the 1915 crop was largely reduced, and with restriction of credit and rigid thrift the crop was produced at about 60 per cent of the credit extended in normal years. With the marketing of the 1915 cotton crop at a fair price, the farmers generally are paying their indebtedness of 1914 and 1915 and increasing their cash on deposit in banks.

With the reduction in the 1915 cotton acreage in the district came an increase in acreage of diversified crops. Agricultural districts have raised the largest feed crop in their history, and a year's supply is reported in the barns of the farmers.

An increased volume is shown in the cattle and sheep industry throughout the district and on a more profitable basis than the average year's production. In the rice district of southeast Texas and Louisiana reports indicate an average yield at satisfactory prices.

In the mining districts of New Mexico and Arizona the industry, while somewhat handicapped by conditions in Mexico, is progressing and has added more than its average to the wealth of the country during the last six months.

Tabulation of the published statements of the national and State banks, on the call of November 10, shows a larger increase in deposits, with a corresponding increase in cash holdings and reserves than normal at this period of the year.

It is estimated that only about 50 per cent of this year's cotton crop has been marketed. With the further marketing of the crop, and the continued feeling of confidence among the merchants and farmers throughout the district, the tendency is to increased activities in all lines of business throughout the winter months.

With increasing deposits and continued liquidation, money is plentiful and concessions are being made in interest rates. The demand for funds is not as large as usual at this time of the year.

DISTRICT NO. 12—SAN FRANCISCO.

Distance and difficulties of transportation have prevented the present abnormal foreign demands from giving important stimulus to the trade and industry of this district. It seems justifiable, therefore, to expect that small readjustments will be required west of the Rocky Mountains when these demands shrink at the close of the war. A concurrent increase of demand for lumber is not unlikely to fully offset the decrease in demand then for other products. So this district may justly hope for reasonable stability in its commerce.

This constitutes a favorable outlook, for on the whole present conditions are good and growing better. There is perceptible betterment in lumbering, which is the major industry of Washington and Oregon. There have been important inquiries and considerable buying, which has somewhat strengthened the demoralized prices. Petroleum is benefitting by expanding consumption which, during October, reduced the amount in storage by a million barrels. Both crude and refined products have advanced in price.

The unsatisfactory condition of ocean shipping is accentuated by the closing of the Panama Canal. Extreme rates paid are illustrated by a reported sale of a new 10,000-ton steamer at 25 per cent above cost, which was immediately chartered for a cargo to Europe at such rates that three voyages would realize the price paid for the ship. A foreign syndicate has arranged the Java-Pacific Line of four steamers for oriental trade, one steamer each month coming to San Francisco. The Japanese line is also reported as doubling the number of its ships.

For lack of bottoms, export wheat from Washington, Oregon, and Idaho has been going East by rail. About half the crop of 60,000,000 bushels has thus far left growers' hands, present prices ruling around 82 or 83 cents to the farmer.

Railroads are active. Good earnings shown warrant expectations of speedy entering upon the long-deferred purchase of lumber and other supplies for maintenance and betterment, a course which would stimulate many lines of trade and industry. Nearly all mining is active and prosperous. This is especially true of copper, lead, and zinc.

There was shipment on November 15 of the first navel oranges of the season from Porterville, Cal. For some weeks a trainload will go forward every day. It is "coals to Newcastle" that Seattle in this same week has received a considerable shipment of oranges from Japan, with which country her October commerce exceeded $8,000,000.

Reports from a number of cities are that both wholesale and retail trade is satisfactory, with instances of record volume.

Banks report heavy increases of deposits, but loans have expanded very moderately. It is an interesting indication of a tendency contrary to frequent prediction as to long time rates that local trust companies and savings banks have made mortgage loans on San Francisco property at 5 per cent.

DISTRIBUTION OF DISCOUNTS BY SIZES AND MATURITIES.

The total amount of commercial paper, exclusive of bankers' acceptances, discounted during October was $15,050,200, compared with $14,405,000 in September and $12,233,700 in August. Considerable increases of discount operations for the month are reported by the Atlanta, Chicago, Minneapolis, and Kansas City banks. Of the total amounts discounted during the month, the share of the three southern banks was slightly over 60 per cent, the share of the four banks of the Middle West and Northwest over 31 per cent, and that of the four eastern banks less than 6 per cent. Trade acceptances aggregated $629,100 during the month, compared with $319,500 in September, while commodity paper discounted at special lower rates totaled $2,059,100, as against $905,600 reported for the month of September. Of the total trade acceptances discounted in October, about 64 per cent was handled by the Atlanta bank and its New Orleans branch and about 16 per cent by the Richmond bank. Of the total amount of commodity paper discounted during October by five banks and the New Orleans Federal Reserve branch, over 80 per cent was handled by Atlanta and its branch and over 17 per cent by the Richmond bank.

The share of the three southern banks in the total discounts handled is shown to have declined from 68.2 per cent in August to 65.4 per cent in September, and to about 60 per cent in October. Inversely, the share of the western banks, exclusive of San Francisco, is shown to have risen from 17.5 per cent in August to 23.2 per cent in September and to 31.2 per cent in October.

The number of bills discounted was 9,285, as against 9,173 in September, 9,240 in August and 10,155 in July. The average size of all notes discounted during October was about $1,621, as against $1,570 for the preceding month, $1,324 in August, and $1,304 in July. The October average was $1,737 for the four eastern banks, $1,570 for the three southern banks, $1,645 for the four banks in the Middle West and Northwest, and $2,864 for the San Francisco bank. The smallest average, $1,203, is shown for the Minneapolis bank. The average for the New York bank, $1,282, in view of the small number and amount of discounts handled during the month, can hardly be regarded as typical or representative of the rediscount business in that district.

Of the total number of bills discounted, 35.7 per cent, and of the total amount, 53.7 per cent, were bills in amounts from $1,000 to $5,000, as against 33 and 52 per cent in September and 29 and 54.4 per cent in August. A considerable portion of the largest-size bills (in amounts over $10,000) is commodity (chiefly cotton) paper, discounted at special, reduced rates. Small bills (in denominations up to $250) constituted about 20 per cent of the total number, though less than 2 per cent of the total amount of the paper discounted during the month. The relative number of small notes was about 30 per cent in July, 28.6 in August, 22.8 in September, and only 20 per cent in October.

The largest absolute and relative number of small notes was handled by the Richmond bank, which reports 631 items up to $250 each, or about 25 per cent of the total number of items discounted by this bank during October. Atlanta reports 523 such items, or over 28 per cent of the total number of items discounted during the month. Over 60 per cent of the entire number of small notes discounted during the month is shown to have been handled by these two banks.

As compared with September, the amounts of 30-day, 90-day, and particularly 6-month paper discounted show considerable increases, while the amount of 60-day paper accepted for rediscount shows a large decline, mainly for the three southern banks. The amount of agricultural and live-stock paper maturing after 90 days (6-month paper) discounted during the month was over $800,000 in excess of the September total, Atlanta, Chicago, and Minneapolis reporting the largest increases for the month.

The number of member banks accommodated during the month was 796, compared with 762 in September, 693 in August, and 796 in July and constitutes slightly over 10 per cent of the entire number of member banks. The largest number of banks accommodated in any one district, 150, or 15 per cent of the total member banks in that district, is reported by Kansas City, while the corresponding total for the three southern banks was 389 as against 416 for September.

Commercial paper, exclusive of bankers' acceptances, rediscounted by each of the Federal Reserve Banks during the month of October, 1915, distributed by sizes.

NUMBER OF PIECES AND AMOUNTS.

[In thousands of dollars.]

Bank.	To $100.		Over $100 to $250.		Over $250 to $500.		Over $500 to $1,000.		Over $1,000 to $2,500.		Over $2,500 to $5,000.		Over $5,000 to $10,000.		Over $10,000.		Total.		Per cent.	
	Number of pieces.	Amount.	Number of pieces.	Amount.	Number of pieces.	Amount.	Number of pieces.	Amount.	Number of pieces.	Amount.	Number of pieces.	Amount.	Number of pieces.	Amount.	Number of pieces.	Amount.	Number of pieces.	Amount.	Number of pieces.	Amount.
Boston	....	....	3	0.6	8	3.5	6	5.5	5	7.2	6	25.7	....	....	1	12.0	29	54.5	0.3	0.4
New York	....	....	19	3.4	20	7.0	21	14.3	34	53.2	11	39.3	2	20.0	....	....	107	137.2	1.2	.9
Philadelphia	3	0.3	23	4.4	28	10.6	37	29.9	35	60.1	24	111.1	5	44.8	2	35.0	157	296.2	1.7	2.0
Cleveland	6	.5	15	2.9	24	9.3	51	37.7	70	117.9	35	131.6	11	79.2	1	12.0	213	391.1	2.3	2.6
Richmond	231	15.7	400	79.1	534	210.8	527	428.3	459	793.5	268	1,056.0	71	528.0	9	148.8	2,499	3,260.2	26.9	21.6
Atlanta	235	17.0	288	50.3	279	106.9	292	230.1	354	606.8	277	1,090.7	88	636.3	38	728.0	1,851	3,466.1	19.9	23.0
Chicago	12	1.1	29	5.2	98	42.8	164	133.9	234	388.2	110	430.9	23	187.6	2	37.3	672	1,227.0	7.2	8.2
St. Louis	6	.4	30	5.1	56	21.1	95	70.2	107	163.5	69	296.6	38	320.3	6	76.4	407	953.6	4.4	6.3
Minneapolis	5	.3	39	6.9	99	33.7	136	90.0	169	258.0	42	130.8	12	75.4	1	10.2	503	605.3	5.4	4.0
Kansas City	45	3.8	195	34.4	262	95.4	280	198.7	296	465.7	127	451.4	51	336.1	15	323.2	1,271	1,908.7	13.7	12.9
Dallas	61	4.3	220	36.5	281	106.8	293	220.9	308	500.5	204	750.7	59	466.5	15	278.0	1,441	2,364.2	15.5	15.7
San Francisco	2	.2	7	.9	13	5.3	26	17.0	47	74.2	21	79.3	9	61.3	10	148.5	135	386.7	1.5	2.6
Total	606	43.6	1,268	229.7	1,702	653.2	1,928	1,476.6	2,118	3,488.8	1,194	4,594.1	369	2,755.5	100	1,809.4	9,285	15,050.8	100.0	100.0

PERCENTAGES OF AMOUNTS OF EACH CLASS TO TOTAL.

Bank.	To $100.		Over $100 to $250.		Over $250 to $500.		Over $500 to $1,000.		Over $1,000 to $2,500.		Over $2,500 to $5,000.		Over $5,000 to $10,000.		Over $10,000.		Total.		Per cent.	
Boston	....	....	.....	1.1	.....	6.4	.....	10.1	.....	13.2	.....	47.2	....	....	....	22.0	.....	100.0	.....	.....
New York	....	....	.....	2.5	.....	5.1	.....	10.4	.....	38.8	.....	28.6	....	14.6	....	....	.....	100.0	.....	.....
Philadelphia	....	0.1	.....	1.5	.....	3.6	.....	10.1	.....	20.3	.....	37.5	....	15.1	....	11.8	.....	100.0	.....	.....
Cleveland	....	.1	.....	.7	.....	2.4	.....	9.6	.....	30.1	.....	33.7	....	20.3	....	3.1	.....	100.0	.....	.....
Richmond	....	.5	.....	2.4	.....	6.5	.....	13.1	.....	24.3	.....	32.4	....	16.2	....	4.6	.....	100.0	.....	.....
Atlanta	....	.5	.....	1.4	.....	3.1	.....	6.6	.....	17.5	.....	31.5	....	18.4	....	21.0	.....	100.0	.....	.....
Chicago	....	.1	.....	.4	.....	3.5	.....	10.9	.....	31.7	.....	35.1	....	15.3	....	3.0	.....	100.0	.....	.....
St. Louis	....	.1	.....	.5	.....	2.2	.....	7.4	.....	17.1	.....	31.1	....	33.6	....	8.0	.....	100.0	.....	.....
Minneapolis	....	.1	.....	1.1	.....	5.5	.....	14.9	.....	42.6	.....	21.6	....	12.5	....	1.7	.....	100.0	.....	.....
Kansas City	....	.2	.....	1.8	.....	5.0	.....	10.4	.....	24.4	.....	23.7	....	17.6	....	16.9	.....	100.0	.....	.....
Dallas	....	.2	.....	1.5	.....	4.5	.....	9.3	.....	21.2	.....	31.8	....	19.7	....	11.8	.....	100.0	.....	.....
San Francisco	....	.1	.....	.2	.....	1.4	.....	4.4	.....	19.2	.....	20.5	....	15.8	....	38.4	.....	100.0	.....	.....
Total	....	.3	.....	1.5	.....	4.4	.....	9.8	.....	23.2	.....	30.5	....	18.3	....	12.0	.....	100.0	.....	.....

Commercial paper, exclusive of bankers' acceptances, discounted during October by each of the Federal Reserve Banks, distributed by States and maturities as of date of rediscount.

[In thousands of dollars.]

Districts and States.	Number of member banks.	Number of banks accommodated.	Paper maturing within 10 days.	Paper maturing after 10 days but within 30 days.	Paper maturing after 30 days but within 60 days.	Paper maturing after 60 days but within 90 days.	Paper maturing after 90 days.	Total commercial paper rediscounted.
District No. 1—Boston:								
Connecticut	75	....	....	....	....	....	....	....
Maine	70	2	....	....	0.4	14.1	....	14.5
Massachusetts	170	....	....	....	....	....	....	....
New Hampshire	56	3	....	....	7.0	6.0	....	13.0
Rhode Island	18	....	....	....	....	....	....	....
Vermont	48	2	5.0	....	17.0	5.0	....	27.0
Total	435	7	5.0	....	24.4	25.1	....	54.5
District No. 2—New York:								
New Jersey	131	1	....	4.5	....	....	....	4.6
New York	483	7	....	32.4	44.2	56.1	....	132.6
Total	614	8	....	36.9	44.2	56.1	....	137.2
District No. 3—Philadelphia:								
Delaware	24	1	....	....	5.5	....	....	5.5
New Jersey	70	4	16.0	30.8	26.2	5.8	....	78.8
Pennsylvania	534	6	82.8	86.9	27.4	14.8	....	211.9
Total	628	11	98.8	117.7	59.1	20.6	....	296.2
District No. 4—Cleveland:								
Kentucky	72	7	....	23.7	103.1	31.9	....	158.7
Ohio	376	13	....	53.2	44.5	32.3	74.1	204.1
Pennsylvania	302	3	.2	10.2	5.3	12.6	....	28.3
West Virginia	14	....	....	....	....	....	....	....
Total	764	23	.2	87.1	152.9	76.8	74.1	391.1

Commercial paper, exclusive of bankers' acceptances, discounted during October by each of the Federal Reserve Banks, distributed by States and maturities as of date of rediscount—Continued.

[In thousands of dollars.]

Districts and States.	Number of member banks.	Number of banks accommodated.	Paper maturing within 10 days.	Paper maturing after 10 days but within 30 days.	Paper maturing after 30 days but within 60 days.	Paper maturing after 60 days but within 90 days.	Paper maturing after 90 days.	Total commercial paper rediscounted.
District No. 5—Richmond:								
District of Columbia	14	1		14.5	40.5	40.8		95.8
Maryland	98	4			15.2	36.6	0.1	51.9
North Carolina	80	38	3.3	194.2	426.9	438.1	4.1	1,066.6
South Carolina	73	31		94.3	448.6	399.5	16.6	959.0
Virginia	137	44	6.6	204.1	526.5	260.1	21.1	1,018.4
West Virginia	104	8	1.9	15.1	18.4	33.1		68.5
Total	506	126	11.8	522.2	1,476.1	1,208.2	41.9	3,260.2
District No. 6—Atlanta:								
Alabama	95	32		44.8	199.3	363.3	182.3	789.7
Florida	55	22	3.0	77.7	100.2	306.1	6.5	493.5
Georgia	115	47	2.2	71.7	335.7	731.2	315.2	1,456.0
Louisiana	5	3		33.0	136.2	113.3		282.5
Mississippi	18	4			47.8	1.3		49.1
Tennessee	97	27	10.7	14.9	158.1	198.0	13.6	395.3
Total	385	135	15.9	242.1	977.3	1,713.2	517.6	3,466.1
District No. 7—Chicago:								
Illinois	317	15		12.3	139.9	62.0	66.4	280.6
Indiana	197	5			7.5	32.6	17.0	57.1
Iowa	348	55		37.6	111.2	294.8	401.4	845.0
Michigan	75	2				7.2	5.6	12.8
Wisconsin	51	1			10.0	21.5		31.5
Total	988	78		49.9	268.6	418.1	490.4	1,227.0
District No. 8—St. Louis:								
Arkansas	61	7	6.5	42.3	34.0	61.1		143.9
Illinois	157	11		7.0	22.6	61.0	5.0	95.6
Indiana	61	1		10.2	20.2			30.4
Kentucky	69	6		15.0	3.1	67.2		85.3
Mississippi	18	3			22.4	11.2		33.6
Missouri	81	10		7.4	21.0	41.3	24.3	94.0
Tennessee	20	7	.2	57.3	276.2	133.4	3.7	470.8
Total	467	45	6.7	139.2	399.5	375.2	33.0	953.6
District No. 9—Minneapolis:								
Michigan	31	1	1.0	9.2	4.1			14.3
Minnesota	279	32	12.4	6.5	60.4	125.9	160.8	366.0
Montana	65	6		1.3	5.0	11.9	14.6	32.8
North Dakota	152	4		4.0	7.8	5.7	.6	18.1
South Dakota	116	9		.4	14.2	28.8	22.5	65.9
Wisconsin	87	4		25.6	77.0	5.6		108.2
Total	730	56	13.4	47.0	168.5	177.9	198.5	605.3
District No. 10—Kansas City:								
Colorado	121	3		27.3	37.0	70.9	5.5	140.7
Kansas	220	38	1.6	128.2	350.9	204.6	59.2	744.5
Missouri	53	8		.5	74.9	79.5	28.6	183.5
Nebraska	210	36		18.7	55.7	141.4	97.5	313.3
New Mexico	9							
Oklahoma	309	63	10.4	79.8	159.0	204.4	64.0	517.6
Wyoming	33	2		2.2	2.9	4.0		9.1
Total	955	150	12.0	256.7	680.4	704.8	254.8	1,908.7
District No. 11—Dallas:								
Arizona	6							
Louisiana	26	4		4.9	18.5	53.9		77.3
New Mexico	28	2			6.1	5.3	3.6	15.0
Oklahoma	42	13		44.0	100.3	72.4	22.9	239.6
Texas	546	109		408.0	871.1	536.9	216.3	2,032.3
Total	648	128		456.9	996.0	668.5	242.8	2,364.2
District No. 12—San Francisco:								
Alaska	1							
Arizona	7							
California	266	16		26.8	41.5	138.9	23.4	230.6
Idaho	58	3			8.9	1.8	4.2	14.9
Nevada	10							
Oregon	86	4		9.1	22.6	66.2	3.1	101.0
Utah	23							
Washington	78	6	1.4	3.6	7.4	19.6	8.2	40.2
Total	529	29	1.4	39.5	80.4	226.5	38.9	386.7

Commercial paper, exclusive of bankers' acceptances, discounted during October by each of the Federal Reserve Banks, distributed by States and maturities as of date of rediscount—Continued.

RECAPITULATION.

[In thousands of dollars.]

Districts and cities.	Number of member banks.	Number of banks accommodated.	Paper maturing within 10 days.	Paper maturing after 10 days but within 30 days.	Paper maturing after 30 days but within 60 days.	Paper maturing after 60 days but within 90 days.	Paper maturing after 90 days.	Total commercial paper rediscounted.	Per cent.
No. 1—Boston	435	7	5.0	....	24.4	25.1	....	54.5	0.4
No. 2—New York	614	8	....	36.9	44.2	56.1	....	137.2	.9
No. 3—Philadelphia	628	11	98.8	117.7	59.1	20.6	....	296.2	2.0
No. 4—Cleveland	764	23	.2	87.1	152.9	76.8	74.1	391.1	2.6
No. 5—Richmond	506	126	11.8	522.2	1,476.1	1,208.2	41.9	3,260.2	21.7
No. 6—Atlanta	385	135	15.9	242.1	977.3	1,713.2	517.6	3,466.1	23.0
No. 7—Chicago	988	78	....	49.9	268.6	418.1	490.4	1,227.0	8.1
No. 8—St. Louis	467	45	6.7	139.2	399.5	375.2	33.0	953.6	6.3
No. 9—Minneapolis	730	56	13.4	47.0	168.5	177.9	198.5	605.3	4.0
No. 10—Kansas City	955	150	12.0	256.7	680.4	704.8	254.8	1,908.7	12.7
No. 11—Dallas	648	128	....	456.9	996.0	668.5	242.8	2,364.2	15.7
No. 12—San Francisco	529	29	1.4	39.5	80.4	226.5	38.9	386.7	2.6
Total for October	7,649	796	165.1	1,994.8	5,327.2	5,671.0	1,892.1	15,050.8	100.0
Per cent for October	....	....	1.1	13.2	35.4	37.7	12.6	100.0	....
Per cent for September	....	10.0	.9	11.8	42.9	36.8	7.6	100.0	....
Per cent for August	....	9.1	2.6	11.3	40.8	36.9	8.4	100.0	....
Per cent for July	....	10.5	.8	12.2	34.1	40.0	12.9	100.0	....
Per cent for June	....	10.3	13.5		29.1	38.7	18.7	100.0	....
Per cent for May	....	9.4	13.4		31.4	35.6	19.6	100.0	....
Per cent for April	....	8.1	11.6		33.9	39.2	15.3	100.0	....

Amounts of trade acceptances [1] *discounted by each of the Federal Reserve Banks during the months of September and October, 1915.*

[In thousands of dollars.]

Federal Reserve Bank.	Paper maturing within 10 days.		Paper maturing after 10 days but within 30 days.		Paper maturing after 30 days but within 60 days.		Paper maturing after 60 days but within 90 days.		Paper maturing after 90 days.		Total trade acceptances rediscounted.		Per cent.	
	Sept.	Oct.	Sept.	Oct.	Sept.	Oct.	Sept.	Oct.	Sept.	Oct.	Sept.	Oct.	Sept.	Oct.
New York	....	....	....	1.5	....	3.3	....	....	....	....	....	4.8	....	0.7
Cleveland	....	....	1.3	2.1	0.3	.3	....	0.3	....	....	1.6	2.7	0.5	.4
Richmond	....	2.8	4.7	8.1	5.9	46.9	....	42.3	....	....	10.6	100.1	3.3	15.9
Atlanta, including New Orleans branch	....	....	11.0	24.6	65.9	90.1	172.0	276.0	10.3	11.9	259.2	402.6	81.1	64.0
St. Louis	....	....	4.8	1.7	6.9	32.2	.6	3.2	....	....	12.3	37.1	3.9	5.9
Kansas City	....	....	....	....	4.5	....	....	....	....	....	4.5	....	1.4	....
Dallas	....	....	.4	....	2.1	29.4	....	30.1	....	....	2.5	59.5	.8	9.5
San Francisco	....	....	12.1	8.2	12.6	8.7	4.1	5.4	....	....	28.8	22.3	9.0	3.6
Total	....	2.8	34.3	46.2	98.2	210.9	176.7	357.3	10.3	11.9	319.5	629.1	100.0	100.0
Per cent	....	.5	10.7	7.3	30.7	33.5	55.3	56.8	3.2	1.9	100.0	100.0	....	....

[1] Included in the total of commercial paper, shown above.

Amounts of commodity paper[1] *rediscounted by each of the Federal Reserve Banks from Sept. 8, date of first rediscount, to Oct. 30, 1915, inclusive.*

[In thousands of dollars.]

Federal Reserve Bank.	Amount of commodity paper discounted during September, 1915.	Amount of commodity paper discounted during October, 1915.	Total amount of commodity paper rediscounted during September and October, 1915.
Richmond	$96.0	$364.4	$460.4
Atlanta (including New Orleans branch)	807.3	1,657.2	2,464.5
St. Louis	....	31.2	31.2
Minneapolis	....	1.5	1.5
Dallas	2.3	4.8	7.1
Total	905.6	2,059.1	2,964.7

[1] Included in the total of commercial paper, shown above.

Amount of commercial paper, exclusive of bankers' acceptances, held by each of the Federal Reserve Banks on the last Friday of the month, Oct. 29, 1915, distributed by maturities.

[In thousands of dollars.]

Federal Reserve Bank.	Paper maturing within 10 days.	Paper maturing after 10 days but within 30 days.	Paper maturing after 30 days but within 60 days.	Paper maturing after 60 days but within 90 days.	Paper maturing after 90 days.	Total.	Per cent.
Boston	34.1	46.2	63.7	6.9	....	150.9	0.5
New York	82.1	183.1	106.3	31.3	....	402.8	1.3
Philadelphia	60.9	66.1	61.9	6.6	....	195.5	.6
Cleveland	93.6	143.6	181.6	52.4	115.1	586.3	1.9
Richmond	1,617.5	1,932.1	2,352.1	886.2	25.9	6,813.8	22.4
Atlanta	1,166.8	1,450.0	2,172.4	1,314.7	501.2	6,605.1	21.7
Chicago	133.2	353.4	739.3	477.0	630.3	2,333.2	7.7
St. Louis	341.3	432.8	568.1	258.6	66.3	1,667.1	5.5
Minneapolis	370.9	247.5	558.5	224.4	212.0	1,613.3	5.3
Kansas City	451.9	615.8	902.5	698.7	207.0	2,875.9	9.5
Dallas	1,663.8	1,601.0	1,900.4	724.7	297.3	6,187.2	20.3
San Francisco	163.3	240.6	374.3	190.9	47.8	1,016.9	3.3
Total	6,179.4	7,312.2	9,981.1	4,872.4	2,102.9	30,448.0	100.0
Per cent	20.3	24.0	32.8	16.0	6.9	100.0	....

ACCEPTANCES.

Bankers' acceptances, by classes, held by the Federal Reserve Banks each week.

[In thousands of dollars.]

Date.	Member banks.	Nonmember banks.		Private banks.	Total.
		Trust companies.	State banks.		
Oct. 26	8,109	4,419	193	237	12,958
Nov. 1	8,477	4,331	253	204	13,265
Nov. 8	8,784	4,306	255	204	13,549
Nov. 15	8,482	3,967	267	155	12,871
Nov. 22	8,457	4,413	275	197	[1] 13,342

[1] Acceptances indorsed by member banks: Private bank acceptances, $5,000.

Distribution of bankers' acceptances held by Federal Reserve Banks, according to schedules on hand Nov. 22, 1915, by classes of acceptors and sizes.

Class of acceptors.	To $5,000.		Over $5,000 to $10,000.		Over $10,000 to $25,000.		Over $25,000 to $50,000.		Over $50,000 to $100,000.		Over $100,000.		Total.		Per cent.
	Number of pieces.	Amount.	Number of pieces.	Amount.	Number of pieces.	Amount.	Number of pieces.	Amount.	Number of pieces.	Amount.	Number of pieces.	Amount.	Number of pieces.	Amount.	
Member banks	155	$475,385	145	$1,234,833	174	$3,105,719	40	$1,713,181	14	$1,135,909	3	$792,000	531	$8,457,027	63.4
Trust companies	96	286,743	97	753,330	56	986,669	14	553,397	8	580,696	4	1,252,160	275	4,412,995	33.1
State banks	31	126,250	....	....	13	149,227	....	....	....	....	....	....	44	275,477	2.0
Private banks	5	20,240	1	6,780	6	112,785	....	....	1	57,546	....	....	13	197,351	1.5
Total	287	908,618	243	1,994,943	249	4,354,400	54	2,266,578	23	1,774,151	7	2,044,160	863	13,342,850	100.0
Per cent	....	6.8	....	15.0	....	32.6	....	17.0	....	13.3	....	15.3	....	100.0	......

Amounts of acceptances held by the several Federal Reserve Banks at close of business on Fridays, Oct. 29 to Nov. 19, 1915.

[In thousands of dollars.]

	Boston.	New York.	Philadelphia.	Cleveland.	Richmond.	Atlanta.	Chicago.	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.	Total.
Acceptances maturing within 10 days:													
Oct. 29	416	421	80	43	....	....	200	26	....	28	....	25	1,239
Nov. 5	522	659	122	115	....	....	279	87	75	212	....	109	2,180
Nov. 12	246	73	102	53	....	....	327	1	41	50	....	61	954
Nov. 19	305	329	143	....	....	....	135	10	9	....	....	100	1,031
Acceptances maturing after 10 days, but within 30 days:													
Oct. 29	852	653	125	49	....	....	444	97	102	209	....	270	2,801
Nov. 5	644	424	180	23	....	....	387	10	28	7	....	173	1,876
Nov. 12	845	1,099	331	157	....	....	391	72	61	70	....	175	3,201
Nov. 19	907	958	400	156	50	....	317	84	52	80	....	96	3,100
Acceptances maturing after 30 days, but within 60 days:													
Oct. 29	1,566	1,770	1,033	303	100	....	606	182	118	147	....	168	5,993
Nov. 5	1,369	2,077	919	255	100	....	484	181	118	139	....	191	5,833
Nov. 12	1,089	1,461	786	120	100	....	283	150	77	81	....	157	4,304
Nov. 19	859	2,159	803	228	50	....	408	216	137	130	....	225	5,215
Acceptances maturing after 60 days, but within 3 months:													
Oct. 29	342	2,036	290	163	....	....	321	166	121	49	....	98	3,586
Nov. 5	336	1,854	562	165	....	....	382	191	137	81	....	177	3,885
Nov. 12	775	2,014	532	220	....	....	474	206	157	107	....	194	4,679
Nov. 19	762	1,472	451	239	....	....	615	211	145	97	....	172	4,164
Total acceptances held:													
Oct. 29	3,176	4,880	1,528	558	100	....	1,571	471	341	433	....	561	13,619
Nov. 5	2,871	5,014	1,783	558	100	....	1,532	469	358	439	....	650	13,774
Nov. 12	2,955	4,647	1,751	550	100	....	1,475	429	336	308	....	587	13,138
Nov. 19	2,833	4,918	1,797	623	100	....	1,475	521	343	307	....	593	13,510

Amounts of acceptances purchased by each of the Federal Reserve Banks from Feb. 19 (date of first purchase) to June 30 and for the months of July, August, September, and October, 1915, distributed by maturities.

[In thousands of dollars.]

	Boston.	New York.	Philadelphia.	Cleveland.	Richmond.	Atlanta.	Chicago.	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.	Total.
Acceptances maturing within 30 days:													
Feb. 19 to June 30	....	539	109	64	....	....	141	67	10	41	....	61	1,032
July	....	....	43	....	....	....	....	....	....	....	....	....	43
August	39	103	42	37	....	....	....	36	29	28	....	....	314
September [1]	25	50	....	....	....	....	....	....	3	....	....	....	78
October	402	41	50	....	....	....	....	....	....	....	....	....	493
Total	466	733	244	101	....	....	141	103	42	69	....	61	1,960
Acceptances maturing after 30 days but within 60 days:													
Feb. 19 to June 30	235	1,543	368	598	....	....	310	226	119	61	....	633	4,093
July	17	276	237	33	....	....	71	24	13	4	....	23	698
August	17	269	121	18	....	....	35	18	....	17	....	17	512
September [1]	15	55	....	30	....	....	16	26	9	35	....	25	211
October	366	98	29	67	....	....	101	17	23	43	....	17	761
Total	650	2,241	755	746	....	....	533	311	164	160	....	715	6,275
Acceptances maturing after 60 days but within 3 months:													
Feb. 19 to June 30	2,899	8,145	1,876	732	....	....	1,524	162	397	634	....	1,112	17,481
July	1,046	1,977	521	265	....	....	426	276	178	190	....	120	4,999
August	931	1,443	140	115	....	....	593	87	87	202	....	347	3,945
September [1]	741	1,557	994	107	100	....	351	94	60	51	....	96	4,151
October	1,014	2,196	351	269	....	....	570	246	186	134	....	245	5,211
Total	6,631	15,318	3,882	1,488	100	....	3,464	865	908	1,211	....	1,920	35,787
Total acceptances bought:													
Feb. 19 to June 30	3,134	10,227	2,353	1,394	....	....	1,975	455	526	736	....	1,806	22,606
July	1,063	2,253	801	298	....	....	497	300	191	194	....	143	5,740
August	987	1,815	303	170	....	....	628	141	116	247	....	364	4,771
September [1]	781	1,662	994	137	100	....	367	120	72	86	....	121	4,440
October	1,782	2,335	430	336	....	....	671	263	209	177	....	262	6,465
Grand total	7,747	18,292	4,881	2,335	100	....	4,138	1,279	1,114	1,440	....	2,696	44,022

[1] Corrected figures.

FEDERAL RESERVE BANK STATEMENTS.

Resources and liabilities of each of the Federal Reserve Banks and of the Federal Reserve System at close of business on Fridays, Oct. 29 to Nov. 26, 1915.

RESOURCES.

[In thousands of dollars.]

	Boston.	New York.	Philadelphia.	Cleveland.	Richmond.	Atlanta.	Chicago.	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.	Total for system.
Gold coin and certificates in vault:													
Oct. 29	13,738	129,981	7,867	10,618	5,898	5,672	27,510	2,827	619	3,917	3,995	5,582	218,224
Nov. 5	14,768	144,470	8,693	10,545	5,900	6,230	25,977	2,665	655	3,118	3,992	5,665	232,678
Nov. 12	14,769	143,818	7,606	10,331	5,964	6,009	28,639	2,606	975	3,128	4,009	5,576	233,430
Nov. 19	15,906	147,884	8,884	10,632	5,983	6,293	30,520	3,033	2,478	2,309	4,086	7,392	245,400
Nov. 26	14,734	151,218	8,186	10,640	6,022	5,982	31,460	2,867	2,498	2,310	4,119	5,950	245,986
Gold settlement fund:													
Oct. 29	5,264	4,492	3,163	4,934	7,159	2,745	11,336	4,659	3,982	2,908	7,000	4,318	61,960
Nov. 5	3,470	3,735	2,129	5,228	6,899	2,703	11,900	4,978	5,363	2,559	7,492	4,354	60,810
Nov. 12	4,567	3,006	2,643	5,367	6,903	2,515	12,194	4,622	4,958	3,103	8,213	4,699	62,790
Nov. 19	5,527	2,891	1,192	7,881	8,726	1,867	12,291	4,183	5,325	5,162	8,505	5,795	69,345
Nov. 26	5,259	3,885	3,990	9,170	9,268	1,409	9,736	2,757	5,297	6,358	9,165	7,536	73,830
Gold redemption fund:													
Oct. 29	6	55	37	....	375	225	....	35	30	97	341	21	1,222
Nov. 5	6	55	37	....	375	225	....	35	30	102	341	21	1,227
Nov. 12	6	55	37	....	375	225	....	35	30	102	341	21	1,227
Nov. 19	6	55	37	....	375	225	....	35	30	107	341	21	1,232
Nov. 26	6	55	37	....	375	245	....	35	30	107	341	21	1,252
Legal tender notes, silver, etc.:													
Oct. 29	680	30,344	3,067	992	100	150	962	156	7	269	324	7	37,058
Nov. 5	363	25,609	3,032	982	104	224	725	147	7	166	196	12	31,567
Nov. 12	114	25,665	3,116	1,052	137	209	1,015	140	7	162	185	4	31,806
Nov. 19	21	25,681	2,846	1,123	114	222	1,586	167	13	169	198	33	32,173
Nov. 26	33	29,783	2,909	1,107	116	238	2,457	139	19	176	217	18	37,212
Total reserve:													
Oct. 29	19,688	164,872	14,134	16,544	13,532	8,792	39,808	7,677	4,638	7,191	11,660	9,928	318,464
Nov. 5	18,607	173,869	13,891	16,755	13,278	9,382	38,602	7,825	6,055	5,945	12,021	10,052	326,282
Nov. 12	19,456	172,544	13,402	16,750	13,379	8,958	41,848	7,403	5,970	6,495	12,748	10,300	329,253
Nov. 19	21,460	176,511	12,959	19,636	15,198	8,607	44,397	7,418	7,846	7,747	13,130	13,241	348,150
Nov. 26	20,032	184,941	15,122	20,917	15,781	7,874	43,653	5,798	7,844	8,951	13,842	13,525	358,280
Commercial paper:													
Oct. 29	151	403	196	587	6,814	6,600	2,333	1,667	1,617	2,876	6,187	1,017	30,448
Nov. 5	166	369	134	580	6,482	6,414	2,519	1,776	1,455	3,040	5,463	955	29,353
Nov. 12	178	316	145	532	6,535	6,838	2,739	1,771	1,492	3,100	5,479	885	30,010
Nov. 19	169	263	192	517	6,599	7,135	2,862	1,809	1,540	4,332	5,450	771	31,639
Nov. 26	182	282	180	637	6,937	7,885	2,915	1,731	1,526	4.247	5,565	707	32,794
Bankers' acceptances:													
Oct. 29	3,176	4,880	1,528	558	100	....	1,571	471	341	433	....	561	13,619
Nov. 5	2,871	5,014	1,783	558	100	....	1,532	469	358	439	....	650	13,774
Nov. 12	2,955	4,647	1,751	550	100	....	1,475	429	336	308	....	587	13,138
Nov. 19	2,833	4,918	1,797	623	100	....	1,475	521	343	307	....	593	13,510
Nov. 26	5,118	5,348	1,779	632	100	....	1,457	520	370	329	....	526	16,179
United States bonds:													
Oct. 29	491	....	491	932	....	....	4,031	952	1,082	1,526	....	1,000	10,505
Nov. 5	491	....	491	932	....	....	4,031	952	1,110	1,526	....	1,000	10,533
Nov. 12	986	....	1,432	932	....	....	4,031	952	1,144	1,526	....	1,000	12,003
Nov. 19	986	....	1,973	1,015	....	....	4,062	952	1,160	1,526	....	1,000	12,674
Nov. 26	986	....	1,973	1,194	....	....	4,090	952	1,188	1,536	....	1,000	12,919
Municipal warrants:													
Oct. 29	3,274	8,390	2,866	3,638	....	5	2,750	1,095	793	824	....	1,379	25,014
Nov. 5	2,869	6,701	2,817	3,545	....	102	2,519	946	713	753	....	1,183	22,148
Nov. 12	3,443	6,562	2,869	3,515	....	335	2,468	956	718	753	....	1,182	22,801
Nov. 19	3,500	10,853	3,321	3,482	52	335	2,353	959	717	742	63	1,142	27,519
Nov. 26	3,416	10,414	2,944	3,474	69	335	2,478	984	1,243	756	63	1,132	27,308
Federal Reserve notes, net assets:													
Oct. 29	745	11,376	805	385	....	....	2,190	782	1,566	....	....	1,874	19,723
Nov. 5	332	9,498	216	359	....	....	2,178	286	512	....	....	1,803	15,184
Nov. 12	1,173	11,457	1,010	427	....	....	1,868	1,002	996	....	....	1,604	19,537
Nov. 19	837	12,273	642	448	....	....	1,853	604	579	....	....	1,556	18,792
Nov. 26	1,077	13,442	249	306	....	....	1,846	....	712	....	....	1,544	19,176
Due from other Federal Reserve Banks, net:													
Oct. 29	....	....	3,512	704	640	820	2,651	526	1,775	708	302	787	[1] 8,533
Nov. 5	882	....	4,572	805	1,130	993	4,187	2,327	1,717	599	923	928	[1] 12,483
Nov. 12	....	642	3,943	1,563	1,563	202	2,104	1,293	2,196	1,243	329	2,323	[1] 16,175
Nov. 19	1,754	....	8,048	3,560	1,717	1,932	1,404	2,560	3,336	1,371	1,546	2,597	[1] 15,827
Nov. 26	1,880	....	6,649	2,968	1,544	1,137	2,410	5,599	3,189	1,767	675	2,668	[1] 14,053
All other resources:													
Oct. 29	245	383	668	119	51	296	121	658	70	531	178	325	3,645
Nov. 5	234	372	536	118	66	145	162	263	69	555	131	311	2,962
Nov. 12	424	376	654	232	92	296	95	176	68	655	115	92	3,275
Nov. 19	310	402	582	109	136	571	157	268	69	706	250	102	3,662
Nov. 26	297	398	794	288	155	749	186	296	64	792	496	118	4,633
Total resources:													
Oct. 29	27,770	190,304	24,200	23,467	21,137	16,513	55,455	13,828	11,882	14,089	18,327	16,871	429,951
Nov. 5	26,452	195,823	24,440	23,652	21,056	17,036	55,730	14,844	11,989	12,857	18,538	16,882	432,719
Nov. 12	28,615	196,544	25,206	24,501	21,669	16,629	56,628	13,982	12,920	14,080	18,671	17,973	446,192
Nov. 19	31,849	205,220	29,514	29,390	23,802	18,580	58,563	15,091	15,590	16,731	20,439	21,002	471,773
Nov. 26	32,988	214,825	29,690	30,416	24,586	17,980	59,035	15,880	16,136	18,378	20,641	21,220	485,342

[1] Items in transit, i. e., total amounts due from, less total amounts due to, other Federal Reserve Banks.

Resources and liabilities of each of the Federal Reserve Banks and of the Federal Reserve System at close of business on Fridays, Oct. 29 to Nov. 26, 1915—Continued.

LIABILITIES.

[In thousands of dollars.]

	Boston.	New York.	Philadelphia.	Cleveland.	Richmond.	Atlanta.	Chicago.	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.	Total for system.
Capital paid in:													
Oct. 29	5,181	11,047	5,269	5,945	3,349	2,417	6,635	2,778	2,492	3,025	2,767	3,933	54,838
Nov. 5	5,171	11,077	5,272	5,945	3,349	2,416	6,634	2,778	2,493	3,027	2,753	3,933	54,848
Nov. 12	5,171	11,059	5,273	5,945	3,352	2,417	6,635	2,778	2,495	3,027	2,753	3,941	54,846
Nov. 19	5,171	11,060	5,270	5,945	3,353	2,418	6,638	2,780	2,496	3,026	2,755	3,942	54,854
Nov. 26	5,171	11,060	5,270	5,931	3,353	2,417	6,639	2,780	2,497	3,030	2,756	3,942	54,846
Government deposits:													
Oct. 29					5,000	5,000					5,000		15,000
Nov. 5					5,000	5,000					5,000		15,000
Nov. 12					5,000	5,000					5,000		15,000
Nov. 19					5,000	5,000					5,000		15,000
Nov. 26					5,000	5,000					5,000		15,000
Reserve deposits, net:													
Oct. 29	21,095	174,443	18,931	17,522	7,768	5,395	48,820	11,050	9,390	9,687	6,515	12,938	343,554
Nov. 5	21,281	175,252	19,168	17,707	7,802	5,721	49,096	12,066	9,496	8,994	6,531	12,949	346,063
Nov. 12	22,218	181,710	19,933	18,556	8,160	6,268	49,993	11,204	10,425	9,826	6,992	14,032	359,317
Nov. 19	26,678	176,414	24,244	23,445	10,364	7,755	51,925	12,311	13,094	12,959	8,748	17,060	384,997
Nov. 26	27,817	183,438	24,420	24,485	10,712	7,199	52,396	12,995	13,639	14,422	9,151	17,278	397,952
Federal Reserve notes, net liability:													
Oct. 29					4,874	3,622				1,377	4,045		13,918
Nov. 5					4,754	3,817				836	4,254		13,661
Nov. 12					5,000	2,854				1,227	3,926		13,007
Nov. 19					4,923	3,318				746	3,936		12,923
Nov. 26					5,354	3,266		105		926	3,734		13,385
Due to other Federal Reserve Banks, net:													
Oct. 29	1,494	2,398											
Nov. 5		6,580											
Nov. 12	1,226												
Nov. 19		13,998											
Nov. 26		16,433											
All other liabilities:													
Oct. 29		2,416			146	79							2,641
Nov. 5		2,914			151	82							3,147
Nov. 12		3,775			157	90							4,022
Nov. 19		3,748			162	89							3,999
Nov. 26		3,894			167	98							4,159
Total liabilities:													
Oct. 29	27,770	190,304	24,200	23,467	21,137	16,513	55,455	13,828	11,882	14,089	18,327	16,871	429,951
Nov. 5	26,452	195,823	24,440	23,652	21,056	17,036	55,730	14,844	11,989	12,857	18,538	16,882	432,719
Nov. 12	28,615	196,544	25,206	24,501	21,669	16,629	56,628	13,982	12,920	14,080	18,671	17,973	446,192
Nov. 19	31,849	205,220	29,514	29,390	23,802	18,580	58,563	15,091	15,590	16,731	20,439	21,002	471,773
Nov. 26	32,988	214,825	29,690	30,416	24,586	17,980	59,035	15,880	16,136	18,378	20,641	21,220	485,342

Circulation of Federal Reserve notes at close of business on Fridays, Oct. 29 to Nov. 26, 1915.

[In thousands of dollars.]

	Boston.	New York.	Philadelphia.	Cleveland.	Richmond.	Atlanta.	Chicago.	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.	Total for system.
Federal Reserve notes issued to the bank:													
Oct. 29	5,820	70,960	6,160	8,600	13,800	13,900	4,380	5,825	11,000	7,880	15,445	4,600	168,370
Nov. 5	5,820	70,960	6,360	8,800	13,800	14,300	4,380	5,825	11,000	8,900	15,565	4,600	170,310
Nov. 12	6,820	74,360	7,640	9,000	14,000	15,300	4,380	6,950	12,000	8,900	15,615	4,370	179,335
Nov. 19	6,520	76,760	7,840	9,200	14,000	15,450	4,380	6,950	12,000	9,900	15,605	4,370	183,275
Nov. 26	7,820	79,160	7,960	9,200	14,440	15,750	4,380	6,950	12,500	9,900	15,385	4,370	187,815
Federal Reserve notes in the hands of the bank:													
Oct. 29	745	11,596	805	385	426	628	2,190	1,282	1,566	488	360	1,874	22,345
Nov. 5	332	9,668	216	359	246	433	2,178	661	512	1,149	271	1,803	17,828
Nov. 12	1,173	11,627	1,010	427	200	1,146	1,868	1,502	996	758	399	1,604	22,710
Nov. 19	837	12,443	642	448	277	932	1,853	1,104	579	1,339	379	1,556	22,389
Nov. 26	1,077	13,592	249	306	286	984	1,846	395	712	1,159	361	1,544	22,511
Federal Reserve notes in circulation:													
Oct. 29	5,075	59,364	5,355	8,215	13,374	13,272	2,190	4,543	9,434	7,392	15,085	2,726	146,025
Nov. 5	5,488	61,292	6,144	8,441	13,554	13,867	2,202	5,164	10,488	7,751	15,294	2,797	152,482
Nov. 12	5,647	62,733	6,630	8,573	13,800	14,154	2,512	5,448	11,004	8,142	15,216	2,766	156,625
Nov. 19	5,983	64,317	7,198	8,752	13,723	14,518	2,527	5,846	11,421	8,561	15,226	2,814	160,886
Nov. 26	6,743	65,568	7,711	8,894	14,154	14,766	2,534	6,555	11,788	8,741	15,024	2,826	165,304

Circulation of Federal Reserve notes at close of business on Fridays, Oct. 29 to Nov. 26, 1915—Continued.

[In thousands of dollars.]

	Boston.	New York.	Philadelphia.	Cleveland.	Richmond.	Atlanta.	Chicago.	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.	Total for system.
Gold and lawful money deposited with or to the credit of the Federal Reserve Agent:													
Oct. 29	5,820	70,740	6,160	8 600	8,500	9,650	4,380	5,325	11,000	6,015	11,040	4,600	151,830
Nov. 5	5,820	70,790	6,360	8,800	8,800	10,050	4,380	5,450	11,000	6,915	11,040	4,600	154,005
Nov. 12	6,820	74,190	7,640	9,000	8,800	11,300	4,380	6,450	12,000	6,915	11,290	4,370	163,155
Nov. 19	6,820	76,590	7,840	9,200	8,800	11,200	4,380	6,450	12,000	7,815	11 290	4 370	166,755
Nov. 26	7,820	79,010	7,960	9,200	8,800	11,500	4,380	6,450	12,500	7,815	11,290	4,370	171,095
Carried to net liabilities:													
Oct. 29	....	....	....	....	4,874	3,622	....	....	....	1,377	4,045	....	13,918
Nov. 5	....	....	....	....	4,754	3,817	....	....	....	836	4,254	....	13,661
Nov. 12	....	....	....	....	5,000	2,854	....	....	....	1,227	3,926	....	13,007
Nov. 19	....	....	....	....	4,923	3,318	....	....	....	746	3,936	....	12,923
Nov. 26	....	....	....	....	5,354	3,266	....	105	....	926	3,734	....	13,385
Carried to net assets:													
Oct. 29	745	11,376	805	385	....	....	2,190	782	1,566	....	....	1,874	19,723
Nov. 5	332	9,498	216	359	....	....	2,178	286	512	....	....	1,803	15,184
Nov. 12	1,173	11,457	1,010	427	....	....	1,868	1,002	996	....	....	1,604	19,537
Nov. 19	837	12,273	642	448	....	....	1,853	604	579	....	....	1,556	18,792
Nov. 26	1,077	13,442	249	306	....	....	1,846	....	712	....	....	1,544	19,176

Statement of Federal Reserve Agents' accounts at close of business on Fridays, Oct. 29 to Nov. 26, 1915.

[In thousands of dollars.]

	Boston.	New York.	Philadelphia.	Cleveland.	Richmond.	Atlanta.	Chicago.	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.	Total for system.
Federal Reserve notes:													
Received from the Comptroller—													
Oct. 29	11,800	76,480	12,480	10,000	15,100	16,600	9,380	6,600	15,000	9,000	19,580	10,000	212,020
Nov. 5	11,800	78,480	12,480	11,000	15,100	16,600	9,380	9,600	15,000	9,000	19,580	10,000	218,020
Nov. 12	11,800	93,480	12,480	11,000	15,100	17,600	9,380	9,600	15,000	10,000	19,580	10,000	235,020
Nov. 19	11,800	98,440	12,480	11,000	15,100	17,600	9,380	9,600	17,000	11,000	19,580	10,000	242,980
Nov. 26	16,360	98,440	12,480	11,600	15,100	18,900	9,380	9,600	17,000	11,000	19,580	10,000	249,440
Returned to the Comptroller—													
Oct. 29	300	....	380	....	....	....	120	....	....	....	15	....	815
Nov. 5	400	....	460	40	....	....	120	....	....	....	15	....	1,035
Nov. 12	400	....	460	40	....	....	120	....	....	....	15	230	1,265
Nov. 19	400	....	460	40	....	....	120	....	....	....	25	230	1,275
Nov. 26	400	....	540	40	....	....	120	....	....	....	25	230	1,355
Chargeable to the Federal Reserve Agent—													
Oct. 29	11,500	76,480	12,100	10,000	15,100	16,600	9,260	6,600	15,000	9,000	19,565	10,000	211,205
Nov. 5	11,400	78,480	12,020	10,960	15,100	16,600	9,260	9,600	15,000	9,000	19,565	10,000	216,985
Nov. 12	11,400	93,480	12,020	10,960	15,100	17,600	9,260	9,600	15,000	10,000	19,565	9,770	233,755
Nov. 19	11,400	98,440	12,020	10,960	15,100	17,600	9,260	9,600	17,000	11,000	19,555	9,770	241,705
Nov. 26	15,960	98,440	11,940	11,560	15,100	18,900	9,260	9,600	17,000	11,000	19,555	9,770	248,085
In the hands of the Federal Reserve Agent—													
Oct. 29	5,680	5,520	5,940	1,400	1,300	2,700	4,880	775	4,000	1,120	4,120	5,400	42,835
Nov. 5	5,580	7,520	5,660	2,160	1,300	2,300	4,880	3,775	4,000	100	4,000	5,400	46,675
Nov. 12	4,580	19,120	4,380	1,960	1,100	2,300	4,880	2,650	3,000	1,100	3,950	5,400	54,420
Nov. 19	4,580	21,680	4,180	1,760	1,100	2,150	4,880	2,650	5,000	1,100	3,950	5,400	58,430
Nov. 26	8,140	19,280	3,980	2,360	660	3,150	4,880	2,650	4,500	1,100	4,170	5,400	60,270
Issued to the Federal Reserve Bank, net—													
Oct. 29	5,820	70,960	6,160	8,600	13,800	13,900	4,380	5,825	11,000	7,880	15,445	4,600	168,370
Nov. 5	5,820	70,960	6,360	8,800	13,800	14,300	4,380	5,825	11,000	8,900	15,565	4,600	170,310
Nov. 12	6,820	74,360	7,640	9,000	14,000	15,300	4,380	6,950	12,000	8,900	15,615	4,370	179,335
Nov. 19	6,820	76,760	7,840	9,200	14,000	15,450	4,380	6,950	12,000	9,900	15,605	4,370	183,275
Nov. 26	7,820	79,160	7,960	9,200	14,440	15,750	4,380	6,950	12,500	9,900	15,385	4,370	187,815

Statement of Federal Reserve Agents' accounts at close of business on Fridays Oct. 29 to Nov. 26, 1915—Continued.

[In thousands of dollars.]

	Boston.	New York.	Philadelphia.	Cleveland.	Richmond.	Atlanta.	Chicago.	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.	Total for system.
Amounts held by the Federal Reserve Agent:													
In reduction of liability on outstanding notes—													
Gold coin and certificates on hand—													
Oct. 29	5,820	70,740	6,160	8,170		450	4,260	5,325	10,000	6,015	9,540		126,480
Nov. 5	5,820	70,790	6,360	8,360			4,260	5,450	10,000	6,915	9,540		127,495
Nov. 12	6,820	74,190	7,640	8,550		250	4,260	5,450	10,000	6,815	9,540		133,515
Nov. 19	6,820	76,590	7,840	8,740				5,450	10,000	7,715	9,540		132,695
Nov. 26	7,820	79,010	7,960	8,740		300		5,450	10,000	7,715	9,540		136,535
Lawful money on hand—													
Oct. 29													
Nov. 5													
Nov. 12										100			100
Nov. 19										100			100
Nov. 26										100			100
Credit balances in gold redemption fund—													
Oct. 29				430			120						550
Nov. 5				440			120						560
Nov. 12				450			120						570
Nov. 19				460			120						580
Nov. 26				460			120						580
Credit balances with Federal Reserve Board—													
Oct. 29					8,500	9,200			1,000		1,500	4,600	24,800
Nov. 5					8,800	10,050			1,000		1,500	4,600	25,950
Nov. 12					8,800	11,050		1,000	2,000		1,750	4,370	28,970
Nov. 19					8,800	11,200	4,260	1,000	2,000		1,750	4,370	33,380
Nov. 26					8,800	11,200	4,260	1,000	2,500		1,750	4,370	33,880
As security for outstanding notes—													
Commercial paper—													
Oct. 29		220			5,300	4,250		500		1,865	4,405		16,540
Nov. 5		170			5,000	4,250		375		1,985	4,525		16,305
Nov. 12		170			5,200	4,000		500		1,985	4,325		16,180
Nov. 19		170			5,200	4,250		500		2,085	4,315		16,520
Nov. 26		150			5,640	4,250		500		2,085	4,095		16,720
Total—													
Oct. 29	5,820	70,960	6,160	8,600	13,800	13,900	4,380	5,825	11,000	7,880	15,445	4,600	168,370
Nov. 5	5,820	70,960	6,360	8,800	13,800	14,300	4,380	5,825	11,000	8,900	15,565	4,600	170,310
Nov. 12	6,820	74,360	7,640	9,000	14,000	15,300	4,380	6,950	12,000	8,900	15,615	4,370	179,335
Nov. 19	6,820	76,760	7,840	9,200	14,000	15,450	4,380	6,950	12,000	9,900	15,605	4,370	183,275
Nov. 26	7,820	79,160	7,960	9,200	14,440	15,750	4,380	6,950	12,500	9,900	15,385	4,370	187,815
Memorandum:													
Total amount of commercial paper delivered to the Federal Reserve Agent—													
Oct. 29		220			5,301	4,250		500		1,869	4,413		16,553
Nov. 5		170			5,213	4,250		376		1,985	4,669		16,663
Nov. 12		170			5,538	4,000		500		1,988	4,484		16,680
Nov. 19		170			5,614	4,250		500		2,086	4,620		17,240
Nov. 26		150			5,772	4,751		500		2,087	4,323		17,583

GOLD IMPORTS AND EXPORTS.

Imports of gold, by customs districts, Jan. 1 to Nov. 19, 1915.

[In thousands of dollars.]

	Maine and New Hampshire.	Maryland.	New York.	Porto Rico.	Rhode Island.	Florida.	New Orleans.	Arizona.	El Paso.	Laredo.	Alaska.	San Francisco.	Southern California.	Washington.	Buffalo.	Chicago.	Dakota.	Duluth and Superior.	Michigan.	St. Lawrence.	Vermont.	Total.
Week ending Oct. 22.																						
Ore and base bullion			32				19	10	6		3			77	45				42			234
Bullion, refined			479						2		150	24		284	114							1,053
United States coin			8				4													2	1	15
Foreign coin			6,705			480						5,767								24,333		37,285
Total			7,224			480	23	10	8		153	5,791		361	159				42	24,335	1	38,587
Week ending Oct. 29.																						
Ore and base bullion			44				7		4		3			49	167	3	12	1	35			325
United States mint or assay office bars																				1		1
Bullion, refined			147		12				3		254			264								680
United States coin			641																			641
Foreign coin			2,336			1,480								498						4,868	1	9,183
Total			3,168		12	1,480	7		7		257			811	167	3	12	1	35	4,869	1	10,830
Week ending Nov. 5.																						
Ore and base bullion			16					4	8			105		37	167		3		16			356
Bullion, refined			407					4						111	136							658
United States coin						1														2		3
Foreign coin			11,321			500						498								4,867		17,186
Total			11,744			501		8	8			603		148	303		3		16	4,869		18,203
Week ending Nov. 12.																						
Ore and base bullion												1		63	118	2	4		37			225
Bullion, refined			350		7						154	2,096			30							2,637
United States coin																				1		1
Foreign coin			9,483			726						3,638										13,847
Total			9,833		7	726					154	5,735		63	148	2	4		37	1		16,710
Week ending Nov. 19.																						
Ore and base bullion			8				13			2		6		60	39		9		49			186
United States mint or assay office bars															15							15
Bullion, refined			326											137								463
United States coin						5														1		6
Foreign coin			8,060									1,022										9,082
Total			8,394			5	13			2		1,028		197	54		9		49	1		9,752
Jan. 1 to Nov. 19.																						
Ore and base bullion	1		917				372	356	160	11	272	912	7	3,499	5,191	5	133	1	1,498	1		13,336
United States mint or assay office bars															18					6,921		6,939
Bullion, refined			10,706		25	10		455	1,333		3,429	13,006		2,571	558					8,131		40,224
United States coin	48,390		20,518	3		15	5				7	22	1	12	49					86,562	1	155,585
Foreign coin	11,650	50	58,579			3,211	30		8			47,413		996						39,323	4	161,264
Total	60,041	50	90,720	3	25	3,236	407	811	1,501	11	3,708	61,353	8	7,078	5,816	5	133	1	1,498	140,938	5	377,348

Exports of gold, by customs districts, Jan. 1 to Nov. 19, 1915.

[In thousands of dollars.]

	Maine and New Hampshire.	New York.	Porto Rico.	New Orleans.	Alaska.	Hawaii.	San Francisco.	Washington.	Buffalo.	Dakota.	Duluth and Superior.	Michigan.	Montana and Idaho.	St. Lawrence.	Vermont.	Total.
Week ending Oct. 22.																
United States mint or assay office bars									12							12
Bullion, refined, domestic								2	1						1	4
United States coin		1,442						8								1,450
Total		1,442						10	13						1	1,466
Week ending Oct. 29.																
Bullion, refined, domestic									17			1				18
United States coin		483														483
Total		483							17			1				501
Week ending Nov. 5.																
Ore and base bullion								29	1							30
United States mint or assay office bars									5							5
Bullion, refined, domestic								4								4
United States coin		95						13								108
Total		95						46	6							147
Week ending Nov. 12.																
United States mint or assay office bars														1		1
United States coin		200					3							450		653
Foreign coin														1		1
Total		200					3							452		655
Week ending Nov. 19.																
Ore and base bullion					25				1							26
United States mint or assay office bars									10							10
Bullion, refined:																
Domestic									7			2			2	11
Foreign																
United States coin		1,012				1		10	500							1,523
Foreign coin														6		6
Total		1,012			25	1		10	518			2		6	2	1,576
Jan. 1 to Nov. 19.																
Ore and base bullion					41			279	5					1		326
United States mint or assay office bars									120					8		128
Bullion, refined:																
Domestic	2							25	41	4	1	10		6	17	106
Foreign									20							20
United States coin		12,037		10		25	198	115	508			1	2	455		13,351
Foreign coin		3,975	1						134					10		4,120
Total	2	16,012	1	10	41	25	198	419	828	4	1	11	2	480	17	18,051

CIRCULARS AND REGULATIONS.

The circular and regulation given below were issued by the Board on November 29:

CIRCULAR NO. 19, SERIES OF 1915.

WASHINGTON, *November 29, 1915.*

OPEN-MARKET PURCHASES OF BANKERS' ACCEPTANCES.

In Regulation R, series of 1915, relating to the discount of bankers' acceptances, the Federal Reserve Board provided for the purchase in the open market of bankers' acceptances based on the importation or exportation of goods.

The appended regulation is intended to cover the purchase in the open market, not only of bankers' acceptances based on the importation or exportation of goods, heretofore covered by Regulation R, but also the purchase of certain domestic acceptances authorized by certain State laws.

The Federal Reserve Board has determined that bankers' domestic acceptances, as defined and restricted in the appended regulation, are a very useful type of paper, and the Board has not felt justified, therefore, when admitting State banks and trust companies into the Federal Reserve System, in stipulating that such domestic acceptances should not be continued under reasonable limitations as a part of their business.

Inasmuch as the making of these domestic acceptances has been recognized by the Board as the exercise of a legitimate banking function when authorized by law, it was thought that they are of the character to make desirable investments for Federal Reserve Banks. The Board has, therefore, issued the appended regulation, not only embodying the authority given in Regulation R, series of 1915, to purchase bankers' acceptances based on the importation or exportation of goods, but also authorizing the purchase of bankers' domestic acceptances within the limits prescribed in the appended regulation.

REGULATION S, SERIES OF 1915.

WASHINGTON, *November 29, 1915.*

OPEN MARKET PURCHASES OF BANKERS' ACCEPTANCES.

I. *Definition.*

In this regulation the term "acceptance" is defined as a draft or bill of exchange drawn to order, having a definite maturity, and payable in dollars, in the United States, the obligation to pay which has been accepted by an acknowledgment written or stamped and signed across the face of the instrument by the party on whom it is drawn; such agreement to be to the effect that the acceptor will pay at maturity according to the tenor of such draft or bill without qualifying conditions.

II. *Statutory requirements.*

Section 14 of the Federal Reserve Act permits Federal Reserve Banks, under regulations to be prescribed by the Federal Reserve Board, to purchase and sell in the open market bankers' acceptances with or without the indorsement of a member bank.

III. *Eligibility.*

The Federal Reserve Board has determined that, until further notice, to be eligible for purchase under section 14 at the rates to be established for the purchase of bankers' domestic and foreign acceptances:

(*a*) Acceptances must have been made by a bank or trust company, or by some firm, person, company, or corporation engaged in the business of accepting or discounting. Such acceptances will hereafter be referred to as "bankers' acceptances."

(*b*) A banker's foreign acceptance must be drawn by a purchaser or seller or other person, firm, company, or corporation directly connected with the importation or exportation of the goods involved in the transaction in which the acceptance originated, or by a "banker." The bill must not be renewed after the goods have been surrendered to the purchaser or consignee, except for such reasonable period as may have been agreed upon at the time of the opening of the credit as a condition incidental to the importation or exportation involved, provided that the bill must not contain or be subject to any condition whereby the holder thereof is obligated to renew the same at maturity.

(*c*) A banker's foreign acceptance must bear on its face or be accompanied by evidence in form satisfactory to a Federal Reserve Bank that it originated in, or is based upon, a transaction or transactions involving the importation or exportation of goods. Such evidence may consist of a certificate on or accompanying the acceptance to the following effect:

This acceptance is based upon a transaction involving the importation or exportation of goods. Reference No. ——. Name of acceptor ——.

(*d*) A banker's domestic acceptance must be based on a transaction covering the shipment of goods, such transaction to be evidenced at the time of acceptance by accompanying shipping documents, or must be secured by a warehouse receipt covering readily marketable staples and issued by a warehouse independent of the borrower; or by the pledge of goods actually sold.

(*e*) A banker's domestic acceptance must bear on its face or be accompanied by evidence in form satisfactory to the Federal Reserve Bank that it is based on a transaction or is secured by a receipt or pledge of the character defined in III (*d*) hereof. Such evidence may consist of a certificate in general form similar to that suggested in III (*c*) hereof.

(*f*) Bankers' acceptances, other than those of member banks, whether foreign or domestic, shall be eligible only after the acceptors shall have agreed in writing to furnish to the Federal Reserve Banks of their respective districts, upon request, information concerning the nature of the transactions against which acceptances (certified or bearing evidence under III (*c*) and (*e*) hereof) have been made.

(*g*) The aggregate of bills, domestic and foreign, of any one drawer, drawn on and accepted by any bank or trust company and purchased or discounted by a Federal Reserve Bank, shall at no time exceed 10 per cent of the unimpaired capital and surplus of such bank or trust company, but this restriction shall not apply to the purchase or discount of bills drawn in good faith against actually existing values; that is, bills the acceptor of which is secured by a lien on or by a transfer of title to the goods to be transported, or by other adequate security such as a warehouse receipt or the pledge of goods actually sold.

(*h*) The aggregate of bills, domestic and foreign, of any one drawer, drawn on and accepted by any firm, person, company, or corporation (other than a bank or trust company), engaged in the business of discounting or accepting, and purchased or discounted by a Federal Reserve Bank, shall at no time exceed a sum equal to a definite percentage of the paid-in capital of such Federal Reserve Bank, such percentage to be fixed from time to time by the Federal Reserve Board; but this restriction shall not apply to the purchase or discount of bills drawn in good faith against actually existing values; that is, bills the acceptor of which is secured by a lien on or by a transfer of title to the goods to be transported or by other adequate security, such as a warehouse receipt; or the pledge of goods actually sold.

(*i*) The aggregate of bankers' acceptances, domestic and foreign, made by any one firm, person, company, or corporation (other than a bank or trust company) engaged in the business of discounting or accepting, purchased or discounted by a Federal Reserve Bank, shall at no time exceed a sum equal to a definite percentage of the paid-in capital of such Federal Reserve Bank; such percentage to be fixed from time to time by the Federal Reserve Board.

No Federal Reserve Bank shall purchase a domestic or foreign acceptance of a "banker" other than a member bank which does not bear the indorsement of a member bank, unless there is furnished a satisfactory statement of the financial condition of the acceptor in form to be approved by the Federal Reserve Board.

IV. *Policy as to purchases.*

Federal Reserve Banks should bear in mind that preference should be given wherever possible to acceptances indorsed by a member bank, discounted under section 13, not only because of the additional protection that such indorsement affords, but also because of the reason that acceptances discounted under section 13 may be used as collateral security for the issue of Federal Reserve notes.

V.

So much of Regulation R, series of 1915, as relates to the purchase in the open market of bankers' acceptances is hereby superseded.

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