

# FEDERAL RESERVE BULLETIN

ISSUED BY THE  
FEDERAL RESERVE BOARD  
AT WASHINGTON

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FEBRUARY, 1919



WASHINGTON  
GOVERNMENT PRINTING OFFICE  
1919

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No complete sets of the Bulletin for 1915, 1916, or 1917 are available.

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# FEDERAL RESERVE BULLETIN

VOL. 5

FEBRUARY 1, 1919.

No. 2

## REVIEW OF THE MONTH.

Two issues of short-term certificates of indebtedness have been placed by the Treasury Department during the month of January, the first on January 2, the second on January 16. The first, of which \$750,000,000 was offered, amounted to \$751,684,500, and the second, of which \$600,000,000 was offered, amounted to \$600,101,500. With the sale of these two certificate issues the aggregate now outstanding, which constitutes a claim upon the proceeds of the forthcoming loan, is approximately \$2,538,000,000. Tentative announcement has definitely fixed the period for the flotation of the next loan at the first three weeks of April, 1919, and has made it evident that the bonds then to be offered, preliminary estimates of which vary from five billion to six billion dollars, will be the last that will be offered in the open market under the general plan of financing which has thus far been in vogue. The designation of April as the period for the offering of the new bonds will involve continuation of the present method of financing through the issue of certificates of indebtedness for approximately three months longer, a fact which will practically require almost the entire proceeds of the new loan for the purpose of funding the outstanding certificates. The war revenue bill, which has been so long pending in Congress, is now on the point of passage, and this insures collection of taxes upon the new basis, much of the proceeds from which will begin to flow into the Treasury by the end of April.

Public expenditures will continue on a diminishing though high basis, the outlays for December having been \$2,100,000,000, while those for January are reported as slightly below \$2,000,000,000. A further decline in the gross

amount of these heavy demands may doubtless be expected from this time forward, due to the gradual demobilization of the troops and the cancellation of outstanding Government contracts and sales of war materials. It will continue to be true, however, for some time to come that the costs of the war carried over from the period of active hostilities and not yet provided for must be met and that they will maintain the necessary expenditures of the Treasury Department upon a high level. Annual reports of Federal Reserve agents filed with the Federal Reserve Board show confidence in practically all of the banks that the war paper necessarily growing out of the fifth loan, as out of its predecessors, will not remain for an undue length of time in the hands of the banks, but will be steadily reduced. In some districts progress is reported in disposing of the heavy commitments growing out of the fourth Liberty loan. Some banks are raising the rate of interest charged to subscribers at each successive renewal period in order to discourage unnecessary delay in payment. In some instances subscribers are succeeding in settling their obligations for the fourth issue of bonds sooner than they had thought they could. The outstanding amount of war paper in the member banks in 100 selected cities reporting to the Board was \$1,189,267,000 on January 24, as against \$1,269,409,000 about a month earlier. It is probably true, as stated by some of the Federal Reserve agents in their annual reports of fiscal operations, that with each successive Liberty loan conservative banking policy has invariably forced a material reduction in outstanding commitments on war paper, the recurring cycle of finance in every case passing a peak of high indebtedness and eventually sinking to a low point, from which it tends upward as the next loan is launched. A feature

in the situation has been the progressive raising of this low point from period to period, indicating as it has the necessity of continuously greater permanent absorption of war paper by the banks in one form or another.

The following table shows in compact form the character of the payments made in the process of placing the fourth Liberty loan:

*Total payments to Dec. 19, 1918, on account of fourth Liberty loan.*

[In thousands of dollars; i. e., 000 omitted.]

Federal Reserve Bank.	Total payments.	Cash.	Credit.	Treasury certificates.
Boston.....	590,277	78,022	376,322	105,933
New York.....	1,348,969	138,532	997,679	712,759
Philadelphia.....	532,094	112,978	306,261	112,855
Cleveland.....	614,732	154,354	274,881	185,497
Richmond.....	289,103	104,574	153,074	31,454
Atlanta.....	183,776	57,636	109,008	17,133
Chicago.....	794,317	279,658	253,345	261,315
St. Louis.....	270,378	52,170	136,206	82,002
Minneapolis.....	195,650	95,089	61,001	39,559
Kansas City.....	255,570	79,974	102,093	73,502
Dallas.....	109,496	29,701	65,397	14,398
San Francisco.....	363,212	124,601	136,057	102,554
Total.....	6,017,574	1,307,289	2,971,324	1,738,961

Federal Reserve Bank.	Total full payments.	Total installment.	Accrued interest.	No. classification.
Boston.....	473,118	86,836	170	
New York.....	1,619,427	229,538	153	
Philadelphia.....	552,669	79,426		
Cleveland.....	510,375	104,157		
Richmond.....	219,688	69,334	81	
Atlanta.....	153,345	30,432		
Chicago.....	632,581	180,605	170	961
St. Louis.....	237,282	38,095		
Minneapolis.....	152,093	43,556		
Kansas City.....	216,388	39,181		
Dallas.....	79,096	30,400		
San Francisco.....	256,034	107,179		
Total.....	5,002,296	1,013,739	574	965

The Secretary of the Treasury, in his address before the bankers of New York on January 13, set forth with great clearness the main factors by which the Treasury Department is now confronted in connection with its financing. As Mr. Glass then made apparent, the offering and sale of so great a volume of bonds as must be placed upon the market before the end of the fiscal year can not be carried through upon a purely commercial footing. It must necessarily succeed through the cooperation of all interests in the com-

munity determined to make the operation a success, and through the continued application of financial self-denial and restraint in connection with the use of capital in other directions. To those who have been expressing in positive language the belief that the next public loan must necessarily be sold upon a basis which would yield definitely competitive rates of return, this statement of opinion will serve as a reminder of the essential character of fiscal operations. The Secretary of the Treasury, however, was equally clear in his forecast that the rate of interest to be borne by the new bonds must accommodate itself to the recognized conditions in the financial market and must be such as to yield a reasonable rate of return upon the funds furnished by the investors who come forward to take up the securities. What this rate is to be is still to be determined, but whatever it may be, in this period of transition and change it will evidently be subject to comparatively early revision, as circumstances become more favorable for Government financing, hence the distinct announcement already previously made on other occasions that the new securities will be issued on a distinctly short-term basis, running perhaps two or three years. Within the lapse of that period of time it should be possible for the Treasury Department to complete the revision of war financing which necessarily follows upon the conclusion of the struggle, and to consolidate the outstanding indebtedness upon a definite basis which will provide for its regular amortization and eventual extinguishment. The address is thus an important official forecast and an outline of a comprehensive policy with respect to the handling of this loan. Taken in conjunction with the later announcement made by the Secretary that he desires Congress to extend the period within which the 4 per cent bonds, heretofore deprived of the conversion privilege, may be converted by their holders into 4½ per cent bonds, it represents distinct progress toward the establishment of a uniform debt policy.

Congress having failed to grant the permission which had been requested for the continuation of advances to be made by the Treasury Department to foreign Governments, the logical consequence has been a renewal of offerings of such loans in the American market. On January 21 announcement was made by the firm of J. P. Morgan & Co., acting as fiscal agents for the British Government, that a syndicate had been formed for the purpose of refunding the maturing 5½ per cent notes of the British Government due February 1. These 5½ per cent notes are now to be converted into the issue of 20-year bonds already outstanding, while those which are presented for payment will be purchased by the syndicate at par and accrued interest. Financing on the part of other foreign countries intended to meet their requirements as these develop during the period of reconstruction may shortly be expected. This renewal of the flotation of foreign securities in the American market represents a return to the conditions which existed prior to the date when the United States became a belligerent. It was an essential element in our financial policy during the war that the Government should practically monopolize the control of and access to the financial market of the country, regulating the allowances made to domestic necessities through the operation of its Capital Issues Committee, while regulating and controlling the access to be allowed to foreign Governments through its own advances made through the machinery of the Treasury Department. The latter class of advances were those necessarily guaranteed by the Treasury Department, inasmuch as they were provided out of the proceeds of Liberty bond sales, the Department itself receiving in exchange the obligations of the foreign countries to which the funds were allotted. The termination of this period of Government guarantees is a natural and necessary concomitant of the restoration of normal financial conditions and, taken in conjunction with the suspension of the

operations of the Capital Issues Committee, may be regarded as the first important step toward the reestablishment of freedom of financial transactions.

The readiness with which the financial markets have accommodated themselves to the new conditions is seen in the success that has attended the placing of various issues of notes and bonds offered on the market, either for refunding or for the purpose of obtaining new capital. Concurrently with the comparatively ready and successful absorption of these issues, there has been exhibited a tendency toward the increase of bank balances at financial centers. Easier rates for money have accompanied this inward movement of funds, although the price paid for longer term capital for industrial use has not been lowered, while rates for call loans and other prime commercial paper have fallen but slightly. The tendency, however, has been downward and may be taken as indicative of distinct recuperative power on the part of the financial community. These indications of capacity to reestablish normal conditions explain the tendency to a decline in the amount of war paper, both at Federal Reserve Banks and at member banks. This decline has not been as rapid as has been true after the close of former Liberty loans. The expiration of the installment period of the loan with the close of January has, however, seen the successful liquidation of most of the installment accounts, while there are encouraging indications that borrowers who obtained accommodation for a 90-day period are either reducing or canceling their indebtedness, thereby offering a proportionate amount of bank funds for use in financing new enterprises.

Thus far there has been little more than a beginning of industrial financing for foreign countries, and the scope of such operations will depend much upon the outcome of the peace conference. So much at least seems clear—that the United States will have a larger amount of

new capital available for use in industrial development than will other nations. Our problem will be the determination of the basis upon which this capital is to be divided between domestic and foreign demands and the conditions under which it will be found advisable to enlarge our holdings of foreign industrial obligations. However this problem may be worked out, it is already plain that a fundamental and essential aid in its solution will be the accumulation of as much fluid capital as possible. The requirement that saving be furthered and promoted is therefore again emphasized. There is already a tendency in many quarters toward a relaxation of the restraints upon expenditure imposed while the war was still in progress. The call for moderation in outlay and actual accumulation of funds is, however, as urgent as ever if real soundness in national and individual finance is soon to be restored.

It must, however, be borne in mind that the tendency toward the accumulation of funds in financial centers is in part the result of a natural contraction consequent upon the termination of war activities. One of the most prominent features of the currency situation in January has been the material reduction in the outstanding amount of Federal Reserve notes. This reduction has amounted in the aggregate to over \$200,000,000 and represents the most extensive reduction that has occurred since the organization of the system. Contemporaneous with this reduction in outstanding Federal Reserve notes there has been observable a tendency, not yet statistically measurable, toward the reduction of other forms of currency in circulation. It is a noteworthy fact that at many banks the over-the-counter deposits are beginning to include a considerable amount of gold coin and gold certificates. This return of funds to the financial centers is in part the outgrowth of greater confidence due to the termination of the war, which has called forth much hoarded currency

from its hiding places, but it is also due in no small degree to the slackening of business activity and in lesser measure to the falling of prices already noted. The decline in business activity lessens the amount of cash required by individuals for their personal transactions, by firms and corporations for the maintenance of their counter or vault cash as well as provision for pay rolls, and even by country banks for the current meeting of calls of depositors. Lowered volume of business has in years past always given rise to a flow of actual currency and money toward the financial centers, and under present conditions this flow is in no small degree eventually a flow toward the Federal Reserve Banks, resulting in the ultimate cancellation of outstanding note currency.

The movement thus observable will afford no ground for surprise to those familiar with the underlying principles of the Federal Reserve note system, demonstrating as it does the elastic quality of the Federal Reserve note, and showing that, with reduced business requirements, the circulation will reduce itself with the same facility as it had previously shown in its prewar expansion to meet the increased requirements. That it should return to its prewar amount is not to be expected, especially in view of the fact that so large a volume of Federal Reserve notes has been issued in substitution for the outstanding gold certificates which have been impounded for the purpose of strengthening the reserve of member and Federal Reserve Banks. Remembering, however, that, as shown in the FEDERAL RESERVE BULLETIN for October, 1918, the real "inflation" or abnormal expansion of currency in the United States is less than the figures nominally representing the growth of the circulation, the contraction which has already occurred within the short space of a month or a little more suggests that it may not be long before this excess expansion will be materially reduced. The movement of Federal Reserve notes back to the banks is only in part paralleled by an increase in the reserve deposits of member banks. So far

as such a parallel increase has occurred it signifies that Federal Reserve notes outstanding in the hands of the community have been converted into the book obligations of Federal Reserve Banks or, in other words, that one form of bank liability has merely been exchanged for another to the extent that they are not used to liquidate the obligations of member banks to Federal Reserve Banks. The ultimate test of the inflation situation is found in part in the volume of obligations of both kinds taken in the aggregate, and in large degree also through an analysis of the character of the assets held by the banks themselves. Judged even on this basis there has, however, been a real liquidation. So far as these indications go, they show that abnormally active or inflated business conditions and correspondingly inflated credit are finding their natural corrective through the forces of financial prudence.

Business recession, indeed, is the primary economic phenomenon of the moment in banking as well as in industry. That the process of liquidation has begun is not to be doubted by any close observer of existing conditions. Prices, although still high, are showing an unmistakable tendency to drift to lower levels. The month of January has witnessed striking reductions, both in textiles and in some of the metals, the textile cuts being in some instances the greatest ever made at any time since the close of the Civil War. Food products continue high in price, but affected as they are by wholly abnormal conditions, this is not surprising. (The prospect for the harvest of 1919, as predicted by the Agricultural Department, anticipates as clearly as can be expected the advent of lower food prices. Meanwhile, the process of readjustment and conversion of industry to a peace basis is necessarily bringing some inconvenience and suffering.) Unemployment unquestionably exists at a considerable number of industrial points throughout the United States, and even if it be true that the demand for labor in other parts of the

country is sufficient to absorb the labor released in war industries, if possessed of sufficient mobility to pass readily from one industry into another, there would still be an unavoidable period of transition during which labor would be confronted with some serious problems of readjustment. Capital, too, is in a transition stage, various plants finding that it is now necessary to them to reconvert their machinery back to the manufacture of commodities required on a peace basis, or to cease production entirely. The great quantity of supplies accumulated by the Government prior to the conclusion of the armistice remain to be disposed of, and no matter how gradually they may be placed upon the market, will still continue to exert an effect upon the future course of prices and of employment, since it can not be absorbed into consumption, however gradually, without giving rise to a corresponding reduction in the volume of demand. One striking evidence of this condition of affairs is afforded by the difficulty of various industries working on basic products, such as textiles, in maintaining a full weekly schedule of hours, notwithstanding the desire of employees that this full working schedule be maintained, or in some cases, that overtime with corresponding higher wages, be continued if practicable.

The Bureau of Labor Statistics received and tabulated reports concerning the volume of employment in December, 1918, from representative establishments in 13 manufacturing industries. Comparing the figures of December of this year with those of identical establishments for December, 1917, it appears that in four industries there was an increase in the number of people employed and in nine a decrease. Car building and repairing shows the largest increase, 25.4 per cent, and the greatest decrease, 19.1 per cent, is shown in woolens. Eleven of the thirteen industries show an increase in the total amount of the pay roll for December, 1918, as compared with December, 1917. The most important increase, 98.5 per cent, is shown in car building and repairing,

which is probably due principally to the wage increases granted by the Director General of Railroads. Respective increases of 38.7 and 32.4 per cent are shown in iron and steel and paper making. The decreases, 9.4 and 5.2 per cent, appear in woollens and men's ready-made clothing, respectively.

The course of discussion since the conclusion of the armistice with Germany has brought many indications of an expectation on the part of the business and banking community that readjustment of prices is to be looked for. It is probably because of such expectation, indeed, that representative business concerns have already taken positive steps toward the restoration of a more moderate price level for their output. Reports of business conditions made to the Board by Federal Reserve agents show that the return of active production and consumption is being retarded by high expenses of production. Uncertainty, not only among consumers, but also among those who would ordinarily be in the market for raw materials with which to manufacture goods, concerning the possibility or probability of a further drop in values, tends in the same direction. It is argued that any such decline will be carried by those who are at the moment in possession of the stocks of goods which are thus tending to move toward lower levels. Producers of secondary articles involving the application of large quantities of primary raw materials are reluctant to absorb the loss threatened, although some business men are showing a disposition to treat such losses as one of unavoidable charges upon business in the process of a speedy readjustment. The great volume of our export trade during the month of December furnishes a measure of foreign demand, but it remains true that this export trade is in large part concerned with raw materials, foods, and the like, and that we are still facing the problem of finding or making a market for our manufactured goods in foreign countries, a process in which we can hardly hope to make the desired success so long as

prices continue upon a level higher than that existing in other countries. Those countries which first succeed in readjusting their costs of production and restoring their industry to a normal level of values will be most successful in developing their exports and securing a foothold in the markets of consuming nations the world over. The facts in the case appear to be understood abroad, as is indicated by the content of the reports of the various boards and commissions which have lately been looking into the banking and credit situation and which have expressed their opinions with reference to the course properly to be followed in bringing about a return to stable conditions.

That the policy of British banking is likely to follow as rapidly as may be **Liquidation** along the lines marked out in **abroad.** the recent investigations completed in that country, is suggested by the recent changes in the condition of the Bank of England. Its percentage of reserve to liabilities has risen, the figure reaching 20.13 per cent at the close of January, as compared with 15.78 per cent about a month earlier. That the increase is not wholly due to an accumulation of gold in the Bank of England is shown by the statement of reserves held by it at different dates. The result is partly due to liquidation and consequent contraction of liabilities. At the same time, the situation which is being experienced in floating popular loans among British buyers in general upon a basis which calls for the steady exertion of saving power and the exhibition of temporary or sporadic buying financed by the banks seems to point to a disposition on the part of the British people to assist in the elimination of war inflation and in the process of restoring currency and banking conditions in that country to a reasonable and moderate basis, approaching as soon as may be the sound and stable conditions which existed prior to the war. This effort also is being made more effective by the renewed control of foreign trade. Much time will be required in effecting a return to a stable economic and financial status. The immediate

problem, it should be understood, is that of beginning as soon as practicable the process of a return toward more normal conditions, however much time may be required for that completion. The working out of this problem in the United States will require the careful adjustment of our loan and discount policy to the varying needs of trade.

It has not thus far been deemed advisable to increase the rates of discount at Federal Reserve Banks, for reasons already fully stated in the past, and equally valid during the period set apart for the issue of the fifth loan. Rates made slightly differential to assist member banks in rediscounting at Federal Reserve Banks notes secured by the obligations of the Government are considered essential to the success of the financing operations. On the other hand, any action which would tend to permanently keep the rediscounting of commercial paper at a disadvantage as compared with paper protected by Government obligations would tend to stimulate the tendency to borrow with Government obligations as collateral rather than to the Federal Reserve Banks commercial paper of a self-liquidating variety. It is not considered desirable to accelerate or emphasize any such tendency, but rather if possible to facilitate the rediscounting of the commercial paper in order that the normal composition of Federal Reserve Bank portfolios may as early as possible be restored. The increase in the volume of acceptances afloat in the market is evidence of the desire on the part of the banking and business community to return to a commercial basis of financing as soon as may be.

On November 1 acceptance liabilities of all banks in the Federal Reserve system were as follows:

National banks.....	\$332,719,000
Nonnational member banks.....	189,104,000
Total.....	521,823,000

Of this total the Federal Reserve Banks held (on Oct. 31, 1918) a total of \$314,719,000, or

about 60 per cent. In addition the Federal Reserve Banks held—

Nonmember trust company acceptances.....	\$2,949,000
Nonmember State bank acceptances.....	11,669,000
Private bank acceptances.....	30,242,000
Foreign bank acceptances.....	14,006,000
Total.....	58,866,000

Upon the assumption that the Federal Reserve Banks held 60 per cent of the total outstanding acceptances of nonmember banks, the latter amount may be estimated as \$98,110,000, which is probably an extreme high figure, while the amount of \$58,866,000 held by the Federal Reserve Banks is a minimum. There is thus obtained an estimated total of acceptances outstanding which is not less than \$580,689,000 and which may run as high as \$620,000,000. About the end of October the total acceptance holdings of the Federal Reserve Banks, as shown above, were as follows:

Member bank acceptances.....	\$314,719,000
Nonmember bank acceptances.....	58,866,000
Total.....	373,585,000

In addition the Federal Reserve Banks held—

Acceptances discounted for member banks, about.....	\$1,000,000
Trade acceptances purchased.....	9,004,000
Trade acceptances discounted.....	20,273,000
Total.....	30,277,000

Governor Harding, in an address before the American Acceptance Council

**Development of acceptances.** on January 21, took occasion to set forth the present position with respect to acceptances, both trade and bankers'. He pointed out that the application of the acceptance principle is practically a necessity in the successful development of our foreign trade and that the more extensive use of the principle in domestic trade will prove of great benefit to the economic financing of that branch of our business. Mr. Harding fully recognized the abuses that may exist in connection with the trade acceptance

and noted that it was not strange that such errors should have occurred in connection with the introduction of a new instrument. He was of the opinion, however, that in considering the acceptance critically we must assume that its use is to be developed along the line of the greatest soundness and most correct principles, and that eventually temporary errors or misapplications of the instrument will be eliminated. The great development in the use of bankers' acceptances which is now in progress he regarded as of special significance to the foreign trade, and in order that it might proceed unhampered suggested to the Acceptance Council consideration of a plan for the enlargement of the acceptance powers of banks. He said in part:

"In the development of an open discount market there are two essentials. First, there must be a disposition on the part of exporters and importers to draw their bills in dollar exchange. Second, there must be a ready market for the bills when drawn. In discussing the vast exchange and bill business done in the London market, we must not forget that for many years there has been a vast accumulation of money in that city. These funds have always been used for the purchase of bills, which have been regarded as the soundest and safest investment.

"The difference in rates between the open discount markets of London and New York will be equitably cared for in time. The great thing now is to make the purchase of these bills so widespread in this country that a tremendous and continuous buying power will always be at hand.

"The function of this council is to arouse interest in acceptances so that large amounts of money will be attracted to them because of their safe and liquid character. The Federal Reserve Banks will then only be needed as a sheet anchor for the market. We may expect at that time that the going market rate will be considerably lower than the bank rate. The main thing is to build up such a strong market that all bills offered will be certain of being taken up."

The Acceptance Council plans to embark upon a campaign of educating the financial public to the broader use of the acceptance.

Further description of its purposes and methods will be found elsewhere in this issue of the FEDERAL RESERVE BULLETIN.

During the five weeks between December 20, 1918, and January 24, the **Operations of the Federal Reserve Banks.** Federal Reserve Banks were instrumental in placing two additional issues of Treasury certificates in anticipation of the coming fifth war loan, totaling over 1,350 million dollars. These large war finance operations are accompanied by an increase of nearly 200 millions in the holdings of war paper, the New York bank alone reporting additional holdings of over 129 millions of this class of paper. On January 3, immediately following the placing of the 750 million issue, the Federal Reserve Banks show the record total of 1,545.3 millions of war paper on hand. Two weeks later these holdings had declined to 1,347 millions, to be followed by an increase of 151.3 millions subsequent to the placing of the January 16 issue of 600 millions of certificates. Other discounts on hand declined from 306.8 to 263.7 millions. As the result the share of war paper in the total discounts on hand rose from about 80 to 85 per cent. For each of the eastern banks this percentage is in excess of 90 per cent.

Some liquidation of acceptances is indicated, the holdings of this class of bills showing a decline from 340.7 to 284.5 millions, Chicago reporting a decrease of 58.7 millions under this head. Both the New York and Boston banks report some increases in acceptances on hand.

Redemption of Treasury certificates held by the New York bank to cover temporary advances to the Treasury practically accounts for the reduction from 325.1 to 147.4 millions in the totals of United States short-term securities shown, the latter figure representing largely 1-year 2 per cent certificates, deposited with the Treasury to secure Federal Reserve bank notes in circulation. No material changes are shown in the amounts of United States bonds, largely circulation bonds, likewise on deposit with the Treasury. Total earning

assets, as the result of the changes above noted, show a decline from 2,301 millions on December 20 to 2,174.7 millions on January 17, and an increase to 2,222.5 millions in the following week.

For the period under review the Federal Reserve Banks increased their gold holdings from 2,079 to 2,101.3 millions and their net deposits from 1,549.7 to 1,686 millions. Federal Reserve notes in circulation reached the high level of 2,685.2 millions on December 27 of the past year. Since then a marked return movement of these notes to the issuing banks has set in, the total outstanding circulation on January 24 being 218.6 millions less than the amount shown 4 weeks before.

Aggregate liabilities of the banks on Federal Reserve bank notes in circulation increased during the 5 weeks under review from 111.9 to 126.8 millions. Mainly as a result of the considerable reduction in Federal Reserve note liabilities the banks' reserve percentage shows a rise from 50.6 to 52.2 per cent.

Between December 20 of the past year and

**Condition of member banks.**

January 17, reports from member banks in about 100 selected cities indicate a reduction from 872.3 to 825.6 millions in their holdings of United States bonds, other than circulation bonds, and an increase from 961.1 to 1,467 millions in the amount of Treasury certificates held. Bond holdings were lowest on January 10, when 798 millions are shown, but show increases for the following week in all the districts except New York, apparently following the payment on January 16 of the 20 per cent installment on the fourth Liberty loan. Certificates on hand show considerable increases on January 3 and 17 following the dates of the two new issues. Judging by the increase in the total holdings of certificates, the reporting member banks appear to have taken less than 40 per cent of the certificates offered during the month, though it should be remembered that among the banks' certificate holdings there is included also a certain amount of tax certificates and that

some decrease in these holdings may have taken place on January 2 and 16, when two series of certificates issued on September 3 and 17 in anticipation of the fourth Liberty loan fell due.

Loans secured by United States war obligations declined from 1,266.8 millions on December 20 to 1,182.7 millions on January 17, the banks in the 12 Federal Reserve cities reporting net liquidation of such loans to an amount of 57.8 millions. Other loans and investments fell off 162.7 millions, also largely at the banks in the 12 Federal Reserve cities. Aggregate holdings of United States war securities and loans supported by such securities increased from 3,100.2 to 3,475.3 millions, and constituted on the latter date 25.1 per cent of the banks' total loans and investments, compared with 22.7 per cent on December 20 of the past year. For the banks in the 12 Federal Reserve cities a rise in this ratio from 24.0 to 26.6 per cent and for the New York city banks alone an even larger rise from 26.7 to 30.2 per cent are noted.

No great change is shown in the amount of Government deposits, the January 17 total of 65.9 millions exceeding the December 20 total by 34.5 millions. A large reduction in these deposits is noted on December 27, more than made up, however, by the increase shown on January 17. Greater concentration of these deposits in Federal Reserve cities is noted, the banks in the 12 Federal Reserve cities reporting total gains of 73.6 millions. Other demand deposits show an upward movement until January 3, when a total of 10,145 millions is shown, an increase since December 20 of 223.1 millions. At the end of the following week a decline of 78.6 millions is shown, while the total for January 17 was 158.2 millions above the total for the initial week. Time deposits show a steady growth from 1,451.3 to 1,605.1 millions, all classes of banks reporting substantial gains under this head.

An increase from 1,276.9 to 1,298.8 millions is shown in aggregate reserve balances (with the Federal Reserve Banks) while cash in

vault declined from 404.2 to 386.6 millions. For the banks in the 12 Federal Reserve cities the ratio of deposits to loans and investments shows an increase from 85.1 to 85.6 per cent. For the New York City banks, because of the relatively larger investment in certificates, this ratio declined from 91.7 to 90.9 per cent.

"Excess reserves" have moved within fairly narrow limits, the total for the banks in the 12 Federal Reserve cities on January 17 being 82.3 millions, or 3.8 millions less than on December 20 of the past year.

During the month ending January 10 the net outward movement of gold was \$93,000, as compared with a net inward movement of \$1,280,000 for the month ending December 10.

Gold imports for the month amounting to \$1,595,000, came largely from Canada, Mexico, and Colombia, while gold exports totaling \$1,688,000, were consigned chiefly to Colombia, Mexico, and Canada.

Attention is called to the report of the British Gold Production Committee, addressed to the Lords Commissioners of the Treasury under date of November 29, an abstract of which is printed elsewhere in this issue. It furnishes much additional light upon the gold

production situation and the trend of British opinion upon this important question.

The gain in the country's stock of gold since August 1, 1914 was \$1,071,576,000, as may be seen from the following exhibit:

*Gold imports and exports.*  
[000 omitted.]

	Imports.	Exports.	Excess imports over exports.
Aug. 1 to Dec. 31, 1914.....	\$23,253	\$104,972	<sup>1</sup> \$81,719
Jan. 1 to Dec. 31, 1915.....	451,955	31,426	420,529
Jan. 1 to Dec. 31, 1916.....	685,745	155,793	529,952
Jan. 1 to Dec. 31, 1917.....	553,713	372,171	181,542
Jan. 1 to Dec. 31, 1918.....	61,950	40,848	21,102
Jan. 1 to Jan. 10, 1919.....	711	541	170
Total.....	1,777,327	705,751	1,071,576

<sup>1</sup> Excess of exports over imports.

Secretary Glass announced on January 17 **Financial** that, with the approval of **representation** the President, Mr. Albert **abroad.** Strauss and Mr. Thomas W. Lamont would shortly leave for Europe for the Treasury in an advisory capacity in connection with the armistice discussions and other financial questions arising at the Peace Conference. Mr. Strauss has been voted a leave of absence by the Federal Reserve Board to enable him to undertake these duties.

**BUSINESS CONDITIONS IN JANUARY, 1919.**

Practically throughout the country the month of January has been characterized by the uncertainty incident to a period of transition in business. In some cases more readjustment than had been expected has proved to be necessary. Favorable developments which some had thought would present themselves immediately after the conclusion of the armistice with Germany have been delayed. There has therefore been "hesitation" in business, but no essential loss of confidence in the future of the general situation. Vast changes are now occurring in industry and extensive readjustments in labor. Slackening in productive effort is reported from manufacturing districts, but retail trade has as yet shown only moderate decline, and in some cases little or none. Such dullness as exists is attributed to the usual after-holiday reaction, and it is the general opinion that the influence of changes in manufacturing and wholesaling lines have not yet reached the retailer and consumer.

In the manufacturing field the changes that are taking place are affected primarily by alterations in the prices of raw materials and changes in the direction of demand. The extensive cancellation of Government war contracts has resulted in modifying the plans of many producers, while the withdrawal of Government restrictions upon the movement of raw materials has led others to the adoption of a conservative policy, pending the "settling down" of prices upon a stable basis. The changes that have taken place are, however, described as being productive of less disturbance than might reasonably have been expected, while the tone of the business community and its expectation of prosperous conditions to develop in the near future is strong. There has been some disappointment over the failure of export trade in manufactures to develop promptly, but confidence in the capacity of export demand to develop vigorously is still felt.

In a variety of lines in which the Government has controlled the bulk or a large part of the stock of a commodity, the process of bringing about readjustment is not proving easy. The wool auctions, for example, which were first held seemed to be on too high a price basis, but subsequent revisions of prices have brought about better buying and stronger demand. The large supply of wool now available has limited buying in South America. Producers of dry goods, however, find trade slack, while in the cotton trades reductions of prices which have already occurred are the largest at any time since the Civil War, and the profits at the mills have been correspondingly curtailed. Nevertheless, buyers are still reluctant to take the product off the hands of the manufacturers at existing levels. In the consuming parts of the country purchases of retailers are nevertheless reported about normal, although in many places buyers are cautiously operating upon a cash basis, so far as practicable. In leather and shoes prices continue high and retailers' stocks are reported low. The steel business has been unsatisfactorily small, and as a rule the industry has not much more than a month's orders ahead. Although a reduction of prices ranging from \$4 to \$6 per ton on finished materials had been recommended before the close of 1918, demand has not been enlarged, while the purchases by the shipbuilding companies and the railroads have fallen off materially. Purchases for building purposes have been small and would-be consumers who had made contracts at high prices have demanded a revision of the rates charged them.

Price movements show, on the whole, a general tendency to decline, which has become more marked since the opening of the new year. While the general index number of the Bureau of Labor Statistics remains unchanged at 206, the number for producers' goods, as computed by the Federal Reserve Board, shows a falling off from 205 in November to 199 in December. In raw materials there is a slight increase from 197 to 198, due to an

increase in the prices of farm products, from 234 in November to 237 in December. Animal products remained unchanged at 208, as did forest products at 150, while mineral products declined from 183 to 182. On the other hand, consumers' goods showed a continued increase, rising from 214 in November to 216 in December. During the early part of January there was a sharp downward tendency in many classes of prices, particularly in staple woolens, cottons, iron and steel, and finally in some classes of farm products. The movement toward price reductions is now fully under way. From the second district it is reported that producers of raw materials and manufacturers generally express the belief that prices will hold about as they are now, at least for a considerable time to come, and that those which are holding off from purchasing in the hope that prices will be lower soon are likely to be disappointed. Retailers and jobbers, however, take the view that prices must come down, and that while there has been a seller's market for the past four years, the situation is now entirely changed and we are having a buyer's market. An interesting evidence of this is given by an important firm dealing largely in dry goods, which states that those who speculated too freely in piece goods have been obliged to cut prices sharply, so that woolens and worsteds are offered to-day on a lower basis than mills can manufacture them.

The volume of business during the month, as already indicated, has shown a decided slackening in most productive lines. Information received by the Board's business index reporting section, covering returns up to the end of December, indicates an upward movement in total receipts of grain at primary and secondary markets, while shipments from these same points show a further slight decrease. Stocks on hand in these markets at the close of the month are not materially changed, the aggregate reported at the end of December being 427,000,000 bushels of total grains. The movement of grains, both to and away from the markets, was practically parallel, figures showing substantially the same increases and

declines expressed in terms of percentages as to wheat, oats, corn, barley, and rye. Flour production has increased about 20 per cent during the month, the stocks on hand at the close of the month, however, remaining practically unchanged. In the coal trade, bituminous production shows recovery, but has not yet reached the high normal level established during the month of October. Anthracite production still shows a decline as compared with October and even with November, when the influenza epidemic was at its worst. The production of beehive coke for the month of December was 2,255,000 tons, which is lowest since February, 1918. The by-product, however, shows an increase over November, the figure being practically the same as for October, which was the high month of the present year. Conditions during the early part of January indicate continued increase in the production of anthracite and bituminous coal, as compared with the low point reached during the holidays, and are practically back to the standard of the first half of December. In iron and steel, production during December shows an increase in pig iron and a slight falling off of about three points in steel ingot production, the index number (1911-1913 average being taken as a basis) being 128 for November and 125 for December. The corresponding index numbers for pig iron were 145 for November and 148 for December. Unfilled orders of the United States Steel Corporation at the close of December were 7,380,000 tons, as against 8,125,000 tons a month earlier, the index number being 154 for November, as against 140 for December.

Information for the first two weeks of January, which was transmitted by one of the principal producing centers, indicates that the production of steel mills in the district is about 65 per cent of capacity, such production, however, being equal to about 90 per cent of the prewar production of the plants. In the non-ferrous metals, reports from various producing districts are unfavorable. In Colorado the value of gold, silver, copper, lead, and zinc was only \$33,000,000 for 1918, a falling off of \$10,000,000

from the previous year. In the Joplin district the end of the war brought an end of the price agreement on high-grade zinc ores, and the price of all grades of zinc blende was \$44.60 in December against \$56.20 in November. Sales were about stable, or 26,000 tons per month. In spelter the decline in prices brought an increased production in December the output being 47,000 tons, the largest figure since April, 1918. The stocks on hand at the close of the year increased slightly over the figures for the close of October and the close of November. Lead showed the sharpest reduction in prices yet recorded, going down from \$100 per ton to \$80 early in December, and \$65 at the close of the month. Wages were cut correspondingly.

Cattle receipts at the six markets of the Kansas City district have been about 43 per cent larger than in January a year ago and have shown a higher level of prices than prevailed at the beginning of last year. The supply and movement of meat animals is more extensive than at the opening of 1918 and receipts of hogs as well as of sheep are particularly heavy. Packers report a continued run of the heaviest business they have ever handled. Cotton consumed during the month of December was slightly larger than during November, the relative index numbers being 101 and 105, respectively. During the early part of January there has, however, been a tendency of cotton consumption to decline. The number of active spindles during December was slightly more than during November, but since the opening of January has also shown a tendency to fall off. Both cotton and woolen mills are rigidly curtailing their production for the first time in three or four years.

Labor is passing through a period of redistribution. Demobilization is proceeding rapidly and is already liberating a considerable quantity of men available for employment, while it is also bringing about a redistribution of men, many deciding not to return to their original places of residence. On the other hand, many employees are being set free in

the so-called "war industries." The process of absorbing the labor made available in these two ways into other lines is still relatively slow. In spite of the existence of unemployment at some points, this condition has not become sufficiently general to cause serious difficulties thus far, and the early restoration of full activity in business, if accomplished, may result in absorbing the surplus supply of labor from the market comparatively soon.

The labor situation varies very greatly from place to place, and in some of the eastern sections of the country where returned soldiers have been demobilized in large numbers unemployment presents a problem of difficulty.

The following table prepared by the United States Employment Service gives a general estimate of the situation beginning with the week ending November 30, 1918:

Week ending.	Number cities reporting.	Number cities showing shortage.	Estimated shortage.	Number cities showing surplus.	Estimated surplus.	Number cities showing industrial relations as:		
						Good.	Unsettled.	Acute.
1918.								
Nov. 30.....	115	29	33,878	12	11,114	90	12	5
Dec. 7.....	122	29	48,226	16	22,200	91	8	5
Dec. 14.....	122	30	47,130	26	30,000	95	7	4
Dec. 21.....	120	25	41,002	37	66,350	88	7	7
Dec. 28.....	122	26	35,542	41	91,889	91	6	7
1919.								
Jan. 4.....	121	27	33,397	48	120,682	87	9	6
Jan. 11.....	122	22	20,033	47	176,145	81	8	8
Jan. 18.....	122	18	18,644	55	211,700	83	12	12
Jan. 25.....	122	18	14,350	61	258,332	83	14	8

At Cleveland the unemployed, as reported by the United States Employment Service, for the week ending January 25, 1919, amount to 65,000, as compared with 55,000 for the preceding week; Detroit, 33,000, as compared with 30,000; Buffalo, 17,000, as compared with 15,000; Seattle, 10,000, as compared with 8,000; and Milwaukee, 10,000, as compared with none. Other cities showing a considerable surplus are the following: Toledo, 9,000; Dayton, 8,000; Pittsburgh, 8,000; Butte, 7,500; Bridgeport, 7,000; Portland, Oreg., 6,500; New

Haven, 6,000; Worcester, 6,000; Minneapolis, 5,000; and Syracuse, 5,000.

There has been some measure of industrial unrest evidenced by strikes, but several of these have already been settled, among them that of the New York City workers in men's and boys' clothing, who, to the number of over 50,000, have been out for three months. They returned to work on January 23, the employers having granted their demand for a 44-hour working week. A strike of 23,000 employees of the General Electric Co. at Schenectady began December 19 and ended January 11. About 15,000 members of the Marine Workers Union quit work January 9, tying up practically all shipping in New York harbor, but returned to work January 12, and the Federal War Labor Board is conducting hearings on the matters in dispute, which include wages and hours. The only large strike pending in the New York district is that called on January 21 and involving about 35,000 garment workers in the New York City waist and dress trade. In Connecticut the labor situation is bad and there is an oversupply due to the discharge of employees from munitions factories. Somewhat the same situation exists throughout the manufacturing district of New England, with some few exceptions, the most favorable position being found where progress has been made toward the readjustment of industry to peace conditions, and where consequently demobilized labor has been readily reabsorbed. In the agricultural regions labor is still scarce and expensive. On the Pacific coast there is some unemployment, but the bulk of the labor available has been rapidly reabsorbed. It is still too soon to state with any degree of certainty how the labor situation will develop after industry has returned to its normal basis.

It had been expected that building would almost immediately expand with the removal of restrictions which had been imposed upon the movement of materials, but in most districts it would seem that recovery has been thus far very small. There is still considerable

confidence that building must promptly be resumed on account of the shortage of accommodations for business and for dwellings, but the high prices which still prevail have prevented would-be builders from embarking on any large operations thus far. In lumber and other articles classed as materials, prices have in some sections advanced even above war levels since the removal of Government restrictions, while men employed in the building trades are in some cases asking higher wages than they received during the war period. These factors tend to prevent recovery in construction.

Financially it is reported that banking conditions are encouraging. Money is flowing back to the financial centers, and there has been a shrinkage in the outstanding volume of Federal Reserve notes at a number of banks. United States Treasury certificates have generally been satisfactorily disposed of, although some banks have had trouble in absorbing their quota. This has led to some increase in rediscounting at a number of banks. During the past 10 days, however, there has been an easier tendency in money and rates have been lower. In some sections banks have not taken up their entire quota of Treasury certificates. Commercial paper is markedly easier, especially for the prime varieties, but rates for collateral loans are but slightly changed. The rate tends to become firm as the period of the paper increases. Financing in the form of short-term notes and bonds has been successful, but rates have been firm to strong. Foreign loans sold in the New York market during the month of December were offered on terms very favorable to the investor, the conditions indicating clearly appreciation on the part of borrowers that the supply of available capital is not overabundant. In New York call loans have fallen from 6 per cent to 5 per cent, and occasionally a renewal rate of 4 per cent was made. Time money is not only somewhat lower in the New York market, ruling toward the end of January at 5 per cent to 5½ per cent, but is distinctly more abundant.

**SPECIAL REPORTS.****COTTON TEXTILE INDUSTRY.**

[Reported by First Federal Reserve District.]

The market for cotton is the duller it has been for years and brokers report very few sales. Mills are inclined to reduce the amount on hand rather than to make purchases. As in the case of woolen mills, buyers of goods are reluctant to commit themselves for future orders until they feel sure that prices are to be maintained. As a consequence, mills are curtailing as much as possible and reducing prices as much as costs will permit. Everybody connected with the cotton textile industry, realizes that there is no surplus of goods and eventually a good demand is bound to develop, but the question is, at what price level. In the meantime, mill owners are unwilling to accumulate goods manufactured at the present high cost of production, with mill labor receiving the highest wages on record. Some manufacturers claim to be much discouraged both because of the drop in price of their product and because of the small demand for it. They claim that the margin of profit is very small, if it exists at all, due to the decline in prices for the products and curtailment of part of their machinery, thereby causing an increase in proportionate overhead charges. The larger interests, however, and those experienced over a long term of years, feel that they will have a big demand for their output as soon as a price level can be found satisfactory to buyer and seller, and this, their feel, will come within a month or so.

**IRON AND STEEL.**

[Reported by the Third Federal Reserve District.]

In the iron and steel industry a waiting policy by both buyers and sellers has apparently been pursued. A few weeks before the end of the year the general committee of the American Iron and Steel Institute recommended certain reductions in prices, ranging from \$4 to \$6 per ton on finished materials. These prices were suggested for the free market which was to hold sway after the first of the year, when price restrictions were all removed. The turn of the year did not bring as much activity as was expected, as many of the largest sellers were unwilling to cut prices while costs remained at so high a level. After the holidays, in keeping with the small quantity of iron and steel being ordered, many mills resumed operations with reduced working forces. The two largest consumers of iron and steel products are the ship-building companies and the railroads. Re-

cently they have been small purchasers and the demand for structural iron and steel also has been small. Many customers who had contracted at high prices insisted that prices be lowered. At first mills were not disposed to grant their requests or to offer reduced prices on new orders, but there is now a tendency to make some concessions, with the result that inquiries and orders have increased somewhat. Production of steel mills in the district is now about 65 per cent of capacity, but such production is equal to about 90 per cent of the pre-war capacity of the plants.

**ZINC AND LEAD ORES.**

[Reported by the Tenth Federal Reserve District.]

In the Joplin district the end of the war brought an end to the price agreement on high-grade zinc ores, and once more these ores are practically on the open market, with heavy reductions in prices. The average price for all grades of zinc blende in December was \$44.60 against \$56.20 in November, sales being about 26,000 tons, or about the same as in November. Calamine ores remained steady, the average price being \$33.86. Lead took a dramatic tumble early in December to \$80 per ton, after holding steady for months at \$100, and with a further decline closed the month at \$65 per ton, a reduction of 35 per cent in 30 days. To meet this, operators revised the scale of wages downward, the cut amounting to 50 cents per day for day men and 4 cents a ton for piecework shovelers, effective January 1. But, aside from a small reduction in the price of powder and steel, mining supplies are the same in cost. Producers are making efforts to adjust themselves to this new condition. Coal mining operations were generally more satisfactory in 1918 than in the previous year, although restricted by labor shortage and sickness; production from the mines in this district in 1918 were about 1,400,000 tons more than in 1917. Indications are that the output will be larger this year with the improvement in conditions.

**OIL DEVELOPMENT.**

[Reported by the Eleventh Federal Reserve District.]

The activity caused by oil development is spreading like wildfire, and a genuine "boom" exists in many of the smaller towns in Eastland, Erath, Comanche, Stephens, and other counties in the central west portion of the State, where wells are being brought in daily. All sorts of rumors are being circulated to entice investors; principally those, of course, which chronicle

the making of fortunes overnight. As a result of this activity, local business at the smaller towns in the counties mentioned is the heaviest of record. The influx of oil men, the resultant increase in the population of the oil centers, and the business resulting has caused a dearth of housing facilities, and locations for new business are greatly sought. The overflow contributes to the business of the larger towns adjacent to the fields. Oil exchanges are being opened daily in Dallas and Fort Worth.

#### Development of Acceptance Movement.

Two events of interest to the establishment of a discount market have occurred during the month of January—the formation of the Acceptance Council and the opening of the New York Discount Corporation.

At a meeting held at the rooms of the New York Merchants' Association in New York City on January 21, there was formed a body to be known as the American Acceptance Council, to succeed the American Trade Acceptance Council. The purpose of the organization is set forth in Article I of its articles of association, as follows:

The American Acceptance Council is hereby organized for the purpose of conducting and directing a nationwide educational campaign designed to inform the business people and bankers as to the merits of trade and bankers' acceptances, the method of their use in foreign and domestic merchandising, and for the further purpose of aiding in the establishment of a comprehensive open discount market and to assist in other matters that will improve the credit system and strengthen the financial position of America.

In line with these efforts to develop a sound discount market is the work of the Discount Corporation of New York which began business on January 2. The company will devote its resources and energies to the development and maintenance of a stable, open discount market and will discount, purchase, and distribute bills originating in foreign and domestic trade. Its policy will be to direct to its bank customers attractive acceptance business originating with sound commercial and industrial enterprises and to furnish to or purchase from its customers bills desirable both as to quality and maturity.

#### Providing Increased Financial Facilities in Great Britain.

Herewith is reprinted for convenience of reference and as an important official contribution to the discussion of after-war policies dealing with the problem of trade, industry, and finance, the report of the Committee on Financial Facilities, presented to Parliament under date of November 21, 1918. The committee was appointed by the chancellor of the exchequer, jointly with the minister of reconstruction, on November 26, 1917, and consisted of the following: Sir Richard V. Vassar-Smith, Lloyd's Bank (chairman); Sir John Bradbury, K. C. B., Secretary of the Treasury; Mr. A. E. L. Chorlton, of Ruston, Proctor & Co. (Ltd.), Mr. E. Brocklehurst Fielden, deputy chairman, Lancashire & Yorkshire Railway Co.; Mr. Algernon F. Firth, president of the Associated Chambers of Commerce of the United Kingdom; Mr. Robert Fleming; Mr. A. C. D. Gairdner, Union Bank of Scotland; Mr. Frederick C. Goodenough, of Messrs. Barclay & Co. (Ltd.); Sir Alexander McDowell, K. B. E.; Sir Alexander Roger, Ministry of Reconstruction; Mr. John Sampson, as representative of the Controlled Establishments Association; Mr. A. W. Tait, of Messrs. G. A. Touche & Co., with Mr. R. C. Smallwood as secretary.

The committee was instructed "to consider and report whether the normal arrangements for the provision of financial facilities for trade by means of existing banking and other financial institutions will be adequate to meet the needs of British industry during the period immediately following the termination of the war; and, if not, by what emergency arrangement they should be supplemented, regard being had in particular to the special assistance which may be necessary—

"(a) To facilitate the conversion of works and factories now engaged upon war work to normal production;

"(b) To meet the exceptional demands for raw materials arising from the depletion of stocks."

The report of the committee follows:

#### INTRODUCTORY.

1. We have now the honour to submit our report upon the matters referred to us. In the

course of our enquiry we have held seventeen meetings and examined eleven witnesses; we have also considered a large amount of documentary evidence, together with the reports of certain departmental committees dealing with various branches of trade and industry.

2. Although the provision of financial facilities is undoubtedly an important factor in the reconversion of trade and industry, we do not think that it is by any means the primary factor. The remedy for the wastage of capital during the war lies mainly in increased production and genuine saving. A rapid return to normal conditions will depend primarily on the amount of raw material and labour available, and should there be a shortage in either case, upon the efficient distribution of the available supplies to the most urgent national needs of production. This problem is intimately bound up with questions such as the amount and utilisation of the available shipping tonnage, the rectification and maintenance of the foreign exchanges, and the manner in which the currency note issue will be dealt with. Much depends upon the successful solution of these problems, which form the foundations upon which financial policy rests ultimately, particularly in connection with the granting of credit facilities.

3. The terms of reference which have been submitted to us appear to fall naturally into two main divisions—

(1) The financial needs of trade immediately after the war, and the respect in which these needs will differ from the needs under normal conditions.

(2) The provision of financial facilities to meet these needs.

In the first part of our report we propose, therefore, to deal with the financial requirements of trade and industry.

*PART I.—The financial needs of trade and industry after the war..*

4. In the course of our enquiry we came to the conclusion that it was not possible to obtain information upon which to frame an estimate of the total cost involved in the reconversion of industry from a war to a peace footing. And, as the special circumstances of many of the more important trades and industries have been, or are now, the subject of enquiry by special committees appointed by various departments of State, we determined, after a review of all the circumstances, to rely mainly upon documentary evidence in connection with this section of our enquiry.

RECONVERSION OF WORKS.

5. One of the largest factors in the demand for assistance undoubtedly will be the necessity for reequipping factories and works, and altering machinery only useful for war production, to machinery suitable for peace-time production. The volume of the demand will differ in various industries in accordance with the magnitude of the displacement which has taken place, and the degree in which the character of the war output is removed from the normal peace-time output of the firms concerned. During the reconstruction period the manufacturer will be confronted by two separate calls upon his financial resources, operating more or less at the same time. In the first place, he will have to provide for the expenditure necessary for the reconversion of his plant and works, and secondly, in order to produce the same amount of output after the war as was produced before the war, a larger amount of working capital will be required to meet the enhanced cost of labour and materials and the general increase in standing charges. Stocks of raw materials have been depleted and stocks of the manufactured article have likewise been depleted, or have disappeared altogether. Raw material must be acquired, generally speaking, at substantially higher prices; while interrupted industries are in the process of being reestablished, stocks, both of raw material and semimanufactured articles, may have to be carried for longer periods than under normal conditions. There will be, moreover, in many of these industries, a more or less unproductive period by reason of the shortage of materials, during which standing charges will have to be provided for. This will vary, but it will obviously be greater in those industries which are subsidiary in the sense that the raw material required is the finished article in one or more previously applied manufacturing processes. This unproductive period will, in many cases, have to be bridged by means of increased financial facilities. We anticipate an increased demand for loans to meet the circumstances which we have just described, which are abnormal in character and unprecedented in dimensions.

6. The very great increase in the volume of production which has taken place—notably in the engineering and steel trades—must also be taken into account. The increased demand for war material of all descriptions has resulted in the establishment of many entirely new firms, and necessitated very large extensions of plant and works on the part of established

firms. The situation will, therefore, be complicated by the formation, in many industries, of an enlarged basis for a greatly increased commercial output compared with the pre-war output. This will necessitate seeking new markets, and the establishment of new industries, and consequently an increased demand for credit facilities and additional capital.

#### REPAIRS AND RENEWALS.

7. The necessity for undertaking, at higher prices, repairs which have been in abeyance owing to the war and which are now much in arrear, constitutes a large item of expenditure which will affect industries at present engaged upon supplying the needs of the civil population, as well as those industries engaged upon war work.

#### GENERAL CHARACTER OF THE DEMAND.

8. Owing to the unprecedented nature and dimensions of the change, the general character of the demand for assistance will differ from the demand in normal times, in that it will consist of a greater percentage of demand for loans secured upon capital goods, *i. e.*, constructional material, etc., compared with loans secured upon consumable goods.

9. These demands may be summarized briefly as follows:

(a) For a considerable period after the war a greater demand for working capital, owing to the increased cost of labor and materials, the necessity for giving longer credit, and the anticipated expansion in the volume of trade.

(b) A greater demand for extended credits for the purpose of replacing, at higher cost, machinery and plant which has fallen into disrepair on account of the war.

(c) Requirements for reconversion of plant and works which may, in many cases, be on the border line between working credit facilities and new capital requirements in respect of permanent outlay.

(d) New fixed capital requirements in respect of permanent outlay.

#### ABILITY TO MEET FINANCIAL REQUIREMENTS.

10. It remains for us to consider the ability of trade and industry generally to meet their financial needs during the reconstruction period. Some of our witnesses have given expression to fears of a general shortage in the supply of money and credit for financing

post-war trade and industry. We think that these fears are exaggerated.

11. The ability to meet the requirements for the reconstruction of factories and works is dependent mainly upon the amount of reserves which it has been possible to accumulate out of past profits. Speaking generally, in this connection, trade and industry may be grouped into three main divisions.

12. In the first place, there is undoubtedly a large group of firms, previously established in various industries, who have been engaged upon the manufacture of war materials from a date soon after the commencement of the war. These firms have been able to do a very considerably increased amount of business, and have made large profits. In spite of the increased taxation, we think that a very large number of these firms will have been able to accumulate reserves sufficient for the needs of reconstruction. Speaking of these established firms, the evidence submitted indicates that their financial position has improved to an extent which should enable them to raise any new capital which may be required, and to obtain from their bankers any increased facilities, which may be necessary during the reconstruction period.

13. The second group consists of a number of firms who became engaged on war work at a later period of the war, when taxation was on a higher level, and the opportunity for accumulating reserves was, consequently, not so great. Many of these firms have been called upon to make large extensions to their works in order to cope with the increased demand for war material of every description. In cases where extensions have been made, we understand that in the majority of instances these extensions have been written down to the estimated post-war value, to the controlled owner, and that the writing down has generally been on a liberal scale. Although it is true that, in many cases, this may result in the bulk of their liquid resources being locked up in bricks and mortar and fixed plant, it must also be taken into consideration that alteration by way of readaptation to a different class of output, or by way of reduction in size, is a much less expensive matter than an extension.

14. The third group comprises a number of entirely new firms, which have come into existence owing to the increasing demand for war material of all kinds, without any previous commercial history and with no trade or industry to which to revert after the war. From our own knowledge and experience, and from

the evidence which has been placed before us, we are of opinion that the chief financial difficulties will be experienced in connection with this group. It has been urged upon us that it is not in the national interests that these firms should be allowed to peter out after the war, and that every inducement should be given them to continue in business and undertake commercial manufacture, if necessary even to the extent of granting them State financial assistance. We feel that, even if State financial aid is desirable, there are many difficulties in granting such aid. Apart from the fact that it might be regarded as unjust were these firms enabled, by means of State aid, to compete in established industries with firms previously employed in the same industry, it will be difficult, if not impossible, to guard against wastefulness and inefficient management, and to insure that the money was properly and economically employed.

The solution in these cases appears to us to lie mainly in the establishment of new industries. Everything will depend, however, upon the economic soundness of the industry undertaken, and the ability to meet and maintain the industry in the face of possible future competition. It is not possible to formulate any specific scheme for providing financial assistance for cases of this kind; the capital required for establishment of these industries must necessarily be furnished by the investor or by the individual partners engaged in the business. Each case must be judged on its individual merits, and the ability to attract the capital necessary for its establishment will depend upon the inherent soundness of the proposition and its future prospects.

#### FUTURE GOVERNMENT POLICY.

15. An uncertain outlook for the future is one of the greatest deterrents to industry and finance alike. Whilst we recognise the difficulty at the present time of laying down in detail the future policy to be adopted in this country in connexion with trade and industry, there are certain questions upon which we think the Government might make known their policy at an early date. It would, undoubtedly be of great assistance to manufacturers and others in laying down their plans for the future, if the policy to be adopted with regard to the following were made known:

- (a) The future fiscal policy of this country.
- (b) The rationing of raw materials, and priority of essential industries and urgent requirements.

- (c) The break clause in connexion with the termination of contracts for munitions of war.
- (d) The disposal of State owned factories and surplus stores.

We have already drawn your attention, in a letter dated 1st November, 1918, to the necessity for immediate action in connexion with the break clause. Judging by the evidence placed before us, there existed a great deal of apprehension with regard to the effect of these clauses. Stress was laid by witnesses, not only upon the dislocation and financial loss which would result from too sudden a termination of these contracts, but also upon the effect which such a step would have upon the labour market through a great number of hands being thrown out of employment. They urge the desirability of continuing contracts on a gradually reducing scale, rather than imposing an abrupt termination, wherever this can be done without serious economic objection. We understand that steps have been taken to encourage manufacturers to undertake commercial contracts as quickly as possible, and we think that, wherever possible, steps should also be taken to secure in advance adequate supplies of raw material for essential industries, either by immediate purchase or by forward contracts.

16. As the question of providing assistance for the reconstitution of the small one-man businesses is, we understand, under consideration by the civil liabilities demobilisation committee, and the question of providing financial assistance for housing by the housing (financial assistance) committee, we consider these questions are outside of the scope of our enquiry, and also that the question of providing financial assistance for the acquisition of land and the promotion of agriculture does not come within our terms of reference.

#### PART II.—*The provision of financial facilities.*

##### THE CREDIT SYSTEM BEFORE THE WAR.

17. To arrive at a correct understanding of the financial position after the war, it is necessary to describe, very briefly, the credit system before the war, and the changes which have occurred during the intervening period. In normal times, the necessity for maintaining an effective gold standard acted as an automatic check upon the undue expansion of credit. As the balance of indebtedness of this country with foreign countries became unfavourable and the exchanges moved against us, it became profitable to export gold to meet foreign claims. This export caused a gradual shrinkage in the available

supplies, and the consequent reduction in the Bank of England ratio of reserve to liabilities, and so necessitated a rise in the bank rate, which, in turn, caused a general rise in interest rates. This rise in interest rates had a two-fold effect. In the first place, it attracted gold to this country and induced gold which otherwise would have been exported to remain, and secondly, it induced people to pay off loans, and discouraged new loans being sought for and created. If the drain of gold was severe money became "tight" and it became difficult to renew existing loans; this caused the sale of goods and produce upon which the loans were secured, and so brought about a fall in prices which encouraged exports and discouraged imports, and so gradually adjusted the situation.

18. But, apart from the external or international aspect, the internal currency also consisted of gold (or notes secured upon gold) which was the only legal tender for the settlement of debts. It is true that gold was unnecessary for the settlement of commercial transactions, and that the majority of these transactions were settled by cheques, but every depositor, with money lying to his credit at his bank on current account, besides the right of transferring the amount by cheque, had also the right, at any time, to withdraw the whole or any portion of the amount in gold. As the manufacture of banking credit by the process of granting loans also involves a corresponding increase in the deposit liabilities, the amount of additional loans which it was safe to grant had to bear a relation to the supply of, and possible demand for, gold.

19. There was also the further check that whilst a great expansion in credits caused an increased activity in trade it also caused a rise in the price of commodities, owing to the increased competitive demand due to the creation of additional purchasing power; this in turn caused a rise in wages, and so, in one way or another, brought about an increased demand for gold for currency purposes, which resulted in a larger amount remaining in circulation with a consequent reduction in the reserves. This set of circumstances thus acted in the same manner as an adverse foreign exchange, and brought into play the same remedial measures.

20. It will be seen, therefore, that the gold standard not only maintained the whole financial structure in a state of equilibrium, but through finance it exerted a powerful influence upon, and kept the general level of domestic prices in equilibrium with gold or world prices. It acted as a wholesome restraint upon over-

trading, and often adjusted situations which, had they remained unchecked, might have developed into severe commercial crises.

#### THE POSITION TO-DAY.

21. Owing to the war, the conditions prevailing to-day are entirely different. There is no free international market in gold, the natural operation of the foreign exchanges has been interrupted, and the internal gold circulation has been replaced by a currency note issue. There is no legal limit to the amount of currency notes which may be issued, and there is, therefore, no automatic check upon the expansion of credit.

22. The total deposits of the banks of the United Kingdom (other than the Bank of England), which amounted on the 31st December, 1913, to £1,070,000,000, are now approaching £2,000,000,000. These figures are an indication of the very great expansion of credit which has taken place up to the present time, and which still remains unchecked. The enormously increased purchasing power thus created has, in our opinion, been one of the main factors contributing to the rise in prices which has taken place.

#### THE POSITION AFTER THE WAR.

23. The financial situation during the reconstruction period will be influenced profoundly by the prevailing financial conditions at the termination of the war. Having regard to the fact that the very great expansion in credits which has taken place during the war will probably persist for a considerable period after its termination, we are unanimously of opinion that, if the reconstitution of industry and commerce is to be achieved on permanent and sound economic lines, some restriction must be imposed at as early a date as possible upon the creation of additional credit by the restoration of an effective gold standard. To attempt to rebuild industry by means of a further indiscriminate expansion of credit would not only endanger our position as the financial centre of the world but would inevitably lead before long to grave disaster.

24. For this reason we think that State borrowing should cease as soon as possible after the conclusion of the war. It must be borne in mind that new commercial capital issues have been largely in abeyance since the commencement of the war, and that, consequently, there will be a great demand from trade and industry

for additional capital. State borrowing can only be undertaken in competition with these demands. We are also of opinion that any Government guarantee to bankers to enable them to provide, by means of credits for fixed capital expenditure necessary for the reconstitution of industry is undesirable as being likely to cause a further expansion of credit together with an additional rise in prices.

25. On the contrary, we believe that the restoration of sound financial methods will necessitate the institution, at an early date, of measures to reduce gradually the undesirable credit inflation arising out of the present enormous volume of short-dated Government debt, and that it will be necessary for the State to undertake funding operations for this purpose.

26. The objects to be aimed at in order to achieve the reconstitution of industry on sound financial and economic lines may be summarized briefly as follows:

(1) To reestablish a sound financial basis by means of an effective gold standard.

(2) To check any undue expansion of credit which can only be reflected by a further rise in prices.

(3) To take steps to reduce to more normal proportions the inflation of credit due to the war.

#### BANKING FACILITIES.

27. By banking facilities we mean the normal requirements for carrying on the ordinary business of the country which assumes the granting of loans which do not constitute a lock-up of funds such as would impair the liquidity of the resources of the banks.

28. In order to obtain from bankers themselves an opinion as to the ability of the banks to meet these demands, a meeting of representatives of the London clearing banks was held on June 20, 1918, under the auspices of our chairman, at which the representative of the country bankers' association and others were also present. This meeting was unanimously of opinion that the banks would be able to provide all the facilities of this character required by trade and industry during the transition period. In addition to this, banking witnesses have given evidence before us, and we have also examined evidence given by similar witnesses before the committee on financial risks attaching to the holding of trading stocks. From the evidence thus submitted to us, we are of opinion that, so far as demands of this character are concerned, the situation may be left safely in the hands of the banks.

#### EXTENDED CREDIT FACILITIES.

29. By extended credit facilities we mean loans involving a lock-up of funds for a more or less extended period and secured upon assets not readily realizable, including loans required for giving "long trading" credit, either at home or abroad, and loans secured against capital goods which are either dependent upon future profits for repayment or will be replaced ultimately by an issue of new capital. The provision of adequate facilities of this character, if the demand be upon a great scale, which in many quarters is thought will be the case, presents one of the chief difficulties with which we have to deal. It is clear that the banks, as at present constituted, however willing they may be, will only be able to assist in a limited degree, owing to the necessity for keeping a large proportion of their funds in a liquid state.

30. We have already stated (pars. 5-9) that, in our judgment, the character of the demand for assistance during the reconstruction period will differ from that of normal times. This difference is likely to be of a temporary nature. To meet these demands, we are of opinion that, in the first place, the banks will, for the time being, have to depart in a measure from traditional customs when judging the character of the risk involved. It will be necessary to exercise discretion upon rather broader lines. And secondly, to enable them to do this with greater safety and confidence, we are strongly of opinion that a substantial increase in their paid-up capital is desirable. Apart from the necessity for being in the strongest possible position to meet the demands which we have foreshadowed, such a measure is in our opinion also necessary to enable the banks to grant the extended credit and generally wider facilities which will be required in the future, if trade and industry is to be in a position to compete successfully with the foreigner. Moreover, in view of the decline in recent years of the ratio of paid-up capital and reserves to deposit liabilities, and increase is eminently desirable. From the evidence which has been placed before us and from the trend of recent events in the banking world, we believe that bankers themselves are, generally speaking, agreed upon the desirability of this increase. We recommend, therefore, that every facility should be given by the Government to enable the issue, at the earliest possible moment, of any new share capital which may be found necessary.

31. During the period immediately following the war it is essential that the available supply

of capital and credit should be devoted in the first place to the assistance of the most urgent national needs for production, and, whilst it will be necessary for the banks to take a liberal view of the requests for loans, we think that, in order to check any outburst of speculation and prevent the inception of enterprises of an unessential character, it will also be necessary to exercise some discretion as to the purpose for which the money is required. The rationing of the available supplies of raw material, if it be found necessary, will furnish a measure of guidance in this connection.

32. To enable the banks to do more in the direction of granting long trading credits, we are also of opinion that it is desirable that bankers should make more widely known their willingness to accept deposits for long periods, at fixed rates of interest. We believe that, if they were encouraged to do so, a number of depositors would be willing to deposit their money at fixed rates of interest, for periods of from one to five years, without the right of withdrawal. The removal of the liability to withdrawal would thus enable the banks to grant loans for longer periods.

33. In the foregoing paragraphs we have recommended the only practical remedies which appear to us to be possible at the present time. It must, however, be borne in mind that the efficient organisation of trade and industry on up to date lines is, in itself, an important factor when considering financial assistance. We welcome, therefore, the policy of trade organisation and co-operation which has recently become manifest, as furnishing greater financial security, and a sounder basis for the granting of credit facilities. A well balanced capital account without an undue proportion of debenture debt compared with the share capital is also of the greatest importance when considering long credits. It is obvious that a bank cannot be expected to take the risk of advancing money for long periods in cases where there is already a prior lien upon the assets in the form of a large debenture issue.

The principal manufacturing establishments of this country (although their capitals are small compared with those of Germany and the United States) are now organised on a joint-stock basis, and have access through their shareholders (who, in individual cases, number many thousands) to the source from which new capital can be obtained. The war has placed them, generally speaking, in a position where issues of new capital are likely to be well responded

to; and we suggest that they should, by increasing their capitals—thereby increasing their available resources not only by the increased capital itself but also by the improved credit facilities which it will enable them to command—put themselves in a stronger position to meet the hoped for extension of production, to carry stocks abroad, to furnish longer credits to their customers where necessary and advisable, and to take a part in the financing of large contracts which they may obtain for their manufactures, either within the Empire or elsewhere.

Additional capital so raised would also enable leading concerns to develop new lines of enterprise, more or less allied to their existing business, with much less risk and more prospect of ultimate success than by the formation of new and independent concerns.

If a portion of any such issue of shares of a preferential character, and giving a good return in dividends, were reserved for their work-people, it would materially assist financially and in other equally important directions.

34. In our opinion, institutions are necessary to provide additional assistance for trade and industry by developing similar facilities to those which have been provided by the German banks. In this connexion we have to notice the formation of the British Trade Corporation. This institution was formed as a result of the deliberations of the committee appointed by the Board of Trade to investigate the question of financial facilities for trade. Its constitution and functions were laid down by the committee as follows:

(1) It should have a capital of £10,000,000. The first issue should be from £2,500,000 to £5,000,000, upon which, in the first instance, only a small amount should be paid up, but which should all be called up within a reasonable time. A further issue should be made afterwards, if possible, at a premium.

(2) It should not accept deposits at call or short notice.

(3) It should only open current accounts for parties who are proposing to make use of the overseas facilities which it would afford.

(4) It should have a foreign exchange department where special facilities might be afforded for dealing with bills in foreign currency.

(5) It should open a credit department for the issue of credits to parties at home and abroad.

(6) It should enter into banking agency arrangements with existing colonial or British-foreign banks wherever they could be con-

cluded upon reasonable terms, and where such arrangements were made, it should undertake not to set up for a specified period its own branches or agencies. It should have power to set up branches or agencies where no British-foreign bank of importance exists.

(7) It should inaugurate an information bureau.

(8) It should endeavour not to interfere in any business for which existing banks and banking houses now provide facilities, and it should try to promote working transactions on joint account with other banks, and should invite other banks to submit to it new transactions which, owing to length of time, magnitude, or other reasons they are not prepared to undertake alone.

(9) Where desirable, it should co-operate with the merchant and manufacturer, and possibly accept risks upon joint account.

(10) It should become a centre for syndicate operations, availing itself of the special knowledge which it shall possess through its information bureau.

35. We have had the advantage of an interview with Lord Faringdon, chairman of the above-mentioned committee, and now governor of the British Trade Corporation. Lord Faringdon explained the work which will be undertaken, and gave us particulars of some of the plans which have been laid down for the future. The corporation was designed to fill a gap in the financial machinery of this country and to supply needs which have long been felt by trade and industry. Apart from the assistance which it will be able to render in connexion with overseas contracts, the development of existing markets and the securing of new ones, its sphere of usefulness is large, and one of great importance to the development of trade and industry.

But, as the business which the corporation was formed to undertake exists to-day only to a limited extent, owing to the restrictions imposed upon trade in consequence of the war, it is difficult for us to estimate either the volume of demands which will be made upon it, or its competency to meet them in their entirety. Obviously its power to do so will be limited by the means now at its disposal and by its ability to raise additional capital. Additional institutions of this character may be required in the future. The corporation has, however, not yet had adequate opportunity for demonstrating its usefulness, which we believe will be great, and is not yet firmly established as an integral part of our financial machinery.

36. Several suggestions have been laid before us for the formation of trade banks or co-operative credit associations of other types than those already referred to, but after careful consideration of all the circumstances we have come to the conclusion that it will be better to utilise the machinery already available rather than to create now, to meet a set of unknown circumstances, new types of institutions.

#### NEW ISSUES.

37. We have already alluded to the fact that commercial issues of new capital having been largely in abeyance since the commencement of the war, it is reasonable to expect a very large number of appeals for new capital, and that if the State is also under the necessity of borrowing, it will create a further element of competition which is likely to force up money rates to a high level. But it is also most essential for the future prosperity of this country that the available supply of capital should flow, in the first place, to essential industries, and not to the support of enterprises of a speculative or unessential character. The increased cost of living and high taxation will induce many people to seek a high return on their capital with less consideration for safety, and will consequently encourage the issue of enterprises of the latter character. Whilst we are in favour of an early removal of all measures of State control of finance and industry alike, at the same time we are of opinion that it will be advisable to maintain, after the war, some control over new issues, at any rate until such time as State borrowing in connection with the war is completed.

For these reasons we are also of opinion that it will be necessary for the same period to exercise, as far as possible, supervision over the export of capital, and the objects for which such export may be desired. Apart, however, from control of new issues during the reconstruction period, we are of opinion it is most desirable that, if possible, permanent measures should be taken to prevent, or make more difficult, the promotion and issue of unsound propositions. Consideration of the subject in this wider aspect does not come within the scope of our enquiry, but we think it might be possible to strengthen the companies' acts so as to achieve this purpose, and we hope that this may be carried out.

38. We are impressed by the enormous potential increase in the number of small investors, which is shown by the figures pub-

lished by the National War Savings Committee. The continuance on the part of the people of this country of the habit of investing their savings constitutes a most important factor in the provision of the capital necessary for the rapid reconversion of trade and industry.

The destruction of capital during the war can only be made good by genuine saving. An increase in the habit of saving on the part of the community in general means an increase in the real capital wealth of the country which is bound to benefit trade and industry.

It is impossible to overestimate the value of the work done by the National War Savings Associations throughout the country in encouraging habits of thrift and economy. Government securities furnish by far the best and safest medium for the investment of small sums of money, and we are glad to notice that steps are to be taken, by means of saving associations, to continue the policy which has proved so successful during the war.

39. The provision of the capital required for the reconversion of trade and industry is dependent largely upon the machinery for promoting enterprises, and offering for public subscription new issues of capital which will be required by commercial and industrial concerns. In Germany the great banks undertook a large amount of this class of business; they were willing to take a hand in any promising industrial enterprise, and furnish money at an early stage in its career, ultimately, if the concern proved successful, themselves making the issue to the public. For this purpose, and in order to spread the risk during the initiatory stages, they surrounded themselves with a secondary group of industrial banks, syndicates, &c., who participated with them in the business. There were many advantages in this system. In the first place a channel was provided through which the business could flow, and secondly the customer of the bank was able, through the branch of his own bank, to obtain an opinion upon any enterprise or contemplated extension to his works or business without having to go further afield, and this, too, with the additional knowledge that if his project was a sound one he would receive their assistance in raising the necessary capital.

40. A second important point is that the German method furnished a greater degree of protection to the investor, as the banks were in a measure responsible for the bona fides and sound character of the proposition. This led to a more careful examination of the prospects,

and ensured that enterprises were not offered for public subscription until they were more or less found to be successful as going concerns. There is also the further substantial advantage that the bank was able to maintain a measure of control through the banking account of the business, and thus was able to prevent overtrading, and ensure that the business was conducted on sound lines.

41. We do not suggest that the deposit banks in this country should adopt the German method of conducting this class of business. We believe that the machinery, to which the British Trade Corporation should form a valuable addition, is already in existence. It consists of a group of financial houses, comprising investment trust companies, well-known issuing houses, merchant bankers, and others. There will be many openings in this country, after the war, for the remunerative employment of capital. We think that it is within the power of this important group, without neglecting enterprises abroad which would be likely to be advantageous to trade, to render further assistance, by identifying themselves with productive industries in this country and rendering financial support in the earlier stages of development, ultimately undertaking the placing of the issue of new capital with the investor.

42. The institution of a system of working arrangements between the members of this group and the various joint stock banks would, we think, be of great assistance. It would form a well-defined channel through which the business could flow and would combine, on the one hand, the knowledge gained by the bank of the past history, integrity, and ability of the customer and, on the other hand, the financial knowledge and experience of the trust company or issuing house. And further, if means can be devised by which the banks can undertake some responsibility for the bona fides, not necessarily the future success of the undertakings on behalf of which they agree to accept subscriptions, it will add a very considerable measure of protection to the investor.

#### STATE AID.

43. We have considered carefully the necessity for State aid, more particularly as applied to banking. We have discussed schemes for the issue of industrial securities guaranteed by the Government wholly or partially, as to interest only and as to both principal and interest, and also the possibility of making

direct advances to individual firms. We have already stated (par. 24) that we do not recommend any assistance to bankers; and in paragraph 14 we have discussed the difficulty of granting such aid to individual firms. Speaking generally, State aid by means of advances implies also a measure of State control. From the evidence that has been placed before us we believe that manufacturers and traders are unanimously in favour of the removal of all State control of industry at as early a date as possible. This being the case, it is clear that applications for assistance by means of a loan from Government would only be made after refusal in other quarters. Obviously the majority of applications would therefore be an invitation for the State to step in where experts had already refused, and would hardly form suitable investments for public funds.

44. We think, however, that cases of hardship may arise, more particularly in connection with firms who have undertaken, under considerable pressure from the Government, the manufacture of munitions of war. This hardship is likely to be accentuated in cases where a great change in plant or the building of large extensions has been necessary. It is possible that in many cases, owing to high taxation and other causes, the full significance of the change and the expenditure necessary for reconversion of plant and machinery has not been realised by the manufacturers in question, actuated as they may have been by patriotic motives or under pressure from a Government department. We think that it is only just that the Government should give sympathetic consideration in all such cases. We do not think it is possible to design any scheme for dealing with them on general lines, either by means of loans or otherwise.

45. We understand, however, that individual cases already receive sympathetic treatment at the hands of the department, but we are of opinion that it would facilitate the investigation of them and create an additional measure of confidence if a small committee were formed, consisting of Government officials and business men in leading industries, either to consider them in the first instance or to act as a tribunal to which appeal could be made when the applicant considered that he had not received adequate consideration at the hands of the State.

46. Circumstances may arise in connexion with certain key industries which will necessitate the granting of State financial assistance in some form or another. It may that the

issue of securities with some form of a Government guarantee will be found to be the best means of raising the necessary capital in cases of this character, but we do not think this method could be adopted with advantage as a means of assisting the ordinary commercial and manufacturing enterprises in this country.

47. It has been urged upon us that the present high rate of excess-profits duty has prevented the formation of adequate reserves and has resulted in many cases in the depletion of the liquid resources necessary to furnish working capital and provide for reconversion expenditure during the reconstruction period. Whilst this subject is under more intimate consideration by the committee on financial risks attaching to the holding of trading stocks, we are of opinion that it would be of great assistance to manufacturers and others who find themselves in this position if arrangements can be made by which a portion of the tax can be retained for a period in the form of a loan. The rate of interest to be charged and the terms and conditions upon which it is granted, whilst not of a penal character, such as might render the concession useless, should be so framed as to secure early repayment, protect the Government from loss, and prevent applications of a frivolous nature.

#### Gold Output Question.

Two reports—one British, the other American—relating to the general question of gold production and supply, have been rendered available to the public during the past month. One of these is the work of the Department of the Interior committee named sometime ago; the other the product of a special committee under the chairmanship of Lord Inchcape, charged with the duty of reporting to the British Treasury.

#### BRITISH COMMITTEE REPORT.<sup>1</sup>

The committee presided over by Lord Inchcape, which was appointed last September to consider and report upon the effect of the war upon the gold production of the British Empire, with reference particularly to the treatment of low-grade ores and how far it may be of importance to the national interests to secure the continuance of the treatment of

<sup>1</sup> As abstracted in the Manchester Guardian of Dec. 28, 1918.

such ores, and generally how to stimulate the production of gold, has submitted its report to the treasury. The committee says it is not prepared to recommend any bounty or subsidy for the purpose of stimulating the gold output of the Empire. Gold being the standard of value, no more can properly be paid for it than its value in currency.

In 1917 there was a reduction as compared with the previous year in the value of the gold produced in the Empire of £3,429,415, and in 1918 a further fall of £4,652,207, as compared with the 1917 production, is anticipated. The decline in the Transvaal last year was due to a combination of shortage of explosives and shortage of labor and in 1918 mainly to the shortage of labor, not due to any large extent to the war. The decline in Australasia in 1917 and 1918 was normal and due in the main to natural causes, but it was accelerated by the increase of costs and decrease in the efficiency of labor caused by the war up to the date of the committee's appointment.

The treatment of low-grade ore in the Transvaal has not to any extent which could be determined been reduced by the war. From the point of view solely of gold production the abandonment of the treatment of low-grade ore in favor of higher grade ore will not within any measurable period reduce the total output of the Empire, and the continuance of the working of low-grade mines which are unable to work at a profit to themselves is not therefore a matter of any great importance to national interests.

#### SUBSIDY WOULD ENHANCE PRICES.

A subsidy for the production of gold appears to the committee to be fundamentally unsound. Gold has been adopted as the standard of value because by reason of the operation of natural causes it is available in such quantities and at such a cost of production in terms of other commodities as to give it a more or less stable value. Its value in terms of commodities is directly influenced by the laws of supply and demand. Periods of increased gold production, following on the discovery of further deposits of gold capable of extraction at a low cost, have been marked by an increase in the price of commodities. The exhaustion of these sources of supply has been accompanied by a decline in the price of commodities. The intention of the subsidy suggested by the gold producers is to enable gold to be produced

which otherwise would not, conformably with the economic laws of supply and demand, be produced at all. Other things being equal, the result would be that the purchasing power of the whole of the world's gold would be diminished pro tanto. The value in terms of gold of the commodities for which it is exchanged would rise.

#### GOLD RESERVES AND FOREIGN TRADE.

It is undoubtedly desirable, the committee go on to say, that considerable gold reserves should be held in this country, but in our view the most important function of a gold reserve is that it should be available for export at the standard price when required to meet foreign indebtedness. We think it essential to preserve a free market in gold, but clearly it would not be a business proposition to do so if we had to pay £4 10s. 3d. for an ounce of gold in order to export it at £3 17s. 10½d. We can only maintain our gold reserves if the value of our exports, visible and invisible, exceeds on the balance the value of our imports.

The London Chamber of Commerce apprehend that prices may fall rapidly at peace, with disastrous results to industry, and contend that it might be in the public interest to take steps to prevent the rapid fall in the price of commodities by stimulating the production of gold at the expense of the taxpayer. We neither share their apprehension nor accept their contention. We have no reason to believe that there will not be forthcoming from the British Empire on a parity basis as much gold as we shall need for the purpose of strengthening our reserves, but in any case the additional amount of gold which at best we could hope to secure by a subsidy would, in the opinion of our witnesses, be of no advantage to this country for building up reserves unless we can afford to keep it.

#### AMERICAN COMMITTEE REPORT.

The findings of the committee appointed in July, 1918, by the Secretary of the Interior to investigate the gold-mining situation in the United States, consisting of Hennen Jennings, chairman; J. H. Mackenzie and Charles Janin, of the Bureau of Mines; and H. D. McCaskey and F. L. Ransome, of the United States Geological Survey, are set forth in the following abstract of the committee's report.

The status of the industry and the conclusions and recommendations of the committee,

as presented therein, may be briefly summarized as follows:

Statistics of production dating from the discovery of America in 1492 show that the annual average output was small until 1850, when the discovery of gold in California and Australia marked the beginning of great gold output. The figures show a slight decline from 1855 to the opening of the mines in the Transvaal in 1887; then there was a very large increase in the yearly output until 1910, since which date there have been irregular fluctuations until 1915, when a serious decline took place.

Though the increase in the output of gold has been rapid during the past 25 years, it has not kept pace with the output of coal, iron, copper, or petroleum, or with the rapid growth of bank deposits.

The present decrease in gold production demands serious consideration, as the maintenance of a sufficient gold reserve is essential to the security of our national finance and credit. The United States is at present the most favored nation in regard to gold reserves, holding over \$3,000,000,000 or more than one-third of the gold stock of the world, but it has contracted debts on a gold basis many times that existing before the war.

The principal causes of the decline in gold mining in this country are the shortage of labor and higher wages due to the war, lower efficiency of available labor, the great increase in the cost of supplies, and the higher cost of power. In addition, the depletion of certain deposits and the lower grade of ore mined in others have contributed to reduction of output.

Bankers and political economists nearly all agree that the gold standard should be maintained in principle.

The war has changed the United States from a debtor Nation into a creditor Nation.

Since the outbreak of the war, prices of all commodities have increased greatly except that of gold, which as the standard of value is fixed at \$20.67 per ounce. Thus the purchasing power of gold has diminished, the prices of other commodities have risen.

The great increase in the cost of gold mining has discouraged new enterprises and curtailed existing operations. Many mines have been compelled to close and await more favorable conditions. Those mines that have continued operations have been able to do so only by practicing the most rigid economies and by the curtailment of development work. The average operating cost of producing a dollar's worth of gold at the large and most-favored quartz mines in 1917 was 70 cents as compared

with 57 cents for 1915. Gold mining under present conditions offers little inducement for capital.

Various means of stimulating the production of gold in the United States have been proposed. The committee reports on them as follows:

Payment by the Government of a bonus on newly mined gold has many advocates. The committee does not believe that the granting of a bonus would be beneficial at this time.

The United States Employment Service can, if properly authorized, be of great help in diverting labor to the gold industry. Gold mining has been officially declared an essential industry, and in the opinion of the majority of the committee should rank in this respect with other preferred industries. Exemption from draft and deferred classification of gold labor has already been granted to a certain extent by the War Department.

The furnishing of supplies to gold mines at prewar or cut prices does not seem to be feasible.

The elimination of the excess-profits tax on gold mining and the encouragement of a maximum output thereby might result in larger revenues than with the tax outstanding, as larger dividends paid to shareholders would mean greater revenue for general taxation. As the profits of a gold mine, no matter how large, can not be ascribed to war conditions, but, on the contrary, are diminished by them, the remission of this tax is just and logical.

Gold mining as an essential industry is entitled to preferred classification for railroad freight, etc., and should receive the benefit of any modification of freight rates granted any other preferred industry.

When electric power is used, gold mines should have a high-class rating with regard to power consumption, and power should be curtailed only when necessary.

The privilege of free export and of sale to manufacturers would stimulate production and might also be a safeguard against inflation. The committee recommends the removal of restrictions on the export and sale of gold.

The committee suggests that gold and other mining companies might properly be required by law to furnish to the Government with such frequency as may be desirable statistics of their costs, production, and profits, and these should be available for publication.

The Government should, through the Bureau of Mines, assist in improving methods of mining and metallurgy of gold ores, particularly in the treatment of complex and low-grade ores. A wide field of work is presented here.

Some aid in reducing costs might be obtained by cooperative buying of supplies by mining companies through central agencies in each State or district, but the organization of a general system of cooperative buying would be difficult.

Possible methods of maintaining the visible gold reserve, apart from mine production, are: (1) The curtailment of the use of gold for manufactures, and (2) making a call on the public to turn in hoarded gold. In France voluntary contributions by the populace since the war began have amounted to more than 2,000,000,000 francs.

Further relief might be obtained by amending the war minerals bill to include gold and voting an appropriation to be used in directing the search for new deposits.

### The Decimal System of Coinage, Weights and Measures.<sup>1</sup>

Changes to a decimal system of British coinage have recently been proposed. The information the author<sup>1</sup> gives us in regard to it is taken from a publication of the Decimal Association, which together with the Institute of Bankers and the Association of Chambers of Commerce has been responsible for the introduction of a bill into Parliament. This led to the appointment of a Royal Commission, with Lord Emmet as chairman, including Sir Richard V. Vasar-Smith among its members.

The arrangement proposed retains the pound sterling as monetary unit, it being universally recognized in the settlement of international transactions. The tabular form in Palgrave's article is self-explanatory.

Table of coins.

Coins.	Value in—		Equivalent value in present currency.
	£	Mills.	
Gold or notes:			
Sovereign.....	1.000	1,000	Sovereign.
Half sovereign.....	.500	500	Half sovereign.
Silver:			
Double florin.....	.200	200	Two florins.
Florin.....	.100	100	Florin.
Half florin or shilling.....	.050	50	Shilling.
Quarter florin.....	.025	25	Sixpence.
Nickel:			
10-mill piece.....	.010	10	2.4 pence.
5-mill piece.....	.005	5	1.2 pence.
Bronze:			
4-mill piece.....	.004	4	0.96 pence.
3-mill piece.....	.003	3	0.72 pence.
2-mill piece.....	.002	2	0.48 pence.
1-mill piece.....	.001	1	0.24 pence.

<sup>1</sup> Sir R. H. Palgrave, "The Bankers', Insurance Managers, and Agents' Magazine," December, 1918.

### Directors of Branch Banks.

Directors of branches of Federal Reserve banks to serve for the year 1919 have been named as follows:

#### BALTIMORE BRANCH.

(Federal Reserve Bank of Richmond.)

*Manager.*—M. M. Prentis.

*Directors.*—M. M. Prentis, Charles C. Homer, William Ingle, Waldo Newcomer, H. B. Wilcox.

#### BIRMINGHAM BRANCH.

(Federal Reserve Bank of Atlanta.)

*Manager.*—A. E. Walker.

*Directors.*—W. H. Kettig, Oscar Wells, T. O. Smith, W. W. Crawford, John H. Frye.

#### CINCINNATI BRANCH.

(Federal Reserve Bank of Cleveland.)

*Manager.*—L. W. Manning.

*Directors.*—Judson Harmon, Charles A. Hinsch, W. C. Procter, W. S. Rowe, L. W. Manning.

#### DENVER BRANCH.

(Federal Reserve Bank of Kansas City.)

*Manager.*—C. A. Burkhardt.

*Directors.*—C. C. Parks, A. C. Foster, C. A. Burkhardt, John Evans, Alva Adams.

#### DETROIT BRANCH.

(Federal Reserve Bank of Chicago.)

*Manager.*—R. B. Locke.

*Directors.*—John Ballantyne, Emory W. Clark, Julius H. Haas, Chas. H. Hodges, R. B. Locke.

#### EL PASO BRANCH.

(Federal Reserve Bank of Dallas.)

*Manager.*—Sam R. Lawder.

*Directors.*—U. S. Stewart, A. F. Kerr, Sam R. Lawder, W. W. Turney, A. P. Coles.

#### JACKSONVILLE BRANCH.

(Federal Reserve Bank of Atlanta.)

*Manager.*—Geo. R. De Saussure.

*Directors.*—John C. Cooper, E. W. Lane, Bion H. Barnett, Giles L. Wilson, Fulton Saussy.

#### LITTLE ROCK BRANCH.

(Federal Reserve Bank of St. Louis.)

*Manager.*—John M. Davis.

*Directors.*—Ed. Cornish, John M. Davis, Moorhead Wright, G. W. Rogers, C. A. Pratt.

#### LOUISVILLE BRANCH.

(Federal Reserve Bank of St. Louis.)

*Manager.*—W. P. Kincheloe.

*Directors.*—Geo. W. Norton, W. C. Montgomery, W. P. Kincheloe, F. M. Sackett, C. E. Hoge.

#### MEMPHIS BRANCH.

(Federal Reserve Bank of St. Louis.)

*Manager.*—John J. Heflin.

*Directors.*—R. Brinkley Snowden, John D. McDowell, John J. Heflin, T. K. Riddick, S. E. Ragland.

**NEW ORLEANS BRANCH.**

(Federal Reserve Bank of Atlanta.)

*Manager.*—Marcus Walker.

*Directors.*—J. P. Butler, jr., John E. Bouden, jr., P. H. Saunders, Frank Roberts, H. B. Lightcap, A. P. Bush, James E. Zunts.

**OMAHA BRANCH.**

(Federal Reserve Bank of Kansas City.)

*Manager.*—O. T. Eastman.

*Directors.*—Luther Drake, J. C. McNish, O. T. Eastman, P. L. Hall, R. O. Marnell.

**PITTSBURGH BRANCH.**

(Federal Reserve Bank of Cleveland.)

*Manager.*—Geo. De Camp.

*Directors.*—Chas. W. Brown, James D. Callery, T. H. Given, R. B. Mellon, George De Camp.

**PORTLAND BRANCH.**

(Federal Reserve Bank of San Francisco.)

*Manager.*—C. L. Lamping (acting).

*Directors.*—E. A. Cookingham, J. C. Ainsworth, C. L. Lamping, Nathan Strauss, Everett Ames.

**SALT LAKE CITY BRANCH.**

(Federal Reserve Bank of San Francisco.)

*Manager.*—Chas. H. Stewart.

*Directors.*—L. H. Farnsworth, Chas. H. Stewart, Chapin A. Day, G. G. Wright, Lafayette Hanchett.

**SEATTLE BRANCH.**

(Federal Reserve Bank of San Francisco.)

*Manager.*—C. J. Shepherd.

*Directors.*—M. F. Backus, M. A. Arnold, C. J. Shepherd, C. H. Clarke, Chas. E. Peabody.

**SPOKANE BRANCH.**

(Federal Reserve Bank of San Francisco.)

*Manager.*—Chas. A. McLean.

*Directors.*—D. W. Twohy, R. L. Rutter, Chas. A. McLean, Peter McGregor, G. I. Toevs.

**Fiduciary Powers Granted to National Banks.**

The applications of the following banks for permission to act under section 11 (k) of the Federal Reserve Act, as amended September 26, 1918, have been approved by the Federal Reserve Board during January:

**DISTRICT No. 2.**

Trustee, executor, administrator, registrar of stocks and bonds, guardian of estates, assignee, receiver, and committee of estates of lunatics:

- Jefferson County National Bank, Watertown, N. Y.
- Seaboard National Bank, New York City.
- National Bank of Norwich, Norwich, N. Y.
- First National Bank, Port Chester, N. Y.
- Paterson National Bank, Paterson, N. J.

- First National Bank, Morristown, N. J.
- City National Bank, Gloversville, N. Y.
- National Exchange Bank, Lockport, N. Y.
- National City Bank, New York City.

Guardian of estates, assignee, receiver, and committee of estates of lunatics:

- National Newark & Essex Banking Co., Newark, N. J.
- Trustee, executor, administrator, registrar of stocks and bonds, guardian of estates, assignee, and receiver:
- National State Bank, Elizabeth, N. J.

**DISTRICT No. 3.**

Trustee, executor, administrator, registrar of stocks and bonds, guardian of estates, assignee, receiver, and committee of estates of lunatics:

- National Iron Bank, Pottstown, Pa.
- Reading National Bank, Reading, Pa.
- First National Bank, Sunbury, Pa.
- First National Bank, West Chester, Pa.
- Union National Bank, Philadelphia, Pa.

**DISTRICT No. 4.**

Trustee, and registrar of stocks and bonds:

- First-Second National Bank, Akron, Ohio.
- Second National Bank, Ravenna, Ohio.

**DISTRICT No. 6.**

Guardian of estates, assignee, receiver and committee of estates of lunatics:

- First National Bank, Tampa, Fla.

**DISTRICT No. 7.**

Guardian of estates, assignee, and receiver:

- Cedar Rapids National Bank, Cedar Rapids, Iowa.

Trustee, executor, administrator, guardian of estates, assignee, receiver, and committee of estates of lunatics:

- Langlade National Bank, Antigo, Wis.

Trustee, executor, administrator, registrar of stocks and bonds, guardian of estates, assignee and receiver:

- Commercial National Bank, Oshkosh, Wis.

**DISTRICT No. 9.**

Trustee, executor, administrator, registrar of stocks and bonds, guardian of estates, assignee, receiver, and committee of estates of lunatics:

- American Exchange National Bank, Duluth, Minn.
- City National Bank, Duluth, Minn.
- First National Bank, Owatonna, Minn.
- Goodhue County National Bank, Red Wing, Minn.

**Acceptances to 100 Per Cent.**

Since the issue of the January BULLETIN the following banks have been authorized by the Federal Reserve Board to accept drafts and bills of exchange up to 100 per cent of their capital and surplus:

- Guardian Savings & Trust Co., Cleveland, Ohio.
- National Bank of Commerce, Norfolk, Va.
- Illinois Trust & Savings Bank, Chicago, Ill.

### New National Bank Charters.

The Comptroller of the Currency reports the following increases and reductions in the number of national banks and the capital of national banks during the period from December 28, 1918, to January 31, 1919, inclusive:

	Banks.	
New charters issued to.....	17	
With capital of.....		\$1,530,000
Increase of capital approved for.....	23	
With new capital of.....		3,693,000
Aggregate number of new charters and banks increasing capital.....	40	
With aggregate of new capital authorized.....		5,223,000
Number of banks liquidating (other than those consolidating with other national banks).....	13	
Capital of same banks.....		7,300,000
Number of banks reducing capital.....	0	
Reduction of capital.....	0	
Total number of banks going into liquidation or reducing capital (other than those consolidating with other national banks).....	13	
Aggregate capital reduction.....		7,300,000
Consolidation of national banks under the act of Nov. 7, 1918.....	2	
Capital.....		2,000,000
The foregoing statement shows the aggregate of increased capital for the period of the banks embraced in statement was.....		5,223,000
Against this there was a reduction of capital owing to liquidation (other than for consolidation with other national banks) and reductions of capital of.....		7,300,000
Net decrease.....		2,077,000

### Commercial Failures Reported.

With the beginning of 1919 the country's business mortality reflects the same favorable features which have characterized the insolvency statistics for so long a period, commercial failures in the United States during three weeks of January, as reported to R. G. Dun & Co., numbering only 492, against 770 in the corresponding weeks of 1918. The statement for December, the latest month for which complete figures are available, discloses but 683 defaults for \$12,249,483 of liabilities, as contrasted with 1,055 for \$14,043,716 in December of 1917. In point of number the December, 1918, exhibit is the best for that month in more than two decades, while the indebtedness is smaller than in any December since 1906. Separated according to Federal Reserve districts, the December returns disclose fewer insolvencies than in that month of 1917 in all of

the 12 districts, the reductions being marked in most instances, but only in the second, third, sixth, eighth, and twelfth districts are the liabilities less than in the earlier period. The decreases, however, more than offset the increases, the second district alone showing a contraction of \$1,600,000.

### Failures during December.

District.	Number.		Liabilities.	
	1918	1917	1918	1917
First.....	88	127	\$1,749,269	\$1,661,705
Second.....	129	212	3,805,610	5,456,864
Third.....	27	62	433,203	969,155
Fourth.....	49	98	1,045,883	1,030,496
Fifth.....	39	53	662,400	486,386
Sixth.....	29	36	284,320	325,861
Seventh.....	93	155	1,317,234	1,251,615
Eighth.....	36	50	173,388	372,682
Ninth.....	30	40	276,666	232,356
Tenth.....	29	41	483,042	388,011
Eleventh.....	33	50	1,191,850	380,506
Twelfth.....	101	131	826,618	1,488,079
Total.....	683	1,055	12,249,483	14,043,716

### Failures for year 1918.

District.	Commercial.		Manufacturing.	
	Number.	Liabilities.	Number.	Liabilities.
First.....	1,285	\$18,963,081	481	\$7,834,141
Second.....	1,785	44,460,856	672	20,407,956
Third.....	536	14,543,657	168	5,923,062
Fourth.....	858	12,413,340	238	7,038,791
Fifth.....	447	4,896,960	93	1,701,600
Sixth.....	521	8,143,433	77	5,197,782
Seventh.....	1,607	21,536,115	456	12,629,693
Eighth.....	487	4,672,861	74	1,477,758
Ninth.....	382	3,497,279	76	761,246
Tenth.....	419	7,417,463	74	4,215,598
Eleventh.....	423	4,699,007	47	1,478,914
Twelfth.....	1,232	14,775,927	310	4,706,139
Total.....	9,982	163,019,979	2,766	73,372,653

District.	Trading.		Other commercial.	
	Number.	Liabilities.	Number.	Liabilities.
First.....	694	\$5,469,453	110	\$5,659,487
Second.....	954	10,026,344	159	14,026,556
Third.....	325	7,209,186	43	1,411,409
Fourth.....	557	4,614,435	63	760,111
Fifth.....	326	2,552,451	28	642,909
Sixth.....	427	2,670,530	17	275,121
Seventh.....	1,035	9,598,126	116	2,308,326
Eighth.....	380	2,168,135	33	1,026,968
Ninth.....	285	2,539,967	21	196,066
Tenth.....	314	2,306,438	31	895,427
Eleventh.....	352	2,698,104	24	521,989
Twelfth.....	845	6,068,588	77	4,001,200
Total.....	6,494	57,921,757	722	31,725,569

**State Banks and Trust Companies Admitted.**

The following list shows the State banks and trust companies which have been admitted to membership in the Federal Reserve system during the month of January.

Nine hundred and sixty State institutions are now members of the system, having a total capital of \$350,663,471, total surplus of \$402,804,242, and total resources of \$7,360,703,683.

	Capital.	Surplus.	Total resources.
<i>District No. 1.</i>			
Market Trust Co., Boston, Mass.....	\$250,000	\$290,000	\$3,980,874
<i>District No. 2.</i>			
Northern Westchester Bank, Kato- nah, N. Y.....	50,000	25,000	75,000
<i>District No. 3.</i>			
Peoples Savings & Trust Co., Hazle- ton, Pa.....	125,000	50,000	2,303,022
<i>District No. 4.</i>			
Farmers Savings & Trust Co., Mans- field, Ohio.....	100,000	100,000	1,269,594
Merchants Trust Co., Greensburg, Pa.	185,600	100,000	1,584,055
The Shiloh Savings Bank Co., Shiloh, Ohio.....	25,000	26,000	379,115
<i>District No. 5.</i>			
The Overlea Bank, Overlea, Md.....	50,000	20,000	565,084
<i>District No. 7.</i>			
The Elizabeth State Bank, Elizabeth, Ill.....	40,000	13,600	423,731
Whiteside County State Bank, Fulton, Ill.....	50,000	5,000	432,947
Peoples Savings Bank of Grand Rap- ids, Grand Rapids, Mich.....	200,000	100,000	2,340,373
Indiana Bank & Trust Co., Rochester, Ind.....	75,000	25,000	701,161
Farmers Savings Bank, Grant, Iowa..	25,000	5,000	284,255
Armada State Bank, Armada, Mich..	25,000	14,000	442,855
<i>District No. 9.</i>			
Commercial and Savings Bank, Mitchell, S. Dak.....	100,000	10,000	1,194,998
<i>District No. 10.</i>			
Fort Lupton State Bank, Fort Lupt- ton, Colo.....	25,000	4,000	398,501
<i>District No. 11.</i>			
Farmers & Merchants State Bank, Ferris, Tex.....	50,000	9,000	410,251
Continental Bank & Trust Co., Shrove- port, La.....	300,000	30,000	1,982,747
First State Bank, Bomarton, Tex....	25,000	2,000	135,868
Gray County State Bank, Pampa, Tex.....	25,000	.....	113,186
Guaranty State Bank & Tr. Co., Ralls, Tex.....	60,000	.....	214,371
<i>District No. 12.</i>			
Buckeye Valley Bank, Buckeye, Ariz.	25,000	2,000	163,104
Bank of Southern Utah, Cedar City, Utah.....	75,000	61,000	618,367
Twin Falls Bank & Trust Co., Twin Falls, Idaho.....	100,000	30,000	1,540,287
Farmers State Bank of Almira, Alm- mira, Wash.....	25,000	5,000	337,162

**Second Annual Report of Federal Farm Loan Board.**

The second annual report of the operations of the Federal Farm Loan Board was transmitted to Congress by the Secretary of the Treasury under date of December 27, 1918. The following is an extract taken therefrom:

Our previous annual report described the financial operations incident to the system down to the introduction in December, 1917, of the amendment necessitated by the disturbed financial conditions then prevailing. This amendment, approved January 18, 1918, authorized the Secretary of the Treasury, upon the request of the Farm Loan Board, to purchase from any Federal land bank, at part and accrued interest, farm loan bonds issued by such bank, such purchases not to exceed in the aggregate \$100,000,000 in each of the fiscal years ending June 30, 1918, and June 30, 1919. It was further provided that any bonds so purchased might at any time be repurchased by the issuing bank at par and accrued interest for the purpose of redemption or resale, and that any bonds held by the Treasury one year after the termination of the pending war should be redeemed or repurchased upon 30 days notice from the Secretary of the Treasury. Under authority of this amendment there were sold to the Treasury, in the fiscal year ending June 30, 1918, bonds to the amount of \$64,160,000, of which bonds to the amount of \$8,190,000 were subsequently repurchased by the banks, leaving in the Treasury bonds to the amount of \$55,970,000, purchased out of the authorization of \$100,000,000 for that fiscal year. From July 1, 1918, to November 30, 1918, there have been bonds sold to the Treasury to the amount of \$4,500,000 out of the authorization of \$100,000,000 for the current fiscal year.

Bonds issued from the institution of the system up to April 30, 1918, bore interest at the rate of 4½ per cent. To allow time for the engraving and execution of the bonds to be dated May 1, 1918, it was necessary to decide, some time in advance of that date, what interest these bonds should bear. It was problematical whether they would sell at the 4½ per cent rate. If it had been possible to make the experiment, and then change to 5 per cent in the event of failure, it would have been the part of wisdom to have done so. It was not possible, however. The subscription period for bonds of the third Liberty loan extended to May 4, and it was deemed inadvisable to make any offering of farm loan bonds until subsequent to that date. A fourth Liberty loan campaign was known to be necessary in the early fall, and was actually made on September 28. It was necessary that offerings of farm loan bonds should cease before that date. The extreme possible period for their sale was therefore limited to about four months. The 4½ per cent bonds were unsalable when the decision had to be made; the time was too short to permit of a possibly unsuccessful effort, and it was felt to be essential that the

Treasury of the United States should be relieved of the necessity of buying farm loan bonds and that the offering of them should be made in such a way as to assure success and reestablish them as securities that would command the confidence and approval of the investing public. The decision was therefore reached to make the rate 5 per cent. The fact that the bonds were redeemable in five years made any possible generosity in the interest rate less important than it would have been if the banks had obligated themselves to pay that rate for a long period of years. In anticipation of the possibility of such an increase in the interest rate on the bonds the rate charged to borrowers had been advanced to 5½ per cent in December, 1918, this increase, however, applying only to loans which had not already been appraised and approved.

The same reasons which dictated the increase in the interest rate suggested the wisdom of once more enlisting the cooperation of bond houses in the selling campaign. Arrangements were made for a short and vigorous campaign by both the Federal land banks and a group of over 100 large investment houses scattered all over the country. The selling began on May 20 and closed on June 5. A combination of unexpectedly favoring conditions made it even a greater success than had been anticipated. Sales within these 16 days amounted to \$56,000,000, taking care of the loaning requirements of all the banks up to October 1. With the exception of these 16 days there have been no offerings of farm loan bonds by the Federal land banks during the past year. This method of selling bonds has been less advantageous to the banks than would have been the case if they had been free to choose their own times and methods, but the necessity of subordinating their interests to the exigencies of the Federal Treasury was cheerfully accepted by them as one of their contributions toward the winning of the war.

In our last report it was stated that a "spread" or "margin" of one-half of 1 per cent or even a full 1 per cent between the rate paid on bonds and the rate charged on loans, would not meet the expense of the banks during their first year, and that there would be an inevitable "deficit" or "impairment of capital" as the result of that year's operations. Confidence was expressed, however, in the belief that "as to almost, if not quite, every bank such impairment of capital would have ceased to grow at the close of the first year, and would be overcome in the second or third year, after which the business should prove to be very profitable." This expectation has been substantially realized. The total impairment of capital of the 12 banks on April 30, 1918, which was practically the close of their first year, was \$411,954. In the succeeding quarter it was reduced by \$26,834 to \$385,120, and in the four months ending November 30, it was reduced by \$246,594 to \$138,526. All but two of the banks—the two which have done the least aggregate business—are now showing satisfactory monthly profits, and these two are just about reaching the turning point.

Five banks have already overcome their initial losses, three of which show substantial surpluses. One other will show a balance on the right side of the ledger within a month or two. Two banks—those located at Spokane and St. Paul—having received subscriptions to capital stock from farm-loan associations to an amount in excess of \$750,000 have, in accordance with the provisions of the fifth section of the farm-loan act, begun to apply semiannually to the payment and retirement of the stock originally subscribed one-fourth of all sums thereafter subscribed. The bulk of the stock originally subscribed having been taken by the Secretary of the Treasury on behalf of the United States, the bulk of the payments on this account will be made to the Federal Treasury. The first payments on this account were made to the Treasurer of the United States in the month of November, being \$74,583 by the Federal Land Bank of Spokane, and \$52,131 by the Federal Land Bank of St. Paul. In May next second payments will be made by these two banks and first payments by the Federal Land Banks of Omaha, Wichita, and Houston.

The total payments due by borrowers to the banks up to October 31, 1918, exceeded \$3,247,000, and on that date only \$86,073 of this amount remained unpaid, of which only \$10,730 was 90 days or more overdue. We scarcely venture to hope that such an exceptional record as this can be permanently maintained, but the present figures bear testimony to the care with which loans have been made, and justify the belief that losses on defaults and foreclosures will be negligible in comparison with the great volume of business done.

#### EARNINGS AND EXPENSES OF THE FEDERAL RESERVE BANKS FOR 1918.

Total earnings of the Federal Reserve Banks for the calendar year 1918 were \$67,584,417, compared with \$15,438,858 for the calendar year 1917, while total current expenses were \$12,137,438, compared with \$4,235,866 for the earlier year. Current expenses for the year under review include besides \$8,463,957 of expenses of operation proper—\$2,448,973, the cost, including expressage, insurance, and other expenses incident to the issue and retirement of Federal Reserve notes and bank notes, \$1,108,091 depreciation on furniture and equipment, and \$116,417 the cost of alterations and repairs to bank buildings.

Total expenses shown above are exclusive of the expenses of the fiscal agent departments. The latter are treated separately, being reimbursable by the United States Treasury Department. For the past year the Federal

Reserve Banks, as fiscal agents of the Government, mainly in floating the certificate issues and the last two Liberty loans, disbursed a total of \$16,245,708. In addition there was outstanding at the opening of the year a reimbursable amount of \$1,697,220 disbursed by the banks during 1917. Reimbursements received from the Government during the year totaled \$8,377,983, leaving thus a reimbursable balance at the end of 1918 of \$9,564,945.

Net earnings of the banks, i. e., the excess of earnings over current expenses, totaled \$55,446,979, or at the rate of 72.6 per cent on an average aggregate paid-in capital for the year of \$76,342,000, compared with an average rate of 55.9 per cent for the first six months of the year and 18.9 per cent for the calendar year 1917. New York shows net earnings for the year at the rate of 113.6 per cent, Kansas City at the rate of 78.4 per cent, San Francisco at the rate of 72.3 per cent, and Chicago at the rate of 67.7 per cent. Of the remaining banks six show net earnings at rates between 50 and 60 per cent and 2 at rates between 40 and 50 per cent. All arrears in dividends having been paid at the end of June, dividend payments at the close of the year covered only the six months ending December.

To the net earnings above shown should be added the net profits carried over from 1917—\$1,158,715, also net amounts credited during the year direct to profits—\$74,772. This gives total gross profits of \$56,680,466. Deductions from this total, \$2,805,441, comprise depreciation allowances on bank premises \$1,609,537, on vaults \$40,500, and on United States bonds \$848,129, also special reserves of \$307,275 set aside by the New York and San Francisco banks to take care of future contingencies. This leaves available for dividends, surplus, and franchise taxes a total of \$53,875,025, out of which were paid all dividend arrears and the maximum 6 per cent dividends for the year, totaling \$5,540,684. Of the remaining amount one-half up to 40 per cent of the paid-in capital of each bank was carried to surplus, the total thus carried being \$21,605,901. The balance, \$26,728,440, was reserved for franchise tax to the Government. It will be noted that in the case of the New York bank the amount reserved for franchise tax is \$12,795,215, or more than \$5,000,000 in excess of the 40 per cent of the capital, the maximum which the bank is permitted at present to carry to surplus. For the other banks the ratios of surplus to average paid-in capital for the year stand as follows:

	Per cent of surplus to capital paid in on Dec. 31, 1918.		Per cent of surplus to capital paid in on Dec. 31, 1918.
Boston.....	22.9	Chicago.....	29.6
New York.....	40.0	St. Louis.....	21.1
Philadelphia.....	17.2	Minneapolis.....	24.8
Cleveland.....	19.6	Kansas City.....	33.1
Richmond.....	28.5	Dallas.....	18.8
Atlanta.....	24.3	San Francisco.....	26.4

For the system as a whole the ratio of surplus to paid-in capital is 28.2 per cent.

Of the total earnings of the banks 71.5 per cent, as against 45 per cent the year before came from discounts largely of war paper. Bills purchased in the open market contributed 17.7 per cent of the total earnings, as against 32.2 per cent; United States securities, chiefly Treasury certificates, 5.7 per cent, as against 15.3 per cent; transfer operations yielded about 1.5 per cent of the total earnings, as against 3 per cent the year before, and the remainder came from penalties for deficient reserves, service charges, commissions, profits on foreign exchange operations, and sundry smaller profits. Expenses of operation of the banks proper, exclusive of their fiscal agent departments, totaled \$8,463,957, compared with \$2,669,855 in 1917. Of the larger total about 42 per cent, as against 28 per cent in 1917, went as compensation to the clerical staff, and 11.5 per cent, as against 23 per cent in 1917, as salaries to bank officers. Nearly 10 per cent of the total operating expenses went for postage and expressage and over 6 per cent for printing and stationery. Contributions of the banks for the support of the Federal Reserve Board aggregated \$382,641, as against \$237,795 the year before and constitute about 4.5 per cent of the total 1918 expenses of operation, as against about 9 per cent the year before. Rent paid by the banks is about double in amount that for 1917, though some of the banks own the premises or parts thereof occupied at present by them. This is true of New York, Philadelphia, Richmond, Atlanta, Dallas, and San Francisco. With the exception of Cleveland and Minneapolis, all the banks have purchased ground on which it is proposed to erect buildings for use as permanent banking quarters. Total book value of the investments in "bank premises" after allowing \$1,609,537 for depreciation, stood at \$8,081,841 at the end of the year, compared with \$707,611 at the beginning of the year.

*Earnings and expenses of each Federal Reserve Bank and of the system as a whole for the calendar year 1918.*

## EARNINGS.

	Boston.	New York.	Philadel- phia.	Cleveland.	Richmond.	Atlanta.	Chicago.
Discounted bills.....	\$3,068,028	\$17,736,261	\$3,241,105	\$3,124,696	\$2,390,422	\$1,758,075	\$6,447,466
Purchased bills.....	931,701	5,411,821	756,313	1,141,585	278,634	302,231	1,253,259
United States securities.....	107,719	1,561,839	233,489	611,895	83,437	114,451	310,616
Municipal warrants.....		2,621	49			2,889	662
Transfers, net earnings.....				51,214		33,757	275,758
Commissions received.....		22,646					
Deficient reserve penalties (including interest).....	18,426	27,192	29,784	66,462	122,654	35,240	65,382
Net service charges received.....	59,695	50,167	47,714	41,029	49,065	21,752	26,570
Profits realized on United States securities.....	41,821			167,239		11,139	51,820
Sundry profits.....	247,805	502,189	49,286	22,744	59,836	13,524	50,214
<b>Total earnings.....</b>	<b>4,475,195</b>	<b>25,314,736</b>	<b>4,357,740</b>	<b>5,226,864</b>	<b>2,979,048</b>	<b>2,293,058</b>	<b>8,481,747</b>

	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.	Total.
Discounted bills.....	\$2,218,069	\$1,547,842	\$2,643,113	\$1,497,379	\$2,671,397	\$48,343,853
Purchased bills.....	226,164	211,602	157,963	175,885	1,097,630	11,939,788
United States securities.....	89,096	116,370	312,463	152,159	135,268	3,828,802
Municipal warrants.....		6		7,995		14,222
Transfers, net earnings.....	48,209	89,608	202,522	149,733	127,888	978,189
Commissions received.....					35,383	58,029
Deficient reserve penalties (including interest).....	52,107	29,101	99,929	56,305	96,409	698,991
Net service charges received.....	25,943	27,719	23,493	28,323	19,862	421,332
Profits realized on United States securities.....					294	272,313
Sundry profits.....	17,240	27,706	12,453	21,747	4,154	1,028,898
<b>Total earnings.....</b>	<b>2,676,828</b>	<b>2,049,954</b>	<b>3,451,936</b>	<b>2,089,526</b>	<b>4,187,785</b>	<b>67,584,417</b>

## CURRENT EXPENSES.

	Boston.	New York.	Philadel- phia.	Cleveland.	Richmond.	Atlanta.	Chicago.
<b>Expense of operation:</b>							
Assessments account expenses, Federal Reserve Board.....	\$32,190	\$100,876	\$33,929	\$43,073	\$19,814	\$15,369	\$49,378
Federal Advisory Council (fees and traveling expenses).....	475	1,650	372	781	150	455	996
Governors' conferences (including traveling expenses).....	70	28		145	210	70	91
Federal Reserve agents' conferences (including traveling expenses).....	199	113	140	191	321	142	381
<b>Salaries—</b>							
Bank officers.....	75,975	180,901	64,288	81,307	48,455	70,643	105,819
Clerical staff.....	264,942	1,082,719	283,624	297,579	173,118	124,938	405,610
Special officers and watchmen.....	9,115	25,854	14,976	16,901	4,868	5,280	32,550
All other.....				9,049	5,008	3,060	11,958
Directors' fees.....	4,150	19,505	4,160	3,060	3,320	2,295	4,820
Per diem allowance.....	1,220	60	670	1,060	680	2,548	740
Traveling expenses.....	938	1,262	1,120	1,709	1,218	2,689	1,941
Officers' and clerks' traveling expenses.....	4,337	4,519	2,463	15,513	3,015	3,007	5,536
Legal fees.....	2,600	3,017	1,570	2,000	1,122	3,495	3,850
Rent.....	33,328	139,008	5,050	37,465	5,206	18,722	53,078
Taxes and fire insurance.....	25,035	2,423		1,939	1,823	3,276	513
Telephone.....	6,759	13,540	6,779	5,489	2,110	766	6,781
Telegraph.....	3,970	19,514	3,170	6,680	2,960	5,030	12,311
Postage.....	52,954	99,440	40,283	54,346	45,519	28,998	63,774
Expressage.....	25,070	47,204	26,951	5,646	9,767	5,140	10,231
Insurance and premiums on fidelity bonds.....	10,899	32,871	16,599	20,125	8,464	2,041	25,157
Light, heat, and power.....	5,116	6,997	4,801	2,551	6,648	762	4,899
Printing and stationery.....	39,348	137,960	34,366	46,566	36,516	23,782	75,877
Repairs and alterations.....	2,687	42,146	2,565	15,430	12,275	133	20,261
All other expenses.....	89,735	176,198	45,588	49,135	15,680	56,282	179,972
<b>Total expense of operation.....</b>	<b>691,112</b>	<b>2,146,805</b>	<b>593,464</b>	<b>717,740</b>	<b>408,267</b>	<b>378,923</b>	<b>1,076,624</b>
<b>Cost of Federal Reserve currency, including expressage, insurance, etc.....</b>	<b>167,828</b>	<b>335,044</b>	<b>243,857</b>	<b>182,092</b>	<b>144,255</b>	<b>149,390</b>	<b>388,682</b>
Miscellaneous charges account note issues.....	7,558	27,921	8,081	6,569	6,700	9,314	13,004
Furniture and equipment.....	41,622	170,933	215,043	85,784	66,353	89,846	172,365
Repairs, alterations, etc., to bank buildings.....	61,895		31,471		18,245		
<b>Total current expenses.....</b>	<b>970,015</b>	<b>2,680,703</b>	<b>1,086,916</b>	<b>992,185</b>	<b>643,820</b>	<b>627,473</b>	<b>1,650,675</b>
Net earnings for year 1918.....	3,505,180	22,634,033	3,270,824	4,234,679	2,335,228	1,665,585	6,831,072
Per cent of average paid-in capital.....	54.7	113.5	46.3	49.3	60.3	54.7	67.7

Earnings and expenses of each Federal Reserve Bank and of the system as a whole for the calendar year 1918—Continued.

CURRENT EXPENSES—Continued.

	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.	Total.
<b>Expense of operation:</b>						
Assessments account expenses, Federal Reserve Board.	\$18,397	\$14,117	\$17,998	\$15,223	\$22,277	\$82,241
Federal Advisory Council (fees and traveling expenses).	582	1,034	270	1,894	3,043	11,702
Governors' conferences (including traveling expenses).	269	204	430	232	354	2,103
Federal Reserve agents' conferences (including traveling expenses).	283	370	328	422	601	3,491
<b>Salaries—</b>						
Bank officers	72,573	49,125	68,045	68,544	94,605	989,280
Clerical staff	206,763	123,402	188,680	170,134	287,608	3,609,117
Special officers and watchmen	7,218	.....	5,609	4,314	1,595	128,280
All other	5,212	120	784	5,464	1,117	41,772
<b>Directors' fees</b>	8,245	3,610	8,260	1,960	4,307	67,792
Per diem allowance	1,750	850	3,675	995	1,480	15,728
Traveling expenses	2,317	1,562	6,553	1,487	.....	22,796
Officers' and clerks' traveling expenses	3,309	1,982	2,426	7,757	14,193	68,057
Legal fees	.....	1,732	1,225	2,215	2,919	25,745
Rent	25,739	11,298	21,263	659	18,306	369,122
Taxes and fire insurance	.....	167	169	1,211	7,768	44,324
Telephone	2,323	2,213	2,481	1,833	4,859	55,988
Telegraph	4,775	3,193	4,455	9,668	11,716	87,442
Postage	34,813	36,501	60,674	24,688	41,813	584,103
Expressage	25,192	13,039	466	28,843	53,888	251,437
Insurance and premiums on fidelity bonds.	6,116	7,776	6,005	10,774	9,343	156,170
Light, heat, and power	.....	.....	2,523	2,415	2,960	89,670
Printing and stationery	25,386	18,361	23,370	25,072	50,935	539,537
Repairs and alterations	5,092	2,016	5,020	.....	14,742	122,307
All other expenses	15,693	16,238	53,950	20,278	126,550	845,298
<b>Total expense of operation</b>	<b>472,046</b>	<b>308,910</b>	<b>486,959</b>	<b>406,130</b>	<b>776,977</b>	<b>8,463,957</b>
Cost of Federal Reserve currency, including expressage, insurance, etc.	147,347	114,287	98,542	82,730	238,746	2,292,800
Miscellaneous charges account note issues	4,597	10,734	57,017	.....	9,078	156,173
Furniture and equipment	102,031	80,477	46,710	41,758	45,169	1,108,091
Repairs, alterations, etc., to bank buildings	.....	.....	.....	4,806	.....	116,417
<b>Total current expenses</b>	<b>726,021</b>	<b>464,408</b>	<b>689,228</b>	<b>535,424</b>	<b>1,070,570</b>	<b>12,137,438</b>
Net earnings for year 1918	1,950,807	1,585,546	2,702,708	1,554,102	3,117,215	55,446,979
Per cent of average paid-in capital	53.9	56.5	78.4	52.2	70.6	72.6

PROFIT AND LOSS ACCOUNT OF EACH FEDERAL RESERVE BANK AND OF THE SYSTEM AS A WHOLE FOR THE CALENDAR YEAR 1918.

	Boston.	New York.	Philadel- phia.	Cleveland.	Richmond.	Atlanta.	Chicago.
<b>Earnings</b>	\$4,475,195	\$25,314,736	\$4,357,740	\$5,226,864	\$2,979,048	\$2,293,058	\$8,481,747
<b>Current expenses</b>	970,015	2,630,703	1,086,916	992,185	643,820	627,473	1,650,675
<b>Net earnings for year</b>	<b>3,505,180</b>	<b>22,684,033</b>	<b>3,270,824</b>	<b>4,234,679</b>	<b>2,335,228</b>	<b>1,665,585</b>	<b>6,831,072</b>
<b>Profit and loss account Jan. 1, 1918</b>	<b>.....</b>	<b>.....</b>	<b>220,238</b>	<b>132,311</b>	<b>.....</b>	<b>.....</b>	<b>.....</b>
<b>Total</b>	<b>3,505,180</b>	<b>22,684,033</b>	<b>3,491,062</b>	<b>4,366,990</b>	<b>2,335,228</b>	<b>1,665,585</b>	<b>6,831,072</b>
<b>Less amounts charged against profit and loss on account of:</b>							
Bank premises	200,000	803,800	182,604	.....	10,000	12,797	.....
Amounts reserved for depreciation on United States bonds	.....	.....	116,131	84,406	13,198	.....	.....
Special reserves	.....	299,375	.....	.....	.....	.....	.....
Miscellaneous debits during year	.....	a 132,059	.....	14,477	.....	315	25,991
<b>Total deductions</b>	<b>200,000</b>	<b>971,116</b>	<b>298,735</b>	<b>98,883</b>	<b>23,198</b>	<b>13,112</b>	<b>25,991</b>
<b>Net amount available for dividends, surplus, and franchise taxes Dec. 31, 1918</b>	<b>3,305,180</b>	<b>21,662,917</b>	<b>3,192,327</b>	<b>4,268,107</b>	<b>2,312,030</b>	<b>1,652,473</b>	<b>6,805,081</b>
<b>Dividends paid</b>	<b>384,180</b>	<b>1,195,026</b>	<b>583,983</b>	<b>716,107</b>	<b>232,432</b>	<b>182,473</b>	<b>604,635</b>
<b>Profit and loss Dec. 31, 1918, after payment of dividends</b>	<b>2,921,000</b>	<b>20,467,891</b>	<b>2,608,344</b>	<b>3,552,000</b>	<b>2,079,598</b>	<b>1,470,000</b>	<b>6,200,446</b>
<b>Distribution of profit and loss:</b>							
Carried to surplus account	1,460,500	7,672,676	1,304,172	1,776,000	1,039,799	735,000	3,100,223
Reserved for Government franchise tax	1,460,500	12,795,215	1,304,172	1,776,000	1,039,799	735,000	3,100,223

a Net credit.

## Earnings and expenses of each Federal Reserve Bank and of the system as a whole for the calendar year 1918—Continued.

## PROFIT AND LOSS ACCOUNT OF EACH FEDERAL RESERVE BANK AND OF THE SYSTEM AS A WHOLE—Continued.

	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.	Total.
Earnings.....	\$2,676,828	\$2,049,954	\$3,451,936	\$2,089,520	\$4,187,785	\$67,584,417
Current expenses.....	726,021	464,408	689,228	535,424	1,070,570	12,137,438
Net earnings for year.....	1,950,807	1,585,546	2,762,708	1,554,102	3,117,215	55,446,979
Profit and loss account Jan. 1, 1918.....	230,338		293,407	205,736	76,685	1,158,715
Total.....	2,181,145	1,585,546	3,056,115	1,759,838	3,193,900	56,605,694
Less amounts charged against profit and loss on account of:						
Bank premises.....			100,000	61,736	238,600	1,609,537
Vaults.....		29,500		11,000		40,500
Amounts reserved for depreciation on United States bonds.....	172,997		220,734	240,663		848,129
Special reserves.....					7,900	307,275
Miscellaneous debits during year.....		10,199	4,226	523	1,551	74,772
Total deductions.....	172,997	39,699	324,960	313,927	248,051	2,730,669
Net amount available for dividends, surplus, and franchise taxes Dec. 31, 1918.....	2,008,148	1,545,847	2,731,155	1,445,911	2,945,849	53,875,025
Dividends paid.....	404,838	168,103	309,729	261,503	497,675	5,540,684
Profit and loss Dec. 31, 1918, after payment of dividends.....	1,603,310	1,377,744	2,421,426	1,184,408	2,448,174	48,334,341
Distribution of profit and loss:						
Carried to surplus account.....	801,655	688,872	1,210,713	592,204	1,224,087	21,605,901
Reserved for Government franchise tax.....	801,655	688,872	1,210,713	592,204	1,224,087	26,728,440

## FISCAL AGENT DEPARTMENT DISBURSEMENTS OF EACH FEDERAL RESERVE BANK, AMOUNTS REIMBURSED AND BALANCES REIMBURSABLE AT THE END OF THE CALENDAR YEAR 1918.

	Boston.	New York.	Philadel- phia.	Cleveland.	Richmond.	Atlanta.	Chicago.
Total disbursements during 1918.....	\$1,143,633	\$4,821,309	\$1,074,146	\$1,443,183	\$446,770	\$774,197	\$2,415,011
Amounts reimbursable Jan. 1, 1918.....	143,211	360,350	100,033	139,248	43,221	45,694	287,428
Total.....	1,286,844	5,181,659	1,174,179	1,582,431	489,991	819,891	2,702,439
Reimbursements received during 1918.....	729,235	2,132,129	415,420	820,055	263,916	363,633	1,440,584
Balance reimbursable Jan. 1, 1919.....	557,609	3,049,530	758,759	762,376	226,075	456,208	1,261,855

	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.	Total.
Total disbursements during 1918.....	\$1,046,297	\$421,043	\$778,217	\$596,108	\$1,285,794	\$16,245,708
Amounts reimbursable Jan. 1, 1918.....	124,849	54,127	86,450	63,005	247,604	1,697,220
Total.....	1,171,146	475,170	864,667	661,113	1,533,398	17,942,928
Reimbursements received during 1918.....	720,804	324,958	415,293	151,973	599,963	8,377,983
Balance reimbursable Jan. 1, 1919.....	450,342	150,212	449,374	509,140	933,435	9,564,945

## COST OF FURNITURE AND EQUIPMENT, INCLUDING VAULTS, ALSO BANK PREMISES.

	Boston.	New York.	Philadel- phia.	Cleveland.	Richmond.	Atlanta.	Chicago.
Balance as reported Jan. 1, 1918.....			\$25,581		\$9,065		
Additional purchase during year 1918.....	\$41,622	170,933	189,462	\$85,784	57,288	\$89,846	\$172,365
Total.....	41,622	170,933	215,043	85,784	66,353	89,846	172,365
Charged to current expense or profit and loss during year.....	41,622	170,933	215,043	85,784	66,353	89,846	172,365
Balance Jan. 1, 1919.....							
Bank premises.....	800,000	\$2,317,692	500,000		290,000	217,000	2,936,149

	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.	Total.
Balance as reported Jan. 1, 1918.....	\$44,499	\$29,501	\$13,750	\$11,000		\$133,396
Additional purchase during year 1918.....	57,532	30,476	46,710	41,758	\$45,169	1,028,945
Total.....	102,031	59,977	60,460	52,758	45,169	1,162,341
Charged to current expense or profit and loss during year.....	102,031	59,977	46,710	52,758	45,169	1,148,591
Amount recovered account previous expenditure for vault equipment.....			6,875			6,875
Balance Jan. 1, 1919.....			6,875			6,875
Bank premises.....			400,000	221,000	400,000	3,081,841

\* Net credit.

*Earnings and expenses of each Federal Reserve Bank and of the system as a whole for the calendar year 1918—Continued.*  
COST OF UNISSUED FEDERAL RESERVE CURRENCY.

	Boston.	New York.	Philadel- phia.	Cleveland.	Richmond.	Atlanta.	Chicago.
Balance reported Jan. 1, 1918.....			\$512			\$588	
Additional cost during year 1918.....	\$167,828	\$335,044	243,345	\$182,092	\$144,255	148,802	\$988,682
Total.....	167,828	335,044	243,857	182,092	144,255	149,390	988,682
Cost of Federal Reserve notes charged to current expenses during year.....	167,828	335,044	243,857	182,092	144,255	149,390	988,682
Balance Jan. 1, 1919.....							

	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.	Total.
Balance reported Jan. 1, 1918.....	\$16,167	\$12,915		\$10,161		\$40,343
Additional cost during year 1918.....	131,180	101,372	\$98,542	72,569	\$238,746	2,252,457
Total.....	147,347	114,287	98,542	82,730	238,746	2,292,800
Cost of Federal Reserve notes charged to current expenses during year.....	147,347	114,287	98,542	82,730	238,746	2,292,800
Balance Jan. 1, 1919.....						

<sup>1</sup> Exclusive of \$658 representing cost of Federal Reserve notes in transit to branches.

*Earnings and current expenses, by months, for the calendar year 1918, of each Federal Reserve Bank and of the system as a whole.*

EARNINGS.

	Boston.	New York.	Philadel- phia.	Cleveland.	Richmond.	Atlanta.	Chicago.
January.....	\$229,863	\$1,338,457	\$191,710	\$323,991	\$161,076	\$88,287	\$435,984
February.....	320,216	1,324,642	175,229	268,970	141,842	80,665	380,723
March.....	276,920	1,866,517	209,376	281,121	152,822	98,726	366,369
April.....	274,298	1,838,393	226,393	339,897	195,000	120,035	510,314
May.....	263,715	1,949,912	256,525	330,207	226,812	123,881	544,357
June.....	323,463	1,964,753	292,353	328,261	248,867	127,786	546,379
July.....	455,418	1,828,034	331,912	510,415	265,603	154,957	818,756
August.....	344,092	2,035,662	370,339	509,010	277,790	186,527	884,659
September.....	407,991	2,634,482	411,267	458,327	278,659	247,396	938,386
October.....	512,690	2,825,751	509,593	553,835	302,226	339,952	1,090,029
November.....	517,025	2,862,607	695,778	608,936	364,219	356,150	979,099
December.....	549,504	2,795,526	686,760	713,894	364,132	368,696	986,692
Total.....	4,475,195	25,314,736	4,357,740	5,226,864	2,979,048	2,293,058	8,481,747

	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.	Total.
January.....	\$157,599	\$87,962	\$184,296	\$109,953	\$177,636	\$3,486,814
February.....	126,773	82,443	143,098	92,314	219,174	3,356,089
March.....	133,235	79,780	148,032	107,067	255,202	3,975,167
April.....	189,521	109,530	245,115	135,677	233,689	4,418,367
May.....	180,044	138,007	287,308	153,537	258,778	4,713,083
June.....	206,413	158,683	292,166	146,696	264,850	4,900,670
July.....	262,522	234,198	344,592	156,379	335,374	5,698,160
August.....	211,371	250,148	337,747	188,137	410,053	6,055,535
September.....	249,923	288,150	300,762	235,610	465,024	6,915,977
October.....	330,758	236,362	389,591	263,725	564,012	7,918,524
November.....	320,691	182,225	407,645	234,711	482,721	8,011,807
December.....	307,978	202,466	371,584	265,720	521,272	8,184,224
Total.....	2,676,828	2,049,954	3,451,936	2,089,526	4,187,785	67,584,417

Earnings and current expenses, by months, for the calendar year 1918, of each Federal Reserve Bank and of the system as a whole—Continued.

## CURRENT EXPENSES.

	Boston.	New York.	Philadel- phia.	Cleveland.	Richmond.	Atlanta.	Chicago.
January.....	\$33,030	\$150,095	\$30,962	\$63,628	\$21,523	\$17,832	\$51,281
February.....	38,017	154,282	41,460	59,966	28,292	16,821	54,167
March.....	47,763	147,036	42,992	66,183	40,671	19,969	65,471
April.....	39,754	141,295	38,567	77,965	40,006	19,546	123,181
May.....	41,376	139,873	58,766	72,779	36,609	18,177	89,769
June.....	205,851	154,477	266,542	76,959	41,607	35,885	120,030
July.....	48,791	238,062	43,954	69,645	41,043	26,891	129,409
August.....	52,426	188,137	47,058	72,049	47,537	58,452	142,255
September.....	65,578	214,376	45,731	63,421	57,444	59,712	151,448
October.....	97,061	271,419	60,441	71,440	46,536	79,316	153,559
November.....	62,302	312,784	57,787	91,880	74,886	64,802	152,427
December.....	238,066	568,867	352,656	206,270	167,666	214,170	417,678
Total current expenses.....	970,015	2,680,703	1,086,916	992,185	643,820	627,473	1,650,675

	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.	Total.
January.....	\$28,236	\$21,829	\$41,816	\$19,517	\$37,456	\$517,205
February.....	28,301	19,596	40,698	20,034	37,282	538,916
March.....	33,221	22,814	45,941	22,725	46,458	601,144
April.....	30,416	26,031	37,401	23,532	47,620	645,314
May.....	34,279	25,667	50,775	23,333	65,987	657,390
June.....	37,790	30,135	47,107	29,472	61,274	1,107,129
July.....	47,710	31,326	60,994	79,531	94,415	911,771
August.....	56,453	41,607	58,034	41,599	86,349	891,956
September.....	73,055	51,284	53,959	49,545	70,394	951,947
October.....	73,854	38,697	57,596	49,777	68,685	1,068,381
November.....	52,752	36,039	65,542	42,283	64,637	1,078,121
December.....	229,954	119,383	129,365	134,076	390,013	3,168,164
Total current expenses.....	726,021	464,408	689,228	535,424	1,070,570	12,137,438

### Movement of Excess Reserves ("Free Gold") During the Year 1918.

In the following table and attached diagram there are presented data showing weekly changes during the past year in the amounts of minimum reserves required to be held by the Federal Reserve banks against their net deposits and Federal Reserve notes in actual circulation, also like changes in the total cash reserves held by the Federal Reserve banks and agents. By deducting from the total cash reserves held the amounts required to be held as reserves against net deposits and notes, there are obtained figures of excess reserves, or the "free gold," which may serve as basis for additional reserve deposit credits or additional reserve-note issues.

During the year total cash reserves of banks increased by 413.2 millions, required note reserves by 573.6 millions and required deposit reserves by 37.3 millions. As a result the amount of "free gold" shows a decrease for the year of 197.7 millions. Gains in cash reserves are composed largely of gold received in exchange for Federal Reserve notes taken either by the banks or the Government, and to much

smaller extent of reserve cash deposited with the Federal Reserve banks by newly admitted members. Of the total gain of 413.2 millions in actual reserves about 282 millions, or nearly 70 per cent, represents the gain for the first half of the year.

Required note reserves show an increase for the year of 573.6 millions, corresponding to an increase of over 1,434 millions in actual Federal Reserve note circulation. As distinct from the figures of cash reserves the required note reserve figures show a larger increase during the second half of the year, viz., 357.5 millions, or 62 per cent of the total gain shown for the entire year.

Net deposits and reserves required against such deposits show but a slight increase during the year, the end-of-December figures being below those reported about the middle of the year. It is evident therefore that the decrease in "free gold" is due primarily to the large increase in note liabilities offset only in part by the gains in the banks' cash reserves. On December 27 the total of free gold amounted to \$528,619,000. On the basis of 40 per cent required reserves against Federal Reserve note liabilities and of 35 per cent required reserve

against deposit liabilities this amount would support additional reserve-note issues of \$1,325,547,500 or additional net deposits of \$1,510,340,000.

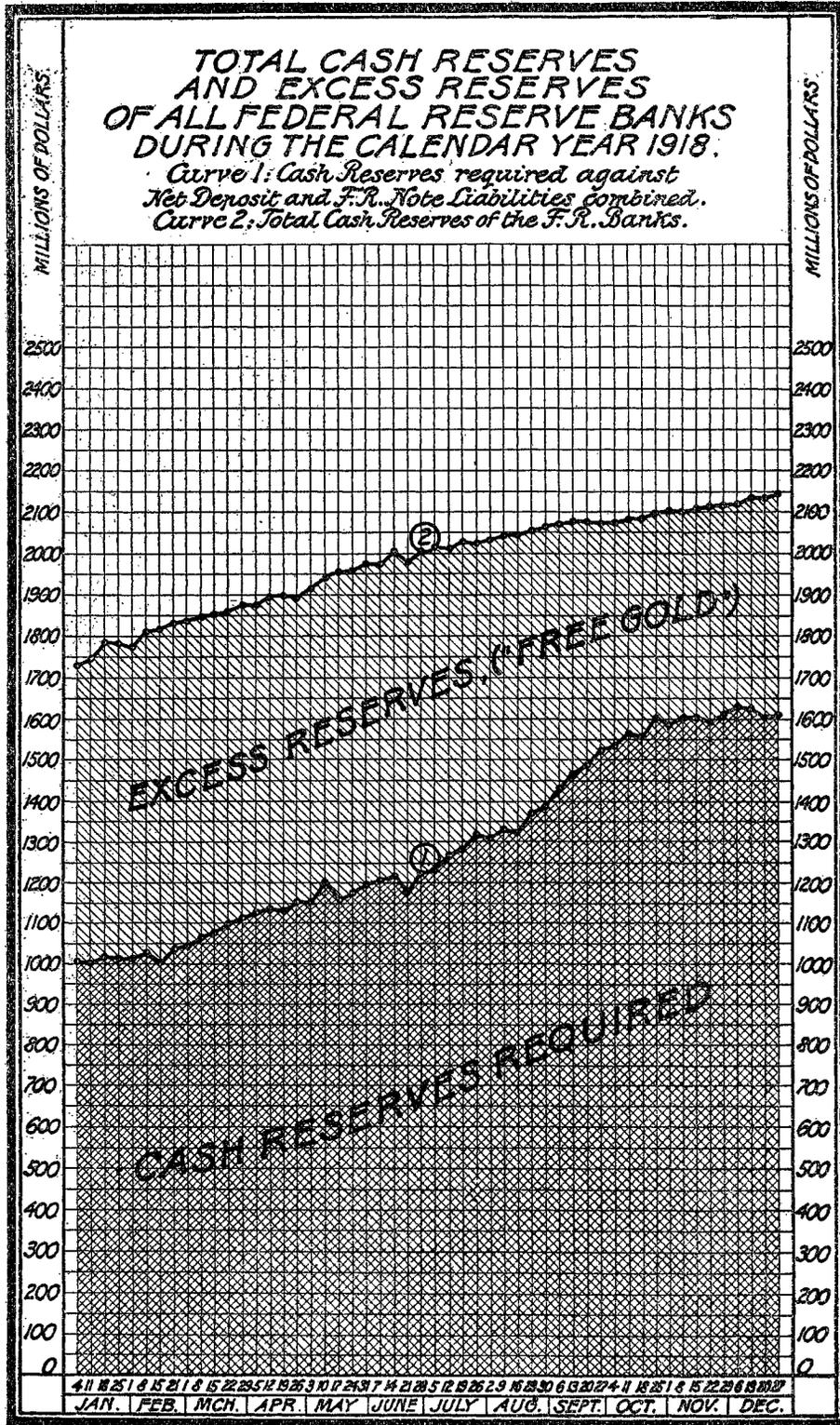
Since the close of the past year there has been a further gain of over 30 millions in the system's cash reserves, while the volume of

Federal Reserve notes in circulation has decreased 235 millions. As a result the amount of free gold on February 1 has increased to \$618,544,000. This amount will support an additional reserve-note circulation of \$1,546,360,000 or additional net deposits of \$1,767,269,000.

*Required reserves against net deposit and Federal Reserve note liabilities, and amounts of gold held in excess of required reserves.*

[In thousands of dollars: i. e., 000 omitted.]

	Net deposits.		Federal Reserve notes in circulation.		Total net deposit and Federal Reserve note liabilities.	Total amount of required reserves.	Total cash reserves held.	Gold in excess of required reserves (free gold).	Ratio of total cash reserves to net deposit and Federal Reserve note liabilities combined.
	Amount.	Required reserve of 35 per cent.	Amount.	Required reserve of 40 per cent.					
1918.									
Jan. 4.....	1,446,228	506,180	1,251,205	500,482	2,697,433	1,006,662	1,733,030	726,368	Per cent. 64.2
Jan. 11.....	1,444,904	505,716	1,242,199	496,880	2,687,103	1,002,596	1,748,031	745,435	65.1
Jan. 18.....	1,496,386	523,735	1,238,797	495,519	2,735,183	1,019,254	1,784,307	765,053	65.2
Jan. 25.....	1,492,878	522,507	1,234,934	493,974	2,727,812	1,016,481	1,782,759	766,278	65.4
Feb. 1.....	1,488,036	520,813	1,236,101	494,440	2,724,137	1,015,253	1,775,457	760,204	65.2
Feb. 8.....	1,502,853	525,099	1,261,219	504,488	2,764,072	1,030,487	1,813,094	782,607	65.6
Feb. 15.....	1,408,634	491,272	1,281,045	512,418	2,684,679	1,003,690	1,818,736	815,046	67.7
Feb. 21.....	1,462,627	511,919	1,314,581	525,832	2,777,208	1,037,751	1,832,524	794,773	66.0
Mar. 1.....	1,439,887	503,960	1,351,091	540,436	2,790,978	1,044,396	1,837,773	793,377	65.8
Mar. 8.....	1,472,439	515,354	1,383,990	553,596	2,856,429	1,068,950	1,847,883	778,933	64.7
Mar. 15.....	1,464,519	512,582	1,406,228	562,491	2,870,747	1,075,073	1,852,193	777,120	64.5
Mar. 22.....	1,505,774	527,021	1,429,509	571,804	2,935,283	1,098,825	1,862,372	763,547	63.4
Mar. 29.....	1,535,367	537,378	1,452,838	581,135	2,988,205	1,118,513	1,874,063	755,550	62.7
Apr. 5.....	1,529,364	535,277	1,479,920	591,908	3,009,284	1,127,245	1,877,433	750,188	62.4
Apr. 12.....	1,533,827	536,839	1,499,377	599,751	3,033,204	1,136,590	1,894,995	758,406	62.5
Apr. 19.....	1,502,246	525,786	1,514,287	605,715	3,016,533	1,131,501	1,898,307	766,806	62.9
Apr. 26.....	1,556,303	544,706	1,526,232	610,493	3,082,535	1,155,199	1,890,945	735,746	61.3
May 3.....	1,520,957	532,335	1,556,660	622,664	3,077,617	1,154,999	1,919,983	764,984	62.4
May 10.....	1,651,324	577,963	1,569,018	627,847	3,220,942	1,205,310	1,942,500	786,690	60.3
May 17.....	1,524,453	533,559	1,569,445	627,778	3,093,898	1,161,337	1,952,712	791,375	63.1
May 24.....	1,557,618	545,166	1,578,621	631,448	3,136,239	1,176,614	1,956,056	779,442	62.4
May 31.....	1,586,608	555,313	1,600,968	640,387	3,187,576	1,195,700	1,975,709	780,009	62.0
June 7.....	1,576,364	551,727	1,639,579	655,832	3,215,943	1,207,559	1,977,724	770,165	61.5
June 14.....	1,588,771	556,070	1,651,500	660,600	3,240,271	1,216,670	2,005,263	788,593	61.9
June 21.....	1,445,403	505,891	1,671,180	671,180	3,123,354	1,177,071	1,981,111	804,040	63.4
June 28.....	1,529,819	535,437	1,722,216	688,896	3,252,035	1,224,323	2,006,199	781,876	61.7
July 5.....	1,473,927	515,874	1,701,569	716,628	3,265,496	1,232,502	2,015,163	782,661	61.7
July 12.....	1,553,664	543,782	1,813,425	725,370	3,367,089	1,269,152	2,015,984	746,832	59.9
July 19.....	1,566,680	548,338	1,829,045	731,618	3,395,725	1,279,956	2,031,095	751,139	59.8
July 26.....	1,622,370	568,005	1,870,835	748,334	3,493,705	1,316,339	2,029,329	712,990	53.1
Aug. 2.....	1,558,839	545,694	1,906,465	762,586	3,465,304	1,308,180	2,034,918	726,738	58.7
Aug. 9.....	1,576,322	551,713	1,955,276	782,110	3,531,598	1,333,823	2,044,523	710,700	57.9
Aug. 16.....	1,512,507	529,377	1,985,419	794,168	3,497,926	1,323,545	2,045,523	721,978	58.5
Aug. 23.....	1,594,068	557,924	2,032,837	813,135	3,626,965	1,371,059	2,055,266	684,207	56.7
Aug. 30.....	1,572,898	550,614	2,092,708	837,033	3,665,606	1,387,597	2,066,962	679,365	56.4
Sept. 6.....	1,601,650	560,678	2,180,679	872,272	3,782,329	1,432,850	2,070,494	637,644	54.7
Sept. 13.....	1,622,165	567,758	2,245,429	898,172	3,867,594	1,466,930	2,077,732	611,802	53.7
Sept. 20.....	1,629,264	570,242	2,295,031	918,012	3,924,295	1,488,254	2,076,039	587,785	52.9
Sept. 27.....	1,667,109	583,488	2,349,326	939,730	4,016,435	1,523,218	2,072,176	548,958	51.6
Oct. 4.....	1,606,262	562,192	2,431,004	972,402	4,037,266	1,534,594	2,077,371	542,777	51.5
Oct. 11.....	1,638,159	573,356	2,478,378	991,351	4,116,537	1,564,707	2,083,358	518,051	50.6
Oct. 18.....	1,580,802	553,281	2,502,488	1,000,995	4,083,290	1,554,276	2,087,685	533,409	51.1
Oct. 25.....	1,723,902	603,366	2,507,912	1,003,165	4,231,814	1,606,531	2,098,169	491,638	49.6
Nov. 1.....	1,663,377	582,182	2,515,504	1,006,202	4,178,881	1,588,384	2,105,685	517,301	50.4
Nov. 8.....	1,661,521	581,532	2,558,196	1,023,279	4,219,717	1,604,811	2,100,839	496,028	49.8
Nov. 15.....	1,665,677	582,987	2,562,517	1,025,007	4,228,194	1,607,994	2,109,816	501,822	49.9
Nov. 22.....	1,632,772	571,470	2,555,215	1,022,086	4,187,987	1,593,556	2,116,257	522,701	50.5
Nov. 29.....	1,668,283	583,899	2,568,676	1,027,470	4,236,959	1,611,369	2,120,371	509,002	50.0
Dec. 6.....	1,704,351	596,523	2,584,523	1,033,809	4,288,874	1,630,332	2,121,367	491,035	49.5
Dec. 13.....	1,672,726	585,454	2,604,580	1,041,832	4,277,306	1,627,286	2,134,263	506,977	49.9
Dec. 20.....	1,549,750	542,413	2,663,701	1,065,480	4,213,451	1,607,893	2,133,624	525,731	50.6
Dec. 27.....	1,552,892	548,502	2,685,244	1,074,098	4,238,136	1,617,600	2,146,219	528,619	50.6



**DECREASE IN FEDERAL RESERVE NOTE CIRCULATION.**

Since the beginning of the year there has been a continuous return flow of Federal Reserve notes to the issuing banks, with the result that the volume of Federal Reserve notes in actual circulation has decreased during the four weeks between December 27, 1918, and January 24 by \$218,688,000 or at a weekly rate of \$54,672,000.

In the following table are presented details of the Federal Reserve note movement during the month, showing the amounts of notes issued by the agents to the banks, amounts redeemed, excess redemptions, amounts on hand, and amounts in actual circulation reported by each bank. It is seen that while the volume of Federal Reserve notes outstanding has decreased through excess redemptions by \$124,688,000, the reduction in actual circulation has been 94 millions larger, the latter amount representing the larger amount of own notes held by Federal Reserve Banks on

January 24 as compared with the last Friday of the past year. This return flow of notes seems more pronounced in the eastern sections, notably in the New York district, than in the western agricultural sections, including the Minneapolis, Kansas City, Dallas, and San Francisco districts.

For the last week under review the return movement of notes seems to have somewhat slackened. For the last week in January the decrease in circulation amounted to about 16 millions only, while daily figures for the first week in February indicate a practical cessation of the return flow. The short period covered by the figures does not permit of any but tentative conclusions and forecasts, but in connection with the recession of the general price level noted for January in another part of the BULLETIN this back flow of notes acquires a certain significance.

*Federal Reserve notes outstanding and in circulation, amounts issued, redeemed, and outstanding.*

[In thousands of dollars.]

	Federal Reserve notes outstanding Dec. 27, 1918.	Week ending Jan. 3, 1919.		Week ending Jan. 10, 1919.		Week ending Jan. 17, 1919.		Week ending Jan. 24, 1919.		Total.		Excess of redemptions since Dec. 27, 1918.	Federal Reserve notes outstanding Jan. 24, 1919.
		Issued.	Re-deemed.	Issued.	Re-deemed.	Issued.	Re-deemed.	Issued.	Re-deemed.	Issued.	Re-deemed.		
Boston.....	163,413	1,000	443	2,496	500	1,360	300	3,239	1,800	7,538	5,738	163,675	
New York.....	811,137	19,500	5,034	2,000	6,399	40,121	8,091	21,500	59,645	38,145	772,992		
Philadelphia.....	242,206		3,136	6,803	6,557	5,105	4,000	12,960	21,601	21,601	220,605		
Cleveland.....	264,911	2,000	446	2,000	2,090	7,452	2,972	5,720	13,622	8,960	255,951		
Richmond.....	151,155		232	2,000	753	2,000	5,474	1,720	7,163	5,720	143,253		
Atlanta.....	126,253		2,989	1,230	2,522	2,120	3,402	85	5,385	3,435	14,298		
Chicago.....	452,852	2,640	2,388	2,428	2,000	3,185	3,257	4,640	11,258	8,218	446,234		
St. Louis.....	129,607	1,750	1,711	5,127	200	1,603	1,735	1,950	10,176	6,616	115,390		
Minneapolis.....	98,968		249	300	1,204	200	2,874	1,799	500	6,126	93,342		
Kansas City.....	119,420	1,000	590	463	4,434	2,000	1,757	3,099	7,244	4,244	115,176		
Dallas.....	60,432	725	654	1,040	1,283	30	1,469	1,795	4,660	2,865	57,567		
San Francisco.....	225,250		300	1,600	131	3,551	1,518	1,500	5,500	3,900	225,350		
<b>Total.....</b>	<b>2,855,604</b>	<b>28,615</b>	<b>18,172</b>	<b>10,170</b>	<b>31,701</b>	<b>7,050</b>	<b>81,265</b>	<b>4,105</b>	<b>43,490</b>	<b>49,940</b>	<b>174,628</b>	<b>2,730,916</b>	

*Federal Reserve notes held by banks and in actual circulation.*

[In thousands of dollars.]

	Dec. 27, 1918.		Jan. 3, 1919.		Jan. 10, 1919.		Jan. 17, 1919.		Jan. 24, 1919.		Decrease in circulation since Dec. 27, 1918.
	Held by bank.	In actual circulation.									
Boston.....	6,208	163,205	9,464	160,506	8,421	159,053	17,629	148,985	15,343	148,332	14,873
New York.....	74,585	736,552	100,671	724,932	129,749	691,455	115,395	665,688	122,405	650,587	85,965
Philadelphia.....	8,725	235,481	7,698	231,372	8,157	224,110	9,409	216,301	9,354	211,251	22,230
Cleveland.....	9,425	255,436	17,795	248,070	16,442	249,933	19,317	239,606	20,387	235,564	19,922
Richmond.....	13,037	138,118	13,341	137,822	14,348	137,822	12,293	136,403	9,526	133,727	4,391
Atlanta.....	3,489	122,764	3,625	119,641	3,835	118,137	3,567	117,123	2,649	112,741	10,025
Chicago.....	19,077	433,775	26,975	426,129	30,219	420,437	36,632	412,839	35,969	410,265	23,510
St. Louis.....	8,885	120,722	10,507	119,139	8,378	116,141	10,167	112,949	12,255	109,126	11,596
Minneapolis.....	1,607	97,361	2,408	96,311	2,543	95,272	1,957	93,184	1,373	91,969	5,392
Kansas City.....	6,910	112,510	7,783	112,047	9,332	110,035	7,051	107,852	7,709	107,467	5,043
Dallas.....	854	59,578	745	59,758	1,108	59,150	1,508	57,528	1,586	56,981	3,597
San Francisco.....	17,538	211,692	17,432	211,518	21,303	209,116	22,287	204,581	25,804	199,546	12,146
<b>Total.....</b>	<b>170,360</b>	<b>2,685,244</b>	<b>218,442</b>	<b>2,647,605</b>	<b>253,835</b>	<b>2,590,681</b>	<b>257,212</b>	<b>2,513,089</b>	<b>264,360</b>	<b>2,466,556</b>	<b>218,688</b>

### GOLD RESERVES OF PRINCIPAL BANKS OF ISSUE, 1900-1918.

In the table below are shown the amounts of gold reserves held by the leading banks of issue at the end of each year between 1900 and 1918. The figures represent actual vault holdings. The amounts of gold held abroad and foreign gold credits have been uniformly excluded. This affects chiefly the figures of the Bank of France and of the Bank of Russia. For the latter country the latest available data are those of October 29, 1917. For Italy, the figures given represent the amounts of gold in vault reported by all three banks of issue and not merely by the Bank of Italy. Swiss figures prior to 1908 represent gold holdings of all banks of issue. Figures for 1908-1918 represent gold holdings of the Central National Bank organized in 1907.

Figures for the United States include—

(1) Amounts of gold held in the Treasury of the United States at the end of the calendar year and reported among the free assets of the Government; i. e., exclusive of gold cover for gold certificates outstanding; also of amounts of gold held for redemption of Federal Reserve notes.

(2) Amounts of gold held by the national banks and reported in their statements to the Comptroller nearest the close of the years 1900-1916. Of the clearing-house certificates reported by the national banks 60 per cent was estimated to represent gold.

(3) At the close of 1914-1918, gold holdings of the Federal Reserve Banks. These holdings are exclusive of the amounts of gold held by foreign agencies, but include amounts of the banks' and agents' redemption funds held in the Treasury.

*Movement of the gold reserves of the principal central banks, 1900-1918.*  
[In thousands of dollars.]

	United States Treasury, national banks, and Federal Reserve Banks.	Bank of England.	Bank of France.	Russian State Bank.	Banks of Italy, Naples, and Sicily.	Bank of Belgium.	German Reichsbank.	Austro-Hungarian Bank.
Dec. 31, 1900	511,465	138,896	451,427	364,700	77,817	20,578	119,249	186,812
1901	532,656	156,042	475,494	351,300	80,689	22,155	150,586	226,129
1902	561,697	144,909	490,751	364,900	86,900	21,630	130,219	224,350
1903	544,836	140,699	455,731	378,000	116,372	22,600	132,942	224,808
1904	532,217	145,641	513,110	453,400	120,806	23,169	168,839	233,601
1905	574,006	138,842	555,531	368,700	155,534	23,007	142,060	217,618
1906	618,846	141,442	522,200	458,300	179,271	24,254	114,665	225,543
1907	569,849	149,625	519,344	488,500	217,419	25,586	118,515	222,737
1908	662,781	149,659	678,223	555,709	227,508	30,638	183,000	239,549
1909	618,473	158,785	674,612	604,400	232,291	30,680	162,228	274,326
1910	644,443	152,692	632,924	634,300	238,544	39,816	157,459	267,543
1911	658,925	157,860	618,855	648,500	244,737	48,092	173,352	261,732
1912	661,543	147,694	619,009	683,900	248,261	55,423	184,998	245,113
1913	691,514	170,245	678,856	736,800	265,476	59,131	278,687	251,421
1914	827,703	338,191	802,591	803,400	269,584	66,619	498,508	213,757
1915	1,312,329	250,510	967,950	831,200	263,278	.....	581,954	138,758
1916	1,442,229	264,375	652,885	758,396	223,400	.....	599,873	58,759
1917	1,739,750	283,839	639,682	667,041	206,700	.....	572,768	53,717
1918	2,245,720	384,937	664,017	.....	226,400	.....	561,566	.....

	Bank of Sweden.	Bank of Norway.	Bank of Spain.	Bank of Netherlands.	Bank of Switzerland.	Conversion fund of the Argentine Government.	Bank of Japan.	Total.
Dec. 31, 1900	9,877	6,508	67,555	23,531	19,322	.....	32,576	2,029,813
1901	12,591	7,212	67,627	27,699	21,058	.....	34,326	2,165,594
1902	13,942	5,897	74,233	22,668	20,530	.....	58,897	2,216,583
1903	15,814	5,678	70,175	20,208	20,776	36,895	58,306	2,243,535
1904	16,833	6,546	71,810	27,159	20,653	48,370	39,833	2,422,237
1905	18,281	6,522	72,505	31,863	20,546	86,979	57,624	2,469,618
1906	19,277	8,076	74,373	26,706	21,181	99,115	73,380	2,606,430
1907	18,847	8,281	75,521	36,899	<sup>8</sup> 10,907 <sup>9</sup> 14,568	101,414	80,628	2,658,640
1908	20,957	8,380	76,259	40,608	22,674	122,261	84,498	3,097,595
1909	21,556	8,964	77,760	48,631	23,921	166,447	108,595	3,211,669
1910	21,535	9,711	79,280	49,948	30,034	179,447	110,857	3,248,433
1911	22,758	10,844	80,693	56,426	31,009	182,394	114,233	3,310,410
1912	26,816	10,814	84,384	65,032	33,416	215,031	123,141	3,404,475
1913	27,372	12,846	92,490	60,898	32,801	224,989	111,846	3,745,372
1914	29,088	11,181	110,444	83,663	45,922	213,906	108,791	4,413,348
1915	33,385	18,028	166,414	172,530	48,275	<sup>6</sup> 228,939	123,836	5,137,866
1916	49,183	33,027	241,424	236,217	66,585	<sup>6</sup> 251,158	204,644	5,082,055
1917	65,513	31,214	379,597	280,689	69,025	<sup>6</sup> 252,390	323,835	5,565,820
1918	<sup>6</sup> 75,940	<sup>7</sup> 32,713	<sup>8</sup> 430,064	<sup>8</sup> 277,671	<sup>8</sup> 76,503	<sup>6</sup> 252,330	<sup>10</sup> 361,548	5,589,454

<sup>1</sup> Sept. 30, 1918.

<sup>2</sup> Dec. 19, 1918.

<sup>3</sup> Of the banks of issue.

<sup>4</sup> Of the Central National Bank.

<sup>5</sup> Exclusive of the gold held in the Argentine legations abroad, and the 10,000,000 gold pesos in the conversion fund of the Banco de la Nacion.

<sup>6</sup> Nov. 30, 1918.

<sup>7</sup> Dec. 31, 1918.

<sup>8</sup> Dec. 14, 1918.

<sup>9</sup> Dec. 23, 1918.

<sup>10</sup> Dec. 21, 1918.

SILVER PRODUCTION OF THE WORLD.

[Estimates of the Director of the Mint.]

	1900		1901		1902		1903		1904		1905	
	Thou- sands of ounces.	Thou- sands of dollars.										
United States.....	57,647	35,741	55,214	33,128	55,500	29,415	54,300	29,322	57,683	33,456	56,102	34,222
Canada.....	4,449	2,758	5,243	3,146	4,223	2,238	3,150	1,701	3,719	2,157	5,994	3,657
Mexico.....	57,438	35,611	57,657	34,594	60,177	31,894	70,500	38,070	60,809	35,269	65,041	39,675
Peru.....	7,296	4,523	5,601	3,361	4,265	2,280	1,747	943	3,009	1,745	6,156	3,755
Bolivia.....	10,971	6,802	10,254	6,153	8,970	4,754	6,083	3,285	6,083	3,528	3,097	1,889
Spain.....	3,185	1,975	3,185	1,911	3,700	1,961	4,878	2,634	4,876	2,828	4,000	2,440
Japan.....	1,730	1,072	1,730	1,038	1,820	965	1,812	979	3,209	1,861	2,410	1,470
Australia.....	13,340	8,271	13,049	7,830	8,026	4,254	9,683	5,229	14,559	8,444	12,562	7,663
All other.....	17,535	10,873	23,066	13,838	16,082	8,524	15,785	8,524	14,443	8,378	14,227	8,678
Total.....	173,591	107,626	174,999	104,999	162,763	86,265	167,938	90,687	168,390	97,666	169,589	103,449
Average annual price of a fine oz. of silver.....	\$0.62007		\$0.59595		\$0.52795		\$0.54257		\$0.57876		\$0.61027	

	1906		1907		1908		1909		1910		1911	
	Thou- sands of ounces.	Thou- sands of dollars.										
United States.....	58,518	38,256	56,515	37,300	52,441	28,051	54,722	28,445	57,133	30,855	60,399	32,616
Canada.....	8,569	5,800	12,780	8,435	22,106	11,825	28,879	14,497	32,869	17,749	32,741	17,680
Mexico.....	55,225	37,381	61,147	40,357	73,664	39,403	73,942	38,450	71,372	38,541	79,032	42,678
Peru.....	7,404	5,012	9,566	6,314	9,566	5,117	9,566	4,974	6,627	3,579	6,627	2,579
Bolivia.....	3,097	2,096	5,222	3,447	5,806	3,106	5,548	2,885	6,490	3,505	4,482	2,420
Spain.....	4,065	2,751	4,097	2,704	4,176	2,234	4,767	2,479	4,152	2,242	4,152	2,242
Japan.....	2,451	1,659	3,073	2,028	3,993	2,136	4,278	2,225	4,574	2,470	4,414	2,384
Australia.....	14,237	9,637	17,949	11,846	17,175	9,187	16,359	8,507	21,546	11,635	16,578	8,952
All other.....	14,189	9,606	13,858	9,146	14,310	7,653	13,155	7,370	16,940	9,147	16,913	9,132
Total.....	165,755	112,198	184,207	121,577	203,237	108,712	211,216	109,832	221,708	113,723	225,338	121,682
Annual average price of a fine oz. of silver.....	\$0.67689		\$0.66152		\$0.53490		\$0.52016		\$0.54077		\$0.53928	

	1912		1913		1914		1915		1916		1917		1918 <sup>1</sup>	
	Thou- sands of ounces.	Thou- sands of dollars.												
United States.....	63,767	39,198	66,802	40,348	72,455	40,068	74,961	38,899	74,415	51,084	71,740	64,226	67,900	67,900
Canada.....	31,625	19,440	31,525	19,041	27,301	15,097	26,626	13,817	25,460	17,477	22,151	19,831	20,800	20,800
Mexico.....	74,640	45,881	70,704	42,705	70,704	39,099	39,570	20,534	22,838	15,678	31,214	27,944	51,000	51,000
Peru.....	8,352	5,134	8,352	5,045	8,352	4,618	9,420	4,888	9,420	6,467	11,000	9,848	12,000	12,000
Bolivia.....	4,050	2,490	4,050	2,446	4,050	2,240	3,870	2,008	2,052	1,409	2,435	2,180	3,000	3,000
Spain.....	5,153	3,167	4,232	2,556	4,232	2,340	4,565	2,369	4,565	3,134	4,500	4,029	5,000	5,000
Japan.....	4,933	3,032	4,650	2,809	4,650	2,571	5,120	2,657	5,120	3,515	6,845	6,128	8,000	8,000
Australia.....	14,728	9,059	18,129	10,950	3,520	1,947	4,296	2,229	3,863	2,652	4,071	3,644	4,000	4,000
All other.....	17,053	10,483	15,464	9,346	15,839	8,729	10,423	5,408	8,894	6,103	10,037	8,984	8,200	8,200
Total.....	224,311	137,884	223,908	135,246	211,103	116,719	178,851	92,809	156,627	107,519	163,993	146,814	179,900	179,900
Average annual price of a fine oz. of silver.....	\$0.61470		\$0.60458		\$0.55312		\$0.51892		\$0.63647		\$0.59525		\$1.00	

<sup>1</sup> Preliminary estimate of the Federal Reserve Board.

## RULINGS OF THE FEDERAL RESERVE BOARD.

Below are published rulings made by the Federal Reserve Board which are believed to be of interest to Federal Reserve Banks and member banks. In connection with some of these rulings, the opinion of counsel upon which the ruling is based is also published.

### Trade acceptances.

A trade acceptance containing the statement that "the obligation of the acceptor hereof arises out of the purchase of goods from the drawer as per invoices, a record of which is given in the subjoined statement," is a valid and desirable acceptance when offered with the "subjoined statement" detached in accordance with directions in the form.

An acceptance to pay at a particular place different from the residence of the acceptor is a general acceptance, unless it expressly states that the bill is to be paid there and not elsewhere, and does not render the bill non-negotiable.

The following is the opinion of the counsel:

DECEMBER 20, 1918.

An opinion is asked on the following questions:

1. Whether a trade acceptance containing the statement that "the obligation of the acceptor hereof arises out of the purchase of goods from the drawer as per invoices, a record of which is given in the subjoined statement," is a valid and desirable acceptance when offered with the "subjoined statement" detached in accordance with the directions in the form?

2. Should a bank or bill house have any hesitancy now, in view of the variant legal rulings or decisions, in purchasing a bill payable in New York drawn on a firm in Cleveland, without the language suggested by the trade acceptance council to cover this point?

Considering these questions in the foregoing order, (1) Section 3 of the negotiable instruments law provides in part as follows:

"An unqualified order or promise to pay is unconditional within the meaning of this act, though coupled with \* \* \* a statement of the transaction which gives rise to the instrument."

In accordance with this section, it has been held that the words "as per terms of contract," written after the words "value received" on the face of a promissory note by the maker before it is delivered, do not destroy the negotiability of the note or make its payment to a holder in due course conditional upon the performance of the contract intended to be referred to by the maker. (*National Bank of Newbury v. Wentworth*, 218 Mass., 30, cited with approval in *Crawford's Annotated Negotiable Instruments Law*, p. 18.)

By analogy, the "subjoined statement" referred to in the case under consideration may be treated as a part of the statement of the transaction giving rise to the draft. Such a statement, under the better authorities, is not an essential part of the draft, and to detach it should not, therefore, destroy its negotiability. It could not be treated as an unauthorized alteration of the acceptance, because the order of the drawer in the form submitted contains specific authority to "detach this memorandum from the trade acceptance before discounting or depositing it for collection." The drawee, therefore, assents to the order of the drawer, and in the opinion of this office such an acceptance may be treated as negotiable.

The Board has heretofore approved a form of trade acceptance containing the statement that it is drawn "in settlement of the purchase of goods as billed in our invoice No. . . . , dated . . . ." (See *FEDERAL RESERVE BULLETIN*, May, 1917, p. 378.)

The same general principles seem to be involved in the present case.

In answer to question (2), this office, in an opinion published in the April (1917) *FEDERAL RESERVE BULLETIN*, page 289, reached the conclusion that an acceptance to pay at a particular place different from that named in the draft is a general and not a qualified acceptance unless the acceptor expressly states that the bill will be paid at the place designated by him and not elsewhere.

As some counsel expressed some uncertainty as to the correctness of this view, the trade

acceptance council recommended that the drawer incorporate in the body of the draft authority for the drawee to make such an acceptance. This would, of course, remove any doubt that may exist on the subject, but after further considering the question involved I am still of the opinion that even without this authority incorporated in the draft the drawee might accept a draft as above outlined without destroying the negotiability of the instrument.

#### Acceptances in excess of 10 per cent.

The acceptance by a bank of unsecured drafts to an amount exceeding 10 per cent of the capital and surplus of the bank would constitute a violation of the limitation contained in section 13 of the Federal Reserve Act, whether or not the customer of the bank guaranteeing the acceptance is the drawer of the draft, or some other person.

The following is the opinion of the counsel:

DECEMBER 23, 1918.

A bank having a capital and surplus of \$2,000,000 desires to accept drafts drawn by third parties aggregating more than \$200,000 under the guarantee of one of its customers.

Would the acceptance of such drafts constitute a violation of that provision of section 13 of the Federal Reserve Act which provides that—

“No member bank shall accept, whether in a foreign or domestic transaction, for any one person, company, firm, or corporation to an amount equal at any time in the aggregate to more than ten per centum of its paid-up and unimpaired capital stock and surplus, unless the bank is secured either by attached documents or by some other actual security growing out of the same transaction as the acceptance.”

This section prohibits a member bank from accepting for any one person, drafts aggregating more than 10 per cent of the capital and surplus. The person who enters into an agreement with the bank to protect it against loss and to whom the bank lends its credit in the form of an acceptance, is obviously the persons referred to in the statute.

Accordingly in the case presented, unless the drafts are secured as provided by the statute, the acceptance of an amount in excess of 10 per cent of the capital and surplus of the bank, would constitute a violation of this provision whether or not the customer of the bank guaranteeing the acceptance is the drawer of the draft, or some other person.

JANUARY 7, 1919.

#### Increase of surplus by bank authorized to accept to 100 per cent.

Where a bank has been granted permission to accept in an amount not exceeding in the aggregate 100 per cent of its paid-up capital and surplus, it is not necessary for such bank to obtain additional authority from the Board each time it increases its surplus.

JANUARY 7, 1919.

#### Investment by national banks of funds held in trust.

Neither the provisions of the National Bank Act nor of the Federal Reserve Act which relate to investments that may be made by national banks of their own funds have any application to investments that may be made by a national bank of funds held in trust which do not belong to the bank. This subject will be covered by the regulations of the Board now in course of preparation.

JANUARY 7, 1919.

#### Acceptances in excess of 10 per cent.

A member bank may accept either in a domestic or foreign transaction for one person in an amount in excess of 10 per cent, provided the acceptance remains secured throughout the life of the draft. It can not accept in domestic transactions without being secured at the time of acceptance, but may release the security after acceptance upon the execution of a trust receipt or an agreement by the customer that so much of the proceeds of the sale of the goods covered by the security as may be necessary to pay the draft will be deposited with the accepting bank when available and will not be used for other purposes.

**GOLD SETTLEMENT FUND.**

The subjoined tables show the amounts of clearings, transfers, and combined clearings and transfers of the Federal Reserve system through the gold settlement fund, by weeks, during 1918; also for the New York Federal Reserve Bank, total debits in clearings, credit transfers, combined debits in clearings and credit transfers, net debits and credits in clearings, net debit and credit transfers and net debit or credit of combined clearings and transfers.

There has been a large increase in the volume of weekly operations through the gold settlement fund during the calendar year 1918, caused partly by Government war financing, including large transfers of funds received from sales of certificates of indebtedness and Liberty loan bonds and subsequent redistribution of these funds among the various centers in payment of munitions and supplies for account of the United States and Allied Governments, and partly by the large use of the collection and clearing facilities of the system.

Movements of funds during May and June were especially heavy on account of the Government fiscal operations in connection with the third Liberty loan and also during October and

November caused by operations in connection with the fourth Liberty loan.

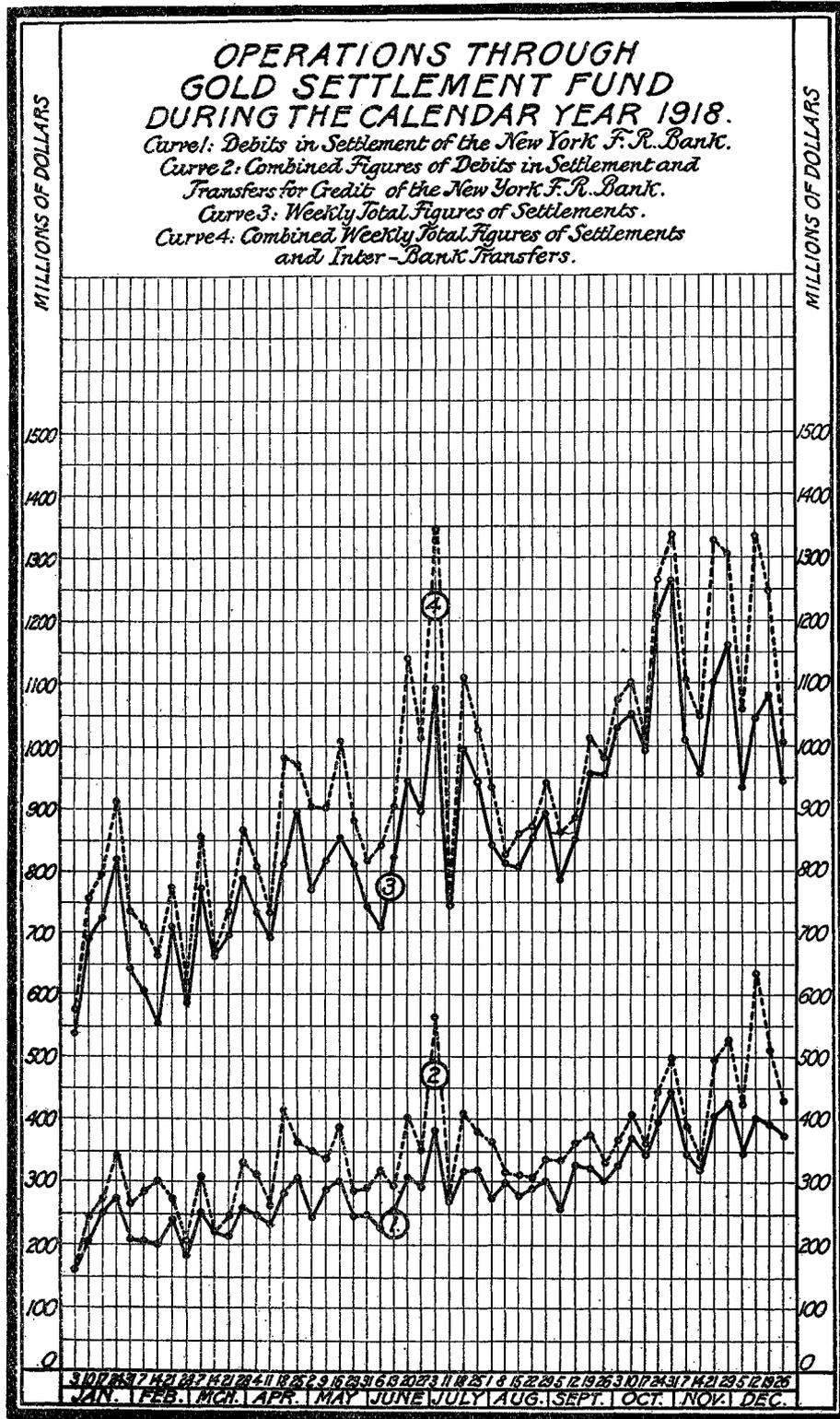
Figures showing the total debits in the clearings and credit transfers for the Federal Reserve Bank of New York reflect the large proportion of the total volume of business handled by this bank. Heavy movements of funds away from New York through clearings caused principally by interior banks drawing on their New York correspondents in payment of Treasury certificates of indebtedness and Liberty loan bonds, have been largely offset by the return movement of these funds through transfers for account of the Government. The total weekly net debits in clearings of the New York bank amount to \$2,612,000,000, compared with credit transfers amounting to \$2,443,000,000, the resulting net loss through combined clearings and transfers for the year amounting to only \$159,639,000.

Figures of total weekly operations through the gold settlement fund, including both settlements and transfers, also corresponding data for the New York bank have been plotted on the accompanying diagram to illustrate more clearly the growing volume of these transactions and the high levels attained during the year in connection with the loan operations of the Government.

Weekly operations through the gold settlement fund during the calendar year 1918.

[In thousands of dollars.]

Date.	Transactions, all Federal Reserve Banks.			Transactions, Federal Reserve Bank of New York.								
	Total clearings.	Total transfers.	Total combined transfers and clearings.	Transfers for credit of New York bank.	Total debits in clearings of the New York bank.	Combined debits in clearings and transfers for credit of the New York bank.	Clearings.		Transfers.		Clearings and transfers combined.	
							Net debit.	Net credit.	Net debit.	Net credit.	Net debit.	Net credit.
1918.												
Jan. 3	536,945	36,400	573,345	2,000	160,147	162,147	15,752		23,900		39,652	
Jan. 10	690,242	63,500	753,742	41,000	203,297	244,297		13,337		30,500		43,837
Jan. 17	723,635	72,500	796,135	22,000	251,710	273,710	24,330		16,000		40,330	
Jan. 24	819,561	97,000	916,561	74,000	271,157	345,157		1,422		51,000		52,422
Jan. 31	642,158	96,140	738,298	56,000	208,438	264,438	24,217			16,000		8,217
Feb. 7	602,539	107,000	709,539	76,000	207,878	283,878				46,000		3,736
Feb. 14	551,908	112,362	664,270	101,000	201,467	302,467	79,030			98,000		18,970
Feb. 21	710,081	64,400	774,481	32,500	240,142	272,642				8,000		46,123
Feb. 28	587,027	35,000	622,027	24,000	133,098	207,098	31,494			20,000		11,494
Mar. 7	771,168	85,000	856,168	55,000	253,017	308,017				32,500		7,403
Mar. 14	661,936	11,330	673,266		221,385	221,385	73,991		4,000			77,991
Mar. 21	696,825	37,000	733,825	34,000	213,710	247,710				31,000		16,605
Mar. 28	788,912	77,463	866,375	70,000	260,840	330,840	42,258			65,000		22,742
Apr. 4	733,068	73,000	806,068	64,000	248,987	312,187	25,278			55,000		29,722
Apr. 11	694,860	37,500	732,360	33,500	230,079	263,579	38,022			29,500		8,522
Apr. 18	811,089	169,900	980,989	130,500	282,915	413,415	59,528			93,500		33,972
Apr. 25	897,166	75,000	972,166	56,000	306,703	362,703	55,749			44,500		11,249
May 2	769,773	136,000	905,773	105,000	246,172	351,172	43,090			80,000		36,910
May 9	819,746	81,600	901,346	48,000	288,845	336,846	63,589			17,400		43,189
May 16	855,420	150,700	1,006,120	88,000	299,908	387,908	60,461			50,300		10,161
May 23	811,721	69,800	881,521	38,000	246,964	284,964	14,753			22,000		7,247
May 31	746,483	72,000	818,483	43,000	248,267	291,267	76,279			22,000		54,279
June 6	711,493	131,000	842,493	89,000	228,833	317,833	13,618			47,000		34,382
June 13	824,499	83,000	907,499	40,000	254,463	294,463		10,324		3,000		13,324
June 20	944,258	196,000	1,140,258	97,000	304,608	401,608		8,213		19,000		27,213
June 27	898,469	114,400	1,012,869	60,000	290,582	350,582	28,472			18,000		10,472
July 3	1,090,900	251,679	1,342,579	180,665	382,271	562,936	22,372			119,905		96,633
July 11	743,803	25,060	768,863	8,000	271,236	279,236	73,839		4,000			77,839
July 18	995,740	114,000	1,109,740	95,000	313,980	408,980		35,306		77,000		112,306
July 25	944,335	80,000	1,024,335	65,000	317,305	382,305	31,648			50,000		18,352
Aug. 1	838,707	97,000	935,707	93,000	273,774	366,774	39,371			89,000		49,629
Aug. 8	812,164	15,000	827,164	15,000	300,421	315,421	106,173			15,000		91,173
Aug. 15	806,193	55,056	861,249	35,000	278,269	313,269	84,488			25,000		49,488
Aug. 22	853,803	21,060	874,863	17,000	290,989	307,989	83,814			17,000		66,814
Aug. 29	894,369	47,000	941,369	35,000	302,765	337,765	81,709			35,000		46,709
Sept. 5	787,282	79,000	866,282	74,000	259,372	333,372	11,027			74,000		62,973
Sept. 12	852,452	35,162	887,614	35,000	327,732	362,732	122,834			35,000		87,834
Sept. 19	959,528	59,000	1,018,528	53,000	321,911	374,911	55,333			53,000		2,333
Sept. 26	953,752	28,000	981,752	28,000	302,447	330,447	36,374			28,000		8,374
Oct. 3	1,028,560	46,404	1,074,964	41,904	327,050	368,954	4,958			41,904		36,946
Oct. 10	1,040,820	50,960	1,091,780	39,000	369,355	408,355	41,110			39,000		2,110
Oct. 17	904,260	23,000	927,260	19,000	344,135	363,135	52,603			19,000		33,603
Oct. 24	1,208,208	56,588	1,264,796	49,000	395,147	444,147	25,012			49,000		23,988
Oct. 31	1,263,293	73,667	1,336,960	58,000	442,451	500,451	58,489			58,000		489
Nov. 7	1,011,226	92,303	1,103,529	45,000	344,249	389,249	21,661			45,000		23,339
Nov. 14	955,719	93,743	1,049,462	18,583	319,087	337,670	3,148		11,417			14,565
Nov. 21	1,100,780	226,058	1,326,838	89,861	405,420	495,281	117,411			79,861		37,550
Nov. 29	1,160,334	144,741	1,305,075	99,631	426,856	526,487	119,072			99,631		19,441
Dec. 5	930,853	127,103	1,057,956	76,171	348,230	424,401	107,731			76,171		31,560
Dec. 12	1,044,159	287,468	1,331,627	234,698	401,266	635,964	133,922			234,698		100,776
Dec. 19	1,082,467	165,188	1,247,655	119,863	391,869	511,732	100,862			119,863		19,001
Dec. 26	944,679	64,651	1,009,330	54,352	374,494	428,846	156,052			54,352		101,700
Total	44,608,368	4,643,766	49,252,134	3,158,228	15,185,744	18,343,972	2,611,609	68,602	59,317	2,442,685	1,043,664	884,025



**BANK TRANSACTIONS DURING JANUARY.**

Bank transactions for the last week in December and the first three weeks in January, as measured by the volume of weekly debits to deposit account of clearing-house banks in 148 leading centers, averaged over 9 per cent above like transactions in December.

Large increases in debits to individual account reported from all districts for the week ending January 8 are due in a large measure to the fact that the report covers a full six-day week, whereas reports for the two preceding weeks covered only five-day periods. Some of the increase over the figures

for the immediately preceding weeks undoubtedly represent also payments of interest and dividends and other quarterly and annual payments made at the beginning of the new year, also payments for Treasury certificates of the January 2 and 16 issues.

Debits to bank account on the whole show changes parallel to those affecting debits to individual account, the larger figures for the weeks ending January 8 and 16 reflecting probably even more than the corresponding debits to individual account the volume of financing in connection with the certificate issues named.

*Weekly figures of clearing-house bank debits to deposit account.*

[In thousands of dollars; i. e., 000 omitted.]

District.	Debits to individual account.				Debits to banks' and bankers' account.			
	Dec. 31.	Jan. 8.	Jan. 15.	Jan. 22.	Dec. 31.	Jan. 8.	Jan. 15.	Jan. 22.
<b>No. 1.—Boston:</b>								
Bangor.....	3,320	2,940	2,744	2,808	342	539	276	785
Boston.....	205,667	288,651	241,858	293,855	271,923	246,795	203,902	214,966
Fall River.....	6,995	6,800	6,338	6,957	115	601	361	402
Hartford.....	18,313	24,828	17,486	20,473	1,814	1,853	1,537	2,110
Holyoke.....	2,760	3,276	3,027	3,358	619	904	869	912
Lowell.....	5,185	5,219	4,283	5,346	311	510	463	557
New Bedford.....	5,118	6,618	6,422	6,272	259	394	247	203
New Haven.....	14,884	17,879	18,045	17,067	442	963	771	1,020
Providence.....	27,781	34,612	31,749	35,796	1,544	2,425	2,158	2,199
Springfield.....	13,216	18,437	13,129	15,884	302	572	506	561
Waterbury.....	6,184	10,200	7,067	7,059	609	626	699	743
Worcester.....	13,967	17,890	14,171	18,904	1,191	1,346	1,568	1,631
<b>No. 2.—New York:</b>								
Albany.....	18,011	26,719	16,065	19,562	10,451	14,348	12,950	14,996
Binghamton.....	2,497	3,341	2,917	2,809				
Buffalo.....	54,988	72,506	62,656	59,953	11,002	14,158	13,357	13,572
New York.....	3,562,715	4,843,795	3,805,735	4,298,679	1,455,652	1,983,417	1,749,138	1,971,899
Passaic.....	3,955	4,206	3,481	4,193	354	524	473	364
Rochester.....	21,621	32,220	24,022	24,249	549	797	640	630
Syracuse.....	12,226	20,859	14,043	14,451	360	650	1,347	552
<b>No. 3.—Philadelphia:</b>								
Altoona.....	2,192	2,767	2,548	2,202				
Chester.....	4,197	5,158	4,658	4,725	25		118	68
Harrisburg.....	5,938	5,981	6,183	4,721	14	6	20	90
Johnstown.....	2,503	3,273	3,004	2,918	170	154	113	188
Lancaster.....	3,248	4,335	3,812	3,977	25	232	43	270
Philadelphia.....	228,384	362,478	286,392	327,248	393,267	398,514	373,801	362,182
Reading.....	2,414	3,382	4,462	3,205				
Scranton.....	10,883	14,510	11,717	11,573	1,846	2,395	1,806	2,535
Trenton.....	8,855	9,695	8,938	10,207	103	455	382	318
Wilkes-Barre.....	6,096	8,002	5,970	6,420	54	118	100	135
Williamsport.....	2,727	3,158	3,121	3,224	178	116	272	208
Wilmingon.....	15,854	7,023	8,266	10,108				
York.....	2,672	3,495	2,984	3,007	38	46	54	46
<b>No. 4.—Cleveland:</b>								
Akron.....	13,555	14,433	14,620	16,122	61	56	15	156
Cincinnati.....	54,782	63,163	52,840	61,537	36,278	48,331	41,747	49,941
Cleveland.....	143,687	154,467	133,582	132,446	101,631	126,865	102,302	133,033
Columbus.....	19,597	24,520	22,119	23,255	2,956	3,401	3,797	3,328
Dayton.....	12,366	13,110	12,126	11,204	515	612	472	396
Erie.....	6,305	7,288	5,893	6,911	84	129	111	49
Greensburg, Pa.....	2,755	2,740	2,712	2,588				
Lexington, Ky.....	4,045	8,129	10,040	9,373	3,143	6,369	7,375	10,274
Oil City.....	1,918	3,818	2,889	2,836	2,066	3,317	2,735	2,623
Pittsburgh.....	150,902	166,352	159,276	189,723	279,803	339,148	319,954	378,035
Springfield.....	3,521	3,290	3,111	3,115	2,351	2,242	2,124	2,159
Toledo.....	23,680	29,957	20,690	23,482	6,825	9,778	8,338	8,690
Wheeling.....	6,457	7,266	6,667	8,267	7,557	6,228	5,604	7,973
Youngstown.....	11,700	19,714	16,513	12,351	613	1,428	879	841

## Weekly figures of clearing-house bank debits to deposit account—Continued.

[In thousands of dollars; i. e., 000 omitted.]

District.	Debits to individual account.				Debits to banks' and bankers' account.			
	Dec. 31.	Jan. 8.	Jan. 15.	Jan. 22.	Dec. 31.	Jan. 8.	Jan. 15.	Jan. 22.
<b>No. 5.—Richmond:</b>								
Baltimore.....	71,030	94,712	75,922	85,574	38,080	43,826	43,625	42,743
Charleston.....		9,210	7,849	7,342		3,871	3,659	3,563
Charlotte.....	5,016	7,700	7,300	6,500	6,534	9,500	8,400	7,500
Columbia.....	5,828	8,259	7,792	6,291	2,931	3,557	3,196	2,979
Norfolk.....	16,371	18,615	17,103	16,951	26,252	31,568	25,812	22,731
Raleigh.....	4,000	5,580	4,250	2,800	2,600	3,600	3,160	3,200
Richmond.....	24,632	27,743	25,184	28,976	65,838	77,648	80,326	75,530
<b>No. 6.—Atlanta:</b>								
Atlanta.....	22,433	27,557	25,930	33,370	24,158	30,796	26,881	24,537
Augusta.....	5,571	8,605	7,428	6,442	2,117	3,628	3,308	2,488
Birmingham.....	11,157	18,419	13,319	12,370	3,405	4,792	3,727	3,482
Chattanooga.....	8,613	12,266	9,609	9,081	3,981	5,489	4,626	3,903
Jacksonville.....	8,944	13,849	9,609	9,506	7,121	8,597	8,965	7,646
Knoxville.....	4,400	7,150	5,660	5,700	1,465	1,600	1,880	1,459
Macon.....	5,436	5,746	5,363	5,377	3,675	4,321	3,917	3,046
Mobile.....	6,287	8,018	6,502	7,621	697	895	876	874
Montgomery.....	3,385	5,437	6,292	4,618	352	854	724	721
Nashville.....	19,637	23,924	23,648	19,559	12,420	16,281	16,038	13,921
New Orleans.....	59,866	74,701	78,465	71,969	35,131	40,198	47,806	46,819
Pensacola.....	1,638	2,055	1,946	1,844	752	958	1,023	988
Savannah.....	13,986	17,652	13,723	14,553	8,141	11,860	10,414	9,597
Tampa.....	4,287	3,495	4,733	4,969	1,692	1,379	2,010	1,509
Vicksburg.....	1,620	2,658	2,069	2,321	217	319	230	201
<b>No. 7.—Chicago:</b>								
Bay City.....	2,706	3,387	2,603	2,866	550	560	552	588
Bloomington.....	2,160	2,669	3,118	2,803	628	1,001	1,131	1,291
Cedar Rapids.....	3,917	6,000	3,494	5,730	7,225	9,221	9,440	9,648
Chicago.....	524,833	671,265	621,317	640,873	503,218	622,229	568,769	676,663
Davenport.....	6,741	8,858	6,905	7,244	1,236	2,462	1,948	2,412
Decatur, Ill.....	2,281	2,967	3,530	3,342	277	515	589	757
Des Moines.....	14,997	17,746	17,167	19,959	28,265	47,232	42,770	44,858
Detroit.....	84,843	110,846	112,736	102,211	38,804	48,857	44,288	48,524
Dubuque.....	1,750	2,400	2,004	2,035	1,260	1,500	1,325	1,425
Flint.....	2,894	4,782	3,699	5,456	5	25	34	106
Fort Wayne.....	5,389	5,413	4,587	5,220	1,438	1,904	1,824	1,954
Grand Rapids.....	15,961	17,836	18,018	18,298	3,217	4,245	4,384	5,542
Indianapolis.....	28,023	33,499	32,966	32,181	21,432	29,406	26,886	27,348
Kalamazoo.....	2,838	4,050	3,344	3,052	388	618	496	705
Lansing.....	2,678	3,876	3,565	3,497	125	184	254	249
Milwaukee.....	46,691	59,475	53,839	58,277	25,685	30,888	29,897	31,554
Peoria.....	10,099	14,211	12,623	12,164	2,274	2,210	2,089	2,078
Rockford, Ill.....	4,830	4,461	4,752	4,752		202	190	198
Sioux City, Iowa.....	7,400	17,904	18,321	18,321		11,136	15,763	17,083
South Bend.....	2,959	3,491	3,133	3,309	1,444	4,326	1,873	2,326
Springfield, Ill.....	2,536	4,248	4,378	3,985	1,598	2,209	2,808	2,187
Waterloo, Iowa.....	2,797	3,410	3,039	3,393	1,005	1,227	981	1,290
<b>No. 8.—St. Louis:</b>								
Evansville.....	4,800	5,293	3,126	3,900	1,900	1,875	870	2,403
Little Rock.....	6,766	8,588	8,383	7,500	7,489	7,296	7,624	6,519
Louisville.....	41,436	40,705	40,452	42,649	24,177	35,953	38,111	43,239
Memphis.....	28,482	39,150	36,069	31,108	23,133	33,686	29,589	25,689
St. Louis.....	134,711	174,877	149,425	144,830	118,410	140,034	132,929	141,736
<b>No. 9.—Minneapolis:</b>								
Aberdeen.....	1,039	1,642	1,254	1,287	701	1,370	1,162	1,174
Billings.....	2,498	2,400	2,181	2,037	1,093	1,100	962	1,003
Duluth.....	34,563	41,287	34,780	31,924	4,435	5,391	4,675	4,169
Fargo.....	1,559	2,717	2,523	2,365	2,129	2,763	2,789	2,693
Grand Forks.....	1,162	1,683	1,597	1,384	1,329	1,652	1,368	1,498
Great Falls.....	3,071	3,529	3,118	2,893	5,226	4,961	4,670	3,917
Helena.....	1,835	3,237	3,892	2,711	3,621	4,132	4,967	3,759
Minneapolis.....	77,442	94,098	77,668	80,296	76,733	96,893	78,771	89,293
St. Paul.....	39,379	35,504	33,730	44,421	44,505	48,111	44,329	52,108
Superior.....	1,669	2,285	1,775	1,995	110	164	213	133
<b>No. 10.—Kansas City:</b>								
Atchison.....	957	981	922	940	439	613	491	647
Bartlesville, Okla.....	2,904	2,548	1,703	2,723	104	82	145	69
Colorado Springs.....	1,752	2,628	2,124	2,154	1,132	1,166	626	902
Denver.....	27,618	33,460	29,295	30,107	18,206	21,828	22,431	21,481
Joplin.....	2,755	3,404	3,758	3,143	516	681	661	583
Kansas City, Kans.....	2,516	3,634	6,062	4,936	4,298	5,380	5,603	5,515
Kansas City, Mo.....	70,093	94,446	87,604	98,183	147,801	181,166	172,539	190,687
Muskogee, Okla.....	3,105	3,786	4,143	3,569	2,540	2,749	2,371	2,683
Oklahoma City.....	12,623	16,496	15,538	15,188	8,442	12,552	11,735	11,479
Omaha.....	48,049	47,991	47,491	63,484	49,222	48,498	42,819	68,840
Pueblo.....	3,991	4,618	3,737	4,498	869	1,117	868	828
St. Joseph.....	12,961	23,664	24,316	28,071	13,998	19,534	21,323	19,745
Topeka.....	3,764	5,181	5,154	5,023	1,290	1,616	1,687	1,853
Tulsa.....	24,506	20,842	20,071	20,071	20,090	6,758	6,427	7,134
Wichita.....	7,231	7,691	7,691	8,300	11,449	13,968	13,968	13,212

Weekly figures of clearing-house bank debits to deposit account—Continued.

[In thousands of dollars; i. e., 000 omitted.]

District.	Debits to individual account.				Debits to banks' and bankers' account.			
	Dec. 31.	Jan. 8.	Jan. 15.	Jan. 22.	Dec. 31.	Jan. 8.	Jan. 15.	Jan. 22.
<b>No. 11.—Dallas:</b>								
Albuquerque.....	1,324	1,639	1,574	1,260	4,553	4,464	3,856	4,081
Austin.....	3,930	3,930	3,818	3,742	2,900	3,024	4,066	2,454
Beaumont.....	3,391	5,231	4,139	4,802	464	612	498	702
Dallas.....	30,944	38,879	34,704	31,251	66,093	71,542	77,180	76,057
El Paso.....	5,244	7,036	5,615	6,405	7,329	8,850	8,177	9,056
Fort Worth.....	17,033	18,019	19,436	18,931	38,490	43,678	45,380	43,444
Galveston.....	7,528	12,559	8,854	7,878	5,780	6,620	6,014	5,191
Houston.....	24,140	27,214	36,345	24,294	51,650	62,127	46,711	56,388
San Antonio.....	a 5,166	a 8,364	a 6,795	a 6,493	.....	.....	.....	.....
Shreveport.....	4,606	6,758	7,652	5,324	2,978	3,795	4,947	5,487
Texarkana.....	1,260	1,935	1,249	1,517	476	531	404	669
Tucson.....	1,198	1,512	1,521	1,595	1,046	1,160	1,238	1,404
Waco.....	3,526	4,275	3,554	3,034	2,014	2,078	2,009	2,024
<b>No. 12.—San Francisco:</b>								
Boise.....	2,239	3,199	2,937	2,600	5,070	5,909	6,148	6,334
Fresno.....	5,613	7,346	7,196	6,014	3,469	3,853	4,111	3,512
Long Beach.....	2,077	3,212	2,607	2,331	49	107	138	90
Los Angeles.....	53,012	66,551	56,377	61,230	34,594	45,295	47,069	42,302
Oakland.....	11,466	13,605	13,107	11,853	2,409	2,651	2,659	2,971
Ogden.....	4,270	5,184	2,870	4,353	5,648	7,444	6,365	5,911
Pasadena.....	1,960	3,013	2,577	2,831	298	413	268	192
Portland.....	37,935	42,848	35,172	39,691	23,285	28,113	24,550	23,826
Reno.....	2,021	2,145	1,852	1,083	1,447	1,782	1,359	1,960
Sacramento.....	12,284	15,459	13,882	14,208	4,850	5,550	6,690	5,053
Salt Lake City.....	16,087	17,096	15,048	17,785	22,980	25,973	21,940	26,553
San Diego.....	3,834	6,493	5,645	5,732	962	607	386	512
San Francisco.....	142,378	161,114	148,389	182,947	92,336	122,471	106,382	132,967
Seattle.....	42,036	49,612	49,040	43,839	20,756	22,719	24,606	27,604
Spokane.....	7,926	9,730	8,782	9,861	8,162	9,452	8,549	7,618
Stockton.....	4,373	4,154	4,000	4,001	2,410	1,849	2,000	3,000
Tacoma.....	11,378	11,871	11,146	12,314	7,924	8,482	9,132	7,604
Yakima.....	1,628	2,438	1,957	1,757	42	564	563	402

a Figures comprise debits to both individual as well as to banks' and bankers' account.

Recapitulation showing figures for clearing-house centers reporting for each of the four weeks.

[In thousands of dollars; i. e., 000 omitted.]

District.	Number of centers included.	Debits to individual account.				Debits to banks' and bankers' account.			
		Dec. 31.	Jan. 8.	Jan. 15.	Jan. 22.	Dec. 31.	Jan. 8.	Jan. 15.	Jan. 22.
No. 1.—Boston.....	12	322,790	437,350	366,319	433,779	279,471	257,528	213,357	226,089
No. 2.—New York.....	7	3,676,013	5,003,646	3,928,919	4,423,809	1,478,368	2,013,894	1,777,955	2,002,013
No. 3.—Philadelphia.....	13	295,903	433,257	352,115	393,535	400,720	402,036	376,709	366,040
No. 4.—Cleveland.....	14	455,270	518,247	463,078	503,210	443,883	547,904	495,453	597,498
No. 5.—Richmond.....	6	126,877	162,609	137,551	147,092	142,235	169,699	164,519	154,683
No. 6.—Atlanta.....	15	177,570	231,532	214,296	209,256	104,724	131,967	132,325	121,191
No. 7.—Chicago.....	21	769,565	987,359	920,526	940,586	640,322	811,609	742,650	857,603
No. 8.—St. Louis.....	5	218,195	268,613	237,455	230,007	175,100	218,834	206,123	219,886
No. 9.—Minneapolis.....	10	164,217	188,382	162,518	171,313	139,882	166,537	143,906	159,662
No. 10.—Kansas City.....	14	217,994	263,679	251,918	282,109	255,151	302,740	289,726	332,246
No. 11.—Dallas.....	13	109,290	137,351	135,256	116,626	183,773	208,481	200,540	206,657
No. 12.—San Francisco.....	18	362,517	425,070	382,584	424,430	236,191	293,234	273,515	298,411
<b>Total.....</b>	<b>148</b>	<b>6,894,261</b>	<b>9,057,095</b>	<b>7,552,535</b>	<b>8,275,842</b>	<b>4,479,820</b>	<b>5,524,463</b>	<b>5,016,778</b>	<b>5,542,279</b>

**WHOLESALE PRICES.**

In continuation of figures shown in the January BULLETIN there are presented below monthly index numbers of wholesale prices for the period January to December, 1918, compared with like figures for December of previous years, also for July, 1914, the month immediately preceding the outbreak of the great war. The general index number is that of the United States Bureau of Labor Statistics. In addition, there are presented separate numbers for certain particular classes of commodities in accordance with plans announced in previous issues of the BULLETIN.

The quotation for canned salmon (Alaska red, New York) had to be omitted. On the other hand, quotations for hops (Pacific coast) and canned corn (New York standard), which had been dropped temporarily, have been secured for the months of November and December, and the commodities again included in the calculation of the index numbers for the latter month. Index numbers for December are provisional, due to the fact that certain data were not received in time to render them available in the calculations.

For the month of December the general index number of the Bureau of Labor Statistics remains unchanged at 206. Considerable diversity, however, is exhibited by the changes in the numbers for the various groups, the pronounced decrease in the index number for the group of producers' goods being offset by increases in the numbers for both the raw materials and the consumers' goods groups. The index number for the latter group shows a further increase for the month in question from 214 to 216. Decreases in price occurred in the case of certain commodities included in the group, in particular print cloths and cotton underwear, lard, citrus fruits and peanuts, as well as to a lesser extent for poultry, veal, and mutton. The decreases were however more

than offset by increases in the prices of other commodities, among which certain foodstuffs, especially milk, butter, cheese and eggs, coffee, potatoes, apples, beef (New York quotation), and bacon, hams, and salt mess pork should be noted.

The index number for the raw-materials group has increased slightly from 197 to 198. The increase is due entirely to the increase in the prices of farm products, the index number for the latter group having increased from 234 to 237. Decreases in the prices of cotton (New Orleans quotation), flaxseed, oats, hay and tobacco were more than offset by increases in the prices of cotton (New York quotation), corn, and winter wheat. The index number for the animal-products subgroup remains unchanged at 208, decreases in the prices of hogs and silk being offset by increases in the prices of cattle and poultry. The index number for the forest products subgroup likewise remains unchanged at 150, slight increases in the prices of plain white oak and maple affording the only instances of change in price among the commodities included in the group. The index number for the mineral-products subgroup, however, has declined slightly, from 183 to 182, further increases in the prices of several sizes of anthracite coal being more than offset by decreases in the prices of copper ingots, pig lead, and pig tin.

A decrease of 6 points is shown in the number for the group of producers' goods, which now stands at 199. But few of the commodities included in the group have increased in price. Among these may be mentioned brick (New York quotation), lime, and oleo oil. On the other hand, decreases in price have occurred in many instances, among which are cotton yarn, rope, and jute, wood pulp, certain chemicals, such as alum and glycerin, California harness oak leather, tallow, naval stores, steel products, in particular billets, plates, and structural steel, and tin plate.

*Index numbers of wholesale prices in the United States for principal classes of commodities.*

[Average price for 1913=100.]

Year and month.	Raw materials.					Producers' goods.	Consumers' goods.	All commodities (Bureau of Labor Statistics index number).
	Farm products.	Animal products.	Forest products.	Mineral products.	Total raw materials.			
July, 1914.....	102	106	97	88	98	92	103	99
December, 1914.....	99	99	94	86	94	92	102	97
December, 1915.....	109	97	93	100	100	115	107	105
December, 1916.....	153	131	99	174	143	164	142	146
December, 1917.....	233	178	129	158	178	180	185	181
1918.								
January.....	240	174	130	171	183	181	192	185
February.....	242	176	131	172	184	184	193	187
March.....	249	178	135	172	187	187	189	187
April.....	243	193	137	170	190	190	193	191
May.....	226	201	138	173	189	192	194	191
June.....	232	198	138	171	189	194	197	193
July.....	237	209	140	180	196	196	202	198
August.....	246	215	143	180	200	199	205	202
September.....	255	219	143	180	204	203	209	207
October.....	240	209	143	181	198	205	210	204
November.....	234	208	150	183	197	205	214	206
December.....	237	208	150	182	198	199	216	206

In order to give a more concrete illustration of actual price movements there are also presented in the following table monthly actual and relative figures covering the same period for certain commodities of a basic character. The actual average monthly prices shown in the table have been abstracted from the records of the United States Bureau of Labor Statistics

*Average monthly wholesale prices of commodities.*

[Average price for 1913=100.]

Year and month.	Corn, No. 3, Chicago.		Cotton, middling, New Orleans.		Wheat, No. 1, northern spring, Minneapolis.		Wheat, No. 2, red winter, Chicago.		Cattle, steers, good to choice, Chicago.		Hides, packers', heavy native steers, Chicago.	
	Average price per bushel.	Relative price.	Average price per pound.	Relative price.	Average price per bushel.	Relative price.	Average price per bushel.	Relative price.	Average price per 100 pounds.	Relative price.	Average price per pound.	Relative price.
July, 1914.....	\$0.7044	114	\$0.1331	105	\$0.8971	103	\$0.8210	83	\$9.2188	108	\$0.1938	105
December, 1914.....	.6340	103	.0721	57	1.1921	136	1.2023	122	8.9125	105	.2250	122
December, 1915.....	.6794	110	.1185	93	1.1311	129	1.2322	125	8.4875	100	.2575	140
December, 1916.....	.9125	148	.1757	138	1.7611	202	1.7275	175	10.2917	121	.3550	182
December, 1917.....	1.5875	258	.2894	228	2.1700	248	2.1700	220	13.2350	156	.3500	190
1918.												
January.....	1.6850	274	.3105	244	2.1700	248	2.1700	220	13.1125	154	.3280	178
February.....	1.6375	266	.3097	244	2.1700	248	2.1700	220	13.0750	154	.2925	159
March.....	1.5563	253	.3291	259	2.1700	248	2.1700	220	13.2313	156	.2625	143
April.....	1.5850	258	.3350	264	2.1700	248	2.1700	220	15.1750	178	.2719	148
May.....	1.5250	248	.2894	228	2.1700	248	2.1700	220	16.4167	193	.3110	169
June.....	1.5125	246	.3066	241	2.1700	248	2.1700	220	17.1750	202	.3300	179
July.....	1.5900	258	.2945	232	2.1700	248	2.2470	228	17.6250	207	.3240	176
August.....	1.6225	264	.3038	239	2.2231	255	2.2325	228	17.8250	210	.3000	163
September.....	1.5313	249	.3578	282	2.2169	254	2.2363	227	18.4100	216	.3000	163
October.....	1.3270	216	.3150	248	2.2155	254	2.2345	227	17.8563	210	.3000	163
November.....	1.2675	206	.3007	237	2.2206	254	2.2375	227	18.1563	213	.2900	158
December.....	1.4290	232	.2958	233	2.2205	254	2.3088	234	18.3600	216	.2900	158
Average for 1914.....	.6826	111	.1126	80	1.0031	115	1.0051	102	9.0387	106	.1963	107
1915.....	.7217	117	.0961	76	1.3061	150	1.3067	132	8.7015	102	.2420	122
1916.....	.8118	132	.1410	111	1.4108	162	1.3505	137	9.5730	113	.2618	142
1917.....	1.6200	263	.2259	178	2.3248	266	2.2779	231	12.8085	151	.3273	178
1918.....	1.5223	247	.3123	246	2.1905	251	2.2097	224	16.3682	192	.3000	163

## Average monthly wholesale prices of commodities—Continued.

[Average price for 1913=100.]

Year and month.	Hogs, light, Chicago.		Wool, Ohio, 1-3 grades, scoured.		Hemlock, New York.		Yellow pine, flooring, New York.		Coal, anthracite, stove, New York tidewater.		Coal, bituminous, run of mine, Cincinnati.	
	Average price per 100 pounds.	Relative price.	Average price per pound.	Relative price.	Average price per M feet.	Relative price.	Average price per M feet.	Relative price.	Average price per long ton.	Relative price.	Average price per short ton.	Relative price.
July, 1914.....	\$8.7563	104	\$0.4444	94	\$24.5000	101	\$42.0000	94	\$4.9726	98	\$2.2000	100
December, 1914.....	7.1313	84	.4861	103	24.2500	100	41.0000	92	5.1796	102	2.2000	100
December, 1915.....	6.2438	74	.6429	136	21.2500	88	38.0000	85	5.1710	102	2.2000	100
December, 1916.....	9.7500	115	.7286	155	24.5000	101	41.0000	92	5.6801	112	4.5000	205
December, 1917.....	16.7150	198	1.3571	288	30.5000	126	57.0000	128	6.4736	128	3.7500	170
1918.												
January.....	16.2125	192	1.4545	309	30.5000	126	57.0000	128	6.5000	128	3.6000	164
February.....	16.6938	197	1.4545	309	30.5000	126	57.0000	128	6.5000	128	3.6000	164
March.....	17.4250	206	1.4545	309	30.5000	126	60.0000	135	6.4642	128	3.6000	164
April.....	17.5100	207	1.4545	309	33.5000	138	60.0000	135	6.2606	124	3.6000	164
May.....	17.5000	207	1.4182	301	33.5000	138	60.0000	135	6.3000	124	3.8500	175
June.....	15.5250	184	1.4182	301	34.5000	142	60.0000	135	6.3212	125	3.7500	170
July.....	18.0000	213	1.4365	305	34.5000	142	60.0000	135	6.5908	130	4.1000	186
August.....	19.7750	234	1.4365	305	.....	.....	63.0000	141	6.5992	130	4.1000	186
September.....	20.0700	237	1.4365	305	.....	.....	63.0000	141	6.9000	136	4.1000	186
October.....	18.0938	214	1.4365	305	.....	.....	63.0000	141	6.9000	136	4.1000	186
November.....	17.7063	209	1.4365	305	.....	.....	63.0000	141	7.8071	140	4.1000	186
December.....	17.4400	206	1.4365	305	.....	.....	63.0000	141	7.9500	143	4.1000	186
Average for 1914.....	8.3816	99	.4398	93	24.3958	101	42.7500	96	5.0607	100	2.2000	100
1915.....	7.1870	85	.5714	121	21.9009	89	39.5909	89	5.0446	100	2.2000	100
1916.....	9.4000	111	.6798	144	23.5417	97	39.3750	88	5.4540	108	2.6750	122
1917.....	15.4594	183	1.1452	243	27.7083	114	50.9091	114	5.8724	116	4.5833	208
1918.....	17.6626	209	1.4394	306	.....	.....	60.7500	136	6.7582	121	3.8833	177

Year and month.	Coal, Pocahontas, Norfolk.		Coke, Connellsville.		Copper, ingot, electrolytic, New York.		Lead, pig, desilverized, New York.		Petroleum, crude, Pennsylvania, at wells.		Pig iron, basic.	
	Average price per long ton.	Relative price.	Average price per short ton.	Relative price.	Average price per pound.	Relative price.	Average price per pound.	Relative price.	Average price per barrel.	Relative price.	Average price per long ton.	Relative price.
July, 1914.....	\$3.0000	100	\$1.8750	77	\$0.1340	85	\$0.0390	89	\$1.7500	71	\$13.0000	88
December, 1914.....	3.0000	100	1.6250	67	.1275	81	.0380	86	1.4500	59	12.5000	85
December, 1915.....	2.8500	95	2.3000	94	.1975	126	.0525	119	2.0000	82	17.5000	119
December, 1916.....	6.0000	200	5.7500	236	.3450	219	.0730	166	2.6000	106	30.0000	204
December, 1917.....	4.4120	147	6.0000	246	.2350	149	.0650	148	3.5000	143	33.0000	224
1918.												
January.....	4.4120	147	6.0000	246	.2350	149	.0684	155	3.7500	153	33.0000	224
February.....	4.4120	147	6.0000	246	.2350	149	.0706	160	3.9375	161	33.0000	224
March.....	4.4120	147	6.0000	246	.2350	149	.0724	165	4.0000	163	33.0000	224
April.....	4.2440	141	6.0000	246	.2350	149	.0695	159	4.0000	163	32.0000	218
May.....	4.2190	141	6.0000	246	.2350	149	.0691	157	4.0000	163	32.0000	218
June.....	4.2320	141	6.0000	246	.2350	149	.0728	165	4.0000	163	32.0000	218
July.....	4.6320	154	6.0000	246	.2550	162	.0802	182	4.0000	163	32.0000	218
August.....	4.6320	154	6.0000	246	.2600	165	.0805	183	4.0000	163	32.0000	218
September.....	4.6320	154	6.0000	246	.2600	165	.0805	183	4.0000	163	32.0000	218
October.....	4.6320	154	6.0000	246	.2600	165	.0805	183	4.0000	163	33.0000	224
November.....	4.6320	154	6.0000	246	.2600	165	.0805	183	4.0000	163	33.0000	224
December.....	4.6320	154	6.0000	246	.2540	161	.0667	152	4.0000	163	33.0000	224
Average for 1914.....	3.0000	100	1.8083	74	.1338	85	.3890	88	1.9167	78	12.8733	88
1915.....	2.8500	95	1.7854	73	.1726	110	.0459	104	1.5292	62	13.7408	93
1916.....	3.7292	124	3.2458	133	.2754	175	.0680	155	2.4833	101	19.7600	134
1917.....	5.4520	181	8.2500	338	.2940	187	.0912	207	3.2000	131	38.9038	265
1918.....	4.4769	149	6.0000	246	.2465	157	.0743	169	3.9739	162	32.5000	221

Average monthly wholesale prices of commodities—Continued.

[Average price for 1913=100.]

Year and month.	Cotton yarns, northern cones, 10/1.		Leather, sole, hemlock No. 1.		Steel, billets, Bessemer, Pittsburgh.		Steel, plates, tank, Pittsburgh.		Steel, rails, open hearth, Pittsburgh.		Worsted, yarns, 2-32's, crossbred.	
	Average price per pound.	Relative price.	Average price per pound.	Relative price.	Average price per long ton.	Relative price.	Average price per pound.	Relative price.	Average price per long ton.	Relative price.	Average price per pound.	Relative price.
July, 1914.....	\$0.2150	97	\$0.3050	108	\$19.0000	74	\$0.0113	76	\$30.0000	100	\$0.6500	84
December, 1914.....	.1600	72			19.0000	74	.0105	71	30.0000	100	.6200	80
December, 1915.....	.2100	95	.3250	115	30.6000	119	.0180	122	30.0000	100	.8800	115
December, 1916.....	.3850	174	.5700	202	57.5000	223	.0425	287	40.0000	133	1.2000	154
December, 1917.....	.4950	224	.5000	177	47.5000	184	.0325	220	40.0000	133	2.0000	257
1918.												
January.....	.5363	242	.4900	174	47.5000	184	.0325	220	46.8000	156	2.0000	257
February.....	.5536	250	.4900	174	47.5000	184	.0325	220	57.0000	190	2.0071	258
March.....	.5745	260	.4550	161	47.5000	184	.0325	220	57.0000	190	2.1000	270
April.....	.6162	278	.4550	161	47.5000	184	.0325	220	57.0000	190	2.1500	277
May.....	.6332	286	.4900	174	47.5000	184	.0325	220	57.0000	190	2.1500	277
June.....	.6437	291	.4900	174	47.5000	184	.0325	220	57.0000	190	2.1500	277
July.....	.6412	290	.4900	174	47.5000	184	.0325	220	57.0000	190	2.1500	277
August.....	.6400	289	.4900	174	47.5000	184	.0325	220	57.0000	190	2.1500	277
September.....	.6100	276	.4900	174	47.5000	184	.0325	220	57.0000	190	2.1500	277
October.....	.6100	276	.4900	174	47.5000	184	.0325	220	57.0000	190	2.1500	277
November.....	.5927	268	.4900	174	47.5000	184	.0325	220	57.0000	190	2.1500	277
December.....	.5500	249	.4900	174	45.1000	175	.0310	209	57.0000	190	2.0000	258
Average for 1914.....	.1967	89	.3019	107	20.0775	78	.0116	78	30.0000	100	.6400	82
1915.....	.1727	78	.3094	110	22.4408	87	.0127	86	30.0000	100	.7875	101
1916.....	.2646	120	.3883	138	43.9458	170	.0324	219	33.3333	111	1.0500	135
1917.....	.3971	179	.5354	190	69.8558	271	.0557	376	40.0000	133	1.5558	200
1918.....	.6001	271	.4841	172	47.3000	183	.0324	218	56.1500	187	2.1089	272

Year and month.	Beef carcass, good native steers, Chicago.		Coffee, Rio No. 7.		Flour, wheat, standard patents, 1914-1917, standard war, 1918, Minneapolis.		Hams, smoked, Chicago.		Illuminating oil, 150° fire test, New York.		Sugar, granulated, New York.	
	Average price per pound.	Relative price.	Average price per pound.	Relative price.	Average price per barrel.	Relative price.	Average price per pound.	Relative price.	Average price per gallon.	Relative price.	Average price per pound.	Relative price.
July, 1914.....	\$0.1350	104	\$0.0882	79	\$4.5938	100	\$0.1769	106	\$0.1200	97	\$0.0420	98
December, 1914.....	.1428	110	.0631	57	5.9500	130	.1633	98	.1200	97	.0483	113
December, 1915.....	.1375	106	.0763	69	6.2250	136	.1556	94	.1300	105	.0592	139
December, 1916.....	.1375	106	.0925	83	8.6813	189	.1988	120	.1200	97	.0692	162
December, 1917.....	.1870	144	.0756	68	10.1313	221	.3016	181	.1400	114	.0804	188
1918.												
January.....	.1750	135	.0853	77	10.0850	220	.2950	177	.1600	130	.0744	174
February.....	.1750	135	.0833	75	10.3000	225	.2984	180	.1600	130	.0730	171
March.....	.1750	135	.0891	80	10.0938	220	.3028	182	.1600	130	.0730	171
April.....	.2050	158	.0903	81	9.9850	218	.3075	185	.1675	136	.0730	171
May.....	.2350	174	.0873	78	9.5250	208	.3025	182	.1700	138	.0730	171
June.....	.2338	181	.0841	76	9.8259	214	.2994	180	.1700	138	.0731	171
July.....	.2400	185	.0855	77	10.7020	233	.3025	182	.1710	139	.0735	172
August.....	.2420	187	.0853	77	10.2100	223	.3225	194	.1750	142	.0735	172
September.....	.2450	189	.0959	86	10.2100	223	.3281	197	.1750	142	.0845	198
October.....	.2450	189	.1040	93	10.2100	223	.3361	202	.1750	142	.0882	207
November.....	.2450	189	.1069	96	10.2100	223	.3541	213	.1750	142	.0882	207
December.....	.2450	189	.1725	155	10.2100	223	.3670	221	.1750	142	.0882	207
Average for 1914.....	.1304	105	.0816	73	5.0962	111	.1670	100	.1200	97	.0471	110
1915.....	.1289	100	.0745	67	6.6630	145	.1531	92	.1208	98	.0556	130
1916.....	.1382	107	.0924	83	7.2639	158	.1850	111	.1217	99	.0688	161
1917.....	.1672	129	.0927	83	11.3909	249	.2520	152	.1242	101	.0771	181
1918.....	.2209	171	.0974	88	10.1305	221	.3180	191	.1694	137	.0780	183

**DISCOUNT AND INTEREST RATES.**

In the following tables are presented actual discount and interest rates prevailing in the various cities in which the several Federal Reserve Banks and their branches are located, during the 30-day periods ending December 15, 1918, and January 15, 1919. Quotations are given for prime commercial paper, both customers' and purchased in the open market, interbank loans, bankers' acceptances, and paper secured by prime stock exchange or other current collateral. Separate rates are quoted for paper of longer or shorter maturities in the first-named and last-named classes. In addition, quotations are given for commodity paper secured by warehouse receipts and for cattle loans, as reported from centers in which such paper is current.

Quotations are also given of rates charged on ordinary loans to customers secured by Liberty bonds and certificates of indebtedness. Assistance to customers to enable them to purchase such Government obligations has generally been extended at lower rates, either at the rate borne by such obligations or at a rate slightly higher. The table also shows quotations in New York for demand paper secured by prime bankers' acceptances, a type of paper which has made its appearance in the New York market during the past several months. Quotations for new types of paper will be added from time to time as deemed of interest.

During the period under review, the decrease in interest rates for the period ending December 15 has been continued. In certain cases, conspicuous among which are New York,

Philadelphia, Chicago, and Minneapolis, the decrease occurs for the majority of the types of paper for which quotations are given. On the other hand, rates in several centers, of which Atlanta is an instance, on the whole show an increase. In a considerable number of cities, rates are either practically unchanged, as for example among others in Cleveland, El Paso, and Portland, or afford an approximately equal number of instances of advance and decline. Rates for commercial paper afford the greatest number of instances of decline, especially paper purchased in the open market. Customary rates for the latter, as well as for acceptances, have declined in a considerable number of centers, while for the remaining types of paper they remain practically unchanged, movements in rates being confined with relatively few exceptions to changes in the high and low quotations. There is no general movement perceptible in rates on interbank loans, while rates on acceptances, both indorsed and unindorsed, in general have declined. Though rates charged on collateral loans have decreased in several of the larger centers, such as Chicago and New York, in the latter center a low rate of  $3\frac{1}{4}$  per cent being shown for demand paper as contrasted with  $4\frac{1}{2}$  per cent for the previous period, fewer changes in rates for this type of paper are noted than in the case of rates on commercial paper, and there is an approximately equal number of instances of increase and decrease. Rates on paper secured by Liberty bonds and certificates, which on the whole are lower than on ordinary commercial loans, or on loans secured by other collateral, show little change.



Discount and interest rates prevailing in various centers—Continued.

DURING 30-DAY PERIOD ENDING JAN. 15.

District.	City.	Primo commercial paper.								Interbank loans.	Bankers' acceptances, 60 to 90 days.				Collateral loans—stock exchange or other current.			Cattle loans.	Secured by warehouse receipts, etc.	Secured by Liberty bonds and certificates of indebtedness.
		Customers.			Open market.						Indorsed.	Unindorsed.	Demand.	3 months.	3 to 6 months.					
		30 to 90 days.	4 to 6 months.		30 to 90 days.	4 to 6 months.														
No. 1...	Boston.....	H. L. C. 6 5 6	H. L. C. 6 5 6	H. L. C. 6 5 6	H. L. C. 6 5 6	H. L. C. 6 5 6	H. L. C. 6 5 6	H. L. C. 6 5 6	H. L. C. 6 5 6	H. L. C. 6 5 6	H. L. C. 6 5 6	H. L. C. 6 5 6	H. L. C. 6 5 6	H. L. C. 6 5 6	H. L. C. 6 5 6	H. L. C. 6 5 6	H. L. C. 6 5 6	H. L. C. 6 5 6		
No. 2...	New York a.....	6 5 5 1/2-6	6 5 5 1/2-6	6 5 5 1/2-6	6 5 5 1/2-6	6 5 5 1/2-6	6 5 5 1/2-6	6 5 5 1/2-6	6 5 5 1/2-6	6 5 5 1/2-6	6 5 5 1/2-6	6 5 5 1/2-6	6 5 5 1/2-6	6 5 5 1/2-6	6 5 5 1/2-6	6 5 5 1/2-6	6 5 5 1/2-6	6 5 5 1/2-6		
No. 3...	Philadelphia.....	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6		
No. 4...	Cleveland.....	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6		
	Pittsburgh.....	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6		
	Cincinnati.....	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6		
No. 5...	Richmond.....	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6		
	Baltimore.....	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6		
No. 6...	Atlanta.....	7 5 6	7 5 6	7 5 6	7 5 6	7 5 6	7 5 6	7 5 6	7 5 6	7 5 6	7 5 6	7 5 6	7 5 6	7 5 6	7 5 6	7 5 6	7 5 6	7 5 6		
	Birmingham.....	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6		
	Jacksonville.....	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7		
	New Orleans.....	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6		
No. 7...	Chicago.....	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6		
	Detroit.....	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6		
No. 8...	St. Louis.....	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6		
	Louisville.....	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6		
	Memphis.....	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6		
No. 9...	Minneapolis.....	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6		
No. 10...	Kansas City.....	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6	6 5 6		
	Omsaha.....	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6		
	Denver.....	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6		
No. 11...	Dallas.....	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6		
	El Paso.....	8 6 8	8 6 8	8 6 8	8 6 8	8 6 8	8 6 8	8 6 8	8 6 8	8 6 8	8 6 8	8 6 8	8 6 8	8 6 8	8 6 8	8 6 8	8 6 8	8 6 8		
No. 12...	San Francisco.....	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6	6 5 1/2 6		
	Portland.....	7 5 1/2 6	7 5 1/2 6	7 5 1/2 6	7 5 1/2 6	7 5 1/2 6	7 5 1/2 6	7 5 1/2 6	7 5 1/2 6	7 5 1/2 6	7 5 1/2 6	7 5 1/2 6	7 5 1/2 6	7 5 1/2 6	7 5 1/2 6	7 5 1/2 6	7 5 1/2 6	7 5 1/2 6		
	Seattle.....	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6		
	Spokane.....	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7		
	Salt Lake City.....	8 7 8	8 7 8	8 7 8	8 7 8	8 7 8	8 7 8	8 7 8	8 7 8	8 7 8	8 7 8	8 7 8	8 7 8	8 7 8	8 7 8	8 7 8	8 7 8	8 7 8		

a Rates for demand paper secured by prime banks' acceptances, high 6, low 4 1/2, customary 4 1/2-5.

b Secured by fourth Liberty loan bonds.

**PHYSICAL VOLUME OF TRADE.**

In continuation of tables in the January FEDERAL RESERVE BULLETIN there are presented in the following tables certain data relative to the physical volume of trade. The January issue contains a description of the methods employed in the compilation of the

data and the construction of the accompanying index numbers. Data concerning lumber movements at Chicago, tax-paid manufactured tobacco products, and output of locomotives and cars have been added in the present issue, and additional material will be presented from time to time as reliable figures are obtained.

*Live-stock movements.*

[Bureau of Markets.]

	Receipts.					Shipments.				
	Cattle and calves, 63 markets.	Hogs, 63 markets.	Sheep, 63 markets.	Horses and mules, 47 markets.	Total, all kinds.	Cattle and calves, 56 markets.	Hogs, 56 markets.	Sheep, 56 markets.	Horses and mules, 47 markets.	Total, all kinds.
	<i>Head.</i>	<i>Head.</i>	<i>Head.</i>	<i>Head.</i>	<i>Head.</i>	<i>Head.</i>	<i>Head.</i>	<i>Head.</i>	<i>Head.</i>	<i>Head.</i>
January.....	1,694,490	4,341,474	1,287,695	157,504	7,481,163	553,520	1,260,724	524,457	151,468	2,492,169
February.....	1,445,538	4,341,793	985,820	145,477	6,918,448	493,005	1,293,634	424,779	138,880	2,350,298
March.....	1,695,694	4,418,074	1,232,688	128,401	7,474,857	665,749	1,728,329	560,493	122,404	3,076,975
April.....	2,037,530	3,704,302	1,135,401	42,370	6,919,603	757,865	1,277,555	530,696	48,758	2,614,874
May.....	1,859,839	3,375,945	1,142,953	35,027	6,413,764	783,825	1,080,053	507,063	34,015	2,711,496
June.....	1,808,842	3,001,956	1,370,361	44,894	6,226,053	755,590	1,022,683	667,949	45,825	2,439,047
July.....	2,114,635	3,116,505	1,537,923	51,727	6,870,790	668,686	952,439	736,387	45,887	2,403,399
August.....	2,013,650	2,478,810	2,130,191	81,807	6,704,458	853,296	851,705	1,199,014	78,293	2,982,308
September.....	2,808,149	2,389,261	3,305,066	125,817	8,628,293	1,226,291	789,537	2,060,800	115,618	4,192,246
October.....	2,840,885	3,425,625	3,234,277	151,079	9,651,866	1,307,655	900,014	2,069,121	144,225	4,421,015
November.....	2,630,632	4,613,022	2,535,323	142,034	9,921,011	1,236,868	1,224,517	1,446,634	134,961	4,042,980
December.....	2,135,076	5,578,447	1,641,462	76,027	9,431,642	788,100	1,433,324	717,207	74,835	3,018,466
Year.....	25,085,380	44,785,214	21,589,190	1,182,164	92,641,948	10,092,450	13,810,514	11,445,140	1,132,169	36,489,273

*Receipts and shipments at 15 western markets.*

[Chicago, Kansas City, Oklahoma City, Omaha, St. Louis, St. Joseph, St. Paul, Sioux City, Cincinnati, Cleveland, Denver, Fort Worth, Indianapolis, Louisville, Wichita.]

[Monthly average, 1911-1913=100.]

RECEIPTS.

	Cattle and calves.		Hogs.		Sheep.		Horses and mules.		Total, all kinds.	
	Head.	Relative.	Head.	Relative.	Head.	Relative.	Head.	Relative.	Head.	Relative.
January.....	1,317,368	131	3,333,591	152	946,495	69	87,444	190	5,684,895	123
February.....	1,133,116	120	3,452,072	168	733,895	58	78,708	133	5,397,791	125
March.....	1,300,097	129	3,482,064	158	886,157	65	77,833	109	5,746,201	124
April.....	1,533,147	152	2,942,449	134	733,709	54	26,406	57	5,235,711	113
May.....	1,276,792	127	2,654,012	121	742,358	54	22,090	48	4,695,252	102
June.....	1,292,505	123	2,369,501	108	839,040	65	28,400	62	4,579,446	99
July.....	1,697,193	168	2,539,414	115	1,141,488	84	36,782	30	5,405,877	117
August.....	1,538,553	153	1,970,086	90	1,424,677	104	54,271	118	5,037,587	109
September.....	2,249,017	223	1,775,842	81	2,408,609	176	82,656	180	6,516,124	141
October.....	2,267,534	225	2,570,525	117	2,357,524	173	83,574	182	7,279,157	153
November.....	2,053,359	204	3,431,782	156	1,677,537	123	64,482	140	7,227,160	156
December.....	1,706,945	139	4,167,313	191	1,114,761	82	36,153	79	7,053,172	156
Year 1918.....	19,415,623	160	34,709,651	132	15,086,250	92	678,849	123	69,890,376	126
1917.....	18,101,397	130	29,380,296	111	13,597,240	83	931,736	109	62,010,669	112

SHIPMENTS.

January.....	401,864	99	755,282	156	316,304	63	85,528	208	1,558,978	109
February.....	360,971	95	849,668	188	260,455	55	77,038	201	1,548,132	116
March.....	504,229	124	1,233,754	255	342,208	68	75,602	184	2,155,793	150
April.....	551,184	136	898,486	185	250,757	50	34,883	85	1,735,310	121
May.....	502,101	123	708,979	146	256,747	51	21,849	53	1,489,676	104
June.....	501,169	123	687,213	142	357,289	71	26,615	65	1,572,291	110
July.....	495,211	122	662,728	137	483,151	96	31,379	76	1,672,460	116
August.....	652,440	160	599,577	124	751,886	149	51,923	127	2,055,827	143
September.....	932,131	229	488,298	101	1,426,120	265	74,473	182	2,921,022	197
October.....	994,943	245	486,460	100	1,479,774	294	84,393	206	3,045,570	212
November.....	921,831	227	659,432	136	903,283	179	63,589	155	2,548,135	177
December.....	588,425	145	787,461	163	445,987	89	37,072	90	1,558,945	129
Year 1918.....	7,405,499	152	8,817,343	152	7,273,961	120	664,344	135	24,162,147	146
1917.....	6,816,455	140	8,062,610	139	6,751,924	112	839,752	171	22,470,801	136

## Grain and flour.

[U. S. Food Administration.]

## GRAIN MOVEMENTS.

[Bushels, in thousands; i. e., 000 omitted.]

	Wheat.			Corn.			Oats.		
	Receipts.	Shipments.	Stocks at close of month.	Receipts.	Shipments.	Stocks at close of month.	Receipts.	Shipments.	Stocks at close of month.
June.....			12,415			37,794			39,097
July.....	196,060	94,823	81,422	59,466	54,792	31,919	90,006	87,893	37,923
August.....	287,652	160,162	163,027	48,131	42,999	25,559	177,324	124,597	86,030
September.....	286,200	150,636	246,690	62,137	46,453	28,522	126,138	102,510	104,739
October.....	241,260	150,077	286,169	59,437	47,501	25,727	110,620	107,693	103,943
November.....	155,665	138,438	254,474	47,024	41,886	21,646	86,871	95,008	88,300
December.....	178,918	127,612	253,767	59,237	50,312	23,427	80,199	81,220	83,363

	Barley.			Rye.			Total grains.		
	Receipts.	Shipments.	Stocks at close of month.	Receipts.	Shipments.	Stocks at close of month.	Receipts.	Shipments.	Stocks at close of month.
June.....			10,606			2,181			102,093
July.....	14,285	7,077	16,984	3,474	2,024	2,912	383,291	246,609	171,160
August.....	21,340	9,923	27,174	8,422	4,449	6,128	542,869	342,130	307,915
September.....	27,002	15,295	37,782	16,092	7,409	12,554	517,569	322,303	450,587
October.....	23,889	19,843	40,670	20,667	15,047	17,309	455,873	340,161	473,818
November.....	22,697	21,153	39,991	17,521	13,552	19,199	329,778	310,037	423,610
December.....	23,255	22,287	40,320	15,721	8,721	25,779	357,328	290,152	426,656

## WHEAT FLOUR PRODUCTION.

[Barrels, in thousands; i. e., 000 omitted.]

	Production.	Stocks at mills at close of month.		Production.	Stocks at mills at close of month.
June.....		1,109	October.....	11,752	3,422
July.....	6,730	1,606	November.....	11,175	3,337
August.....	10,391	2,336	December.....	11,759	3,260
September.....	11,835	3,064			

## California shipments of citrus and deciduous fruits.

	Oranges.		Lemons.		Total citrus fruits.		Total deciduous fruits.
	Carloads.	Relative.	Carloads.	Relative.	Carloads.	Relative.	
January.....	1,409	58	237	59	1,646	58	5
February.....	1,035	45	372	99	1,407	53	2
March.....	2,125	87	544	134	2,669	94	2
April.....	2,640	108	585	144	3,225	113	12
May.....	1,957	80	824	203	2,781	98	118
June.....	1,465	60	951	235	2,414	85	1,116
July.....	914	37	561	139	1,475	52	3,758
August.....	767	31	732	181	1,499	53	9,126
September.....	549	22	275	68	824	29	5,879
October.....	485	20	639	158	1,124	39	7,143
November.....	1,125	46	676	167	1,801	63	1,044
December.....	3,565	146	722	178	4,287	150	267
Year.....	18,034	61	7,118	147	25,152	74	28,472

*Sugar.*

[Data of International Sugar Committee for ports of Boston, New York, Philadelphia, Savannah, New Orleans, Galveston, San Francisco.]  
[Tons of 2,240 pounds.]

	Receipts.	Meltings.	Raw stocks at close of month.		Receipts.	Meltings.	Raw stocks at close of month.
April.....	365,763	324,200	92,128	October.....	242,012	207,566	77,233
May.....	431,757	385,492	155,963	November.....	138,141	172,528	50,989
June.....	357,363	347,078	167,259	December.....	92,785	123,091	13,774
July.....	288,449	320,908	135,061	Year.....	3,093,285	3,082,438	.....
August.....	218,690	263,383	100,392				
September.....	176,867	210,745	56,978				

[Data for ports of New York, Boston, Philadelphia.]

[Weekly Statistical Sugar Trade Journal.]

[Tons of 2,240 pounds. Monthly average 1911-1913=100.]

	Receipts.		Meltings.		Raw stocks at close of month.			Receipts.		Meltings.		Raw stocks at close of month.	
	Tons.	Relative.	Tons.	Relative.	Tons.	Relative.		Tons.	Relative.	Tons.	Relative.	Tons.	Relative.
January.....	123,080	67	90,000	49	39,494	23	September.....	145,555	79	139,000	76	46,869	27
February.....	179,768	105	188,000	110	31,262	18	October.....	151,703	82	156,000	85	42,522	25
March.....	210,213	114	216,000	118	25,475	15	November.....	139,343	76	139,000	76	43,112	25
April.....	242,958	132	225,000	123	41,228	24	December.....	58,751	32	92,000	50	9,852	6
May.....	316,464	172	271,000	148	86,400	50	Year 1918.....	2,169,076	98	2,164,000	98	.....	.....
June.....	255,764	139	252,000	137	90,697	52	1917.....	2,346,104	106	2,397,000	109	.....	.....
July.....	186,225	101	221,000	120	55,322	32							
August.....	159,252	87	175,000	95	39,375	23							

*Lumber.*

[From reports of manufacturers' associations.]

[M feet.]

	Southern pine.			Western pine.			Douglas fir.			Eastern white pine.			North Carolina pine.		
	No. of mills.	Production.	Shipments.	No. of mills.	Production.	Shipments.	No. of mills.	Production.	Shipments.	No. of mills.	Production.	Shipments.	No. of mills.	Production.	Shipments.
January.....	188	381,705	393,997	24,46	64,999	93,386	127	336,200	304,600	26	34,762	38,666	25	14,341	11,913
February.....	187	383,954	384,923	45	73,147	66,584	134	302,400	268,500	26	24,365	27,366	20	19,299	14,665
March.....	189	407,682	427,943	38,44	105,133	94,104	103	259,600	217,500	26	24,691	37,992	30	35,824	27,684
April.....	187	385,033	445,207	41,45	129,123	126,592	132	304,800	319,600	24	56,636	52,822	28	23,319	26,817
May.....	194	425,962	495,689	43,47	145,773	128,596	132	380,100	405,900	24	75,903	63,506	27	25,222	28,458
June.....	187	376,204	408,044	42,45	145,719	127,546	119	292,200	331,600	26	96,467	75,197	27	24,416	27,851
July.....	201	412,002	453,786	42,45	147,533	112,915	123	269,100	266,300	26	86,658	59,412	36	31,517	34,815
August.....	202	391,648	437,776	44,47	151,156	109,402	130	292,200	275,000	26	95,942	51,327	31	24,118	34,377
September.....	190	346,069	350,628	45,45	130,029	80,859	106	316,000	248,000	26	72,937	38,711	41	31,908	34,963
October.....	202	321,214	353,266	42,47	121,850	79,701	115	356,487	324,080	27,21	32,787	26,152	42	27,912	36,478
November.....	194	312,126	353,810	38,46	90,078	74,103	.....	.....	.....	.....	.....	.....	42	32,596	36,012
December.....	204	310,068	322,831	27,46	63,315	63,823	.....	.....	.....	.....	.....	.....	43	26,728	21,570

RECEIPTS AND SHIPMENTS OF LUMBER AT CHICAGO.

[Chicago Board of Trade.]

[Monthly average 1911-1913=100.]

	Receipts.		Shipments.			Receipts.		Shipments.	
	M feet.	Relative.	M feet.	Relative.		M feet.	Relative.	M feet.	Relative.
January.....	122,976	58	58,362	76	September.....	171,515	81	68,133	89
February.....	133,436	67	60,255	84	October.....	130,503	62	70,590	92
March.....	261,784	123	137,431	179	November.....	142,230	67	72,723	95
April.....	267,039	126	126,195	165	December.....	163,908	77	60,831	79
May.....	252,265	119	121,667	159	Year 1918.....	2,329,071	92	1,064,199	116
June.....	230,854	109	111,160	145	1917.....	3,354,117	132	1,518,866	165
July.....	243,598	115	98,145	128					
August.....	208,963	99	78,707	103					

Coal and coke.

[Bituminous coal and coke, U. S. Geological Survey; anthracite coal, Anthracite Bureau of Information.]

[Monthly average 1911-1913=100.]

	Bituminous coal, estimated monthly production.		Anthracite coal, shipments over 9 roads.		Coke, estimated monthly production.					
	Short tons.	Relative.	Short tons.	Relative.	Beehive.		By-product.		Total.	
					Short tons.	Relative.	Short tons.	Relative.	Short tons.	Relative.
January	42,607,206	115	5,638,383	100	2,242,362	86	1,649,819	187	3,892,181	114
February	44,384,937	128	5,812,082	111	2,234,281	92	1,562,056	190	3,796,337	116
March	48,631,115	131	7,276,777	129	2,630,433	101	2,051,206	233	4,681,639	134
April	46,590,570	126	6,368,373	113	2,580,931	99	2,021,437	230	4,602,368	132
May	50,927,195	137	6,887,256	122	2,757,719	105	2,139,204	243	4,896,923	140
June	51,757,214	140	6,867,669	122	2,712,726	104	2,092,155	238	4,804,881	137
July	55,587,312	150	7,084,775	126	2,813,910	108	2,300,673	261	5,114,583	140
August	55,732,082	150	7,180,923	128	2,657,072	102	2,387,675	271	5,044,747	144
September	51,757,334	140	6,234,395	111	2,570,238	98	2,410,798	274	4,981,036	143
October	52,885,813	143	6,286,366	112	2,611,885	100	2,563,183	291	5,175,068	148
November	44,386,987	126	5,276,659	94	2,339,197	89	2,523,746	287	4,862,943	139
December	40,634,525	110	5,736,260	102	2,255,296	86	2,562,048	291	4,817,344	138
Year 1918	585,882,300	132	76,649,918	113	30,406,000	97	26,264,000	249	56,670,000	135
1917	551,790,300	124	77,133,305	114	33,167,548	106	22,439,280	213	55,606,828	133

Movement of crude petroleum east of Rocky Mountains.

[U. S. Geological Survey.] [Barrels of 42 gallons each.]

	Marketed.		Stocks at end of month.		Marketed.		Stocks at end of month.
	Barrels.	Relative.	Barrels.		Barrels.	Relative.	Barrels.
January	18,800,500	160	118,836,090	September	20,384,523	173	104,746,889
February	18,060,300	164	116,778,880	October	21,495,283	183	102,669,518
March	21,230,400	180	115,173,070	November	20,783,899	177	99,419,237
April	20,499,360	174	114,402,425	December	19,637,286	167	96,318,452
May	21,143,810	180	114,364,400				
June	21,097,260	179	114,322,605	Year 1918	245,247,076	174	
July	21,617,464	184	110,950,501	1917	241,427,752	171	
August	20,496,991	174	108,768,635				

Total output of oil refineries in United States.

[Bureau of Mines.]

	Crude oil run (barrels).	Gasoline (gallons).	Kerosene (gallons).	Gas and fuel (gallons).	Lubricating (gallons).
January	22,842,587	242,652,044	119,358,184	547,866,248	56,623,425
February	23,386,676	234,324,619	121,218,320	510,165,397	58,300,914
March	26,239,662	269,627,968	151,228,007	587,985,804	69,808,351
April	26,201,544	293,396,182	159,708,682	578,255,341	71,022,204
May	28,510,698	319,391,202	160,590,760	631,580,209	79,589,735
June	28,149,479	315,023,445	151,840,252	628,842,033	74,420,996
July	29,170,718	332,022,685	156,828,826	658,459,682	79,303,107
August	28,534,275	330,335,046	149,678,850	671,113,871	72,892,879
September	28,390,431	314,593,959	164,963,798	653,085,050	70,593,079
October	29,237,767	314,251,818	164,928,640	661,780,441	72,244,633
November	27,411,636	312,968,640	169,278,105	604,403,494	72,178,602
<i>Stocks at the close of month.</i>					
Jan. 31	12,324,191	469,277,166	436,254,045	547,450,775	141,907,918
Feb. 28	11,633,411	518,794,609	411,150,157	502,046,687	150,259,653
Mar. 31	13,123,241	526,382,386	356,580,540	483,447,727	146,572,398
Apr. 30	12,600,062	509,197,134	393,527,476	471,644,479	144,383,212
May 31	11,824,633	460,637,479	343,311,945	515,020,224	161,009,729
June 30	11,956,151	418,440,353	426,285,676	550,704,759	158,316,257
July 31	14,026,525	349,928,004	432,807,129	519,012,839	136,460,207
Aug. 31	13,946,595	285,446,538	424,281,481	569,016,413	137,496,986
Sept. 30	14,462,100	269,772,723	436,628,907	583,407,769	147,425,556
Oct. 31	15,438,576	250,328,369	419,409,944	596,116,351	135,196,542
Nov. 30	15,222,401	270,072,011	397,804,012	583,777,918	132,923,478

*Iron and steel.*

[Great Lakes iron ore movements, Marine Review; pig iron production, Iron Age; steel ingot production, American Iron and Steel Institute.]

[Monthly average, 1911-1913=100; iron ore, monthly average, May-Nov., 1911-1913=100.]

	Iron ore shipments from the upper Lakes.		Pig iron production.		Steel ingot production.		Unfilled orders U. S. Steel Corporation at close of month.	
	Gross tons.	Relative.	Gross tons.	Relative.	Gross tons.	Relative.	Gross tons.	Relative.
January.....			2,411,768	104	2,203,845	92	9,477,853	180
February.....			2,319,399	107	2,273,741	102	9,288,453	176
March.....			3,213,091	139	3,110,381	130	9,056,404	172
April.....	235,870		3,288,211	142	3,163,410	132	8,741,882	166
May.....	8,792,231	145	3,446,412	149	3,287,233	137	8,337,623	158
June.....	9,921,860	164	3,323,791	143	3,083,446	129	8,918,866	169
July.....	10,659,203	176	3,420,988	148	3,113,635	130	8,833,801	169
August.....	9,725,331	161	3,389,585	146	3,083,680	129	8,759,942	166
September.....	8,995,014	148	3,418,270	148	3,197,658	134	8,297,045	157
October.....	8,641,693	141	3,486,941	151	3,352,196	140	8,353,293	158
November.....	4,333,828	72	3,354,074	145	3,060,154	128	8,124,663	154
December.....	6,836		3,433,617	148	2,992,291	125	7,379,152	140
Year 1918.....			38,506,249	139	35,922,291	125		
1917.....			38,185,981	137	37,187,325	129		

NOTE.—Estimated total steel ingot production: 1918, 42,212,000 tons; 1917, 42,200,000 tons.

*Nonferrous metals.*

[Tin, Department of Commerce; spelter, United States Geological Survey.]

[Monthly average 1911-1913=100.]

	Imports of pig tin.		Spelter.				Imports of pig tin.		Spelter.		
	Pounds.	Relative.	Production.		Stocks at close of month.		Pounds.	Relative.	Production.		Stocks at close of month.
			Short tons.	Relative.					Short tons.	Relative.	
January.....	12,572,727	138	46,223	171	58,354	September.....	10,630,666	117	43,492	161	41,818
February.....	7,581,403	89	45,084	179	62,114	October.....	9,885,984	109	45,631	169	30,608
March.....	13,529,209	149	47,772	177	60,895	November.....	10,734,179	118	46,555	161	31,874
April.....	13,035,803	143	47,450	174	59,738	December.....	5,887,063	68	46,903	174	34,765
May.....	10,796,218	119	46,069	171	51,017	Year 1918..	141,671,561	130	544,944	168	
June.....	15,130,205	166	40,488	150	49,368	1917..	143,687,037	132	669,573	207	
July.....	15,567,667	171	46,467	172	42,480						
August.....	16,317,437	180	45,811	170	43,477						

*Textiles.*

[Silk, Department of Commerce; cotton, Bureau of the Census; wool, Bureau of Markets; idle machinery, Jan.-Sept., inclusive, National Association of Wool Manufacturers.]

[Cotton, monthly average crop years 1912-1914=100; silk, monthly average 1911-1913=100.]

	Cotton consumption.		Cotton spindles active during month.	Wool consumption (pounds).	Percentage of idle woolen machinery on first of month to total reported.						Imports of raw silk.	
	Bales.	Relative.			Looms.		Sets of cards.	Combs.	Spinning spindles.		Pounds.	Relative.
					Wider than 50-inch reed space.	Under 50-inch reed space.			Woolen.	Worsted.		
January.....	524,083	117	33,552,732	53,827,887	9.6	12.1	6.1	8.1	6.2	14.7	2,470,187	121
February.....	510,187	122	33,615,110	52,890,535	8.1	8.4	5.1	7.9	4.9	11.6	1,606,620	84
March.....	571,202	127	33,789,656	58,878,147	8.2	8.0	4.6	8.3	5.5	12.7	2,199,167	107
April.....	544,559	121	33,746,983	57,651,248	7.1	8.5	4.2	8.8	5.0	12.5	2,947,222	144
May.....	577,288	128	33,720,555	60,124,546	7.9	8.3	5.3	8.6	5.4	12.7	2,740,971	134
June.....	527,464	117	33,720,413	52,338,824	8.6	11.9	5.5	15.0	7.0	14.0	2,937,744	144
July.....	541,792	120	33,674,896	50,951,651	10.4	10.2	5.9	10.5	6.5	13.2	1,997,314	98
August.....	534,914	119	33,646,811	51,516,457	12.2	14.3	6.0	10.2	6.6	15.3	3,813,595	186
September.....	490,779	109	33,524,275	47,648,413	13.8	15.1	7.8	13.2	8.3	20.2	3,973,754	194
October.....	440,833	98	32,760,623	48,692,509	18.3	24.3	9.3	12.5	8.8	18.8	2,814,270	138
November.....	457,376	102	33,121,507	38,282,723	21.1	26.8	11.1	23.8	11.9	30.1	2,336,345	114
December.....	472,941	105	33,652,612	32,355,081	22.5	24.9	13.8	17.8	16.1	27.4	2,680,863	131
Year.....				605,158,021							32,632,811	133
1919.												
January.....					40.3	32.6	32.2	30.7	36.5	37.5		

NOTE.—Figures of idle wool machinery since Dec. 1 are not entirely comparable with previous figures, due to fact that later figures are for number of machines running on single shift, while earlier figures count as two a machine running double time. The effect is, however, small.

Production of wood pulp and paper.

[Federal Trade Commission.]

[Net tons.]

	Wood pulp.	News print.	Book.	Paper board.	Wrap-ping.	Fine.		Wood pulp.	News print.	Book.	Paper board.	Wrap-ping.	Fine.
July.....		103,348	69,458	177,931	70,526	34,609	October.....	237,624	88,155	60,743	143,373	58,903	28,532
August.....	262,377	113,826	76,439	192,810	71,249	36,910	November.....	270,849	97,693	67,262	152,321	61,681	33,429
September.....	246,741	99,528	66,581	168,384	61,390	37,833	December.....	273,973	104,878	62,520	129,590	49,890	29,586

Tax-paid manufactured tobacco products in the United States (excluding Porto Rico and Philippine Islands).

[Commissioner of Internal Revenue.]

	Cigars.		Cigarettes.	Chewing and smoking tobacco.		Cigars.		Cigarettes.	Chewing and smoking tobacco.
	Large.	Small.	Small.			Large.	Small.	Small.	
	Number.	Number.	Number.	Pounds.		Number.	Number.	Number.	Pounds.
January.....	532,833,941	69,439,836	2,447,265,488	30,109,316	September.....	585,400,449	60,556,000	3,403,205,736	37,893,818
February.....	555,137,877	66,306,371	2,716,702,135	35,520,128	October.....	594,764,527	63,111,160	3,027,300,975	39,440,893
March.....	618,833,553	84,253,394	3,253,402,306	37,072,812	November.....	537,794,904	63,177,200	2,986,775,643	32,618,009
April.....	616,372,314	79,794,719	3,393,675,490	35,229,106	December.....	527,586,098	59,139,250	2,788,379,210	25,276,695
May.....	593,732,762	82,294,279	3,361,426,426	31,729,197	Year 1918..	6,990,824,532	844,759,215	37,890,617,317	415,280,702
June.....	569,267,335	76,568,347	3,273,158,852	33,018,297	1917..	7,857,572,775	995,550,158	34,745,132,195	441,917,278
July.....	634,609,533	79,237,849	3,796,878,822	36,607,578					
August.....	624,491,239	60,880,910	3,442,446,234	40,764,853					

Output of locomotives and cars.

[Locomotives, United States Railroad Administration; cars, Railway Car Manufacturers' Association.]

	Locomotives.		Output of cars.				Locomotives.		Output of cars.		
	Domestic shipped.	Foreign completed.	Domestic.	Foreign.	Total.		Domestic shipped.	Foreign completed.	Domestic.	Foreign.	Total.
	Number.	Number.	Number.	Number.	Number.		Number.	Number.	Number.	Number.	Number.
January.....			4,281	2,183	6,464	August.....	214	77	2,437	4,847	7,284
February.....			5,944	3,010	8,954	September.....	267	213	2,666	3,564	6,230
March.....			5,766	5,050	10,816	October.....	295	313	4,555	2,681	7,236
April.....			3,000	2,982	5,982	November.....	224	252	6,743	2,330	9,093
May.....			5,048	3,841	8,889	December.....	281	177	7,876	3,402	11,278
June.....			3,644	4,660	8,304	Year.....			55,272	42,980	98,252
July.....			3,312	4,410	7,722						

Vessels built in United States, including those for our French allies, and officially numbered by the Bureau of Navigation.

[Monthly average 1911-1913=100.]

	Number.	Gross tonnage.	Relative.		Number.	Gross tonnage.	Relative.
January.....	57	64,795	268	September.....	170	308,470	1,276
February.....	84	117,601	521	October.....	202	357,532	1,479
March.....	138	147,145	609	November.....	171	357,660	1,480
April.....	165	163,050	675	December.....	153	283,359	1,173
May.....	185	194,464	805	Year 1918.....	1,882	2,721,281	938
June.....	188	201,425	834	1917.....	1,699	1,034,296	357
July.....	193	229,931	951				
August.....	177	295,849	1,224				

*Tonnage of vessels cleared in the foreign trade.*

[Department of Commerce.]

[Monthly average 1911-1913=100.]

	Net tonnage.				Per-centage of Ameri-can to total.	Rela-tive.	Net tonnage.				Per-centage of Ameri-can to total.	Rela-tive.	
	American.	Foreign.	Total.	Rela-tive.			American.	Foreign.	Total.	Rela-tive.			
January.....	891,351	1,739,923	2,631,274	68	33.9	134	September.....	2,009,194	2,290,872	4,300,066	111	46.7	185
February.....	757,141	1,511,845	2,268,986	63	33.4	132	October.....	1,875,947	2,163,383	4,039,330	104	46.4	184
March.....	1,033,942	1,963,471	3,017,413	78	34.9	138	November.....	1,770,935	1,991,725	3,762,660	97	47.0	186
April.....	1,251,114	1,730,823	2,981,937	77	42.0	166	December.....	1,133,693	2,053,517	3,187,209	82	36.0	141
May.....	1,811,603	2,526,793	4,338,396	112	41.8	165	Year 1918.....	18,862,577	26,233,414	45,095,991	97	42.0	165
June.....	1,881,771	2,511,425	4,393,196	113	42.8	169	1917.....	19,961,356	29,605,586	49,567,442	106	40.0	159
July.....	2,093,310	2,941,171	5,034,481	129	41.6	164							
August.....	2,332,577	2,808,466	5,141,043	132	45.4	179							

*Net ton-miles, revenue and nonrevenue.*

[United States Railroad Administration.]

January.....	27,303,040,000	September.....	33,592,137,000
February.....	29,217,552,000	October.....	39,548,562,000
March.....	33,912,399,000	November.....	35,533,026,000
April.....	37,128,637,000	December.....	33,659,507,000
May.....	36,720,788,000	Year 1918 <sup>1</sup> .....	434,997,928,000
June.....	36,989,426,000	1919.....	427,341,924,000
July.....	38,761,291,000		
August.....	38,469,847,000		

<sup>1</sup> Total for the year slightly in excess of the sum of monthly totals, the annual total including figures for certain carriers not included in the monthly totals.

**DISCOUNT OPERATIONS OF THE FEDERAL RESERVE BANKS DURING DECEMBER AND THE CALENDAR YEAR 1918.**

For the month of December discount operations of the Federal Reserve Banks reached the record total of \$6,215,083,531, compared with \$5,154,592,221 the month before and \$937,433,413 for December, 1917. Of the total bills discounted during the month under review the share of war paper, i. e., member banks' notes and customers' paper secured by United States war obligations was 92.7 per cent, compared with about 90 per cent the month before and less than 30 per cent for December, 1917. Over 65 per cent of the total war paper and a slightly smaller percentage of the month's total discounts are reported by the New York bank. Large increases in the amounts of war paper handled, as compared with November, are shown for the eastern banks and San Francisco.

Total discounts for the year were \$39,763,-226,393, compared with \$9,014,186,454 for 1917. While the total for 1918, much more than the 1917 total, is composed of members' collateral notes of the shortest maturities and the largest average liquidations, still a comparison of the figures conveys some idea of the additional volume of business handled by the Federal Reserve Banks during the past year. About 85 per cent of the larger total was composed of war paper, the New York bank alone accounting for 61.7 per cent of the total discounted and for about two-thirds of the war paper discounted during the past year.

Discounts of members' collateral notes secured by eligible paper totaled \$51,586,141, compared with \$65,073,069 for November, Boston, Chicago and Kansas City reporting the bulk of this class of paper. Trade acceptances discounted during the month aggregated \$11,942,831, compared with \$16,312,995 in November. Of the smaller total \$900,850 were based upon transactions in the foreign trade reported by the New York bank, the remainder being domestic trade acceptances. In addition, four banks report the discount of \$719,812 of bankers' acceptances, as against \$900,110 the month before. The above totals are exclusive of \$3,995,162 of foreign trade acceptances and \$1,870,994 of domestic trade acceptances bought during the month largely by the New York, Cleveland and San Francisco banks.

Trade acceptances discounted during the year aggregated \$193,220,112 compared with \$37,771,132 discounted in 1917, while trade

acceptances bought in open market during the year totaled \$60,725,326 as against \$30,947,981 bought during 1917.

Of the total paper discounted during December 96.5 per cent was 15-day paper, i. e., maturing within 15 days from date of discount with the Federal Reserve Bank. For the New York bank, because of the relatively larger volume of collateral notes handled, this ratio runs as high as 98.2 per cent. Discounts of 6-months' paper totaled \$10,539,594, nearly 60 per cent of this amount being the combined share of the Kansas City and Dallas banks.

With the exception of the Minneapolis, Dallas, and San Francisco banks, all the banks show shorter average maturities of paper discounted during the month, the calculated average maturity for the system working out at 8.54 days for December as against 12.37 days for November. Because of the relatively larger volume of fourth Liberty loan paper at the preferential 4 per cent rate the average rate of discount for the system shows a decrease from 4.20 in November to 4.18 in December.

For the complete year the average maturity of all the paper discounted by all the banks works out at 11.83 days and the average rate of discount at 4.23 per cent.

On the last Friday of the month the Federal Reserve Banks held a total of \$1,702,938,000, as against \$1,815,195,000 on the last Friday in November, and \$680,706,000 on the corresponding date in 1917. Of the total discounts held about the close of the present year the share of war paper was 82.2 per cent, compared with 77.9 per cent about the end of November and 43 per cent about the end of 1917.

At the New York bank this percentage was nearly 94 per cent, slightly lower percentages obtaining for the other eastern banks. Discounted trade acceptances on hand totaled \$15,985,000 compared with \$23,126,000 about the end of November. Holdings of agricultural paper aggregated \$29,384,000, as against \$27,492,000 on the last Friday in November, while live-stock paper on hand totaled \$27,335,000, of which about 80 per cent represents the combined holdings of the Kansas City and Dallas banks.

During the month there was a net increase of 43 in the number of Federal Reserve member banks, the total membership at the end of the year being 8,711, as against 8,668 at the close of November and 7,885 at the end of 1917.

The number of member banks discounting during December is given as 3,288, compared with 3,667 the month before. It is notable that while most of the Federal Reserve Banks report considerable decreases since November in the number of accommodated members, the New York and Philadelphia banks show substantial increases in these numbers, corresponding in a general way to the large increases in the volume of their monthly discount operations.

In the following exhibit are given the numbers of member banks at the end of November and December, also the number of banks accommodated during each month:

Federal Reserve Bank.	Number of member banks in district.		Number of member banks accommodated.	
	Dec. 31.	Nov. 30.	December.	November.
Boston.....	425	423	196	236
New York.....	724	719	379	369
Philadelphia.....	663	662	342	315
Cleveland.....	816	811	156	172
Richmond.....	566	563	238	258
Atlanta.....	426	422	251	250
Chicago.....	1,333	1,324	482	666
St. Louis.....	515	515	176	179
Minneapolis.....	867	865	161	197
Kansas City.....	995	995	317	344
Dallas.....	732	730	388	422
San Francisco.....	649	639	222	259
Total.....	8,711	8,668	3,288	3,667

Total investment operations of each Federal Reserve Bank during the month of December, 1918 and 1917, and the 12 months ending Dec. 31, 1918 and 1917.

Federal Reserve Bank.	Bills discounted for members.	Bills bought in open market.			Municipal warrants.			
		Bankers' acceptances.	Trade acceptances.	Total.	City.	State.	All other.	Total.
Boston.....	\$364,217,650	\$22,704,536	\$279,430	\$22,983,966				
New York.....	3,918,402,840	60,638,952	1,882,151	62,521,143				
Philadelphia.....	511,014,436	1,314,610	20,526	1,335,136				
Cleveland.....	259,296,729	10,586,874	1,638,752	12,225,626				
Richmond.....	265,883,698	4,296,846		4,296,846				
Atlanta.....	160,977,619	6,701,828		6,701,828				
Chicago.....	283,963,030	9,917,628		9,917,628				
St. Louis.....	133,644,917	5,536,163		5,536,163				
Minneapolis.....	9,908,927	6,191,617	17,319	6,208,936				
Kansas City.....	81,354,589	3,468,366		3,468,366				
Dallas.....	77,591,214	1,498,000		1,498,000				
San Francisco.....	148,827,882	11,012,222	2,027,978	13,040,200				
Total, December, 1918.....	6,215,083,531	149,867,282	5,866,156	155,733,438	\$124,404	\$2,944	\$68,200	\$195,548
Total, December, 1917.....	937,433,413	174,444,166	3,624,843	178,069,009				
Total, 12 months ending Dec. 31, 1918.....	39,763,226,393	1,757,628,579	60,725,326	1,818,353,905	315,081	520,000	862,229	1,697,310
Total, 12 months ending Dec. 31, 1917.....	9,014,186,454	1,046,764,534	30,947,975	1,077,712,509	15,769,759	263,059	788,748	16,821,566

Federal Reserve Bank.	United States securities.							Total investment operations.		
	2 per cent.	3 per cent.	3½ per cent.	4 per cent.	4½ per cent.	1-year Treasury notes.	United States certificates of indebtedness.	Total.	December, 1918.	December, 1917. <sup>a</sup>
Boston.....						\$800	\$69,000,000	\$69,000,800	\$456,202,416	\$119,078,427
New York.....							1,527,083,500	1,527,083,500	5,508,007,483	397,456,543
Philadelphia.....				\$10,900			3,840,000	3,850,900	516,200,472	61,871,567
Cleveland.....					100		61,847,500	61,847,600	339,369,955	72,339,201
Richmond.....							29,500,000	29,500,000	299,680,044	127,023,937
Atlanta.....					25,050		5,059,000	5,084,050	172,763,597	37,127,114
Chicago.....							3,000,000	3,000,000	296,880,658	141,979,156
St. Louis.....							1,000,000	1,000,000	140,181,080	57,693,031
Minneapolis.....							1,505,500	1,505,500	17,623,363	18,873,321
Kansas City.....							2,015,000	2,015,000	86,837,955	47,231,037
Dallas.....							16,015,000	16,015,000	95,104,214	14,273,817
San Francisco.....							28,014,500	28,014,500	189,882,582	42,157,209
Total, December, 1918.....				10,900	25,950		1,747,880,000	1,747,916,850	8,118,733,819	
Total, December, 1917.....										1,137,104,390
Total, 12 months ending Dec. 31, 1918.....		\$455,000	7,947,950	44,230,988	21,732,275	520,000	5,770,563,660	5,845,449,873	47,428,727,481	
Total, 12 months ending Dec. 31, 1917.....	\$13,997,200	188,540	45,862,610	21,488,966		7,063,000		\$88,600,316		10,197,320,845

<sup>1</sup> Includes \$250,253 in the domestic trade.  
<sup>2</sup> Includes \$1,620,741 in the domestic trade.

<sup>a</sup> Exclusive of purchases of United States certificates of indebtedness.

Average amount of earning assets held by each Federal Reserve Bank during December, 1918, earnings from each class of earning assets and annual rates of earnings on basis of December, 1918, returns.

	Average balances for the month of the several classes of earning assets.				
	Discounted bills.	Purchased bills.	United States securities.	Municipal warrants.	Total.
Boston.....	\$132,690,636	\$15,554,822	\$8,824,460	.....	\$157,069,918
New York.....	659,523,575	97,025,257	97,721,548	.....	854,270,380
Philadelphia.....	180,015,946	5,838,714	11,963,835	.....	197,818,495
Cleveland.....	137,765,051	47,588,961	15,602,626	.....	200,956,638
Richmond.....	86,510,920	4,133,795	0,292,394	.....	90,937,109
Atlanta.....	82,532,550	12,266,780	5,767,252	\$20,766	100,587,348
Chicago.....	168,630,309	80,989,117	18,734,403	.....	268,353,829
St. Louis.....	72,864,822	6,451,668	7,302,045	.....	86,618,535
Minneapolis.....	32,009,700	17,235,300	4,838,700	.....	54,083,700
Kansas City.....	65,109,405	10,593,582	12,633,353	.....	88,336,340
Dallas.....	48,075,583	3,051,222	7,216,431	.....	58,343,236
San Francisco.....	83,421,428	43,599,539	7,860,296	.....	134,881,263
Total.....	1,749,153,925	344,329,057	204,807,343	20,766	2,298,313,091

	Earnings from—					Calculated annual rates of earnings from—				
	Dis-counted bills.	Purchased bills.	United States securities.	Municipal warrants.	Total.	Dis-counted bills.	Purchased bills.	United States securities.	Municipal warrants.	Total.
						<i>Per cent.</i>	<i>Per cent.</i>	<i>Per cent.</i>	<i>Per cent.</i>	<i>Per cent.</i>
Boston.....	\$463,452	\$55,025	\$22,106	.....	\$540,583	4.11	4.17	2.21	.....	4.05
New York.....	2,345,085	366,833	191,125	.....	2,903,043	4.13	4.45	2.30	.....	4.00
Philadelphia.....	654,353	22,305	24,002	.....	700,665	4.27	4.49	2.36	.....	4.17
Cleveland.....	492,595	173,609	32,307	.....	698,511	4.21	4.30	2.43	.....	4.09
Richmond.....	319,407	16,909	11,483	.....	347,799	4.35	4.82	2.15	.....	4.22
Atlanta.....	299,267	47,035	11,421	\$87	357,810	4.27	4.51	2.33	4.20	4.19
Chicago.....	635,437	293,479	38,916	.....	967,832	4.44	4.27	2.45	.....	4.25
St. Louis.....	264,738	23,222	13,305	.....	301,265	4.23	4.24	2.15	.....	4.10
Minneapolis.....	116,760	63,115	9,351	.....	189,226	4.29	4.31	2.28	.....	4.12
Kansas City.....	269,663	37,379	31,811	.....	338,853	4.88	4.15	2.91	.....	4.51
Dallas.....	199,088	12,129	15,241	.....	226,458	4.88	4.67	2.49	.....	4.57
San Francisco.....	319,578	162,906	17,753	.....	500,237	4.51	4.40	2.66	.....	4.37
Total.....	6,379,423	1,273,946	418,321	87	8,071,782	4.29	4.33	2.40	4.20	4.14

Bills discounted for member banks during the month of December, 1918, distributed by classes; also average rates and maturities of bills discounted by each Federal Reserve Bank.

Federal Reserve Bank.	Customers' paper secured by United States war obligations.	Member banks' collateral notes.		Trade acceptances.	Bankers' acceptances.	All other discounts.	Total.	Average maturity in days.	Average rate (per cent). <sup>1</sup>
		Secured by United States war obligations.	Otherwise secured.						
Boston.....	\$19,176,870	\$306,478,500	\$26,766,050	\$445,042	\$496,960	\$10,854,228	\$364,217,650	9.30	4.17
New York.....	67,650,409	3,694,340,744	.....	3,050,117	50,986	153,310,584	3,918,402,840	5.29	4.05
Philadelphia.....	26,564,810	447,332,929	.....	759,484	.....	36,307,213	511,014,436	10.92	4.02
Cleveland.....	10,708,189	231,384,800	70,000	1,852,499	.....	15,281,241	259,266,729	13.34	4.12
Richmond.....	4,208,353	250,688,349	408,350	1,295,226	.....	9,283,420	265,883,698	9.22	4.29
Atlanta.....	1,430,283	115,227,550	1,736,400	1,191,868	.....	41,391,518	160,977,619	17.42	4.21
Chicago.....	3,506,522	207,519,850	10,206,100	621,661	.....	62,108,897	283,963,080	18.00	4.25
St. Louis.....	2,127,268	118,945,608	40,000	618,931	169,500	11,743,610	133,644,917	16.03	4.16
Minneapolis.....	16,064	8,599,550	37,000	4,075	.....	1,252,238	9,908,927	22.87	4.57
Kansas City.....	429,075	59,042,864	10,115,716	850,148	.....	10,916,786	81,354,589	23.85	4.74
Dallas.....	844,049	59,519,264	2,203,525	380,451	.....	14,643,922	77,591,214	27.19	4.58
San Francisco.....	2,546,510	120,958,691	3,000	873,326	2,366	24,443,989	148,827,882	21.18	4.57
Total.....	139,208,402	5,620,088,699	51,586,141	11,942,831	719,812	391,537,646	6,215,083,531	8.54	<sup>2</sup> 4.18

<sup>1</sup> Boston and New York calculated on a 365-day basis; all other Federal Reserve Banks on a 360-day basis.  
<sup>2</sup> Includes \$900,850 in the foreign trade.  
<sup>3</sup> Average discount rate on all paper discounted works out at 4.15 per cent if calculated on a 360-day basis, and at 4.21 per cent if calculated on a uniform 365-day basis.

Amounts of bills discounted and acceptances and warrants bought by each Federal Reserve Bank during the 3 months ending Dec. 31, 1918, distributed by maturities.

	15-day maturities.				30-day maturities.			
	Discounts.	Acceptances.	Warrants.	Total.	Discounts.	Acceptances.	Warrants.	Total.
Boston.....	\$862,807,476	\$10,246,677		\$873,054,153	\$8,940,472	\$15,838,593		\$24,779,065
New York.....	10,302,810,170	50,561,219		10,353,371,389	29,835,908	77,765,565		107,601,473
Philadelphia.....	1,033,143,189	679,959		1,033,823,148	6,525,268	1,711,064		8,236,332
Cleveland.....	582,385,309	3,355,200		585,740,509	6,311,538	6,216,482		12,528,020
Richmond.....	724,544,425	1,268,227		725,812,652	6,997,945	1,785,907		8,783,852
Atlanta.....	451,118,548	360,740		451,479,288	6,160,520	2,247,461		8,407,981
Chicago.....	1,102,864,660	7,162,618		1,110,027,278	11,555,879	5,851,949		17,407,828
St. Louis.....	398,680,618	1,365,894		400,046,512	6,810,627	517,500		7,328,127
Minneapolis.....	86,658,198	510,000		87,168,198	4,697,505	350,937		5,048,442
Kansas City.....	253,019,763			253,019,763	5,974,509	631,905		6,606,414
Dallas.....	190,998,846	530,000		191,528,846	6,152,129	1,150,000		7,302,129
San Francisco.....	375,946,425	1,607,917		377,554,342	4,541,459	5,326,179		9,867,638
Total.....	16,364,977,627	77,758,451		16,442,736,078	104,503,759	119,393,542		223,897,301
Per cent.....				91.9				1.3

	60-day maturities.				60-day maturities.			
	Discounts.	Acceptances.	Warrants.	Total.	Discounts.	Acceptances.	Warrants.	Total.
Boston.....	\$18,099,933	\$26,227,771		\$44,327,704	\$120,096,237	\$29,417,871		\$149,514,108
New York.....	54,896,244	74,132,437		128,941,681	192,510,987	65,806,859		258,317,846
Philadelphia.....	6,814,047	6,987,330		13,801,377	38,745,123	19,468,530		58,213,653
Cleveland.....	11,121,858	21,086,022		32,207,880	17,022,634	26,183,130		43,205,764
Richmond.....	17,392,601	4,207,373		21,599,974	21,765,817	7,293,109		29,058,926
Atlanta.....	14,689,567	5,233,942	\$1,292	19,923,802	21,152,029	11,062,019	\$4,391	32,248,439
Chicago.....	28,350,499	4,207,914		32,558,413	45,042,782	35,431,081		80,473,863
St. Louis.....	19,483,191	3,603,595		23,086,786	18,972,908	3,874,610		22,847,518
Minneapolis.....	9,930,664	4,657,952		14,588,616	4,005,769	7,299,988		11,305,757
Kansas City.....	14,194,816	5,516,307		19,711,123	17,900,580	7,721,655		25,622,235
Dallas.....	16,223,868	2,438,000		18,661,868	18,211,490	2,209,000		20,411,490
San Francisco.....	14,297,711	15,075,530		29,373,241	28,037,812	25,737,939		53,775,751
Total.....	225,016,799	173,374,177	4,292	398,395,268	543,464,168	241,526,791	4,391	784,995,350
Per cent.....				2.2				4.4

	Over 90-day maturities.				Total.			
	Discounts.	Acceptances.	Warrants.	Total.	Discounts.	Acceptances.	Warrants.	Total.
Boston.....	\$1,031,390	\$267,443		\$1,298,833	\$1,010,975,508	\$81,998,355		\$1,092,973,863
New York.....	33,290			33,290	10,579,999,599	268,266,080		10,848,265,679
Philadelphia.....	758,436			758,436	1,085,989,066	28,846,883		1,114,832,949
Cleveland.....	173,080	102,152		275,232	617,014,419	56,912,989		673,957,405
Richmond.....	106,055	460,000		566,055	770,716,243	15,014,619		785,730,862
Atlanta.....	242,432	631,000	\$3,000	876,432	493,363,126	19,565,163	\$11,683	512,939,972
Chicago.....	7,694,725	3,021,929		10,716,654	1,195,508,515	55,675,491		1,251,184,006
St. Louis.....	121,844			121,844	444,069,188	9,361,599		453,430,787
Minneapolis.....	1,286,075	5,902		1,291,977	106,277,611	12,824,779		119,102,390
Kansas City.....	14,319,508	15,400		14,334,908	305,409,206	13,885,267		319,294,473
Dallas.....	6,327,560			6,327,560	237,913,893	6,338,000		244,251,893
San Francisco.....	3,581,847	394,481		3,976,328	426,405,254	48,232,046		474,637,300
Total.....	35,676,275	4,898,307	3,000	40,577,582	17,273,638,628	616,951,268	11,683	17,890,601,579
Per cent.....				0.2	96.6	3.4		100.0

Discounted bills, including member banks' collateral notes, held by each Federal Reserve Bank on the last Friday in December, 1918, distributed by classes.

[In thousands of dollars, i. e., 000 omitted.]

Federal Reserve Bank.	Agricultural paper.	Live-stock paper.	Customers' paper secured by Government war obligations.	Member banks' collateral notes.		Trade acceptances.	All other discounts.	Total.
				Secured by Government war obligations.	Otherwise secured.			
Boston.....	1,016		77,878	38,450	275	811	11,712	130,142
New York.....	225		160,290	450,480		2,914	38,466	652,375
Philadelphia.....	170		28,136	133,281		629	18,448	180,664
Cleveland.....	58	103	39,961	78,046	70	1,197	8,710	128,145
Richmond.....	2,236	48	14,499	53,800	155	2,683	9,453	82,874
Atlanta.....	1,908	221	7,841	40,119	304	2,320	24,651	77,164
Chicago.....	9,466		11,176	94,948	12,086	1,814	31,302	160,792
St. Louis.....	150	115	3,115	46,195	240	1,272	14,490	65,577
Minneapolis.....	902	1,461	15,040	17,103	17	35	3,140	37,698
Kansas City.....	3,352	14,950	667	19,578	7,660	1,165	9,026	56,398
Dallas.....	6,254	6,904		17,445	805		19,526	50,934
San Francisco.....	3,647	3,533	4,237	47,903	3	1,145	19,707	80,175
Total.....	29,384	27,335	362,840	1,037,348	21,615	15,985	208,431	1,702,938
Per cent.....	1.7	1.6	21.3	60.9	1.3	.9	12.3	100
Total, Dec., 1917.....	8,631	7,662	142,278	150,647	87,751		283,737	680,706
Per cent.....	1.3	1.1	20.9	22.1	12.9		41.7	100

Acceptances purchased and held by each Federal Reserve Bank on Dec. 31, 1918, distributed by classes of accepting institutions.

[In thousands of dollars, i. e., 000 omitted.]

	Member banks.	Non-member trust companies.	Non-member State banks.	Private banks.	Foreign bank branches and agencies.	Total.	Trade acceptances.			Total.
							Domestic.	Foreign.	Total.	
Boston.....	12,015		166	2,274	350	14,805		279	279	15,084
New York.....	48,081	437	6,998	12,616	7,125	75,257	320	2,000	2,320	77,577
Philadelphia.....	2,824	62	30	69	6	2,991		20	20	3,011
Cleveland.....	29,313	2,246	1,084	1,674	863	35,180	2,216	49	2,265	37,445
Richmond.....	5,465					5,465				5,465
Atlanta.....	12,515					12,515				12,515
Chicago.....	56,513			714	625	57,852				57,852
St. Louis.....	7,188		25		80	7,293				7,293
Minneapolis.....	17,281		223	440	50	17,994				17,994
Kansas City.....	12,329		1,163	292	420	14,204				14,204
Dallas.....	2,448					2,448				2,448
San Francisco.....	28,351		753	1,661	3,475	34,240		2,040	2,040	36,280
Totals:										
Dec. 31, 1918.....	234,323	2,545	10,442	19,740	12,994	280,244	2,536	4,388	6,924	287,168
Nov. 30, 1918.....	310,069	2,028	10,703	27,871	19,818	370,489	4,016	5,019	9,035	379,524
Oct. 31, 1918.....	314,719	2,949	11,669	30,242	14,006	373,585	3,947	5,057	9,004	382,589
Dec. 31, 1917.....	227,717	8,163	3,179	20,137	7,657	266,853			6,383	273,236
Dec. 30, 1916.....	66,803	34,625	1,502	18,224		121,154			4,585	125,739



Rediscounts and sales of discounted and purchased paper between Federal Reserve Banks during calendar year 1918—Contd.

OCT. 1 TO DEC. 31, 1918.

Rediscounted with or sold to Federal Reserve Bank of—	Date.	Rediscounted or sold by Federal Reserve Bank of—									
		Boston.		New York.	Philadelphia.		Richmond.		Atlanta.		Dallas.
		Pur-chased bills.	Dis-counted bills.	Pur-chased bills.	Pur-chased bills.	Dis-counted bills.	Pur-chased bills.	Dis-counted bills.	Pur-chased bills.	Dis-counted bills.	Dis-counted bills.
Philadelphia	Oct. 1			\$10,108,157							
Cleveland	do.			20,012,723							
Kansas City	do.										\$5,000,000
Boston	Oct. 3			4,973,582							
Chicago	do.			8,815,110							
St. Louis	do.			2,025,237							
San Francisco	Oct. 4			1,173,353							
Philadelphia	Oct. 8							\$250,000			
Do.	do.								\$1,750,000		
Cleveland	do.							200,000			
Do.	do.								1,800,000		
Kansas City	do.								1,000,000		
Cleveland	Oct. 14										2,500,000
Richmond	do.			\$331,176							
Chicago	do.										2,500,000
Philadelphia	Oct. 21								1,600,000		
Cleveland	do.								1,717,500		
Do.	Oct. 23										2,500,000
Philadelphia	do.								3,020,000		
Chicago	do.										2,500,000
Minneapolis	do.										2,500,000
Philadelphia	Nov. 1	\$5,281,831									
Cleveland	do.	5,033,423									
Philadelphia	Nov. 5	5,115,575									
Cleveland	do.	5,111,724									
Do.	do.										2,500,000
Chicago	do.										2,500,000
Minneapolis	do.										5,000,000
Cleveland	do.										5,000,000
New York	Nov. 13				\$10,022,209						
Do.	Nov. 14	20,118,746									
Chicago	do.										5,000,000
Minneapolis	do.										5,000,000
Cleveland	Nov. 15										2,500,000
Minneapolis	do.										2,500,000
San Francisco	Nov. 18			1,801,036							
Minneapolis	Nov. 19						\$6,564,409				
Do.	do.							\$3,514,000			
Chicago	do.									10,090,500	
New York	do.				10,056,775						
Cleveland	do.		25,223,917								
Minneapolis	Nov. 20										5,000,000
San Francisco	do.			647,706							
Chicago	Nov. 21									5,353,000	
Do.	Nov. 26									5,000,000	
Minneapolis	do.										5,000,000
San Francisco	Dec. 2	10,609,945									
Minneapolis	Dec. 3										5,000,000
Chicago	Dec. 2									7,500,000	
Do.	Dec. 3										
Do.	Dec. 5										
Minneapolis	do.										
St. Louis	do.						\$3,010,880				
Chicago	Dec. 6						5,001,000				
Do.	do.						2,000,000				
Do.	Dec. 10									6,032,000	
Minneapolis	Dec. 11	4,783,573								5,000,000	
Do.	do.		10,016,500								
St. Louis	Dec. 12										2,500,000
Chicago	do.										5,000,000
Do.	Dec. 13									5,000,000	
Minneapolis	Dec. 17										5,000,000
Chicago	do.										5,000,000
Do.	do.										5,000,000
Minneapolis	Dec. 20										5,000,000
Kansas City	Dec. 26										
Minneapolis	Dec. 27		10,015,600	5,030,525							
Chicago	do.										5,000,000
Do.	Dec. 30										5,000,000
Do.	Dec. 31										6,000,000

Rediscounts and sales of discounted and purchased paper between Federal Reserve Banks during the year 1918—Contd.

MONTHLY RECAPITULATION.

1918.	Rediscounted or sold by Federal Reserve Bank of—									
	Boston.		New York.	Philadelphia.		Cleveland.	Richmond.		Atlanta.	
	Discounted bills.	Purchased bills.	Purchased bills.	Discounted bills.	Purchased bills.		Discounted bills.	Purchased bills.	Discounted bills.	Purchased bills.
January.....		\$3,759,977	\$6,708,343							
February.....			7,563,942					\$9,959,613		
March.....		15,176,462	56,527,146							
April.....								8,998,853		
May.....			5,016,453				\$9,866,500	5,009,450		
June.....							11,160,723	3,880,846		
July.....										
August.....							7,405,200	2,703,250		
September.....										
October.....			47,439,339						\$10,887,500	\$450,000
November.....	\$25,223,947	40,711,299	2,448,772		\$20,078,984				35,422,500	
December.....	20,032,100	15,393,518	55,196,726	\$20,046,235	10,024,077			3,514,000	6,564,409	28,532,000
Total.....	45,256,047	75,041,256	180,900,721	20,046,235	30,103,061		31,946,423	37,116,421	74,842,000	450,000

	Rediscounted or sold by Federal Reserve Bank of—								
	Chicago.	St. Louis.	Minneapolis.	Kansas City.	Dallas.		San Francisco.	Total.	
	Purchased bills.	Discounted bills.	Discounted bills.	Discounted bills.	Discounted bills.	Purchased bills.		Discounted bills.	Purchased bills.
January.....									\$10,468,320
February.....									17,523,555
March.....									71,703,608
April.....									8,998,853
May.....									13,020,903
June.....				\$8,530,379	\$5,003,632	\$2,995,000		\$9,866,500	3,880,846
July.....					10,000,265			24,694,754	
August.....	\$9,984,139	\$12,500,009	\$24,996,877		9,927,278			22,500,274	12,687,359
September.....								42,329,355	
October.....					17,500,000			28,387,500	47,889,339
November.....					25,000,000			59,160,447	69,803,464
December.....					33,500,000			102,110,335	80,614,321
Total.....	9,984,139	12,500,009	24,996,877	8,530,379	100,331,195	2,995,000		319,049,165	336,590,598

Rediscounts and sales of discounted and purchased paper between Federal Reserve Banks during 1918.

(In thousands of dollars.)

Rediscounted with or sold to Federal Reserve Bank of—	Rediscounted or sold by Federal Reserve Bank of—												
	Boston.	New York.	Philadelphia.	Cleveland.	Richmond.	Atlanta.	Chicago.	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.	Total.
Boston.....		4,974			5,426			5,000	2,498		2,000		19,898
New York.....	20,119		20,079				9,984		5,000				67,681
Philadelphia.....	12,927	15,137			19,688	6,620			4,999		6,994		66,365
Cleveland.....	40,473	34,619			13,766	8,718			7,500		5,000		137,115
Richmond.....		331									4,168		331
Atlanta.....		2,514											2,514
Chicago.....		83,208	13,065		12,218	53,955				4,362	28,500		195,398
St. Louis.....		4,551	2,000								2,500		9,051
Minneapolis.....		27,371	7,535	15,005		13,551	5,000				31,000		99,462
Kansas City.....		5,037	12,542		1,468		1,000				5,000		25,047
Dallas.....			8,242										8,242
San Francisco.....		14,370			3,006								24,534
Total.....	120,267	180,901	50,149		69,063	75,293	9,984	12,500	24,996	8,530	103,925		655,638
Purchased bills.....	75,041	180,901	30,103		37,116	450	9,984				2,995		336,590
Discounted bills:													
Member banks' collateral notes secured by United States war obligations.....	20,032		5,041			74,543					76,000		175,616
All other.....	25,224		15,005		31,947	300		12,500	24,996	8,530	24,930		143,432

**RESOURCES AND LIABILITIES OF FEDERAL RESERVE BANKS.**

*Resources and liabilities of each Federal Reserve Bank and of the Federal Reserve system at close of business on Fridays, Jan. 3 to Jan. 24, 1919.*

**RESOURCES.**

[In thousands of dollars; i. e., 000 omitted.]

	Boston.	New York.	Phila- delphia.	Cleve- land.	Rich- mond.	Atlanta.	Chicago.	St. Louis.	Minne- apolis.	Kansas City.	Dallas.	San Francisco.	Total.
<b>Gold coin and certificates:</b>													
Jan. 3.....	3,342	257,085	1,210	13,084	2,363	8,058	22,952	4,103	8,286	179	5,752	12,303	338,717
Jan. 10.....	4,159	258,942	1,169	5,131	2,335	8,186	23,084	4,362	8,395	233	5,781	12,775	334,552
Jan. 17.....	3,635	260,574	662	5,354	2,197	7,939	22,528	4,299	8,403	120	5,822	13,163	334,696
Jan. 24.....	3,247	260,554	583	14,010	2,229	8,030	22,842	4,144	8,267	426	5,883	13,477	343,992
<b>Gold settlement fund, Federal Reserve Board:</b>													
Jan. 3.....	27,749	127,829	31,245	46,371	8,907	2,659	89,647	17,207	12,822	19,653	2,578	12,330	398,997
Jan. 10.....	37,882	57,675	51,403	62,910	10,368	7,947	108,490	21,046	19,559	21,800	7,743	23,907	430,730
Jan. 17.....	36,304	28,870	50,484	68,490	6,284	7,205	84,912	29,310	25,246	26,726	10,497	13,244	387,572
Jan. 24.....	48,907	34,008	38,638	66,992	12,216	13,621	77,326	24,571	36,301	32,083	6,626	16,409	407,698
<b>Gold with foreign agencies:</b>													
Jan. 3.....	408	2,011	408	525	204	175	816	233	233	291	204	321	5,829
Jan. 10.....	408	2,011	408	524	204	175	816	233	233	291	204	321	5,828
Jan. 17.....	408	2,011	408	524	204	175	816	233	233	291	204	321	5,828
Jan. 24.....	408	2,011	408	524	204	175	816	233	233	291	204	321	5,828
<b>Gold with Federal Reserve agents:</b>													
Jan. 3.....	59,717	274,380	85,782	138,223	62,991	44,622	277,969	61,674	55,863	54,484	22,352	125,326	1,263,383
Jan. 10.....	59,303	273,532	83,980	146,553	60,786	43,381	260,541	61,569	54,659	51,424	22,322	120,195	1,238,245
Jan. 17.....	53,875	271,910	79,423	146,720	57,414	44,889	319,356	61,469	51,785	51,348	22,272	129,144	1,289,105
Jan. 24.....	52,551	270,979	78,318	143,133	52,106	41,565	296,100	64,268	54,986	51,313	22,247	127,626	1,255,192
<b>Gold redemption fund:</b>													
Jan. 3.....	7,829	24,903	7,900	1,423	5,323	7,015	15,225	3,370	4,954	3,590	2,193	538	84,268
Jan. 10.....	8,145	25,000	7,900	1,327	5,267	5,235	16,975	3,352	5,112	3,571	2,193	638	84,715
Jan. 17.....	8,351	25,000	7,900	319	5,189	4,522	20,130	3,331	3,731	3,552	2,189	1,154	85,368
Jan. 24.....	8,578	25,000	7,900	1,327	4,131	4,563	22,814	3,236	4,215	3,538	2,184	1,421	88,907
<b>Total gold reserves:</b>													
Jan. 3.....	99,045	686,208	126,545	199,626	79,793	62,529	406,609	86,587	82,158	78,197	33,079	150,818	2,091,194
Jan. 10.....	109,897	617,160	144,860	216,445	78,960	64,924	409,906	90,562	87,958	77,319	38,243	157,836	2,094,070
Jan. 17.....	102,573	588,365	138,877	221,407	71,288	64,230	447,742	98,642	89,398	82,037	40,984	157,026	2,102,569
Jan. 24.....	113,691	592,552	125,847	225,936	70,886	67,954	419,898	96,452	104,002	87,651	37,144	159,254	2,101,317
<b>Legal tender notes, silver, etc.:</b>													
Jan. 3.....	2,688	48,088	1,344	1,229	173	362	1,945	2,384	75	122	1,377	573	60,960
Jan. 10.....	4,295	53,148	1,653	1,245	206	652	2,082	2,301	136	203	1,411	496	67,828
Jan. 17.....	3,572	52,150	2,251	1,468	240	715	2,438	2,265	205	277	1,561	452	67,594
Jan. 24.....	3,855	51,769	1,291	1,672	188	894	2,298	2,410	173	268	1,745	507	67,070
<b>Total cash reserves:</b>													
Jan. 3.....	101,733	734,896	127,889	200,855	79,966	62,891	408,554	88,971	82,233	78,319	34,456	151,391	2,152,154
Jan. 10.....	114,192	670,308	146,513	217,690	79,166	65,576	411,988	92,863	88,094	77,522	39,654	158,332	2,161,898
Jan. 17.....	109,145	640,515	141,128	222,875	71,528	64,945	450,180	100,907	89,603	82,314	42,545	157,478	2,170,163
Jan. 24.....	117,546	644,321	127,138	227,658	71,074	68,848	422,196	98,862	104,175	87,919	38,889	159,761	2,168,387
<b>Bills discounted:</b>													
<b>Secured by Government war obligations—</b>													
Jan. 3.....	120,775	691,786	158,251	115,099	71,989	62,751	132,963	55,585	34,991	26,472	16,644	57,965	1,545,274
Jan. 10.....	121,954	644,980	156,377	113,331	77,936	45,752	125,924	56,196	34,874	30,025	16,603	60,845	1,484,847
Jan. 17.....	118,394	569,446	153,550	96,398	75,206	42,016	108,632	48,587	34,963	27,582	20,039	52,275	1,347,088
Jan. 24.....	118,034	663,904	172,210	91,049	83,296	51,259	138,253	50,088	18,458	30,351	16,623	64,773	1,498,298
<b>All other—</b>													
Jan. 3.....	8,419	44,307	19,065	12,074	14,088	19,276	48,831	17,258	3,090	37,361	32,341	28,460	284,590
Jan. 10.....	9,035	39,259	15,613	9,177	12,732	30,731	38,653	14,492	3,087	38,509	32,540	29,401	273,229
Jan. 17.....	7,957	33,535	15,518	9,355	11,877	28,865	33,355	13,165	3,175	39,357	30,960	27,144	254,263
Jan. 24.....	8,744	46,653	15,073	8,754	12,560	26,769	34,221	10,883	2,906	38,248	32,079	26,245	263,735
<b>Bills bought in open market:</b>													
Jan. 3.....	12,538	76,294	3,401	36,478	5,943	11,860	57,880	8,743	18,257	18,966	2,558	37,351	290,269
Jan. 10.....	13,689	79,628	3,072	32,100	6,470	11,920	47,941	8,334	18,364	18,721	2,408	35,249	277,896
Jan. 17.....	15,354	84,148	2,770	40,362	7,131	11,329	34,693	7,493	18,808	18,122	2,168	31,226	273,607
Jan. 24.....	18,088	93,385	2,571	44,749	7,433	11,106	31,749	6,820	18,396	16,685	2,625	30,932	284,539
<b>United States Government long-term securities:</b>													
Jan. 3.....	1,105	1,396	1,385	1,084	1,234	543	4,510	1,153	120	8,867	3,966	4,461	29,824
Jan. 10.....	1,105	1,394	1,385	1,084	1,234	543	4,509	1,153	120	8,867	3,966	3,461	28,821
Jan. 17.....	848	1,394	1,385	1,084	1,234	542	4,510	1,153	120	8,867	3,966	3,468	28,571
Jan. 24.....	848	1,394	1,385	1,083	1,234	537	4,510	1,153	119	8,867	3,973	3,468	28,571
<b>United States Government short-term securities:</b>													
Jan. 3.....	8,416	41,845	10,033	11,726	4,799	6,066	15,612	6,568	6,439	4,435	4,400	4,724	125,063
Jan. 10.....	8,416	74,742	9,858	15,119	7,299	6,566	25,622	7,068	5,125	5,542	4,400	6,052	175,809
Jan. 17.....	9,416	167,745	9,858	13,138	5,299	6,521	16,613	7,068	5,130	5,432	4,400	20,553	271,173
Jan. 24.....	8,416	46,458	10,826	17,103	5,299	6,521	20,613	7,068	9,510	5,452	4,400	5,732	147,398
<b>All other earning assets:</b>													
Jan. 3.....						13							13
Jan. 10.....						13							13
Jan. 17.....						4							4
Jan. 24.....						4							4

Resources and liabilities of each Federal Reserve Bank and of the Federal Reserve system at close of business on Fridays, Jan. 3 to Jan. 24, 1919—Continued.

RESOURCES—Continued.

[In thousands of dollars; i. e., 000 omitted.]

	Boston.	New York.	Phila- delphia.	Clevo- land.	Rich- mond.	Atlanta.	Chicago.	St. Louis.	Minne- apolis.	Kansas City.	Dallas.	San Francisco.	Total.
<b>Total earning assets:</b>													
Jan. 3.....	151,253	855,628	192,138	176,461	98,053	100,509	259,816	89,307	62,897	96,101	59,909	132,961	2,275,033
Jan. 10.....	154,199	840,003	186,305	170,861	105,671	95,525	242,649	87,243	61,570	101,664	59,917	135,008	2,240,615
Jan. 17.....	151,969	856,268	183,081	160,337	100,750	89,277	197,803	77,466	62,196	99,360	61,533	134,666	2,174,706
Jan. 24.....	154,130	851,794	202,665	162,738	109,822	96,196	229,346	76,012	49,389	99,603	59,700	131,150	2,222,545
<b>Bank premises:</b>													
Jan. 3.....	800	2,318	500	.....	290	217	2,936	.....	.....	400	221	400	8,082
Jan. 10.....	800	2,318	500	.....	291	217	2,936	.....	.....	400	221	400	8,083
Jan. 17.....	800	2,318	500	.....	291	217	2,936	.....	.....	400	221	400	8,083
Jan. 24.....	800	2,343	500	.....	291	217	2,936	.....	.....	400	221	400	8,108
<b>Uncollected items and other deductions from gross deposits:</b>													
Jan. 3.....	82,486	207,970	110,911	59,943	53,886	39,801	74,738	60,323	16,477	53,505	28,989	39,811	828,849
Jan. 10.....	61,479	157,417	80,148	51,799	54,580	36,873	80,703	61,730	13,216	52,751	24,453	37,232	712,381
Jan. 17.....	65,449	187,492	80,640	68,754	64,966	45,493	95,891	51,455	20,561	65,804	24,111	46,298	816,914
Jan. 24.....	56,653	164,622	77,315	59,762	59,868	39,317	80,449	43,230	14,495	56,732	26,015	38,130	716,588
<b>5 per cent redemption fund against Federal Reserve bank notes:</b>													
Jan. 3.....	320	1,700	475	532	310	311	830	317	236	566	312	356	6,265
Jan. 10.....	345	1,738	500	519	295	329	925	318	231	577	319	356	6,452
Jan. 17.....	384	1,776	500	484	289	359	980	303	224	561	315	356	6,531
Jan. 24.....	386	2,045	525	523	235	343	980	320	219	506	314	356	6,752
<b>All other resources:</b>													
Jan. 3.....	564	3,272	2,599	798	2,705	463	1,451	454	162	607	1,230	1,180	15,485
Jan. 10.....	567	3,283	1,300	807	967	838	1,410	468	167	527	775	893	12,002
Jan. 17.....	485	3,404	915	788	482	475	1,330	520	155	485	773	984	10,796
Jan. 24.....	380	3,227	727	784	439	634	1,343	492	120	486	680	966	10,278
<b>Total resources:</b>													
Jan. 3.....	337,156	1,805,793	434,512	438,589	235,210	204,192	748,325	239,372	162,005	229,498	125,117	326,099	5,285,868
Jan. 10.....	331,582	1,675,067	415,266	441,676	240,970	199,358	740,611	242,622	163,278	233,441	125,339	332,221	5,141,431
Jan. 17.....	325,232	1,691,773	406,764	453,238	238,306	200,766	749,130	230,631	172,739	248,924	129,498	340,182	5,187,193
Jan. 24.....	329,895	1,668,352	408,870	451,465	241,729	205,555	737,250	218,916	168,398	245,646	125,819	330,763	5,132,658

LIABILITIES.

<b>Capital paid in:</b>													
Jan. 3.....	6,696	20,820	7,566	9,073	4,062	3,191	11,199	3,800	2,931	3,659	3,158	4,637	80,792
Jan. 10.....	6,692	20,820	7,575	9,073	4,062	3,192	11,204	3,800	2,932	3,659	3,158	4,645	80,812
Jan. 17.....	6,709	20,478	7,570	9,081	4,059	3,192	11,215	3,800	2,934	3,659	3,168	4,645	80,510
Jan. 24.....	6,709	20,751	7,570	9,087	4,059	3,189	11,216	3,801	2,936	3,660	3,170	4,672	80,820
<b>Surplus fund:</b>													
Jan. 3.....	1,535	8,322	1,304	1,776	1,156	775	3,316	801	726	1,211	592	1,224	22,738
Jan. 10.....	1,535	8,322	1,304	1,776	1,156	775	3,316	801	726	1,211	592	1,224	22,738
Jan. 17.....	1,535	8,322	1,304	1,776	1,156	775	3,316	801	726	1,211	592	1,224	22,738
Jan. 24.....	1,535	8,322	1,304	1,776	1,156	775	3,316	801	726	1,211	592	1,224	22,738
<b>Government deposits:</b>													
Jan. 3.....	6,625	35,640	7,406	2,182	1,447	9,263	10,904	3,794	624	3,296	2,953	5,687	89,821
Jan. 10.....	5,627	5,871	5,359	500	1,173	3,152	2,528	4,083	1,839	2,832	1,340	2,987	37,291
Jan. 17.....	1,046	7,009	1,790	2,919	989	4,789	5,090	4,466	8,798	3,002	3,286	5,812	48,996
Jan. 24.....	14,762	25,134	15,237	15,583	6,337	8,825	19,592	4,789	8,058	8,729	5,277	14,058	146,381
<b>Due to members—reserve account:</b>													
Jan. 3.....	99,233	708,371	86,120	122,499	52,750	40,311	220,384	56,063	47,959	63,412	33,351	72,448	1,602,901
Jan. 10.....	105,344	694,632	97,016	130,539	54,502	43,203	227,170	57,469	48,043	67,705	36,630	78,476	1,640,729
Jan. 17.....	103,822	706,918	112,685	131,540	54,866	44,827	232,748	59,520	49,604	77,292	38,809	82,329	1,694,960
Jan. 24.....	104,048	685,483	86,672	129,754	52,557	45,086	221,233	58,523	48,744	75,043	38,146	79,126	1,624,415
<b>Deferred availability items:</b>													
Jan. 3.....	52,733	152,557	88,767	42,439	32,737	23,793	52,369	47,412	8,017	31,871	18,399	17,961	569,055
Jan. 10.....	43,425	102,763	68,066	37,714	36,305	23,583	50,952	50,318	8,606	33,391	17,413	22,818	495,354
Jan. 17.....	51,391	129,808	54,594	51,072	34,586	22,129	58,416	39,101	10,896	38,551	18,119	28,542	537,205
Jan. 24.....	42,712	122,990	73,822	46,677	37,419	27,261	48,721	32,385	9,920	34,585	15,308	20,099	511,899
<b>Other deposits, including foreign government credits:</b>													
Jan. 3.....	451	106,866	1,280	166	96	261	2,447	1,174	298	625	303	4,614	118,531
Jan. 10.....	106	101,282	878	122	61	129	3,482	2,655	598	608	150	4,803	114,874
Jan. 17.....	1,461	102,947	1,176	4,979	235	537	3,982	2,635	1,236	3,173	1,054	4,801	128,236
Jan. 24.....	565	102,276	789	490	273	117	1,816	1,960	365	718	338	3,722	113,429
<b>Total gross deposits:</b>													
Jan. 3.....	159,042	1,003,434	183,573	167,286	87,030	73,628	286,104	108,443	56,898	99,204	55,006	100,710	2,380,358
Jan. 10.....	154,502	904,548	171,319	168,875	92,041	70,067	284,132	114,525	59,086	104,536	55,533	109,094	2,288,248
Jan. 17.....	157,720	946,682	170,245	190,510	90,676	72,302	300,236	105,722	70,534	122,018	61,268	121,484	2,409,397
Jan. 24.....	162,087	935,883	176,520	192,504	96,586	81,289	291,362	97,657	67,087	119,075	59,069	117,005	2,396,124
<b>Federal reserve notes in actual circulation:</b>													
Jan. 3.....	160,506	724,932	231,372	248,670	137,582	119,641	426,129	119,139	96,311	112,047	59,758	211,518	2,647,605
Jan. 10.....	159,053	691,455	224,110	249,933	137,822	118,137	420,457	116,141	95,272	110,035	59,150	209,116	2,590,681
Jan. 17.....	148,985	665,688	216,301	239,606	136,403	117,123	412,859	112,949	93,184	107,882	57,528	204,581	2,513,089
Jan. 24.....	148,332	650,587	211,251	235,564	133,727	112,741	410,265	109,126	91,969	107,467	55,981	199,546	2,466,556

Resources and liabilities of each Federal Reserve Bank and of the Federal Reserve system at close of business on Fridays, Jan. 3 to Jan. 24, 1919—Continued.

LIABILITIES—Continued.

[In thousands of dollars; i. e., 000 omitted.]

	Boston.	New York.	Phila- delphia.	Cleve- land.	Rich- mond.	Atlan- ta.	Chi- cago.	St. Louis.	Minne- apolis.	Kansas City.	Dallas.	San Fran- cisco.	Total.
<b>Federal reserve bank notes in circulation—net liability:</b>													
Jan. 3.....	6,653	33,533	9,031	9,626	4,083	5,923	17,819	6,052	4,223	11,532	5,540	6,252	120,267
Jan. 10.....	7,015	34,619	9,173	9,818	4,520	6,105	17,598	6,176	4,319	12,074	5,777	6,272	123,466
Jan. 17.....	7,442	35,024	9,490	9,892	4,586	6,251	17,520	6,182	4,385	12,162	5,787	6,290	125,011
Jan. 24.....	7,931	35,900	9,935	9,976	4,658	6,342	16,898	6,266	4,665	12,156	5,791	6,292	126,810
<b>All other liabilities:</b>													
Jan. 3.....	2,724	14,752	1,666	2,158	1,297	1,034	3,758	1,137	916	1,845	1,063	1,758	34,108
Jan. 10.....	2,785	15,303	1,785	2,201	1,369	1,082	3,904	1,179	943	1,926	1,129	1,890	35,486
Jan. 17.....	2,841	15,579	1,854	2,373	1,426	1,123	3,974	1,197	976	1,992	1,155	1,958	36,448
Jan. 24.....	3,301	16,909	2,290	2,558	1,543	1,219	4,163	1,265	1,015	2,077	1,216	2,024	39,610
<b>Total liabilities:</b>													
Jan. 3.....	337,156	1,805,793	434,512	438,589	235,210	204,192	748,325	239,372	162,005	229,498	125,117	326,099	5,285,868
Jan. 10.....	331,582	1,675,067	415,266	441,676	240,970	199,358	740,611	242,622	163,278	233,441	125,339	332,221	5,141,431
Jan. 17.....	325,232	1,691,773	406,764	453,238	238,306	200,766	749,120	230,661	172,739	248,924	129,498	340,182	5,187,193
Jan. 24.....	329,895	1,668,352	408,870	451,465	241,729	205,555	737,250	218,916	168,398	245,646	125,819	330,763	5,132,658

Maturities of bills discounted and bought, United States Government short-term securities, and municipal warrants.

[In thousands of dollars; i. e., 000 omitted.]

	Within 15 days.	16 to 30 days.	31 to 60 days.	61 to 90 days.	Over 90 days.	Total.
<b>Bills discounted:</b>						
Jan. 3.....	1,289,128	264,801	176,082	72,817	27,036	1,829,864
Jan. 10.....	1,414,208	89,617	161,024	65,416	27,811	1,758,076
Jan. 17.....	1,283,234	92,408	129,750	68,552	27,407	1,601,351
Jan. 24.....	1,368,754	91,787	198,206	175,933	27,353	1,762,033
<b>Bills bought:</b>						
Jan. 3.....	113,700	55,384	91,907	29,278	.....	290,269
Jan. 10.....	84,452	55,622	104,198	33,624	.....	277,896
Jan. 17.....	55,995	63,596	100,597	53,419	.....	273,607
Jan. 24.....	33,030	72,098	108,353	51,058	.....	284,539
<b>United States short-term securities:</b>						
Jan. 3.....	8,837	779	460	643	114,344	125,063
Jan. 10.....	49,207	8,711	10,568	2,643	104,680	175,809
Jan. 17.....	146,840	.....	1,030	16	123,287	271,173
Jan. 24.....	8,523	.....	1,001	15	137,839	147,398
<b>Municipal warrants:</b>						
Jan. 3.....	.....	10	.....	.....	3	13
Jan. 10.....	.....	10	.....	.....	.....	13
Jan. 17.....	.....	.....	.....	.....	4	4
Jan. 24.....	.....	.....	.....	.....	4	4

FEDERAL RESERVE NOTES.

Federal Reserve note account of each Federal Reserve Bank at close of business on Fridays, Jan. 3 to Jan. 24, 1919.

[In thousands of dollars; i. e., 000 omitted.]

	Boston.	New York.	Phila- delphia.	Cleve- land.	Rich- mond.	Atlan- ta.	Chi- cago.	St. Louis.	Minne- apolis.	Kansas City.	Dallas.	San Fran- cisco.	Total.
<b>Federal Reserve notes received from agent—net:</b>													
Jan. 3.....	169,970	825,603	230,070	266,465	150,923	123,264	453,104	129,646	98,719	119,830	60,503	228,950	2,866,047
Jan. 10.....	167,474	821,204	232,267	266,375	152,170	121,972	450,676	124,519	97,815	119,367	60,258	230,419	2,844,516
Jan. 17.....	166,614	781,083	225,710	258,923	148,696	120,690	449,491	123,110	95,141	111,633	59,036	226,868	2,770,301
Jan. 24.....	163,675	772,992	220,005	255,951	143,253	115,390	446,234	121,381	93,342	115,176	57,367	225,350	2,730,916
<b>Federal Reserve notes held by bank:</b>													
Jan. 3.....	9,464	100,671	7,698	17,795	13,341	3,623	26,975	10,507	2,408	7,783	745	17,432	218,442
Jan. 10.....	8,421	129,749	8,157	16,442	14,318	3,835	30,219	8,378	2,543	9,332	1,108	21,303	253,835
Jan. 17.....	17,629	113,395	9,409	19,317	12,293	3,367	36,632	10,167	1,957	7,051	1,508	22,287	257,212
Jan. 24.....	15,343	122,405	9,354	20,387	9,526	2,649	35,969	12,255	1,373	7,709	1,586	25,804	264,360
<b>Federal Reserve notes in actual circulation:</b>													
Jan. 3.....	160,506	724,932	231,372	248,670	137,582	119,641	426,129	119,139	96,311	112,047	59,753	211,518	2,647,605
Jan. 10.....	159,053	691,455	224,110	249,933	137,822	118,137	420,457	116,141	95,272	110,035	59,150	209,116	2,590,681
Jan. 17.....	148,985	665,688	216,301	239,606	136,403	117,123	412,859	112,949	93,184	107,882	57,628	204,581	2,513,089
Jan. 24.....	148,332	659,587	211,251	235,564	133,727	112,741	410,265	109,126	91,969	107,467	55,981	199,546	2,466,550
<b>Gold deposited with or to credit of Federal Reserve agent:</b>													
Jan. 3.....	59,717	274,380	85,782	138,223	62,991	44,622	277,909	61,674	55,863	54,484	22,352	125,326	1,263,383
Jan. 10.....	59,303	273,532	83,980	140,553	60,736	43,381	266,541	61,569	54,659	51,424	22,322	120,195	1,238,245
Jan. 17.....	53,875	271,910	79,423	146,720	57,414	44,339	319,856	61,469	51,785	51,348	22,272	129,144	1,289,105
Jan. 24.....	52,551	270,979	78,318	143,133	52,106	41,565	296,100	64,268	54,986	51,313	22,247	127,626	1,255,192
<b>Paper delivered to Federal Reserve agent:</b>													
Jan. 3.....	141,732	812,387	159,244	162,228	90,482	85,990	239,694	75,073	55,578	82,799	51,543	113,378	2,069,228
Jan. 10.....	144,678	763,867	156,794	153,733	96,216	84,291	212,518	72,079	54,832	87,253	51,551	115,875	1,993,694
Jan. 17.....	141,705	687,129	150,441	133,136	91,500	76,482	176,680	65,262	54,719	85,061	50,999	99,892	1,813,066
Jan. 24.....	144,866	803,942	149,920	140,834	100,712	81,733	204,223	65,105	37,958	85,284	51,327	112,180	1,978,084

*Federal Reserve note account of each Federal Reserve agent at close of business on Fridays, Jan. 3 to Jan. 24, 1919.*

[In thousands of dollars: i. e., 000 omitted.]

	Bos- ton.	New York.	Phila- delphia.	Cleve- land.	Rich- mond.	At- lanta.	Chi- cago.	St. Louis.	Minne- apolis.	Kansas City.	Dallas.	San Fran- cisco.	Total.
<b>Received from Comptroller:</b>													
Jan. 3.....	247,160	1,281,280	330,140	323,840	194,580	196,240	549,360	162,340	124,480	155,700	99,920	248,920	3,913,960
Jan. 10.....	247,160	1,289,480	330,140	325,840	196,580	197,200	551,600	162,340	124,480	155,700	100,960	250,520	3,932,000
Jan. 17.....	248,720	1,289,480	330,420	325,840	198,580	197,600	553,000	162,340	124,480	155,700	100,960	250,520	3,938,240
Jan. 24.....	253,120	1,293,480	330,420	325,840	198,580	197,600	553,600	162,340	124,480	157,700	100,960	250,520	3,948,640
<b>Returned to Comptroller:</b>													
Jan. 3.....	55,950	345,877	65,710	35,035	37,437	27,961	50,056	29,704	19,311	28,350	21,862	19,970	737,223
Jan. 10.....	58,446	352,276	67,513	35,035	38,190	28,203	52,484	29,991	19,515	28,813	21,977	20,101	752,544
Jan. 17.....	59,806	359,397	70,070	38,917	39,474	28,695	55,669	30,409	20,189	29,547	22,309	20,652	775,134
Jan. 24.....	63,045	367,488	73,175	41,324	40,247	29,520	58,926	32,144	20,688	30,404	22,678	22,170	801,809
<b>Chargeable to Federal Reserve agent:</b>													
Jan. 3.....	191,210	935,463	264,430	288,805	157,145	168,279	499,304	132,636	105,169	127,350	78,058	228,950	3,176,737
Jan. 10.....	188,714	937,204	262,627	290,805	158,390	168,997	499,116	132,349	104,965	126,887	78,983	230,419	3,179,456
Jan. 17.....	188,914	930,083	260,350	286,923	159,106	168,905	497,931	131,931	104,291	126,153	78,651	229,868	3,163,106
Jan. 24.....	190,075	925,992	257,245	284,516	158,333	168,080	494,674	130,196	103,792	127,296	78,282	228,350	3,146,831
<b>In hands of Federal Reserve agent:</b>													
Jan. 3.....	21,240	109,800	25,360	22,340	6,220	45,015	46,200	2,990	6,450	7,520	17,555	-----	310,690
Jan. 10.....	21,240	116,000	30,360	24,430	6,220	47,025	48,440	7,830	7,520	7,520	18,725	-----	334,940
Jan. 17.....	22,300	149,000	34,640	28,000	10,410	48,215	48,440	8,815	9,150	11,220	19,615	3,000	392,805
Jan. 24.....	26,400	153,000	36,640	28,565	13,080	52,690	48,440	8,815	10,450	12,120	20,715	3,000	415,915
<b>Issued to Federal Reserve Bank, less amount returned to Federal Reserve agent for redemption:</b>													
Jan. 3.....	169,970	825,603	239,070	266,465	150,923	123,264	453,104	129,646	98,719	119,830	60,503	228,950	2,866,047
Jan. 10.....	167,474	821,294	232,267	266,375	152,170	121,972	450,676	124,519	97,815	119,367	60,258	230,419	2,844,516
Jan. 17.....	166,614	781,083	225,710	258,923	148,696	120,690	449,491	123,116	95,141	114,933	59,036	228,868	2,776,301
Jan. 24.....	163,675	772,992	220,605	255,951	143,253	115,390	446,234	121,381	93,342	115,176	57,567	225,350	2,730,916
<b>Collateral held as security for outstanding notes:</b>													
<b>Gold coin and certificates on hand—</b>													
Jan. 3.....	5,000	178,728	-----	34,450	-----	2,504	-----	-----	13,052	-----	12,581	-----	246,315
Jan. 10.....	5,000	178,740	-----	42,780	-----	2,503	-----	-----	13,052	-----	12,581	-----	254,656
Jan. 17.....	-----	178,740	-----	42,830	-----	2,504	-----	-----	13,052	-----	12,581	-----	249,707
Jan. 24.....	-----	178,740	-----	34,650	-----	2,504	-----	-----	13,052	-----	12,581	-----	241,527
<b>Gold redemption fund—</b>													
Jan. 3.....	8,717	15,652	13,296	13,773	2,991	2,348	6,025	2,543	2,011	3,124	3,087	11,065	84,632
Jan. 10.....	9,303	14,792	12,940	13,773	2,786	2,108	5,597	2,438	1,607	3,064	3,057	10,934	82,599
Jan. 17.....	8,875	13,170	12,374	13,890	2,414	2,615	5,411	2,338	3,133	2,988	3,007	10,383	80,598
Jan. 24.....	8,551	12,239	12,082	13,483	2,106	1,791	4,155	2,137	2,634	2,953	2,982	12,080	77,193
<b>Gold settlement fund Federal Reserve Board—</b>													
Jan. 3.....	46,000	80,000	72,486	90,000	58,000	39,770	271,944	59,131	40,800	51,360	6,684	114,261	930,436
Jan. 10.....	45,000	80,000	71,040	90,000	58,000	38,770	254,944	59,131	39,800	48,360	6,684	109,261	906,990
Jan. 17.....	45,000	80,000	67,049	90,000	55,000	39,270	313,945	59,131	35,600	48,360	6,684	118,761	953,800
Jan. 24.....	44,000	80,000	66,236	95,000	50,000	37,270	291,945	62,131	39,300	48,360	6,684	115,546	936,472
<b>Eligible paper, minimum required<sup>1</sup></b>													
Jan. 3.....	110,253	551,223	153,288	128,242	89,932	78,642	175,135	67,972	42,856	65,346	38,151	103,624	1,604,664
Jan. 10.....	108,171	547,672	148,287	119,822	91,384	78,591	190,135	62,950	43,156	67,943	37,936	110,224	1,606,271
Jan. 17.....	112,739	509,173	146,287	112,203	91,282	76,301	130,135	61,647	43,356	63,585	36,764	97,724	1,481,196
Jan. 24.....	111,124	502,013	142,287	112,818	91,147	73,825	150,134	57,113	38,356	63,863	35,320	97,724	1,473,724

<sup>1</sup> For actual amount see "Paper delivered to Federal Reserve Agent" on page 174.

Amounts of Federal Reserve notes received from and returned to other Federal Reserve Banks for redemption or credit during the calendar year 1918 and totals for 1917.

	Boston.		New York.		Philadelphia.		Cleveland.		Richmond.	
	Received.	Returned.	Received.	Returned.	Received.	Returned.	Received.	Returned.	Received.	Returned.
Boston.....			\$28,023,300	\$16,415,400	\$1,734,700	\$2,101,400	\$2,173,900	\$358,850	\$1,592,100	\$745,500
New York.....	\$15,729,700	\$27,182,800			26,000,590	41,454,750	13,564,050	9,712,450	17,119,950	10,454,100
Philadelphia.....	2,176,000	2,374,800	43,178,000	31,085,350			7,153,500	4,640,700	4,606,000	5,096,250
Cleveland.....	340,970	2,145,540	9,517,450	13,639,700	4,465,900	7,037,500		1,560,350	1,555,600	3,894,100
Richmond.....	734,750	1,620,600	9,742,900	17,519,100	3,281,000	4,728,250	3,980,100			
Atlanta.....	491,850	622,250	6,165,750	9,300,050	976,740	1,402,100	2,068,615	304,450	2,690,015	1,698,500
Chicago.....	1,017,250	2,219,810	11,226,000	14,085,950	1,575,500	3,061,500	6,598,000	3,297,800	1,529,500	2,770,600
St. Louis.....	403,515	380,400	4,274,050	3,013,150	651,995	655,500	2,562,420	372,350	933,705	479,000
Minneapolis.....	114,500	338,703	1,001,300	2,312,750	150,000	418,000	345,000	302,450	197,030	412,250
Kansas City.....	61,600	450,000	691,050	3,406,000	106,050	655,250	237,150	369,800	233,450	759,250
Dallas.....	419,450	176,500	2,989,850	1,977,800	393,300	307,150	1,350,300	125,150	322,700	139,250
San Francisco.....	167,720	420,300	1,240,820	5,873,950	195,530	533,260	333,100	205,100	333,535	154,250
Total, 1918.....	21,660,305	37,931,790	118,050,470	118,629,200	39,531,305	62,354,660	40,366,135	21,249,450	31,113,635	26,603,050
Total, 1917.....	4,278,835	12,012,900	29,997,052	24,799,975	8,066,790	14,960,902	5,175,740	2,534,070	6,450,175	2,083,430

	Atlanta.		Chicago.		St. Louis.		Minneapolis.		Kansas City.	
	Received.	Returned.	Received.	Returned.	Received.	Returned.	Received.	Returned.	Received.	Returned.
Boston.....	\$613,100	\$538,330	\$2,247,800	\$1,209,500	\$381,600	\$435,795	\$337,900	\$119,500	\$577,200	\$69,915
New York.....	9,131,200	6,068,945	14,071,550	10,923,000	2,967,850	3,787,425	2,290,750	973,800	4,308,250	816,450
Philadelphia.....	1,384,000	1,011,650	3,237,500	1,931,500	644,000	781,190	460,000	140,000	821,500	105,900
Cleveland.....	297,900	2,003,865	3,294,050	6,654,000	356,500	2,670,470	308,450	350,500	463,440	245,800
Richmond.....	1,696,500	2,619,300	2,765,850	1,553,000	363,500	998,725	412,500	202,500	803,240	160,440
Atlanta.....			2,493,075	2,013,000	2,309,010	3,847,640	435,300	106,000	1,228,355	291,800
Chicago.....	1,998,500	2,415,825			5,005,000	12,959,065	7,269,000	4,130,250	11,060,995	1,358,850
St. Louis.....	3,755,740	2,305,805	12,486,965	5,146,000			1,041,205	290,500	8,107,970	1,185,200
Minneapolis.....	100,000	427,160	4,261,300	7,347,000	280,500	1,099,765			1,235,500	578,700
Kansas City.....	248,100	986,540	1,285,100	8,578,500	987,800	6,336,680	456,300	1,046,500		
Dallas.....	1,734,750	1,790,635	1,722,150	1,816,000	1,500,050	3,797,400	291,100	125,500	3,166,470	1,077,400
San Francisco.....	147,725	270,870	1,842,315	4,285,100	223,725	843,625	993,600	1,630,250	1,831,940	430,150
Total, 1918.....	21,107,515	20,438,925	49,708,155	51,456,600	15,019,535	37,557,760	14,296,105	9,115,300	33,604,360	6,320,605
Total, 1917.....	6,210,710	4,650,150	5,129,265	15,268,500	3,344,960	7,979,770	5,537,985	1,351,000	7,783,185	1,118,755

	Dallas.		San Francisco.		Total, 1918.		Total, 1917.	
	Received.	Returned.	Received.	Returned.	Received.	Returned.	Received.	Returned.
Boston.....	\$166,500	\$432,100	\$426,300	\$168,665	\$38,274,400	\$22,594,955	\$11,941,700	\$4,219,425
New York.....	1,957,650	2,127,300	5,823,200	1,109,150	112,964,740	114,610,170	25,374,715	30,324,987
Philadelphia.....	319,500	397,950	579,000	140,190	64,559,000	47,705,480	14,515,907	8,010,485
Cleveland.....	111,950	1,078,300	214,000	254,725	20,926,210	39,974,500	2,528,325	4,999,655
Richmond.....	142,250	282,950	140,500	301,475	24,063,090	31,546,690	2,070,680	6,392,235
Atlanta.....	1,771,260	1,680,000	314,970	119,330	20,947,940	21,385,120	4,654,345	6,117,975
Chicago.....	1,804,000	1,501,400	4,339,100	1,055,960	53,422,845	48,357,010	15,079,650	5,006,115
St. Louis.....	3,585,875	1,436,800	787,775	166,940	38,691,215	15,431,645	8,022,765	3,418,680
Minneapolis.....	125,500	242,150	1,625,250	427,325	9,435,930	13,906,250	1,327,000	5,508,090
Kansas City.....	777,950	2,228,350	440,550	1,069,490	5,525,100	25,886,340	1,110,855	7,895,375
Dallas.....			891,900	281,435	14,782,020	11,614,220	3,536,050	5,760,020
San Francisco.....	321,510	447,910			7,631,520	15,094,765	1,933,625	4,456,440
Total, 1918.....	11,083,945	11,855,210	15,582,545	5,094,685	411,124,010	408,607,145		
Total, 1917.....	5,765,280	3,506,950	4,355,640	1,843,080			92,095,617	92,109,482

**MEMBER BANK CONDITION STATEMENT.**

*Principal resources and liabilities of member banks in leading cities, including member banks located in Federal Reserve Bank cities and in Federal Reserve Branch cities as at close of business on Fridays from Dec. 27, 1918, to Jan. 17, 1919.*

1. ALL REPORTING MEMBER BANKS.

[In thousands of dollars, i. e., 000 omitted.]

	Boston.	New York.	Phila- delphia.	Clevo- land.	Rich- mond.	At- lanta.	Chicago.	St. Louis.	Minne- apolis.	Kansas City.	Dallas.	San Francisco.	Total.
<b>Number of reporting banks:</b>													
Dec. 27.....	45	107	56	84	81	45	101	32	35	75	45	53	759
Jan. 3.....	45	107	56	90	80	44	101	31	35	75	45	54	763
Jan. 10.....	45	106	56	90	81	45	101	36	35	75	45	54	769
Jan. 17.....	45	106	55	90	81	44	101	38	35	76	43	54	768
<b>United States bonds to secure circulation:</b>													
Dec. 27.....	14,352	50,397	11,497	42,913	24,313	15,465	18,980	17,554	6,419	13,610	17,929	34,756	268,185
Jan. 3.....	14,352	50,096	11,497	41,302	23,889	15,165	19,855	17,155	6,419	13,610	17,929	34,505	265,774
Jan. 10.....	14,352	46,351	11,497	41,002	25,000	15,165	19,855	17,155	6,419	13,660	18,023	34,505	263,184
Jan. 17.....	14,352	46,001	11,497	41,002	25,000	15,165	19,855	17,155	6,419	13,685	18,106	34,505	262,742
<b>Other United States bonds, including Liberty bonds:</b>													
Dec. 27.....	23,819	326,007	41,551	20,818	56,737	43,145	111,696	40,665	12,533	29,365	21,403	36,246	833,985
Jan. 3.....	23,124	330,009	42,011	39,812	55,102	42,779	108,636	39,733	13,897	27,325	19,867	35,274	827,569
Jan. 10.....	22,377	318,037	40,660	37,243	52,933	41,610	100,812	38,324	12,448	26,261	20,150	35,136	797,991
Jan. 17.....	23,615	310,997	42,348	37,946	56,229	44,986	112,501	39,662	17,141	29,752	21,769	38,649	825,595
<b>United States certificates of indebtedness:</b>													
Dec. 27.....	68,280	451,901	53,378	60,543	34,781	38,354	107,804	23,289	14,968	26,809	12,598	60,845	953,550
Jan. 3.....	78,608	635,343	73,761	80,325	38,908	44,360	146,740	31,811	21,527	31,007	13,425	74,133	1,209,948
Jan. 10.....	87,073	637,921	76,569	83,205	43,178	44,621	145,823	34,450	23,712	31,764	14,553	78,019	1,300,888
Jan. 17.....	95,721	730,901	84,375	106,849	42,876	47,421	163,848	40,307	27,990	31,228	14,323	81,187	1,407,026
<b>Total United States securities owned:</b>													
Dec. 27.....	106,451	828,505	106,426	194,274	115,831	96,964	238,480	81,508	33,920	69,784	51,930	131,847	2,055,720
Jan. 3.....	116,084	1,015,448	127,269	211,439	117,890	102,304	275,231	88,699	41,843	71,942	51,221	143,912	2,363,291
Jan. 10.....	123,802	1,002,509	128,726	211,450	121,111	101,399	266,490	89,929	42,579	78,685	52,726	147,600	2,302,063
Jan. 17.....	133,688	1,087,899	138,220	235,797	124,105	107,372	296,204	97,124	51,550	74,665	54,198	154,341	2,555,363
<b>Loans secured by United States bonds and certificates:</b>													
Dec. 27.....	103,967	692,406	157,618	102,132	43,188	21,058	72,253	25,420	11,513	12,925	7,672	19,257	1,269,409
Jan. 3.....	95,425	664,934	144,184	97,718	43,656	17,598	83,300	24,509	13,232	10,354	7,511	17,619	1,220,040
Jan. 10.....	93,340	640,981	142,624	93,943	37,009	18,642	67,986	23,638	10,120	11,807	7,171	18,690	1,165,451
Jan. 17.....	89,936	665,264	136,600	92,867	36,909	17,594	70,950	24,228	10,067	11,670	7,646	18,990	1,182,721
<b>Other loans and investments:</b>													
Dec. 27.....	766,409	4,108,701	619,529	936,975	391,933	322,400	1,386,135	369,684	242,437	459,704	181,439	548,920	10,334,266
Jan. 3.....	740,611	4,014,172	607,711	957,854	376,736	310,992	1,371,082	356,580	230,569	443,561	176,688	527,913	10,114,469
Jan. 10.....	747,718	3,987,569	607,509	967,277	384,763	309,277	1,381,321	374,844	225,519	444,483	175,834	525,027	10,131,141
Jan. 17.....	758,755	3,992,612	609,475	973,166	378,919	315,305	1,365,682	374,807	222,818	438,510	176,375	529,044	10,135,463
<b>Total loans and investments:</b>													
Dec. 27.....	976,827	5,629,412	883,573	1,233,381	550,952	440,422	1,696,868	476,612	287,870	542,413	241,041	709,024	13,659,395
Jan. 3.....	952,120	5,694,554	879,164	1,267,011	538,341	430,894	1,729,563	469,788	285,644	525,857	235,420	689,444	13,607,800
Jan. 10.....	964,860	5,631,059	878,859	1,272,670	532,883	429,815	1,715,797	488,411	278,218	529,475	235,731	691,377	13,658,655
Jan. 17.....	982,379	5,745,775	884,295	1,301,830	539,933	440,471	1,732,836	496,159	284,435	524,845	238,219	702,375	13,873,552
<b>Reserve with Federal Reserve Bank:</b>													
Dec. 27.....	68,494	644,973	58,120	78,916	34,783	30,340	158,595	37,108	24,031	45,701	15,105	51,281	1,247,447
Jan. 3.....	70,281	673,932	63,804	89,631	37,399	35,102	155,952	42,444	22,902	38,801	17,052	48,549	1,295,849
Jan. 10.....	73,264	659,120	66,481	94,926	35,673	29,672	165,255	37,920	22,787	39,801	18,157	52,667	1,295,723
Jan. 17.....	79,484	668,265	65,355	92,032	34,790	28,046	156,991	38,870	21,655	46,687	17,537	49,062	1,298,874
<b>Cash in vault:</b>													
Dec. 27.....	29,817	142,148	25,612	41,467	22,667	16,972	72,931	15,177	10,834	18,302	12,283	27,214	435,424
Jan. 3.....	28,432	140,424	25,063	45,027	22,332	18,004	74,187	15,166	10,343	17,799	9,336	22,678	428,791
Jan. 10.....	24,986	137,795	22,190	39,693	22,478	17,205	69,218	14,922	10,482	18,057	10,788	23,809	411,603
Jan. 17.....	24,191	125,425	21,909	41,935	20,123	16,291	65,179	13,193	9,067	16,458	9,675	23,175	386,621
<b>Net demand deposits on which reserve is computed:</b>													
Dec. 27.....	715,610	4,657,866	629,478	759,579	337,756	239,286	1,153,285	286,116	215,669	391,910	146,694	429,587	9,962,836
Jan. 3.....	715,767	4,770,888	630,535	793,582	335,242	245,440	1,166,153	302,680	218,116	387,359	148,533	432,763	10,145,053
Jan. 10.....	738,312	4,667,215	647,929	793,218	328,958	242,583	1,191,507	283,456	211,431	388,920	151,219	421,754	10,066,502
Jan. 17.....	728,635	4,673,651	658,349	788,396	327,676	242,866	1,173,922	294,839	206,416	395,337	150,270	439,745	10,080,102
<b>Time deposits:</b>													
Dec. 27.....	104,985	245,119	18,972	229,226	60,953	95,151	390,215	72,997	48,772	60,297	25,571	129,788	1,481,156
Jan. 3.....	105,247	252,438	19,216	264,243	69,743	95,243	394,966	80,222	49,580	64,789	26,421	130,193	1,552,301
Jan. 10.....	104,100	251,040	18,779	269,828	61,962	97,882	398,834	85,996	54,829	64,555	26,092	131,429	1,565,326
Jan. 17.....	105,625	261,597	18,679	278,238	67,993	99,617	400,233	88,696	49,825	64,466	26,749	144,246	1,605,064
<b>Government deposits:</b>													
Dec. 27.....	39,787	215,998	31,235	36,699	19,457	16,394	53,007	15,793	9,835	16,955	9,220	9,756	474,136
Jan. 3.....	36,268	245,694	30,101	23,327	11,162	11,976	34,115	16,799	7,992	10,138	3,953	79	431,604
Jan. 10.....	41,292	276,968	31,508	33,841	11,207	9,603	55,905	18,102	8,564	9,372	2,660	.....	499,022
Jan. 17.....	39,845	381,614	48,271	33,377	19,052	19,200	51,908	24,145	18,753	15,046	3,376	4,369	658,956

Principal resources and liabilities of member banks in leading cities, including member banks located in Federal Reserve Bank cities and in Federal Reserve Branch cities as at close of business on Fridays from Dec. 27, 1918, to Jan. 17, 1919—Con.

2. MEMBER BANKS IN FEDERAL RESERVE BANK CITIES.

[In thousands of dollars; i. e., 000 omitted.]

	Boston.	New York.	Philadelphia.	Cleveland.	Richmond.	Atlanta.	Chicago.	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.	Total.
<b>Number of reporting banks:</b>													
Dec. 27.....	21	65	41	10	9	7	44	14	8	17	7	9	252
Jan. 3.....	21	65	41	11	9	7	44	14	8	17	7	9	253
Jan. 10.....	21	65	41	11	9	7	44	15	8	17	7	9	254
Jan. 17.....	21	65	40	11	9	7	44	15	8	17	7	9	253
<b>United States bonds to secure circulation:</b>													
Dec. 27.....	4,228	36,333	7,487	4,471	2,096	3,000	1,119	10,554	2,340	4,496	4,006	18,400	99,184
Jan. 3.....	4,228	36,333	7,487	4,471	2,097	3,700	1,119	10,555	2,340	4,496	4,060	18,400	99,286
Jan. 10.....	4,228	35,333	7,487	4,471	2,783	3,700	1,119	10,555	2,340	4,546	4,060	18,400	100,022
Jan. 17.....	4,228	35,783	7,487	4,471	2,783	3,700	1,119	10,555	2,340	4,571	4,060	18,400	99,497
<b>Other United States bonds, including Liberty bonds:</b>													
Dec. 27.....	13,649	273,793	33,710	17,621	8,933	5,698	50,235	30,238	3,339	9,647	5,289	12,706	464,858
Jan. 3.....	13,123	275,784	34,244	15,655	8,125	5,272	47,253	29,909	4,813	8,843	4,659	11,920	459,570
Jan. 10.....	12,592	272,986	33,210	15,643	7,829	6,022	45,297	27,815	3,536	8,199	4,604	12,887	450,173
Jan. 17.....	13,732	263,896	33,385	18,658	8,600	6,216	49,798	26,775	6,729	9,786	5,224	14,085	456,887
<b>United States certificates of indebtedness:</b>													
Dec. 27.....	49,226	426,127	43,903	13,642	5,380	6,669	48,495	17,739	5,289	8,209	5,962	24,906	655,547
Jan. 3.....	54,674	595,195	62,706	18,803	5,177	6,529	71,977	24,734	7,944	8,592	6,632	29,811	892,774
Jan. 10.....	62,255	600,424	65,317	16,792	17,363	7,773	72,663	26,168	9,237	8,756	6,504	30,799	913,589
Jan. 17.....	70,168	687,399	73,324	22,594	6,132	8,009	87,700	29,630	11,405	7,106	6,491	30,313	1,040,271
<b>Total United States securities owned:</b>													
Dec. 27.....	67,103	736,253	85,103	35,734	16,409	15,967	99,849	58,531	10,968	22,352	15,311	56,012	1,219,589
Jan. 3.....	72,025	907,312	104,437	38,929	15,399	15,451	120,349	65,198	15,097	21,931	15,351	60,131	1,451,610
Jan. 10.....	79,075	909,743	106,014	36,906	17,363	17,545	119,079	64,538	15,113	21,601	15,521	61,386	1,463,784
Jan. 17.....	88,128	987,078	114,196	45,723	17,515	17,925	138,617	66,960	20,474	21,466	15,775	62,798	1,596,655
<b>Loans secured by United States bonds and certificates:</b>													
Dec. 27.....	77,874	636,247	152,378	32,528	18,099	4,597	50,517	19,828	8,023	1,511	2,584	8,819	1,013,005
Jan. 3.....	77,133	617,825	139,624	33,259	15,682	3,411	61,160	19,269	8,867	1,769	2,275	8,341	988,615
Jan. 10.....	75,303	597,147	138,263	25,888	14,600	3,150	45,611	18,293	5,737	1,892	2,071	9,096	938,051
Jan. 17.....	71,942	621,692	131,967	24,695	13,735	4,145	48,339	18,540	5,426	1,805	2,210	9,415	952,920
<b>Other loans and investments:</b>													
Dec. 27.....	534,494	3,695,537	550,139	273,451	53,470	61,336	851,458	261,562	108,416	166,954	40,762	215,601	6,843,180
Jan. 3.....	514,274	3,627,665	536,394	271,598	73,785	55,989	846,008	251,371	98,460	157,880	42,929	207,797	6,686,180
Jan. 10.....	522,565	3,606,625	537,834	273,430	75,754	55,694	841,594	258,746	98,023	159,261	36,816	202,693	6,672,165
Jan. 17.....	532,955	3,594,179	537,870	271,370	76,130	59,565	844,350	252,940	96,036	150,526	40,456	204,814	6,601,191
<b>Total loans and investments:</b>													
Dec. 27.....	679,471	5,068,037	787,617	341,713	117,078	81,900	1,001,824	339,921	127,407	190,817	58,657	280,432	9,075,774
Jan. 3.....	663,432	5,152,832	780,455	343,786	106,866	74,851	1,027,517	335,838	122,424	181,580	60,555	276,269	9,126,405
Jan. 10.....	676,943	5,113,515	782,111	336,224	107,717	77,839	1,006,234	341,577	118,873	182,684	57,508	273,175	9,074,000
Jan. 17.....	693,025	5,202,949	784,033	341,788	107,380	80,635	1,031,306	338,449	121,936	173,797	58,441	277,027	9,210,766
<b>Reserve with Federal Reserve Bank:</b>													
Dec. 27.....	54,791	607,475	51,882	20,313	7,266	6,667	111,374	27,973	11,994	16,933	3,009	20,758	940,435
Jan. 3.....	55,631	635,264	57,427	21,499	5,307	13,931	108,825	32,856	10,895	11,014	4,327	17,363	974,839
Jan. 10.....	59,132	625,882	60,050	25,225	6,672	6,274	112,584	28,850	10,543	12,933	4,004	20,039	972,188
Jan. 17.....	64,636	635,222	59,223	20,978	6,307	6,122	108,029	28,625	10,502	17,705	4,590	17,092	979,431
<b>Cash in vault:</b>													
Dec. 27.....	19,845	122,572	21,135	11,262	2,370	3,759	43,411	8,576	3,432	5,737	2,931	6,494	251,584
Jan. 3.....	18,047	120,625	19,800	12,431	2,002	3,397	44,555	8,531	3,053	4,977	1,665	5,798	244,881
Jan. 10.....	14,964	120,257	17,773	10,261	2,539	3,069	42,301	8,285	3,414	5,086	2,335	6,602	236,886
Jan. 17.....	14,595	110,703	17,269	10,350	2,223	2,758	39,600	7,210	3,007	4,728	1,668	5,892	220,003
<b>Net demand deposits on which reserve is computed:</b>													
Dec. 27.....	552,245	4,275,519	549,213	176,583	70,770	45,921	782,823	202,530	96,762	140,388	36,921	176,005	7,105,680
Jan. 3.....	552,596	4,338,604	551,124	183,438	64,040	46,276	794,398	221,589	96,156	131,610	38,798	177,840	7,196,469
Jan. 10.....	565,854	4,310,677	568,791	183,134	61,352	46,236	808,403	199,616	92,169	139,668	40,701	180,124	7,196,725
Jan. 17.....	558,334	4,322,585	578,616	175,410	60,331	45,554	795,711	199,529	90,856	139,271	38,807	176,762	7,181,766
<b>Time deposits:</b>													
Dec. 27.....	30,682	189,611	12,180	110,513	5,585	17,037	147,800	52,708	17,373	7,578	2,822	9,096	602,985
Jan. 3.....	31,968	195,422	12,043	122,406	14,774	15,610	149,859	58,526	17,673	7,600	2,988	8,986	637,855
Jan. 10.....	29,433	196,329	11,544	122,079	5,807	17,476	151,894	61,004	17,830	8,136	2,787	9,625	633,944
Jan. 17.....	31,687	206,190	11,370	122,686	6,045	17,708	153,274	61,025	17,186	7,974	3,155	9,850	648,150
<b>Total net deposits on which reserve is computed:</b>													
Dec. 27.....	561,450	4,319,275	552,867	209,737	72,446	51,032	816,931	214,693	101,974	142,661	37,768	178,734	7,239,568
Jan. 3.....	562,186	4,383,701	554,737	220,160	68,472	50,959	828,981	235,095	101,458	133,890	39,694	180,536	7,359,869
Jan. 10.....	574,684	4,355,984	572,254	219,758	63,094	51,479	843,455	213,693	97,518	142,109	41,537	183,012	7,358,577
Jan. 17.....	567,840	4,370,167	582,027	212,216	62,145	50,866	831,082	213,612	96,012	141,663	39,754	179,717	7,347,101
<b>Government deposits:</b>													
Dec. 27.....	29,349	197,354	27,881	15,284	3,718	3,204	30,294	12,526	4,467	7,345	5,451	5,550	342,423
Jan. 3.....	27,777	228,604	27,834	10,387	957	1,701	13,962	13,572	3,099	4,364	2,316	76	334,652
Jan. 10.....	32,631	232,283	28,865	12,095	729	1,425	39,508	13,931	3,875	3,868	2,210	.....	370,211
Jan. 17.....	31,546	358,467	42,788	19,350	3,921	4,368	39,405	18,921	8,116	6,656	1,967	4,369	539,874

Principal resources and liabilities of member banks in leading cities, including member banks located in Federal Reserve Bank cities and in Federal Reserve Branch cities as at close of business on Fridays from Dec. 27, 1918, to Jan. 17, 1919—Con.

3. MEMBER BANKS IN FEDERAL RESERVE BRANCH CITIES.

[In thousands of dollars; i. e., 000 omitted.]

	Cleveland district. <sup>1</sup>	Richmond district. <sup>2</sup>	Atlanta district. <sup>3</sup>	Chicago district. <sup>4</sup>	St. Louis district. <sup>5</sup>	Kansas City district. <sup>6</sup>	Dallas district. <sup>7</sup>	San Francisco district. <sup>8</sup>	Total.
Number of reporting banks:									
Dec. 27.....	36	18	20	12	12	17	6	28	149
Jan. 3.....	39	18	20	12	14	17	6	28	154
Jan. 10.....	39	18	20	12	18	17	6	28	155
Jan. 17.....	39	18	20	12	19	17	6	28	159
United States bonds to secure circulation:									
Dec. 27.....	24,823	4,901	5,085	1,805	5,230	4,487	1,255	8,736	56,412
Jan. 3.....	23,316	4,901	5,085	1,805	5,250	4,487	1,255	8,485	54,674
Jan. 10.....	23,316	4,901	5,085	1,805	5,250	4,487	1,255	8,485	54,674
Jan. 17.....	23,316	4,991	5,085	1,805	5,250	4,487	1,432	8,485	54,851
Other United States bonds, including Liberty bonds:									
Dec. 27.....	55,338	7,235	19,937	24,674	7,721	8,081	2,035	15,176	140,197
Jan. 3.....	55,079	7,555	19,344	26,500	8,647	7,985	1,966	14,741	141,817
Jan. 10.....	55,375	7,468	18,340	24,180	8,378	8,415	1,948	14,016	138,620
Jan. 17.....	51,382	7,904	19,350	28,422	10,913	8,692	2,290	15,395	144,350
United States certificates of indebtedness:									
Dec. 27.....	33,227	16,187	21,753	33,096	4,444	9,291	794	25,987	144,779
Jan. 3.....	43,156	18,071	26,051	41,013	6,386	11,805	781	32,519	179,782
Jan. 10.....	48,328	18,057	25,972	40,151	7,288	12,102	1,281	34,489	188,218
Jan. 17.....	65,051	18,439	27,615	40,724	9,338	12,890	1,399	35,430	211,866
Total United States securities owned:									
Dec. 27.....	113,388	28,413	46,775	59,575	17,395	21,859	4,084	49,899	341,388
Jan. 3.....	121,551	30,617	50,480	69,313	20,283	24,277	4,002	55,745	376,273
Jan. 10.....	127,019	31,116	49,397	66,196	21,416	25,004	4,434	56,990	381,512
Jan. 17.....	139,729	31,934	52,050	70,951	25,503	26,069	5,121	60,310	411,067
Loans secured by United States bonds and certificates:									
Dec. 27.....	61,151	11,304	10,024	8,741	3,768	6,339	312	5,417	107,056
Jan. 3.....	55,653	16,597	9,191	8,720	3,738	6,222	349	5,385	106,635
Jan. 10.....	59,616	11,177	9,569	8,452	3,379	6,677	347	5,903	105,750
Jan. 17.....	58,748	11,517	9,467	8,639	4,348	7,102	337	5,152	105,390
Other loans and investments:									
Dec. 27.....	495,802	110,403	169,772	253,143	85,128	150,982	14,177	214,096	1,493,503
Jan. 3.....	509,035	110,732	166,319	244,085	89,913	150,566	13,821	210,854	1,495,325
Jan. 10.....	511,095	113,676	165,066	270,185	102,598	148,416	14,086	209,567	1,534,680
Jan. 17.....	512,242	109,240	168,439	250,344	106,636	148,499	13,983	210,492	1,519,875
Total loans and investments:									
Dec. 27.....	670,341	150,120	226,571	321,459	106,291	179,180	18,573	269,412	1,941,947
Jan. 3.....	687,239	157,746	225,990	322,123	113,694	181,065	18,172	271,984	1,978,253
Jan. 10.....	697,730	158,969	224,032	344,803	127,990	180,097	18,867	272,460	2,021,948
Jan. 17.....	710,719	152,091	229,956	329,934	136,487	181,070	19,401	275,954	2,036,272
Reserve with Federal reserve bank:									
Dec. 27.....	44,719	12,022	16,118	22,239	7,688	13,805	1,383	21,175	139,149
Jan. 3.....	53,364	13,498	13,525	21,880	8,881	13,678	1,197	20,287	145,316
Jan. 10.....	54,723	13,616	15,924	25,797	8,247	12,527	1,576	21,101	153,511
Jan. 17.....	55,177	12,356	16,309	22,410	9,020	14,876	1,436	20,963	151,547
Cash in vault:									
Dec. 27.....	19,717	7,827	7,594	13,615	5,330	6,255	682	10,724	71,744
Jan. 3.....	20,496	7,925	8,639	13,821	5,752	6,707	647	8,529	72,516
Jan. 10.....	17,886	7,663	8,961	12,379	5,980	6,552	599	7,937	67,957
Jan. 17.....	19,051	7,079	8,720	11,380	5,224	5,765	630	8,307	66,756
Net demand deposits on which reserve is computed:									
Dec. 27.....	447,014	109,849	134,865	157,634	65,159	124,799	10,830	161,825	1,211,975
Jan. 3.....	465,045	111,260	138,670	162,043	72,651	125,898	10,539	155,401	1,241,512
Jan. 10.....	463,420	111,462	140,183	167,923	74,667	123,284	11,278	148,200	1,240,417
Jan. 17.....	462,481	114,050	140,576	158,909	84,972	123,727	11,070	165,187	1,260,972
Time deposits:									
Dec. 27.....	66,239	12,642	47,132	153,867	14,675	30,620	4,978	89,934	420,087
Jan. 3.....	79,120	12,913	47,965	155,390	16,221	34,540	5,125	87,987	439,707
Jan. 10.....	79,751	12,881	48,457	157,114	19,441	34,832	5,183	88,319	445,978
Jan. 17.....	87,584	15,087	48,893	156,913	20,969	34,817	5,280	100,724	470,892
Total net deposits on which reserve is computed:									
Dec. 27.....	466,886	113,642	149,005	203,794	69,561	133,985	12,323	188,805	1,338,001
Jan. 3.....	483,731	115,134	153,059	208,817	77,517	136,260	12,077	181,797	1,373,442
Jan. 10.....	487,345	115,326	154,720	215,057	80,499	133,734	12,833	174,696	1,374,210
Jan. 17.....	488,756	118,756	155,244	205,984	91,269	134,172	12,654	195,404	1,402,239
Government deposits:									
Dec. 27.....	15,032	8,454	8,384	10,014	2,736	4,565	272	2,344	51,801
Jan. 3.....	7,490	6,476	6,476	13,964	2,979	3,171	120	.....	39,800
Jan. 10.....	16,789	4,520	5,177	7,589	3,559	3,177	400	.....	41,221
Jan. 17.....	6,993	7,774	8,658	6,487	4,775	4,052	428	.....	39,167

<sup>1</sup> Pittsburgh and Cincinnati.

<sup>2</sup> Baltimore.

<sup>3</sup> New Orleans, Jacksonville, and Birmingham.

<sup>4</sup> Detroit.

<sup>5</sup> Louisville, Memphis, and Little Rock.

<sup>6</sup> Omaha and Denver.

<sup>7</sup> El Paso.

<sup>8</sup> Spokane, Portland, Seattle, and Salt Lake City.

## IMPORTS AND EXPORTS OF GOLD AND SILVER.

*Gold imports and exports into and from the United States.*

[In thousands of dollars; i. e., 000 omitted.]

	Ten days ending Dec. 20, 1918.	Eleven days ending Dec. 31, 1918.	Total for calendar year 1918.	Total for calendar year 1917.	Ten days ending Jan. 10, 1919.
<b>IMPORTS.</b>					
Ore and base bullion.....	161	328	15,335	15,789	561
United States mint or assay office bars.....			6	114	
Bullion, refined.....	193	152	30,591	398,762	150
United States coin.....		50	6,834	53,923	
Foreign coin.....			184	95,125	
Total.....	354	530	61,950	563,713	711
<b>EXPORTS.</b>					
Domestic:					
Ore and base bullion.....	2		206	250	
United States mint or assay office bars.....			4,484	46,595	
Bullion, refined.....	174	1	3,575	43,683	
Coin.....	771	199	32,157	274,318	541
Total.....	947	200	40,422	364,846	541
Foreign:					
Bullion, refined.....				31	
Coin.....			426	7,294	
Total.....			426	7,225	
Total exports.....	947	200	40,848	372,171	541

Excess of gold imports over exports during calendar year 1918, \$21,102,000.

Excess of gold imports over exports Aug. 1, 1914, to Dec. 31, 1918, \$1,071,406,000.

*Silver imports and exports into and from the United States.*

[In thousands of dollars; i. e., 000 omitted.]

	Ten days ending Dec. 20, 1918.	Eleven days ending Dec. 31, 1918.	Total for calendar year 1918.	Total for calendar year 1917.	Ten days ending Jan. 10, 1919.
<b>IMPORTS.</b>					
Ore and base bullion.....	1,536	1,007	44,878	37,669	1,545
United States mint or assay office bars.....			51	131	
Bullion, refined.....	60	73	20,569	9,367	424
United States coin.....	15	14	1,268	1,162	28
Foreign coin.....	167	106	4,610	5,012	119
Total.....	1,778	1,200	71,376	53,341	2,116
<b>EXPORTS.</b>					
Domestic:					
Ore and base bullion.....			19	167	
United States mint or assay office bars.....	5,329	10,867	67,096	3,533	
Bullion, refined.....	10,181	4,962	169,316	72,839	1,828
Coin.....	22	413	3,542	1,004	
Total.....	15,532	16,272	239,973	77,726	1,828
Foreign:					
Bullion, refined.....	188	256	6,018	3,215	61
Coin.....	293	159	6,555	3,190	260
Total.....	481	415	12,573	6,405	321
Total exports.....	16,013	16,687	252,546	84,131	2,144

Excess of silver exports over imports during calendar year 1918, \$181,470,000.

Excess of silver exports over imports Aug. 1, 1914, to Dec. 31, 1918, \$279,760,000.

Estimated general stock of money, money held by Treasury and by the Federal Reserve System, and all other money in the United States Jan. 1, 1919.

	General stock of money in the United States.	Held in the United States Treasury as assets of the Government. <sup>1</sup>	Held by or for Federal Reserve banks and agents.	Held outside the United States Treasury and Federal Reserve system.	Amount per capita outside the United States Treasury and the Federal Reserve system.
Gold coin <sup>2</sup> .....	\$3,080,510,011	\$327,238,862	\$1,451,025,752	\$416,932,333	.....
Gold certificates.....	.....	.....	465,630,065	419,682,999	.....
Standard silver dollars.....	400,921,930	50,956,501	.....	83,244,332	.....
Silver certificates.....	.....	.....	9,291,272	255,526,668	.....
Subsidiary silver.....	241,263,985	3,331,153	1,397,480	236,535,356	.....
Treasury notes of 1890.....	.....	.....	.....	1,803,107	.....
United States notes.....	346,681,016	8,900,115	448,738,734	239,042,167	.....
Federal Reserve notes.....	2,859,843,920	34,528,148	193,339,180	2,631,976,592	.....
Federal Reserve bank notes.....	128,143,530	2,868,297	6,862,240	118,412,993	.....
National bank notes.....	723,529,210	27,125,084	44,421,044	651,983,082	.....
Total:					
Jan. 1, 1919.....	7,780,798,606	454,948,160	2,220,705,767	5,105,139,679	\$47.83
Dec. 1, 1918.....	7,669,576,580	416,383,232	2,123,208,487	5,129,984,861	48.13
Nov. 1, 1918.....	7,590,173,171	399,321,725	2,125,198,801	5,065,632,645	47.59
Oct. 1, 1918.....	7,391,008,277	380,246,203	2,084,774,897	4,925,987,177	46.34
Sept. 1, 1918.....	7,092,953,371	369,937,066	2,070,371,803	4,652,646,508	43.83
Aug. 1, 1918.....	6,895,089,799	390,798,058	2,054,455,993	4,449,835,748	41.97
July 1, 1918.....	6,742,225,784	356,124,750	2,018,361,825	4,367,739,209	41.31
Jan. 1, 1918.....	6,256,198,271	277,043,358	1,723,570,291	4,255,584,622	40.53
Apr. 1, 1917.....	5,312,169,272	258,198,442	952,934,705	4,100,976,125	39.54

<sup>1</sup> Includes reserve funds against issues of United States notes and Treasury notes of 1890 and redemption funds held against issues of national bank notes, Federal Reserve notes, and Federal Reserve bank notes.

<sup>2</sup> Includes balances in gold settlement fund standing to the credit of the Federal Reserve banks and agents.

<sup>3</sup> Includes standard silver dollars.

<sup>4</sup> Includes Treasury notes of 1890.

**OPERATION OF THE FEDERAL RESERVE CLEARING SYSTEM DEC. 16, 1918, TO JAN. 15, 1919.**

	Items drawn on banks in Federal Reserve City (daily average).		Items drawn on banks in district outside Federal Reserve City (daily average).		Total items drawn on banks in own Federal Reserve district (daily average).		Items drawn on banks in other districts (daily average).		Items handled by both parent bank and branches (daily average).		Items drawn on Treasurer of United States (daily average).		Number of member banks in district.	Number of non-member banks on par list.	Number of non-member banks in district.
	Number.	Amount.	Number.	Amount.	Number.	Amount.	Number.	Amount.	Number.	Amount.	Number.	Amount.			
Boston.....	14,513	\$23,781,502	82,016	\$11,397,475	96,529	\$35,178,977	10,000	\$11,526,528	.....	.....	10,157	\$4,890,577	424	244	244
New York.....	17,755	89,341,143	149,793	51,465,714	167,548	140,806,857	34,851	16,068,839	.....	.....	.....	.....	723	323	323
Philadelphia.....	21,712	28,069,468	43,458	5,790,977	65,170	33,860,445	21,555	10,471,607	.....	.....	8,785	4,221,715	656	335	425
Cleveland.....	5,312	7,638,332	61,844	24,298,189	67,156	31,936,521	7,261	4,846,925	1,907	\$2,883,764	6,624	2,995,418	815	729	1,138
Richmond.....	2,228	8,414,116	45,859	14,766,136	48,087	23,180,252	5,956	6,532,764	228	651,296	3,118	586,640	565	353	1,502
Atlanta.....	5,837	5,747,844	21,586	4,335,857	27,423	10,083,701	2,815	3,751,147	3,881	2,128,529	5,592	1,309,564	426	370	1,663
Chicago.....	14,386	26,998,000	54,989	10,091,000	69,375	37,089,000	5,711	1,181,000	352	275,000	17,292	6,825,000	1,333	2,414	4,161
St. Louis.....	5,331	8,514,270	32,349	7,652,851	37,680	16,167,121	744	779,506	732	535,904	9,250	1,660,034	512	1,052	2,597
Minneapolis.....	3,896	9,964,211	21,416	2,226,152	25,312	12,190,363	1,248	1,637,330	.....	.....	1,234	247,933	867	1,191	2,339
Kansas City.....	3,922	10,374,385	57,991	12,972,034	61,913	23,346,419	5,910	4,233,274	3,283	1,806,156	6,026	776,844	994	2,200	3,189
Dallas.....	1,689	2,532,423	25,505	7,657,271	27,194	10,189,694	2,954	2,061,941	1,067	187,552	4,535	522,949	728	247	1,194
San Francisco.....	2,003	3,529,224	35,312	9,718,109	37,315	13,247,333	823	968,799	2,189	1,609,239	4,660	13,717,126	649	1,137	1,243
Totals:															
Dec. 16, 1918, to Jan. 15, 1919.....	98,584	224,904,918	632,118	162,371,765	730,702	387,276,083	99,823	64,079,660	13,662	10,080,440	77,282	37,753,800	8,692	10,595	20,518
Nov. 16 to Dec. 15, 1918.....	85,174	219,162,199	590,685	167,471,893	675,859	386,634,082	88,326	66,301,701	13,394	10,704,900	135,173	60,766,938	8,639	10,409	20,607
Oct. 16 to Nov. 15, 1918.....	82,434	231,014,467	550,484	189,103,098	632,918	420,117,565	84,796	70,025,266	12,198	11,356,075	98,168	52,790,232	8,584	10,219	20,611
Dec. 16, 1917, to Jan. 15, 1918.....	48,549	148,033,108	253,458	89,065,135	302,007	237,068,243	49,342	52,175,578	7,718	3,402,035	38,130	21,116,293	7,902	9,194	20,604

**DISCOUNT RATES.**

*Discount rates of each Federal Reserve Bank approved by the Federal Reserve Board up to Jan. 31, 1918.*

Federal Reserve Bank.	Maturities.							
	Discounts.						Trade acceptances.	
	Within 15 days, including member banks' collateral notes.	16 to 60 days.	61 to 90 days.	Agricultural and live-stock paper over 90 days.	Secured by U. S. certificates of indebtedness or Liberty loan bonds.		1 to 60 days, inclusive.	61 to 90 days, inclusive.
Within 15 days, including member banks' collateral notes.					16 to 90 days.			
Boston.....	4	4½	4½	5	4	2 4½	4½	4½
New York <sup>1</sup> .....	4	4½	4½	5	4	4½	4½	4½
Philadelphia.....	4	4½	4½	5	4	4½	4½	4½
Cleveland.....	4½	4½	4½	5½	4	4½	4½	4½
Richmond.....	4½	4½	4½	5	2 4½	2 4½	4½	4½
Atlanta.....	4½	4½	4½	5	4	2 4½	4½	4½
Chicago.....	4	4½	4½	5½	4	2 4½	4½	4½
St. Louis.....	4	4½	4½	5½	4	2 4½	4½	4½
Minneapolis.....	4½	4½	5	5½	4	4½	4½	4½
Kansas City.....	4½	5	5	5½	2 4½	2 4½	4½	4½
Dallas.....	4½	4½	5	5½	4	4½	4½	4½
San Francisco.....	4½	5	5	5½	4½	4½	4½	4½

<sup>1</sup> Rate of 3 to 4½ per cent for 1-day discounts in connection with the loan operations of the Government. Rates for discounted bankers, acceptances maturing within 15 days, 4 per cent; within 16 to 60 days, 4½ per cent; and within 61 to 90 days, 4½ per cent.

<sup>2</sup> Rate of 4 per cent on paper secured by fourth Liberty loan bonds where paper rediscounted has been taken by discounting member banks at rate not exceeding interest rate on bonds.

NOTE 1.—Acceptances purchased in open market, minimum rate 4 per cent.

NOTE 2.—In case the 60-day trade acceptance rate is higher than the 15-day discount rate, trade acceptances maturing within 15 days will be taken at the lower rate.

NOTE 3.—Whenever application is made by member banks for renewal of 15-day paper, the Federal Reserve Banks may charge a rate not exceeding that for 90-day paper of the same class.

**FOREIGN EXCHANGE RATES.**

*Monthly ranges of exchange rates on leading foreign money centers, quoted in New York during the 3 months ending January, 1919.*

Exchange at par.	November.		December.		January.	
	Low.	High.	Low.	High.	Low.	High.
London:						
60-day bankers' bills.....dollars for £1..	4.8665	4.72625	4.7325	4.73125	4.73125	4.73125
Sight drafts.....do.....	4.8665	4.7550	4.75	4.7570	4.7585	4.7575
Paris.....francs for 100 dollars..	518.1347	547.00	539.00	545.025	545.25	546.25
Milan.....lire for 100 dollars..	518.1347	636.5	635.00	637.5	635.00	637.25
Madrid.....dollars for 100 pesetas..	19.30	19.70	20.40	19.80	20.20	20.05
Amsterdam.....dollars for 100 florins..	40.20	41.5	42.25	42.00	42.75	41.125
Stockholm.....dollars for 100 kroners..	26.80	27.75	28.50	28.50	29.45	28.10
Copenhagen.....do.....	26.80	26.50	26.80	28.50	27.00	25.90
Zurich.....francs for 100 dollars..	518.1347	504.00	490.00	494.00	478.00	495.00
Buenos Aires <sup>1</sup> .....dollars for 100 gold pesos..	98.48	102.00	102.85	101.50	102.75	101.50
Rio de Janeiro <sup>1</sup> .....dollars for 100 paper milreis..	2 54.62	24.75	27.00	26.50	27.20	26.75
Valparaiso <sup>1</sup> .....dollars for 100 pesos..	36.50	22.22	25.51	18.83	22.78	20.20
Yokohama.....dollars for 100 yen.....	49.85	53.25	54.75	52.50	53.25	51.25
Hongkong.....dollars for 100 Hongkong dollars..		75.00	80.00	80.00	82.00	73.00
Shanghai.....dollars for 100 Shanghai taels..		122.00	124.00	123.00	125.00	122.00
London average price of silver at nominal rate of £(\$4.8665).		1.0744		1.0626		1.0618
New York average price of silver.....		1.0113		1.0113		1.0113

<sup>1</sup> Cable rates on New York.

<sup>2</sup> Rate for a gold milreis.

ABSTRACT OF CONDITION OF MEMBER BANKS.

Abstract of reports of condition of member State banks and trust companies in each Federal Reserve district on Nov. 1, 1918.

[In thousands of dollars, i. e., 000 omitted.]

	District No. 1 (28 banks).	District No. 2 (95 banks).	District No. 3 (23 banks).	District No. 4 (58 banks).	District No. 5 (33 banks).	District No. 6 (48 banks).	District No. 7 (267 banks).	District No. 8 (43 banks).	District No. 9 (62 banks).	District No. 10 (25 banks).	District No. 11 (88 banks).	District No. 12 (77 banks).	Total U. S. (847 banks).
<b>RESOURCES.</b>													
Loans and discounts.....	333,325	1,645,886	138,762	265,003	62,612	115,493	707,183	181,027	46,147	48,256	34,555	85,800	3,664,049
Overdrafts.....	243	669	154	217	118	396	331	309	111	143	191	475	3,357
Customers' liability under letters of credit.....	2,936	19,819	.....	60	35	141	7,592	374	1	.....	.....	839	31,798
Customers' liability account acceptances.....	13,686	113,703	1,500	7,840	828	7,409	13,427	8,439	.....	500	39	1,516	168,937
United States bonds (exclusive of United States bonds borrowed).....	9,464	196,661	13,822	24,124	5,214	16,419	81,760	24,147	2,727	3,097	2,589	6,026	386,050
United States certificates of indebtedness.....	42,275	70,813	9,280	25,520	4,234	15,004	61,544	18,391	3,217	4,197	1,474	10,949	266,898
War savings and thrift stamps actually owned.....	201	241	34	199	62	116	537	173	62	65	95	126	1,911
Stock of Federal Reserve Bank.....	1,595	8,446	1,800	2,571	459	759	4,132	1,308	225	238	240	454	22,317
Other bonds, stocks, etc. (exclusive of securities borrowed).....	80,176	471,707	96,560	139,331	11,230	17,878	181,478	38,726	4,226	11,525	608	14,205	1,067,650
Banking house.....	7,829	40,424	5,972	12,832	1,676	6,388	14,594	5,889	848	858	835	2,643	109,788
Other real estate owned.....	248	7,071	1,803	4,373	738	2,558	1,782	766	199	167	428	2,016	22,149
Furniture and fixtures.....	296	678	326	858	173	552	2,128	706	274	125	427	554	7,097
Due from banks and bankers.....	36,498	237,321	17,756	26,176	9,977	23,171	81,994	24,915	9,092	17,945	5,147	14,547	504,539
Exchanges for clearing house, also checks on banks in same place.....	9,177	141,808	2,737	3,527	779	5,842	19,258	4,122	656	1,734	299	1,681	191,620
Outside checks and other cash items.....	1,497	12,954	385	777	221	2,863	8,784	1,214	484	357	354	536	30,426
Gold coin and certificates.....	1,547	11,669	755	731	188	915	4,218	455	121	463	323	516	21,901
All other cash in vault.....	12,493	34,258	4,089	7,761	2,100	5,556	27,655	5,320	1,348	1,329	1,332	2,900	106,138
Lawful reserve with Federal Reserve Bank Items with Federal Reserve Bank in process of collection.....	33,819	227,504	15,878	24,112	4,415	12,522	65,940	17,419	3,021	5,653	2,634	7,526	420,443
Interest earned but not collected.....	5,027	19,399	2,652	1,469	463	1,750	6,563	6,795	64	116	324	1,704	46,326
Other assets.....	622	9,557	855	385	3	159	736	134	82	12	3	244	12,792
.....	5,723	31,750	1,136	5,798	784	172	19,811	490	83	162	784	247	66,890
<b>Total.....</b>	<b>598,677</b>	<b>3,302,338</b>	<b>316,343</b>	<b>553,664</b>	<b>106,309</b>	<b>236,063</b>	<b>1,311,447</b>	<b>341,169</b>	<b>72,988</b>	<b>96,943</b>	<b>52,631</b>	<b>155,504</b>	<b>7,144,076</b>
<b>LIABILITIES.</b>													
Capital stock paid in.....	25,850	114,966	18,886	28,630	9,135	15,485	70,554	23,760	5,702	4,915	6,258	11,055	335,106
Surplus fund.....	27,329	154,734	44,152	57,498	6,316	9,945	62,949	20,055	1,843	3,110	1,083	4,197	394,106
Undivided profits, less expenses and taxes paid.....	8,742	41,057	7,127	12,257	2,602	2,847	19,342	5,779	953	811	733	2,230	104,480
Interest and discount collected but not earned.....	644	4,304	70	310	85	232	442	138	46	162	4	87	6,524
Amount reserved for taxes accrued.....	1,080	6,136	486	828	109	470	2,741	515	87	110	39	178	12,779
Amount reserved for interest accrued.....	888	9,906	516	616	230	384	2,325	514	128	184	36	318	16,045
Due to Federal Reserve Bank.....	271	511	.....	.....	2	.....	18	.....	.....	.....	1	3	806
Due to banks and bankers.....	19,433	340,101	7,176	10,805	6,362	26,499	65,248	27,869	11,442	11,711	3,535	14,206	544,387
Demand deposits.....	344,185	1,827,480	162,583	179,983	42,721	93,063	444,408	123,301	24,019	47,653	30,486	58,211	3,379,073
Time deposits.....	31,694	226,173	20,353	207,637	25,775	44,596	499,013	72,309	25,183	19,452	4,063	52,700	1,278,948
United States deposits.....	57,321	328,333	41,900	33,215	4,693	14,068	59,879	26,379	1,482	4,171	1,310	1,657	572,618
Bills payable with Federal Reserve Bank.....	7,080	87,350	9,435	11,200	6,375	18,340	50,688	19,983	1,535	3,299	1,460	6,079	222,324
Bills payable other than with Federal Reserve Bank.....	565	1,627	416	65	1,066	1,506	6,964	5,903	553	793	2,495	2,003	23,956
Cash letters of credit and travelers' checks outstanding.....	2,871	7,122	.....	61	35	12	7,562	375	.....	.....	4	927	18,969
Acceptances.....	14,005	132,812	1,500	7,839	828	8,249	13,366	8,480	.....	500	.....	1,516	189,104
Other liabilities.....	6,719	21,446	1,743	2,725	65	367	5,948	4,800	15	72	224	137	44,261
<b>Total.....</b>	<b>598,677</b>	<b>3,302,338</b>	<b>316,343</b>	<b>553,664</b>	<b>106,309</b>	<b>236,063</b>	<b>1,311,447</b>	<b>341,169</b>	<b>72,988</b>	<b>96,943</b>	<b>52,631</b>	<b>155,504</b>	<b>7,144,076</b>
Liability for rediscounts, including those with Federal Reserve Bank.....	26,449	118,167	14,553	2,950	1,846	17,250	15,513	10,664	1,180	2,633	2,696	4,883	218,784

Abstract of reports of condition of member State banks and trust companies of the Federal Reserve system on November 1, 1918, arranged by classes.

[In thousands of dollars, i. e., 000 omitted.]

	Central reserve city banks (67 banks).	Other reserve city banks (121 banks).	Country banks (659 banks).	Total United States (847 banks) Nov. 1, 1918.	Total United States (513 banks) June 29, 1918.
RESOURCES.					
Loans and discounts.....	1,938,763	1,009,980	715,306	3,664,049	3,044,435
Overdrafts.....	746	1,336	1,275	3,357	2,674
Customers' liability under letters of credit.....	27,706	4,086	6	31,798	149,797
Customers' liability account of acceptances.....	132,999	38,994	1,944	168,937	259,289
United States bonds (exclusive of United States bonds borrowed).....	212,385	87,870	85,794	386,049	178,135
United States certificates of indebtedness.....	82,587	109,064	75,248	266,899	1,822
War savings and thrift stamps actually owned.....	207	660	1,044	1,911	19,717
Stock of Federal Reserve Bank.....	10,229	7,466	4,622	22,317	978,913
Other bonds, stocks, etc. (exclusive of securities borrowed).....	500,256	347,433	219,961	1,067,650	88,188
Banking house.....	40,272	37,676	22,840	100,788	19,302
Other real estate owned.....	6,334	11,407	4,408	22,149	4,951
Furniture and fixtures.....	785	2,485	3,827	7,097	444,893
Due from banks and bankers.....	270,333	136,354	97,852	504,539	107,135
Exchanges for clearing house, also checks on banks in same place.....	153,554	30,744	7,322	191,620	22,054
Outside checks and other cash items.....	15,759	11,053	3,614	30,426	25,150
Gold coin and certificates.....	14,242	3,652	4,007	21,901	75,241
All other cash in vault.....	42,531	32,982	30,625	106,138	485,590
Lawful reserve with Federal Reserve Bank.....	263,878	103,924	52,641	420,443	24,352
Items with Federal Reserve Bank in process of collection.....	25,871	14,808	5,652	46,326	857
Interest earned but not collected.....	8,389	2,183	2,220	12,792	13,221
Due from United States Treasurer.....					99,108
Other assets.....	28,855	29,167	8,868	66,890	
<b>Total.....</b>	<b>3,776,681</b>	<b>2,018,319</b>	<b>1,349,076</b>	<b>7,144,076</b>	<b>5,994,824</b>
LIABILITIES.					
Capital stock paid in.....	144,200	104,317	86,679	335,196	283,414
Surplus fund.....	196,009	144,949	53,148	394,106	349,080
Undivided profits, less expenses and taxes paid.....	47,922	32,971	23,587	104,480	73,885
Interest and discount collected but not earned.....	4,320	1,428	776	6,524	6,890
Amount reserved for taxes accrued.....	8,402	3,178	1,199	12,779	9,528
Amount reserved for interest accrued.....	9,791	3,524	2,730	16,045	9,041
Due to Federal Reserve Bank.....	463		343	806	93
Due to banks and bankers.....	383,257	113,003	48,127	544,387	481,997
Demand deposits.....	1,995,391	841,966	541,716	3,379,073	2,918,617
Time deposits.....	339,403	496,497	443,048	1,278,948	1,052,290
United States deposits.....	362,061	136,239	74,258	572,618	485,639
Bills payable with Federal Reserve Bank.....	93,496	77,692	51,636	222,824	89,050
Bills payable other than with Federal Reserve Bank.....	200	10,199	13,557	23,956	24,177
Cash letters of credit and travelers' checks outstanding.....	14,979	3,909	81	18,969	153,928
Acceptances.....	152,255	35,295	1,554	189,104	
Other liabilities.....	24,532	13,092	6,637	44,261	57,195
<b>Total.....</b>	<b>3,776,681</b>	<b>2,018,319</b>	<b>1,349,076</b>	<b>7,144,076</b>	<b>5,994,824</b>
Liability for rediscounts, including those with Federal Reserve Bank.....	122,902	73,037	22,845	218,784	109,291
Ratio of reserve with Federal Reserve Bank to net deposit liability (per cent).....	12.7	10.5	7.2	11.1	13.3

Abstract of reports of condition of all member banks in each Federal Reserve district on Nov. 1, 1918 (including 7,749 national banks and 847 State banks and trust companies).

[In thousands of dollars, i. e., 000 omitted.]

	District No. 1 (420 banks).	District No. 2 (718 banks).	District No. 3 (654 banks).	District No. 4 (807 banks).	District No. 5 (560 banks).	District No. 6 (418 banks).	District No. 7 (1,313 banks).	District No. 8 (512 banks).	District No. 9 (853 banks).	District No. 10 (993 banks).	District No. 11 (717 banks).	District No. 12 (631 banks).	Total United States (8,596 banks).
<b>RESOURCES.</b>													
Loans and discounts	1,108,562	4,431,729	877,027	1,154,823	619,976	466,587	2,007,509	557,622	580,694	747,668	444,774	761,090	13,758,061
Overdrafts	708	1,568	497	1,178	1,749	1,955	2,626	1,184	1,746	2,806	1,978	2,168	20,163
Customers' liability under letters of credit	2,997	20,750	182	1,986	57	263	8,152	956	1,647	320	45	7,006	44,361
Customers' liabilities account of acceptances	61,909	252,828	23,951	21,706	12,743	13,521	45,096	19,404	11,986	1,747	4,215	19,424	488,530
United States securities (exclusive of United States securities borrowed)	239,125	1,010,994	294,889	354,925	194,530	185,895	493,483	177,996	107,848	173,261	119,222	227,092	3,579,260
War savings and thrift stamps actually owned	573	822	634	1,472	858	631	2,017	1,074	973	1,020	1,097	909	12,080
Stock of Federal Reserve Bank	6,579	20,646	7,291	8,871	4,027	3,169	11,208	3,780	2,917	3,611	3,117	4,528	79,744
Other bonds, stocks, etc. (exclusive of securities borrowed)	219,199	959,981	370,685	387,908	82,857	46,594	348,380	80,178	53,075	72,664	13,137	118,779	2,760,037
Banking house	28,647	83,574	30,102	53,382	24,193	19,375	49,511	19,464	15,624	17,449	16,446	24,940	382,707
Other real estate owned	1,312	12,658	5,425	10,730	2,909	5,672	6,971	2,679	3,884	4,026	4,438	8,190	68,894
Furniture and fixtures	1,718	3,543	3,131	3,825	2,657	2,850	6,595	2,382	2,935	3,178	3,372	5,547	41,733
Due from banks and bankers	134,518	387,410	112,617	177,910	101,708	92,136	315,343	104,928	139,887	200,135	84,000	185,077	2,035,664
Exchanges for clearing house, also checks on banks in same place	43,401	518,992	37,149	23,114	16,950	14,863	63,442	12,550	11,722	23,294	6,839	21,387	793,703
Outside checks and other cash items	5,928	31,091	3,451	4,569	3,503	6,660	13,928	2,516	8,175	4,635	5,217	4,751	94,424
Cash in vault	45,593	146,803	41,039	62,725	30,838	26,931	93,193	22,707	20,886	29,556	20,100	31,019	571,690
Lawful reserve with Federal Reserve Bank	96,934	645,674	88,483	117,635	51,866	43,599	197,709	53,735	47,160	64,368	35,456	77,082	1,519,651
Items with Federal Reserve Bank in process of collection	22,181	90,586	35,202	31,268	22,225	10,711	33,837	22,856	3,437	15,474	9,694	9,280	306,751
Due from United States Treasurer	2,834	5,808	3,328	5,492	2,712	2,075	4,974	2,095	1,700	2,663	2,276	3,203	39,160
Interest earned but not collected	1,659	15,667	1,710	2,179	285	265	1,775	299	773	473	254	1,030	25,769
Other assets	9,237	49,278	1,639	6,074	822	217	21,063	579	323	249	1,036	610	91,177
<b>Total</b>	<b>2,033,014</b>	<b>8,690,402</b>	<b>1,938,432</b>	<b>2,431,772</b>	<b>1,177,160</b>	<b>943,969</b>	<b>3,726,812</b>	<b>1,094,984</b>	<b>1,017,992</b>	<b>1,368,597</b>	<b>776,763</b>	<b>1,513,062</b>	<b>26,712,959</b>
<b>LIABILITIES.</b>													
Capital stock paid in	119,106	312,706	95,594	151,318	81,275	65,310	219,587	80,301	64,331	79,867	68,028	104,693	1,442,206
Surplus fund	100,838	375,433	149,224	145,123	54,082	40,652	150,121	46,399	33,026	41,545	36,912	49,987	1,223,342
Undivided profits, less expenses and taxes paid	49,244	145,361	37,412	54,240	20,846	15,168	61,647	19,168	15,135	20,869	18,397	24,730	482,217
Interest and discount collected but not earned	1,764	14,552	2,133	2,670	1,582	905	5,243	1,043	1,164	1,636	862	833	34,387
Amount reserved for taxes accrued	2,751	21,185	1,853	3,148	777	1,188	7,223	1,501	1,459	1,229	884	1,102	44,303
Amount reserved for interest accrued	1,442	13,700	1,912	2,264	1,744	902	3,716	890	1,373	859	282	1,306	30,390
Due to Federal Reserve Bank	739	5,619	839	315	2,124	186	406	73	5	116	302	158	10,882
Due to banks and bankers	136,656	419,806	166,288	221,706	119,121	90,468	463,617	151,277	158,707	244,911	76,359	186,137	3,435,058
Demand deposits	1,024,248	4,331,592	836,377	1,002,363	490,125	396,208	1,432,107	424,697	387,963	619,949	381,164	689,517	12,016,310
Time deposits	209,965	560,326	264,275	510,065	204,879	148,869	867,038	156,842	259,947	178,741	52,985	237,011	3,650,943
United States deposits	218,706	636,737	166,970	149,038	69,900	60,586	150,109	73,443	24,764	65,441	41,836	50,097	1,707,627
Bills payable with Federal Reserve Bank	32,761	404,249	91,949	57,456	51,291	56,507	181,569	52,931	22,094	47,601	27,320	56,228	1,081,956
Bills payable other than with Federal Reserve Bank	3,184	7,450	2,356	4,228	7,377	7,430	14,597	10,161	3,588	11,978	20,264	10,048	102,661
Cash letters of credit and travelers' checks outstanding	2,950	17,914	245	2,080	104	141	8,793	962	1,662	367	75	7,315	42,608
Acceptances outstanding	66,491	274,862	27,183	22,090	13,205	14,665	45,276	19,802	12,236	1,773	4,439	19,801	521,823
National bank notes outstanding	50,186	87,792	54,137	89,559	51,546	40,283	78,111	41,287	29,458	46,880	44,352	61,574	675,165
Other liabilities	11,980	61,118	39,685	14,109	7,182	4,501	37,652	14,117	1,080	4,835	2,302	12,525	211,866
<b>Total</b>	<b>2,033,014</b>	<b>8,690,402</b>	<b>1,938,432</b>	<b>2,431,772</b>	<b>1,177,160</b>	<b>943,969</b>	<b>3,726,812</b>	<b>1,094,984</b>	<b>1,017,992</b>	<b>1,368,597</b>	<b>776,763</b>	<b>1,513,062</b>	<b>26,712,959</b>
Liabilities for rediscounts, including those with Federal Reserve Bank	105,776	295,368	45,961	39,389	33,692	46,075	92,527	35,697	27,085	44,891	37,544	43,942	847,938

Abstract of reports of conditions of all member banks of the Federal reserve system on Nov. 1, 1918, arranged by classes (including 7,749 national banks and 847 State banks and trust companies).

[In thousands of dollars, i. e., 000 omitted.]

	Central reserve city banks (128 banks).	Other reserve city banks (481 banks).	Country banks (7,987 banks).	Total United States (8,596 banks) Nov. 1, 1918.	Total United States (8,213 banks) June 29, 1918.
<b>RESOURCES.</b>					
Loans and discounts.....	4,792,083	4,157,856	4,808,122	13,758,061	12,661,759
Overdrafts.....	1,851	4,356	13,956	20,163	15,166
Customers' liability under letters of credit.....	29,037	14,811	513	44,361	387,478
Customers' liability account of acceptances.....	302,973	167,513	18,044	488,530	
United States securities (exclusive of United States securities borrowed).....	903,142	1,019,410	1,651,708	3,579,260	2,450,209
War savings and thrift stamps actually owned.....	669	2,464	8,947	12,080	14,315
Stock of Federal Reserve Bank.....	21,579	24,266	33,899	79,744	76,699
Other bonds, stocks, etc. (exclusive of securities borrowed).....	791,378	764,658	1,204,001	2,760,037	2,732,286
Banking house.....	80,060	130,487	172,160	382,707	366,037
Other real estate owned.....	9,781	24,785	34,348	68,924	65,587
Furniture and fixtures.....	1,506	7,729	32,498	41,733	38,428
Due from banks and bankers.....	463,477	746,253	825,934	2,035,664	1,905,565
Exchanges for clearing house, also checks on banks in same place.....	558,592	190,943	44,168	793,703	463,812
Outside checks and other cash items.....	32,083	36,072	26,269	94,424	79,710
Cash in vault.....	153,499	162,926	254,665	571,090	482,100
Lawful reserve with Federal Reserve Bank.....	706,228	413,245	400,178	1,519,651	1,565,147
Items with Federal Reserve Bank in process of collection.....	117,313	163,440	25,998	306,751	208,244
Due from United States Treasurer.....	4,297	11,667	23,196	39,160	39,905
Interest earned but not collected.....	14,105	5,889	5,775	25,769	27,474
Other assets.....	46,926	33,366	10,885	91,177	114,157
<b>Total.....</b>	<b>9,035,559</b>	<b>8,082,136</b>	<b>9,595,264</b>	<b>26,712,959</b>	<b>23,694,078</b>
<b>LIABILITIES.</b>					
Capital stock paid in.....	332,125	423,855	686,226	1,442,206	1,381,220
Surplus fund.....	398,784	389,580	435,028	1,223,342	1,157,792
Undivided profits, less expenses and taxes paid.....	141,497	129,709	211,011	482,217	415,883
Interest and discount collected but not earned.....	17,854	11,678	4,855	34,387	36,282
Amount reserved for taxes accrued.....	25,898	12,263	5,642	44,803	27,891
Amount reserved for interest accrued.....	12,243	7,900	10,247	30,390	19,738
Due to Federal Reserve Bank.....	2,798	2,834	5,700	10,882	5,615
Due to banks and bankers.....	1,741,959	1,318,623	374,471	3,435,053	3,278,182
Demand deposits.....	4,358,191	3,389,812	4,208,307	12,016,310	10,753,727
Time deposits.....	489,860	899,621	2,290,462	3,680,943	3,395,381
United States deposits.....	655,903	660,254	391,470	1,707,627	1,521,403
Bills payable with Federal Reserve Bank.....	440,814	368,843	272,299	1,081,956	372,417
Bills payable other than with Federal Reserve Bank.....	700	25,848	76,113	102,661	108,644
Cash letters of credit and travelers' checks outstanding.....	26,632	15,275	701	42,608	411,972
Acceptances.....	325,391	176,026	19,506	521,923	
National bank notes outstanding.....	49,389	173,470	452,306	675,165	681,114
Other liabilities.....	44,021	76,145	90,920	211,086	126,817
<b>Total.....</b>	<b>9,035,559</b>	<b>8,082,136</b>	<b>9,595,264</b>	<b>26,712,959</b>	<b>23,694,078</b>
Liability for rediscounts, including those with Federal Reserve Bank.....	309,450	329,790	208,698	847,938	625,380
Ratio of reserve with Federal Reserve Bank to net deposit liability (per cent).....	13.7	10.2	7.5	10.4	11.7

Classification of loans and discounts of 847 State banks and trust companies, members of Federal Reserve system, as shown by their condition reports for Nov. 1, 1918.

[In thousands of dollars; i. e., 000 omitted.]

	District No. 1 (28 banks).	District No. 2 (95 banks).	District No. 3 (23 banks).	District No. 4 (58 banks).	District No. 5 (33 banks).	District No. 6 (48 banks).	District No. 7 (267 banks).	District No. 8 (43 banks).	District No. 9 (62 banks).	District No. 10 (25 banks).	District No. 11 (88 banks).	District No. 12 (77 banks).	Total United States (847 banks).
On demand, not secured by collateral.....	23,278	42,337	8,792	7,934	1,996	5,124	24,339	10,511	2,159	2,503	1,266	5,681	135,920
On demand, secured by Liberty bonds and United States Treasury certificates of indebtedness.....	3,147	23,825	2,856	1,913	424	680	4,718	3,059	258	7	331	139	41,452
On demand, secured by other collateral.....	54,168	456,314	61,353	58,011	9,514	28,846	105,241	38,444	1,855	4,361	4,660	5,903	828,670
On time, not secured by collateral.....	144,339	519,692	17,756	75,778	28,894	42,565	267,502	60,811	18,594	17,545	8,656	38,644	1,240,826
On time, secured by Liberty bonds and United States Treasury certificates.....	24,772	221,572	27,044	18,485	3,622	4,815	30,748	5,517	1,051	2,394	1,721	2,490	343,721
On time, secured by other collateral.....	46,000	271,833	16,333	40,789	13,911	28,167	133,613	43,547	12,171	15,679	10,888	18,939	651,870
Secured by real estate mortgages or other real estate liens or deeds.....	27,274	49,334	3,824	60,490	5,023	9,062	138,639	19,742	10,255	6,032	3,508	13,674	346,587
Acceptances of other banks discounted.....	9,730	32,026	298	600	.....	416	1,621	119	70	78	40	247	45,245
Acceptances of this bank purchased or discounted.....	567	11,618	200	886	133	1,106	780	517	.....	.....	180	31	16,027
Loans and discounts not classified.....	.....	19,107	306	631	211	.....	164	.....	.....	.....	3,487	84	23,990
Total shown by reports.....	333,325	1,647,758	138,762	265,517	63,728	120,281	707,369	182,267	46,413	48,589	34,737	85,832	3,674,578
Less adjustment due to inclusion of rediscounts in loan classification by some banks.....	.....	1,872	.....	514	1,116	4,788	186	1,240	266	333	182	32	10,529
Total loans and discounts.....	333,325	1,645,886	138,762	265,003	62,612	115,493	707,183	181,027	46,147	48,256	34,555	85,800	3,664,049

*Abstract of reports of earnings and dividends of member State banks and trust companies of the Federal Reserve system for the first six months of 1918, arranged by districts.*

[In thousands of dollars, i. e., 000 omitted.]

	District No. 1 (24 banks).	District No. 2 (66 banks).	District No. 3 (16 banks).	District No. 4 (30 banks).	District No. 5 (20 banks).	District No. 6 (36 banks).	District No. 7 (128 banks).	District No. 8 (24 banks).	District No. 9 (40 banks).	District No. 10 (16 banks).	District No. 11 (58 banks).	District No. 12 (53 banks).	Total U. S. (511 banks).
Capital stock paid in.....	24,000	109,514	14,900	22,710	6,296	13,110	50,956	20,385	4,050	4,175	3,798	9,270	283,164
Surplus.....	26,877	147,639	37,555	54,343	4,443	8,849	42,517	18,391	1,396	2,987	1,137	3,328	349,712
<b>Total capital and surplus.....</b>	<b>50,877</b>	<b>257,153</b>	<b>52,455</b>	<b>77,053</b>	<b>10,739</b>	<b>21,959</b>	<b>93,473</b>	<b>38,776</b>	<b>5,446</b>	<b>7,162</b>	<b>4,935</b>	<b>12,798</b>	<b>632,876</b>
<b>Gross earnings:</b>													
Interest and discount.....	11,322	58,775	5,404	9,254	1,298	3,976	20,413	6,122	1,273	1,840	1,099	2,922	123,698
Exchange and collection charges.....	170	223	60	15	24	267	260	229	32	16	32	85	1,413
Commissions.....	144	1,646	47	112	3	109	209	128	27	65	12	39	2,541
Other earnings.....	1,107	6,874	1,272	3,027	226	417	1,912	570	44	151	16	483	16,099
<b>Total gross earnings.....</b>	<b>12,743</b>	<b>67,518</b>	<b>6,783</b>	<b>12,408</b>	<b>1,551</b>	<b>4,769</b>	<b>22,794</b>	<b>7,049</b>	<b>1,376</b>	<b>2,072</b>	<b>1,159</b>	<b>3,529</b>	<b>143,751</b>
<b>Expenses:</b>													
Salaries and wages.....	1,708	6,953	959	1,393	215	696	3,381	1,008	299	324	243	629	17,808
Interest and discount on borrowed money.....	117	2,306	21	214	89	218	480	470	34	30	50	95	4,124
Interest on deposits.....	5,075	27,798	2,174	5,089	519	1,224	8,352	2,025	549	846	152	1,017	54,820
Taxes.....	524	3,770	410	750	109	310	1,546	385	83	62	79	219	8,247
Other expenses.....	1,028	5,268	518	968	145	634	2,309	709	184	244	176	479	12,662
<b>Total expenses.....</b>	<b>8,452</b>	<b>46,095</b>	<b>4,082</b>	<b>8,414</b>	<b>1,077</b>	<b>3,082</b>	<b>16,068</b>	<b>4,597</b>	<b>1,149</b>	<b>1,506</b>	<b>700</b>	<b>2,439</b>	<b>97,661</b>
<b>Net earnings since last report.....</b>	<b>4,291</b>	<b>21,423</b>	<b>2,701</b>	<b>3,994</b>	<b>474</b>	<b>1,687</b>	<b>6,726</b>	<b>2,452</b>	<b>227</b>	<b>566</b>	<b>459</b>	<b>1,090</b>	<b>46,090</b>
Recoveries on charged off assets.....	68	277	11	65	14	210	262	48	14	30	8	228	1,235
<b>Total net earnings and recoveries.....</b>	<b>4,359</b>	<b>21,700</b>	<b>2,712</b>	<b>4,059</b>	<b>488</b>	<b>1,897</b>	<b>6,988</b>	<b>2,500</b>	<b>241</b>	<b>596</b>	<b>467</b>	<b>1,318</b>	<b>47,325</b>
<b>Losses charged off:</b>													
On loans and discounts.....	339	891	1	53	5	452	458	68	17	120	18	438	2,860
On bond securities, etc.....	655	2,334	1,444	527	24	304	208	318	5	37	75	75	5,931
Other losses.....	58	503	23	66	10	25	181	36	8	27	7	72	1,016
<b>Total losses charged off.....</b>	<b>1,052</b>	<b>3,728</b>	<b>1,468</b>	<b>646</b>	<b>39</b>	<b>781</b>	<b>847</b>	<b>422</b>	<b>30</b>	<b>184</b>	<b>25</b>	<b>585</b>	<b>9,807</b>
<b>Net addition to profits.....</b>	<b>3,307</b>	<b>17,972</b>	<b>1,244</b>	<b>3,413</b>	<b>449</b>	<b>1,116</b>	<b>6,141</b>	<b>2,078</b>	<b>211</b>	<b>412</b>	<b>442</b>	<b>733</b>	<b>37,518</b>
<b>Ratio of net profits to capital and surplus (annual basis) (per cent).</b>	<b>13.00</b>	<b>13.98</b>	<b>4.74</b>	<b>8.86</b>	<b>8.36</b>	<b>10.16</b>	<b>13.14</b>	<b>10.72</b>	<b>7.75</b>	<b>11.51</b>	<b>17.73</b>	<b>11.45</b>	<b>11.86</b>
<b>Dividends paid.....</b>	<b>1,414</b>	<b>9,771</b>	<b>1,523</b>	<b>2,371</b>	<b>270</b>	<b>745</b>	<b>3,068</b>	<b>1,257</b>	<b>133</b>	<b>327</b>	<b>132</b>	<b>351</b>	<b>21,392</b>

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