

# FEDERAL RESERVE BULLETIN

JANUARY 1944



**BOARD OF GOVERNORS  
OF THE FEDERAL RESERVE SYSTEM  
WASHINGTON**

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### Subscription Price of Bulletin

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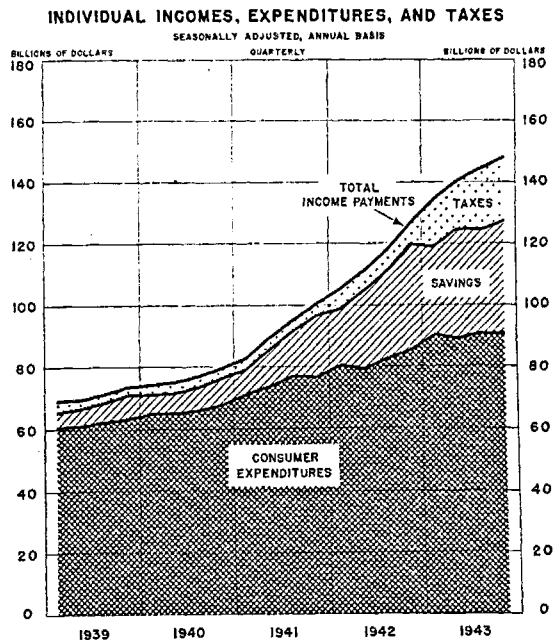
## WAR PRODUCTION AND CONSUMER SUPPLIES

Expansion of economic activity, after having proceeded at a rapid rate since early in 1941, slackened somewhat during 1943. Raw materials for war production were obtained in greater supply than in previous years and additional productive facilities were completed, but the increase in output of military and civilian goods was limited by the reduction in the labor force incidental to the further large additions to the armed services. The available resources of materials, facilities, and manpower were more fully utilized than in 1942, and in recent months over-all production has been near the practical maximum potential.

The entire increase in the total value of commodities and services produced in 1943 over 1942 was accounted for by expenditures for war production, which represented close to one-half of the estimated 187 billion dollars of gross national product. The rate of Government expenditures showed little further increase after the second quarter of the year, as parts of the war program were curtailed or for other reasons did not reach earlier schedules.

Notwithstanding the enormous increase in volume of war production, the output of civilian goods and services, even after some decline from the 1942 level, was still in larger volume than in any peacetime year. Supplies of many durable goods were smaller, while food, clothing, and various services were available in larger amounts than in prewar years.

Income of individuals expanded further and, notwithstanding greatly increased taxes, showed a widening margin above consumer expenditures, as is shown on the chart. This large surplus of spending power and the exceptional accumulation of individual savings held in the form of liquid assets increased the difficulties of enforcing rationing, price, and manpower controls.



Department of Commerce data; figures for fourth quarter 1943 estimated. Taxes include Federal, State, and local taxes paid by individuals.

Price increases, nevertheless, were smaller in 1943 than in 1942 and 1941. Federal policies initiated in the latter part of 1942 to stabilize prices, wages, and salaries

affecting the cost of living were broadly applied in 1943 and were strengthened by an Executive Order in April to "hold the line" on both prices and wages. An indication of the effectiveness of these policies is the fact that the cost of living which, according to the official index, reached 125 per cent of the 1935-39 average in May was 124 in November. By the end of the year, however, stabilization measures for prices and wages were subjected to increased pressures, and consideration was being given to modifications in policy and to new safeguards that might be needed to prevent interference with the war program, to assure equitable distribution of the limited supplies of goods and services, and to minimize inflationary price advances.

Although further curtailment will be made in various parts of the war production program and some additional materials will be released for civilian use, schedules call for some increase in total war expenditures and for further drains on available manpower during the next few months. The margin between individual incomes, after payment of taxes, and available supplies of civilian goods will continue wide, thus adding to the already large volume of liquid assets held by the public. Under these circumstances pressures on supplies and prices of civilian goods and services are likely to continue heavy.

#### WAR AND CIVILIAN PRODUCTION

By November 1943 total output at factories and mines, where most of war production is concentrated, had doubled since the beginning of the defense program, and the Board's seasonally adjusted index of industrial production stood at 247 per cent of the 1935-39 average. During 1941 and 1942 the index rose about 26 per cent each year, while in 1943 the advance

amounted to about 11 per cent, with more than half of the total rise occurring in the first four months of the year. After the early part of the year output for war, which had already reached an exceptionally high level, increased at a slower rate and output of manufactures and minerals for civilian use showed little change. War production, including munitions and supplies for the armed forces and for lend-lease export, accounted for an estimated two-thirds of total industrial output in 1943, as shown in the chart, and in the latter part of the year the proportion was somewhat higher.

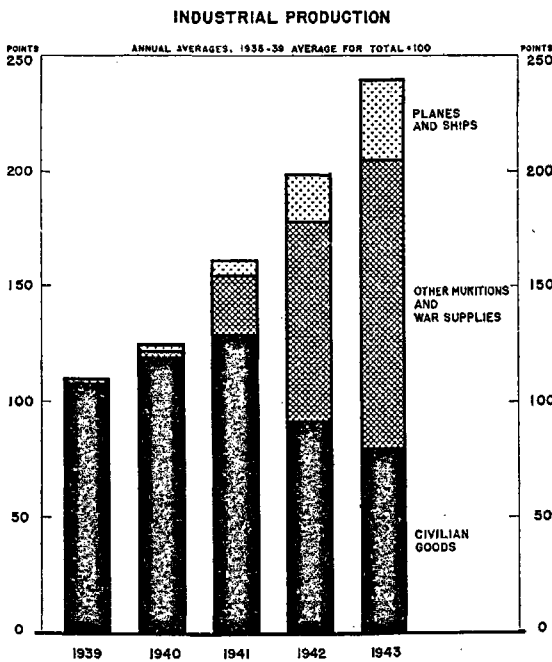
Industrial output for civilian use, including materials and producers' equipment as well as a number of finished consumer goods, in 1943 was approximately 80 per cent of the 1935-39 average, also shown on the chart. The 1943 output of these products was 40 per cent less than the peak reached in the middle of 1941. This decline in volume of nonwar production at factories and mines is much greater than the decrease in the volume of all finished goods and services available for civilians, owing in part to savings effected in the use of materials and equipment, in part to a reduction in inventories, and in part to increased output in many nonindustrial lines.

The further shift of industrial activity in 1943 to output of war products is shown on the chart by the continued increase in output of planes and ships and other munitions and war supplies. Probably about one-half of industrial output for war in 1943 was accounted for by the output of planes, ships, combat vehicles, and ordnance. This activity was largely concentrated in the machinery, transportation equipment, and rubber industries and in the explosives and ammunition plants in the chemical industry.

For the most part production of muni-

tions by these industries had required considerable conversion of old plants and large-scale expansion of plant and equipment, often of specialized character. This large concentration of activity with the accompanying changes in facilities, employment opportunities, location of workers, and incomes has taken several years to develop under urgent circumstances. The problem of speedy readaptation in peacetime of these resources will be extraordinary and involve widespread economic changes.

war products; and the supplies and equipment for the armed services and lend-lease export, such as manufactured foods and textile, paper, petroleum, and leather products. These materials and products generally are not specialized for war uses and as soon as war needs end they can readily be utilized for peacetime purposes. Capacity to produce many of these supplies has been greatly expanded since 1939 and the full utilization of this capacity in the years ahead will require that peacetime markets be expanded and maintained considerably above prewar levels.



The figures on physical volume of production for war and civilian purposes are based on estimates for the various stages of manufacturing and mining. Plane and ship production is based on the Board's indexes of activity in the aircraft and shipbuilding industries—for the latter both in private and Government yards. Part of the production of the components for planes and ships, such as aircraft engines, is included in "other munitions and war supplies."

The remaining portion of the industrial production for war, shown on the chart, is war supplies. These are the industrial materials, like metals and fuels, which are used in producing munitions; the cement and the lumber to construct war plants and training camps; the machinery to produce

By the fourth quarter of 1943 production rates for a number of war products, such as tanks and other types of ground ordnance, were either close to or had passed their peaks. On the other hand, output of aircraft was scheduled to show further large increases in 1944. The huge expansion of facilities for the production of synthetic rubber and aviation gasoline was nearing completion at the end of 1943, and in the case of rubber the larger output expected in 1944 will be available for war and the most essential civilian uses.

#### SHIFTS IN WAR PRODUCTION

Locomotive plants in 1943 were largely reconverted to their peacetime product owing in part to a shift in requirements on the part of our Allies from tanks to locomotives. In the rubber products industry there were also shifts under way from munitions to automobile tire production. The rapidly increased output in newly constructed explosives and small arms ammunition plants was in excess of needs and resulted in extensive curtailment of operations at these plants beginning in the second quarter. Curtailment of ammuni-

tion and explosive production offset further increases in output of industrial chemicals, and as a result the Board's index of chemical production showed little change after June 1943 when it stood at 400 per cent of the 1935-39 average. In August the Quartermaster Corps requested that the woolen and worsted industry defer deliveries on large Army orders until early 1944.

Within the machinery industry a number of plants which had completed their machine tool and equipment orders accepted munitions contracts, while some war contracts held by agricultural implement manufacturers were canceled, and increased production of farm equipment was permitted. The Board's index of production for the machinery group showed little change from April to August. In the following three months output advanced five per cent, reflecting increases in production of electrical machinery and other machinery including aircraft engines.

As a result of the leveling off in the production of heavy war products, including merchant ships, the reduction in construction activity, further increases in metal production, better controls over consumption, and cutbacks in parts of the war program, the metal supply situation was by the latter part of 1943 no longer a limiting factor on production of war goods.

#### CONSTRUCTION

Expenditures for all kinds of construction in 1943 were about 5.8 billion dollars below the record outlays of 13.5 billion in 1942, but were still considerably larger than in the prewar year 1939. Allowing for the rise in construction costs, which began at the end of 1940 and continued during 1943, physical volume of construction did not

increase as much as expenditures during this period.

#### NEW CONSTRUCTION ACTIVITY IN THE UNITED STATES

	1943	1942	1939
[In millions of dollars]			
Total new construction .....	7,748	13,549	6,061
Military and naval .....	2,743	5,206	119
Industrial .....	2,191	3,900	466
Private .....	102	315	452
Public .....	2,089	3,585	14
Residential, nonfarm .....	1,484	2,060	2,122
Private .....	804	1,460	2,046
Public .....	680	600	76
All other .....	1,330	2,383	3,354
[In thousands of units]			
Number of residential units .....	344	497	515
Private .....	182	302	458
Public .....	162	195	57

NOTE.—Data on activity from U. S. Department of Commerce. Data on residential units started from Bureau of Labor Statistics; they do not include many accommodations provided by new dormitories and trailers in 1942 and 1943.

The reduction in construction expenditures in 1943 reflected the fact that projects essential to the war program had been largely completed, while other construction was prohibited because of the shortage of materials and manpower. Construction expenditures for both military installations and industrial plants declined about 45 per cent from 1942 to 1943. Value of industrial plant construction in 1943, however, was still much greater than in 1939, as the table shows. Value of residential construction declined more than one-fourth in 1943, and fewer than half as many units were built as in 1941, the peak year of the war period for new housing construction.

From the beginning of 1940 to the end of 1943, 10.5 billion dollars has been spent on the construction of military installations within the United States, 9.2 billion on the construction of industrial plant, exclusive of equipment, and 9.5 billion on housing. Although the usefulness of many of the military installations will end with the war, this is not true of all of the airfields,

roads, bridges, harbor facilities, and warehouses which have been built or expanded.

*Industrial Capacity.*—In addition to the 9.2 billion dollars which has been spent since 1939 on the construction of industrial plants, about 13 billion has been invested in machinery and equipment. The magnitude of this wartime expansion may be judged from the fact that, at the end of 1939, total plant and equipment of all manufacturing concerns in the United States had a book value of about 20 billion dollars and an estimated reproduction cost of 50 to 60 billion.

Of the total wartime industrial expansion of 22 billion dollars, about 8 billion has been privately financed and 14 billion has been financed by the Federal Government, which is scheduled to spend about 2 billion dollars more before the war program is completed. Nine billion dollars of public funds has been invested in specialized war facilities for the production of aircraft, shipbuilding, and ordnance supplies. The remaining 5 billion dollars of public funds has been invested in additional capacity for the production of industrial materials, such as iron and steel and nonferrous metals, and for the production of machinery, chemicals, and petroleum products. In privately-owned plant and equipment most of the expansion has been in the durable goods industries, although relatively large expansions have also occurred in some nondurable industries—especially chemical plants and petroleum refineries.

*Housing.*—Construction of housing for civilians during 1943 has been limited to that needed for essential workers migrating to war production areas. As far as possible, such workers are housed in existing structures; where new construction has been necessary, private capital has been

encouraged to build. Privately-financed building accounted for half of the residential building in 1943.

To encourage private capital to build war housing, the Federal Housing Administration was authorized in 1941, by Title VI of the National Housing Act, to insure mortgages that are not a sufficiently sound risk to be insured under the regular Federal Housing Administration program. The housing started under Title VI insurance has increased steadily from about 16 per cent of all privately-built houses in the first quarter of 1942 to almost 80 per cent in the third quarter of 1943 and totaled about 1.3 billion dollars in the two years.

Because of the uncertainty of the future usefulness of housing built for war workers and the large savings in the use of critical materials which can be realized in temporary construction, an increasing proportion of publicly-financed housing has been of this type. About 90 per cent of the publicly-financed family housing units built in the latter part of 1943 were temporary.

#### CHANGES IN MANPOWER SUPPLY

Prior to 1943, major attention in the war program was centered on the expansion of industrial and military facilities and the elimination of bottlenecks in raw material supplies. Manpower, while critically short in some areas and in particular skills, was not a primary factor limiting over-all production. Wage differentials favorable for the movement of workers into war industries were the main factors utilized to mobilize manpower. By the beginning of 1943, however, the large pool of unemployed, characteristic of the 1930's, had disappeared and during the year general shortages of labor became increasingly

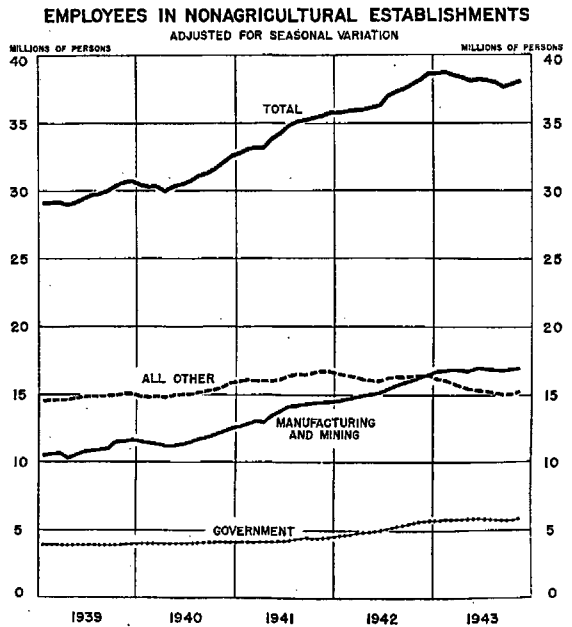
important factors determining production levels in numerous areas and industries. By early December the War Manpower Commission had classified 193 areas as localities of current acute manpower shortage or anticipated shortage within six months.

Manpower controls became progressively tighter and more direct throughout the year. Wage and price stabilization policies designed to "hold the line" restricted the use of increased wage differentials as a method of channeling workers into the most essential jobs, and nonwage methods of manpower control were utilized to an increasing extent. Employment stabilization programs were extended throughout the country and in especially critical areas, such as the West Coast, strong measures were placed in operation to direct available workers to the most essential jobs, reduce needless turnover, eliminate hoarding of labor, and utilize more fully manpower supplies available.

The armed forces increased their net strength almost 4 million during 1943, but did not reach the total of 10.8 million previously scheduled for the end of the year. With nearly one out of every two men in the age group 18 to 37 in the services, it was necessary by the end of the year to induct pre-Pearl Harbor fathers in all parts of the country.

In industries directly related to war production, employment continued to rise, although at a slower rate than in 1942. Largely because of inability to obtain personnel, employment declined further in trade, in some service lines, and in industrial activities not directly associated with war programs. Employment in construction declined sharply and at the year end was down about two-thirds from its 1942 high.

Employees in nonagricultural establishments as a whole, as shown in the chart, declined somewhat from the end of 1942 to the end of 1943. Employment in agriculture approximated the level of recent years and, although special measures were required to obtain needed labor, production losses attributable to manpower shortages were small.



Bureau of Labor Statistics estimates, adjusted for seasonal variation by Federal Reserve; excludes proprietors of unincorporated businesses, self-employed persons, domestics employed in private homes, public emergency employees, and personnel in the armed forces. Latest figures shown are for November 1943.

By the end of 1943, the major shifts in manpower required for war production and armed service had been completed and the methods of manpower control were fairly well established. Cutbacks and changes in war production programs may create an easier manpower situation in some industries and areas but war industries as a whole will continue to increase their employment in the period ahead. According to present plans, increases in the net strength of the armed forces will taper off in 1944 with the Army going on a replacement basis fairly



early in the year and the Navy doing likewise around the middle of the year.

#### CONSUMER INCOMES

Income payments to individuals increased less rapidly during 1943 than in 1942 but by the end of 1943 they were at a level which was more than double the 1939 average. Although wage rates and salaries were under Federal controls, average wage payments continued to rise, owing in part to a further shift of workers into the armament industries, in which longer hours of work at higher hourly rates combined to raise weekly wages substantially above the nonwar industries. Also, increases in hourly rates were allowed for substandard industries and for other types of adjustments not in conflict with the stabilization program. In addition, increased hours of work in mining and other nonmanufacturing lines resulted in higher average wage payments in 1943.

Manufacturing pay rolls, under the pressure of war production, had increased by October 1943 to 333 per cent of the 1939 average, according to the Bureau of Labor Statistics index, and constituted a much larger share of total wages and salaries than in any other previous period. The number of factory wage earners was 70 per cent larger than in 1939 and average weekly earnings per worker were about \$45 in October 1943, compared with an average of \$24 in 1939. Factory employees in 1943 were working one-fifth longer hours than in 1939.

Net income of farm operators continued to rise sharply in 1943. Prices of farm products increased further in the early part of the year and for the year as a whole averaged 20 per cent higher than in 1942; larger agricultural production and marketings in 1943 also increased the value of gross

farm income. Production expenses increased but not enough to offset the growth in gross farm income, and net income for 1943 has been estimated by the U. S. Department of Agriculture at 12.5 billion dollars as compared with 10.2 billion in 1942 and 4.5 billion in 1939. The number of persons dependent on income received from agriculture has decreased during the war.

In addition to the large increases in manufacturing pay rolls and in net incomes of farm operators since 1939, the rise in Government pay rolls has been an important source of the increase in total income payments to individuals. Government pay rolls, about half of which were for payments to the armed forces, accounted for approximately 15 per cent of total income payments in 1943. The important extent to which incomes were being supplied directly by expenditures under the war program is indicated also by estimates that about three-fourths of all manufacturing pay rolls in 1943 were being met by Government-owned plants and privately-owned plants holding Government contracts or supplying parts and materials for production on those contracts.

All other income payments to individuals, including principally interest, dividends, rents and royalties, and withdrawals of profits of individuals and partnerships, have increased less rapidly than those previously mentioned. In the third quarter of 1943 they were about 50 per cent above the 1939 average.

#### REGIONAL SHIFTS IN INCOMES

Shifts in consumer incomes in different parts of the country continued large in 1943, accentuating further the changes which have developed during the war and indicating that the problems of readjust-

ment in the postwar period will be considerably greater in some regions than in others. A rough indication of these shifts in income is provided by data on purchases at department stores and on bank deposits, shown in the table. In general during the past year and since 1939, department store sales and bank deposits have shown the greatest increases in the southern, south-western, and western regions and the smallest in the northeastern section, with the middlewestern districts near the average for the country. In the districts showing the largest expansion of activity and incomes, there have been substantial installations of many new industrial facilities, principally for the manufacture of ships, aircraft, and other munitions, and establishment of large military camps and training centers. Also, incomes in these areas have been influenced by sharply increased prices and production of agricultural products.

CHANGES IN DEPARTMENT STORE SALES AND BANK DEPOSITS  
[Percentage increases]

Federal Reserve district	Department store sales		Deposits at member banks	
	1942 to 1943	1939 to 1943	1942 to 1943	1939 to 1943
Boston.....	7	41	27	68
New York.....	5	34	17	64
Philadelphia.....	4	44	19	49
Cleveland.....	8	57	27	77
Richmond.....	10	72	29	105
Atlanta.....	26	82	43	114
Chicago.....	7	47	31	90
St. Louis.....	13	65	29	78
Minneapolis.....	13	44	37	70
Kansas City.....	25	75	45	92
Dallas.....	37	93	43	105
San Francisco.....	18	84	43	97
Total.....	11	56	28	78

NOTE.—Changes in department store sales are computed from annual totals, with 1943 estimated; those for bank deposits represent adjusted demand and time deposits, excluding U. S. Government and interbank deposits, on June 30 call report dates.

### CONSUMER EXPENDITURES

Consumer expenditures during 1943 were maintained at the exceptionally high level reached at the beginning of the year. Total

expenditures, according to U. S. Department of Commerce estimates, were 91 billion dollars as compared with 82 billion in 1942 and 62 billion in 1939. More than two-thirds of the rise in expenditures since 1939 and practically all of the rise since 1941 was accounted for by higher prices.

Expenditures for services continued to rise during 1943 reflecting further increases in prices for services, a number of which are not under Federal maximum price controls. Actual services available to consumers were curtailed by manpower shortages. An important exception to the general rise in prices of services was the continued effective control over housing rentals. While rental rates in 1943 were only 4 per cent higher than in 1939, according to the Bureau of Labor Statistics cost of living index, actual rent payments by many consumers had increased considerably more than that amount. Numerous people before the war were paying quite nominal amounts for rent. With the shift of workers to urban centers and from low-cost communities to overcrowded, high-cost areas, outlays for rent as well as for many other services and goods have increased greatly.

Total consumer expenditures for goods increased 7 billion dollars from 1942 to 1943, as the decline in output of goods for consumers was offset by a further rise in retail prices and by a reduction in inventories of most durable goods and also of such nondurables as apparel and liquor. The value of merchandise held by wholesalers and retailers in November 1943 was about one-fifth below the peak levels reached in the first half of 1942. Considering the increases in unit prices which have occurred since that time, it is evident that there has been a considerable reduction in the physi-

cal volume of retail and wholesale inventories.

*Durable Goods.*—Expenditures for durable goods during 1943 remained at the reduced levels reached early in 1942 following sharp increases in 1940 and 1941. Sales of jewelry and a few other types of durable goods were larger in 1943, offsetting further decreases in sales of most other durable items like automobiles, radios, and appliances, the production of which had been discontinued or sharply limited early in 1942. Activity at furniture factories was maintained at a high level in 1943 but a number of the mills had shifted to war work. In order to conserve lumber for more essential uses, various restrictions were placed on production of furniture items by a Federal order in December. With supplies of metals increasing beyond military requirements, consideration was being given to larger allotments in the first quarter of 1944 for production of certain durable goods for civilians, but the volume indicated was quite small, except for the production of farm implements.

*Nondurable Goods.*—Consumer expenditures for nondurable goods increased 7 billion dollars or about 15 per cent from 1942 to 1943, in spite of market shortages of various items, rationing of shoes and numerous foods, and general price controls. Fluctuations in supplies of nondurable consumer goods were large and varied in 1943 as compared with 1942, especially if account is taken of the volume available to civilians after military and lend-lease requirements were filled.

Food production was somewhat larger in 1943 than in 1942 and about one-third greater than in the years 1935 to 1939. The civilian part of the population was slightly smaller than in the 1935-39 period; and the U. S. Department of Agriculture

estimates that military and lend-lease needs were one-fourth of the total food production in 1943. These data indicate that per capita food consumption of civilians in 1943 was still somewhat higher than for the 1935-39 average when food production was limited by the droughts of 1934 and 1936. Per capita food needs of the civilian part of the population, however, have risen in recent years owing to increased employment and longer hours of work and, with increased civilian incomes, prices of foods in wholesale and retail markets continued to rise sharply in the early part of 1943.

In order to assure a more equitable distribution of food supplies, rationing was extended to processed fruits and vegetables, meats, butter, cheese, and fats, and retail price controls for foods were broadened. In June maximum prices for meats and butter were reduced by paying Federal subsidies to processors. Selective subsidy programs had already been in effect to encourage metal production by high-cost mines, to prevent increases in retail prices of fuels and sugar by paying certain higher transportation charges, and to limit prices of leading canned vegetables by compensating processors for higher raw material and labor charges. Congressional action during the summer, however, limited subsidy payments such as those on meats and butter to the period ending December 31 and placed restrictions on the use of additional Federal funds for such programs. In December payments were authorized until February 17, 1944.

Production of such nondurable goods as textile, leather, and paper products for consumer uses was generally reduced during 1943. Restrictions on apparel wool consumption for civilian use were lifted in the latter part of the year and raw cotton

## REVIEW OF THE MONTH

supplies were also in ample volume, but declining employment in textile mills and the apparel industries limited output of clothing, especially low-priced items. Consumer demand for clothing, especially women's apparel, remained at an exceptionally high level throughout the year.

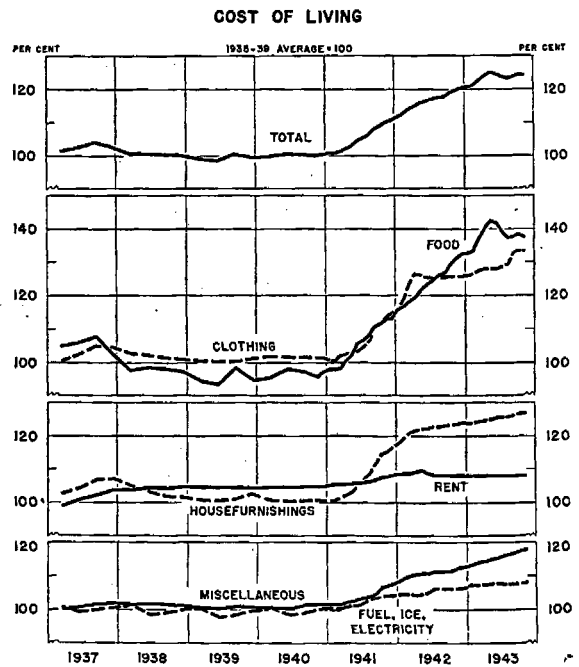
Production of leather shoes for civilians totaled 272 million pairs in the first 10 months of 1943 as compared with 314 million during the same period in 1942. Owing to a reduction in supplies of hides, leather production by October had been reduced to the 1939 level. Supplies of hides increased at the end of the year, reflecting larger cattle, calf, and sheep slaughter.

Wood pulp production during 1943 was considerably smaller than in the early part of 1942 owing to a shortage of labor in the logging industry. Insufficient supplies of pulp have led to limitation orders on paper production and newsprint consumption to conserve supplies for essential uses.

### INCREASES IN RETAIL PRICES

The reduction in supplies of goods and services available to civilians and larger consumer incomes increased the pressure on prices in 1943. Retail food prices increased sharply until May and in that month living costs in urban centers, according to the Bureau of Labor Statistics index shown on the chart, were 4 per cent higher than at the beginning of the year. The reduction in meat and butter prices in June was taken as a part of the Federal program to reduce the cost of living to the level which existed on September 15, 1942. Relationships in effect on that date had

been selected as the basis for stabilizing prices, wages, and salaries by the Act of October 2, 1942. Food prices declined 4 per cent during the summer owing in part to seasonal declines in prices of fresh fruits and vegetables. After the middle of August food prices showed little change. Prices of new fall and winter clothing were higher and prices of miscellaneous goods and services continued to rise. The total cost of living index, which had declined 1.4 per cent during the summer, rose .6 per cent from mid-August to mid-November. In the latter month, according to



Bureau of Labor Statistics indexes. Latest figures shown are for Nov. 15, 1943.

the Bureau of Labor Statistics index, living costs were 5 per cent above the level of September 1942 and 25 per cent higher than in 1939.

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# LAW DEPARTMENT

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*Administrative interpretations of banking laws, new regulations issued by the Board of Governors, and other similar material.*

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## Revision of Regulation N

There is set forth below the text of the revision of Regulation N entitled "Relations with Foreign Banks and Bankers," governing such relations by Federal Reserve Banks, which was adopted by the Board of Governors of the Federal Reserve System effective January 1, 1944.

### REGULATION N

Revised Effective January 1, 1944

### RELATIONS WITH FOREIGN BANKS AND BANKERS

#### SECTION 1. AUTHORITY

Pursuant to the authority conferred upon it by section 14 of the Federal Reserve Act, as amended, and by other provisions of law, the Board of Governors of the Federal Reserve System prescribes the following regulations governing relationships and transactions between Federal Reserve Banks and foreign banks or bankers or groups of foreign banks or bankers or a foreign State as defined in section 25(b) of the Federal Reserve Act.

#### SECTION 2. INFORMATION TO BE FURNISHED TO THE BOARD

In order that the Board of Governors of the Federal Reserve System may perform its statutory duty of exercising special supervision over all relationships and transactions of any kind entered into by any Federal Reserve Bank with any foreign bank or banker or with any group of foreign banks or bankers or with any foreign State, each Federal Reserve Bank shall promptly submit to the Board of Governors of the Federal Reserve System in writing full information concerning all existing relationships and transactions of any kind heretofore entered into by such Federal Reserve Bank with any foreign

bank or banker or with any group of foreign banks or bankers or with any foreign State and copies of all written agreements between it and any foreign bank or banker or any group of foreign banks or bankers or any foreign State which are now in force, unless copies have heretofore been furnished to the Board. Each Federal Reserve Bank shall also keep the Board of Governors of the Federal Reserve System promptly and fully advised of all transactions with any foreign bank or banker or with any group of foreign banks or bankers or with any foreign State, except transactions of a routine character.

#### SECTION 3. CONFERENCES AND NEGOTIATIONS WITH FOREIGN BANKS, BANKERS OR STATES

(a) Without first obtaining the permission of the Board of Governors of the Federal Reserve System, no officer or other representative of any Federal Reserve Bank shall conduct negotiations of any kind with the officers or representatives of any foreign bank or banker or any group of foreign banks or bankers or any foreign State, except communications in the ordinary course of business in connection with transactions pursuant to agreements previously approved by the Board of Governors of the Federal Reserve System. Any request for the Board's permission to conduct any such negotiations shall be submitted in writing and shall include a full statement of the occasion and objects of the proposed negotiations.

(b) The Board of Governors of the Federal Reserve System reserves the right, in its discretion, to be represented by such representatives as it may designate in any negotiations between any officer or other representative of any Federal Reserve Bank and any officers or representatives of any foreign bank or banker or any group of foreign banks or bankers or any foreign State;

and the Board shall be given reasonable notice in advance of the time and place of any such negotiations; and may itself designate the time and place of any such negotiations.

(c) A full report of all such conferences or negotiations and all understandings or agreements arrived at or transactions agreed upon and all other material facts appertaining to such conferences or negotiations shall be filed with the Board of Governors of the Federal Reserve System in writing by a duly authorized officer of each Federal Reserve Bank which shall have participated in such conferences or negotiations, including copies of all correspondence appertaining thereto.

**SECTION 4. AGREEMENTS WITH FOREIGN BANKS, BANKERS, OR STATES, AND PARTICIPATION IN FOREIGN ACCOUNTS**

(a) No Federal Reserve Bank shall enter into any agreement, contract, or understanding with any foreign bank or banker or with any group of foreign banks or bankers or with any foreign State without first obtaining the permission of the Board of Governors of the Federal Reserve System.

(b) When any Federal Reserve Bank, with the approval of the Board of Governors of the Federal Reserve System, has opened an account for any foreign bank or banker or group of foreign banks or bankers or for any foreign State, or has entered into any agreement, contract, or understanding with reference to opening or maintaining such an account, or with reference to any other matter or matters, any other Federal Reserve Bank may participate in such account, or in such agreement, contract, or understanding, and in operations and transactions performed therein or pursuant thereto, with the approval of the Board of Governors of the Federal Reserve System.

**SECTION 5. AMENDMENTS**

The Board of Governors of the Federal Reserve System reserves the right, in its discretion, to alter, amend or repeal these regulations and to prescribe such additional regulations, con-

ditions, and limitations as it may deem desirable respecting relationships and transactions of any kind entered into by any Federal Reserve Bank with any foreign bank or banker or with any group of foreign banks or bankers or with any foreign State.

**Consumer Credit**

**Suspension of License**

Because of failure to comply with the provisions of Regulation W, the Board of Governors on December 29, 1943, acting under authority of section 5(b) of the Act of October 6, 1917, as amended, and the President's Executive Order No. 8843, ordered suspended for one week the license of the Consumers Home Equipment Co., which sells merchandise on an instalment basis through house to house canvassing salesmen operating from its head office and branches located in a number of States. All of the terms of the Board's Order were agreed to by the Registrant, which has given its assurance that it will hereafter comply with all the provisions of the Regulation. The text of the Order is as follows:

**ORDER SUSPENDING LICENSE**

Consumers Home Equipment Co., having appeared by its president, A. B. Chereton, in connection with alleged violations of Regulation W of the Board of Governors of the Federal Reserve System (hereinafter called the "Board"), and having waived notice and opportunity for hearing before the Board and consented to the issuance of this Order for the suspension of its license, and having agreed that:

1. It was at all times mentioned herein and now is engaged in the business of making instalment sales of listed articles through salesmen, with offices, stores or branches located at—

Flint, Michigan (1327 South Saginaw Street)  
Grand Rapids, Michigan (112 South Division Street)

Chicago, Illinois (1412 South Michigan Avenue)

Detroit, Michigan (4801-19 Woodward Avenue)  
 Indianapolis, Indiana (401 North Capital Avenue)  
 Cleveland, Ohio (1262 Ontario Street)  
 Cincinnati, Ohio (120 West Seventh Street)  
 Columbus, Ohio (495 North High Street)  
 Louisville, Kentucky (224 West Walnut Street)  
 Pittsburgh, Pennsylvania (1912 Murray Avenue)  
 Altoona, Pennsylvania (1716-11th Avenue)  
 Buffalo, New York (715 Main Street)  
 Erie, Pennsylvania (14th and Peach Streets)

2. It duly filed the Registration Statement required by the Board's Regulation W and was at all times mentioned herein and now is subject to such Regulation;

3. Prior to December 1, 1943, it failed to comply with Regulation W in a number of instances; and

Said Consumers Home Equipment Co. having further agreed that during the period of suspension of its license under this Order it will close all of its offices, stores and branches, including but not limited to those listed above, and that, upon resumption of business following the termination of this suspension period, it will conform its business to the requirements of the Regulation:

The Board, having considered the consent, representations and agreements of the party named, and under authority of section 5(b) of the Act of October 6, 1917, as amended, and the Executive Order of the President No. 8843, hereby orders:

1. That the license of said Consumers Home Equipment Co. issued pursuant to the Board's Regulation W be and the same is hereby suspended for the period commencing at 6 A.M. on January 2, 1944 and ending at 6 A.M. on January 9, 1944, unless said Order is sooner terminated by the Board. Provided, that this Order during the suspension period shall not prohibit (a) the carrying on of regular office and accounting work,

(b) the receipt of any payments through the mails or through the normal and usual collection facilities which have heretofore been maintained, and (c) the making of payments on any obligations, including obligations to employees for salaries or wages;

2. Any terms used in this Order that are defined in Regulation W shall have the meaning therein given them.

By order of the Board of Governors of the Federal Reserve System, this 29th day of December 1943.

(SEAL)

(Signed) S. R. Carpenter  
*Assistant Secretary.*

### Analysis of Individual Accounts as Payment of Interest

A member bank recently requested the Board of Governors of the Federal Reserve System to consider whether the bank's practice of analyzing individual accounts constitutes a "payment of interest" on demand deposits.

It appeared that the bank, in analyzing the accounts of depositors, uses a form known as "Monthly Account Analysis." Use of the form involves the assessment against the account of theoretical costs for certain services performed in connection with the account as follows: Checks paid at five cents each, transit items at three cents each, clearinghouse items at one cent each, deposits at five cents each, list checks at three cents each, return items at ten cents each, and overdrafts at fifty cents each. The total of these charges is designated in the analysis as "Account Maintenance One Month" and to this total there is added 15 per cent. At the same time, the theoretical earning value of the account for the month is estimated by deducting from the average daily collected balance an amount equal to the 18 per cent required reserves and treating the so-called "Net Earning Balance" as though the bank had it invested at a rate of 1 per cent a year. If the cost of services, estimated in the above manner, exceeds the theoretical earnings on the account, the differ-

ence is set up as "Cost of Services in Excess of Earnings." Apparently, the customer may be charged this amount for the services rendered by the bank. It is assumed, however, that in no case, as a result of the analysis, is any payment made to the customer or any credit given which increases the amount of his deposit balance.

The question raised by the correspondence involves the basic distinction between *payments* of "compensation for the use of funds" and *charges* made for keeping balances and performing other services for a customer. There is no Federal law or regulation which prohibits a bank from imposing so-called "service charges" against a depositor—nor for that matter which requires it to receive deposits at all. Its relations with a customer and the service charges which may be imposed are matters of contract between the bank and the customer.

It is not unusual for the management of a bank to formulate some method of internal accounting designed to enable the management to analyze individual deposit accounts and determine the terms and conditions under which it

will keep and service such accounts for depositors. It is common for a bank using an account analysis also to use as one of the factors in making the analysis its estimate of the return it can obtain by investing the funds which the customer has deposited with it. Likewise, it is common for such a bank to include in its analysis estimated factors of cost in servicing the account. In some cases the result is that the customer is *charged* by the bank for keeping and servicing the account. But the Board does not understand that in any case is a *payment* made to or for the account of the customer as "compensation for the use of funds." As the Board understands the facts, no *payments* are made at all. The analysis is simply an internal arrangement to enable the bank to determine whether it should make a charge. Under these circumstances, the Board was of the opinion that, under the facts of the specific case, the use of the "Monthly Account Analysis" is not a "payment of interest" and, accordingly, does not violate section 19 of the Federal Reserve Act or the provisions of the Board's Regulation Q.



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## FINAL SETTLEMENT OF TERMINATED CONTRACTS

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The following resolution was adopted unanimously by the Federal Advisory Council and submitted to the Board of Governors at a joint meeting on November 15, 1943. The Board concurs in the resolution.

"The larger part of the productive capacity of the country is now engaged in the production of war goods. When the war ends the task of converting this gigantic war economy to a peace economy will be a stupendous one, both for the Government and for business.

"Already some war contracts are being canceled. When peace comes a large percentage of contracts then outstanding will no doubt be canceled. Speedy and equitable settlement of these contracts will be essential if we are to avoid a disastrous business depression and mass unemployment. Millions of men discharged from military service and millions more now engaged in war plants will be looking for new jobs—and they will expect them promptly. If we delay in the transition from war to peace, if business is hampered one bit more than is unavoidable in its reconversion and in providing new jobs, mass unemployment and social distress will result, relief rolls will mount and the State and Federal treasuries will be subjected to the necessity of making huge grants for the relief of the unemployed.

"This must not and need not happen.

"Many factors are involved but the settlement of terminated war contracts is one of the most important.

"The Federal Advisory Council believes:

"(1) That war contracts which are terminated must be settled and settled promptly and finally by negotiated agreements between the contractor and the procuring agency of the Government which negotiated the original contract.

"(2) That settlements so negotiated should be

final and not subject to review by any other agency except for fraud. Any amounts that might conceivably be saved the Government through a post-audit will fade into insignificance in comparison with grants for relief that will be necessitated by resulting delay, uncertainty, and unemployment.

"(3) That if settlements of terminated contracts when negotiated by the procuring agencies are *not* final, or if they are made subject to subsequent audit, credit for working capital needed for reconversion after the war may, in many cases, be unavailable until the settlement does become final and the basis of credit thereby becomes ascertainable. This applies particularly to those contractors whose capital is relatively small.

"(4) That Congress should relieve contracting officers who negotiate settlements from personal responsibility, except for fraud.

"(5) That Congress should enact legislation providing more adequate means of interim financing of contractors whose contracts have been canceled when for unavoidable reasons there is delay in final settlement and payment.

"(6) That appropriate plans should be made in advance for the prompt removal of surplus Government materiel and facilities for plants whose contracts are terminated.

"In the opinion of the Federal Advisory Council, unless appropriate steps are taken by the Congress and the various Government agencies to relieve the minds of thousands of contractors large and small and to assure business that, when terminated, contracts will be settled fairly, quickly and finally, there is danger that war production will be hampered now and that peace production will be perilously delayed after the war.

"The Federal Advisory Council believes that these are risks that need not be taken."

# THE WARTIME TAX EFFORT IN THE UNITED STATES, THE UNITED KINGDOM, AND CANADA\*

by

R. A. MUSGRAVE and H. L. SELIGMAN

*Division of Research and Statistics*

The role of finance in a war economy is secondary to the task of obtaining the maximum output of war materials. The limits of production are set by the availability of resources and the people's willingness to forego civilian consumption; they are not set by the Government's ability to meet the bill. If the necessary funds can not be obtained through taxation or borrowing from the people, they can always be obtained through borrowing from the banks. Yet, the methods of war finance are of vital importance; they bear directly upon war production, they largely determine the distribution of the economic burden of the war, and they shape the economic conditions after the war.

While it is not feasible, politically or economically, to cover the entire cost of the war by taxation, it is generally agreed that taxation should cover as large a share as possible without imposing gross inequities and impairing productive incentive. If an all-out tax effort is made, war finance is a powerful means of adjusting incomes to available civilian supplies; if extensive reliance is placed on free market borrowing, particularly on borrowing from the banks, war finance turns into a source of aggravated inflationary pressures. Equally important, an all-out tax effort during the war reduces the financial difficulties of the postwar period. There is thus good reason for appraising the financial performance of a nation at war in terms of its tax effort.

This paper is designed to obtain some perspective on the tax effort of the United States by comparing it with that of the United Kingdom and Canada. The findings are as follows:

1. The present over-all level of taxation is highest in the United Kingdom and lowest in the United States. The increase in the general

level of taxation over the prewar level was substantially greater in Canada and the United Kingdom than in the United States.

2. In the United Kingdom, the relative importance of excise and income taxes remained about the same, while in the United States and, to a lesser extent, in Canada the relative importance of income taxes increased while that of excise taxes decreased.

3. Personal income taxes in the United Kingdom and in Canada are much higher than in the United States. This picture remains basically the same, although it is modified somewhat, if the comparison is drawn between taxes net of refunds and if adjustments are made for differences in the treatment of dividend incomes. The dollar increase in tax liabilities, moreover, was by far the steepest in Canada. British liabilities, although much higher before the war, increased more than did those in the United States.

4. Corporation profits after tax rose substantially above their prewar level in the United States and remained practically unchanged in the United Kingdom. It appears that the profit picture for Canada falls somewhere between that for the United States and that for the United Kingdom.

5. The level of sales and excise taxes is substantially higher in the United Kingdom and Canada than in the United States.

In assessing these conclusions, it must be recalled that taxation is but a part of total war finance. It is the volume of Government expenditures, not the volume of taxes that indicates the share in total output devoted to war purposes. The adjustment of civilian incomes to available civilian supplies comes about as the result of changes in the rate of savings and in prices as well as through additional taxes. A more complete analysis of all financial sources

\* Presented in part as an address before the National Tax Conference, Chicago, November 22, 1943.

NOTE.—Views expressed in signed articles published in the BULLETIN are those of the writers and not necessarily those of the Board of Governors of the Federal Reserve System.

## THE WARTIME TAX EFFORT

of war production, however, falls outside the limits of this article which is concerned with taxation only.

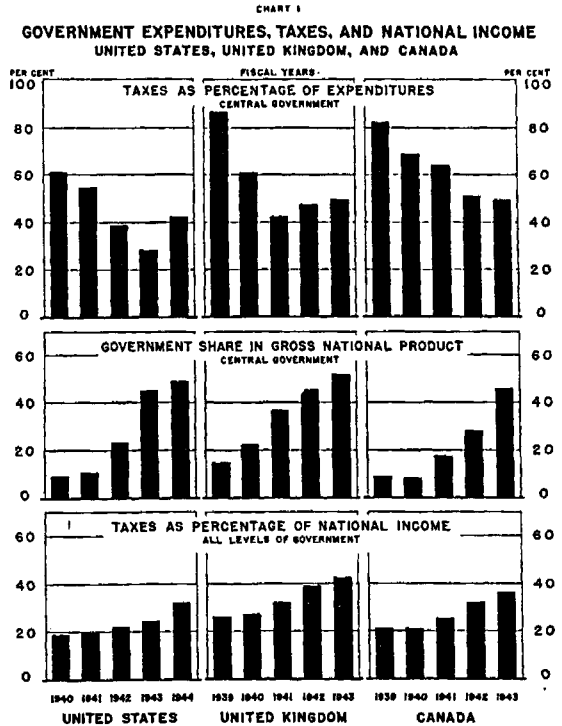
### THE OVER-ALL PICTURE

Before comparing the tax effort of the three countries, brief consideration may be given to their respective needs for taxation. The question as to how adequate a given tax effort is can not be answered satisfactorily without an extensive analysis of the entire war economy of the country in question, including its fiscal, price, and production policies. A rough picture may be obtained, however, by comparing the shares in the total output of the three countries which are absorbed by the Government for war purposes. A comparison of this kind involves considerable difficulties.<sup>1</sup> The picture provided in Chart I, however, suffices to show that for the last fiscal year for which estimates are available (1943 for the United Kingdom and Canada and 1944 for the United States)<sup>2</sup> approximately one-half of the output of each country was purchased by Government war expenditures, the share being perhaps somewhat larger for the United Kingdom and somewhat smaller for Canada. Taking this share as a general measure of the magnitude of the fiscal task to be performed, we may conclude that the severity of tax effort needed was of about the same order for the three countries.

The tax effort of three countries differing as greatly in economic capacity as the United States, the United Kingdom, and Canada can not be compared in terms of dollars of tax collection. The fact that receipts in the United States are

15 times as large as those in Canada tells nothing about relative tax efforts.

Equally misleading is a comparison in terms of dollars of per capita tax payments, since per capita payments can not reveal the degree to which taxpayers have had to lower their stand-



of living or the amount of income, absolutely or percentage-wise, which they retain after payment of taxes.<sup>3</sup>

To obtain a significant comparison, tax collections must be measured relative to other economic dimensions of the respective countries.<sup>4</sup> A first step is to compare the extent to which war expenditures have been met by taxation.

<sup>1</sup> The difficulties involved, due to lack of statistical information and differences of definition, are such that it seemed preferable merely to indicate general magnitudes in Chart I and to omit the underlying figures from Table I. The percentages shown in the Chart give real central Government expenditures at home as a percentage of the gross national product. Real Government expenditures at home represent central Government expenditures shown in Table I adjusted to a gross national product basis (Department of Commerce definition). The adjustment involves mainly the deduction of transfer payments, the addition of Government investment abroad not included in the budget figures, and the deduction of Government disinvestment abroad. In order to obtain resources available for current private use, Government expenditures thus derived would have to be deducted from the gross national product increased by private disinvestment abroad. This further adjustment was not required for the present purpose of obtaining real Government expenditures at home.

<sup>2</sup> Fiscal years for the United Kingdom and Canada run from April 1 through March 31; for the United States, from July 1 through June 30.

<sup>3</sup> Per capita tax payments in the United States are \$371 for the fiscal year 1944, as against \$256 in the United Kingdom and \$211 in Canada for the fiscal year 1943. But at the same time, per capita incomes in the three countries are \$1,151, \$609, and \$570 respectively. Per capita taxes as a percentage of per capita incomes (equal to the over-all tax to income ratio discussed below) are thus 42 per cent in the United Kingdom, 36 per cent in Canada, and 32 per cent in the United States. Surely, this latter comparison is more significant than the former.

<sup>4</sup> A tax comparison of this kind has certain limitations, arising from basic differences in the economies under comparison, such as differences in purchasing power and income distribution, as well as from differences in taxation techniques. Some of these differences, however, do not greatly affect the over-all picture, or can be adjusted for. Those remaining should be kept in mind in interpreting the conclusions.

THE WARTIME TAX EFFORT

Since war expenditures make up 90 per cent or more of wartime budgets and can not readily be distinguished from other outlays, taxes have been computed as a percentage of total Government expenditures. Taxes and expenditures of the central governments only are included in this comparison, and budget expenditures are adjusted to include certain extra-budgetary items. Taking the aggregate of the fiscal years 1941 to 1943 for the United Kingdom and

and Canadian dollar figures are converted into U. S. dollars at the official exchange rates.<sup>5</sup>

The ratio of taxes to expenditures, however, has only limited significance, since the effort required to cover a given portion of expenditures by taxation depends on the size of expenditures and taxes relative to the income of the economy as a whole.

The war has exploded traditional economic magnitudes of all kinds, but most dramatic has

TABLE I  
NATIONAL INCOME, TAXES AND GOVERNMENT EXPENDITURES

	(Fiscal year)					
	1938-39	1939-40	1940-41	1941-42	1942-43	1943-44
	(Millions of U. S. dollars)					
United States						
1. National income.....		74,100	84,500	106,400	135,100	157,000
2. Total taxes—central and local.....		14,400	16,900	23,000	32,400	50,600
3. Central Government taxes.....		5,700	7,700	13,400	22,700	40,800
4. Central Government expenditures.....		9,300	13,900	34,300	79,800	98,000
United Kingdom						
5. National income.....	22,100	21,700	24,200	27,000	29,500	.....
6. Total taxes—central and local.....	5,800	5,800	7,700	10,600	12,400	.....
7. Central Government taxes.....	4,800	4,900	6,800	9,700	11,500	.....
8. Central Government expenditures.....	5,600	8,100	16,100	20,600	23,600	.....
Canada						
9. National income.....	4,300	4,200	4,800	5,700	6,600	.....
10. Total taxes—central and local.....	900	900	1,200	1,800	2,400	.....
11. Central Government taxes.....	450	450	700	1,250	2,000	.....
12. Central Government expenditures.....	550	650	1,150	2,400 <sup>1</sup>	4,100	.....
	(Per cent)					
Central Government taxes as percentage of expenditures						
13. United States.....		61	55	39	28	42
14. United Kingdom.....	86	60	42	47	49	.....
15. Canada.....	82	69	61	52 <sup>1</sup>	49	.....
Total taxes as percentage of national income						
16. United States.....		19	20	22	24	32
17. United Kingdom.....	26	27	32	39	42	.....
18. Canada.....	21	21	25	32	36	.....

<sup>1</sup> Includes 700 million dollar loan to the United Kingdom not included in the Budget. If this item is excluded, the tax to expenditure ratio becomes 71.

For explanation of items see note at end of article, p. 26.

Canada, and the fiscal years 1942 to 1944 for the United States, we find Canada covering 52 per cent of its expenditures by taxation, followed by the United Kingdom with 46 per cent and the United States with 36 per cent. Looking at the most recent fiscal year available, we find the United Kingdom and Canada in the lead with 49 per cent followed by the United States, with 42 per cent. A more detailed picture is given in Chart I and Table I. Here, as throughout this study, pound sterling

been the vast expansion in output—particularly in the United States, but also in Canada and the United Kingdom. The gross national product in current prices has more than doubled over its 1939-40 level in the United States; that of Canada

<sup>5</sup> Conversion at the official exchange rate is far from satisfactory. For purposes of a tax comparison, foreign currency should be converted into United States dollars at rates reflecting the relationship between the dollar's purchasing power to the American taxpayer and the purchasing power of the foreign monetary unit to the foreign taxpayer. But in absence of such a "true" conversion rate, which can hardly be estimated under prevailing conditions, the exchange rate has to be used. With respect to the countries here under consideration, the resulting distortion is not likely to be serious.

has increased by 70 per cent, and that of the United Kingdom by 40 per cent. In part this reflected a rise in prices, but the increase in terms of constant prices was still very great. This factor alone would have resulted in an enormous increase in tax receipts even though no changes in tax rates had been made. But in addition, tax rates in all three countries have been increased sharply and new levies have been imposed. The result, also shown in Chart I and Table I, was that all three countries experienced a substantial increase in the portion of national income absorbed by taxes.<sup>6</sup> State and local, as well as Federal taxes, are included in this comparison. The United Kingdom, maintaining the lead throughout, took up 42 per cent (fiscal year 1943) of its national income in taxes as compared to 36 per cent for Canada (fiscal year 1943) and an estimated 32 per cent for the United States (fiscal year 1944).

Apart from the level of taxation reached, the question must be raised how sharp the increase has been in the three countries. As may be expected, the percentage increase in tax collections was greatest where the tax base or the national income increased most, that is in the United States, and it was least where the increase in the tax base was smallest, that is in the United Kingdom. In measuring the wartime tax effort, however, it is not the percentage increase in taxes that is significant but the changes in the ratio of taxes to income. The percentage increase in taxes may be a reflection, wholly or in part, of the buoyancy of an increased level of income, while the effect of an increased base is largely eliminated when tax to income ratios are compared.<sup>7</sup>

Canada and the United States, which prior to the war collected about 20 per cent of their

national income in taxes, (central and local) increased this ratio to 36 and 32 per cent respectively, while the United Kingdom, which started the war with the higher ratio of 26 per cent, achieved an increase to 42 per cent. The increase in this ratio above its prewar level, as measured in percentage terms, is thus highest for Canada and about equal for the United Kingdom and the United States. It should be noted, however, that the prewar level of taxation in the United Kingdom was by far the highest and that additional increases in the tax to income ratio become the more burdensome the higher the level already reached.

To summarize the over-all picture: With respect to the present over-all *level* of taxation, it is clearly highest in the United Kingdom and lowest in the United States. With respect to the *increase* in the level of taxation, Canada and the United Kingdom can not easily be rated, but they are both substantially ahead of the United States.

#### CHANGES IN THE TAX STRUCTURE

The enormous increase in total tax yields—from 15 to 50 billion dollars in the United States, 6 to 12 billion dollars in the United Kingdom, and 1 to 2.5 billion dollars in Canada—was accompanied by equally drastic changes in the composition of the tax structure of the three countries. To trace the pattern of this change, taxes may be divided into four groups; namely, taxes on individual net income, taxes on business net income, excise taxes (i.e., a variety of taxes on business gross income or cost items), and property taxes.

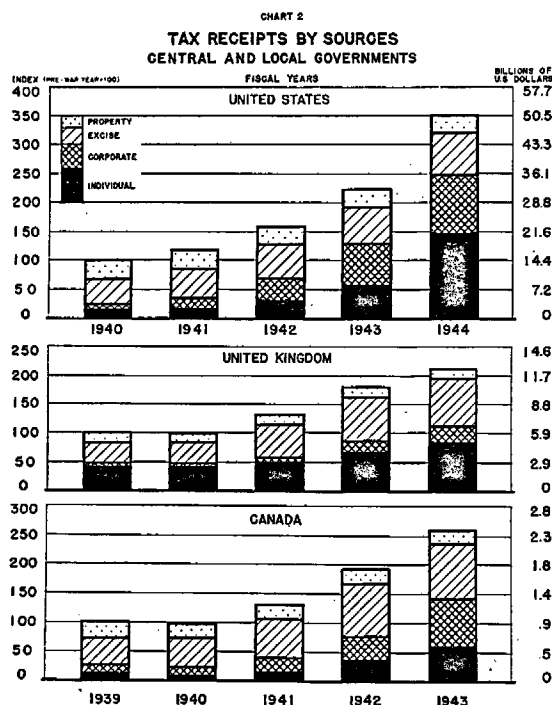
The distribution of the total tax yield (excluding the yield from property taxes)<sup>8</sup> remained rather stable in the United Kingdom where receipts from the individual income tax and from excise taxes expanded at about the same

<sup>6</sup> To avoid confusion, this follows the customary practice of comparing tax collections with national income, although, in some respects, it would seem preferable to draw the comparison with the national product. The over-all picture is about the same under either approach.

<sup>7</sup> With an increasing base, the yield of certain taxes, particularly taxes on net income, increases at a rate faster than the increase in the base, while other taxes, especially property taxes, increase at a slower rate. On the basis of preliminary estimates, it seems likely that had there been no change in tax rates, taxes as percentage of national income would have remained about constant for the United States and Canada and would have shown some slight increase for the United Kingdom.

<sup>8</sup> While receipts from property taxes are included in the over-all figures, they require no special attention in this connection, since they have been a dormant element in wartime taxation. Currently, they supply about 9 per cent of total tax receipts in all three countries. British property tax rates are considerably lower than those in the United States but the British house owner loses part of what he saves in property taxes since the rental value of an owner-occupied home is counted as income under the personal income tax.

THE WARTIME TAX EFFORT



uted by the individual income, tax rose from one-fifth to nearly one-half, while that of excise taxes declined from two-thirds to one-fifth. As in the United Kingdom, the share contributed by taxes on corporate income increased with the imposition of an excess profits tax. In Canada, the changes in the tax structure were in the same direction as in the United States, but the share of excises decreased less and that of individual income taxes increased less. These developments are shown in more detail on Chart II and Table II.

To some extent the varying emphasis upon different tax sources reflects differences in the budgetary situation before the war and in economic developments during the war, but it also reflects conscious differences in wartime tax policies. The United Kingdom, having entered the war with high income and excise taxes found it necessary to expand its tax frontiers in all directions with the result that the relative shares contributed to the total budget by personal income and excise taxes underwent little change. In the United States, receipts from taxes on individual and business incomes greatly increased relative to excise taxes, reflecting, in part, the large increase in individual

rate. As a percentage of the total, they both declined as the result of the introduction of corporate taxation in the form of an excess profits tax. In the United States, the share contrib-

TABLE II  
CHANGES IN THE TAX STRUCTURE  
[Millions of U. S. dollars]

	United States		United Kingdom		Canada	
	(Fiscal years)					
	1940	1944	1939	1943	1939	1943
<b>Central Government</b>						
1. Individual income taxes.....	1,706	20,753	2,552	5,030	56	547
2. Corporate income taxes.....	1,281	14,283	105	1,523	87	743
3. Excise taxes.....	2,686	5,798	2,172	4,848	290	689
4. Property taxes.....				122		
<b>Total.....</b>	<b>5,673</b>	<b>40,834</b>	<b>4,829</b>	<b>11,523</b>	<b>433</b>	<b>1,978</b>
<b>State and local governments</b>						
1. Individual income taxes.....	319	450			46	19
2. Corporate income taxes.....	155	400			41	9
3. Excise taxes.....	3,822	4,500			173	215
4. Property taxes.....	4,460	4,450	1,015	863	246	224
<b>Total.....</b>	<b>8,756</b>	<b>9,800</b>	<b>1,015</b>	<b>863</b>	<b>507</b>	<b>468</b>
<b>All levels of Government</b>						
1. Individual income taxes.....	2,025	21,203	2,552	5,030	103	566
2. Corporate income taxes.....	1,436	14,683	105	1,523	128	752
3. Excise taxes.....	6,508	10,298	2,172	4,848	463	904
4. Property taxes.....	4,460	4,450	1,015	985	246	224
<b>Total.....</b>	<b>14,429</b>	<b>50,634</b>	<b>5,844</b>	<b>12,386</b>	<b>940</b>	<b>2,446</b>

For explanation of items see note at end of article, p. 27.

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incomes and corporate profits and thus the large expansion in the tax base. Also, it reflects a situation in which the over-all level of taxation was still relatively low so that primary reliance on income taxes constituted a sound policy.<sup>9</sup> Despite a much sharper increase in rates, the relative share of income taxes in Canada increased less than in the United States, due to a smaller expansion in the base and a greater expansion in other tax sources.

TAXES ON INDIVIDUAL INCOMES

Receipts from taxes on individual incomes increased drastically in all three countries; tenfold in the United States, fivefold in Canada, and double in the United Kingdom. They supplied over one-half of the total increase in tax receipts in the United States as against 38

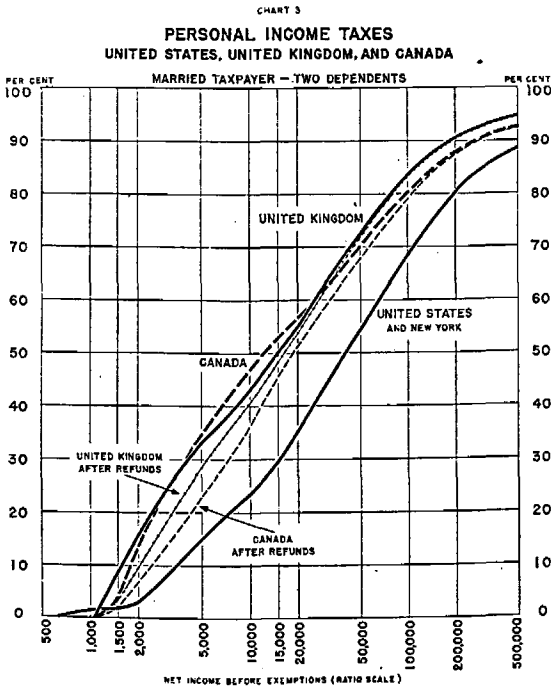
lion to over 40 million, and in Canada from 200,000 to over 2 million—thus revolutionizing the very character of the income tax.

1. Personal income tax liabilities at various levels of incomes may be compared in terms of effective rates, that is, tax liabilities expressed as a percentage of net income before exemptions. The effective rates applicable to a married taxpayer with two dependents are shown in Chart III. Table III shows dollar liabilities at selected income levels, applicable to a single taxpayer and to a married taxpayer with two dependents.

TABLE III  
INCOME TAX LIABILITIES AT SELECTED INCOME LEVELS  
[In U. S. dollars]

Net income before exemptions	1. United States		2. United Kingdom		3. Canada	
	Total	Refund	Total	Refund	Total	Refund
Single, no dependents						
\$ 1,000	\$ 107	.....	\$ 189	\$ 48	\$ 190	\$ 80
2,000	345	.....	624	106	628	160
5,000	1,172	.....	1,975	265	2,180	400
10,000	2,973	.....	4,620	240	5,229	727
20,000	8,014	.....	11,340	240	12,069	727
50,000	28,797	.....	36,550	240	36,318	727
100,000	70,516	.....	84,200	240	82,531	727
Married, two dependents						
\$ 1,000	\$ 13	.....	\$ 304	\$114	\$ 275	\$ 138
2,000	58	.....	1,655	225	1,747	600
5,000	754	.....	4,300	260	4,698	1,091
10,000	2,333	.....	11,020	260	11,336	1,091
20,000	7,042	.....	36,250	260	34,985	1,091
50,000	27,184	.....	83,900	260	80,198	1,091
100,000	68,634	.....				

For explanation of items see note at end of article, p. 27.



per cent in the United Kingdom and 31 per cent in Canada. The number of income taxpayers in the United States increased from about 4 mil-

For the United States the net victory tax and the New York State income tax are included together with the Federal income tax.<sup>10</sup>

The comparison shows that British and Canadian rates (inclusive of refunds) are substantially higher except for the very lowest income group. Due to the flat exemption under the victory tax, which does not allow for differences in dependency status, large families with incomes of less than about \$1,500 pay a somewhat heavier tax here than in the two other countries.<sup>11</sup> But from there on, both British and

<sup>9</sup> The following analysis of the degree to which various tax sources have been drawn upon will throw some light on the question whether income taxation in the United States has now reached a level at which a change in emphasis is called for.

<sup>10</sup> The Canadian Provinces relinquished their privilege of imposing income taxes for the duration of the war. Therefore, while Dominion receipts from the individual income tax increased tenfold, the over-all increase was fivefold as stated above.

<sup>11</sup> The lowest income groups in the United Kingdom and Canada, however, are subject to heavier social security taxes than those in the United States.

Canadian rates climb rapidly above United States' rates. A family with an income of \$2,000, for instance, pays \$58 in the United States as against \$304 in the United Kingdom and \$275 in Canada. Moving up the income scale, the spread between effective rates here and in the two other countries widens rapidly, and reaches a maximum between \$10,000 and \$20,000. At the \$5,000 level a single American taxpayer contributes \$1,172 as against \$1,975 in the United Kingdom and \$2,180 in Canada. A family with an income of \$20,000, while paying a tax of over \$11,000 in the United Kingdom and Canada, pays but \$7,042 in the United States. Although widest over the middle income ranges, the spread between the rates here and in the United Kingdom or Canada remains substantial to well above the \$25,000 income level. Over the higher income ranges, United States' rates approach, but do not reach, those payable in the United Kingdom and Canada.

The general picture remains the same if we compare tax liabilities net of refunds. (See, again, Chart III and Table III.) In the United States the refundable part of the victory tax has been discontinued. In the United Kingdom, refunds are very significant for the lowest income groups, but are small relative to total liabilities for other incomes, the maximum refund being \$260. In Canada refunds form a substantial part of total liabilities for incomes up to \$20,000 or more, the maximum refund being in excess of \$1,000. In part, the Canadian refunds may be claimed currently against certain types of savings. Comparing tax liabilities net of refunds, British and Canadian rates remain well above those of the United States. Canadian rates, while about level with British rates in a comparison of gross liabilities, fall short of British rates if net liabilities are compared.<sup>12</sup>

2. The comparison of effective rates in the preceding section shows the British and Canadian

liabilities to be very much heavier. It must be noted, however, that certain *differences in the tax treatment of various types of incomes* are neglected in a simple rate comparison. These differences may be particularly important for the higher income levels. Tax-exempt securities, for instance, furnish a very significant part of large investment incomes in the United States; in the United Kingdom and Canada they are much more limited. Joint returns are mandatory in the United Kingdom, but not here and in Canada. Rental values of owner-occupied homes are counted as part of taxable income in the United Kingdom but not in the two other countries. Capital gains are taxed and losses are allowed in the United States; in the United Kingdom and in Canada both are largely disregarded. The net result of these differences is difficult to determine, but it is unlikely that the "hidden burden," as a whole, is heavier for the United States than for the United Kingdom or Canada.

However, the most important difference tending to understate income tax liabilities in the United States and Canada, relative to British liabilities, may be corrected for. This relates to the treatment of dividend income. In the United States corporation net income is taxed (at a rate of 40 per cent) under the corporation net income tax, and when distributed in dividends, it is taxed again under the personal income tax. In Canada, similarly, a separate tax is imposed on corporations (at a total rate of 30 per cent) which may not be offset against the tax on individual incomes.<sup>13</sup> In the United Kingdom, the corporation income tax is merely a device for collecting personal income taxes on corporate net incomes at the source. Corporate net income is taxed at a rate equal to the standard rate of the personal income tax, but the individual stockholder is not required to pay the standard rate again on income received in the form of dividends.

To obtain a fair comparison between tax

<sup>12</sup> For a more detailed comparison of income tax rates, see the Federal Reserve BULLETIN for December 1942.

<sup>13</sup> This 30 per cent rate is composed of an 18 per cent normal rate and an additional 12 per cent collected under the excess profits tax but assessed on the entire net income.



liabilities in the three countries, liabilities applicable in the United States and Canada have been adjusted to allow for the double taxation of dividend income. The adjustment is shown in Table IV.<sup>14</sup> The tax liabilities and relative burdens for the United Kingdom remain unchanged, but those of the United States and Canada are increased. The increase is most significant in Canada, raising its rates above those of the United Kingdom for the great majority of taxpayers. Before adjusting for the

the additional burden of corporate taxation is largest, yet the correction still leaves the rates in the United States below those in the two other countries.

3. After comparing the present level of income tax liabilities in the three countries, it is of further interest to compare the *increase in income tax liabilities* during the war years. An abrupt increase in liabilities would impose a greater hardship on the taxpayer than a gradual increase, so that the country having a low tax level prior to the war, is handicapped in reaching a high level of wartime taxation.

A comparison between present (unadjusted) income tax liabilities and prewar liabilities at selected income levels is given in Table V. It shows that the increase in tax liabilities in Canada and in the United Kingdom was substantially greater, for *all* income levels, than the increase in the United States. Income taxes in Canada rose spectacularly from a prewar level generally similar to that in the United States to a wartime level as high as that of the United Kingdom. (The Canadian prewar liabilities include Dominion and Province of Ontario taxes and the New York State tax is included in the United States' liability for both periods.) Income taxes in the United Kingdom rose more moderately than Canadian rates, reflecting the already high level of income taxation before the war. Nevertheless, British liabilities increased more sharply than did liabilities in the United States, notwithstanding our much lower level of prewar taxation. In the United States, a married taxpayer with two dependents receiving a \$2,000 income was without income tax liabilities before the war and now pays \$58. In Canada, the same taxpayer paid no tax before the war and now pays \$275, or almost five times as much as the American. In the United Kingdom he paid \$13 before the war and now pays \$304. A \$10,000 taxpayer in the United States had his liability increased from \$659 to \$2,333, or by less than \$1,700. A similarly situated taxpayer in the United Kingdom, having paid \$1,854 in the prewar year now pays \$4,300,

TABLE IV  
TAXATION OF PERSONAL INCOME  
Individual Income Tax and Corporation Income Tax  
Combined<sup>1</sup>  
(In U. S. dollars)  
Married, no dependents

Adjusted net income (2 + 3) (1)	Corporation tax allocated to dividends (2)	Net income subject to personal income tax (3)	Personal income tax (4)	Total tax (5)
United States				
\$ 3,000	\$ 91	\$ 2,909	\$ 385	\$ 476
10,000	721	9,276	2,201	2,925
25,000	2,790	22,210	8,353	11,143
50,000	7,360	42,640	21,703	29,063
100,000	18,240	81,760	52,621	70,861
500,000	118,200	381,800	330,164	448,364
United Kingdom				
\$ 3,000	\$ .....	\$ 3,000	\$ 962	\$ 962
10,000	.....	10,000	4,491	4,491
25,000	.....	25,000	14,976	14,976
50,000	.....	50,000	36,374	36,374
100,000	.....	100,000	83,962	83,962
500,000	.....	500,000	473,962	473,962
Canada				
\$ 3,000	\$ 68	\$ 2,932	\$ 902	\$ 970
10,000	543	9,457	4,577	5,120
25,000	2,093	22,907	13,831	15,924
50,000	5,520	44,480	30,588	36,108
100,000	13,680	86,320	66,875	80,555
500,000	88,650	411,350	376,658	465,308

For explanation of items see note at end of article, p. 27.

corporate tax, the rates in Canada fall very close to the rates in the United Kingdom for incomes up to almost \$25,000, but drop behind fairly rapidly thereafter. With the adjustments for the corporation tax, however, the Canadian rates are the highest up to the \$50,000 income level when they start to fall behind the rates for the United Kingdom. For the United States,

<sup>14</sup> For explanation of adjustment see note to Table IV.

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that is, an increase of \$2,446. In Canada, finally, the same taxpayer now pays \$4,698 as compared to \$666 in the prewar year, that is, an increase of \$4,032.

It is thus evident that not only are present Canadian and British income taxes substantially higher than present taxes in the United States, but also the rates have risen much more sharply above their prewar level in both these countries, particularly in Canada.

come. In all three countries the income exempt from the excess profits tax may be determined with reference to the income received in the base period, although there are differences in the way the base period is defined. In the United States the taxpayer has the option of an alternative method, determining the credit as a certain rate of return on invested capital. All three countries make provision for the expansion of capital over the base period level and

TABLE V  
WARTIME INCREASE IN INCOME TAX LIABILITIES AT SELECTED INCOME LEVELS  
[In U. S. dollars]

Net income before exemptions	1. United States			2. United Kingdom			3. Canada		
	Liabilities		Increase	Liabilities		Increase	Liabilities		Increase
	1940	1913		1939	1943		1939	1943	
Single, no dependents									
\$ 1,000	\$ 4	\$ 107	\$ 103	\$ 27	\$ 189	\$ 162	\$ 45	\$ 190	\$ 190
2,000	63	345	282	183	624	441	628	583	583
5,000	282	1,172	890	843	1,975	1,132	266	2,180	1,914
10,000	1,018	2,973	1,955	2,118	4,620	2,502	946	5,229	4,283
20,000	3,449	8,014	4,565	5,842	11,340	5,498	3,456	12,069	8,613
50,000	16,350	28,797	12,447	21,484	36,550	15,066	15,327	36,318	20,991
100,000	46,540	70,516	23,976	52,684	84,200	31,516	40,461	82,531	42,070
Married, two dependents									
\$ 1,000	\$ 13	\$ 13	\$ 13	\$ 304	\$ 291	\$ 275	\$ 275	\$ 275	\$ 275
2,000	58	58	58	1,655	1,076	1,747	1,627	1,627	1,627
5,000	115	754	639	4,300	2,446	666	4,698	4,032	4,032
10,000	659	2,333	1,674	11,020	5,443	2,888	11,336	8,448	8,448
20,000	2,840	7,042	4,202	36,250	15,031	14,557	34,985	20,428	20,428
50,000	15,298	27,184	11,886	83,900	31,481	39,466	80,198	40,732	40,732
100,000	45,164	68,634	23,470						

For explanation of items see note at end of article, p. 27.

TAXES ON BUSINESS INCOME

Taxes on corporate income, largely on excess profits, increased no less drastically than did taxes on individual income. They supplied about 40 per cent of the increase in Canada and in the United States, but only 20 per cent in the United Kingdom. In the United Kingdom, corporation income is taxed under the excess profits tax only, while here and in Canada an additional tax is imposed on corporation net income at a rate of 40 and 30 per cent respectively. The gross rate of excess profits tax is 100 per cent in the United Kingdom and in Canada, as against 90 per cent here, but net of postwar refunds, all three rates are close to 80 per cent.

More important than the differences in rates are those in the definition of excess profits in-

permit reconstruction of the base period income in cases where incomes in that period were abnormally low. The United Kingdom provides for unlimited carry-forward and carry-back of losses and of unused excess profits credits; in the United States losses and credits may be spread over five years while in Canada this period is limited to two years. Numerous other relief provisions are provided for in each country.

No detailed comparison of these taxes can be undertaken here, but given the necessary data, an over-all picture of their impact might be obtained more simply by comparing the course of corporation profits before and after taxes in the three countries. A comparison of this kind does not consider the effects of the tax

alone, but the joint impact of taxes, price controls, contracting policies, etc. Clearly, it is this joint impact which is significant. A high excess profits yield by itself may be an indicator of loose pricing policies rather than of severe tax provisions, just as a low excess profits yield may indicate stringent price policies rather than liberal tax provisions.

For the United Kingdom and the United States a comparison may be made of the movement of corporation profits after taxes. The index of industrial profits after excess profits tax (but before withholding taxes on dividends), compiled by the London *Economist*, has remained practically stable since 1938. The index is based on 2,300 companies and is sufficiently inclusive, in the words of the London *Economist*, "to display conclusive evidence of the close control of profits through the mechanism of excess profits taxation," and to show "that there is no sign of the slightest degree of profit inflation."<sup>15</sup> In the United States, profits after tax increased sharply notwithstanding the introduction of the excess profits tax and the increase in rates under the corporation income tax.<sup>16</sup> With due allowance for differences in accounting practices, prewar profit levels and changes in capitalization, there remains a clear difference in the profit picture for the two countries. Available data for Canadian profits are less conclusive. Statistics compiled by the Bank of Canada, covering approximately two-thirds of total corporation net income, show for the fiscal year 1942 an increase in corporate profits after tax of about 40 per cent over the prewar level. This was followed by a decrease of 5 per cent from the fiscal year 1942 to 1943.<sup>17</sup> Thus it appears that the movement of Canadian profits will fall somewhere between that of the United States and that of the United Kingdom.

#### EXCISE TAXES

The increase in excise and sales taxes is indicated by data on receipts shown in Table VI.

<sup>15</sup> *Economist*, London, England, September 19, 1942, p. 365.

<sup>16</sup> Net income of all corporations, excluding dividends received from domestic corporations. Estimates by U. S. Treasury Department, Division of Research and Statistics, September 10, 1943.

<sup>17</sup> Bank of Canada, *Statistical Summary*, Oct.-Nov. 1943.

These include not only sales and excise taxes proper, but also employers' contributions to pay roll taxes and to war damage insurance. As a group, these taxes contributed 40 per cent to the increase in total revenue in the United Kingdom against 30 per cent in Canada and 10 per cent in the United States. Here and in the United Kingdom, two-thirds of this contribution was derived from sales and excise taxes proper, whereas in Canada practically the entire increase resulted from these sources.

The yield from sales and excise taxes proper doubled in the United Kingdom and Canada and increased by 50 per cent in the United States. In order to measure the severity of sales and excise taxes in over-all terms, a comparison should be drawn between such taxes paid by the consumer and total consumers' expenditures, but in absence of such information, the ratio between receipts from these taxes and national income may serve as a substitute. Taking the most recent year, this ratio is above 10 per cent for the United Kingdom and Canada and about 5 per cent for the United States. The indication that the level of excises is substantially higher in the other two countries is substantiated by a comparison of the rates applicable to various types of commodities.

In the United Kingdom, nearly 84 per cent of the additional yield from sales and excise taxes proper was derived from taxes on liquor, tobacco, and gasoline, while these same taxes yielded about 50 per cent of the increase in the United States and 37 per cent in Canada. The rates on liquor and tobacco are vastly higher in the United Kingdom than in the other two countries. The tax on a gallon of liquor, for example, is \$23 in the United Kingdom as against \$7.30 in Canada and \$7.50 in the United States. (Both here and in the following examples, the tax for Canada includes that of the Province of Quebec and the tax for the United States includes that of the State of New York.) The tax on a barrel of beer in the United Kingdom is \$28 as against \$7.90 in Canada and \$7.93 in the United States. The tax on a package of cigarettes ranges from 27 to 34 cents in the United Kingdom

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compared to 9 cents in the United States, while the Dominion tax in Canada is 18 cents and the provincial tax in Quebec is 10 per cent of the retail price. Taxes on a gallon of gasoline are 12 cents in the United Kingdom as against 10 cents in Canada and  $5\frac{1}{2}$  cents in the United States. The heavy rates on liquor and tobacco in Great Britain are indicative of the high level of excise taxation since these articles absorb nearly  $\frac{1}{3}$  of its total consumers' expenditures or as much as rent and clothing combined.

Both the United Kingdom and Canada have a general sales tax on the Federal level. While the British purchase tax contributes less than

other commodities. In the United States and Canada, this group supplies about 40 per cent of the total sales tax yield, but less than 20 per cent in the United Kingdom where many of the items come under the higher rates of the purchase tax. A rate comparison again shows the Canadian rates to be higher in most cases, particularly if allowance is made for the fact that in many cases the Canadian excise rates apply in addition to the 8 per cent sales tax rate. On the whole, it is clear that the level of sales and excise taxation—as that of income taxation—is substantially higher in the United Kingdom and Canada than in the United States.

TABLE VI  
EXCISE AND PAY ROLL TAXES—ALL LEVELS OF GOVERNMENT  
[Millions of U. S. dollars]

	United States		United Kingdom		Canada	
	1940	1944	1939	1943	1939	1943
1. Employers' pay roll taxes.....	1,314	2,396	254	278		18
2. War damage insurance.....				819		
3. Sales and excise taxes						
Alcoholic beverages.....	817	1,762	510	1,186	48	115
Tobacco.....	705	1,225	409	1,349	35	97
Gasoline.....	1,096	965	279	218	41	67
General sales tax.....	559	775		355	132	244
Others, including customs.....	2,017	3,175	720	643	297	362
Total.....	5,194	7,902	1,918	3,751	463	885
4. Total.....	6,508	10,298	2,172	4,848	463	903

For explanation of items see note at end of article, p. 27.

$\frac{1}{10}$  of the total sales tax yield, the Canadian sales tax contributes over  $\frac{1}{4}$ . The Canadian tax is imposed largely at the manufacturers' level at a rate of 8 per cent; it applies to practically all commodities excluding, however, most foods. The British purchase tax is imposed at rates of  $16\frac{2}{3}$  per cent,  $33\frac{1}{3}$  per cent and 100 per cent. Absolute necessities and certain commodities already bearing high taxes, such as tobacco and liquor, are excluded, while luxuries, such as furs and baggage, are taxed at the 100 per cent rate. General sales taxes levied by state and local governments in the United States are at a very much lower rate throughout, rarely exceeding 3 per cent.

In addition, all three countries impose special excise taxes (and custom duties) on numerous

In conclusion it should again be noted that the adequacy of the tax effort must be measured for each country against its need for curtailing inflationary pressures. Few would hold that inflationary pressures here are less serious than in the two other countries; yet, as we have seen, the tax effort in the United States falls far behind that of the United Kingdom and Canada.

NOTES TO TABLES

Table I.

Item 1. Figures for fiscal years 1939-40 through 1942-43 from the Department of Commerce, *Survey of Current Business*, March 1943 and August 1943. Figure for 1943-44 is estimated.

Item 2. Federal gross tax receipts from *Treasury Bulletin* and *Revised Budget Estimate* of August 1, 1943 adjusted to the November 28, 1943 revision. State tax receipts from Department of Commerce, *State Finances*; figure for 1943-44 is estimated. Local tax receipts estimated on basis of Department of Commerce, *Financing Federal, State and Local Governments, 1941*. For breakdown and further explanation see Table II and notes thereto.

Item 3. See preceding note.

Item 4. Federal budget expenditures are adjusted to include extra-budgetary expenditures such as old-age benefit payments under the Social Security Program and net outlays of Government corporations.

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Figures for fiscal years 1939-40 through 1942-43 from *Treasury Bulletin* and *Daily Treasury Statement*. Figure for 1943-44 from *Revised Budget Estimate* of August 1, 1943 adjusted to the November 28, 1943 revision.

Item 5. U. S. Department of Commerce definition. Estimated on basis of data in *British White Paper on War Finance* for 1943 (Cmd. 6438) and *The Economist*, London, April 24, 1943, p. 519.

Item 6. Central Government tax receipts from annual financial statements of the Chancellor of the Exchequer. Local taxes (composed entirely of rates on property) from *British White Paper on War Finance* for 1943. For breakdown and further explanation see Table II and notes thereto.

Item 7. See preceding note.

Item 8. Figures from annual financial statements of the Chancellor of the Exchequer. Extra-budgetary expenditures estimated from data in *British White Paper on War Finance* for 1943.

Item 9. U. S. Department of Commerce definition. There are no generally accepted statistics of income for Canada. Fragmentary statistics appear in a number of sources. Figures are estimated on basis of data in the *Financial Post*, Toronto, April 17, 1943; Dominion Bureau of Statistics, *Monthly Review of Business Statistics*, April 1943 and *Description of Method Used in the Monthly Computation of National Income; Annual Report of the Bank of Canada*, February 8, 1943; and *Monthly Review* of the Bank of Nova Scotia, June 1941.

Item 10. Central Government tax receipts from *Appendix to the Budget, 1943-44*. Provincial and municipal tax receipts from Bank of Canada, *Statistical Summary*. For breakdown and further explanation see Table II and notes thereto.

Item 11. See preceding note.

Item 12. Figures from *Appendix to the Budget, 1943-44*.

### Table II.

Item 1. Includes taxes on personal income, employees' contributions under social insurance programs, gift taxes, and estate or succession taxes.

Item 2. Includes taxes on corporate income and on excess profits. The capital stock tax is included for the United States and the National Defense Contribution for the United Kingdom. For the United States, receipts from contract renegotiation are excluded.

Item 3. Includes sales taxes, excise taxes, custom duties, employers' contributions to social security programs, and other miscellaneous taxes. For the United Kingdom, compulsory contributions for War Risk Insurance premiums and contributions under the business scheme of the War Damage Act are included.

Item 4. Includes compulsory contributions under the property scheme of the War Damage Act in the United Kingdom.

### Table III.

Item 1. Includes Federal income tax under the Revenue Act of 1942, net victory tax, and New York State income tax. Maximum earned income credit is given. Victory tax liability is computed on the basis of a gross income, assumed to be 110 per cent of the net income shown in the left column.

Item 2. Liabilities under prevailing rates effective for income earned during the fiscal year 1942-43. Maximum earned income credit is given.

Item 3. Liabilities are computed on the basis of the Income War Tax Act of 1942. Income in excess of \$30,000 is assumed to be investment income.

### Table IV.

In order to make tax liabilities in the United States and Canada comparable with those in the United Kingdom, liabilities for the United States and Canada must be increased to allow for the taxpayer's share in the corporation income tax. The excess profits tax, which is similar in the three countries, need not be considered here. The adjustment involves the following steps:

1. For the United States, we begin by increasing net income for income tax purposes by the extent to which dividend income would have been greater if there were no corporation tax. It is assumed that the

corporation would have increased dividend distribution by the amount of tax allocable to dividends. For this purpose, the amount of dividends (after corporation tax) received by individuals at various income levels was estimated on the basis of the preliminary report, *Statistics of Income for 1941*, Part I. Each dollar of dividends was regarded as that percentage (60 per cent) of dividends before the corporation tax which corresponds to the corporate tax rate (40 per cent) and was blown up to 100 per cent. Net income including dividends before the corporation tax (column 1) was obtained by adding the difference between dividends before tax and dividends after tax to net income for income tax purposes (column 3).

The difference between dividends before tax and dividends after tax thus derived equals the amount of corporation tax allocated to the individual's dividends (column 2). This amount must be added to the personal income tax (column 4) levied on personal income tax net income (column 3) to derive the total tax liability (column 5) which can then be charged against the total income.

2. For Canada, we begin with the same total net incomes including dividends before corporation income tax as derived for the United States (column 1). Also, we assume the same ratio of dividends before corporation tax to the total income. The individual's share of the corporation tax was then computed at 30 per cent (the Canadian rate) of dividends before corporation tax (column 2). Subtracting this amount from total net income, we obtain personal income tax net income (column 3). The total tax was then obtained by adding the personal income tax on that income (column 4) and the individual's share of the corporation tax. (In computing the 4 per cent surtax on invested income under the personal income tax, the ratio of earned to unearned income at various levels was estimated on the basis of *Statistics of Income for 1941*.)

No specific assumptions have been made regarding the extent to which corporate income is distributed. If it is assumed that the entire income is distributed, nothing need be added. If we assume that part of the corporate income is retained forever, the corporate income tax in the United States and in Canada, and the withholding tax in the United Kingdom become the only tax paid. The taxpayer in the United Kingdom is somewhat worse off in this instance since the rate of withholding is higher than the corporate rates in the other two countries. If it is assumed that the retained income will be distributed at a later date, the larger percentage of income received in the form of dividends would then be reflected in a greater upward adjustment of the personal income tax.

### Table V.

Item 1. Liabilities under Federal and New York State Revenue Acts applicable to income earned in calendar years 1940 and 1943.

Item 2. Liabilities under Finance Act, 1939 and Finance Act, 1942.

Item 3. Liabilities for 1939 under Dominion Income War Tax Act as amended through first session of 1939 and Province of Ontario income taxes for 1939. Liabilities for 1943 are for Dominion income taxes under the Income War Tax Act as amended to June 1, 1943 only, since the Provinces have surrendered this tax to the Dominion for the duration of the war.

### Table VI.

Item 1. Employers' contributions under social insurance programs. The United States' program includes old-age insurance and unemployment insurance. The United Kingdom program includes old-age, unemployment, and health insurance. Canada has only an unemployment insurance plan. Figures for the fiscal year 1944 for the United States and for the fiscal year 1943 for the United Kingdom and Canada are estimated.

Item 2. Includes compulsory contributions for War Risk Insurance and for property and business schemes under the War Damage Act. Estimated on basis of data in *British White Paper on War Finance*.

Item 3. Figures for the fiscal year 1944 for the United States are estimated.

Item 4. Same as item 3 for Table II.

# FINANCING THE WAR AND THE POSTWAR READJUSTMENT\*

by

DANIEL W. BELL, UNDER SECRETARY OF THE TREASURY

I welcome the opportunity to discuss with you this evening the problems of financing the war and the postwar readjustment. It is because we feel that these two problems are so closely tied together that I have chosen to discuss some aspects of each in the same address.

## WAR FINANCE

It has come to be generally recognized that the real cost of a war must be paid for while it is being fought. This real cost consists in the labor put forth and the sacrifices endured in order to produce and to use the goods of war. Guns can not be fired until they and their shells have been made, nor can they be fired with time borrowed from tomorrow. The labor and sacrifice involved in these things must be made today and can not be postponed.

There are, of course, some exceptions to this rule. A war may be fought, in small part, by the use of stocks of goods accumulated before it begins; and, to a much larger extent, by postponing the replacement of capital goods wearing out during its course. With these exceptions, the whole physical cost of a war must be paid for while it is being fought.

What then, it may be asked, is the role of war borrowing? The answer must be that war borrowing is a method of postponing, not the cost itself, but the final allocation of the total burden of the war to some future date, when the costs now paid for through the sale of bonds are finally assessed in the form of taxes—at which time it is inevitable that a much larger portion of them will be paid by the persons now in the armed forces than if they were assessed today.

When this fact is seen in its stark reality, it is clear that the money cost of the war should be met as far as possible by taxes, and so be paid for once and for all by today's civilians at the same time that the men in the services are paying

\* Address before the Worcester Economic Club at the Hotel Bancroft, Worcester, Massachusetts, on Thursday, December 16, 1943.

their much higher price in human cost on the fighting fronts. Exceptions from this rule should be permitted only when clearly justified by special circumstances.

There are a number of these special circumstances, and it is because of them that the Treasury Department has never recommended to Congress that the whole cost of the war should be paid for out of current taxation. But it is these exceptions, and not the general rule, which need special justification; and I should like to explain to you tonight, not why the Treasury has recommended to Congress additional taxes, which if enacted would only provide sufficient revenue to cover about one-half of total Federal expenditures, but rather why it has not asked for taxes to cover the full cost.

The use of borrowing, to the extent that it is justified by special circumstances, makes for a smoother working of our war economy than would the exclusive use of taxation. What are these circumstances under which borrowing is thus the superior instrument of war finance?

In the first place, the burden of a tax—or of any other compulsory levy, even if it is subsequently reimbursable—must be levied according to fixed rules. These rules can take but little account of individual circumstances. It requires considerable time for many individuals to adjust their living standards and commitments to the new and lower levels which would be dictated by all-out wartime taxation.

While some individuals are revising their living standards downward, other individuals, whose incomes have been increased by the war to levels considerably above those required to meet their former standards of living, are ready and willing to lend a substantial proportion of their increased incomes to the Government in order to insure their future security.

Ultimately, if the war should last long enough, these adjustments might be continued under a steadily increasing burden of taxation

NOTE.—Views expressed in signed articles published in the BULLETIN are those of the writers and not necessarily those of the Board of Governors of the Federal Reserve System.

until each person's standard of living and financial commitments had become adjusted to his place in the war economy. This is unlikely to occur, except in a very long war; and, in the meantime, a considerable proportion of the total war cost must be borrowed in order to avoid unnecessary disruption in the economy.

In the next place, the magnitude of our war effort is fixed by our full gross product, rather than by our net national income. This means that during wartime replacements and repairs on plant and equipment must be postponed, as far as possible, so that the manpower and materials which they would otherwise have absorbed can be thrown into the war effort. Producers, as well as consumers, are asked by their Government to "Use it up, Wear it out, Make it do, or Do without."

This means that during the war period, the capital assets of most business firms are wearing out more rapidly than they are being replaced, and the depreciation reserves set aside to offset this wear and tear are piling up in cash. At the same time, the accounts receivable of these firms are running down, which results also in piling up cash. These funds are all available to be lent to the Government; but they are not available to be taxed since they represent capital, rather than income, of the firms possessing them, and represent very different proportions of the total capital of different firms, depending upon the type of business. A policy of borrowing these funds, rather than taxing them away, is, therefore, clearly indicated.

In the third place, the great wartime expansion in the economy requires—even at a constant price level—a great increase in the available supply of currency and bank deposits; and this increase, under our existing institutions and under wartime conditions, can be supplied only by an increase in Government borrowing.

Finally, it is necessary that some financial incentive be supplied to individuals to work long hours, and to corporations to operate with the utmost efficiency. If the whole of the extra incomes resulting from the overtime pay of individuals and the efficient management of

business enterprises were taxed away, there would be no economic incentive to call forth these exertions.

The borrowing which is justified entirely by the special considerations which I have just enumerated would have to take place for our wartime economy to operate smoothly, no matter how willing Congress might be to levy additional taxes or the people to bear them. This borrowing alone would amount to a great deal of money by peacetime standards; but it would certainly be much less than the nearly 50 billion dollars a year which we should have to borrow even if the Treasury tax proposals were granted in full.

An additional amount of borrowing—over and above the minimum required on economic grounds—can also be accomplished without danger of inflation to the extent that individuals can be induced, for patriotic reasons, to increase their savings. This the Treasury is endeavoring to do by means of the pay roll savings plan and the War Loan campaigns.

The volume of total savings required is dictated by the size of the deficit and may differ materially from the sum total of savings which would occur from economic and patriotic motives. At the present time the Federal Government is purchasing about one-half of the total volume of goods and services being produced, while the remaining 50 per cent is being purchased for private use. Federal taxes, however, are bringing in only about 20 per cent of the gross income generated by production, leaving about 80 per cent in private hands. There is, thus, a discrepancy equivalent to about 30 per cent of the value of total output which makes up the Federal deficit on the one hand and the corresponding necessary private savings on the other hand.

To the extent that total borrowing exceeds the aggregate amount of savings consciously and intentionally undertaken, we are placing liquid assets in the hands of persons who may use them to put added pressure on price ceilings. It is to aid in immobilizing such unstable accumulations, as well as for fiscal and equitable

reasons, that the Treasury considers the need for additional taxes so urgent.

I do not desire to go into the matter of particular types of wartime taxes at any length this evening, but I should like to make some general observations.

First, there can be no doubt of the ability of the people of the United States to pay taxes much higher than those now levied. Of course, it would be hard because war itself is hard. But the very fact that we are threatened with inflation is evidence of our ability to pay higher taxes, for it means that we have more dollars to spend than things to buy with them.

Second, the view is sometimes voiced that, while we have exhausted our ability to pay some kinds of taxes, such as income taxes, we have not exhausted our ability to pay other kinds of taxes, such as sales taxes. I can see no merit in this view. Ability to pay resides in persons, rather than in kinds of taxes—both income and sales taxes must be met from the same pay envelopes; and if we have the ability to pay one, we have the ability to pay the other.

The income tax can be adjusted, and is adjusted to the personal circumstances of those upon whom it is levied. Exemptions are granted commensurate with family status, so that the tax does not fall with merciless brutality upon those with small incomes and large families. No such adjustment mechanism is customary or practicable for the sales tax. The view that we have exhausted our ability to pay additional income taxes, but still have the ability to pay a sales tax, logically reduces itself to the view that the principal additional ability to pay in the economy resides in that portion of incomes falling within the exemptions from the individual income tax—that is, \$500 for a single person, \$1,200 for a married couple, and \$350 for each dependent. I can not accept this view; and I do not believe that the advocates of the sales tax would, if they realized the full implications of their proposal.

Third, it is often proposed that we should place a special tax on increases in individual incomes; that is, tax a man with an income of,

say, \$3,000 more heavily if he has recently come up from \$1,000 than if he had been receiving \$3,000 for some time. This proposal seems to me to be wrong on a number of counts.

It is unfair. It seems to me that, consciously or unconsciously, it is based in part on the feudal concept that every man should stay in his place, and it strikes at the root of the principle that every man may rise according to his worth—a principle which has given so much life and hope to the American scene for generations past.

It is uneconomic. It would undermine the incentive of workers to transfer to war industries located in inconvenient places and to work long hours at hard jobs. Particularly, it would strike at the incentive for wives to enter war plants in order to earn incomes supplementary to those of their husbands. It would, therefore, aggravate the labor shortage.

It would be very difficult to administer. This would be true, not only for the Treasury, but also for the taxpayers, as it would require the use of forms and questionnaires far more complex than any involved in the administration of the individual income tax.

It seems to me that the basic problem of the taxation of individuals in wartime is really not very complex. Aggregate individual income is higher, and the Government must tax a portion of it away. There may be a great deal of dispute as to which income brackets should be drawn upon the most heavily, but any reasonable pattern of withdrawal can be effected by means of the individual income tax.

I think it is a good rule when any other tax is proposed, that you first express the distribution of its burden in terms of the individual income tax, and then ask yourself whether you would consider it reasonable that the burden of the individual income tax itself should be so altered. If the answer is "No," then the other tax should be placed on the defensive and its proponents made to justify it by reasons of strong public policy. Sometimes this can be done—for example, I believe that the luxury excises proposed by the Treasury this year and the spendings tax proposed last year are cases in



point. The test should be rigid, however, and the considerations of public policy should be important before a tax is placed on the statute books, the burden of which is distributed in a manner other than that in which we would be willing to distribute the burden of an increase in the individual income tax.

I turn now to our policies with respect to wartime borrowing. These have been dominated by the following considerations.

First, we have tried to borrow as much as possible from investors other than commercial banks. This principle must be stated subject to some qualification. It would neither be possible nor desirable to do all of our borrowing outside of the banking system. I have already explained that one of the reasons for borrowing at all, rather than relying exclusively upon taxation, is that an expanding wartime economy needs—even at a constant price level—a greatly increased amount of currency and bank deposits. These can be obtained, under existing institutions and in wartime, only by a corresponding increase in the Government security holdings of commercial and Federal Reserve Banks; and a sufficient amount of securities have to be sold to the banks to provide this necessary circulating medium, even if adequate markets exist for them elsewhere.

The amount of Government securities which would thus have to be sold to the banks in any event is substantial; but, in practice, I must admit that this has proved little of a problem, since it has taken care of itself by the rapid expansion of the borrowing needs of the Federal Government and the slower development of nonbanking sources for Federal borrowing.

For this reason, we have directed our main effort to the sale of securities to nonbanking investors. During the past year, we have sold to such investors, net after all switches and redemptions, about 40 billion dollars of Government securities, as compared with about 30 billions absorbed by the banks.

Second, we have tried to make the securities sold to the small investor as riskless as possible. The Treasury has considered itself the trustee

of the inexperienced investor. It is with this in view that the Department's appeal to small investors has been confined to Series E bonds which are nonnegotiable, payable on demand and hence are guaranteed against fluctuations in market values.

The Treasury is less concerned with the large volume of demand obligations which is being built up by the sale of savings bonds to small investors than it would be with the only practicable alternative to this course. This alternative would be the sale to small investors of marketable securities payable by the Treasury only after the expiration of a fixed term of years.

The fixing of a definite term on securities sold to small investors by no means insures that they will be held by these investors for the full term. By and large, the holders of marketable securities would sell them on the same occasions when holders of redeemable securities would redeem theirs. Indeed, there is one important occasion upon which marketable securities would be sold, but redeemable securities would not be redeemed—that is, the fear of a decline in price, from which the nonnegotiable securities are immune.

Now it may appear, at first glance, that while the Treasury should be properly concerned with redemptions, it should not be concerned with market sales, since it must meet the redemptions out of its own pocket; while the market sales will be taken up by somebody else. This type of reasoning would suffice for a private borrower, but it is entirely inadequate for the Treasury since it overlooks the real problem which the holdings of Government securities—whether redeemable or marketable—by small investors will present in the postwar period.

This problem is that the holders of these securities may dispose of them and spend the proceeds on consumers' goods at a time when the supply of such goods will be scarce; and the spending can result only in price rises. This problem would exist, however, whether the securities were payable on demand or were negotiable and payable at the close of a fixed term, and will be somewhat less troublesome for

demand securities, because, as I have already pointed out, the liquidation of this type of security will never be precipitated by the fear of a fall in the price of the security itself.

The other problems which will be caused by holdings of Government debt by small investors in the postwar period are minor, relative to the major problem which I have just mentioned; and will be less serious with demand obligations than with negotiable obligations of fixed term.

When savings bonds are presented for redemption to the Treasury and it is necessary to refund them, the Treasury offers the type and maturity of new securities best suited to the market at the time, and offers these securities for distribution through the regular channels of the Government security market.

Marketable securities, by contrast, would be offered in small blocks, oftentimes through irregular channels where the original holders may not receive full value, and might dribble into the market in such a way as to keep it continually disturbed. They might not be fitted by coupon rate, maturity, or other characteristics for the predominant demand then existing in the market, but they would have been cast in whatever mold they were, once and for all, and the market would have to make the best of it.

To the extent that the refunding of demand obligations would have been accomplished by the sale of securities to banks, so also would the marketable securities find their ultimate lodgment in banks, but only after a roundabout journey, probably involving both loss to their original purchasers and a higher interest cost to the Treasury.

It seems clear, therefore, that the Treasury is in a much better position to refund the non-negotiable securities than the individual would be to refund negotiable securities through the market.

The third of the principles governing our borrowing policy has been the maintenance of the liquidity of the banking system. We have laid down the policy that no securities will be offered to commercial banks for the investment of their demand deposits with a maturity at time of

issuance of over 10 years. The great majority of the securities sold to commercial banks have had maturities far shorter than this. Indeed, more than half of the total increase in the portfolios of commercial banks since Pearl Harbor has been in the form of 3-month Treasury bills and 1-year certificates of indebtedness. This concentration of sales to commercial banks in short securities insures that our banking system will be in a strong and liquid position to meet the problems of the postwar period.

Finally, we have financed this war at an average rate of slightly less than  $1\frac{3}{4}$  per cent. This compares with an average rate of about  $4\frac{1}{4}$  per cent on the securities issued to finance the last World War.

Interest rates have remained stable during the wartime period and confidence in the continuation of this stability has been and is widespread and well justified, and has caused investors to subscribe to new issues of Government securities in successive war loans without any sign of holding back in anticipation of higher rates.

I think it can be fairly said of the United States, as the late Chancellor of the Exchequer, Sir Kingsley Wood, recently said of Great Britain, that "... we have revolutionized public opinion as to what are fair rates for Government war borrowing." I believe that this revolution in opinion has a sound basis in underlying economic realities, and is applicable to the coming times of peace also. I hope that the policies of the Government will be directed to this end.

#### FINANCING THE POSTWAR READJUSTMENT

I come now to the second major division of my topic, that is, the problems of the postwar readjustment period.

I approach this subject with some trepidation. No postwar plan will be of any value unless we win the war and are in a position to put it into effect. The war is not yet in the bag. Hitler's postwar plan is slavery, and there will not be room for both his plan and our own.

You all remember the recipe for rabbit stew which begins "First catch the rabbit." So it

is with postwar planning. We must first win the war; and we must not let anything, even postwar planning, distract our minds from this for an instant.

Immediately following the close of the war, we will be confronted with the problem of reconversion. The period of reconversion will be a time fraught with exceptional hazard to our economic structure.

During normal times, most of our people are engaged in producing goods which they and their fellow workers can buy with their wages. During wartime, they are largely engaged in producing war goods which they can not purchase with their incomes, but the excess purchasing power which is thereby created is held in check by direct controls, by personal taxation, and by Government borrowing from individuals. The people are willing to accept and cooperate with these measures because of patriotism and the all-pervading spirit of sacrifice which exists during wartimes. During the reconversion period, however, while the tools of production for peace goods are being made ready, purchasing power may outrun the goods available for purchase, while wartime measures of control may be relaxed if the people do not recognize the need for continued restraint.

A price inflation is, consequently, one of the hazards of the reconversion period. Stalking hand-in-hand with it goes the hazard of unemployment. Normally, these two are never seen together, since unemployment usually rises from a lack of demand for goods and inflation from a shortage of goods. The unemployment of the reconversion period will be caused, however, not by a lack of demand for the finished products, but because the plants are not yet ready for mass reemployment, and so may go hand-in-hand with inflation.

Once the period of reconversion is over and the tremendous potentialities of the American economy which have been demonstrated during the war period are directed to the production of the goods of peace, the main hazard of inflation will be over.

The task of statesmanship in the period im-

mediately following the war will be to hasten the reconversion process while mitigating its hardships and reducing its human costs. This task will, of course, be easier if a termination of the war on one front before the other should make it possible to complete part of the reconversion process under a wartime environment. But we must press for victory against Japan as well as Germany without regard for the economics of reconversion.

This evening I shall discuss only three aspects of fiscal planning for the reconversion period, and these briefly. They are, first, the cancellation of war contracts; second, the adequacy of corporate financial resources to carry on the work of reconversion; and, third, the control of individual spending during the reconversion period.

If the war should end today on all fronts, there would be outstanding more than 75 billion dollars of war contracts on which deliveries had not yet been made. Much of the material covered by these contracts would be of no use to the Government if it were delivered after the immediate emergency of this war had passed. This is because there are no goods with respect to which obsolescence runs faster than it does for the goods of war; so the best preparation for future wars consists in maintaining the skills and plant capacity necessary for the development, production, and use of new war goods rather than in hoarding vast quantities of old ones.

Part of the undelivered contracts would still exist merely in blueprints in the hands of the contractors, while part would be represented by goods in process, some of which in turn could be converted into peacetime goods.

In my opinion, all war contracts should be canceled immediately upon the passing of the military need for the goods contracted for. This is desirable for two important reasons. First, it avoids the tremendous waste of human and material resources involved in making goods which we will never use; and, second, it gives the maximum stimulation to the men and management released from making such goods

to seek employment in the production of goods for which there is a human need, and so hastens the process of reconversion.

The abrupt cancellation of war contracts will give rise to two problems. These are: First, provision for the labor thrown out of employment; and, second, compensation for the contractors.

The first of these problems should be settled with liberality; the second, with the utmost of speed.

A generous treatment of the labor displaced by contract cancellation is required, not merely by considerations of common humanity and fair dealing, but also by considerations of economy; for without it, we are unlikely to secure abrupt cancellation at all, and there is no form of relief more expensive than the production of unneeded tools of war. We should be sure, however, that the treatment accorded labor displaced from war production is of such a character that it encourages, rather than slows down, its quest for peacetime employment.

Payments to contractors should be just in accordance with a fixed standard of equity; that is, they should be enough to make the contractors and their subcontractors whole for the losses they have sustained as the result of the contract cancellations.

It is important also, that payments to contractors should be prompt. This is not primarily for the benefit of the contractors themselves—although I have no doubt that they will appreciate it—but for the benefit of the country as a whole. A dollar paid out in the settlement of war contracts during the early reconversion period may—in terms of national well-being—be worth several dollars paid out a year or so later. It is far more important, therefore, that the settlements be prompt than that they be accurate to the last dollar according to some accounting concept, which may itself be open to question.

The settlement of war contracts along the lines which I have just outlined will involve a heavy outflow of funds from the Treasury in the few months immediately following the end of the

war. We are prepared for this outflow, and we feel that there will be few occasions when a disbursement of funds may be made with so little real cost to the Government and so much benefit to the economy.

My second point with respect to the reconversion period relates to the adequacy of corporate financial resources to carry on the work of reconversion. The adequacy of these resources is important, not merely or even principally from the point of view of the corporations involved, but from the point of view of the whole economic system.

We in the Treasury have given careful consideration to this matter, and believe that funds for the reconversion of war industry will be ample, provided that a prompt settlement is made of canceled war contracts. Our reasons for believing this are as follows:

First, the wartime period has been a profitable one for American corporations as a whole. Net corporate profits, after taxes, have averaged about twice as much per year during the wartime period as they did in the years 1935 through 1939 (the base period for the FRB index of industrial production); and, by and large, the greatest increases have gone to those firms whose problems of reconversion will be greatest. Corporate dividend policy, furthermore, has been so conservative that most of the increase in corporate earnings has been added to surplus.

Second, in addition to their savings from undistributed earnings, American corporations have piled up a large volume of liquid assets as a result of repayment of receivables, and in some cases reduction in inventories, and the general inability to expend depreciation and depletion reserves which has been brought about by wartime conditions. According to the estimates of the Federal Reserve Board, the demand deposits of nonfinancial businesses, including unincorporated enterprises, amounted to over 30 billion dollars at the end of last July; and, according to Treasury estimates, the holdings of Government securities—payable for the most part on demand or at very short term—by nonfinancial corporations alone, amount at the present time to about

20 billion dollars. Each of these figures is far above any peacetime precedent; but, to make the picture brighter, American business, during the same time it has been acquiring them, has reduced the amount of both its bank loans and its bonded debt.

Third, generous carry-back and carry-forward provisions included in the corporation tax laws insure that corporations suffering losses during the reconversion period, or even earning incomes of less than their excess profits credit, will receive substantial refunds of the taxes paid in their prosperous years. These refunds—for the expediting of which the Treasury has made recommendations to the Congressional committees—will be available to carry on the work of reconversion. In addition, there is provided in the present law a postwar refund, irrespective of future tax status, of 10 per cent of the excess profits tax paid in the war period.

For the reasons given, I do not believe that the adequacy of business funds for reconversion purposes will present a major problem. But I can not speak with equal assurance with respect to the prospects for the control of individual spending during the reconversion period—the third postwar problem to be discussed.

Immediately following the end of the actual fighting, we can probably expect a let-down in the willingness of people to submit from patriotic motives to a continued reduction in their consumption. There is likely to be a demand for an immediate end of the direct controls; and this demand may, to some extent, succeed. For some time, however, while industry is being reconverted and the war effort demobilized, there will be only a very gradual increase in the supply of consumers' goods. When it is considered that there will be available to be spent currently, in addition to the incomes being received for the production of consumers' goods, not merely the incomes from work in demobilizing the war effort and reconvertng private industry, but also the large liquid resources piled up during war-time, it is easy to conjure up the specter of a postwar inflation.

Against this must be set the powerful force of

human foresight and sobriety. The reconversion period is bound to be attended by considerable unemployment, and each individual will naturally ask himself how he is going to come out in the swirl of readjustments he sees around him. His natural tendency will be to "play it close to the chest" and handle his reserve funds as carefully as possible. This human tendency alone may maintain a high rate of saving during the reconversion period, and so forestall the possibility of a postwar inflation.

We hope that this will be so; but counting on it would be as improvident as counting on an internal smash-up in Germany to win the war. We must consequently lay our plans to prevent a postwar inflation from occurring, but stand ready to adjust any such plans on short notice to conditions as they actually develop during the reconversion period.

What should these plans be? It seems to me that the direct controls, such as price ceilings, priorities, and rationing, should be kept in effect as long as necessary; and high income taxes, as long as possible.

Let me explain the difference between "necessary" and "possible" in the statement which I have just made.

While I believe that we should keep the direct controls as long after the war as necessary, I do not believe that this will be very long. I feel certain that the last of them can be done away with as soon as the reconverted plants commence to pour their flood of consumers' goods on the market.

I have said, however, that the high rates of taxation should be kept as long as possible. I think that the case here is very different. High personal taxes serve the anti-inflationary purpose of absorbing surplus purchasing power; and this may be very useful and necessary in the reconversion period. But they also serve the purpose of helping to pay off the national debt; and this purpose is also useful and necessary.

It seems to me, therefore, that, while the criterion with respect to the removal of the controls should be "How soon can we remove them without risking inflation?"; the criterion with re-

spect to wartime rates of taxation should be "How long can we keep them without risking unemployment?" Perhaps for a long time to come, if the postwar period lives up to our hopes and expectations.

But this would take me into new vistas beyond the scope of tonight's address for I have no intention of discussing the broader phases of fiscal policy beyond the reconversion period.

I would like to make, however, a few general observations. The war has opened the eyes of the American people to the tremendous productivity of industrial and agricultural America. The shortages of peacetime goods and services that exist now have not blinded us to the enormous potentialities for abundance inherent in our productive mechanism. It is precisely this unexampled capacity to produce upon which the

future prosperity and welfare of our people ultimately depend.

To help society achieve more fully the promise of abundance implicit in our capacity to produce; to help maintain output and employment at a level more nearly corresponding to our true productive potential; and to secure this at a price that a peaceful democracy can pay—that will constitute the greatest task of economic statesmanship in the postwar world.

I do not believe that the glory of America belongs only to the past. I believe that the real promise of America belongs to the future. Between the goal of securing maximum utilization of our resources and the goal of achieving a more equitable distribution of wealth, there need be no conflict. Our history has been testimony to that fact, and our future will be the record of its fulfillment.

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# POSTWAR INTERNATIONAL INVESTMENT

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On November 23, 1943, the United States Treasury Department made public a provisional outline of a plan for a United Nations Bank for Reconstruction and Development drafted by American technical experts. The plan is drawn up as a basis for discussion and does not represent the official views of the Government. It has been submitted to the Finance Ministers of the United Nations and the countries associated with them, for consideration and for study by their technical staffs. The text of the plan is given below.

PRELIMINARY DRAFT OUTLINE  
OF A PROPOSAL FOR  
A BANK  
FOR RECONSTRUCTION AND  
DEVELOPMENT OF THE UNITED AND  
ASSOCIATED NATIONS

PREAMBLE

1. The provision of foreign capital will be one of the important international economic and financial problems of the postwar period. Many countries will require capital for reconstruction, for the conversion of their industries to peacetime needs, and for the development of their productive resources. Others will find that foreign investment provides a growing market for their goods. Sound international investment will be of immense benefit to the lending as well as to the borrowing countries.
2. Even in the early postwar years it may be hoped that a considerable part of the capital for international investment will be provided through private investment channels. It will undoubtedly be necessary, however, to encourage private investment by assuming some of the risks that will be especially large immediately after the war and to supplement private investment with capital provided through international cooperation. The United Nations Bank for Reconstruction and Development is proposed as a permanent institution to encourage and facilitate international investment for sound and productive purposes.
3. The Bank is intended to cooperate with private financial agencies in making available long-term capital for reconstruction and development and to supplement such investment

where private agencies are unable to meet fully the legitimate needs for capital for productive purposes. The Bank would make no loans or investments that could be secured from private investors on reasonable terms. The principal function of the Bank would be to guarantee and to participate in loans made by private investment agencies and to lend directly from its own resources whatever additional capital may be needed. The facilities of the Bank would be available only for approved governmental and business projects which have been guaranteed by national governments. Operating under these principles, the Bank should be a powerful factor in encouraging the provision of private capital for international investment.

4. By making certain that capital is available for productive uses on reasonable terms, the Bank can make an important contribution to enduring peace and prosperity. With adequate capital, countries affected by the war can move steadily toward reconstruction, and the newer countries can undertake the economic development of which they are capable. International investment for these purposes can be a significant factor in expanding trade and in helping to maintain a high level of business activity throughout the world.

I. THE PURPOSES OF THE BANK

1. To assist in the reconstruction and development of member countries by cooperating with private financial agencies in the provision of capital for sound and constructive international investment.
2. To provide capital for reconstruction and development, under conditions which will amply safeguard the Bank's funds, when private financial agencies are unable to supply the capital needed for such purposes on reasonable terms consistent with the borrowing policies of member countries.
3. To facilitate a rapid and smooth transition from a wartime economy to a peacetime economy by increasing the flow of international investment, and thus to help avoid serious disruption of the economic life of member countries.
4. To assist in raising the productivity of member countries by helping to make available through international collaboration long-term capital for the sound development of productive resources.

5. To promote the long-range balanced growth of international trade among member countries.

## II. CAPITAL STRUCTURE OF THE BANK

1. The authorized capital shall be equivalent to about 10 billion dollars consisting of shares having a par value equal to 100,000 dollars.

2. The shares of the Bank shall be nontransferable, nonassessable, and nontaxable. The liability on shares shall be limited to the unpaid portion of the subscription price.

3. Each government which is a member of the International Stabilization Fund shall subscribe to a minimum number of shares to be determined by formula to be agreed upon. The formula shall take into account such relevant data as the national income and the international trade of the member country.

Such a formula would make the subscription of the United States approximately one-third of the total.

4. Payments on subscriptions to the shares of the Bank shall be made as follows:

- (a) The initial payment of each member country shall be 20 per cent of its subscription, some portion of which (not to exceed 20 per cent) shall be in gold and the remainder in local currency. The proportions to be paid in gold and local currency shall be graduated according to a schedule to be agreed upon which shall take into account the adequacy of the gold and free foreign exchange holdings of each member country.
- (b) The member countries shall make the initial payment within 60 days after the date set for the operations of the Bank to begin. The remainder of their respective subscriptions shall be paid in such amounts and at such times as the Board of Directors may determine, but not more than 20 per cent of the subscription may be called in any one year.
- (c) Calls for further payment on subscriptions shall be uniform on all shares, and no calls shall be made unless funds are needed for the operations of the Bank. The proportion of subsequent payments to be made in gold shall be determined by the schedule in II-4-a as it applies to each member country at the time of each call.

5. A substantial part of the subscribed capital of the Bank shall be reserved in the form of unpaid subscriptions as a surety fund for the securities guaranteed by the Bank or issued by the Bank.

6. When the cash resources of the Bank are substantially in excess of prospective needs, the Board may return, subject to future call, uniform proportions of the subscriptions. When the local currency holdings of the Bank exceed 20 per cent of the subscription of any member country, the Board may arrange to repurchase with local currency some of the shares held by such a country.

7. Each member country agrees to repurchase each year its local currency held by the Bank amounting to not more than 2 per cent of its paid subscription, paying for it with gold; *provided, however, that:*

- (a) This requirement may be generally suspended for any year by a three-fourths vote of the Board.
- (b) No country shall be required to repurchase local currency in any given year in excess of one-half of the addition to its official holdings of gold during the preceding year.
- (c) The obligation of a member country to repurchase its local currency shall be limited to the amount of the local currency paid on its subscription.

8. All member countries agree that all of the local currency holdings and other assets of the Bank located in their countries shall be free from any special restrictions as to their use, except such restrictions as are consented to by the Bank, and subject to IV-13, below.

9. The resources and the facilities of the Bank shall be used exclusively for the benefit of member countries.

## III. THE INTERNATIONAL MONETARY UNIT

1. The monetary unit of the Bank shall be the unit of the International Stabilization Fund (137<sup>1</sup>/<sub>7</sub> grains of fine gold, that is, equivalent to 10 U.S. dollars).

2. The Bank shall keep its accounts in terms of this unit. The local currency assets of the Bank are to be guaranteed against any depreciation in their value in terms of gold.

## IV. POWERS AND OPERATIONS

1. To achieve the purposes stated in Section I, the Bank may guarantee, participate in, or make loans to any member country and through the government of such country to any of its political subdivisions or to business or industrial enterprises therein under conditions provided below.

- (a) The payment of interest and principal is fully guaranteed by the national government.



- (b) The borrower is otherwise unable to secure the funds from other sources, even with the national government's guarantee of repayment, under conditions which in the opinion of the Bank are reasonable.
  - (c) A competent committee has made a careful study of the merits of the project or the program and, in a written report, concludes that the loan would serve directly or indirectly to raise the productivity of the borrowing country and that the prospects are favorable to the servicing of the loan. The majority of the committee making the report shall consist of members of the technical staff of the Bank. The committee shall include an expert selected by the country requesting the loan, who may or may not be a member of the technical staff of the Bank.
  - (d) The Bank shall make arrangements to assure the use of the proceeds of any loan which it guarantees, participates in, or makes for the purposes for which the loan was approved.
  - (e) The Bank shall guarantee, participate in or make loans only at reasonable rates of interest with a schedule of repayment appropriate to the character of the project and the balance of payments prospects of the country of the borrower.
2. In accordance with the provisions in IV-1, above, the Bank may guarantee, in whole or in part, loans made by private investors; *provided, further:*
- (a) The rate of interest and other conditions of the loan are reasonable.
  - (b) The Bank is compensated for its risk in guaranteeing the loan.
3. The Bank may participate in loans placed through the usual investment channels, provided that all the conditions listed under IV-1 above are met except that the rate of interest may be higher than if the loans were guaranteed by the Bank.
4. The Bank may encourage and facilitate international investment in equity securities by securing the guarantee by governments of conversion into foreign exchange of the current earnings of such foreign held investments. In promoting this objective the Bank may also participate in such investments, but its aggregate participation in such equity securities shall not exceed 10 per cent of its paid-in capital.
5. The Bank may publicly offer any securities it has previously acquired. To facilitate the sale of such securities, the Bank may, in its discretion, guarantee them.
6. The Bank shall make no loans or investments that can be placed through the usual private investment channels on reasonable terms. The Bank shall by regulation prescribe procedure for its operations that will assure the application of this principle.
7. The Bank shall impose no condition upon a loan as to the particular member country in which the proceeds of the loan must be spent; *provided, however,* that the proceeds of a loan may not be spent in any country which is not a member country without the approval of the Bank.
8. The Bank in making loans shall provide that:
- (a) The foreign exchange in connection with the project or program shall be provided by the Bank in the currencies of the countries in which the proceeds of the loan will be spent, and only with the approval of such countries.
  - (b) The local currency needs in connection with the project shall be largely financed locally without the assistance of the Bank.
  - (c) In special circumstances, where the Bank considers that the local part of any project can not be financed at home except on very unreasonable terms, it can lend that portion to the borrower in local currency.
  - (d) Where the developmental program will give rise to an increased need for foreign exchange for purposes not directly needed for that program, yet resulting from the program, the Bank will provide an appropriate part of the loan in gold or desired foreign exchange.
9. When a loan is made by the Bank, it shall credit the account of the borrower with the amount of the loan. Payment shall be made from this account to meet drafts covering audited expenses.
10. Loans participated in or made by the Bank shall contain the following payment provisions:
- (a) Payment of interest on loans shall be made in currencies acceptable to the Bank or in gold. Interest will be payable only on amounts withdrawn.
  - (b) Payment on account of principal of a loan shall be in currencies acceptable to the Bank or in gold. If the Bank and the borrower should so agree at the time a loan is made, payment on principal may be in gold, or at the option of the borrower, in the currency actually borrowed.
  - (c) In the event of an acute exchange stringency the Bank may accept local currency in

payment of interest and principal for periods not exceeding three years. The Bank shall arrange with the borrowing country for the repurchase of such local currency over a period of years under appropriate terms that safeguard the value of the Bank's holdings of such currency.

- (d) Payments of interest and principal, whether made in member currencies or in gold, must be equivalent to the gold value of the loan and of the contractual interest thereon.

11. The Bank may levy a charge against the borrower for its expenses in investigating any loan placed, guaranteed, participated in, or made in whole or in part by the Bank.

12. The Bank may guarantee, participate in, or make loans to international governmental agencies for objectives consonant with the purposes of the Bank, provided that at least one-half of the participants in the international agencies are members of the Bank.

13. In considering any application to guarantee, participate in, or make a loan to a member country, the Bank shall give due regard to the effect of such a loan on business and financial conditions in the country in which the loan is to be spent and shall, accordingly, obtain the consent of the country affected.

14. At the request of the countries in which portions of the loan are spent, the Bank will repurchase for gold or needed foreign exchange a part of the local currency proceeds of the loan expended by the borrower in those countries.

15. With the approval of the representatives of the governments of the member countries involved, the Bank may engage in the following operations:

- (a) It may issue, buy or sell, pledge, or discount any of its own securities and obligations, or securities and obligations taken from its portfolio, or securities which it has guaranteed.
- (b) It may borrow from member governments, fiscal agencies, central banks, stabilization funds, private financial institutions in member countries, or from international financial agencies.
- (c) It may buy or sell foreign exchange, after consultation with the International Stabilization Fund, where such transactions are necessary in connection with its operations.

16. The Bank may act as agent or correspondent for the governments of member countries, their central banks, stabilization funds and fiscal agencies, and for international financial institutions.

The Bank may act as trustee, registrar, or agent in connection with loans guaranteed, participated in, made, or placed through the Bank.

17. Except as otherwise indicated, the Bank shall deal only with or through:

- (a) The governments of member countries, their central banks, stabilization funds, and fiscal agencies,
- (b) The International Stabilization Fund and any other international financial agencies owned predominantly by member governments.

The Bank may, nevertheless, with the approval of the member of the Board representing the government of the country concerned, deal with the public or institutions of member countries in the Bank's own securities or securities which it has guaranteed.

18. If the Bank shall declare any country as suspended from membership, the member governments and their agencies agree not to extend financial assistance to that country without approval of the Bank until the country has been restored to membership.

19. The Bank and its officers shall scrupulously avoid interference in the political affairs of any member country. This provision shall not limit the right of an officer of the Bank to participate in the political life of his own country.

The Bank shall not be influenced in its decisions with respect to applications for loans by the political character of the government of the country requesting a loan.

## V. MANAGEMENT

1. The administration of the Bank shall be vested in a Board of Directors composed of one director and one alternate appointed by each member government in a manner to be determined by it.

The director and alternate shall serve for a period of three years, subject to the pleasure of their government. Directors and alternates may be reappointed.

2. Voting by the Board shall be as follows:

- (a) The director or alternate of each member country shall be entitled to cast 1,000 votes plus one vote for each share of stock held. Thus, a government owning one share will cast 1,001 votes, while a government owning 1,000 shares will cast 2,000 votes.
- (b) No country shall cast more than 25 per cent of the aggregate votes.
- (c) Except where otherwise provided, decisions of the Board of Directors shall be by simple majority of the votes cast, each member of

the Board casting the votes allotted to his government. When deemed to be in the best interests of the Bank, decisions of the Board may be made, without a meeting, by polling the directors on specific questions submitted to them in such manner as the Board shall by regulation provide.

3. The Board of Directors shall select a President of the Bank, who shall be the chief of the operating staff of the Bank and *ex-officio* a member of the Board, and one or more vice presidents. The President and vice presidents of the Bank shall hold office for four years, shall be eligible for reelection, and may be removed for cause at any time by the Board. The staff of the Bank shall be selected in accordance with regulations established by the Board of Directors.

4. The Board of Directors shall appoint from among its members, an Executive Committee of not more than nine members. The President of the Bank shall be an *ex-officio* member of the Executive Committee.

The Executive Committee shall be continuously available at the head office of the Bank and shall exercise the authority delegated to it by the Board. In the absence of any member of the Executive Committee his alternate on the Board shall act in his place. Members of the Executive Committee shall receive appropriate remuneration.

5. The Board of Directors shall select an Advisory Council of seven members. The Council shall advise with the Board and the officers of the Bank on matters of general policy. The Council shall meet annually and on such other occasions as the Board may request.

The members of the Advisory Council shall be selected from men of outstanding ability, but not more than one member shall be selected from the same country. They shall serve for two years, and the term of any member may be renewed. Members of the Council shall be paid their expenses and a remuneration to be fixed by the Board.

6. The Board of Directors may appoint such other committees as it finds necessary for the work of the Bank. It may also appoint advisory committees chosen wholly or partially from persons not regularly employed by the Bank.

7. The Board of Directors may authorize any officers or committees of the Bank to exercise any specified powers of the Board except the

powers to guarantee, participate in, or make loans. Delegated powers shall be exercised in a manner consistent with the general policies and practices of the Board.

The Board may by a three-fourths vote delegate to the Executive Committee the power to guarantee, participate in, or make loans in such amounts as may be fixed by the Board. In passing upon applications for loans, the Executive Committee shall act in accordance with the requirements specified for each type of loan.

8. A member country failing to meet its financial obligations to the Bank may be declared in default and may be suspended from membership during the period of its default, provided that a majority of the member countries so decide.

While under suspension, the country shall be denied the privileges of membership but shall be subject to the obligations of membership. At the end of one year the country shall be dropped automatically from membership in the Bank unless it has been restored to good standing by a majority of the member countries.

If a member country elects to withdraw or is dropped from the Bank, its shares of stock shall, if the Bank has a surplus, be repurchased at the price paid. If the Bank's books show a loss, such country shall bear a proportionate share of the loss. The Bank shall have five years in which to liquidate its obligations to a member country withdrawing or dropped from the Bank.

Any member country that withdraws or is dropped from the International Stabilization Fund shall lose its membership in the Bank unless three-fourths of the member votes favor its remaining as a member.

9. The yearly net profits shall be applied as follows:

(a) All profits shall be distributed in proportion to shares held, except that one-fourth of the profits shall be applied to surplus until the surplus equals 20 per cent of the subscribed capital.

(b) Profits shall be payable in a country's local currency or in gold at the option of the Bank.

10. The Bank shall collect and make available to member countries and to the International Stabilization Fund financial and economic information and reports relating to the operations of the Bank.

Member countries shall furnish the Bank with all information and data that would facilitate the operations of the Bank.

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## NEW MONETARY AND BANKING MEASURES IN PARAGUAY

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On October 5, 1943 the Republic of Paraguay adopted a new law which effects several important changes in the Paraguayan monetary system. These changes include the designation of a new unit, the guaraní, which is equivalent to 100 of the old paper pesos, or 32.5 United States cents; the establishment of the new unit on a "composite exchange standard"; and allocation to the central bank of control over the entire monetary issue, including coin as well as notes.

The basic monetary law which the new measure supersedes had not been revised since its enactment in 1885 and the Banco de la República del Paraguay, a Government institution which had its origin in a previous "Oficina de Cambios," has been hampered in performing central banking functions by the absence of powers adequate to meet the problems of the present time.

In view of this situation, the Government of the Republic of Paraguay and the Directorate of the Banco de la República began preparations some time ago for a general banking and monetary reform. Mr. Harmodio Gonzalez, General Manager of the Bank, was sent to the United States in 1942 under the auspices of the Coordinator of Inter-American Affairs, and spent about twelve months in all at the United States Treasury, the Federal Reserve Banks of New York and of St. Louis, the Board of Governors of the Federal Reserve System, and at other Government agencies in Washington. After Mr. Gonzalez' return to Paraguay, his Government asked, through the State Department, that two representatives of the Board of Governors be designated to advise the central banking authorities of Paraguay in the revision of their monetary and banking laws. In accord with its wish to help promote sound fiscal and monetary policies, especially as an aid to good relations, the Board was glad to comply and designated two members of its staff, Mr. Bray Hammond and Mr. Robert Triffin. The Paraguayan Government also asked, through the

State Department, for advisers in related fields; and Mr. E. C. Johnson of the Farm Credit Administration, Mr. Ormond E. Loomis of the Federal Home Loan Bank Administration, and Mr. George R. Taylor of the Office of Price Administration were designated, respectively, by their organizations as experts in agricultural credit, mortgage credit, and price control.

The representatives of the Board were in Asunción, the capital of Paraguay, during September and October, 1943. At the invitation of the Banco de la República del Paraguay, the Banco de la República of Colombia generously lent the services of one of its officers, Mr. Enrique Dávila, to cooperate with the representatives of the Board and to assist in setting up new operating procedures in accordance with banking practice in Latin America. Mr. Dávila was in Paraguay during October, November, and December.

Preparatory work already undertaken in Washington served as the basis for discussion in Asunción of three legislative projects: a monetary law, a central bank law, and a general banking law. These projects were developed in consultation with the directors and managers of the Banco de la República, the Ministry of Finance, and the managers of the commercial banks. Dr. Carlos A. Pedretti, President of the Banco de la República, exercised an active leadership in furthering the work, and upon completion of the monetary law he and Dr. Rogelio Espinoza, Minister of Finance, who also took a special interest in the program, sponsored the measure in the Council of State. President Higinio Morínigo promulgated the monetary law October 5, 1943 and it went into effect November 8, 1943. Drafts of the central bank and general banking laws are far advanced and it is expected that they will be ready in the near future for submission to the Council of State.

In establishing a new unit, the guaraní, the monetary law terminates a situation in which a hypothetical "gold peso" (*peso oro sellado*)

persisted as a unit of account while the unit in actual circulation continued to be the paper peso (*peso curso legal* or *peso fuerte*); and in which both were pegged to the Argentine paper peso. The new law has also the effect of eliminating the wide margin on dollar transactions which had followed appreciation of the Argentine peso and had reached a maximum of nearly 10 per cent during the last year before the new law went into effect. The margins between the buying and selling rates of foreign currencies are now unified and those on the more important currencies are quoted in the daily press in Asunción.<sup>1</sup> Discussion of these and other features of the law, including the mechanics of the "composite exchange standard," will be found in the explanatory statement which is printed with the law in the following pages.

Besides preparing the text of the new legislation, the Banco de la República del Paraguay, in consultation with the representatives of the Board and of the Banco de la República of Colombia, has made many changes in administrative and accounting practice called for by the new responsibilities the central bank will have under the new legislation that has gone into effect or is contemplated in the near future. These include procedures for introducing the guaraní into circulation in place of the old peso, establishment of a clearinghouse in Asunción, and preparation for a system of bank inspection.

The official statement on the monetary law and the text of the law itself, as translated from the original Spanish documents, are given below.

## STATEMENT ON THE MONETARY LAW

### I. THE MONETARY SYSTEM OF PARAGUAY

The basic monetary law of Paraguay dates back to July 14, 1885. The first article of that law gave legal tender quality to "the gold and

silver moneys of the Argentine Republic." The second article declared that "the gold pieces of 8 grams and 645 ten-thousandths (8.0645 grams) by weight and 900 thousandths fine shall be worth 5 full pesos (*pesos fuertes*), the fractions thereof having their corresponding value."

The Argentine gold peso to which this law refers had been established in that country by monetary law No. 1130 of November 5, 1881. It was defined as having a gross weight of 1.6129 grams, 0.900 fine, i.e. a fine gold content of 1.45161 grams. On that basis, the legal monetary unit of Paraguay would be equivalent to 0.9648 pre-1934 dollars, or about 1.63 current dollars of the United States.

Two different Paraguayan monetary units developed from the monetary law of 1885; one was the paper peso, called the *peso fuerte* or *peso curso legal* (*peso c/l*), i.e. peso of legal tender, and the other was the gold peso or *peso oro sellado* (*peso o/s*), i.e. peso of coined gold.

No Paraguayan gold coins were ever minted, and very few silver coins, but paper money was issued under various regimes and constitutes today, together with subsidiary coins, the only legal circulating money of the country. A series of devaluations progressively lessened the value of the monetary unit. The last definition of the *peso curso legal*, or paper peso, February 10, 1941, gave it an equivalence of  $\frac{1}{77}$  of the Argentine peso and this rate has been maintained up to this date by the Banco de la República. The present dollar equivalent is about 308 pesos per U. S. dollar, or 0.325 U. S. cents per peso.

The gold peso, or *peso oro sellado*, became a mere money of account, born historically of two different factors: the actual circulation of Argentine currency in Paraguay and the desire of creditors to protect themselves against the progressive depreciation of the Paraguayan paper peso. The *peso oro sellado*, as indeed the *peso curso legal*, was originally equal to the Argentine peso. Contracts in gold pesos were, for all intents and purposes, equivalent to contracts in Argentine currency.

This would have constituted a "gold clause" if it had not been for the devaluation of the Argentine peso itself. In the same year 1885,

<sup>1</sup> The new rates as quoted by the Banco de la República on Monday, November 8, 1943 were as follows in guaraníes per unit of foreign currency:

	Legal Rate	Buying Rate	Selling Rate
Argentine peso . . . . .	0.7700	0.7620	0.7780
Cruzeiro . . . . .	0.1615	0.1600	0.1631
Dollar . . . . .	3.0720	3.0410	3.1030
Sterling . . . . .	12.3200	12.2000	12.4400

however, in which Argentine currency of gold and silver was made legal tender in Paraguay, Argentina suspended convertibility, and after the banking crisis of 1890 the Argentine peso underwent a rapid depreciation which led to the currency reform of 1899. The Argentine paper peso was officially fixed at 44 per cent of the gold peso (42.45 U. S. cents) and the Caja de Conversion was authorized to pay out gold in exchange for legal tender notes at the rate of 44 centavos for one paper peso. In practice, all domestic transactions in Argentina were conducted in paper pesos called *moneda nacional* (m/n), the gold peso (o/s) being used mainly as a unit of account, especially in foreign trade statistics. With the outbreak of war in 1914, the convertibility in gold was again suspended and the exportation of gold prohibited (laws of August 9 and September 30, 1914). Gold payments were resumed at the old rate by presidential decree effective August 21, 1927, but were again suspended on December 11, 1929. The paper peso fluctuated on the exchange and is now traded at about 25 U. S. cents. The gold peso continued, as a mere money of account, to represent  $\frac{1}{0.44} = 2.2727 \dots$  paper pesos, irrespective of the fluctuations of the peso with relation to gold. About 10 years ago, Argentina finally discarded the gold peso even as a money of account and all statistics are now expressed uniformly in paper pesos. In Paraguay, however, the denomination "oro sellado" still survived, not only in private and official statistics, but even in the writing of many contracts and in the determination of certain taxes and impositions. The customary meaning of the peso *oro sellado* has continued to be based on the Argentine law of 1899, i.e. on the relation of  $\frac{1}{0.44} = 2.2727 \dots$  to the Argentine peso. This made the gold peso worth about 0.58 of a U. S. dollar, as compared with a theoretical gold par of about 1.63 dollars.

Thus the peso *oro sellado*, or peso of coined gold, now being superseded, was not a *peso*, whether Argentine or Paraguayan, but a multiple of the Argentine currency. It was

not *gold*, since its relation to gold fluctuated with the Argentine paper money. And, finally, it was never *coined* in Paraguay and it ceased to be coined in Argentina even before its establishment as the Paraguayan currency unit by the law of 1885. The term "oro sellado" has generally been used to accomplish the purpose of a foreign exchange clause protecting the creditor against the depreciation of the Paraguayan paper peso *vis-a-vis* the Argentine paper currency.

Further complications have arisen, however, in the legal and the *de facto* interpretation of the meaning of the peso *oro sellado*, or gold peso. First of all, the customary interpretation of the *oro sellado* came to be sanctioned by a number of Paraguayan legal and administrative texts. These texts have not defined the *oro sellado* directly in terms of Argentine pesos, but in terms of the peso *curso legal*. The rate, however, was always determined in such a way as to confirm the customary relationship of 1 to 2.2727 . . . between the gold peso and the Argentine currency. Thus from August 1937 to February 1941 the official exchange rate on Buenos Aires was 70 Paraguayan paper pesos per Argentine peso and the conversion rate of *oro sellado* into *curso legal* was 1 to 159.09. In February 1941, the Argentine exchange was raised to 77 and the conversion rate was simultaneously redefined as 175. Thus, in fact, the Paraguayan gold peso remained pegged to the Argentine peso at the rate of  $159.09/70 = 175/77 = 2.2727 \dots$  Argentine pesos per Paraguayan gold peso. The important point, however, is that if the Government's right to define the gold peso in terms of paper pesos is recognized, it would seem within the power of the Government to maintain or to change, at will, the customary relation of the gold peso to the Argentine currency.

It might be maintained that the customary relation of 1 to 2.2727 . . . is binding upon the Government itself, but all modern trends run directly counter such a theory. Even the gold clauses, which were far more rigid and precise than the *oro sellado* clauses, have in most

countries been set aside by legal and judicial decisions. In Paraguay itself, the exchange control legislation now prohibits the use of foreign moneys or devisen in all domestic transactions and obligations and "all such transactions and contracts must be made in money of legal tender [*moneda de curso legal*; i.e. paper pesos]" (Art. 19° of Decree-Law No. 5017).

Secondly, if the official definition of the gold peso were accepted as binding upon the parties to a contract, the result was that the denomination of the contract in gold pesos afforded protection against official, but not against unofficial, devaluations of the paper peso in terms of the Argentine currency. Thus the market rate of the Argentine peso, in the days which preceded the introduction of the exchange control legislation of February 1941, had risen above 90. Therefore the official Paraguayan gold peso was worth in fact not  $159.09/70 = 2.2727 \dots$  Argentine pesos, but only  $159.09/90 = 1.7677 \dots$  Argentine pesos.

Finally, there have existed a number of taxes and impositions expressed in gold pesos and payable in paper pesos at conversion rates different from the official conversion rate of 175 paper pesos per gold peso. For instance, 50 per cent of the import duties have been liquidated at a conversion rate of 79.5454 while the other 50 per cent have been calculated at the rate of 175. Still other rates have been used for the payment of telephone and electricity bills.

To summarize: the gold peso has been worth, in principle, 175 paper pesos, or 2.2727... Argentine pesos. The conversion rate of 1 peso *oro sellado* to 2.2727... Argentine pesos derives from custom and tradition, but since it is also, in an indirect manner, sanctioned by law, it would seem that the law could establish a different rate if the Paraguayan authorities felt it advisable. Differences between the official and the market rates of exchange have in the past produced rates of conversion different from the traditional rate of 2.2727... Finally, special conversion rates are also established by legal and administrative texts for the liquidation of certain duties and impositions.

## II. THE MONETARY REFORM

The new monetary law attempts to clarify the confused situation now in existence and to reconcile the legal and the *de facto* status of the Paraguayan currency.

### A. Elimination of the Peso Oro Sellado

First of all, the law brings to its logical conclusion the evolution begun by the exchange control legislation of 1941 and unifies the currency through the final elimination of the money of account denominated "peso *oro sellado*" or gold peso. The legal and real status of that unit is so confused as to be thoroughly incomprehensible abroad and even in Paraguay and its juridical interpretation is so doubtful as to give rise to lengthy and costly litigation. Its only *raison d'être* was, in the past, to offer a monetary standard endowed with a greater degree of stability than the paper peso. It is questionable, however, whether the State itself should sanction such a practice and should in this manner throw doubts upon the stability of its money and encourage the use of what is, in fact, a foreign currency standard in the writing of purely domestic contracts. Moreover, the exchange control legislation now in force already prohibits the use of foreign moneys in domestic transactions and obligations and prescribes the exclusive use of the paper peso in such transactions and obligations. Finally, the new monetary law defines clearly the obligation of the Banco de la República to maintain the external stability of the national currency. The present strong position of the Bank gives every reason to believe that this mandate will be effectively observed.

All future prices, contracts, and obligations of a purely domestic nature will be written and liquidated in the national currency of the country. Exceptions are provided for existing contracts and obligations, which will be liquidated in national currency at the selling rate of the Banco de la República on the day of liquidation, in accordance with article 19° of Decree-Law 5017 of February 10, 1941. Contracts which are not of a purely domestic nature may be expressed

directly in the relevant foreign currency, but the peso *oro sellado* will disappear entirely from all legal and contractual texts.

Thus Paraguay will, after many years, reaffirm its monetary independence and sovereignty and establish a new national currency in a clear and precise form.

#### B. The Strengthening of the National Currency Unit

The microscopic value of the present paper peso has made it a unit totally unfit for transactions of any but the smallest import. This has been a source of serious inconvenience and of unnecessary costs in accounting and in all monetary payments. The Paraguayan public, accustomed to count in thousands and millions of pesos, has lost respect for the old currency unit of the country, and the use of the Argentine currency, at least as a money of account, has been general in all transactions of some importance. This has injured the prestige of the national currency both at home and abroad and has become at times a real obstacle to the development of thrift in the country.

The need for a new basic monetary unit has been generally recognized in the country as imperative. The only question is whether the new unit should be established as the equivalent of 100 paper pesos or of 10.

There is one logical answer to this question. In practically every country in the world, the basic monetary unit has been established as the centuple of the smallest currency unit actually used in transactions, the latter unit being given the name of either "centavo," or "céntimo," or "centésimo," or "cent," or "centime," etc. The smallest currency unit effectively used in Paraguay has been the peso. The basic monetary unit should thus be made equal to 100 pesos. A rate of 10 to one would be only a half-hearted measure. It would eliminate none of the evils mentioned above and would leave the Paraguayan currency the smallest currency unit by far in all the Americas, with the single exception of Bolivia.

It must be borne in mind that the present low rate of some American currencies is not the result of choice or of an organic monetary legislation,

but of a long history of progressive devaluations forced upon the monetary authorities by foreign and civil wars and by the unprecedented severity of the economic crisis of 1929. The official gold parities of the American currency units with relation to the pre-1934 U. S. dollar averaged about 59 cents and their actual parities in December 1929 about 58 cents. In terms of the current dollar, this is equivalent to about one dollar, or more than three times the value of the new Paraguayan currency unit as defined by the present law. A conversion on the basis of 10 to one would make the Paraguayan unit the equivalent of only one-thirtieth the average value of the American currency units as defined either by their official gold parities or by their actual market rates of exchange before the accidental devaluations brought about by the economic crisis of 1929.

Even if we take as a criterion the present rates of exchange, which, as was mentioned earlier, are not the result of conscious choice or of organic monetary legislation but of a long series of historical accidents, the new Paraguayan unit would be worth little more than two-thirds of the average value of the American currencies in terms of the current U. S. dollar. A unit established on the basis of a conversion rate of 10 to one would be worth somewhat more than one-thirteenth of that average. The 1885 gold parity was about five times as great as the new parity at the rate of 100 to one and about 50 times the parity which would result from a rate of 10 to one.

The choice of a rate of 10 to one would have had another paradoxical result. The division of that new unit into 100 céntimos would remain a dead letter, since the céntimo (equivalent in this case to 10 actual centavos of the peso *curso legal*) would not circulate in fact in the country. The new legislation would in this case have created a new unit which the country would never have occasion to use or coin, the smallest circulating unit being not the céntimo but the 10 céntimo piece.

It is sometimes argued in Paraguay that the size of the monetary unit should be governed by the physical or the foreign exchange resources



of the country. On the contrary, one of the richest countries in both respects is Venezuela, whose monetary unit, the bolívar (about 29 U. S. cents), is appreciably below average, while Honduras has a monetary unit, the lempira (50 U. S. cents), which is stronger than the average American unit.

The only real objection to a rate of 100 to one is the fact that in the transitional period which immediately follows the reform the Paraguayan public, now used to count prices and salaries in thousands of pesos, may be somewhat confused by the change to a stronger unit. There will undoubtedly develop some psychological factors tending toward an increase in prices. But similar difficulties would have to be met by any monetary reform, whatever the rate of equivalence it established between the old and the new currency. They are the ineluctable legacy of the past devaluations of the Paraguayan currency. A thorough educational campaign will be necessary to clarify the real meaning of the conversion. The new céntimo is equal in every respect to the old peso and there would be no justification whatsoever in the monetary reform itself for any price increase in Paraguay. The transition will be made easier by the coexistence for some years of moneys denominated in pesos and moneys denominated in the new unit established by the law.

The conversion to a new unit must, in order to avoid confusion, be accompanied by a change in the name of the currency. After mature consideration of the problem, the Paraguayan authorities have decided on the designations "guaraní" and "céntimo." The guaraní will be equal to 100 pesos and the céntimo to one peso. The name guaraní derives from the racial origins of the Paraguayan nation. The name céntimo will establish a clear distinction between that unit and the old centavo.

### C. The Monetary Standard: The Composite Exchange Standard

Practically every currency in the world is defined today in terms of a certain weight of

gold. In fact, however, this definition is in most countries a legal fiction rather than a practical reality. Paper money has universally taken the place of the old gold currencies and exchange control legislation has divorced the national monetary systems from any real international monetary standard. Paraguay regrets such a situation and affirms unequivocally in article 2 of the monetary law its determination to seek, in collaboration with other nations, the reestablishment of an international monetary standard.

In the meantime, the monetary law attempts to reconcile the legal texts with the realities of the present situation and to ensure the money of the country the maximum degree of stability compatible with present disturbed conditions. The law establishes two criteria in this respect: the criterion of external and the criterion of internal monetary stability.

In the absence of an international monetary standard, external stability is defined in terms of those foreign currencies which most affect the balance of international payments of the country. As long as these currencies maintain the same relation *vis-a-vis* one another, the guaraní will remain stable with relation to all and every one of them. If, however, these currencies display divergent movements at some future time, the Banco de la República will decide, in the light of the circumstances of the moment, on the course of action which will bring the least disruption to the Paraguayan economy. The Paraguayan currency will, at such time, be pegged to one or the other of the main currencies influencing the balance of international payments or be steered to an intermediate course.

This system of a "composite exchange standard" is the best approximation available at present to a full-fledged international monetary standard. Any other arrangement would bring less, rather than more, stability to the monetary system of the country. The immediate adoption of a fixed relation to gold would be premature, especially in a country which produces none

and owns little of that metal, at a time when gold is impeded from performing its traditional functions as an international monetary standard. On the other hand, a direct pegging of the guaraní to a definite foreign currency would constitute a gamble, as the economic and political developments arising from the present war impart, or may impart at any moment, to any one of the main foreign currencies to which the Paraguayan unit could attach itself, movements of its own unrelated either to world economic trends or to the circumstances of the Paraguayan economy.

The criterion of internal price stability has been proposed by some eminent writers as an alternative to the traditional criterion of external currency stability. Whatever the merits or demerits of this theory, overwhelming political and practical obstacles would prevent its complete adoption in most countries and especially in Paraguay. The monetary authorities, however, are directed by article 2 of the present law to use all the means at their disposal, within the basic framework of the external stability of the guaraní, to combat abnormal movements of a monetary character in the level of internal prices. The new organic law of the Banco de la República will endow that institution with the extensive weapons of control necessary to carry out this mandate.

The new law makes no essential change in the exchange control system introduced in February 1941 by Decree-Law 5017 and modified in February 1943 by Decree-Law 17070. All independent observers agree with the Paraguayan monetary authorities in considering that this legislation has been extremely beneficial to the country and to the stability of its currency. This does not mean that the present exchange control legislation can not be improved in any direction. Its present provisions bear the mark of the historical circumstances which led to its adoption. The law should be revised in such a way as to make it a more flexible instrument of monetary policy, to be used as a

weapon not only against shortages of foreign exchange but also at other times against the inflationary impact of an excessive inflow of foreign exchange. Modifications of this character will be proposed later either independently or in connection with the new organic law of the Banco de la República.

#### D. Unification of Monetary Responsibility

The new monetary law reaffirms the status of the Banco de la República as the sole bank of issue in Paraguay. This is a principle universally accepted in modern monetary theory and legislation.

The Banco de la República is made solely responsible not only for the main monetary issue but also for the so-called subsidiary or minor issue. A distinction between the two may have had some logic in the past, owing to the fact that most banks of issue were private institutions, more or less independent of the State. The Banco de la República, however, is strictly a State institution and should be endowed with full responsibility for the whole monetary issue whatever its denominations. This arrangement is clearly imposed by the logic of the situation and by the need for modern and efficient currency management.

### III. CONCLUSION

The new organic monetary law of the Republic of Paraguay puts an end to a long period of monetary confusion and instability. It provides the country with a modern monetary system in full accordance with the realities of the times.

It will now be for the political and monetary authorities of the country to carry out the intention of the law to give Paraguay the modern and stable currency which is the first prerequisite of orderly economic and social progress in the country. Two other impending laws, the general banking law and the organic law of the Banco de la República, will facilitate this task and constitute the indispensable complement of the present monetary reform.

DECREE-LAW NO. 655

ON THE ORGANIC MONETARY REGIME  
OF THE REPUBLIC OF PARAGUAY

October 5, 1943.

CONSIDERING:

(1) That the public interest requires that an end be put to the long period of monetary confusion and instability which has been the source of so much harm to the country;

(2) That the preliminary step of this reform has been accomplished with the stabilization reached as a result of the effective application of Decree-Laws No. 5017 and 17070 on exchange control;

(3) That the institution of a new monetary unit based on modern and realistic principles constitutes an indispensable prerequisite for the economic and social progress of the Nation;

(4) That it is necessary to secure for the new unit the maximum external and internal stability compatible with the present international monetary situation;

(5) That it is necessary to unify the monetary issue and responsibility and to strengthen the national monetary unit;

(6) That it is indispensable for Paraguay to reaffirm her monetary independence and sovereignty;

The opinion of the Honorable Council of State having been heard;

THE PRESIDENT OF THE REPUBLIC OF PARAGUAY  
DECREES WITH FORCE OF LAW:

*Article 1.* The "guaraní" is established as the monetary unit of the Republic of Paraguay. The guaraní is divided into 100 equal parts called "céntimos." Its symbol is a barred letter "G."

*Article 2.* As long as international monetary conditions do not permit of another solution, the Bank of the Republic of Paraguay shall maintain the stability of the guaraní with relation to the currencies which most influence the balance of payments of the country, using as the initial basis the exchange rates prevailing at the time this Decree-Law enters into effect.

The Bank, in addition, shall take all measures necessary to combat abnormal fluctuations of a monetary character in internal prices.

*Article 3.* All the prices, taxes, assessments, fees, wages, salaries, contracts and obligations, of any kind whatsoever, which are to be paid, collected, or executed in the Republic, must be expressed and liquidated exclusively in guaraníes.

Any modifying or restricting clause which imposes payment in silver or gold metal, coined gold, foreign moneys or devisen, or any monetary unit other than the guaraní shall be void and without legal effect.

Excepted are:

a) Obligations requiring payments from Paraguay abroad or from abroad to Paraguay;

b) Remunerations to foreigners domiciled outside of Paraguay for temporary services in the country;

c) Obligations to institutions of public law which, in application of special laws, must be paid in foreign currency or exchange or in specie.

*Article 4.* The Bank of the Republic of Paraguay is exclusively authorized to issue notes and coins in the national territory, with the guarantees and limitations established in the pertinent legal provisions.

No other institution or person, public or private, may put into circulation notes, coins, or any other instruments which, in the opinion of said bank, might circulate as money.

*Article 5.* The notes and coins of the Bank shall have unlimited legal tender and cancelatory force throughout the national territory.

*Article 6.* The Bank of the Republic of Paraguay is obliged, at the request of any person or institution, to deliver and accept without limit its own notes and coins in exchange for foreign moneys or devisen, at the rate or rates established by the Bank in accordance with Article 2 of this Decree-Law.

*Article 7.* The application of this Decree-Law shall be limited by the legal provisions of exchange control now in effect or which may be established in the future for reasons of general interest.

The special rates now in effect or which might be established in the future may not differ by more than 15 per cent in either direction from the rates of exchange fixed in accordance with Article 2.

*Article 8.* The Bank of the Republic of Paraguay shall determine the classes, kinds, composition, engraving, inscriptions, and other characteristics of the notes and coins, in agreement with the Ministry of Finance.

All printing and minting expenses shall be at charge of said Bank.

#### TEMPORARY PROVISIONS

*Article 9.* The Bank of the Republic of Paraguay shall replace all present notes and coins by stamped or new notes and by coins denominated in the unit adopted by this Decree-Law. The replacement shall be at the rate of one guaraní for each 100 pesos fuertes and one céntimo for each peso fuerte.

*Article 10.* Holders of notes denominated in pesos fuertes are obligated to exchange them before January 1, 1946, for stamped or new guaraní notes. After this date the present unstamped peso notes shall cease to have legal tender and shall be exchangeable at par (one guaraní for each 100 pesos fuertes and one céntimo for each peso fuerte) until December 31, 1947, at the Bank of the Republic of Paraguay only. From January 1, 1948, the unstamped peso fuerte notes shall be demonetized.

Stamped notes must be exchanged for new notes denominated exclusively in guaraníes between January 1, 1946, and December 31, 1947; after this date they shall cease to have legal tender and shall be exchangeable at par only at the Bank of the Republic of Paraguay until December 31, 1949; from January 1, 1950, these notes shall be demonetized and only the notes denominated exclusively in guaraníes will remain in circulation.

*Article 11.* Holders of coins of the present issue must present them for exchange at par (one céntimo for one peso fuerte) for new céntimo coins from the time such an exchange procedure is initiated until December 31, 1944;

from January 1, 1945, the coins denominated in pesos fuertes shall cease to have legal tender and shall be exchangeable at par only by the Bank of the Republic of Paraguay until December 31, 1945; from January 1, 1946, they shall be completely demonetized.

*Article 12.* The subsidiary issue, now at charge of the National Government by virtue of Decree-Law No. 9408 of October 25, 1941, is transferred to the Bank of the Republic of Paraguay. The Government shall deliver to the Bank a noninterest-bearing bond in the amount of said issue.

*Article 13.* The difference which is revealed, after completion of the redemption, between the new guaraní issue and the present issue shall be applied to the amortization of the bond mentioned in the preceding article and the balance shall be applied to the amortization of the bonds of the Guaranteed Internal Debt.<sup>1</sup>

*Article 14.* During the periods established in Articles 10 and 11, in which peso fuerte notes and coins and guaraní notes and coins will have legal tender simultaneously, all prices, taxes, assessments, fees, wages, salaries, contracts, and obligations of any kind whatsoever which must be paid in national money may be paid, collected, executed or liquidated in pesos fuertes or guaraníes, without distinction, at the rate of equivalence established in Article 9.

*Article 15.* The use of the unit of account called "peso oro sellado" is prohibited. All amounts expressed in pesos oro sellado prior to this Decree-Law in any kind of document, obligation, assessment, or tax are converted to guaraníes at the rate of one guaraní and 75 céntimos for each peso oro sellado. Excepted are those cases in which special rates have been legally set for converting pesos oro sellado; in such cases the equivalent in guaraníes shall be calculated by applying these special rates for conversion into pesos fuertes and by then converting into guaraníes at the rate of one guaraní for each 100 pesos fuertes.

<sup>1</sup> Those bonds are held by the Bank of the Republic of Paraguay.

NEW MONETARY AND BANKING MEASURES IN PARAGUAY

*Article 16.* All accounting operations must be expressed in guaraníes except those relating to the legally authorized exceptions, which may be entered in the respective foreign currencies.

General balance sheets and profit and loss statements shall be expressed exclusively in guaraníes. The conversion shall be made at the rates fixed by the Bank of the Republic of Paraguay. This Article shall apply from the first accounting year initiated after this Decree-Law becomes effective.

*Article 17.* Those who in any way counterfeit the stamping of notes, authorized exclusively to the Bank of the Republic of Paraguay, shall be punished by a term of from four to eight years in a penitentiary. The same penalty shall be imposed on anyone who cooperates willfully with the counterfeiters or their accomplices by passing or introducing into the Republic any notes with counterfeit stamping.

*Article 18.* The present prices now expressed in pesos fuertes shall be converted into guaraníes and céntimos at the rate of one guaraní for each

100 pesos fuertes and of one céntimo for each peso fuerte. Any attempt to take advantage of the application of this Decree-Law in order to increase prices shall be punished by the Department of Industry and Commerce of the Ministry of Commerce and Industry with a fine of from 50 to 5,000 guaraníes. If the offense is repeated, the same Department may order the closing of the commercial establishment for a period of from 15 days to three months without prejudice to the imposition of the corresponding fine.

*Article 19.* The present Decree-Law shall become effective 30 days after its promulgation.

*Article 20.* A report shall be made at the first opportunity to the Honorable Chamber of Representatives.

*Article 21.* This Decree-Law shall be communicated, published and made available to the Official Register.

(Signed) HIGINIO MORÍNIGO M.  
R. ESPINOZA

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## CURRENT EVENTS

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### **Announcement of Changes at the Denver, Oklahoma City, and Omaha Branches**

The Federal Reserve Bank of Kansas City has announced that, in view of the enlarged functions of its three branches and the greatly increased volume of transactions being handled by them, the officer in charge of each branch would be a Vice President of the Federal Reserve Bank. Pursuant to such policy, the former Managing Director of each of the branches was appointed a Vice President of the Federal Reserve Bank of Kansas City, effective January 1, 1944, and assigned as officer in charge of the branch.

### **Resignation**

Mr. Walter R. Stark has resigned as Assistant Director of the Division of Research and Statistics in order to return to the firm of Loomis-Sayles & Co., Boston, Massachusetts, with which he was formerly associated.

### **New Appointments and Designations**

On January 3, 1944, the Board of Governors announced designations and appointments at the Federal Reserve Banks and branches, effective as of January 1, 1944. The Chairman and Federal Reserve Agent at each Federal Reserve Bank was reappointed for the coming year, and the Deputy Chairmen were also reappointed except at the Federal Reserve Banks of St. Louis, Dallas, and San Francisco, where new appointments were made as noted below. A complete list of Federal Reserve Bank and branch directors will appear in a later issue of the BULLETIN.

The appointments and designations of new personnel are as follows:

Mr. Douglas W. Brooks, of Memphis, Tennessee, who has been a Class C Director of the Federal Reserve Bank of St. Louis since January 1, 1940, was appointed Deputy Chairman for the year 1944. Mr. Brooks is President of The Newburger Company, Memphis, Tennessee.

Mr. William H. Stead, of St. Louis, Missouri,

was appointed a Class C Director of the Federal Reserve Bank of St. Louis for a three-year term beginning January 1, 1944. Mr. Stead is Dean of the School of Business and Public Administration, Washington University, St. Louis, Missouri.

Mr. J. R. Parten, of Houston, Texas, was appointed a Class C Director of the Federal Reserve Bank of Dallas for a three-year term beginning January 1, 1944, and Deputy Chairman for the year 1944. Mr. Parten is President of the Woodley Petroleum Company, Houston, Texas.

Mr. Harry R. Wellman, of Berkeley, California, who has been a Class C Director of the Federal Reserve Bank of San Francisco since October 27, 1942, was appointed Deputy Chairman for the year 1944. Mr. Wellman is Director of the Giannini Foundation of Agricultural Economics and Professor of Agricultural Economics, University of California, Berkeley, California.

Mr. Thomas Robins, Jr., of Buffalo, New York, was appointed a director of the Buffalo Branch of the Federal Reserve Bank of New York for a three-year term beginning January 1, 1944. Mr. Robins is President of the Hewitt Rubber Corporation, Buffalo, New York.

Mr. Malcolm E. Holtz, of Great Falls, Montana, was appointed a director of the Helena Branch of the Federal Reserve Bank of Minneapolis for a two-year term beginning January 1, 1944. Mr. Holtz is engaged in farming.

Mr. George A. Slaughter, of Wharton, Texas, was appointed a director of the Houston Branch of the Federal Reserve Bank of Dallas for a three-year term beginning January 1, 1944. Mr. Slaughter is engaged in farming.

Mr. Henry A. Dixon, of Ogden, Utah, was appointed a director of the Salt Lake City Branch of the Federal Reserve Bank of San Francisco for a two-year term beginning January 1, 1944. Mr. Dixon is President of Weber College, Ogden, Utah.

CURRENT EVENTS

Admissions of State Banks to Membership in the  
Federal Reserve System

The following State banks were admitted to membership in the Federal Reserve System during the period November 16, 1943, to December 15, 1943, inclusive:

*Illinois*

Kansas—Kansas State Bank

*Kansas*

Colby—The Farmers and Merchants State Bank  
Dodge City—Fidelity State Bank

*Missouri*

Cairo—Bank of Cairo  
Kirkwood—The Kirkwood Bank  
Warrenton—Commerce-Warren County Bank

*Nebraska*

Superior—Farmers State Bank of Superior

*New Jersey*

Long Branch—The Long Branch Banking Company

*New York*

Attica—The Citizens Bank  
Oyster Bay—Oyster Bay Trust Company

*Ohio*

North Baltimore—The Hardy Banking Company

*Oklahoma*

Hugo—The Citizens State Bank

*Texas*

Houston—Houston Land and Trust Company  
Pecos—The Security State Bank of Pecos, Texas

# NATIONAL SUMMARY OF BUSINESS CONDITIONS

Compiled December 22 and released for publication December 27. Figures shown on charts may differ from preliminary figures used in text.

Industrial activity was maintained at a high level in November and the early part of December. Value of retail sales during the Christmas buying season has been larger than last year's record sales.

## INDUSTRIAL PRODUCTION

Industrial production in November was at 247 per cent of the 1935-39 average, the same as in October and 2 points higher than in September according to the Board's seasonally adjusted index. Further increases in munitions production in November were offset in the total index by smaller output of coal and steel.

The reduction in steel output from the high October rate was small and reflected partly a decline in war orders for some types of steel products. Activity in the machinery and transportation equipment industries continued to rise in November. The Board's machinery index, which had been stable from April to August, advanced 5 per cent in the past three months as a result of increases in output of electrical equipment and other machinery, which includes aircraft engines.

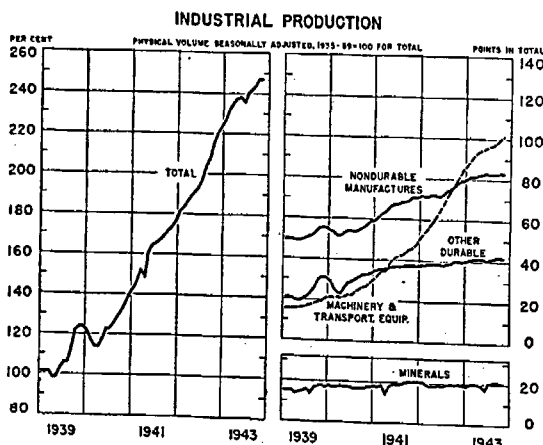
Total output of nondurable goods in Novem-

ber continued at the level of recent months. Activity in woolen mills showed little change as increased production of civilian fabrics, resulting from the lifting of restrictions on the use of wool, offset reduced output of military fabrics. Production of manufactured food products continued at a high level. Federally inspected meat production in November was one-fourth larger than a year ago. Newsprint consumption in November declined to a level 15 per cent below the same month last year. Output in the rubber products and petroleum refining industries continued to increase.

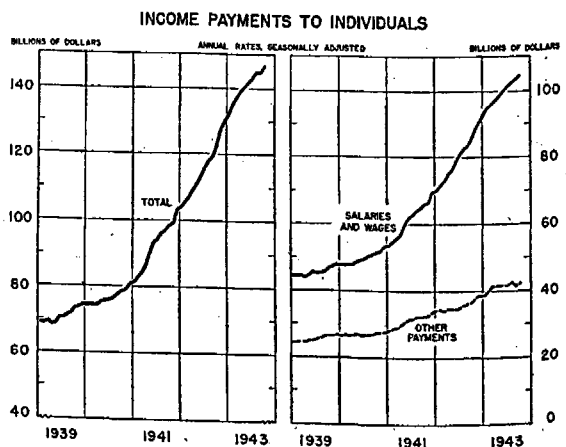
Coal production increased sharply in the latter part of November but for the month as a whole bituminous coal output was down 9 per cent from October and anthracite 19 per cent. In the early part of December output of bituminous coal was at the highest rate in many years.

## DISTRIBUTION

Notwithstanding a reduced selection of merchandise, department store sales in November were about 10 per cent greater than the large volume of sales in November 1942, and in the first three weeks of December sales were about



Federal Reserve indexes. Groups are expressed in terms of points in the total index. Monthly figures, latest shown are for November.



Based on Department of Commerce estimates. Wages and salaries include military pay. Monthly figures raised to annual rates, latest shown are for October.



the same as a year ago. Value of department store stocks at the end of October was reported to be 9 per cent smaller than a year ago and it is estimated that, contrary to the usual seasonal movement, stocks declined in November.

Freight carloadings were maintained in large volume in November and in the first half of December. Loadings of coal during the four weeks ending December 11 were at the highest rate in many years, following a sharp drop in the first half of November. Shipments of grain and livestock were in unusually large volume for this time of year.

COMMODITY PRICES

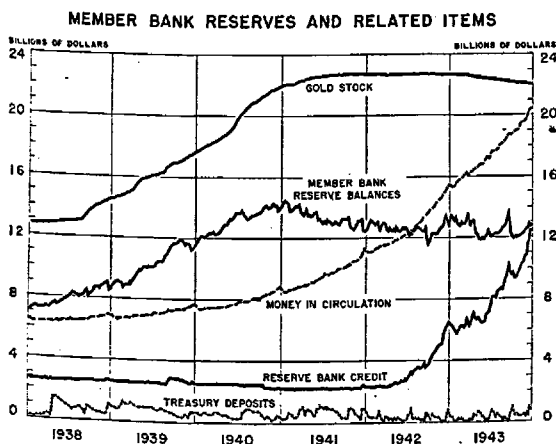
Grain prices continued to advance from mid-November to mid-December and reached levels more than one-fourth higher than a year ago. Wholesale prices of other farm and food products showed little change, while prices of various industrial commodities, including coal, were increased somewhat.

The cost of living, which had increased .4 per cent in October, declined .2 per cent in November, according to the Bureau of Labor Statistics index.

BANK CREDIT

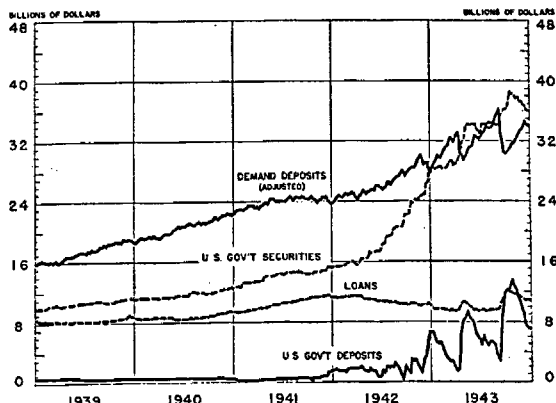
Excess reserves at all member banks fluctuated around one billion dollars in November and December, maintaining an average level slightly below that which prevailed during the previous month. During the five weeks ending December 22, reserve funds were absorbed by a preholiday rise in money in circulation of about 800 million dollars, and required reserves continued to increase as Treasury expenditures transferred funds from Government accounts to private deposits. Needed reserves were supplied to member banks through an increase of 1.7 billion dollars in Government security holdings at the Reserve Banks. Additions to Treasury bill holdings accounted for the larger part of the increase, but certificate holdings also rose substantially.

During November and the first half of December, loans and investments at reporting member banks in 101 leading cities declined by around 2.5 billion dollars, after increasing by 6.25 billion in September and October. Holdings of all types of Government securities decreased. Bill holdings, mainly because of sales to the Reserve Banks, showed the largest decline. Loans for purchasing or carrying securities continued to decline over the period.



Wednesday figures, latest shown are for Dec. 29.

MEMBER BANKS IN LEADING CITIES



Demand deposits (adjusted) exclude U. S. Government and inter-bank deposits and collection items. Government securities include direct and guaranteed issues. Wednesday figures, latest shown are for Dec. 29.

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# FINANCIAL, INDUSTRIAL, AND COMMERCIAL STATISTICS UNITED STATES

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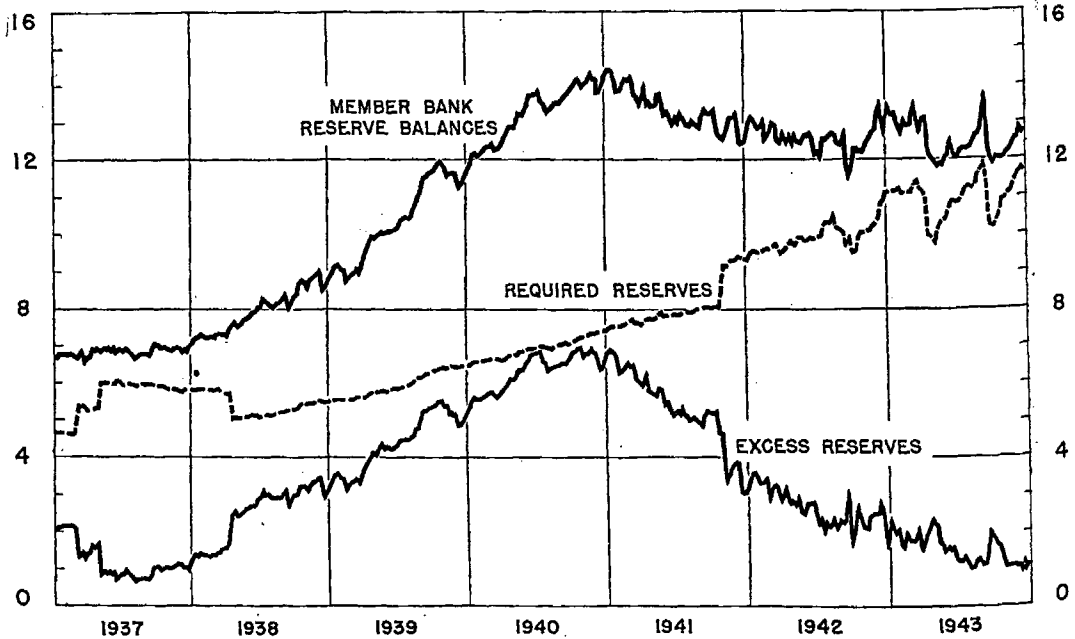
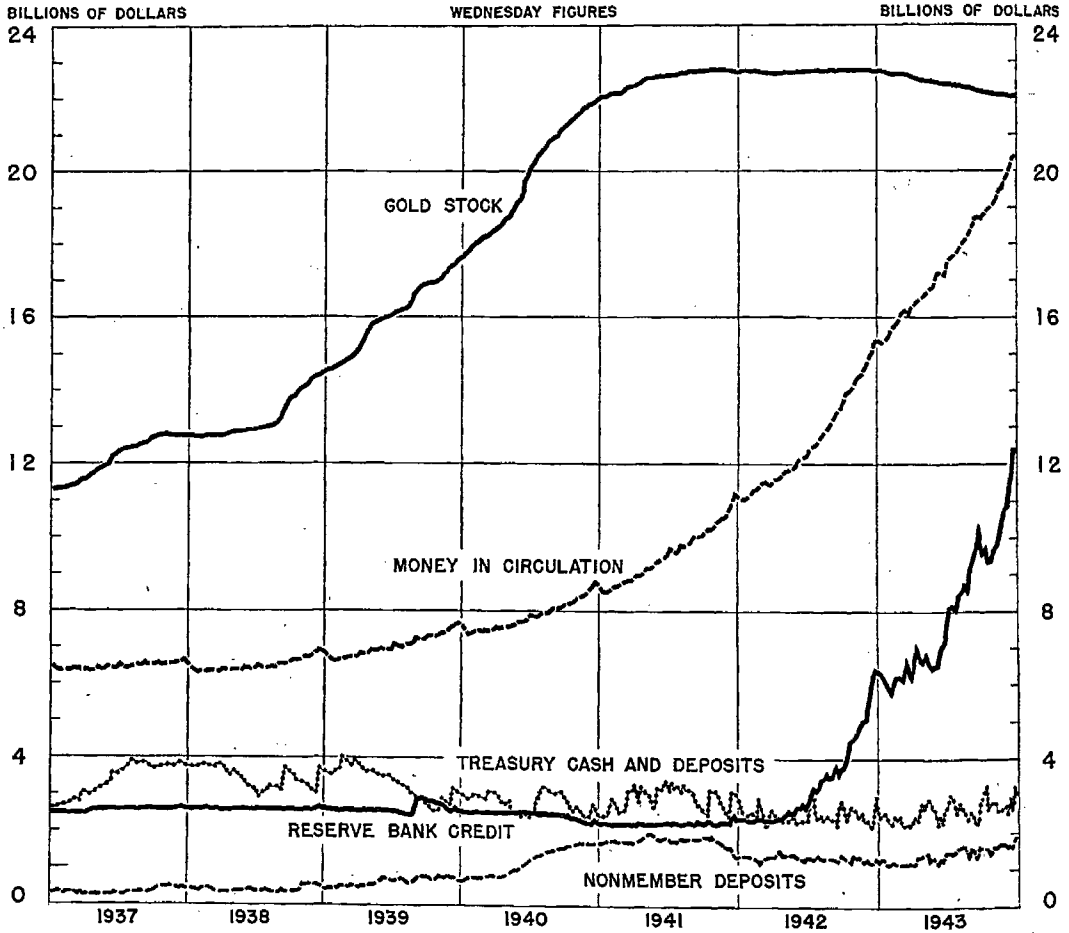
Tables on the following pages include the principal available statistics of current significance relating to financial and business developments in the United States. The data relating to the Federal Reserve Banks and the member banks of the Federal Reserve System are derived from regular reports made to the Board; index numbers of production are compiled by the Board on the basis of material collected by other agencies; figures for gold stock, money in circulation, Treasury finance, and operations of Government credit agencies are obtained principally from statements of the Treasury, or of the agencies concerned; data on money and security markets and commodity prices and other series on business activity are obtained largely from other sources. Back figures may in most cases be obtained from earlier BULLETINS and from Annual Reports of the Board of Governors for 1937 and earlier years.

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# MEMBER BANK RESERVES AND RELATED ITEMS



Wednesday figures, latest shown are for Dec. 29. See p. 59.

MEMBER BANK RESERVES, RESERVE BANK CREDIT, AND RELATED ITEMS

[In millions of dollars]

Date	Reserve Bank credit outstanding							Gold stock	Treasury currency outstanding	Money in circulation	Treasury cash holdings	Treasury deposits with Federal Reserve Banks	Non-member deposits	Other Federal Reserve accounts	Member bank reserves							
	Bills discounted	U. S. Government securities			All other <sup>1</sup>	Total	Total								Total	Total	Total	Total	Total	Total	Total	Excess <sup>2</sup>
		Total	Treasury bills and certificates	All other																		
Monthly averages of daily figures:																						
1942—Sept.....	11	3,488	1,097	2,391	224	3,722	22,750	3,346	13,441	2,208	254	1,321	294	12,299	2,300							
Oct.....	9	4,013	1,130	2,883	268	4,290	22,752	3,361	13,951	2,233	350	1,345	290	12,234	2,328							
Nov.....	9	4,746	1,151	3,595	286	5,041	22,741	3,374	14,473	2,247	219	1,323	276	12,618	2,362							
1943—Sept.....	41	9,214	6,981	2,233	478	9,732	22,209	4,093	18,729	2,266	336	1,504	334	12,864	1,417							
Oct.....	15	9,072	6,845	2,226	464	9,551	22,145	4,100	19,001	2,280	559	1,581	339	12,035	1,264							
Nov.....	35	9,886	7,630	2,256	418	10,339	22,091	4,102	19,566	2,294	338	1,687	334	12,313	1,073							
End of month figures:																						
1942—Sept. 30.....	8	3,567	1,161	2,407	199	3,774	22,754	3,353	13,703	2,222	661	1,407	296	11,592	1,690							
Oct. 31.....	11	4,667	1,207	3,459	282	4,959	22,740	3,368	14,210	2,261	252	1,326	283	12,735	2,644							
Nov. 30.....	7	5,399	1,570	3,829	308	5,714	22,743	3,381	14,805	2,236	6	1,320	263	13,208	2,909							
1943—Sept. 30.....	12	8,919	6,698	2,221	453	9,384	22,175	4,094	18,844	2,267	706	1,636	335	11,864	1,684							
Oct. 30.....	26	9,354	7,112	2,242	443	9,823	22,116	4,101	19,250	2,288	400	1,674	341	12,086	1,102							
Nov. 30.....	52	10,348	8,071	2,277	363	10,763	22,065	4,097	19,918	2,289	394	1,592	332	12,401	985							
Wednesday figures:																						
1943—Feb. 3.....	9	5,475	1,588	3,887	283	5,766	22,663	3,846	15,666	2,200	49	1,156	262	12,942	1,700							
Feb. 10.....	13	5,719	1,939	3,780	250	5,983	22,642	3,885	15,798	2,209	280	1,213	264	12,747	1,640							
Feb. 17.....	9	5,795	2,083	3,712	410	6,214	22,642	3,915	15,845	2,221	188	1,158	268	13,093	1,992							
Feb. 24.....	11	5,931	2,275	3,656	281	6,223	22,643	3,925	15,952	2,223	258	1,171	270	12,917	1,788							
Mar. 5.....	12	5,800	2,287	3,513	319	6,130	22,643	3,953	16,154	2,212	14	1,141	271	12,935	1,786							
Mar. 10.....	9	6,090	2,747	3,343	291	6,390	22,644	3,971	16,205	2,218	5	1,179	276	13,122	1,877							
Mar. 17.....	10	6,266	3,102	3,165	422	6,699	22,610	3,979	16,115	2,224	6	1,129	297	13,516	2,126							
Mar. 24.....	10	5,950	2,883	3,067	320	6,280	22,595	3,984	16,065	2,218	6	1,185	301	13,084	1,632							
Mar. 31.....	13	5,919	2,936	2,983	260	6,191	22,576	3,989	16,250	2,224	55	1,166	303	12,759	1,518							
Apr. 7.....	13	6,549	3,516	3,033	286	6,848	22,541	3,994	16,353	2,229	213	1,175	302	13,110	1,976							
Apr. 14.....	12	6,705	3,660	3,045	387	7,104	22,501	4,002	16,424	2,235	128	1,376	300	13,144	2,147							
Apr. 21.....	11	6,329	3,302	3,027	375	6,715	22,482	4,008	16,500	2,236	471	1,372	307	12,318	2,293							
Apr. 28.....	26	6,347	3,320	3,027	283	6,655	22,472	4,009	16,593	2,234	443	1,410	307	12,149	2,224							
May 5.....	15	6,531	3,617	2,914	304	6,850	22,473	4,014	16,683	2,245	722	1,468	310	11,909	2,128							
May 12.....	25	6,172	3,341	2,831	328	6,526	22,454	4,033	16,741	2,252	630	1,272	312	11,805	1,733							
May 19.....	10	6,038	3,260	2,778	386	6,434	22,455	4,051	16,795	2,264	379	1,307	313	11,882	1,638							
May 26.....	21	6,181	3,463	2,717	291	6,493	22,425	4,072	16,902	2,267	345	1,323	314	11,838	1,498							
June 2.....	21	6,217	3,539	2,677	297	6,535	22,427	4,075	17,196	2,272	6	1,192	315	12,057	1,634							
June 9.....	13	6,636	3,995	2,641	349	6,998	22,407	4,078	17,237	2,277	175	1,312	316	12,165	1,514							
June 16.....	11	6,626	4,218	2,408	451	7,088	22,407	4,080	17,189	2,278	6	1,258	332	12,511	1,632							
June 23.....	19	6,748	4,393	2,355	427	7,194	22,387	4,079	17,154	2,268	294	1,386	335	12,223	1,299							
June 30.....	5	7,202	4,907	2,295	369	7,576	22,388	4,077	17,421	2,268	455	1,483	328	12,085	1,212							
July 7.....	34	7,676	5,448	2,228	407	8,117	22,388	4,085	17,607	2,278	773	1,492	332	12,108	1,229							
July 14.....	10	7,645	5,419	2,226	495	8,150	22,362	4,086	17,658	2,267	616	1,466	331	12,260	1,310							
July 21.....	9	7,577	5,378	2,199	447	8,033	22,347	4,084	17,706	2,271	293	1,544	331	12,319	1,188							
July 28.....	13	7,951	5,752	2,199	453	8,418	22,334	4,090	17,799	2,272	559	1,571	331	12,309	1,020							
Aug. 4.....	18	8,165	5,967	2,199	400	8,582	22,335	4,093	18,014	2,281	398	1,650	332	12,336	1,030							
Aug. 11.....	24	8,317	6,119	2,199	377	8,718	22,306	4,091	18,101	2,281	295	1,651	331	12,456	1,199							
Aug. 18.....	18	8,156	5,957	2,199	412	8,586	22,291	4,092	18,214	2,279	99	1,388	329	12,660	1,288							
Aug. 25.....	40	8,777	6,572	2,205	320	9,137	22,292	4,098	18,303	2,282	304	1,605	331	12,702	1,106							
Sept. 1.....	69	9,187	6,956	2,231	285	9,540	22,243	4,098	18,571	2,279	213	1,574	329	12,915	1,145							
Sept. 8.....	71	9,336	7,084	2,252	336	9,742	22,223	4,090	18,740	2,255	6	1,374	329	13,351	1,438							
Sept. 15.....	31	9,653	7,432	2,221	631	10,315	22,204	4,093	18,773	2,266	6	1,500	337	13,729	2,051							
Sept. 22.....	22	9,204	6,983	2,221	491	9,717	22,205	4,094	18,714	2,266	549	1,662	338	12,487	1,893							
Sept. 29.....	13	9,168	6,947	2,221	362	9,543	22,175	4,096	18,818	2,274	682	1,649	337	12,054	1,810							
Oct. 6.....	13	9,387	7,166	2,221	375	9,775	22,176	4,098	18,883	2,279	1,013	1,633	337	11,903	1,697							
Oct. 13.....	18	9,062	6,841	2,221	282	9,362	22,155	4,099	18,978	2,281	380	1,621	335	12,021	1,608							
Oct. 20.....	11	8,914	6,687	2,227	456	9,380	22,132	4,101	19,019	2,284	530	1,437	341	12,002	1,407							
Oct. 27.....	13	9,291	7,056	2,235	381	9,686	22,132	4,103	19,090	2,295	530	1,659	342	12,005	1,062							
Nov. 3.....	39	9,476	7,230	2,246	321	9,835	22,116	4,106	19,354	2,298	334	1,668	333	12,069	1,084							
Nov. 10.....	22	9,865	7,611	2,254	344	10,231	22,096	4,100	19,514	2,297	369	1,716	333	12,198	1,080							
Nov. 17.....	34	9,832	7,577	2,254	506	10,372	22,096	4,101	19,559	2,293	407	1,714	333	12,263	1,096							
Nov. 24.....	48	10,364	8,101	2,263	381	10,792	22,081	4,101	19,726	2,295	479	1,739	333	12,402	1,044							
Dec. 1.....	53	10,447	8,169	2,278	374	10,874	22,065	4,101	19,940	2,299	275	1,630	333	12,562	1,096							
Dec. 8.....	108	11,016	8,720	2,296	417	11,540	22,044	4,102	20,135	2,301	686	1,664	331	12,569	918							
Dec. 15.....	90	11,014	8,748	2,266	600	11,704	22,004	4,097	20,235	2,293	379	1,622	343	12,932	1,238							
Dec. 22.....	70	11,551	9,260	2,291	837	12,459	22,004	4,097	20,382	2,325	967	1,864	344	12,677	919							
Dec. 29.....	101	11,615	9,313	2,302	714	12,430	22,004	4,096	20,428	2,316	764	1,908	345	12,769	1,126							

<sup>c</sup> Corrected. <sup>r</sup> Revised.

<sup>1</sup> Includes industrial advances shown separately in subsequent tables.

<sup>2</sup> End of month and Wednesday figures estimated.

NOTE.—For description of figures in this table and discussion of their significance, see BULLETIN for July 1935, pp. 419-429. Reprints of article, together with available back figures, may be obtained upon request. Back figures are also shown in Annual Report for 1937 (tables 3 and 4) and for excess reserves in BULLETIN for August 1935, pp. 499-500.

**FEDERAL RESERVE BANK DISCOUNT RATES**  
[In effect January 1. Per cent per annum]

Federal Reserve Bank	Discounts for and advances to member banks						Advances to individuals, partnerships, or corporations other than member banks secured by direct obligations of the U. S. (last par. Sec. 13)			
	Advances secured by Government obligations maturing or callable in one year or less (Sec. 13)		Advances secured by Government obligations maturing or callable beyond one year and discounts of and advances secured by eligible paper (Secs. 13 and 13a) <sup>1</sup>		Other secured advances [Sec. 10(b)]		To nonmember banks		To others	
	Rate	Effective	Rate	Effective	Rate	Effective	Rate	Effective	Rate	Effective
Boston.....	1½	Oct. 27, 1942	1	Sept. 1, 1939	1½	Oct. 27, 1942	1	Sept. 1, 1939	2	Oct. 27, 1942
New York.....	1½	Oct. 30, 1942	1	Aug. 25, 1939	1½	Oct. 30, 1942	1	Aug. 25, 1939	2½	Oct. 30, 1942
Philadelphia.....	1½	Oct. 17, 1942	1	Mar. 21, 1942	1½	Oct. 17, 1942	1	Mar. 21, 1942	2	Oct. 17, 1942
Cleveland.....	1½	Oct. 27, 1942	1	Apr. 11, 1942	1½	Sept. 12, 1942	1	Apr. 11, 1942	2	Oct. 27, 1942
Richmond.....	1½	Oct. 28, 1942	1	Mar. 14, 1942	1½	Oct. 28, 1942	1	Mar. 14, 1942	2½	Oct. 28, 1942
Atlanta.....	1½	Oct. 15, 1942	1	Mar. 21, 1942	1½	Oct. 15, 1942	1	Sept. 16, 1939	2	Oct. 15, 1942
Chicago.....	1½	Oct. 17, 1942	1	Feb. 28, 1942	1½	Aug. 29, 1942	1	Sept. 1, 1939	2	Oct. 17, 1942
St. Louis.....	1½	Oct. 27, 1942	1	Mar. 14, 1942	1½	Mar. 14, 1942	1	Sept. 16, 1939	2	Oct. 27, 1942
Minneapolis.....	1½	Oct. 30, 1942	1	Mar. 28, 1942	1½	Oct. 30, 1942	1	Mar. 28, 1942	2½	Oct. 30, 1942
Kansas City.....	1½	Oct. 27, 1942	1	Apr. 11, 1942	1½	Oct. 27, 1942	1	Sept. 16, 1939	2	Oct. 27, 1942
Dallas.....	1½	Oct. 17, 1942	1	Mar. 21, 1942	1½	Oct. 17, 1942	1	Sept. 16, 1939	2	Oct. 17, 1942
San Francisco.....	1½	Oct. 28, 1942	1	Apr. 4, 1942	1½	Oct. 28, 1942	1	Apr. 4, 1942	2½	Oct. 28, 1942

<sup>1</sup> Rates shown also apply to advances secured by obligations of Federal Intermediate Credit Banks maturing within 6 months.  
NOTE.—Maximum maturities for discounts and advances to member banks are: 15 days for advances secured by obligations of the Federal Farm Mortgage Corporation or the Home Owners' Loan Corporation guaranteed as to principal and interest by the United States, or by obligations of Federal Intermediate Credit Banks maturing within 6 months; 90 days for other advances and discounts made under Sections 13 and 13a of the Federal Reserve Act (except that discounts of certain bankers' acceptances and of agricultural paper may have maturities not exceeding 6 months and 9 months respectively); and 4 months for advances under Section 10(b). The maximum maturity for advances to individuals, partnerships, or corporations made under the last paragraph of Section 13 is 90 days.

**FEDERAL RESERVE BANK BUYING RATES ON BILLS**  
[Per cent per annum]

Maturity	Rate on January 1	In effect beginning—	Previous rate
Treasury bills <sup>1</sup> .....	¾	Apr. 30, 1942	—
Bankers' acceptances <sup>2</sup>			
1-90 days.....	1½	Oct. 20, 1933	1
91-120 days.....	¾	.....do.....	1
121-180 days.....	1	.....do.....	1½

<sup>1</sup> Established rate at which Federal Reserve Banks stand ready to buy all Treasury bills offered. Effective Aug. 3, 1942, purchases of such bills, if desired by the seller, were made on condition that the Reserve Bank, upon request before maturity, would sell back bills of like amount and maturity at the same rate of discount. Since May 15, 1943, all purchases have been made subject to repurchase option.

<sup>2</sup> Minimum buying rates on prime bankers' acceptances.

**MEMBER BANK RESERVE REQUIREMENTS**  
[Per cent of deposits]

	Net demand deposits <sup>1</sup>			Time deposits (all member banks)
	Central reserve city banks	Reserve city banks	Country banks	
June 21, 1917-Aug. 15, 1936.....	13	10	7	3
Aug. 16, 1936-Feb. 28, 1937.....	19½	15	10½	4½
Mar. 1, 1937-Apr. 30, 1937.....	22½	17½	12½	5¼
May 1, 1937-Apr. 15, 1938.....	26	20	14	6
Apr. 16, 1938-Oct. 31, 1941.....	22½	17½	12	5
Nov. 1, 1941-Aug. 19, 1942.....	26	20	14	6
Aug. 20, 1942-Sept. 13, 1942.....	24	20	14	6
Sept. 14, 1942-Oct. 2, 1942.....	22	20	14	6
Effective Oct. 3, 1942.....	20	20	14	6

<sup>1</sup> Gross demand deposits minus demand balances with domestic banks (except private banks and American branches of foreign banks) and cash items in process of collection.

**MARGIN REQUIREMENTS:**  
[Per cent of market value]

Prescribed by Board of Governors of the Federal Reserve System in accordance with Securities Exchange Act of 1934	Apr. 1, 1936 Oct. 31, 1937	Effective Nov. 1, 1937
For extensions of credit by brokers and dealers on listed securities, under Regulation T.....	55	40
For short sales, under Regulation T.....	(2)	50
For loans by banks on stocks, under Regulation U.....	55	40

<sup>1</sup> Regulations T and U limit the amount of credit that may be extended on a security by prescribing a maximum loan value, which is a specified percentage of its market value at the time of the extension; the "margin requirements" shown in this table are the difference between the market value (100%) and the maximum loan value.

<sup>2</sup> Requirement under Regulation T was the margin "customarily required" by the broker. <sup>3</sup> Regulation U became effective May 1, 1936.

NOTE.—Regulations T and U also provide special margin requirements on "omnibus" accounts and loans to brokers and dealers.

**FEDERAL RESERVE BANK RATES ON INDUSTRIAL ADVANCES AND COMMITMENTS UNDER SECTION 13b OF THE FEDERAL RESERVE ACT**  
Maturities not exceeding five years  
[In effect January 1. Per cent per annum]

Federal Reserve Bank	To industrial or commercial businesses		To financing institutions		
	On advances <sup>1</sup>	On commitments	Discounts or purchases		On commitments
			On portion for which institution is obligated	On remaining portion	
Boston.....	2½-5	1½-1	(2)	(3)	1½-1
New York.....	2½-5	1½-1½	(2)	(3)	1½-1½
Philadelphia.....	2½-5	1½-1½	(2)	(3)	1½-1½
Cleveland.....	2½-5	1½-1½	(2)	(3)	1½-1½
Richmond.....	2½-5	1½-1½	(2)	(3)	1½-1½
Atlanta.....	2½-5	1½-1½	(2)	(3)	1½-1½
Chicago.....	2½-5	1½-1½	2½-5	2½-5	1½-1½
St. Louis.....	2½-5	1½-1½	1-1½	(2)	1½-1½
Minneapolis.....	2½-5	1½-1½	(2)	(3)	1½-1½
Kansas City.....	2½-5	1½-1½	(2)	(3)	1½-1½
Dallas.....	2½-5	1½-1½	(2)	(3)	1½-1½
San Francisco.....	2½-5	1½-1½	(2)	(3)	1½-1½

<sup>1</sup> Including loans made in participation with financing institutions.

<sup>2</sup> Rate charged borrower less commitment rate.

<sup>3</sup> Rate charged borrower.

<sup>4</sup> May charge same rate as charged borrower by financing institution, if lower.

<sup>5</sup> Financing institution is charged ¼ per cent on undisbursed portion of loan under commitment.

**MAXIMUM RATES ON TIME DEPOSITS**

Maximum rates that may be paid by member banks as established by the Board of Governors under provisions of Regulation Q  
[Per cent per annum]

	Nov. 1, 1933- Jan. 31, 1935	Feb. 1, 1935- Dec. 31, 1935	Effective Jan. 1, 1936
Savings deposits.....	3	2½	2½
Postal savings deposits.....	3	2½	2½
Other deposits payable:			
In 6 months or more.....	3	2½	2½
In 90 days to 6 months.....	3	2½	2
In less than 90 days.....	3	2½	1

NOTE.—Maximum rates that may be paid by insured nonmember banks as established by the F. D. I. C., effective Feb. 1, 1936, are the same as those in effect for member banks. Under Regulation Q the rate payable by a member bank may not in any event exceed the maximum rate payable by State banks or trust companies on like deposits under the laws of the State in which the member bank is located.

**PRINCIPAL ASSETS AND LIABILITIES OF ALL FEDERAL RESERVE BANKS**  
[In thousands of dollars]

	Wednesday figures							End of month			
	1943							1943		1942	
	Dec. 29	Dec. 22	Dec. 15	Dec. 8	Dec. 1	Nov. 24	Nov. 17	Nov. 10	November	October	November
<b>Assets</b>											
Gold certificates on hand and due from U. S. Treasury.....	19,614,765	19,628,260	19,643,265	19,696,015	19,738,515	19,784,215	19,803,215	19,804,715	19,755,517	19,832,214	20,556,110
Redemption fund—F.R. notes.....	218,495	207,018	193,940	178,817	157,796	130,406	127,950	128,399	142,136	114,410	16,590
Other cash.....	314,728	291,426	299,478	293,124	306,988	310,149	318,672	300,509	304,075	321,825	226,392
<b>Total reserves.....</b>	<b>20,147,988</b>	<b>20,126,704</b>	<b>20,136,683</b>	<b>20,167,956</b>	<b>20,203,299</b>	<b>20,224,770</b>	<b>20,249,837</b>	<b>20,233,623</b>	<b>20,201,728</b>	<b>20,268,449</b>	<b>20,799,092</b>
Bills discounted:											
For member banks.....	100,612	70,045	90,127	107,893	52,695	47,610	33,735	22,380	51,500	25,545	3,855
For nonmember banks, etc.....											3,500
<b>Total bills discounted.....</b>	<b>100,612</b>	<b>70,045</b>	<b>90,127</b>	<b>107,893</b>	<b>52,695</b>	<b>47,610</b>	<b>33,735</b>	<b>22,380</b>	<b>51,500</b>	<b>25,545</b>	<b>7,355</b>
Industrial advances.....	10,138	10,393	10,558	10,530	11,506	11,676	12,055	11,577	11,473	12,070	14,900
U. S. Government securities:											
Direct:											
Bonds.....	1,555,650	1,547,270	1,522,465	1,519,182	1,508,232	1,508,232	1,508,232	1,508,232	1,508,232	1,505,582	2,463,644
Notes.....	663,900	663,900	663,900	697,900	692,900	690,900	685,900	685,900	692,900	685,900	1,342,997
Certificates:											
Special series.....											422,000
Other.....	2,407,150	2,272,850	2,186,250	2,085,950	1,909,650	1,843,550	1,771,250	1,694,200	1,908,150	1,565,350	765,214
Bills:											
Under repurchase option.....	4,278,424	4,655,121	4,523,104	4,866,781	4,784,013	5,088,207	4,638,506	4,755,683	4,687,876	4,395,534	47,385
Other.....	2,627,751	2,332,090	2,038,466	1,767,376	1,475,230	1,169,500	1,167,600	1,161,100	1,475,230	1,151,100	335,484
Guaranteed.....	82,014	80,154	79,504	78,565	77,055	63,486	60,329	59,829	76,105	50,481	22,126
<b>Total U. S. Government securities, direct and guaranteed.....</b>	<b>11,614,889</b>	<b>11,551,391</b>	<b>11,013,689</b>	<b>11,015,954</b>	<b>10,447,080</b>	<b>10,363,875</b>	<b>9,831,817</b>	<b>9,864,944</b>	<b>10,348,493</b>	<b>9,353,947</b>	<b>5,398,850</b>
Other Reserve Bank credit outstanding.....	704,473	826,738	589,352	406,014	362,433	369,111	494,359	332,265	351,370	430,992	293,062
<b>Total Reserve Bank credit outstanding.....</b>	<b>12,430,112</b>	<b>12,458,567</b>	<b>11,703,726</b>	<b>11,540,391</b>	<b>10,873,714</b>	<b>10,792,272</b>	<b>10,371,966</b>	<b>10,231,166</b>	<b>10,762,836</b>	<b>9,822,554</b>	<b>5,714,167</b>
<b>Liabilities</b>											
F.R. notes in actual circulation.....	16,874,807	16,808,728	16,636,130	16,527,744	16,342,894	16,131,382	15,974,140	15,918,225	16,311,911	15,663,158	11,756,463
Deposits:											
Member bank—reserve account.....	12,769,189	12,677,107	12,932,082	12,569,053	12,561,796	12,401,917	12,263,244	12,198,177	12,400,946	12,085,663	13,208,176
U. S. Treasurer—general account.....	763,810	967,388	379,481	685,718	275,216	479,209	406,625	369,026	393,534	399,821	5,854
Foreign.....	1,512,545	1,486,389	1,441,750	1,447,872	1,421,834	1,398,404	1,363,373	1,348,971	1,401,221	1,331,252	916,279
Other deposits.....	395,352	377,776	179,913	215,964	207,691	340,814	350,490	366,990	190,966	343,216	403,870
<b>Total deposits.....</b>	<b>15,440,896</b>	<b>15,508,660</b>	<b>14,933,226</b>	<b>14,918,607</b>	<b>14,466,537</b>	<b>14,620,344</b>	<b>14,383,732</b>	<b>14,283,164</b>	<b>14,386,667</b>	<b>14,159,952</b>	<b>14,534,179</b>
Ratio of total reserves to deposit and F.R. note liabilities combined (per cent).....	62.3	62.3	63.8	64.1	65.6	65.8	66.7	67.0	65.8	68.0	79.1

**MATURITY DISTRIBUTION OF BILLS AND U. S. GOVERNMENT SECURITIES HELD BY FEDERAL RESERVE BANKS**  
[In thousands of dollars]

	Total	Within 15 days	16 to 30 days	31 to 60 days	61 to 90 days	91 days to 6 months	6 months to 1 year	1 year to 2 years	2 years to 5 years	Over 5 years
<b>Bills discounted:</b>										
Dec. 1.....	52,695	45,340	2,690	1,365	3,300					
Dec. 8.....	107,893	98,623	2,575	6,395	100					
Dec. 15.....	90,127	80,582	245	6,700	2,600					
Dec. 22.....	70,045	55,150	695	6,200	8,000					
Dec. 29.....	100,612	82,972	390	5,200	12,050					
<b>Industrial advances:</b>										
Dec. 1.....	11,506	10,060	37	77	178	501	281	269	103	
Dec. 8.....	10,530	8,549	71	42	1,129	112	260	268	102	
Dec. 15.....	10,558	8,580	52	30	1,155	113	258	268	102	
Dec. 22.....	10,393	8,477	20	32	1,147	114	250	264	89	
Dec. 29.....	10,138	8,253	26	583	569	115	253	249	90	
<b>U. S. Government securities, direct and guaranteed:</b>										
Dec. 1.....	10,447,080	1,448,473	886,682	2,071,893	2,081,395	792,500	1,113,650	211,400	702,971	1,138,116
Dec. 8.....	11,015,954	1,435,032	954,947	2,302,291	2,199,387	894,100	1,165,250	211,400	702,971	1,150,576
Dec. 15.....	11,013,689	1,269,696	930,244	2,522,529	2,102,701	1,175,000	1,143,750	227,000	487,971	1,154,798
Dec. 22.....	11,551,391	1,334,446	997,873	2,560,763	2,441,835	1,149,000	1,175,750	223,500	487,971	1,180,253
Dec. 29.....	11,614,889	1,276,217	973,370	2,736,351	2,270,437	1,221,000	1,235,550	223,500	487,971	1,190,493

STATEMENT OF CONDITION OF THE FEDERAL RESERVE BANKS, BY WEEKS

[In thousands of dollars]

	Total	Boston	New York	Phila- delphia	Cleve- land	Rich- mond	Atlanta	Chicago	St. Louis	Minne- apolis	Kansas City	Dallas	San Fran- cisco
<b>Assets</b>													
Gold certificates on hand and due from U. S. Treasury:													
Dec. 1	19,738,515	1,004,739	5,277,058	1,095,646	1,589,332	1,085,533	942,559	3,876,020	700,335	425,788	752,250	542,804	2,446,431
Dec. 8	19,696,015	1,005,819	5,322,022	1,099,681	1,585,537	1,070,531	931,815	3,888,194	678,088	419,580	716,351	525,514	2,432,883
Dec. 15	19,643,265	985,912	5,436,419	1,050,566	1,531,346	1,040,506	921,179	3,915,675	682,609	402,110	701,117	522,501	2,453,525
Dec. 22	19,628,260	1,011,664	5,534,548	1,045,327	1,525,927	1,063,010	938,233	3,841,138	666,852	392,577	694,673	511,094	2,403,217
Dec. 29	19,614,765	1,033,532	5,830,133	1,065,639	1,475,383	1,028,237	884,461	3,779,679	647,091	380,590	659,253	483,016	2,347,751
Redemption fund—Federal Reserve notes:													
Dec. 1	157,796	20,887	19,163	18,103	21,237	17,907	13,678	1,231	19,876	5,186	5,413	8,435	6,680
Dec. 8	178,817	20,818	18,939	18,481	21,161	21,217	13,598	15,140	19,846	5,177	7,389	8,413	6,638
Dec. 15	193,940	22,702	23,488	22,046	21,029	22,175	14,255	14,981	19,805	6,158	9,356	8,387	9,558
Dec. 22	207,018	22,615	23,158	24,394	25,933	21,273	17,156	14,878	19,772	7,645	11,331	8,362	10,501
Dec. 29	218,495	22,525	22,844	24,238	25,817	22,294	17,055	19,758	19,738	7,633	11,308	9,837	15,448
Other cash:													
Dec. 1	306,988	24,926	74,281	24,018	22,901	18,294	18,245	39,085	11,857	9,378	13,788	9,392	40,823
Dec. 8	293,124	23,588	72,052	23,035	19,973	18,326	19,607	37,665	11,678	9,091	13,943	9,476	34,690
Dec. 15	299,478	24,594	71,635	22,547	22,315	17,980	18,334	38,570	12,144	9,785	13,665	9,903	38,006
Dec. 22	291,426	24,953	66,985	22,769	19,104	18,773	18,712	37,290	12,519	8,453	12,973	10,613	38,282
Dec. 29	314,728	27,753	72,578	24,495	23,355	19,567	24,469	39,392	13,631	8,659	12,920	10,087	37,822
Total reserves:													
Dec. 1	20,203,299	1,050,552	5,370,502	1,137,767	1,633,470	1,121,734	974,482	3,916,336	732,068	440,352	771,451	560,631	2,493,954
Dec. 8	20,167,956	1,050,225	5,413,013	1,141,197	1,626,611	1,110,074	965,020	3,940,999	709,612	433,848	737,683	543,403	2,496,211
Dec. 15	20,136,683	1,033,208	5,531,542	1,095,159	1,574,690	1,080,661	953,768	3,969,226	714,558	418,053	724,138	540,791	2,500,889
Dec. 22	20,126,704	1,059,232	5,624,691	1,092,490	1,570,964	1,103,056	974,101	3,893,306	699,143	408,675	718,977	530,069	2,482,000
Dec. 29	20,147,988	1,083,810	5,925,555	1,114,372	1,524,555	1,070,098	925,985	3,838,829	680,460	396,882	683,481	502,940	2,401,021
Bills discounted: Secured by U. S. Government obligations, direct and guaranteed:													
Dec. 1	52,695	1,365	17,240	7,310	680	425	6,800		15,850		2,000	1,025	
Dec. 8	107,893	5,030	84,500	5,695	705	1,550	1,000		8,300			1,083	30
Dec. 15	90,127	5,774	58,745	11,615	1,340	3,650	1,000		7,900			83	20
Dec. 22	70,045	8,589	25,250	1,601	1,616	4,100	4,000	1,000	14,500	1,000	7,286	1,083	20
Dec. 29	100,612	2,635	60,820	1,175	640	340	500	6,500	11,500	750	14,947	55	750
Other bills discounted:													
Dec. 1													
Dec. 8													
Dec. 15													
Dec. 22													
Dec. 29													
Total bills discounted:													
Dec. 1	52,695	1,365	17,240	7,310	680	425	6,800		15,850		2,000	1,025	
Dec. 8	107,893	5,030	84,500	5,695	705	1,550	1,000		8,300			1,083	30
Dec. 15	90,127	5,774	58,745	11,615	1,340	3,650	1,000		7,900			83	20
Dec. 22	70,045	8,589	25,250	1,601	1,616	4,100	4,000	1,000	14,500	1,000	7,286	1,083	20
Dec. 29	100,612	2,635	60,820	1,175	640	340	500	6,500	11,500	750	14,947	55	750
Industrial advances:													
Dec. 1	11,506	1,427	152	4,217	390	237	226	4		183	30	15	4,625
Dec. 8	10,530	344	152	4,405	390	237	226	4		177	30	15	4,550
Dec. 15	10,558	344	152	4,407	390	236	224	4		181	30	15	4,575
Dec. 22	10,393	342	140	4,265	390	236	222	4		174	30	15	4,575
Dec. 29	10,138	342	126	4,047	390	235	221	4		178	30	15	4,550
U. S. Government securities, direct and guaranteed:													
Bonds:													
Dec. 1	1,572,287	144,647	83,728	135,333	246,527	134,031	130,168	136,965	76,828	61,716	109,283	108,958	204,165
Dec. 8	1,584,747	143,615	111,286	135,825	241,507	131,586	126,498	141,802	77,033	61,132	107,523	106,181	200,759
Dec. 15	1,588,969	142,659	128,108	135,830	237,869	129,782	123,946	144,483	76,990	60,635	106,196	104,228	198,243
Dec. 22	1,614,424	143,504	147,951	137,622	237,667	129,541	122,820	149,279	77,956	60,896	106,160	103,491	198,137
Dec. 29	1,624,664	143,022	166,073	138,124	234,116	128,121	120,595	152,623	78,193	60,597	105,153	101,823	196,224
Notes:													
Dec. 1	705,900	64,941	37,591	60,760	110,682	60,175	58,441	61,492	34,493	27,708	49,064	48,918	91,635
Dec. 8	710,900	64,424	49,921	60,930	108,338	59,028	56,745	63,611	34,556	27,423	48,234	47,632	90,058
Dec. 15	676,900	60,773	54,574	57,863	101,332	55,287	52,801	61,550	32,798	25,831	45,239	44,401	84,451
Dec. 22	676,900	60,169	62,033	57,702	99,398	54,314	51,497	62,590	32,686	25,533	44,511	43,392	83,075
Dec. 29	676,900	59,589	69,193	57,548	97,542	53,380	50,245	63,589	32,578	25,247	43,811	42,423	81,755
Certificates:													
Dec. 1	1,909,650	175,686	101,690	164,373	299,420	162,793	158,097	166,353	93,313	74,957	132,735	132,334	247,899
Dec. 8	2,085,950	189,038	146,482	178,782	317,891	173,204	166,504	186,647	101,396	80,463	141,529	139,763	264,251
Dec. 15	2,186,250	196,285	176,263	186,889	327,279	178,565	170,535	198,796	105,929	83,424	146,113	143,407	272,765
Dec. 22	2,272,850	202,029	208,287	193,752	333,754	182,373	172,913	210,162	109,751	85,730	149,453	145,699	278,947
Dec. 29	2,407,150	211,906	246,061	204,649	346,875	189,830	178,677	226,130	115,851	89,779	155,801	150,863	290,728
Bills: Under repurchase option:													
Dec. 1	4,784,013	197,489	2,839,003	252,974	43,249	92,237	16,895	783,728	183,067	50,000	59,224	20,676	245,471
Dec. 8	4,866,781	210,903	2,884,977	268,303	56,973	86,960	25,385	768,298	201,813	61,313	64,384	20,506	216,966
Dec. 15	4,523,104	185,554	2,677,739	263,199	71,862	85,455	28,805	678,682	187,789	57,613	64,679	12,976	208,751
Dec. 22	4,655,121	124,857	2,655,400	273,161	104,919	100,851	38,905	768,690	195,338	84,535	64,029	25,116	219,320
Dec. 29	4,278,424	99,036	2,408,853	204,399	113,474	68,664	44,485	711,648	183,220	83,674	64,035	27,455	269,481









**DEPOSITS AND RESERVES OF MEMBER BANKS, NOVEMBER 1943**  
[Averages of daily figures. In millions of dollars]

	Gross demand deposits				Adjusted demand deposits <sup>2</sup>	Net demand deposits <sup>3</sup>	Time deposits <sup>4</sup>	Demand balances due from domestic banks	Reserves		
	Total	Inter-bank	U. S. Government war loan deposits <sup>1</sup>	Other					Held	Re-quired	Excess
<b>All member banks</b> .....	<b>78,385</b>	<b>10,799</b>	<b>13,611</b>	<b>53,975</b>	<b>50,557</b>	<b>55,928</b>	<b>14,895</b>	<b>5,593</b>	<b>12,313</b>	<b>11,241</b>	<b>1,073</b>
<b>Central reserve city banks:</b>											
New York.....	22,980	3,625	5,075	14,280	13,337	16,918	821	60	3,453	3,433	20
Chicago.....	5,295	1,063	1,010	3,222	3,012	3,907	498	170	820	811	8
<b>Reserve city banks—Total</b> .....	<b>29,495</b>	<b>5,067</b>	<b>4,873</b>	<b>19,555</b>	<b>17,822</b>	<b>21,139</b>	<b>5,944</b>	<b>1,834</b>	<b>4,916</b>	<b>4,584</b>	<b>332</b>
Boston district.....	2,144	297	486	1,361	1,276	1,523	104	52	320	311	9
New York district.....	479	29	66	384	359	369	169	20	87	84	3
Philadelphia district.....	2,358	317	477	1,564	1,456	1,707	131	68	361	349	12
Cleveland district.....	3,799	490	672	2,636	2,432	2,732	790	193	641	594	47
Richmond district.....	1,732	312	328	1,092	1,010	1,215	267	110	289	259	30
Atlanta district.....	1,847	522	302	1,024	896	1,282	216	144	292	269	23
Chicago district.....	3,676	446	600	2,630	2,444	2,607	980	290	618	580	38
St. Louis district.....	1,745	549	274	922	808	1,257	188	105	273	263	10
Minneapolis district.....	987	273	182	532	471	687	94	58	146	143	3
Kansas City district.....	2,380	827	269	1,283	1,128	1,663	188	296	385	344	41
Dallas district.....	1,750	439	219	1,091	1,000	1,213	154	232	297	252	45
San Francisco district.....	6,598	566	998	5,034	4,541	4,884	2,663	267	1,209	1,137	72
<b>Country banks—Total</b> .....	<b>20,616</b>	<b>1,044</b>	<b>2,653</b>	<b>16,919</b>	<b>16,385</b>	<b>13,964</b>	<b>7,622</b>	<b>3,529</b>	<b>3,124</b>	<b>2,412</b>	<b>712</b>
Boston district.....	2,103	85	341	1,677	1,604	1,809	680	186	297	252	46
New York district.....	3,263	73	572	2,617	2,517	2,307	1,791	287	529	430	99
Philadelphia district.....	1,510	11	230	1,275	1,235	1,069	937	181	262	206	56
Cleveland district.....	1,742	20	219	1,503	1,463	1,205	916	280	311	224	87
Richmond district.....	1,662	197	195	1,270	1,204	1,090	469	323	230	181	50
Atlanta district.....	1,599	172	214	1,212	1,166	1,025	328	328	208	163	45
Chicago district.....	2,672	74	365	2,233	2,189	1,758	1,143	509	429	315	114
St. Louis district.....	1,125	137	111	877	846	746	299	240	159	122	36
Minneapolis district.....	897	67	106	724	704	596	348	177	137	104	32
Kansas City district.....	1,309	71	111	1,127	1,111	805	173	383	183	123	60
Dallas district.....	1,539	106	79	1,355	1,324	1,032	102	406	203	151	53
San Francisco district.....	1,188	29	109	1,050	1,020	822	436	230	175	141	34

<sup>1</sup> Figures do not include certain other demand deposits of the U. S. Government with member banks and, therefore, differ from figures for U. S. Government deposits shown in other published banking data. See also footnote 2.

<sup>2</sup> Preceding column minus so-called "float" (total cash items in process of collection) and estimate of U. S. Government deposits other than war loan accounts.

<sup>3</sup> Demand deposits subject to reserve requirements; i. e., demand deposits other than war loan deposits, minus cash items in process of collection and demand balances due from domestic banks.

<sup>4</sup> Includes some interbank and U. S. Government time deposits; the amounts on call report dates are shown in the *Member Bank Call Report*.

**MEMBER BANK RESERVE BALANCES, BY CLASS OF BANKS**  
[Averages of daily figures. In millions of dollars]

	All member banks <sup>1</sup>	Central reserve city banks		Re-serve city banks	Country banks <sup>1</sup>
		New York	Chicago		
<b>Total reserves held:</b>					
1942—Oct.....	12,234	4,093	834	4,711	2,597
Nov.....	12,618	4,086	859	4,990	2,684
1943—Oct.....	12,035	3,346	794	4,772	3,123
Nov.....	12,313	3,453	820	4,916	3,124
<b>Week ending (Friday):</b>					
1943—Nov. 5.....	12,127	3,397	806	4,817	3,107
Nov. 12.....	12,214	3,422	816	4,861	3,115
Nov. 19.....	12,347	3,451	815	4,936	3,145
Nov. 26.....	12,395	3,492	827	4,971	3,105
Dec. 3.....	12,541	3,528	838	5,030	3,144
Dec. 10.....	12,636	3,564	844	5,053	3,175
Dec. 17.....	12,830	3,621	852	5,124	3,234
Dec. 24.....	12,838	3,632	840	5,103	3,263
<b>Excess reserves:</b>					
1942—Oct.....	2,331	557	27	924	823
Nov.....	2,362	455	45	1,035	827
1943—Oct.....	1,264	31	9	386	838
Nov.....	1,073	20	8	332	712
<b>Week ending (Friday):</b>					
1943—Nov. 5.....	1,131	25	9	322	777
Nov. 12.....	1,103	18	11	324	750
Nov. 19.....	1,120	20	6	340	754
Nov. 26.....	1,031	22	9	319	682
Dec. 3.....	<sup>p</sup> 1,042	16	8	336	<sup>p</sup> 685
Dec. 10.....	<sup>p</sup> 980	12	9	289	<sup>p</sup> 670
Dec. 17.....	<sup>p</sup> 1,019	31	9	294	<sup>p</sup> 686
Dec. 24.....	<sup>p</sup> 1,022	31	6	281	<sup>p</sup> 705

<sup>p</sup> Preliminary.

<sup>1</sup> Weekly figures of excess reserves of all member banks and of country banks are estimates.

**DEPOSITS OF COUNTRY MEMBER BANKS IN LARGE AND SMALL CENTERS,<sup>1</sup> NOVEMBER 1943**  
[Averages of daily figures. In millions of dollars]

Federal Reserve district	In places of 15,000 population and over		In places of under 15,000 population	
	Demand deposits except inter-bank <sup>2</sup>	Time deposits	Demand deposits except inter-bank <sup>2</sup>	Time deposits
<b>Total</b> .....	<b>12,267</b>	<b>4,489</b>	<b>7,305</b>	<b>3,133</b>
Boston.....	1,755	538	263	141
New York.....	2,474	1,162	716	628
Philadelphia.....	901	435	604	502
Cleveland.....	1,046	492	676	424
Richmond.....	948	230	517	240
Atlanta.....	1,036	228	391	100
Chicago.....	1,588	685	1,010	458
St. Louis.....	422	168	566	131
Minneapolis.....	391	139	439	210
Kansas City.....	355	60	883	115
Dallas.....	588	64	845	38
San Francisco.....	764	287	396	149

<sup>1</sup> Includes any banks in outlying sections of reserve cities which have been given permission to carry the same reserves as country banks. All reserve cities have a population of more than 15,000.

<sup>2</sup> The series published through April 1943 included interbank deposits. The amount of such deposits for the current month at all country banks can be derived by comparison with the first table above; banks in the small centers held 216 million dollars during the last half of April 1943. Figures in this table include war loan deposits, shown separately for all country banks in table above.

### KINDS OF MONEY IN CIRCULATION

(Outside Treasury and Federal Reserve Banks. In millions of dollars)

End of month	Total	Gold certificates	Silver dollars	Silver certificates	Treasury notes of 1890	Subsidiary silver coin	Minor coin	United States notes	Federal Reserve notes	Federal Reserve Bank notes	National bank notes
1942—November.....	14,805	58	74	1,731	1	565	227	327	11,667	18	136
December.....	15,410	58	76	1,751	1	575	228	317	12,082	188	135
1943—January.....	15,590	58	77	1,700	1	567	226	312	12,152	362	135
February.....	16,088	58	78	1,703	1	573	226	317	12,523	474	134
March.....	16,250	58	79	1,674	1	583	228	316	12,643	534	134
April.....	16,660	57	81	1,667	1	593	230	318	13,023	557	133
May.....	17,114	57	82	1,670	1	600	232	324	13,440	574	133
June.....	17,421	57	84	1,649	1	610	236	322	13,747	584	132
July.....	17,955	57	85	1,633	1	619	239	322	14,268	599	131
August.....	18,529	57	87	1,621	1	630	243	325	14,820	615	131
September.....	18,844	56	88	1,594	1	641	246	320	15,146	622	130
October.....	19,250	56	90	1,578	1	649	248	321	15,550	626	130
November.....	19,918	55	92	1,571	1	662	251	324	16,205	627	129

Back figures.—See Annual Report for 1937 (table 35).

### PAPER CURRENCY, BY DENOMINATIONS, AND COIN IN CIRCULATION

(Outside Treasury and Federal Reserve Banks. In millions of dollars)

End of month	Total in circulation <sup>1</sup>	Coin and small denomination currency <sup>2</sup>						Large denomination currency <sup>2</sup>						Unassorted		
		Total	Coin	\$1 <sup>3</sup>	\$2	\$5	\$10	\$20	Total	\$50	\$100	\$500	\$1,000		\$5,000	\$10,000
1942—November.....	14,805	11,122	867	782	53	1,647	3,887	3,885	3,686	972	1,824	278	575	9	28	3
December.....	15,410	11,576	880	801	55	1,693	4,051	4,096	3,837	1,019	1,910	287	586	9	25	3
1943—January.....	15,590	11,665	869	773	54	1,678	4,107	4,183	3,928	1,047	1,962	293	592	10	25	3
February.....	16,088	12,065	877	786	56	1,718	4,279	4,349	4,026	1,079	2,013	298	599	11	25	3
March.....	16,250	12,121	890	791	56	1,713	4,280	4,391	4,129	1,104	2,069	306	616	11	23	1
April.....	16,660	12,428	904	804	58	1,741	4,391	4,531	4,232	1,131	2,128	312	621	15	26	1
May.....	17,114	12,789	914	824	59	1,785	4,526	4,681	4,326	1,159	2,186	319	630	10	22	1
June.....	17,421	12,960	929	834	61	1,793	4,565	4,778	4,462	1,195	2,259	329	648	10	21	2
July.....	17,955	13,334	943	843	62	1,836	4,719	4,931	4,622	1,237	2,347	341	667	10	20	2
August.....	18,529	13,715	960	858	64	1,878	4,853	5,102	4,816	1,293	2,453	353	687	9	22	2
September.....	18,844	13,891	970	866	64	1,887	4,893	5,211	4,951	1,327	2,535	360	698	11	20	2
October.....	19,250	14,135	987	872	65	1,902	4,962	5,347	5,118	1,366	2,636	373	713	11	20	3
November.....	19,918	14,598	1,006	886	68	1,950	5,127	5,561	5,323	1,416	2,761	388	729	10	19	2

<sup>1</sup> Total of amounts of coin and paper currency shown by denominations less unassorted currency in Treasury and Federal Reserve Banks.

<sup>2</sup> Includes unassorted currency held in Treasury and Federal Reserve Banks and currency of unknown denominations reported by the Treasury as destroyed.

<sup>3</sup> Paper currency only; \$1 silver coins reported under coin.

Back figures.—See Annual Report for 1937 (table 36).

### STOCK OF UNITED STATES MONEY, NOVEMBER 30, 1943

(On basis of circulation statement of United States money. In millions of dollars)

Kind of money	Total outstanding	Money held in the Treasury			Money held by Federal Reserve Banks and agents	Money in circulation <sup>1</sup>
		As security against gold and silver certificates	Treasury cash	For Federal Reserve Banks and agents		
Gold.....	22,065	19,953	2,112	17,082	2,815	55
Gold certificates.....	379,953				570	16,205
Federal Reserve notes.....	16,816		42		304	3,658
Treasury currency—total.....	4,097	1,836	135			
Standard silver dollars.....	504	306	104		2	92
Silver bullion.....	1,520	1,520				
Silver certificates and Treasury notes of 1890.....	37,826				254	1,572
Subsidiary silver coin.....	696		22		12	662
Minor coin.....	260		5		3	251
United States notes.....	347		3		20	324
Federal Reserve Bank notes.....	640		1		12	627
National bank notes.....	130		( <sup>b</sup> )		1	129
Total—November 30, 1943.....	342,978	321,779	42,289	17,082	3,689	19,918
October 30, 1943.....	342,412	321,846	42,288	17,131	3,743	19,250
November 30, 1942.....	338,309	322,557	42,236	17,757	3,511	14,805

<sup>1</sup> Includes any paper currency held outside the continental limits of the United States; figures for other end-of-month dates shown in table above and totals by weeks are shown in table on p. 59.

<sup>2</sup> Includes \$1,800,000,000 Exchange Stabilization Fund, \$143,772,279 balance of increment resulting from reduction in weight of the gold dollar, and \$156,039,431 held as reserve against United States notes and Treasury notes of 1890.

<sup>3</sup> The amounts of gold and silver certificates and Treasury notes of 1890 outstanding are not included in the total of all forms of money outstanding, since gold and silver held as security against them are included under gold, standard silver dollars, and silver bullion.

<sup>4</sup> Figures for total Treasury currency outstanding and for total Treasury cash by weeks and months are shown in the table on p. 59.

<sup>b</sup> Less than \$500,000.

Note.—There is maintained in the Treasury—(i) as a reserve for United States notes and Treasury notes of 1890—\$156,039,431 in gold bullion; (ii) as security for Treasury notes of 1890—an equal dollar amount in standard silver dollars (these notes are being canceled and retired on receipt); (iii) as security for outstanding silver certificates—silver in bullion and standard silver dollars of a monetary value equal to the face amount of such silver certificates; and (iv) as security for gold certificates—gold bullion of a value at the legal standard equal to the face amount of such gold certificates. Federal Reserve notes are obligations of the United States and a first lien on all the assets of the issuing Federal Reserve Bank. Federal Reserve notes are secured by the deposit with Federal Reserve agents of a like amount of gold certificates or of gold certificates and such discounted or purchased paper as is eligible under the terms of the Federal Reserve Act, or, until June 30, 1945, of direct obligations of the United States if so authorized by a majority vote of the Board of Governors of the Federal Reserve System. Federal Reserve Banks must maintain a reserve in gold certificates of at least 40 per cent, including the redemption fund which must be deposited with the Treasurer of the United States, against Federal Reserve notes in actual circulation. "Gold certificates" as herein used includes credits with the Treasurer of the United States payable in gold certificates. Federal Reserve Bank notes and national bank notes are in process of retirement.

**ANALYSIS OF CHANGES IN GOLD STOCK OF UNITED STATES**  
[In millions of dollars]

Period	Gold stock at end of period	Increase in gold stock	Net gold import	Earmarked gold: decrease or increase (-)	Domestic gold production <sup>1</sup>
1935.....	10,125	1,887.2	1,739.0	.....	110.7
1936.....	11,258	1,132.5	1,116.6	-85.9	131.6
1937.....	12,760	1,502.5	1,585.5	-200.4	143.9
1938.....	14,512	1,751.5	1,973.6	-333.5	148.6
1939.....	17,644	3,132.0	3,574.2	-534.4	161.7
1940.....	21,995	4,351.2	4,744.5	-644.7	170.2
1941.....	22,737	741.8	982.4	-407.7	169.1
1942.....	22,726	-10.3	(*)	-458.4	125.4
1942—November.....	22,743	3.3	.....	-10.8	7.8
December.....	22,726	-17.2	.....	-31.0	6.2
1943—January.....	22,683	-43.3	.....	-76.1	4.7
February.....	22,644	-39.3	.....	-63.4	4.1
March.....	22,576	-68.0	.....	-59.0	4.5
April.....	22,473	-103.1	.....	-101.0	4.9
May.....	22,426	-46.3	.....	-45.1	4.1
June.....	22,358	-38.9	.....	-51.7	3.9
July.....	22,335	-52.7	.....	-63.7	3.9
August.....	22,243	-92.0	.....	-91.3	3.6
September.....	22,175	-67.8	.....	-80.6	3.3
October.....	22,116	-59.3	.....	-40.6	3.8
November.....	22,065	-51.0	.....	-44.1	3.8
Jan.—Nov.....	22,065	-661.5	.....	-716.6	144.7

<sup>2</sup> Preliminary. <sup>3</sup> Figure carried forward.  
<sup>1</sup> Annual figures are estimates of the United States Mint. Monthly figures are those published in table on p. 105, adjusted to exclude Philippine Islands production received in United States.  
<sup>2</sup> Figures based on rate of \$20.67 a fine ounce in January 1934, and \$35 a fine ounce thereafter.  
<sup>3</sup> Includes gold in the Inactive Account amounting to 27 million dollars on Dec. 31, 1936, and 1,228 million on Dec. 31, 1937.  
<sup>4</sup> The net gold import figures for months subsequent to December 1941 have not been released for publication.  
<sup>5</sup> Gold held under earmark at Federal Reserve Banks for foreign account amounted to 3,390.4 million dollars on Nov. 30, 1943.  
 NOTE.—For back figures through 1937, see Annual Report for 1937 (table 29).

**BANK SUSPENSIONS<sup>1</sup>**

	Total, all banks	Member banks		Nonmember banks	
		National	State	Insured <sup>2</sup>	Non-insured
<b>Number of banks suspended:</b>					
1934.....	57	1	.....	8	48
1935.....	34	4	.....	22	8
1936.....	44	1	.....	40	3
1937.....	59	4	2	47	6
1938.....	55	1	1	47	6
1939.....	42	4	3	25	10
1940.....	22	1	.....	18	3
1941.....	8	4	.....	3	1
1942.....	9	.....	.....	6	3
1943—Jan.—Nov.....	3	1	.....	2	.....
<b>Deposits of suspended banks (in thousands of dollars):<sup>3</sup></b>					
1934.....	36,937	40	.....	1,912	34,985
1935.....	10,015	5,313	.....	3,763	939
1936.....	11,306	507	.....	10,207	592
1937.....	19,723	7,379	1,708	10,156	480
1938.....	13,012	36	211	11,721	1,044
1939.....	34,998	1,341	24,629	6,589	2,439
1940.....	5,943	256	.....	5,341	346
1941.....	3,726	3,144	.....	503	79
1942.....	1,702	.....	.....	1,375	327
1943—Jan.—Nov.....	2,103	862	.....	1,241	.....

<sup>1</sup> Represents banks which, during the periods shown, closed temporarily or permanently on account of financial difficulties; does not include banks whose deposit liabilities were assumed by other banks at the time of closing (in some instances with the aid of Federal Deposit Insurance Corporation loans).  
<sup>2</sup> Federal deposit insurance became operative Jan. 1, 1934.  
<sup>3</sup> Deposits of member banks and insured nonmember banks suspended are as of dates of suspension, and deposits of noninsured nonmember banks are based on the latest data available at the time the suspensions were reported.  
 Back figures.—See Annual Report for 1937 (table 76).

**POSTAL SAVINGS SYSTEM**  
[In millions of dollars]

End of month	Depositors' balances <sup>1</sup>	Assets					Cash re-serve funds etc. <sup>2</sup>
		Total	Cash in depository banks	U. S. Government securities			
				Total	Direct	Guaranteed	
1934—June.....	1,198	1,225	695	453	418	35	76
Dec.....	1,207	1,237	540	597	467	130	100
1935—June.....	1,205	1,236	385	777	630	147	74
Dec.....	1,201	1,237	287	853	706	147	98
1936—June.....	1,232	1,265	203	967	800	167	95
Dec.....	1,260	1,296	145	1,058	892	167	93
1937—June.....	1,268	1,307	136	1,100	933	167	71
Dec.....	1,270	1,308	131	1,097	931	167	80
1938—June.....	1,252	1,290	115	1,103	936	167	73
Dec.....	1,252	1,291	86	1,132	965	166	73
1939—June.....	1,262	1,304	68	1,157	1,011	146	78
Dec.....	1,279	1,319	53	1,192	1,046	146	74
1940—June.....	1,293	1,337	43	1,224	1,078	146	69
Dec.....	1,304	1,348	36	1,224	1,078	146	88
1941—June.....	1,304	1,356	30	1,274	1,104	146	75
Dec.....	1,314	1,396	26	1,274	1,128	146	95
1942—June.....	1,316	1,525	24	1,272	1,146	126	229
Dec.....	1,417	1,464	16	1,345	1,220	126	102
1943—Jan.....	1,445	1,493	14	1,381	1,255	126	98
Feb.....	1,468	1,517	14	1,378	1,270	109	125
Mar.....	1,493	1,545	13	1,421	1,360	61	111
Apr.....	1,517	1,569	12	1,450	1,389	61	107
May.....	1,546	1,596	12	1,500	1,449	51	83
June.....	1,577	1,631	12	1,482	1,471	11	137
July.....	1,620	1,678	11	1,527	1,527	.....	140
Aug.....	1,660	1,719	11	1,588	1,588	.....	121
Sept.....	1,683	1,739	10	1,631	1,631	.....	97
Oct.....	P1,717	.....	.....	.....	.....	.....	.....
Nov.....	P1,753	.....	.....	.....	.....	.....	.....

<sup>2</sup> Preliminary.  
<sup>1</sup> Outstanding principal, represented by certificates of deposit. Does not include accrued interest or outstanding savings stamps.  
<sup>2</sup> Includes working cash with postmasters, 5 per cent reserve fund and miscellaneous working funds with the Treasurer of the United States, accrued interest on bond investments, and accounts due from late postmasters.  
 Back figures.—See BULLETIN for August 1935, pp. 501-502.

**BANK DEBITS**

Debits to deposit accounts except interbank accounts  
[In millions of dollars]

Year and month	Total, all reporting centers	New York City	140 other centers <sup>1</sup>	Other reporting centers <sup>2</sup>
1929.....	982,531	603,089	331,938	47,504
1937.....	469,463	197,836	235,206	36,421
1938.....	405,929	168,778	204,745	32,406
1939.....	423,932	171,382	218,298	34,252
1940.....	445,863	171,582	236,952	37,329
1941.....	537,343	197,724	293,925	45,694
1942.....	607,071	210,961	342,430	53,679
1942—October.....	58,334	19,823	32,131	6,380
November.....	53,773	18,512	29,489	5,772
December.....	68,822	25,897	36,077	6,848
1943—January.....	57,972	21,437	30,723	5,812
February.....	54,872	21,112	28,437	5,323
March.....	65,782	24,062	35,261	6,459
April.....	73,661	29,193	37,683	6,784
May.....	64,246	25,737	32,602	5,908
June.....	66,894	25,464	34,959	6,472
July.....	65,347	23,976	34,954	6,417
August.....	60,614	21,221	33,359	6,034
September.....	75,759	27,913	40,452	7,393
October.....	66,266	23,990	35,614	6,663
November.....	65,025	23,327	35,215	6,483

<sup>1</sup> Revised.  
<sup>2</sup> National series for which bank debit figures are available beginning with 1919.  
<sup>3</sup> Figure for 1929 includes 128 centers; for 1937-1942 annual figures include 133 centers; monthly figures include 193 centers.  
 NOTE.—See p. 717 of August 1943 BULLETIN for description of revision beginning with May 1942.  
 Back figures.—Annual Report for 1937, p. 157. Annual totals, beginning with 1919, by Federal Reserve districts and for individual centers, are available for distribution and will be furnished upon request.

## ALL BANKS IN THE UNITED STATES

Comprises all national banks in the continental United States and all State commercial banks, trust companies, mutual and stock savings banks and such private and industrial banks as are included in abstracts issued by State banking departments. Also includes, during the period June 1934-June 1935, private banks which, pursuant to the provisions of sec. 21 (a) of the Banking Act of 1933, submitted condition reports to the Comptroller of the Currency. Under the amended provision of sec. 21 (a) private banks no longer report to the Comptroller of the Currency. For comparative figures of private banks included in the figures from June 1934 to December 1935, see Federal Reserve *BULLETIN* for December 1935, p. 883, and July 1936, p. 535. Figures for nonmember banks are for dates indicated or nearest thereto for which figures are available.

NUMBER OF BANKS						DEPOSITS, EXCLUSIVE OF INTERBANK DEPOSITS <sup>1</sup> [In millions of dollars]							
Call date	Total	Member banks <sup>2</sup>			Nonmember banks		Call date	All banks	Member banks <sup>2</sup>			Nonmember banks	
		Total	National	State	Mutual savings banks	Other non-member banks			Total	National	State	Mutual savings banks	Other non-member banks
1929—June 29.....	25,110	8,707	7,530	1,177	611	15,792	1929—June 29.....	53,851	32,284	19,411	12,873	8,983	12,584
Dec. 31.....	24,630	8,522	7,403	1,119	609	15,499	Dec. 31.....	55,289	33,865	20,290	13,575	8,916	12,508
1933—June 30.....	14,519	5,606	4,897	709	576	8,337	1933—June 30.....	37,997	23,338	14,772	8,566	9,713	4,946
Dec. 30.....	15,011	6,011	5,154	857	579	8,421	Dec. 30.....	38,505	23,771	15,386	8,385	9,708	5,026
1938—June 30.....	15,287	6,338	5,242	1,096	563	8,386	1938—June 30.....	52,194	34,745	22,553	12,193	10,296	7,153
Dec. 31.....	15,206	6,338	5,224	1,114	556	8,312	Dec. 31.....	54,054	36,211	23,497	12,714	10,365	7,478
1939—June 30.....	15,082	6,330	5,203	1,127	553	8,199	1939—June 30.....	55,992	38,027	24,534	13,493	10,521	7,444
Dec. 30.....	15,037	6,362	5,187	1,175	552	8,123	Dec. 30.....	58,344	39,930	25,661	14,269	10,613	7,801
1940—June 29.....	14,953	6,398	5,164	1,234	551	8,004	1940—June 29.....	60,582	42,039	26,931	15,108	10,631	7,912
Dec. 31.....	14,895	6,486	5,144	1,342	551	7,858	Dec. 31.....	65,021	46,007	29,214	16,793	10,658	8,356
1941—June 30.....	14,855	6,556	5,130	1,426	547	7,752	1941—June 30.....	67,173	48,076	30,684	17,392	10,641	8,456
Dec. 31.....	14,825	6,619	5,117	1,502	545	7,661	Dec. 31.....	70,792	51,192	32,672	18,520	10,525	9,075
1942—June 30 <sup>6</sup> .....	14,775	6,647	5,101	1,546	544	7,584	1942—June 30 <sup>6</sup> .....	72,419	53,434	34,036	19,397	10,387	8,599
Dec. 31.....	14,682	6,679	5,081	1,598	543	7,460	Dec. 31.....	88,478	67,277	43,069	24,208	10,664	10,537
1943—June 30.....	14,618	6,703	5,060	1,643	542	7,373	1943—June 30.....	96,329	73,465	47,434	26,031	11,132	11,733

For footnotes see table below.

For footnotes see table below.

## LOANS AND INVESTMENTS

[In millions of dollars]

Call date	All banks			Member banks <sup>2</sup>			Nonmember banks					
	Total	Loans	Investments	Total	Loans	Investments	Mutual savings banks			Other nonmember banks		
							Total	Loans	Investments	Total	Loans	Investments
1929—June 29.....	58,474	41,531	16,943	35,711	25,658	10,052	9,556	5,892	3,664	13,207	9,981	3,227
Dec. 31.....	58,417	41,918	16,499	35,934	26,150	9,784	9,463	5,945	3,518	13,020	9,823	3,197
1933—June 30.....	40,076	22,203	17,872	24,786	12,858	11,928	10,044	5,941	4,103	5,246	3,404	1,841
Dec. 30.....	40,319	21,977	18,342	25,220	12,833	12,386	9,985	5,906	4,079	5,115	3,238	1,877
1938—June 30.....	47,381	21,130	26,252	30,721	12,938	17,783	10,196	4,961	5,235	6,465	3,231	3,234
Dec. 31.....	48,929	21,354	27,575	32,070	13,208	18,863	10,255	4,930	5,325	6,604	3,217	3,387
1939—June 30.....	49,616	21,318	28,299	32,603	13,141	19,462	10,342	4,931	5,411	6,671	3,245	3,425
Dec. 30.....	50,885	22,169	28,716	33,941	13,962	19,979	10,314	4,961	5,353	6,630	3,246	3,384
1940—June 29.....	51,335	22,341	28,995	34,451	13,969	20,482	10,188	4,926	5,262	6,696	3,445	3,251
Dec. 31.....	54,188	23,741	30,448	37,126	15,321	21,805	10,248	4,959	5,289	6,815	3,461	3,353
1941—June 30.....	57,945	25,312	32,633	40,659	16,729	23,930	10,314	4,955	5,360	6,972	3,628	3,344
Dec. 31.....	61,098	26,616	34,483	43,521	18,021	25,500	10,372	4,903	5,470	7,205	3,692	3,513
1942—June 30 <sup>6</sup> .....	64,009	25,081	38,928	46,800	16,928	29,872	10,353	4,819	5,534	6,856	3,333	3,522
Dec. 31.....	78,137	23,915	54,222	59,263	16,088	43,175	10,746	4,698	6,048	8,128	3,128	4,999
1943—June 30.....	87,881	22,241	65,640	67,155	14,823	52,332	11,241	4,579	6,661	9,487	2,840	6,647

<sup>1</sup> Prior to December 1933, member bank figures include interbank deposits not subject to immediate withdrawal, which aggregated \$103,000,000 on that date. Prior to June 1940, the nonmember bank figures on some call dates included some interbank deposits not shown separately in a few State bank abstracts.

<sup>2</sup> Includes, beginning June 30, 1941, two mutual savings banks in Wisconsin and one in Indiana.

<sup>3</sup> One bank (with deposits, excluding interbank deposits, of \$90,000,000 and total loans and investments of \$96,000,000 on Dec. 30, 1939) which, up to and including Dec. 30, 1939, was classified as a mutual savings bank, is now included in figures in the "Other nonmember banks" column.

<sup>4</sup> Prior to December 1938 the figures include loans and investments indirectly representing bank premises or other real estate, now reported separately in condition reports. The amounts of such loans and investments in December 1938 were approximately \$50,000,000 and \$100,000,000, respectively.

<sup>5</sup> Decreases in "Other nonmember banks" figures (and corresponding increases in member bank figures) reflect principally the admission to membership in the Federal Reserve System of one large bank with total loans and investments aggregating 472 million dollars on June 30, 1942.

<sup>6</sup> Beginning June 30, 1942, includes Bank of North Dakota, a nonmember bank not previously included in these statistics; on Dec. 31, 1941, its deposits, excluding interbank deposits, were \$32,642,000 and its loans and investments \$25,756,000.

*Back figures.*—See Annual Report for 1937 (tables 48-49).

CONDITION OF ALL MEMBER BANKS—LOANS AND INVESTMENTS

[In millions of dollars]

Call date	Total loans and investments	Loans							Investments								
		Total	Com- mercial, in- clud- ing open- mar- ket paper	Agricultural	Loans for purchasing or carrying securities		Real- estate loans	Consumer loans	Other loans	Total	U. S. Government obligations					Obligations of States and political subdivisions	Other securities
					To brokers and dealers	To others					Total	Direct					
												Bills	Cer- tificates of in- debted- ness	Notes	Bonds		
<i>Total—All Member Banks</i>																	
1938—Dec. 31.....	32,070	13,208	5,179	712	973	775	2,716	2,853	18,863	13,222	286	3,389	7,208	2,340	2,448	3,192	
1939—June 30.....	32,603	13,141	5,203	788	731	736	2,828	2,855	19,462	13,777	441	2,720	7,786	2,831	2,554	3,131	
Dec. 30.....	33,941	13,962	5,841	730	790	700	2,957	2,944	19,979	14,328	563	2,223	8,398	3,144	2,692	2,959	
1940—June 29.....	34,451	13,969	5,988	736	447	668	3,069	3,062	20,482	14,722	797	2,543	8,261	3,121	2,888	2,873	
Dec. 31.....	37,126	15,321	6,660	865	642	652	3,228	3,273	21,805	15,823	652	2,594	9,091	3,486	3,013	2,970	
1941—June 30.....	40,659	16,729	7,807	738	575	635	3,365	3,609	23,930	18,078	1,127	2,631	10,481	3,839	2,984	2,867	
Dec. 31.....	43,521	18,021	8,671	972	594	598	3,494	3,692	25,500	19,539	971	3,007	11,729	3,832	3,090	2,871	
1942—June 30.....	46,800	16,928	8,383	726	554	562	3,501	3,203	29,872	24,098	1,509	1,872	14,485	2,685	2,934	2,840	
Dec. 31.....	59,263	16,088	7,387	1,089	934	538	3,423	1,847	43,175	37,546	4,363	6,285	18,948	2,540	2,965	2,664	
1943—June 30.....	67,155	14,823	6,554	854	1,120	603	3,351	1,540	52,332	46,980	6,278	9,418	23,545	2,487	2,876	2,476	
Oct. 18.....	78,112	17,716							60,397	55,255					2,818	2,324	
<i>New York City<sup>1</sup></i>																	
1938—Dec. 31.....	8,335	3,262	1,594	5	787	220	121	535	5,072	3,857	158	1,142	1,663	894	517	698	
1939—June 30.....	8,688	2,988	1,602	5	555	215	130	481	5,700	4,483	168	908	2,284	1,123	480	736	
Dec. 30.....	9,339	3,296	1,888	7	611	188	133	469	6,043	4,772	315	797	2,385	1,275	579	693	
1940—June 29.....	9,829	3,014	1,905	6	320	188	137	458	6,815	5,486	421	1,092	2,650	1,324	634	695	
Dec. 31.....	10,910	3,384	2,125	6	465	190	130	468	7,527	6,044	277	1,245	2,977	1,615	695	788	
1941—June 30.....	12,493	3,778	2,503	3	422	186	129	536	8,715	7,268	507	1,526	3,415	1,751	651	796	
Dec. 31.....	12,896	4,072	2,807	8	412	169	123	554	8,823	7,265	311	1,623	3,652	1,679	729	830	
1942—June 30.....	14,019	4,066	2,841	9	430	167	121	499	9,953	8,550	402	1,746	4,572	1,166	623	781	
Dec. 31.....	17,957	4,116	2,546	21	787	193	117	303	13,841	12,547	1,855	2,144	2,056	5,420	1,071	593	
1943—June 30.....	18,982	4,009	2,274	24	955	240	113	264	14,974	13,887	1,985	2,818	1,656	6,454	974	484	
Oct. 18.....	22,137	5,373							16,764	15,734					486	544	
<i>City of Chicago<sup>1</sup></i>																	
1938—Dec. 31.....	1,969	539	335	17	43	70	12	62	1,430	1,114	59	291	655	109	141	176	
1939—June 30.....	2,052	544	344	19	39	71	12	60	1,507	1,175	185	234	621	135	154	179	
Dec. 30.....	2,105	569	383	6	41	66	13	60	1,536	1,203	153	176	701	172	162	170	
1940—June 29.....	2,205	603	432	8	23	61	16	62	1,602	1,258	254	161	710	134	177	167	
Dec. 31.....	2,377	696	492	5	42	54	19	84	1,681	1,307	297	145	752	112	188	186	
1941—June 30.....	2,707	846	630	5	36	55	20	101	1,861	1,483	417	125	803	138	190	188	
Dec. 31.....	2,760	954	732	6	48	52	22	96	1,806	1,430	256	153	903	119	182	193	
1942—June 30.....	3,116	906	712	3	29	50	22	90	2,210	1,858	357	181	1,068	90	164	188	
Dec. 31.....	3,973	832	658	6	34	32	23	62	3,141	2,789	397	637	391	1,282	83	166	
1943—June 30.....	4,332	784	612	2	40	41	23	51	3,548	3,167	473	795	399	1,424	75	209	
Oct. 18.....	5,045	1,023							4,022	3,693					164	172	
<i>Reserve City Banks</i>																	
1938—Dec. 31.....	11,654	4,963	2,063	207	119	242	1,230	1,101	6,691	5,018	57	1,224	2,997	740	808	866	
1939—June 30.....	11,756	5,004	2,022	234	115	221	1,284	1,128	6,751	4,991	78	1,014	3,010	889	895	866	
Dec. 30.....	12,272	5,329	2,256	221	119	222	1,335	1,177	6,943	5,194	63	819	3,339	972	890	860	
1940—June 29.....	12,160	5,365	2,290	176	87	210	1,372	1,230	6,795	4,947	87	839	3,052	969	981	868	
Dec. 31.....	13,013	5,931	2,589	263	115	207	1,436	1,322	7,081	5,204	103	771	3,281	1,049	984	893	
1941—June 30.....	14,013	6,498	3,081	175	100	198	1,477	1,466	7,515	5,700	73	606	3,858	1,162	979	836	
Dec. 31.....	15,347	7,105	3,456	300	114	194	1,527	1,512	8,243	6,467	295	751	4,248	1,173	956	820	
1942—June 30.....	16,535	6,564	3,318	152	78	177	1,524	1,315	9,971	8,188	579	981	5,149	806	925	858	
Dec. 31.....	20,915	6,102	2,957	290	97	153	1,486	808	14,813	13,038	1,441	2,253	1,723	6,810	811	954	
1943—June 30.....	24,677	5,533	2,652	205	107	157	1,465	670	19,144	17,417	2,626	3,529	1,828	8,576	837	942	
Oct. 18.....	28,826	6,539							22,287	20,616					938	733	
<i>Country Banks</i>																	
1938—Dec. 31.....	10,113	4,444	1,186	483	25	243	1,353	1,154	5,669	3,233	11	732	1,893	597	982	1,453	
1939—June 30.....	10,109	4,605	1,235	531	22	229	1,402	1,186	5,504	3,127	11	563	1,870	683	1,025	1,351	
Dec. 30.....	10,224	4,768	1,314	495	20	224	1,477	1,238	5,456	3,159	31	431	1,977	725	1,061	1,236	
1940—June 29.....	10,257	4,987	1,361	546	17	208	1,544	1,311	5,270	3,030	36	451	1,849	695	1,097	1,144	
Dec. 31.....	10,826	5,309	1,453	590	21	201	1,644	1,400	5,517	3,269	45	433	2,081	710	1,146	1,102	
1941—June 30.....	11,446	5,607	1,593	555	17	195	1,739	1,507	5,839	3,627	60	374	2,404	788	1,165	1,047	
Dec. 31.....	12,518	5,890	1,676	659	20	183	1,823	1,530	6,628	4,377	110	481	2,926	861	1,222	1,023	
1942—June 30.....	13,130	5,393	1,512	562	16	169	1,834	1,299	7,737	5,502	171	355	657	624	1,222	1,013	
Dec. 31.....	16,419	5,038	1,226	772	17	161	1,797	674	11,380	9,172	671	1,251	1,240	5,436	574	956	
1943—June 30.....	19,164	4,497	1,017	623	17	164	1,750	555	14,667	12,509	1,194	2,276	1,368	7,091	581	917	
Oct. 18.....	22,103	4,780							17,323	15,212					1,229	882	

<sup>1</sup> Central reserve city banks.

Back figures—See Annual Report for 1937 (tables 52-58).

CONDITION OF ALL MEMBER BANKS—RESERVES AND LIABILITIES

[In millions of dollars]

Call date	Reserves with Federal Reserve Banks	Cash in vault	Balances with domestic banks <sup>1</sup>	Demand deposits adjusted <sup>2</sup>	Demand deposits, except interbank				Time deposits, except interbank			Interbank deposits			Borrowings	Capital accounts
					Individuals, partnerships, and corporations	States and political subdivisions	Certified and officers' checks etc.	U. S. Government	Individuals, partnerships, and corporations	States and political subdivisions	U. S. Government and Postal Savings	Domestic banks		Foreign banks		
												Demand <sup>1</sup>	Time			
<i>Total—All Member Banks</i>																
1938—Dec. 31...	8,694	746	4,240	22,293	21,119	2,386	547	790	10,846	462	61	6,510	132	511	6	5,424
1939—June 30...	10,011	712	4,674	23,587	22,148	2,532	790	694	11,063	441	59	7,097	142	607	5	5,496
Dec. 30...	11,604	841	5,506	25,681	24,604	2,321	563	743	11,215	432	51	8,507	144	759	3	5,522
1940—June 29...	13,751	789	5,751	27,877	26,397	2,529	475	711	11,459	410	59	8,852	134	703	3	5,608
Dec. 31...	13,992	991	6,185	30,429	29,576	2,724	913	616	11,687	435	56	9,581	135	706	3	5,698
1941—June 30...	12,959	999	6,293	32,678	31,429	2,940	738	619	11,898	397	55	9,610	138	688	3	5,800
Dec. 31...	12,396	1,087	6,246	33,754	33,061	3,066	1,009	1,709	11,878	418	50	9,714	133	678	4	5,886
1942—June 30...	12,295	1,022	5,770	36,966	35,646	3,230	711	1,724	11,673	400	49	9,110	109	752	6	5,991
Dec. 31...	13,072	1,019	6,147	42,570	42,139	3,318	1,142	7,923	12,366	332	56	10,101	82	816	5	6,101
1943—June 30...	12,093	1,142	5,578	48,957	47,863	3,522	1,050	7,236	13,382	341	71	9,648	66	837	18	6,252
Oct. 18...	12,128	1,150	5,789	48,612	47,849	3,206	1,065	17,542	14,176	316	109	9,806	62	838	150	6,389
<i>New York City<sup>3</sup></i>																
1938—Dec. 31...	4,104	68	109	7,168	7,273	280	195	139	652	36	.....	2,687	.....	442	.....	1,592
1939—June 30...	4,975	61	112	8,012	8,281	288	472	94	653	46	.....	2,992	.....	524	.....	1,586
Dec. 30...	5,915	89	125	8,899	9,030	251	178	74	693	43	.....	3,542	1	695	.....	1,592
1940—June 29...	7,072	88	119	10,235	10,283	258	147	67	732	29	.....	3,840	.....	650	.....	1,599
Dec. 31...	7,057	102	122	11,062	11,357	370	471	48	768	51	.....	4,032	.....	646	.....	1,615
1941—June 30...	5,857	136	131	11,619	11,895	319	306	32	778	27	.....	3,948	.....	623	.....	1,625
Dec. 31...	5,105	93	141	10,761	11,282	319	450	866	778	29	.....	3,595	.....	612	.....	1,648
1942—June 30...	4,762	88	103	11,711	12,014	271	273	863	717	17	.....	3,284	.....	683	3	1,698
Dec. 31...	4,388	72	82	11,899	12,501	263	448	4,186	711	23	.....	3,209	.....	736	.....	1,727
1943—June 30...	3,473	92	52	13,543	14,001	249	404	2,820	755	21	.....	2,939	1	747	11	1,774
Oct. 18...	3,426	100	71	12,750	13,149	215	438	6,566	768	26	.....	2,914	1	760	120	1,808
<i>City of Chicago<sup>3</sup></i>																
1938—Dec. 31...	884	35	235	1,688	1,597	181	29	83	452	9	.....	658	.....	9	.....	257
1939—June 30...	897	26	235	1,666	1,565	197	22	60	471	17	.....	746	.....	12	.....	270
Dec. 30...	993	42	283	1,739	1,676	167	24	80	483	10	3	879	.....	9	.....	250
1940—June 29...	1,187	39	242	1,898	1,782	199	17	79	489	15	5	949	.....	7	.....	260
Dec. 31...	1,051	42	319	1,941	1,905	174	27	90	496	8	5	997	.....	8	.....	270
1941—June 30...	1,062	41	262	2,205	2,109	213	33	95	480	17	5	1,010	.....	8	.....	279
Dec. 31...	1,021	43	298	2,215	2,152	233	34	127	476	.....	.....	1,027	.....	8	.....	288
1942—June 30...	973	43	220	2,379	2,292	226	24	201	460	.....	.....	1,028	.....	10	.....	293
Dec. 31...	902	39	164	2,557	2,588	178	38	665	453	.....	.....	1,105	.....	12	.....	304
1943—June 30...	786	39	173	3,002	2,981	202	36	506	477	.....	.....	1,032	.....	13	.....	312
Oct. 18...	785	39	170	2,885	2,901	187	28	1,241	497	.....	.....	1,104	.....	13	.....	317
<i>Reserve City Banks</i>																
1938—Dec. 31...	2,354	321	1,940	7,214	7,034	796	170	424	4,233	269	17	2,719	108	57	.....	1,777
1939—June 30...	2,735	318	2,210	7,654	7,331	917	160	415	4,320	233	19	2,920	115	69	.....	1,812
Dec. 30...	3,118	348	2,485	8,176	8,002	813	190	435	4,362	230	14	3,516	117	53	.....	1,828
1940—June 29...	3,759	334	2,679	8,774	8,372	956	147	422	4,422	219	18	3,526	105	44	.....	1,873
Dec. 31...	4,027	396	2,741	9,581	9,468	995	228	327	4,506	226	19	3,919	106	51	.....	1,904
1941—June 30...	4,125	385	2,793	10,480	10,142	1,139	209	341	4,590	211	19	4,000	108	55	.....	1,940
Dec. 31...	4,060	425	2,590	11,117	11,127	1,144	286	491	4,542	243	20	4,302	103	55	.....	1,967
1942—June 30...	4,254	357	2,279	12,515	12,199	1,304	218	422	4,454	239	18	4,052	82	57	.....	1,985
Dec. 31...	4,940	365	2,202	14,849	15,061	1,319	385	1,982	4,805	169	22	4,831	62	65	2	2,028
1943—June 30...	4,848	395	1,892	17,403	17,276	1,452	333	2,383	5,265	172	31	4,749	48	73	.....	2,071
Oct. 18...	4,800	393	1,930	17,251	17,462	1,214	329	6,223	5,605	144	51	4,843	45	60	.....	2,112
<i>Country Banks</i>																
1938—Dec. 31...	1,353	322	1,956	6,224	5,215	1,128	154	143	5,509	147	44	446	23	2	6	1,798
1939—June 30...	1,403	307	2,117	6,255	5,272	1,130	135	136	5,619	145	40	439	26	2	5	1,828
Dec. 30...	1,578	363	2,614	6,866	5,896	1,090	172	154	5,677	140	35	571	26	2	3	1,851
1940—June 29...	1,733	328	2,711	6,969	5,960	1,115	164	143	5,816	147	37	538	29	2	3	1,876
Dec. 31...	1,857	452	3,002	7,845	6,846	1,184	187	151	5,917	150	33	633	29	2	3	1,909
1941—June 30...	1,914	437	3,106	8,374	7,282	1,269	190	151	6,049	143	31	652	30	2	3	1,936
Dec. 31...	2,210	526	3,216	9,661	8,500	1,370	239	225	6,082	146	31	790	30	2	4	1,982
1942—June 30...	2,306	533	3,168	10,360	9,141	1,429	196	237	6,042	143	31	747	27	3	3	2,014
Dec. 31...	2,842	542	3,699	13,265	11,989	1,558	272	1,090	6,397	140	32	957	20	4	7	2,042
1943—June 30...	2,987	616	3,462	15,009	13,604	1,619	277	1,527	6,886	148	37	928	17	4	7	2,094
Oct. 18...	3,116	619	3,618	15,726	14,336	1,590	271	3,512	7,306	146	51	945	16	4	25	2,151

<sup>1</sup> Beginning June 30, 1942, excludes reciprocal bank balances which on that date aggregated \$600,000,000.  
<sup>2</sup> Demand deposits other than interbank and U. S. Government, less cash items reported as in process of collection.  
<sup>3</sup> Central reserve city banks.  
 Back figures—See Annual Report for 1937 (tables 52-58).





**WEEKLY REPORTING MEMBER BANKS—NEW YORK CITY AND OUTSIDE**  
**RESERVES AND LIABILITIES**

[Monthly data are averages of Wednesday figures. In millions of dollars]

Date or month	Re-serves with Federal Reserve Banks	Cash in vault	Balances with domestic banks	Demand deposits adjusted <sup>1</sup>	Demand deposits, except interbank				Time deposits, except interbank			Interbank deposits		Bor-rows	Cap-ital ac-counts	Bank deb-its <sup>2</sup>	
					Indivi-duals, part-nerships, and cor-porations	States and polit-ical sub-divisions	Certi-fied and offi-cers' checks etc.	U. S. Gov-ernment	Indivi-duals, part-nerships, and cor-porations	States and polit-ical sub-divisions	U. S. Gov-ernment and Postal Sav-ings	Domestic banks					For-ign banks
												Demand	Time				
<i>Total 101 Cities</i>																	
1942—November	9,296	518	2,711	29,361	29,236	1,912	553	2,031	5,117	103	25	9,200	68	697	6	4,004	10,192
1943—July	8,667	533	2,300	33,108	33,159	1,807	681	5,255	5,611	118	40	8,767	49	777	51	4,133	11,470
August	8,879	520	2,231	34,250	34,159	1,830	614	4,748	5,742	119	41	8,643	48	786	42	4,158	11,092
September	9,063	546	2,314	33,418	33,629	1,775	734	7,326	5,781	122	48	8,984	48	783	69	4,171	13,501
October	8,295	553	2,270	31,062	31,459	1,656	693	12,639	5,796	118	58	8,725	49	772	58	4,190	12,042
November	8,509	548	2,230	32,416	32,706	1,757	710	10,998	5,889	118	61	8,747	45	785	56	4,218	12,074
1943—Oct. 6	8,200	539	2,208	30,322	30,395	1,682	598	12,203	5,770	118	57	8,725	49	773	39	4,186	12,617
Oct. 13	8,267	574	2,293	32,732	31,652	1,622	809	12,204	5,784	117	58	8,835	48	760	50	4,189	9,987
Oct. 20	8,321	541	2,314	31,366	31,718	1,621	729	13,470	5,802	118	59	8,718	50	776	107	4,190	13,294
Oct. 27	8,392	559	2,265	31,817	32,069	1,699	635	12,680	5,829	117	59	8,620	48	781	37	4,197	12,270
Nov. 3	8,354	543	2,233	31,774	32,039	1,834	656	12,110	5,859	118	60	8,771	47	793	56	4,211	12,493
Nov. 10	8,472	547	2,236	32,039	32,226	1,749	778	11,401	5,882	117	61	8,753	45	784	43	4,218	11,955
Nov. 17	8,521	553	2,297	32,649	33,124	1,713	669	10,610	5,902	118	61	8,902	44	772	61	4,222	11,739
Nov. 24	8,689	549	2,156	33,201	33,434	1,731	739	9,870	5,913	118	63	8,561	44	792	64	4,222	12,110
Dec. 1	8,785	545	2,194	33,651	33,970	1,766	951	9,068	5,929	114	63	8,710	43	792	76	4,236	11,808
Dec. 8	8,789	575	2,155	34,075	34,147	1,717	721	7,921	5,957	119	64	8,668	44	801	118	4,240	11,624
Dec. 15	8,983	593	2,284	34,750	35,287	1,708	920	7,280	5,982	117	64	8,843	43	782	125	4,255	13,267
Dec. 22	8,788	610	2,171	34,185	34,521	1,716	831	7,088	6,003	116	64	8,667	43	809	131	4,243	14,036
Dec. 29	8,776	601	2,163	33,895	34,297	1,696	912	7,231	6,037	118	64	8,549	43	824	114	4,249	12,183
<i>New York City</i>																	
1942—November	3,698	82	27	11,526	11,733	309	301	1,080	652	18	.....	3,191	.....	622	4	1,567	3,865
1943—July	3,220	85	26	12,456	12,768	213	378	2,201	688	18	.....	2,864	1	692	45	1,615	4,693
August	3,360	82	24	13,090	13,379	200	337	1,895	697	20	.....	2,788	1	704	29	1,632	4,317
September	3,362	85	24	12,548	12,899	205	371	3,196	698	22	2	2,899	1	704	55	1,632	5,452
October	3,021	89	26	11,431	11,790	195	379	5,444	696	21	4	2,753	1	695	52	1,637	4,822
November	3,115	93	26	11,917	12,257	254	402	4,639	710	23	5	2,742	1	709	40	1,649	4,853
1943—Oct. 6	2,964	85	24	11,201	11,431	215	295	5,303	697	21	4	2,732	1	695	33	1,637	5,013
Oct. 13	3,017	95	26	11,325	11,820	201	484	5,280	693	21	4	2,772	1	684	40	1,637	3,775
Oct. 20	3,046	87	27	11,528	11,882	179	403	5,781	692	22	4	2,765	1	697	101	1,638	5,479
Oct. 27	3,057	89	28	11,670	12,027	185	333	5,413	700	22	4	2,742	1	705	34	1,637	5,021
Nov. 3	3,073	92	23	11,642	12,041	281	356	5,129	708	23	4	2,778	1	718	41	1,648	4,940
Nov. 10	3,120	95	25	11,798	12,080	253	471	4,806	714	23	5	2,740	1	707	36	1,649	5,023
Nov. 17	3,101	90	27	12,010	12,362	241	350	4,471	714	23	5	2,794	1	697	40	1,650	4,569
Nov. 24	3,166	94	28	12,219	12,545	239	433	4,150	706	23	5	2,655	1	714	44	1,650	4,881
Dec. 1	3,210	88	25	12,387	12,823	236	585	3,794	712	20	5	2,759	1	713	38	1,656	4,770
Dec. 8	3,198	97	26	12,557	12,834	216	394	3,309	719	20	5	2,702	1	724	91	1,659	4,690
Dec. 15	3,323	100	32	12,809	13,235	212	503	3,023	730	20	5	2,794	1	704	97	1,676	5,544
Dec. 22	3,242	105	30	12,641	12,991	194	442	2,946	732	20	5	2,739	1	729	84	1,668	5,814
Dec. 29	3,275	99	34	12,566	12,964	194	510	2,992	737	21	5	2,764	1	740	70	1,668	4,974
<i>Outside New York City</i>																	
1942—November	5,598	436	2,684	17,835	17,503	1,603	252	951	4,465	85	25	6,009	68	75	2	2,437	6,327
1943—July	5,447	448	2,274	20,652	20,391	1,594	303	3,054	4,923	100	40	5,903	48	85	6	2,518	6,780
August	5,519	438	2,207	21,160	20,780	1,630	277	2,853	5,045	99	41	5,855	47	82	13	2,526	6,775
September	5,701	461	2,290	20,870	20,730	1,570	363	4,130	5,083	100	46	6,085	47	79	14	2,539	8,049
October	5,274	464	2,244	19,631	19,669	1,461	314	7,195	5,100	97	54	5,972	48	77	6	2,553	7,220
November	5,394	455	2,204	20,499	20,449	1,503	308	6,359	5,179	95	56	6,005	44	76	16	2,569	7,221
1943—Oct. 6	5,236	454	2,184	19,121	18,964	1,467	303	6,900	5,073	97	53	5,993	48	78	6	2,549	7,604
Oct. 13	5,250	479	2,267	19,417	19,832	1,421	325	6,924	5,091	96	54	6,063	47	76	10	2,552	6,212
Oct. 20	5,275	454	2,287	19,838	19,836	1,442	326	7,689	5,110	96	55	5,953	49	79	6	2,552	7,815
Oct. 27	5,335	470	2,237	20,147	20,042	1,514	302	7,267	5,129	95	55	5,878	47	76	3	2,560	7,249
Nov. 3	5,281	451	2,210	20,132	19,998	1,553	300	6,981	5,151	95	56	5,993	46	75	15	2,563	7,553
Nov. 10	5,352	452	2,211	20,241	20,146	1,496	307	6,595	5,168	94	56	6,013	44	77	7	2,569	6,932
Nov. 17	5,420	463	2,270	20,639	20,762	1,472	319	6,139	5,188	95	56	6,108	43	75	21	2,572	7,170
Nov. 24	5,523	455	2,128	20,982	20,889	1,492	306	5,720	5,207	95	58	5,906	43	78	20	2,572	7,229
Dec. 1	5,575	457	2,169	21,264	21,147	1,530	366	5,274	5,217	94	58	5,951	42	79	38	2,580	7,038
Dec. 8	5,591	478	2,129	21,518	21,313	1,501	327	4,612	5,238	99	59	5,966	43	77	27	2,581	6,934
Dec. 15	5,660	493	2,252	21,941	22,052	1,496	417	4,257	5,252	97	59	6,049	42	78	28	2,579	7,723
Dec. 22	5,546	505	2,141	21,544	21,530	1,522	389	4,142	5,271	96	59	5,928	42	80	47	2,575	8,222
Dec. 29	5,501	502	2,129	21,329	21,333	1,502	402	4,239	5,300	97	59	5,785	42	84	44	2,581	7,209

<sup>7</sup> Revised.

<sup>1</sup> Demand deposits other than interbank and U. S. Government, less cash items reported as in process of collection.

<sup>2</sup> Debits to demand deposit accounts except interbank and U. S. Government accounts.

**WEEKLY REPORTING MEMBER BANKS—BY FEDERAL RESERVE DISTRICTS**  
**LOANS AND INVESTMENTS**  
 [In millions of dollars]

Federal Reserve district and date (1943)	Total loans and investments	Loans						Investments										
		Total	Commercial, industrial, and agricultural	Loans for purchasing or carrying securities		Real-estate loans	Loans to banks	Other loans	Total	U. S. Government obligations						Other securities		
				To brokers and dealers	To others					Total	Bills	Certificates of indebtedness	Notes	Bonds	Guaranteed			
<b>Boston (6 cities)</b>																		
Dec. 1	2,760	635	404	29	14	67	5	116	2,125	2,036	196	630	216	941	53	89		
Dec. 8	2,704	628	405	23	14	67	5	114	2,076	1,989	172	608	215	941	53	87		
Dec. 15	2,676	630	408	25	14	67	2	114	2,046	1,961	169	601	208	930	53	85		
Dec. 22	2,675	627	407	22	14	67	2	115	2,048	1,963	174	598	208	930	53	85		
Dec. 29	2,649	622	402	22	14	67	2	115	2,027	1,944	164	588	208	930	54	83		
<b>New York (8 cities)*</b>																		
Dec. 1	20,468	4,645	2,564	1,134	352	177	54	364	15,823	14,869	1,491	3,544	1,905	6,984	945	954		
Dec. 8	20,151	4,591	2,575	1,108	317	176	53	362	15,560	14,609	1,313	3,511	1,905	6,956	924	951		
Dec. 15	20,153	4,658	2,563	1,146	296	176	111	366	15,475	14,508	1,343	3,438	1,849	6,942	936	967		
Dec. 22	19,913	4,649	2,599	1,105	286	174	101	384	15,264	14,296	1,205	3,366	1,830	6,953	942	968		
Dec. 29	19,892	4,537	2,575	1,049	321	174	53	365	15,355	14,386	1,289	3,355	1,823	6,974	945	969		
<b>Philadelphia (4 cities)</b>																		
Dec. 1	2,276	440	241	43	11	41		104	1,836	1,657	177	392	168	849	71	179		
Dec. 8	2,235	441	242	43	11	41	1	103	1,794	1,617	152	376	167	851	71	177		
Dec. 15	2,233	449	250	44	11	41		103	1,784	1,607	169	345	163	859	71	177		
Dec. 22	2,179	452	255	41	11	41		104	1,727	1,551	136	323	159	862	71	176		
Dec. 29	2,187	451	255	41	10	40		105	1,736	1,561	150	319	156	865	71	175		
<b>Cleveland (10 cities)</b>																		
Dec. 1	4,103	894	422	101	25	170	22	154	3,209	2,964	326	604	367	1,561	106	245		
Dec. 8	4,082	879	417	99	24	169	16	154	3,203	2,958	315	607	368	1,564	104	245		
Dec. 15	4,074	856	418	96	22	169		151	3,218	2,973	313	620	367	1,574	99	245		
Dec. 22	4,057	861	425	95	22	168		151	3,196	2,952	282	632	366	1,573	99	244		
Dec. 29	4,009	851	422	88	18	167		156	3,158	2,914	244	632	363	1,574	99	244		
<b>Richmond (12 cities)</b>																		
Dec. 1	1,633	278	130	5	28	50	2	63	1,355	1,299	139	268	171	676	45	56		
Dec. 8	1,621	276	131	4	27	50	2	62	1,345	1,289	135	266	170	673	45	56		
Dec. 15	1,618	276	134	5	24	50	2	61	1,342	1,286	132	266	169	674	45	56		
Dec. 22	1,591	280	138	5	24	49	2	62	1,311	1,255	109	263	168	672	43	56		
Dec. 29	1,585	280	138	5	24	50	2	61	1,305	1,249	118	252	168	670	41	56		
<b>Atlanta (8 cities)</b>																		
Dec. 1	1,552	363	209	10	33	27	1	83	1,189	1,074	59	295	209	461	50	115		
Dec. 8	1,552	361	211	10	30	28	1	81	1,191	1,076	59	294	208	465	50	115		
Dec. 15	1,546	366	216	10	29	29	1	81	1,180	1,067	55	290	206	467	49	113		
Dec. 22	1,527	367	219	9	28	28	1	82	1,160	1,047	42	282	201	473	49	113		
Dec. 29	1,489	365	221	8	27	29	1	79	1,124	1,011	33	258	200	471	49	113		
<b>Chicago (12 cities)*</b>																		
Dec. 1	7,811	1,475	1,053	89	78	138	1	116	6,336	5,824	659	1,584	776	2,590	215	512		
Dec. 8	7,687	1,474	1,053	89	77	138	1	116	6,208	5,702	579	1,584	772	2,589	216	506		
Dec. 15	7,689	1,474	1,055	89	74	138	1	117	6,215	5,710	592	1,538	762	2,606	212	505		
Dec. 22	7,569	1,469	1,072	82	61	137	1	116	6,100	5,596	484	1,531	762	2,609	210	504		
Dec. 29	7,570	1,454	1,061	81	58	137	1	116	6,116	5,613	508	1,518	767	2,608	212	503		
<b>St. Louis (5 cities)</b>																		
Dec. 1	1,569	410	253	7	10	64	2	74	1,159	1,047	78	266	148	521	34	112		
Dec. 8	1,556	411	254	7	10	64	3	73	1,147	1,035	70	261	148	521	35	112		
Dec. 15	1,554	413	258	7	10	64	3	71	1,141	1,030	68	261	145	522	34	111		
Dec. 22	1,541	417	259	7	13	64	2	72	1,124	1,013	51	261	143	524	34	111		
Dec. 29	1,531	415	258	7	13	64	2	71	1,116	1,005	47	261	143	520	34	111		
<b>Minneapolis (8 cities)</b>																		
Dec. 1	1,007	196	115	2	7	14	1	57	811	760	89	192	95	355	29	51		
Dec. 8	1,002	195	116	3	4	14	1	57	807	755	81	189	96	360	29	52		
Dec. 15	999	194	116	3	4	14	1	56	805	753	79	189	96	360	29	52		
Dec. 22	973	195	117	2	5	14	2	55	778	730	50	190	96	365	29	48		
Dec. 29	964	192	116	2	4	14	2	54	772	722	44	187	96	366	29	50		
<b>Kansas City (12 cities)</b>																		
Dec. 1	1,738	357	241	6	12	40		58	1,381	1,237	159	319	234	492	53	124		
Dec. 8	1,733	354	240	5	11	41		57	1,379	1,254	150	322	234	495	53	125		
Dec. 15	1,737	358	244	5	11	40		58	1,379	1,254	148	325	229	499	53	125		
Dec. 22	1,721	356	242	5	12	40		57	1,365	1,238	136	323	229	497	53	127		
Dec. 29	1,676	354	241	5	11	40		57	1,322	1,198	116	313	226	493	50	124		
<b>Dallas (9 cities)</b>																		
Dec. 1	1,360	321	220	3	21	20		57	1,039	986	106	277	146	412	45	53		
Dec. 8	1,360	322	221	3	21	20		57	1,038	986	105	278	146	411	46	52		
Dec. 15	1,358	324	223	3	21	20		57	1,034	983	102	281	145	409	46	51		
Dec. 22	1,345	329	223	3	24	20		59	1,016	966	91	278	144	407	46	50		
Dec. 29	1,338	332	224	3	26	20		59	1,006	955	93	275	144	398	45	51		
<b>San Francisco (7 cities)</b>																		
Dec. 1	4,889	1,011	527	18	44	317	1	104	3,878	3,568	439	794	429	1,776	130	310		
Dec. 8	4,855	994	530	17	29	315		103	3,861	3,553	423	800	428	1,771	131	308		
Dec. 15	4,892	994	525	17	31	315		106	3,898	3,590	445	803	427	1,785	130	308		
Dec. 22	4,859	995	530	17	31	306		111	3,864	3,562	438	797	427	1,771	129	302		
Dec. 29	4,844	986	524	17	30	306		109	3,858	3,551	432	792	424	1,774	129	307		
<b>City of Chicago*</b>																		
Dec. 1	4,808	1,005	779	80	68	23	1	54	3,803	3,480	359	945	510	1,596	70	323		
Dec. 8	4,724	1,004	778	81														

**WEEKLY REPORTING MEMBER BANKS—BY FEDERAL RESERVE DISTRICTS**  
**RESERVES AND LIABILITIES**  
(In millions of dollars)

Federal Reserve district and date (1943)	Reserves with Federal Reserve Banks	Cash in vault	Balances with domestic banks	Demand deposits adjusted <sup>1</sup>	Demand deposits, except interbank				Time deposits, except interbank				Interbank deposits			Borrowings	Capital accounts	Bank deb-its*
					Individuals, partnerships, and corporations	States and political subdivisions	Certified and officers' checks etc.	U. S. Government	Individuals, partnerships, and corporations	States and political subdivisions	U. S. Government and Postal Savings	Domestic banks		Foreign banks				
												Demand	Time					
<i>Boston (6 Cities)</i>																		
Dec. 1	413	60	112	1,999	1,970	119	28	560	269		2	284	17	2	262	623		
Dec. 8	432	63	110	2,030	1,994	108	27	487	270		2	282	18	6	263	594		
Dec. 15	433	65	126	2,050	2,039	105	31	447	270	1	2	288	18	6	260	650		
Dec. 22	435	67	122	2,048	2,033	103	31	436	271	1	2	297	18	9	259	671		
Dec. 29	452	66	125	2,025	2,016	100	36	443	272	1	2	309	18	4	260	619		
<i>New York (8 cities)*</i>																		
Dec. 1	3,455	121	123	13,622	13,906	425	627	4,023	1,135	22	12	2,826	4	716	41	1,789	5,131	
Dec. 8	3,442	133	119	13,797	13,926	396	422	3,509	1,143	22	12	2,767	4	725	92	1,792	5,031	
Dec. 15	3,553	137	138	14,081	14,375	392	534	3,207	1,156	22	12	2,859	4	706	98	1,809	5,902	
Dec. 22	3,477	143	137	13,911	14,108	381	472	3,126	1,159	22	12	2,800	4	730	85	1,801	6,219	
Dec. 29	3,500	136	155	13,843	14,087	378	553	3,177	1,167	22	12	2,831	4	742	70	1,802	5,320	
<i>Philadelphia (4 cities)</i>																		
Dec. 1	380	29	89	1,640	1,688	54	20	448	161	2		336	6	5	226	452		
Dec. 8	386	31	77	1,660	1,700	47	19	389	162	3		329	6	2	227	524		
Dec. 15	388	31	86	1,685	1,746	48	32	357	163	3		335	6	8	226	597		
Dec. 22	377	32	85	1,639	1,686	60	27	348	164	2		331	7		226	622		
Dec. 29	377	32	90	1,635	1,674	64	34	364	165	3		328	7		226	509		
<i>Cleveland (10 cities)</i>																		
Dec. 1	698	69	219	2,800	2,844	114	60	578	805	48		486	10	2	427	773		
Dec. 8	679	72	205	2,830	2,847	112	53	500	808	48		475	10	2	426	748		
Dec. 15	727	77	220	2,901	2,959	115	72	465	809	48		491	10	2	427	892		
Dec. 22	707	77	202	2,862	2,902	112	74	455	812	48		478	10	2	426	987		
Dec. 29	718	72	206	2,809	2,882	115	62	466	819	48		478	10	2	427	888		
<i>Richmond (12 Cities)</i>																		
Dec. 1	276	36	139	1,050	1,046	75	19	285	226	2	7	388	7	1	112	339		
Dec. 8	278	37	146	1,076	1,069	75	17	250	226	2	8	397	7	1	2	112	330	
Dec. 15	277	37	159	1,098	1,095	75	27	230	226	2	8	404	7	1	2	112	375	
Dec. 22	270	39	147	1,068	1,072	80	25	225	227	2	8	387	7	1	2	112	406	
Dec. 29	278	40	130	1,064	1,064	78	20	228	228	2	8	379	7	1	1	112	345	
<i>Atlanta (8 cities)</i>																		
Dec. 1	290	24	162	982	945	140	9	241	239	2	4	466	1	4	10	108	316	
Dec. 8	287	25	159	905	968	134	9	211	239	2	4	471	1	3	8	108	315	
Dec. 15	285	26	152	1,010	994	134	10	195	239	2	4	470	1	4	3	108	352	
Dec. 22	283	28	135	984	950	139	10	190	241	2	4	460	1	4	5	107	403	
Dec. 29	278	28	149	974	942	138	8	191	242	3	4	439	1	4	6	107	320	
<i>Chicago (12 cities)*</i>																		
Dec. 1	1,362	92	392	5,221	5,133	389	64	1,316	1,170	3	8	1,480	5	15		491	1,950	
Dec. 8	1,366	99	388	5,263	5,158	374	58	1,155	1,175	3	8	1,469	5	16		492	1,848	
Dec. 15	1,382	103	404	5,342	5,339	358	76	1,071	1,181	3	8	1,501	5	15		489	2,106	
Dec. 22	1,349	105	392	5,213	5,200	357	64	1,045	1,185	3	8	1,468	5	16	7	489	2,137	
Dec. 29	1,305	103	383	5,172	5,169	353	67	1,080	1,187	3	8	1,423	5	18	6	491	1,943	
<i>St. Louis (5 cities)</i>																		
Dec. 1	278	19	112	917	961	61	13	224	214		5	508	1	16	109	355		
Dec. 8	282	20	111	937	977	68	11	196	215		5	515	1	8	109	320		
Dec. 15	294	20	113	955	1,015	63	14	180	216		5	522	1	8	109	379		
Dec. 22	279	22	115	930	980	62	12	176	216		5	518	1	15	109	412		
Dec. 29	280	20	109	921	982	59	11	177	218		5	511	1	12	109	328		
<i>Minneapolis (8 cities)</i>																		
Dec. 1	169	10	74	618	591	78	12	173	127		1	273	5		72	248		
Dec. 8	173	10	71	632	607	81	9	151	128		1	276	5		72	239		
Dec. 15	176	10	77	646	625	78	9	138	128		1	280	5		72	244		
Dec. 22	173	10	75	626	602	78	12	134	128		1	272	5		73	273		
Dec. 29	172	11	74	627	601	78	11	136	129		1	257	5	1	73	223		
<i>Kansas City (12 cities)</i>																		
Dec. 1	383	21	283	1,133	1,143	112	16	224	170	1	3	779	5	2	124	408		
Dec. 8	376	22	279	1,131	1,148	105	15	198	171	1	3	791	6		125	402		
Dec. 15	378	22	283	1,170	1,204	108	16	182	171	1	3	778	5		125	431		
Dec. 22	367	22	278	1,132	1,158	116	16	177	171	1	3	781	5	7	125	517		
Dec. 29	374	23	265	1,110	1,118	116	19	181	172	1	3	741	5	15	126	451		
<i>Dallas (9 cities)</i>																		
Dec. 1	294	20	218	1,034	1,042	58	15	197	147	8	3	426	2		100	282		
Dec. 8	293	22	227	1,045	1,051	63	15	174	148	9	3	446	2		97	288		
Dec. 15	302	22	238	1,071	1,097	59	22	161	148	9	3	450	2		101	326		
Dec. 22	295	23	220	1,048	1,076	50	24	158	149	9	3	437	3		101	379		
Dec. 29	280	25	219	1,035	1,045	53	24	161	150	9	3	426	2		101	304		
<i>San Francisco (7 cities)</i>																		
Dec. 1	787	44	271	2,635	2,701	141	68	799	1,266	26	18	458	11	23	416	931		
Dec. 8	795	41	263	2,669	2,702	154	66	701	1,272	29	18	450	11	22	417	985		
Dec. 15	788	43	288	2,741	2,799	173	77	647	1,275	26	18	465	11	22	417	1,013		
Dec. 22	776	42	263	2,724	2,754	178	64	618	1,280	26	18	438	11	22	415	1,010		
Dec. 29	762	45	258	2,680	2,717	164	67	627	1,288	26	18	427	11	24	415	933		
<i>City of Chicago*</i>																		
Dec. 1	847	38	177	3,151	3,156	189	31	853	505		2	1,047	13		322	1,130		
Dec. 8	847	41	185	3,194	3,174	183	28	744	508		2	1,037	13		323	1,158		
Dec. 15	866	40	183	3,215	3,254	176	40	691	514		2	1,057	13		320	1,274		
Dec. 22	837	44	174	3,129	3,153	178	27	674	516		2	1,034	13		320	1,246		
Dec. 29	817	42	165	3,101	3,149	165	33	697	513		2	997	16		321	1,162		

\* See note on preceding page.

<sup>1</sup> Demand deposits other than interbank and U. S. Government, less cash items reported as in process of collection.

<sup>2</sup> Debits to demand deposit accounts except interbank and U. S. Government accounts.

COMMERCIAL PAPER AND BANKERS' ACCEPTANCES OUTSTANDING

[In millions of dollars]

End of month	Commer- cial paper out- standing <sup>1</sup>	Dollar acceptances outstanding									
		Total out- standing	Held by				Based on				
			Accepting banks			Others <sup>2</sup>	Imports into United States	Exports from United States	Dollar exchange	Goods stored in or shipped between points in	
			Total	Own bills	Bills bought					United States	Foreign countries
1942—August.....	297	139	108	71	37	31	78	8	(3)	41	11
September.....	282	123	97	64	33	26	66	6	(3)	41	10
October.....	271	119	94	63	31	25	60	6	(3)	40	12
November.....	261	116	90	61	29	26	57	6	(3)	39	12
December.....	230	118	93	60	34	25	57	9	(3)	38	14
1943—January.....	220	120	95	60	35	24	57	12	(3)	38	12
February.....	209	127	102	64	38	25	60	14	(3)	41	12
March.....	201	130	101	62	39	29	69	12	(3)	39	10
April.....	179	128	99	61	38	29	71	9	(3)	38	11
May.....	160	136	105	65	40	31	79	8	(3)	37	12
June.....	143	140	102	62	40	38	82	10	(3)	36	12
July.....	150	139	102	64	38	36	81	12	(3)	35	10
August.....	156	130	94	59	36	36	77	10	(3)	33	11
September.....	170	117	84	50	33	33	69	7	(3)	30	11
October.....	188	115	88	48	39	27	67	9	(3)	29	10
November.....	202	111	88	53	35	23	59	11	(3)	31	9

<sup>1</sup> As reported by dealers; includes some finance company paper sold in open market.

<sup>2</sup> None held by Federal Reserve Banks.

<sup>3</sup> Less than \$500,000.

Back figures.—See Annual Report for 1937 (table 70).

CUSTOMERS' DEBIT BALANCES, MONEY BORROWED, AND PRINCIPAL RELATED ITEMS OF STOCK EXCHANGE FIRMS CARRYING MARGIN ACCOUNTS

[Member firms of New York Stock Exchange. Ledger balances in millions of dollars]

End of month	Debit balances				Credit balances					
	Customers' debit balances (net) <sup>1</sup>	Debit balances in partners' investment and trading accounts	Debit balances in firm investment and trading accounts	Cash on hand and in banks	Money borrowed <sup>2</sup>	Customers' credit balances <sup>1</sup>		Other credit balances		
						Free	Other (net)	In partners' investment and trading accounts	In firm investment and trading accounts	In capital accounts (net)
1936—June.....	1,267	67	164	219	985	276	86	24	14	420
December.....	1,395	64	164	249	1,048	342	103	30	12	424
1937—June.....	1,489	55	161	214	1,217	266	92	25	13	397
December.....	985	34	108	232	688	278	85	26	10	355
1938—June.....	774	27	88	215	495	258	89	22	11	298
December.....	991	32	106	190	754	247	60	22	5	305
1939—June.....	834	25	73	178	570	230	70	21	6	280
December.....	906	16	78	207	637	266	69	23	7	277
1940—June.....	653	12	58	223	376	267	62	22	5	269
December.....	677	12	99	204	427	281	54	22	5	247
1941—June.....	616	11	89	186	395	255	65	17	7	222
December.....	600	8	86	211	368	289	63	17	5	213
1942—June.....	496	9	86	180	309	240	56	16	4	189
1942—November.....	*520				*320	*250				
December.....	543	7	154	160	378	270	54	15	4	182
1943—January.....	*540				*290	*280				
February.....	*550				*320	*310				
March.....	*610				*350	*320				
April.....	*670				*570	*330				
May.....	*740				*550	*330				
June.....	761	9	190	167	529	334	66	15	7	212
July.....	*780				*530	*340				
August.....	*740				*490	*340				
September.....	*770				*770	*320				
October.....	*780				*740	*330				
November.....	*740				*600	*340				

\* Estimated. Complete reports now collected semi-annually; monthly figures for three items estimated on basis of reports from a small number of large firms.

<sup>1</sup> Excluding balances with reporting firms (1) of member firms of New York Stock Exchange and other national securities exchanges and (2) of firms' own partners.

<sup>2</sup> Includes money borrowed from banks and also from other lenders (not including member firms of national securities exchanges).

NOTE.—For explanation of these figures see "Statistics on Margin Accounts" in BULLETIN for September 1936. The article describes the method by which the figures are derived and reported, distinguishes the table from a "statement of financial condition," and explains that the last column is not to be taken as representing the actual net capital of the reporting firms.

Back figures.—See BULLETIN for March 1938, p. 196, and (for data in detail) Annual Report for 1937 (table 69).

**OPEN-MARKET MONEY RATES IN NEW YORK CITY**  
(Per cent per annum)

Year, month, or week	Prime commercial paper, 4- to 6-months <sup>1</sup>	Prime bankers' acceptances, 90 days <sup>1</sup>	Stock exchange call loan renewals <sup>2</sup>	Yields on U. S. Government securities		
				3-month bills <sup>3</sup>	9- to 12-month certificates of indebtedness	3- to 5-year taxable notes
1940 average.....	.56	.44	1.00	.014		
1941 average.....	.54	.44	1.00	.103		.76
1942 average.....	.66	.44	1.00	.326		1.13
1942—November.....	.69	.44	1.00	.371	.80	1.34
December.....	.69	.44	1.00	.363	.80	1.34
1943—January.....	.69	.44	1.00	.367	.76	1.29
February.....	.69	.44	1.00	.372	.73	1.24
March.....	.69	.44	1.00	.373	.75	1.33
April.....	.69	.44	1.00	.373	.78	1.39
May.....	.69	.44	1.00	.373	.78	1.36
June.....	.69	.44	1.00	.374	.70	1.32
July.....	.69	.44	1.00	.374	.68	1.30
August.....	.69	.44	1.00	.375	.75	1.29
September.....	.69	.44	1.00	.375	.77	1.31
October.....	.69	.44	1.00	.375	.78	1.31
November.....	.69	.44	1.00	.375	4.77	1.29
Week ending:						
Nov. 27.....	$\frac{5}{8}$ - $\frac{3}{4}$	$\frac{1}{2}$	1.00	.375	.75	1.29
Dec. 4.....	$\frac{5}{8}$ - $\frac{3}{4}$	$\frac{1}{2}$	1.00	.375	.78	1.29
Dec. 11.....	$\frac{5}{8}$ - $\frac{3}{4}$	$\frac{1}{2}$	1.00	.375	.77	1.29
Dec. 18.....	$\frac{5}{8}$ - $\frac{3}{4}$	$\frac{1}{2}$	1.00	.375	.77	51.31
Dec. 25.....	$\frac{5}{8}$ - $\frac{3}{4}$	$\frac{1}{2}$	1.00	.375	.76	1.31

<sup>1</sup> Monthly figures are averages of weekly prevailing rates.  
<sup>2</sup> The average rate on 90-day stock exchange time loans was 1.25 per cent during the entire period.  
<sup>3</sup> Rate on new issues offered within period. Tax-exempt bills prior to March 1941; taxable bills thereafter.  
<sup>4</sup> Number of issues decreased from 3 to 2 on Nov. 1.  
<sup>5</sup> Number of issues decreased from 2 to 1 on Dec. 15.  
<sup>6</sup> Back figures.—See Annual Report for 1937 (tables 43 and 44). Figures on Treasury bills and Treasury notes available on request.

**COMMERCIAL LOAN RATES**  
AVERAGES OF RATES CHARGED CUSTOMERS BY BANKS  
IN PRINCIPAL CITIES  
(Per cent per annum)

	Total 19 cities	New York City	7 Other Northern and Eastern cities	11 Southern and Western cities
1934 average <sup>1</sup> .....	3.45	2.45	3.71	4.32
1935 average <sup>1</sup> .....	2.93	1.76	3.39	3.76
1936 average <sup>1</sup> .....	2.68	1.72	3.04	3.40
1937 average <sup>1</sup> .....	2.59	1.73	2.88	3.25
1938 average <sup>1</sup> .....	2.53	1.69	2.75	3.26
1939 average.....	2.78	2.07	2.87	3.51
1940 average.....	2.63	2.04	2.56	3.38
1941 average.....	2.54	1.97	2.55	3.19
1942 average.....	2.61	2.07	2.58	3.26
1939—March.....	2.95	2.13	3.05	3.77
June.....	2.91	2.15	3.05	3.62
September.....	2.68	2.04	2.78	3.31
December.....	2.59	1.96	2.59	3.32
1940—March.....	2.65	2.03	2.67	3.35
June.....	2.59	2.00	2.49	3.38
September.....	2.68	2.14	2.56	3.43
December.....	2.59	2.00	2.53	3.36
1941—March.....	2.58	2.06	2.53	3.25
June.....	2.55	1.95	2.58	3.23
September.....	2.60	1.98	2.62	3.29
December.....	2.41	1.88	2.45	2.99
1942—March.....	2.48	1.85	2.48	3.20
June.....	2.62	2.07	2.56	3.34
September.....	2.70	2.28	2.66	3.25
December.....	2.63	2.09	2.63	3.26
1943—March.....	2.76	2.36	2.76	3.24
June.....	3.00	2.70	2.98	3.38
September.....	2.48	2.05	2.71	2.73

<sup>1</sup> Prior to March 1939 figures were reported monthly on a basis not strictly comparable with the current quarterly series.  
<sup>2</sup> Back figures.—See November 1939 BULLETIN, pp. 963-969 for description and for back figures.

**BOND YIELDS <sup>1</sup>**  
(Per cent per annum)

Year, month, or week	U. S. Government <sup>2</sup>		Municipal (high grade) <sup>3</sup>	Corporate (high-grade) <sup>4</sup>	Total	Corporate (Moody's) <sup>5</sup>				By groups		
	Partially tax-exempt	Taxable				By rating				Industrial	Railroad	Public utility
						Aaa	Aa	A	Baa			
Number of issues.....	2-6	2	15	5	120	30	30	30	30	40	40	40
1940 average.....	2.21	2.50	2.77	3.55	2.84	3.02	3.57	4.75	3.10	4.30	3.25	
1941 average.....	1.95	2.10	2.67	3.34	2.77	2.94	3.30	4.33	2.95	3.95	3.11	
1942 average.....	2.02	2.36	2.75	3.34	2.83	2.98	3.28	4.28	2.96	3.96	3.11	
1942—November.....	2.06	2.34	2.20	2.71	3.31	2.79	2.94	3.24	4.25	2.93	3.93	3.06
December.....	2.09	2.36	2.26	2.72	3.32	2.81	2.96	3.23	4.28	2.94	3.96	3.07
1943—January.....	2.06	2.32	2.27	2.70	3.27	2.79	2.93	3.20	4.16	2.90	3.86	3.05
February.....	2.06	2.32	2.22	2.68	3.23	2.77	2.89	3.17	4.08	2.88	3.78	3.02
March.....	2.08	2.33	2.21	2.70	3.20	2.76	2.88	3.14	4.01	2.87	3.73	3.00
April.....	2.02	2.32	2.20	2.68	3.19	2.76	2.88	3.14	3.96	2.87	3.69	3.01
May.....	1.92	2.30	2.13	2.65	3.16	2.74	2.87	3.13	3.91	2.86	3.64	3.00
June.....	1.85	2.29	2.07	2.63	3.14	2.72	2.85	3.11	3.88	2.84	3.61	2.98
July.....	1.82	2.27	1.97	2.58	3.11	2.69	2.82	3.09	3.81	2.80	3.56	2.95
August.....	1.83	2.28	1.91	2.57	3.10	2.69	2.81	3.08	3.81	2.79	3.55	2.96
September.....	1.80	2.30	1.92	2.59	3.11	2.69	2.82	3.10	3.83	2.82	3.56	2.96
October.....	1.81	2.30	1.88	2.60	3.11	2.70	2.83	3.10	3.82	2.82	3.55	2.96
November.....	1.85	2.32	1.90	2.61	3.13	2.71	2.84	3.11	3.83	2.85	3.56	2.98
Week ending:												
Nov. 27.....	1.86	2.33	1.95	2.61	3.13	2.72	2.86	3.12	3.83	2.86	3.56	2.99
Dec. 4.....	1.86	2.34	2.00	2.62	3.15	2.74	2.88	3.13	3.84	2.87	3.57	3.00
Dec. 11.....	1.86	2.34	2.02	2.62	3.15	2.74	2.87	3.13	3.84	2.87	3.57	3.00
Dec. 18.....	1.87	2.34	2.01	2.63	3.14	2.74	2.87	3.13	3.83	2.86	3.57	3.00
Dec. 25.....	1.86	2.34	2.00	2.64	3.14	2.74	2.86	3.12	3.81	2.85	3.56	3.00

<sup>1</sup> Monthly and weekly data are averages of daily figures, except for municipal bonds, which are based on Wednesday figures.  
<sup>2</sup> Average of yields on all outstanding issues due or callable in more than 12 years.  
<sup>3</sup> Standard and Poor's Corporation.  
<sup>4</sup> U. S. Treasury Department.  
<sup>5</sup> Moody's Investors Service, week ending Friday. Because of limited number of suitable issues, the industrial Aaa and Aa groups have been reduced from 10 to 4 and 10 to 6 issues, respectively, and the railroad Aaa and Aa groups from 10 to 5 and 10 to 9 issues, respectively.  
<sup>6</sup> Back figures.—See Annual Report for 1937 (table 80) and for high-grade corporate bonds, *Bulletin of the Treasury Department* for July 1941, pp. 21-24. Figures for U. S. Government bonds available on request.

SECURITY MARKETS

Year, month, or week	Bond prices								Stock prices <sup>6</sup>				Volume of trading <sup>7</sup> (in thousands of shares)	
	U. S. Government <sup>2</sup>	Municipal (high grade) <sup>3</sup>	Corporate <sup>4</sup>					De-faulted	Pre-ferred <sup>5</sup>	Common (index, 1935-39 = 100)				
			High-grade	Medium and lower-grade						Total	Industrial	Rail-road		Public utility
			Total	Industrial	Rail-road	Public utility			Total	Industrial	Rail-road	Public utility		
Number of issues.....	2-6	15	15	50	10	20	20	15	15	402	354	20	28	
1940 average.....	107.2	123.6	115.9	94.8	97.3	83.8	103.5	14.0	169.2	88	88	71	96	767
1941 average.....	111.0	130.9	117.8	98.9	103.9	86.9	106.1	21.9	171.9	80	80	71	81	629
1942 average.....	109.9	126.2	118.3	100.1	109.1	86.6	104.8	27.2	162.4	69	71	66	61	466
1942—November.....	109.4	129.0	119.5	103.2	113.8	87.6	108.3	29.6	165.4	75	77	73	66	686
December.....	108.9	127.8	118.9	103.6	115.3	86.5	109.1	29.9	166.9	76	79	69	65	818
1943—January.....	109.4	127.7	119.5	105.4	115.7	89.9	110.5	31.7	168.0	80	82	74	69	820
February.....	109.4	128.6	120.0	106.4	115.9	92.0	111.4	33.5	170.8	85	88	78	73	1,247
March.....	109.1	128.7	119.8	108.0	116.7	95.3	112.1	39.9	171.5	88	91	86	76	1,504
April.....	109.9	129.1	119.9	109.2	116.3	97.8	113.4	44.7	171.5	91	94	93	79	1,485
May.....	111.4	130.4	120.1	110.0	116.1	100.1	113.7	49.1	172.1	95	97	98	84	1,593
June.....	112.4	131.5	120.5	109.9	116.6	98.7	114.4	47.6	173.8	97	99	94	85	992
July.....	112.9	133.4	121.1	110.8	116.6	100.4	115.3	48.1	175.9	99	101	97	88	1,145
August.....	112.7	134.6	121.1	110.4	117.0	98.6	115.6	44.2	176.4	94	96	91	86	694
September.....	113.2	134.4	120.8	110.4	117.1	98.4	115.7	46.4	175.9	96	98	91	87	663
October.....	113.0	135.2	120.9	110.6	117.9	98.6	115.4	49.9	175.1	95	97	92	87	633
November.....	112.4	134.9	120.4	111.3	118.9	99.8	115.2	45.4	172.6	91	93	87	85	886
Week ending:														
Nov. 27.....	112.3	133.8	120.0	111.7	119.3	100.6	115.2	45.5	170.3	91	92	85	85	636
Dec. 4.....	112.3	132.8	119.8	111.5	119.2	100.3	114.9	45.1	169.1	90	91	83	85	685
Dec. 11.....	112.3	132.4	119.9	112.0	119.5	101.3	115.1	46.2	169.5	93	94	86	86	958
Dec. 18.....	112.1	132.6	119.9	112.2	119.4	102.0	115.1	46.9	168.7	92	94	86	85	777
Dec. 25.....	112.3	132.8	120.1	112.2	119.2	102.2	115.1	47.7	168.3	93	95	87	86	633

<sup>1</sup> Monthly and weekly data are averages of daily figures, except for municipal bonds and for stocks, which are based on Wednesday figures.  
<sup>2</sup> Prices derived from average of yields on all outstanding partially tax-exempt U. S. Government bonds due or callable in more than 12 years on basis of a 2½ per cent, 16-year bond. Prices expressed in decimals.  
<sup>3</sup> Prices derived from average yields, as computed by Standard and Poor's Corporation, on basis of a 4 per cent 20-year bond.  
<sup>4</sup> Prices derived from averages of median yields, as computed by Standard and Poor's Corporation.  
<sup>5</sup> Standard and Poor's Corporation.  
<sup>6</sup> Prices derived from averages of median yields on noncallable high-grade stocks on basis of a \$7 annual dividend.  
<sup>7</sup> Average daily volume of trading in stocks on the New York Stock Exchange.  
 Back figures.—For United States Government bonds, see November 1940 BULLETIN.

NEW SECURITY ISSUES  
 [In millions of dollars]

Year or month	Total (new and re-fund-ing)	For new capital							For refunding								
		Total (do-mestic and for-aign)	Domestic					For-foreign <sup>2</sup>	Total (do-mestic and for-aign)	Domestic					For-foreign <sup>2</sup>		
			Total	State and mun-icipal	Federal agen-cies <sup>1</sup>	Corporate				Total	State and mun-icipal	Federal agen-cies <sup>1</sup>	Corporate				
						Total	Bonds and notes	Stocks		Total	State and mun-icipal	Federal agen-cies <sup>1</sup>	Total	Bonds and notes	Stocks		
1933.....	1,063	720	708	483	64	161	40	120	12	343	283	37	26	219	187	32	60
1934.....	2,160	1,386	1,386	803	405	178	144	35		774	765	136	317	312	312		9
1935.....	4,699	1,457	1,409	855	150	404	334	69	48	3,242	3,216	365	987	1,864	1,782	81	26
1936.....	6,214	1,972	1,949	735	22	1,192	839	352	23	4,242	4,123	382	353	3,387	3,187	200	119
1937.....	3,937	2,138	2,094	712	157	1,225	817	408	44	1,799	1,680	191	281	1,209	856	352	119
1938.....	4,449	2,360	2,325	971	481	873	807	67	35	2,089	2,061	129	665	1,267	1,236	31	28
1939.....	5,842	2,289	2,239	931	924	383	287	97	50	3,553	3,465	195	1,537	1,733	1,596	137	88
1940.....	4,803	1,951	1,948	751	461	736	601	135	2	2,852	2,852	482	344	2,026	1,834	193	28
1941.....	5,546	2,854	2,852	518	1,272	1,062	889	173	1	2,693	2,689	435	698	1,557	1,430	126	4
1942.....	2,119	1,075	1,075	342	108	624	506	118		1,044	1,044	181	440	422	411	11	
1942—November.....	100	31	31	7	17	7	7			69	69	10	46	14	13		
December.....	150	41	41	9	17	15	13	2		110	110	9	34	66	66		
1943—January.....	176	7	7	4		3	3			170	80	45	27	8	8		90
February.....	102	58	58	47		11	11			44	44	11	32	2	2		
March.....	200	90	87	33		55	47	7	2	110	110	17	55	38	32	7	
April.....	158	36	36	10	7	19	15	4		122	122	13	35	75	73	2	
May.....	157	44	44	12	3	29	25	4		114	114	25	44	45	42	1	
June.....	203	41	41	10	1	30	22	8		162	162	41	43	78	67	11	
July.....	169	31	31	7	4	19	6	13		139	139	42	31	66	65	10	
August.....	145	29	29	7		22	14	8		116	116	22	15	79	69	10	
September.....	109	20	20	10		10	10			89	89	10	24	55	51	5	
October.....	201	57	57	5	11	41	33	7		144	144	11	46	87	59	27	
November.....	357	165	165	21	23	121	87	34		192	192	15	107	70	58	12	

<sup>1</sup> Includes publicly-offered issues of Federal credit agencies, but excludes direct obligations of U. S. Treasury.  
<sup>2</sup> Includes issues of noncontiguous U. S. Territories and Possessions.  
 Source.—For domestic issues, *Commercial and Financial Chronicle*; for foreign issues, U. S. Department of Commerce. Monthly figures subject to revision.  
 Back figures.—See Annual Report for 1937 (table 78).

**NEW CORPORATE SECURITY ISSUES<sup>1</sup>**  
**PROPOSED USES OF PROCEEDS, ALL ISSUERS**  
 [In millions of dollars]

Year or month	Estimated gross proceeds <sup>2</sup>	Estimated net proceeds <sup>3</sup>	Proposed uses of net proceeds							
			New money			Retirement of securities			Repayment of other debt	Other purposes
			Total	Plant and equipment	Working capital	Total	Bonds and notes	Preferred stock		
1934	397	384	57	32	26	231	231	84	11	
1935	2,332	2,266	208	111	96	1,865	1,794	170	23	
1936	4,572	4,431	858	380	478	3,368	3,143	154	49	
1937	2,310	2,239	991	574	417	1,100	911	111	36	
1938	2,155	2,110	681	504	177	1,206	1,119	215	7	
1939	2,164	2,115	325	170	155	1,695	1,637	69	26	
1940	2,677	2,615	569	424	145	1,854	1,726	174	19	
1941	2,667	2,623	868	661	207	1,583	1,483	144	28	
1942	1,062	1,043	474	287	187	396	366	138	35	
1942—January	171	167	74	38	35	84	82	9		
February	56	54	17	10	7	24	13	3	11	
March	125	123	62	58	4	45	40	16		
April	135	132	75	20	55	21	21	36		
May	124	123	57	25	32	14	14	51	1	
June	152	149	75	57	18	61	56	10	3	
July	61	60	20	17	4	31	31	8		
August	43	42	38	33	5	4	4			
September	82	80	31	12	19	25	24	4	20	
October	46	45	4	2	2	41	41	1		
November	35	34	5	1	4	28	28			
December	34	33	16	15	1	17	13			
1943—January	9	8	1		1	6	6	2		
February	49	49	12	10	2	34	34	3		
March	98	96	39	6	32	48	42	1	8	
April	91	88	9	3	6	76	74	3		
May	83	81	32	14	18	49	49			
June	99	97	25	10	15	70	51	19	2	
July	76	74	3		3	59	49	19	10	
August	106	103	15	12	3	80	79	1	8	
September	69	68	11	6	5	50	42	9	5	
October	130	127	3		3	101	97	4	22	
November	200	197	122	91	31	69	64	5	6	

**PROPOSED USES OF PROCEEDS, BY MAJOR GROUPS OF ISSUERS**  
 [In millions of dollars]

Year or month	Railroad				Public utility				Industrial				Other			
	Total net proceeds	New money	Retirement of securities	All other purposes <sup>4</sup>	Total net proceeds	New money	Retirement of securities	All other purposes <sup>4</sup>	Total net proceeds	New money	Retirement of securities	All other purposes <sup>4</sup>	Total net proceeds	New money	Retirement of securities	All other purposes <sup>4</sup>
1934	172	21	120	31	130	11	77	42	62	25	34	2	20			19
1935	120	57	54	10	1,250	30	1,190	30	774	74	550	150	122	46	72	4
1936	774	139	558	77	1,987	63	1,897	27	1,280	439	761	80	390	218	152	20
1937	338	228	110	1	751	89	611	50	1,079	616	373	90	71	57	7	1
1938	54	24	30		1,208	180	943	86	831	469	226	136	16	8	7	7
1939	182	85	97		1,246	43	1,157	47	584	188	353	43	102	9	88	5
1940	319	115	186	18	1,180	245	922	13	961	167	738	86	155	42	9	104
1941	361	253	108		1,340	317	993	30	828	244	463	121	94	55	18	21
1942	47	32	15		464	145	292	27	527	293	89	146	4	4		
1942—January	10	10			110	18	83	10	44	43	1		3	3		
February	4	4			10	10	10		40	13	14	13				
March	6	6			71	31	40		47	26	5	16				
April					17	13	4		115	62	17	36				
May					30	12	13	5	93	45	1	47				
June	9	3	6		70	17	50	3	70	55	6	10	1	1		
July					6	3	2		52	15	29	8				
August	2	2			38	34	4		2	2						
September	1	1			40	6	25	9	38	23		15				
October	9		9		29		29		6	4	3					
November					17	1	16		17	4	12	1				
December	4	4			27	10	17		3	2	1					
1943—January									8	1	6	2				
February	8	8			39	2	34	3	2	2						
March	15	5	10		22	1	20	1	59	33	18	8				
April	3	3			58	1	55	3	27	5	22					
May	14	14			38		38		17	11	7		12	7	4	
June	46		46		1		1		50	25	23	2				
July	7		7		26		24	1	40	3	26	11	2		2	
August	6	6			46		46		49	9	35	6	3			2
September	4	4			49	4	41	4	14	3	9	3	1		1	
October	28		28		50		49		48	2	24	22	1	1		
November	26	3	23		37		37		134	119	9	6				

<sup>1</sup> Estimates of new issues sold for cash in the United States. Current figures subject to revision.  
<sup>2</sup> Gross proceeds are derived by multiplying principal amounts or number of units by offering price.  
<sup>3</sup> Estimated net proceeds are equal to estimated gross proceeds less cost of flotation, i.e., compensation to underwriters, agents, etc., and expenses.  
<sup>4</sup> Includes repayment of other debt and other purposes.  
 Source.—Data published by Securities and Exchange Commission. For a description of data, see pp. 217-19 of the March 1942 BULLETIN.



**QUARTERLY EARNINGS AND DIVIDENDS OF LARGE CORPORATIONS**  
**INDUSTRIAL CORPORATIONS**  
 [In millions of dollars]

Year or quarter	Net profits, <sup>1</sup> by industrial groups												Profits and dividends		
	Total	Iron and steel	Machinery	Automobiles	Other transportation equipment	Non-ferrous metals and products	Other durable goods	Foods, beverages, and tobacco	Oil producing and refining	Industrial chemicals	Other non-durable goods	Miscellaneous services	Net profits <sup>1</sup>	Dividends	
														Preferred	Common
Number of companies...	629	47	69	15	68	77	75	49	45	30	80	74	152	152	152
1939.....	1,465	146	115	223	102	119	70	151	98	186	134	122	847	90	564
1940.....	1,818	278	158	242	173	133	88	148	112	194	160	132	1,028	90	669
1941.....	2,169	325	193	274	227	153	113	159	174	207	187	159	1,144	92	705
1942.....	1,792	226	159	209	202	138	90	151	152	164	136	165	883	88	552
<b>Quarterly</b>															
1939-1.....	284	13	20	64	23	25	8	31	14	36	28	24	173	21	114
2.....	311	14	25	61	21	22	16	36	21	40	29	27	185	22	119
3.....	320	35	26	12	20	30	23	44	26	45	32	29	167	21	125
4.....	550	85	44	86	39	42	23	41	37	66	45	42	321	26	207
1940-1.....	422	47	33	69	41	33	14	34	34	46	41	29	246	21	136
2.....	412	51	39	53	36	29	21	38	30	45	41	30	230	21	158
3.....	396	79	34	17	33	30	25	33	25	52	39	29	211	22	158
4.....	588	101	52	103	63	40	28	43	24	51	39	44	342	25	217
1941-1.....	510	86	44	79	53	39	23	36	29	49	44	29	286	22	150
2.....	549	84	48	73	56	36	28	43	42	53	48	36	297	23	165
3.....	560	81	46	60	56	38	30	44	56	52	49	46	284	23	170
4.....	550	79	55	61	62	40	32	37	46	52	46	48	276	24	221
1942-1.....	419	52	38	46	51	36	19	32	35	39	39	32	204	21	134
2.....	364	52	35	25	48	32	18	32	27	35	27	34	174	23	135
3.....	451	51	36	46	49	34	22	42	42	41	35	52	211	20	125
4.....	557	72	49	92	54	36	30	44	49	48	35	47	294	23	158
1943-1.....	442	53	39	47	54	34	19	39	36	42	36	42	211	21	127
2.....	442	48	42	49	52	32	22	40	42	41	36	38	221	22	132
3.....	452	50	43	52	53	32	19	39	49	40	36	41	225	21	127

**PUBLIC UTILITY CORPORATIONS**  
 [In millions of dollars]

Year or quarter	Railroad <sup>2</sup>					Electric power				Telephone <sup>3</sup>		
	Operating revenue	Income before income tax <sup>4</sup>	Net income <sup>4</sup>		Dividends	Operating revenue	Income before income tax <sup>4</sup>	Net income <sup>4</sup>	Dividends <sup>5</sup>	Operating revenue	Net income <sup>4</sup>	Dividends
			All roads	Insolvent roads								
Number of companies...						28	28	28	28	32	32	32
1939.....	3,995	126	93	-102	126	692	159	137	116	1,067	191	175
1940.....	4,297	249	189	-73	159	735	177	142	118	1,129	194	178
1941.....	5,347	674	500	23	186	799	202	133	115	1,235	178	172
1942.....	7,466	1,718	959	173	196	848	226	118	98	1,362	163	163
<b>Quarterly</b>												
1939-1.....	898	-38	-43	(6)	21	175	46	39	19	259	44	42
2.....	906	-43	-47	(6)	23	166	37	32	19	267	49	43
3.....	1,058	68	58	(6)	21	167	34	30	19	266	47	48
4.....	1,133	139	126	-4	61	184	43	36	22	274	51	
1940-1.....	986	-3	-12	-29	25	187	48	41	19	274	49	44
2.....	1,010	15	3	-33	29	176	42	34	19	281	50	44
3.....	1,130	92	71	-14	29	177	41	31	19	281	45	44
4.....	1,171	145	127	3	78	194	47	37	20	294	50	46
1941-1.....	1,152	96	69	-5	28	201	59	43	18	295	43	44
2.....	1,272	145	103	0	36	191	48	33	24	308	44	45
3.....	1,468	267	189	23	34	196	46	25	18	311	45	40
4.....	1,454	166	138	5	87	211	50	34	19	321	46	
1942-1.....	1,483	179	90	12	29	216	63	33	19	324	47	44
2.....	1,797	389	199	37	35	202	53	25	19	336	48	42
3.....	2,047	556	283	60	34	208	55	26	19	344	46	39
4.....	2,139	594	387	64	98	221	56	35	19	358	52	38
1943-1.....	2,091	513	209	52	28	229	71	34	19	366	42	40
2.....	2,255	605	239	56	49	221	62	29	18	383	44	42
3.....	2,368	653	249	55	39	225	60	29	19	389	45	43

<sup>1</sup> "Net profits" and "net income" refer to income after all charges and taxes and before dividends.

<sup>2</sup> Class I line-haul railroads.

<sup>3</sup> Series excludes American Telephone and Telegraph Company, the greater part of whose income consists of dividends received on stock-holdings in the 32 companies. Dividend payments shown here include amounts paid to parent companies, as well as to the public.

<sup>4</sup> After all charges and taxes except Federal income and excess profits taxes.

<sup>5</sup> Quarterly dividend data are not available for all companies in the group and, therefore, do not add to the yearly totals shown.

<sup>6</sup> Not available.

<sup>7</sup> Partly estimated.

<sup>8</sup> Unlike other industrial groups in this table, deductions for Federal income and excess profits taxes in the first three quarters of 1942 were at rates specified in the Revenue Act of 1941. Most of the increase in taxes for the year is therefore reflected in the fourth quarter figure.

Sources.—Interstate Commerce Commission for railroads; Federal Communications Commission for telephone companies; published reports for industrial and electric power companies. Figures for the current and preceding year subject to revision, especially for war producers whose contracts are under renegotiation. For description of data and back figures, see pp. 214-217 of the March 1942 BULLETIN.

UNITED STATES GOVERNMENT DEBT—VOLUME AND KIND OF SECURITIES

(On basis of daily statements of United States Treasury. In millions of dollars)

End of month	Total gross direct debt	Total interest-bearing direct debt	Marketable public issues <sup>1</sup>				Nonmarketable public issues			Special issues	Non-interest-bearing debt	Fully guaranteed interest-bearing securities	
			Total <sup>2</sup>	Treasury bills	Certificates of indebtedness	Treasury notes	Treasury bonds	Total <sup>2</sup>	U. S. savings bonds				Treasury tax and savings notes
1940—June.....	42,968	42,376	34,436	1,302	.....	6,383	26,555	3,166	2,905	.....	4,775	591	5,498
Dec.....	45,025	44,458	35,645	1,310	.....	6,178	27,960	3,444	3,195	.....	5,370	566	5,901
1941—June.....	48,961	48,387	37,713	1,603	.....	5,698	30,215	4,555	4,314	.....	6,120	574	6,360
Dec.....	57,938	57,451	41,562	2,002	.....	5,997	33,367	8,907	6,140	.....	6,982	477	6,317
1942—June.....	72,422	71,968	50,573	2,508	3,096	6,689	38,085	13,510	10,188	.....	7,885	454	4,548
1942—Nov.....	96,116	95,458	66,554	5,721	9,161	10,095	43,381	20,117	14,079	5,703	8,787	657	4,244
Dec.....	108,170	107,308	76,488	6,627	10,534	9,863	49,268	21,788	15,050	6,384	9,032	862	4,283
1943—Jan.....	111,069	110,024	77,496	7,423	10,741	9,863	49,273	23,356	16,246	6,749	9,172	1,045	4,277
Feb.....	114,024	112,851	78,726	8,232	11,161	9,863	49,273	24,560	17,067	7,125	9,565	1,173	4,275
Mar.....	115,507	114,287	79,662	9,234	11,161	9,797	49,273	24,622	17,891	6,346	10,004	1,219	4,350
Apr.....	129,849	128,643	91,392	10,044	16,154	9,797	55,201	27,456	19,267	7,783	9,795	1,206	4,363
May.....	135,913	134,675	95,322	10,853	16,561	9,797	57,975	29,095	20,507	8,163	10,198	1,238	4,082
June.....	136,696	135,380	95,310	11,864	16,561	9,168	57,520	29,200	21,256	7,495	10,871	1,316	4,092
July.....	141,524	140,238	98,613	12,460	16,561	11,875	57,520	30,169	22,030	7,678	11,456	1,286	3,782
Aug.....	144,059	142,721	99,935	12,846	17,497	11,875	57,520	30,879	22,694	7,703	11,907	1,338	3,934
Sept.....	158,349	157,053	111,426	13,054	21,136	11,596	65,444	33,910	24,478	8,851	11,717	1,296	3,964
Oct.....	165,047	163,589	115,944	13,064	23,199	11,596	67,889	35,776	26,056	9,109	11,868	1,458	4,113
Nov.....	166,158	164,781	115,909	13,074	23,103	11,596	67,940	36,595	26,697	9,278	12,278	1,377	4,154

<sup>1</sup> Including amounts held by Government agencies and trust funds, which aggregated \$3,766,000,000 on Oct. 31 and \$3,760,000,000 (preliminary) on Nov. 30, 1943.  
<sup>2</sup> Total marketable public issues includes Postal Savings and prewar bonds, and total nonmarketable public issues includes adjusted service and depositary bonds not shown separately.  
<sup>3</sup> Including special short-term certificates of indebtedness not shown separately amounting to \$422,000,000 on Nov. 30 and \$202,000,000 on Jan. 31.

UNITED STATES GOVERNMENT MARKETABLE PUBLIC SECURITIES OUTSTANDING, NOVEMBER 30, 1943

(On basis of daily statements of United States Treasury. In millions of dollars)

Issue	Amount	Issue	Amount
<b>Treasury bills</b>		<b>Treasury bonds—Cont.</b>	
Dec. 2, 1943.....	1,002	June 15, 1949-51.....	1,014
Dec. 9, 1943.....	1,005	Sept. 15, 1949-51.....	1,292
Dec. 16, 1943.....	1,009	Dec. 15, 1949-51.....	2,098
Dec. 23, 1943.....	1,018	Dec. 15, 1949-52.....	491
Dec. 30, 1943.....	1,003	Dec. 15, 1949-53.....	1,786
Jan. 6, 1944.....	1,007	Mar. 15, 1950-52.....	1,963
Jan. 13, 1944.....	1,005	Sept. 15, 1950-52.....	1,186
Jan. 20, 1944.....	1,001	Sept. 15, 1950-52.....	4,939
Jan. 27, 1944.....	1,008	June 15, 1951-54.....	1,627
Feb. 3, 1944.....	1,003	Sept. 15, 1951-53.....	7,983
Feb. 10, 1944.....	1,005	Sept. 15, 1951-55.....	755
Feb. 17, 1944.....	1,001	Dec. 15, 1951-53.....	1,118
Feb. 24, 1944.....	1,009	Dec. 15, 1951-55.....	510
<b>Cert. of indebtedness</b>		Mar. 15, 1952-54.....	1,024
Dec. 1, 1943.....	3,800	June 15, 1952-55.....	1,501
Feb. 1, 1944.....	2,211	June 15, 1953-55.....	725
Apr. 1, 1944.....	5,251	June 15, 1954-56.....	681
May 1, 1944.....	1,655	Mar. 15, 1955-60.....	2,611
Aug. 1, 1944.....	2,545	Mar. 15, 1956-58.....	1,449
Sept. 1, 1944.....	4,122	Sept. 15, 1956-59.....	982
Oct. 1, 1944.....	3,519	June 15, 1958-63.....	919
<b>Treasury notes</b>		Dec. 15, 1960-65.....	1,485
Dec. 15, 1943.....	421	June 15, 1962-67.....	2,118
Mar. 15, 1944.....	515	Dec. 15, 1963-68.....	2,831
June 15, 1944.....	416	June 15, 1964-69.....	3,762
Sept. 15, 1944.....	283	Dec. 15, 1964-69.....	3,837
Sept. 15, 1944.....	635	Sept. 15, 1967-72.....	2,716
Mar. 15, 1945.....	718	<b>Postal Savings bonds.....</b>	117
Mar. 15, 1945.....	1,606	<b>Conversion bonds.....</b>	29
Dec. 15, 1945.....	531	<b>Panama Canal loan.....</b>	50
Dec. 15, 1946.....	503	<b>Total direct issues.....</b>	115,909
Dec. 15, 1946.....	3,261	<b>Guaranteed securities</b>	
Sept. 15, 1947.....	2,707	Commodity Credit Corp.	
<b>Treasury bonds</b>		Feb. 15, 1945.....	412
Apr. 15, 1944-46 <sup>1</sup> .....	1,519	Fed. Farm Mortgage Corp.	
Dec. 15, 1944-54.....	1,037	Mar. 15, 1944-64.....	95
Sept. 15, 1945-47.....	1,214	May 15, 1944-49.....	835
Dec. 15, 1945.....	541	Fed. Public Housing Authority	
Mar. 15, 1946-56.....	489	Feb. 1, 1944.....	114
June 15, 1946-48.....	1,036	Home Owners' Loan Corp.	
June 15, 1946-49.....	819	May 1, 1944-52.....	779
Oct. 15, 1947-52.....	759	June 1, 1945-47.....	755
Dec. 15, 1947.....	701	Reconstruction Fin. Corp.	
Mar. 15, 1948-50.....	1,115	Apr. 15, 1944.....	571
Mar. 15, 1948-51.....	1,223	Jan. 1, 1945.....	376
June 15, 1948.....	3,062	Federal Housing Admin.	
Sept. 15, 1948.....	451	Various.....	22
Dec. 15, 1948-50.....	571	<b>Total guaranteed issues.....</b>	3,959

<sup>1</sup> Called as of Dec. 13, 1943, for redemption Apr. 15, 1944.

UNITED STATES SAVINGS BONDS

(In millions of dollars)

Month	Amount outstanding at end of month <sup>1</sup>	Funds received from sales during month				Redemptions
		All series	Series E	Series F	Series G	
1942—Aug.....	11,751	697	454	52	191	32
Sept.....	12,479	755	510	61	184	34
Oct.....	13,381	935	665	61	210	40
Nov.....	14,079	735	542	45	148	43
Dec.....	15,050	1,014	726	66	222	55
1943—Jan.....	16,246	1,240	815	77	348	63
Feb.....	17,067	887	634	48	205	76
Mar.....	17,891	944	720	44	180	131
Apr.....	19,267	1,470	1,007	110	353	103
May.....	20,507	1,335	995	86	254	104
June.....	21,256	876	696	35	144	141
July.....	22,030	890	683	38	169	138
Aug.....	22,694	802	661	28	112	152
Sept.....	24,478	1,927	1,400	139	387	155
Oct.....	26,056	1,708	1,340	93	275	144
Nov.....	26,697	798	665	23	109	170
<b>Maturity</b>		<b>Date of issue</b>				<b>Amount outstanding Nov. 30, 1943</b>
Series A—1945		From Mar. 1, 1935				176
Series B—1946		From Jan. 1, 1936				314
Series C—1947		From Jan. 1, 1937				405
Series C—1948		From Jan. 1, 1938				487
Series D—1949		From Jan. 1, 1939				799
Series D—1950		From Jan. 1, 1940				990
Series D—1951		From Jan. 1 to Feb. 28, 1941				332
Series D—1951		From Mar. 1 to Apr. 30, 1941				113
Series E—1951		From May 1, 1941				1,255
Series E—1952		From Jan. 1, 1942				5,520
Series E—1953		From Jan. 1, 1943				8,502
Series F—1953		From May 1, 1941				222
Series G—1953		From May 1, 1941				1,232
Series F—1954		From Jan. 1, 1942				631
Series G—1954		From Jan. 1, 1942				2,437
Series F—1955		From Jan. 1, 1943				696
Series G—1955		From Jan. 1, 1943				2,460
Series unclassified						128
<b>Total.....</b>						26,697

<sup>1</sup> At current redemption values except Series G, which is stated at par. Difference between "Funds received" and month to month changes in "Amounts outstanding" represents the difference between accrued increases in redemption values and redemptions of bonds during the month.

**OWNERSHIP OF UNITED STATES GOVERNMENT SECURITIES, DIRECT AND FULLY GUARANTEED**  
 [In millions of dollars]

End of month	Total interest-bearing securities	Held by U. S. Government agencies and trust funds			Held by Federal Reserve Banks	Privately held <sup>1</sup>				
		Special issues	Public issues	Total		Commercial banks	Mutual savings banks	Insurance companies	Other investors	
									Marketable issues	Non-marketable issues
1940—June	47,874	4,775	2,295	2,466	38,338	16,550	3,110	6,500	9,400	2,800
December	50,360	5,370	2,250	2,184	40,556	17,760	3,220	6,900	9,600	3,100
1941—June	54,747	6,120	2,362	2,184	44,081	20,100	3,430	7,000	9,400	4,200
December	63,768	6,982	2,547	2,254	51,985	21,790	3,700	8,000	10,000	8,500
1942—June	76,517	7,885	2,726	2,645	63,261	26,390	3,890	8,900	11,100	13,000
December	111,591	9,032	3,207	6,189	93,163	41,340	4,560	11,000	15,200	21,100
1943—March	118,637	10,004	3,130	5,919	99,584	44,160	4,630	10,900	16,000	23,900
April	133,006	9,795	3,557	6,455	113,199	48,920	5,180	12,600	19,900	26,600
May	138,757	10,198	3,562	6,222	118,775	52,840	5,240	12,700	19,700	28,300
June	139,472	10,871	3,440	7,202	117,959	52,460	5,290	12,800	19,000	28,400
July	144,020	11,456	3,401	8,187	120,976	54,800	5,300	12,800	18,800	29,300
August	146,655	11,907	3,425	9,088	122,235	56,000	5,100	12,700	18,400	30,000
September	161,018	11,717	4,073	8,919	136,309	59,200	5,900	14,200	24,100	32,900
October	167,701	11,868	4,125	9,354	142,354	62,600	6,000	14,400	24,700	34,700

<sup>1</sup> Figures for commercial banks and mutual savings banks have been rounded to nearest 10 million dollars and for insurance companies and other investors to nearest 100 million.  
 Back figures.—See July 1941 BULLETIN, p. 664.

**SUMMARY DATA FROM TREASURY SURVEY OF OWNERSHIP OF SECURITIES ISSUED OR GUARANTEED BY THE UNITED STATES\***

[Public marketable securities. Par values in millions of dollars]

End of month	Total outstanding	U. S. Government agencies and trust funds	Federal Reserve Banks	Commercial banks <sup>1</sup>	Mutual savings banks	Insurance companies	Other	End of month	Total outstanding	U. S. Government agencies and trust funds	Federal Reserve Banks	Commercial banks	Mutual savings banks	Insurance companies	Other
1942—June	55,122	2,723	2,645	24,939	3,830	8,748	12,237	Treasury bonds:							
December	80,685	3,202	6,189	38,759	4,471	10,766	17,297	Total:							
1943—May	99,399	3,536	6,222	49,159	5,117	12,422	22,914	1942—June	38,085	2,321	1,617	14,828	3,442	7,766	8,110
June	99,333	3,434	7,202	48,665	5,161	12,486	22,385	December	49,268	2,739	2,777	19,445	4,055	9,944	10,308
July	102,324	3,339	8,187	50,464	5,222	12,557	22,554	1943—May	57,975	3,068	1,708	24,006	4,687	11,539	12,967
August	101,796	3,417	9,088	51,429	5,016	12,427	22,419	June	57,520	3,045	1,468	24,226	4,725	11,442	12,615
September	115,313	4,065	8,919	54,457	5,811	13,950	28,111	July	57,520	2,996	1,445	24,723	4,680	11,365	12,312
October	119,867	4,118	9,354	57,468	5,866	14,134	28,927	August	57,520	2,986	1,473	25,168	4,418	11,211	12,264
Treasury bills:								September	65,444	3,614	1,500	25,900	5,393	13,100	15,936
1942—June	2,508		243	1,557	28	91	590	October	67,889	3,616	1,506	27,781	5,447	13,280	16,259
December	6,627		1,010	4,497	10	26	1,073	Maturing within 5 years:							
1943—May	10,853		2,442	7,017	14	22	1,345	1942—June	3,915		336	1,599	224	581	1,173
June	11,864		3,815	6,502	21	154	1,361	December	5,830		754	2,565	253	726	1,531
July	12,460		4,896	5,939	31	198	1,386	1943—May	5,830		754	2,723	186	597	1,319
August	12,846		5,701	5,233	122	245	1,534	June	5,870		867	5,172	298	991	2,195
September	13,054		5,351	6,418	9	3	1,242	July	9,474		854	5,171	294	984	2,170
October	13,064		6,547	6,227	10	2	1,272	August	9,474		851	5,272	266	927	2,156
Certificates:								September	9,925		853	5,831	226	860	2,151
1942—June	3,096		66	1,971	74	191	782	October	8,524		668	5,074	214	839	1,728
December	10,534		1,041	6,470	129	180	2,696	Maturing in 5-10 years:							
1943—May	16,561		1,099	9,759	178	263	5,213	1942—June	9,436		846	4,959	750	1,347	1,536
June	16,561		1,092	9,823	184	305	5,106	December	17,080		1,574	9,353	1,129	2,101	2,920
July	16,561		37	9,890	189	331	5,022	1943—May	22,019		1,093	12,423	1,435	2,731	4,333
August	17,497		38	11,000	183	315	4,801	June	17,921		776	10,107	1,308	2,326	3,401
September	21,136		40	11,936	169	271	7,373	July	17,921		768	10,373	1,265	2,296	3,219
October	23,199		51	13,357	172	277	7,777	August	17,921		796	10,585	1,094	2,290	3,154
Treasury notes:								September	21,883		974	10,606	1,838	2,919	5,541
1942—June	6,689		76	714	138	266	1,770	October	25,430		1,162	13,153	1,908	3,024	6,183
December	9,863		92	1,324	167	283	2,327	Maturing in 10-20 years:							
1943—May	9,797		66	919	160	287	2,552	1942—June	18,731		2,168	7,009	1,957	3,510	4,086
June	9,168		64	774	150	276	2,402	December	16,295		2,165	6,240	1,580	2,778	3,531
July	11,875		53	721	258	364	2,974	1943—May	16,295		1,623	7,202	1,376	2,584	3,507
August	11,875		57	7,506	244	362	2,959	June	17,214		1,645	7,611	1,405	2,896	3,637
September	11,596		57	7,533	198	288	2,762	July	17,214		1,598	7,745	1,402	2,883	3,585
October	11,596		58	7,569	195	289	2,797	August	17,214		1,587	7,839	1,348	2,809	3,636
Guaranteed securities:								September	17,214		1,584	7,949	1,315	2,794	3,576
1942—June	4,549		281	5,284	148	433	835	October	17,214		1,587	8,015	1,303	2,761	3,547
December	4,196		311	2,665	108	333	743	Maturing after 20 years:							
1943—May	4,008		327	5,252	77	309	689	1942—June	6,002		593	1,258	512	2,326	1,315
June	4,023		31	2,602	76	309	751	December	10,065		1,021	1,286	1,095	4,339	2,423
July	3,711		209	3,292	64	298	714	1943—May	13,831		1,305	1,603	1,691	5,626	3,465
August	3,861		292	3,481	49	293	713	June	12,912		1,221	1,385	1,713	5,229	3,366
September	3,888		318	2,556	42	287	651	July	12,912		1,216	1,434	1,720	5,204	3,358
October	3,923		352	2,521	42	284	673	August	12,912		1,222	1,474	1,711	5,188	3,317
								September	16,422		1,702	1,514	2,014	6,524	4,667
								October	16,720		1,704	1,538	2,020	6,658	4,802

\* Figures include only holdings by institutions or agencies from which reports are received; the number reporting varies slightly from month to month. Figures in column headed "other" include holdings by nonreporting banks and insurance companies as well as by other investors. Estimates of total holdings (including relatively small amounts of nonmarketable issues) by all commercial banks, all mutual savings banks, and all insurance companies for certain dates are shown in the table above.

<sup>1</sup> On Oct. 31, 1943, commercial banks reporting to the Treasury held \$22,593,000,000 of United States Government securities due or callable within one year out of a total of \$42,563,000,000 outstanding.

<sup>2</sup> Including \$196,000,000 of Postal Savings and prewar bonds not shown separately below.

**SUMMARY OF TREASURY RECEIPTS, EXPENDITURES, AND RELATED ITEMS**  
 [On basis of daily statements of United States Treasury. In millions of dollars]

Period	Income taxes <sup>1</sup>		Miscellaneous internal revenue <sup>1</sup>	Social security taxes	Other	Total receipts	Net receipts <sup>3</sup>	Interest on debt	War activities	Transfers to trust accounts, etc.	Other	Total budget expenditures	Deficit	Trust accounts etc. <sup>4</sup>	Change in general fund balance	Increase in gross debt
	Withheld <sup>2</sup>	Other														
Fiscal year ending:																
June 1942.....	7,960		3,847	1,194	666	13,668	12,799	1,260	26,011	381	4,745	32,397	19,598	-3,506	+358	23,461
June 1943.....	16,094		4,553	1,508	1,230	23,385	22,282	1,808	72,109	435	3,827	78,179	55,897	-1,861	+6,515	64,274
1942—November.....	199		337	248	45	830	601	28	6,042	3	291	6,363	5,761	+736	-1,814	3,212
December.....	1,972		630	50	50	2,702	2,701	353	5,825	25	297	6,500	3,799	-794	+7,461	12,054
1943—January.....	306		365	52	100	824	788	54	5,947	35	337	6,372	5,584	-135	-2,819	2,899
February.....	380		352	343	115	1,190	955	35	5,770	2	312	6,119	5,164	-122	-2,331	2,954
March.....	4,732		374	50	51	5,207	5,206	262	6,744	1	347	7,354	2,147	-549	-1,213	1,483
April.....	1,000		346	50	159	1,555	1,514	89	6,974	-38	366	7,466	5,952	+48	+8,438	16,362
May.....	940		359	282	160	1,742	1,480	42	7,092	1	300	7,435	5,955	-39	+70	6,404
June.....	3,803		353	57	356	4,569	4,569	609	7,469	1	247	8,327	3,758	-206	-3,180	784
July.....	19		512	48	234	2,048	2,007	68	6,432	344	269	7,112	5,105	-635	-912	4,828
August.....	548		729	310	403	3,005	2,721	46	7,232	15	324	7,617	4,896	+131	-2,231	2,534
September.....	674		4,091	344	53	5,448	5,447	311	6,952	2	269	7,535*	2,087	-410	+11,794	14,291
October.....	557		746	464	46	2,069	2,030	131	6,989	36	300	7,456	5,426	-132	+1,139	6,697
November.....	1,010		449	292	255	2,370	2,099	47	7,541	2	248	7,839	5,740	+290	+4,338	1,112

Period	Details of trust accounts, etc.						General fund of the Treasury (end of period)							
	Social Security accounts			Net expenditures in checking accounts of Government agencies	Other			Assets			Total liabilities	Balance in general fund		
	Net receipts	Investments	Expenditures		Receipts	Investments	Expenditures	Total	Deposits in Federal Reserve Banks	Deposits in special depositories		Other assets	Total	Working balance
Fiscal year ending:														
June 1942.....	2,327	1,705	614	3,625	863	221	533	3,443	603	1,679	1,162	452	2,991	2,229
June 1943.....	2,810	2,350	456	2,194	1,117	655	133	10,149	1,038	7,667	1,444	643	9,507	8,744
1942—November.....	471	170	34	-449	52	32		3,557	512	1,695	1,350	475	3,082	2,320
December.....	75	350	33	548	99	37		11,032	1,516	8,166	1,350	489	10,543	9,780
1943—January.....	110	43	35	186	74	47	8	8,200	465	6,367	1,368	477	7,724	6,961
February.....	498	230	35	370	52	40	-3	5,895	623	3,892	1,381	503	5,392	4,630
March.....	36	272	36	300	82	53	7	4,758	643	2,694	1,421	579	4,179	3,416
April.....	111	35	33	17	92	58	12	13,112	1,215	10,485	1,412	495	12,617	11,854
May.....	539	258	31	356	81	57	-41	13,152	651	11,117	1,383	465	12,687	11,924
June.....	169	428	31	-82	152	119	30	10,149	1,038	7,667	1,444	643	9,507	8,744
July.....	245	179	29	726	315	252	9	9,127	979	6,790	1,358	532	8,595	7,832
August.....	596	292	30	148	101	75	21	6,845	1,076	4,362	1,406	481	6,364	5,601
September.....	32	296	30	146	116	72	14	18,734	1,538	15,676	1,519	576	18,158	17,395
October.....	109	50	29	199	139	86	16	19,838	1,095	17,280	1,462	541	19,297	18,534
November.....	562	277	29	-64	75	96	8	15,492	1,245	12,770	1,477	534	14,958	14,196

\* Revised.  
<sup>1</sup> Details on collection basis given in table below.  
<sup>2</sup> Withheld by employers (Current Tax Payment Act of 1943).  
<sup>3</sup> Total receipts less social security employment taxes, which are appropriated directly to the Federal old-age and survivors insurance trust fund.  
<sup>4</sup> Excess of receipts (+) or expenditures (-).

**INTERNAL REVENUE COLLECTIONS**  
 [On basis of reports of collections. In millions of dollars]

Period	Income taxes							Miscellaneous internal revenue								
	Total	Current individual	Withheld <sup>1</sup>	Victory tax	Current corporation	Back taxes	Excess profits taxes	Other profits taxes	Total	Capital stock tax	Estate and gift taxes	Alcoholic beverage taxes	Tobacco taxes	Stamp taxes	Manufacturers' and retailers' excise taxes	Miscellaneous taxes
Fiscal year ending:																
June 1942.....	8,007	3,108			2,764	460	1,618	57	3,838	282	433	1,048	781	42	852	401
June 1943.....	16,299	5,771		686	4,137	557	5,064	84	4,571	329	447	1,423	924	45	670	732
1942—November.....	185	19			67	24	73	2	478	182	30	104	79	3	47	32
December.....	2,000	556			753	36	644	11	496	143	30	129	81	3	64	46
1943—January.....	296	48			37	69	156	5	379		47	137	81	4	68	42
February.....	434	167			95	55	113	4	331		29	128	68	4	51	50
March.....	4,868	1,951		2	1,026	79	1,791	21	379		62	121	80	4	47	65
April.....	1,008	362		298	73	73	200	1	345	1	37	113	77	5	49	64
May.....	753	103		381	89	74	103	3	373		46	109	71	5	60	80
June.....	4,026	1,800		5	970	41	1,203	7	329		29	115	80	5	39	61
July.....	1,231	527		333	142	33	186	10	652	136	48	125	87	4	59	193
August.....	814	55		438	111	44	162	3	595	188	25	129	90	4	56	103
September.....	4,192	1,963		6	877	103	1,228	15	394	35	28	117	86	4	53	71
October.....	1,644	59	1,006	3	181	50	337	9	421	20	41	122	90	4	59	86
November.....	1,471	32	1,087	2	84	47	204	16	376		34	117	93	4	56	70

<sup>1</sup> Withheld by employers (Current Tax Payment Act of 1943).  
 \* Revised

**GOVERNMENT CORPORATIONS AND CREDIT AGENCIES**  
 (Based on compilation by United States Treasury Department. In millions of dollars)  
**PRINCIPAL ASSETS AND LIABILITIES**

End of month	Assets, other than interagency items										Liabilities, other than interagency items			U. S. Government interest	Privately owned interest
	Total	Loans	Preferred stock, etc.	Cash	Securities		Accounts and other receivables	Business property	Property held for sale	Other assets	Bonds, notes, and debentures		Other liabilities		
					U. S. Govt. direct and guaranteed	Other Govt. agencies <sup>1</sup>					Fully guaranteed by U. S.	Other <sup>1</sup>			
1941—June.....	13,277	8,106	698	376	925	18	598	636	1,497	423	6,370	1,443	1,604	3,436	424
December.....	14,660	8,487	680	496	999	46	574	714	1,891	773	6,324	1,392	2,049	4,464	431
1942—June.....	17,962	8,379	648	403	1,097	57	774	859	3,512	2,233	4,568	1,442	3,265	8,249	438
1942—November.....	20,992	8,158	621	563	1,222	52	1,069	1,001	4,701	3,605	4,264	1,404	4,601	10,281	443
December.....	21,715	8,127	620	553	1,272	33	1,085	1,020	5,187	3,818	4,301	1,414	4,630	10,931	439
1943—January.....	22,643	8,086	605	605	1,284	32	1,205	1,041	5,638	4,147	4,291	1,413	4,829	11,671	439
February.....	23,437	8,022	565	590	1,375	27	1,440	1,359	5,883	4,176	4,332	1,383	5,076	12,206	440
March.....	24,151	8,003	562	597	1,424	26	1,303	1,408	6,074	4,754	4,365	1,375	5,109	12,860	441
April.....	24,706	8,092	560	536	1,510	24	1,464	1,428	6,081	5,011	4,372	1,366	5,648	12,880	440
May.....	24,805	7,949	557	504	1,549	24	1,514	1,475	6,167	5,066	4,092	1,340	5,746	13,188	440
June.....	26,708	7,685	556	515	1,565	22	1,788	1,674	6,310	5,343	4,101	1,333	6,022	14,812	440
July.....	25,555	7,615	524	538	1,638	16	1,514	1,561	6,750	5,399	3,936	1,276	5,757	14,146	441
August.....	26,435	7,580	498	539	1,691	11	1,450	1,966	7,019	5,681	4,046	1,271	5,972	14,706	440
September.....	26,284	7,557	497	501	1,722	7	1,487	1,470	7,234	5,809	4,081	1,274	5,560	14,929	441
October.....	27,218	7,487	493	486	1,784	6	1,850	1,602	7,115	6,395	4,125	1,285	5,867	15,501	440

**LOANS, OTHER THAN INTERAGENCY LOANS**

End of month	Total loans <sup>2</sup>	Reconstruction Finance Corp.	Home mortgage and housing agencies <sup>3</sup>					Farm mortgage loans		Other farm credit loans					Rural Electrification Admin.	Export-Import Bank	Other
			Home Owners' Loan Corp.	Federal Home Loan banks	RFC Mortgage Company	Fed. National Mortgage Assoc.	Fed. Public Housing Auth.	Federal land banks	Fed. Farm Mortgage Corp.	Fed. intermediate credit banks	Banks for co-operatives	Commodity Credit Corp.	Farm Credit Admin.	Farm Security Admin.			
1941—June.....	8,106	1,082	1,870	170	65	194	316	1,818	630	255	74	244	263	461	289	114	261
December.....	8,487	1,433	1,777	219	72	207	367	1,764	597	235	113	233	250	467	323	139	291
1942—June.....	8,379	1,473	1,676	193	82	216	384	1,706	562	289	101	231	258	460	342	113	293
1942—November.....	8,158	1,566	1,587	122	93	213	372	1,625	518	238	140	214	241	448	345	119	317
December.....	8,127	1,557	1,568	129	94	211	366	1,603	507	238	145	242	237	446	346	122	316
1943—January.....	8,086	1,554	1,548	113	96	210	379	1,579	496	237	132	258	237	446	345	122	334
February.....	8,022	1,527	1,532	96	96	209	378	1,564	490	248	121	270	240	454	345	121	331
March.....	8,003	1,530	1,507	79	97	206	381	1,540	483	266	111	276	214	463	345	121	354
April.....	8,092	1,512	1,480	87	97	204	371	1,520	475	280	106	408	245	457	344	122	384
May.....	7,949	1,487	1,460	79	98	202	374	1,502	468	287	102	304	246	454	344	126	416
June.....	7,685	1,483	1,441	90	98	73	317	1,489	463	296	102	228	245	447	344	129	440
July.....	7,615	1,459	1,419	92	97	71	317	1,472	455	296	107	225	244	443	344	132	442
August.....	7,580	1,463	1,400	81	100	69	317	1,452	447	284	111	225	242	441	344	136	468
September.....	7,557	1,460	1,383	130	99	67	317	1,431	437	269	148	222	237	433	345	136	443
October.....	7,487	1,432	1,366	127	100	66	317	1,406	423	251	189	228	232	427	345	140	438

**SELECTED ASSET ITEMS, OTHER THAN INTERAGENCY ITEMS**

End of month	Loans by Reconstruction Finance Corporation				Preferred stock held			Accounts and other receivables				Property held for sale			
	Total	Loans to financial institutions	Loans to railroads	Other	Reconstruction Finance Corp.	Home Owners' Loan Corporation	Other	Fed. land banks and Fed. Farm Mortgage Corp.	Commodity Credit Corporation	Reconstruction Finance Corp. and war corporations	Other	War corporations	Commodity Credit Corporation	Home Owners' Loan Corporation	Other
1941—June.....	1,082	193	480	409	429	183	86	219	79	68	232	257	753	319	168
December.....	1,433	165	473	795	401	175	104	219	34	80	241	703	749	288	151
1942—June.....	1,473	144	472	857	378	167	103	225	96	151	302	2,041	1,068	262	141
1942—November.....	1,566	169	471	926	367	152	102	213	65	497	294	3,221	1,109	231	140
December.....	1,557	167	460	930	366	152	102	207	57	531	290	3,469	1,363	227	128
1943—January.....	1,554	161	463	930	364	140	101	203	129	519	354	3,793	1,495	223	127
February.....	1,527	159	449	919	361	110	94	205	103	659	473	3,928	1,614	219	122
March.....	1,530	155	444	931	359	109	94	195	75	677	356	4,041	1,700	216	117
April.....	1,512	153	437	922	358	109	93	197	209	700	358	4,442	1,316	212	111
May.....	1,487	150	434	903	355	109	93	192	187	763	372	4,703	1,153	203	108
June.....	1,483	148	426	909	354	108	94	193	350	800	445	4,963	1,045	191	111
July.....	1,459	145	423	891	351	80	93	192	210	825	287	5,241	1,223	182	104
August.....	1,463	141	423	899	346	64	88	193	177	790	290	5,528	1,220	169	102
September.....	1,460	138	423	899	345	64	88	187	196	832	272	5,784	1,196	152	102
October.....	1,432	136	406	890	343	63	87	186	489	778	397	6,016	865	136	98

<sup>1</sup> Excluding Federal land bank bonds held by the Federal Farm Mortgage Corporation.

<sup>2</sup> Excluding investments in preferred stock, the amount of which is shown in the lower section of this table.

<sup>3</sup> Excluding loans by Federal savings and loan associations, which are privately owned institutions under the supervision of the Federal Home Loan Bank Administration. Loans by these institutions amounted to 1,909 million dollars on Oct. 31, 1943.

# BUSINESS INDEXES

[The terms "adjusted" and "unadjusted" refer to adjustment of monthly figures for seasonal variation]

Year and month	Income payments (value) <sup>1</sup> 1935-39 = 100	Industrial production (physical volume) <sup>2*</sup> 1935-39 = 100					Construction contracts awarded (value) <sup>3</sup> 1923-25 = 100				Employment <sup>4</sup> 1939 = 100			Factory pay rolls <sup>4</sup> 1939 = 100	Freight carloadings <sup>5</sup> 1935-39 = 100	Department store sales (value) <sup>6</sup> 1923-25 = 100	Wholesale commodity prices <sup>4</sup> 1926 = 100	Cost of living <sup>4</sup> 1935-39 = 100
		Total		Manufactures		Minerals	Total	Residential	All other	Non-agricultural	Factory							
		Ad-justed	Ad-justed	Unad-justed	Ad-justed						Ad-justed	Ad-justed	Ad-justed					
1919.....			72	84	62	71	63	44	79				106.8	106.2	120	78	138.6	124.5
1920.....			75	93	60	83	63	30	90				107.2	127.1	129	94	154.4	143.2
1921.....			58	53	57	66	56	44	65				82.1	82.0	110	87	97.6	127.7
1922.....			73	81	67	71	79	68	88				90.8	88.0	121	88	96.7	119.7
1923.....			88	103	72	98	84	81	86				103.9	111.6	142	98	100.6	121.9
1924.....			82	95	69	89	94	95	94				96.5	104.1	139	99	98.1	122.2
1925.....			90	107	76	92	122	124	120				99.9	109.7	146	103	103.5	125.4
1926.....			96	114	79	100	129	121	135				101.8	113.1	152	106	100.0	126.4
1927.....			95	107	83	100	129	117	139				99.6	111.0	147	107	95.4	124.0
1928.....			99	117	85	99	135	126	142				99.7	112.3	148	108	96.7	122.6
1929.....	122.9		110	132	93	107	117	87	142	106.0			106.1	119.8	152	111	95.3	123.5
1930.....	109.1		91	98	84	93	92	50	125	98.1			92.5	96.9	131	102	86.4	119.4
1931.....	92.3		75	67	79	80	63	37	84	88.3			78.2	73.5	105	92	73.0	108.7
1932.....	70.6		58	41	70	67	28	13	40	77.6			66.4	50.7	78	69	64.8	97.6
1933.....	68.9		69	54	79	76	25	11	37	78.6			73.5	54.4	82	67	65.9	92.4
1934.....	78.7		75	65	81	80	32	12	48	86.3			85.8	70.0	89	75	74.9	95.7
1935.....	87.1		87	83	90	86	37	21	50	90.1			91.4	80.4	92	79	80.0	98.1
1936.....	101.3		103	108	100	99	55	37	70	96.8			99.1	93.0	107	88	80.8	99.1
1937.....	107.7		113	122	106	112	59	41	74	102.7			108.7	111.2	111	92	86.3	102.7
1938.....	98.5		89	78	95	97	64	45	80	95.1			91.0	85.1	89	85	78.6	100.8
1939.....	105.5		109	109	109	106	72	60	81	100.0			100.0	100.0	101	90	77.1	99.4
1940.....	113.8		125	139	115	117	81	72	89	104.2			107.5	114.5	109	94	78.6	100.2
1941.....	137.3		162	201	142	125	122	89	149	115.6			137.1	167.5	130	110	87.3	105.2
1942.....	171.9		199	279	158	129	166	82	235	124.2			152.3	242.3	138	124	98.8	116.5
1940																		
June.....	112.5	123	123	134	115	119	74	69	77	102.6	103.7	102.5	107.6	109	91	77.5	100.5	
July.....	113.1	123	121	136	115	118	85	77	91	103.3	105.2	103.1	106.6	109	92	77.7		
August.....	114.1	126	126	145	114	113	90	82	98	104.6	108.1	107.8	115.1	112	98	77.4		
September.....	115.6	129	134	151	116	117	93	82	101	105.3	109.7	112.2	122.1	114	97	78.0	100.4	
October.....	117.1	132	137	156	119	114	95	85	103	106.5	112.0	114.8	126.9	111	94	78.7	100.2	
November.....	117.7	136	138	159	123	119	111	87	130	108.1	114.6	116.0	127.5	116	100	79.6	100.1	
December.....	120.6	140	139	166	126	119	115	90	136	109.7	116.8	117.4	134.1	117	101	80.0	100.7	
1941																		
January.....	121.3	143	139	172	127	120	103	84	117	110.3	118.8	116.9	132.6	120	101	80.8	100.8	
February.....	123.5	147	144	178	131	119	99	76	118	111.5	120.9	120.0	140.3	122	103	80.6	100.8	
March.....	125.4	152	149	184	133	126	94	74	109	111.7	122.9	122.7	145.9	127	103	81.5	101.2	
April.....	128.2	149	149	186	137	96	103	80	121	111.8	126.3	125.8	150.2	112	104	83.2	102.2	
May.....	133.7	160	160	198	142	121	101	88	111	113.6	129.8	128.6	161.3	129	105	84.9	102.9	
June.....	138.9	164	165	203	144	127	117	101	129	115.3	133.3	132.0	170.5	131	104	87.1	104.6	
July.....	140.3	166	165	208	144	126	139	115	158	117.1	136.6	135.5	172.0	132	115	88.8	105.3	
August.....	143.2	167	170	209	146	128	152	112	184	118.4	137.8	138.4	178.8	136	134	90.3	106.2	
September.....	144.4	169	174	212	146	132	161	105	206	118.9	138.8	141.2	184.8	134	116	91.8	108.1	
October.....	146.3	172	176	219	148	134	145	87	192	119.2	139.5	141.8	190.2	134	105	92.4	109.3	
November.....	147.5	174	175	220	151	133	138	74	189	119.8	139.9	141.3	188.6	137	116	92.5	110.2	
December.....	153.9	176	173	225	150	134	123	69	167	120.3	140.6	141.1	195.1	138	111	93.6	110.5	
1942																		
January.....	155.2	181	177	235	152	133	118	82	147	120.4	141.6	139.8	200.7	140	138	96.0	112.0	
February.....	157.1	183	180	241	153	133	128	100	151	120.8	143.2	142.3	208.2	138	126	96.7	112.9	
March.....	159.1	186	182	250	153	126	125	95	149	121.0	144.8	144.3	215.1	138	124	97.6	114.3	
April.....	163.4	189	187	257	154	125	128	82	165	121.2	147.0	146.3	221.4	138	117	98.7	115.1	
May.....	165.4	191	192	264	153	126	158	76	226	121.9	148.7	148.0	228.7	136	108	98.8	116.0	
June.....	169.6	193	195	272	152	127	193	76	288	122.5	150.8	149.9	234.5	134	104	98.6	116.4	
July.....	172.8	197	199	278	154	126	206	74	313	124.5	153.2	153.4	242.7	137	121	98.7	117.0	
August.....	176.2	204	207	290	158	130	182	65	278	125.8	155.8	157.1	254.8	140	130	99.2	117.5	
September.....	178.4	208	213	299	161	131	179	70	268	126.5	157.4	159.6	261.8	140	123	99.6	117.8	
October.....	183.0	215	218	311	165	129	185	83	269	127.6	159.6	160.7	270.9	140	128	100.0	119.0	
November.....	189.2	220	220	319	168	130	198	90	286	128.8	161.5	161.9	280.4	136	138	100.3	119.8	
December.....	193.4	223	221	328	169	127	175	91	243	130.2	164.2	164.5	287.9	135	125	101.0	120.4	
1943																		
January.....	196.5	227	223	336	171	125	145	79	198	130.4	165.8	164.8	290.9	135	143	101.9	120.7	
February.....	200.6	232	229	344	174	131	102	56	140	130.5	167.4	166.4	297.5	139	168	102.5	121.0	
March.....	204.4	235	232	351	174	133	85	42	119	129.9	168.1	167.6	304.5	138	136	103.4	122.8	
April.....	207.3	237	235	356	175	131	63	33	87	129.3	168.4	167.7	309.7	136	128	103.7	124.1	
May.....	208.7	238	239	359	176	129	52	31	68	128.4	167.9	167.2	313.5	135	125	104.1	125.1	
June.....	211.3	236	238	358	177	117	45	32	55	128.9	169.0	168.8	317.1	127	129	103.8	124.8	
July.....	213.1	240	241	361	176	134	60	36	80	128.6	169.7	169.8	315.6	141	142	103.2	123.9	
August.....	215.5	242	245	365	177	135	59	35	79	127.9	169.6	170.8	322.2	140	142	103.1	123.4	
September.....	215.6	245	248	370	177	138	65	35	89	126.8	168.3	170.1	328.3	140	132	103.1	123.9	
October.....	218.0	247	249	376	178	136	49	34	61	127.5	170.0	170.4	333.4	137	140	103.0	124.4	
November.....	221.4	247	249	376	178	136	49	34	61	127.5	170.0	170.4	333.4	137	140	103.0	124.4	
December.....	221.4	247	249	376	178	136	49	34	61	127.5	170.0	170.4	333.4	137	140	103.0	124.4	

\* Average per working day. P Preliminary. R Revised. E Estimated. C Corrected. 1 Department of Commerce series on value of payments to individuals.

2 For indexes by groups or industries, see pp. 86-89.

3 Based on F. W. Dodge Corporation data; for description, see p. 358 of BULLETIN for July 1931; by groups, see p. 92 of this BULLETIN.

4 The unadjusted indexes of employment and pay rolls, wholesale commodity prices, and cost of living are compiled by or based on data of the Bureau of Labor Statistics. Figures prior to 1939 for factory employment and pay rolls and nonagricultural employment are adjusted for level through 1937; the 1938 figures and the 1939 base period averages applied to earlier data are preliminary. Figures since 1939 are adjusted to Social Security data. Non-agricultural employment covers employees only and excludes personnel in the armed forces.

5 For sales comparisons by cities and by departments see pp. 94-95 of this BULLETIN.

6 Back figures in BULLETIN.—For industrial production, August 1940, pp. 825-882, September 1941, pp. 933-937, and October 1943, pp. 958-984; for factory employment and pay rolls, October 1938, pp. 839-866, February 1941, p. 166, and January 1943, p. 13; for department store sales, October 1938, p. 918, and January 1941, p. 65.

# INDUSTRIAL PRODUCTION, BY INDUSTRIES

(Adjusted for Seasonal Variation)

[Index numbers of the Board of Governors. 1935-39 average = 100]

Industry	1942			1943											
	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	
<b>Industrial Production—Total</b> .....	215	220	223	227	232	235	237	238	236	240	242	<sup>r</sup> 245	247	<sup>p</sup> 247	
<b>Manufactures—Total</b> .....	230	236	240	245	250	253	256	258	258	259	261	<sup>r</sup> 264	266	<sup>p</sup> 268	
<b>Durable Manufactures</b> .....	311	319	328	336	344	351	356	359	358	361	365	<sup>r</sup> 370	376	<sup>p</sup> 378	
<b>Iron and Steel</b> .....	207	204	200	204	208	210	209	208	201	203	209	213	214	<sup>p</sup> 209	
Pig iron.....	199	201	197	198	200	202	198	196	190	191	202	205	202	200	
Steel.....	229	224	221	226	231	233	235	233	227	229	235	239	241	235	
Open hearth.....	186	182	179	182	185	188	186	184	177	180	184	189	190	184	
Electric.....	536	527	523	542	560	559	580	584	583	577	598	593	607	592	
<b>Machinery</b> .....	380	392	407	417	426	436	441	443	441	440	<sup>r</sup> 443	<sup>r</sup> 449	<sup>r</sup> 458	<sup>p</sup> 464	
<b>Manufacturing Arsenals and Depots</b> <sup>1</sup> .....															
<b>Transportation Equipment</b> .....	567	600	630	651	671	692	718	728	743	756	<sup>r</sup> 763	<sup>r</sup> 771	782	<sup>p</sup> 788	
Automobiles.....	177	185	191	198	203	204	206	211	215	220	232	<sup>r</sup> 240	249	<sup>p</sup> 254	
(Aircraft; Railroad cars; Locomotives; Shipbuilding—Private and Government) <sup>1</sup> .....															
<b>Nonferrous Metals and Products</b> .....	230	239	242	250	252	256	257	266	264	266	273	<sup>r</sup> 288	295	<sup>p</sup> 304	
Smelting and refining.....	222	237	241	241	253	255	262	270	275	278	<sup>r</sup> 279	<sup>r</sup> 294	303	<sup>p</sup> 309	
(Copper smelting; Lead refining; Zinc smelting; Aluminum; Magnesium; Tin) <sup>1</sup> .....															
Fabricating.....	234	240	243	254	252	257	255	264	260	262	270	<sup>r</sup> 285	292	<sup>p</sup> 303	
(Copper products; Lead shipments; Zinc shipments; Aluminum products; Magnesium products; Tin consumption) <sup>1</sup> .....															
<b>Lumber and Products</b> .....	133	132	130	123	127	129	130	133	128	128	130	129	128	<sup>p</sup> 134	
Lumber.....	127	126	122	113	117	119	121	126	118	118	119	118	115	<sup>p</sup> 123	
Furniture.....	145	142	146	142	147	149	149	147	148	148	151	149	152	<sup>p</sup> 154	
<b>Stone, Clay, and Glass Products</b> .....	167	170	173	180	178	175	175	175	175	173	173	168	171	<sup>p</sup> 168	
Glass products.....	129	135	136	150	149	146	153	159 <sup>r</sup>	158	162	162	159	169	165	
Plate glass.....	33	35	35	35	35	35	39	43	41	45	49	53	47	51	
Glass containers.....	163	170	172	191	189	185	194	200	199	203	202	196	212	204	
Cement.....	174	172	171	171	166	154	135	130	127	119	114	112	107	98	
Clay products.....	143	144	144	148	144	142	142	136	139	132	132	125	124	<sup>p</sup> 125	
Gypsum and plaster products.....	186	192	191	193	196	202	202	203	204	198	203	194	194	<sup>p</sup> 192	
Abrasive and asbestos products.....	258	270	293	301	305	308	313	320	325	326	327	321	326	<sup>p</sup> 329	
Other stone and clay products <sup>1</sup> .....															
<b>Nondurable Manufactures</b> .....	165	168	169	171	174	174	175	176	177	176	177	<sup>r</sup> 177	178	<sup>p</sup> 179	
<b>Textiles and Products</b> .....	159	159	157	158	162	158	157	159	155	148	145	150	152	<sup>p</sup> 151	
Textile fabrics.....	150	150	148	149	152	149	147	149	146	139	136	141	142	.....	
Cotton consumption.....	172	171	163	171	171	166	166	169	160	153	147	156	156	153	
Rayon deliveries.....	174	177	178	180	181	181	181	185	183	183	177	181	<sup>r</sup> 186	191	
Nylon and silk consumption <sup>1</sup> .....															
Wool textiles.....	160	161	163	154	166	163	157	158	160	146	150	151	152	.....	
Carpet wool consumption.....	44	43	44	29	39	40	38	32	30	24	33	29	37	.....	
Apparel wool consumption.....	210	212	218	208	230	228	214	222	226	207	210	<sup>r</sup> 206	201	.....	
Woolen and worsted yarn.....	179	179	180	172	184	181	173	177	181	164	168	172	173	.....	
Woolen yarn.....	182	182	184	176	190	187	179	181	186	168	176	<sup>r</sup> 178	175	.....	
Worsted yarn.....	175	175	175	167	177	172	165	171	174	159	158	163	171	.....	
Woolen and worsted cloth.....	179	180	185	177	187	182	177	177	179	164	166	<sup>r</sup> 169	168	.....	
<b>Leather and Products</b> .....	119	117	117	123	123	117	119	118	114	112	111	110	109	<sup>p</sup> 106	
Leather tanning.....	126	125	126	130	127	120	122	122	114	111	106	105	103	.....	
Cattle hide leathers.....	143	139	141	141	139	128	131	132	122	116	109	107	102	.....	
Calf and kip leathers.....	94	94	93	95	93	92	91	92	86	85	80	81	77	.....	
Goat and kid leathers.....	81	81	84	89	89	93	90	90	86	84	82	88	95	.....	
Sheep and lamb leathers.....	147	163	154	185	170	160	166	164	162	169	174	164	173	.....	
Shoes.....	115	111	110	118	119	115	117	115	114	112	114	<sup>r</sup> 114	113	<sup>p</sup> 108	
<b>Manufactured Food Products</b> .....	137	140	143	141	141	142	141	141	141	144	144	<sup>r</sup> 141	142	<sup>p</sup> 146	
Wheat flour.....	111	118	120	134	126	118	109	97	102	103	110	111	117	<sup>p</sup> 128	
Cane sugar meltings <sup>1</sup> .....															
Manufactured dairy products.....	152	164	145	<sup>p</sup> 131	<sup>p</sup> 134	<sup>p</sup> 137	<sup>p</sup> 137	<sup>p</sup> 129	<sup>p</sup> 139	<sup>p</sup> 143	<sup>p</sup> 140	<sup>p</sup> 146	<sup>p</sup> 146	<sup>p</sup> 158	
Butter.....	101	101	103	103	107	108	106	103	106	104	96	95	87	88	
Cheese.....	141	136	135	144	145	147	147	145	150	154	150	150	144	143	
Canned and dried milk.....	151	145	143	137	141	145	149	150	161	171	157	154	137	127	
Ice cream.....	188	216	176												
Meat packing.....	145	149	156	143	154	151	147	162	159	186	182	178	168	185	
Pork and lard.....	157	171	189	168	183	183	187	216	222	260	241	221	193	221	
Beef.....	133	123	119	123	131	127	112	111	96	110	119	130	135	145	
Veal.....	125	122	108	79	76	74	62	60	63	73	109	131	151	150	
Lamb and mutton.....	144	152	151	121	115	107	111	123	119	140	154	161	173	166	

<sup>r</sup> Revised. <sup>p</sup> Preliminary. <sup>1</sup> Series included in total and group indexes but not available for publication separately.

**INDUSTRIAL PRODUCTION, BY INDUSTRIES—Continued**  
(Adjusted for Seasonal Variation)

[Index numbers of the Board of Governors. 1935-39 average = 100]

Industry	1942			1943										
	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.
<i>Manufactured Food Products—Continued</i>														
Other manufactured foods.....	138	139	144	144	143	145	144	144	142	141	142	138	<sup>P</sup> 140	<sup>P</sup> 141
Processed fruits and vegetables.....	123	122	122	121	121	122	124	121	119	114	126	120	<sup>P</sup> 121	<sup>P</sup> 118
Confectionery.....	125	123	135	137	139	145	153	152	144	134	123	120	<sup>P</sup> 113	
Other food products.....	145	147	152	151	149	150	148	148	148	149	150	150	<sup>P</sup> 150	<sup>P</sup> 153
<i>Alcoholic Beverages.....</i>														
	123	121	111	105	121	112	104	96	106	106	111	135	130	141
Malt liquor.....	130	144	131	122	142	133	124	113	127	127	131	164	155	169
Whiskey.....	13	0	0	0	0	0	0	0	0	0	0	0	0	0
Other distilled spirits.....	63	62	42	42	63	35	31	21	22	23	40	77	90	62
Rectified liquors.....	226	159	159	159	161	157	141	139	144	144	157	156	158	178
<i>Industrial Alcohol from Beverage Plants<sup>1</sup>.....</i>														
<i>Tobacco Products.....</i>														
	140	138	146	132	128	129	132	123	124	134	136	134	139	148
Cigars.....	121	117	154	103	101	93	103	104	102	99	96	101	100	101
Cigarettes.....	163	163	160	159	153	159	160	144	149	166	169	165	173	186
Other tobacco products.....	97	94	94	93	88	89	86	85	78	84	92	87	93	100
<i>Paper and Paper Products.....</i>														
	138	137	133	135	140	141	141	142	140	135	143	143	141	
Paper and pulp.....	139	137	132	135	139	139	138	140	136	133	141	140	139	
Pulp.....	167	161	149	148	153	148	150	154	143	141	153	150	153	
Groundwood pulp.....	114	107	107	103	107	103	101	104	106	111	115	112	112	
Soda pulp.....	137	141	127	96	98	94	93	92	84	87	93	93	93	
Sulphate pulp.....	218	208	192	201	206	203	204	211	184	193	214	211	213	
Sulphite pulp.....	157	151	140	140	146	140	144	147	142	131	139	134	141	
Paper.....	134	133	130	133	137	138	136	137	135	132	139	138	136	
Paperboard.....	136	137	134	137	143	150	150	150	152	143	151	155	148	151
Fine paper.....	130	129	124	129	131	129	130	133	123	126	<sup>P</sup> 135	<sup>P</sup> 124	127	
Printing paper.....	131	127	120	125	131	126	124	122	122	117	126	125	123	
Tissue and absorbent paper.....	170	174	175	175	172	174	167	168	176	158	169	174	176	
Wrapping paper.....	128	123	120	125	129	127	125	130	118	127	130	126	128	
Newsprint.....	107	102	100	92	92	90	88	89	91	91	90	88	83	86
Paperboard containers (same as Paperboard).....														
<i>Printing and Publishing.....</i>														
	117	116	111	115	116	112	113	112	112	111	115	111	110	<sup>P</sup> 107
Newsprint consumption.....	104	106	103	104	101	97	101	102	102	105	103	97	96	90
Printing paper (same as shown under Paper).....														
<i>Petroleum and Coal Products.....</i>														
	154	157	156	158	165	166	171	173	177	182	193	<sup>P</sup> 202	<sup>P</sup> 206	<sup>P</sup> 210
Petroleum refining.....	153	155	155	157	164	166	171	174	180	185	196	<sup>P</sup> 206	<sup>P</sup> 211	<sup>P</sup> 217
Gasoline.....	111	110	104	99	102	99	101	104	109	109	116	122	122	<sup>P</sup> 122
Fuel oil.....	137	138	137	137	143	137	144	137	138	145	153	156	151	
Lubricating oil.....	113	114	113	111	114	118	114	116	120	121	123	123	134	
Kerosene.....	112	110	99	104	117	118	121	122	126	118	107	115	113	
Other petroleum products <sup>1</sup> .....														
Coke.....	166	166	166	166	169	169	169	166	157	162	170	171	169	<sup>P</sup> 163
Byproduct coke.....	155	156	156	157	158	158	159	157	152	153	159	161	158	<sup>P</sup> 155
Beehive coke.....	527	503	501	485	543	551	519	481	318	453	523	538	<sup>P</sup> 535	<sup>P</sup> 462
<i>Chemical Products.....</i>														
	314	330	344	355	361	370	382	389	399	402	<sup>P</sup> 404	395	398	<sup>P</sup> 391
Paints.....	122	125	126	125	127	126	129	130	135	139	140	137	138	<sup>P</sup> 140
Soap.....	116	121	123	125	127	124	124	122	123	120	<sup>P</sup> 124	123	120	<sup>P</sup> 128
Rayon.....	190	187	196	196	200	204	210	214	213	222	223	221	225	<sup>P</sup> 227
Industrial chemicals.....	304	310	319	332	332	341	350	356	366	371	382	383	396	<sup>P</sup> 401
Explosives and ammunition <sup>1</sup> .....														
Other chemical products <sup>1</sup> .....														
<i>Rubber Products.....</i>														
	191	200	212	215	218	222	222	224	230	229	227	231	234	<sup>P</sup> 238
<i>Minerals—Total.....</i>														
	129	130	127	125	131	133	131	129	117	134	135	138	136	<sup>P</sup> 132
<i>Fuels.....</i>														
	127	130	126	124	131	133	131	129	115	136	137	140	138	<sup>P</sup> 135
Coal.....	140	148	136	136	151	154	146	139	97	150	148	150	141	<sup>P</sup> 125
Bituminous coal.....	145	154	143	145	157	161	151	143	103	155	153	155	144	<sup>P</sup> 131
Anthracite.....	117	124	105	102	129	128	129	124	74	129	128	129	127	<sup>P</sup> 102
Crude petroleum.....	121	121	121	118	121	122	124	125	124	128	131	136	137	<sup>P</sup> 138
Metals.....	140	133	133	130	131	131	130	129	128	128	123	<sup>P</sup> 124	123	<sup>P</sup> 122
Metals other than gold and silver.....	184	181	187	185	189	188	189	186	187	188	184	188	187	<sup>P</sup> 186
Iron ore.....	218	211	223	223	223	223	223	223	223	223	223	223	223	<sup>P</sup> 223
(Copper; Lead; Zinc) <sup>1</sup> .....														
Gold.....	78	65	53	47	44	45	43	42	37	34	28	27		
Silver.....	82	74	75	76	77	77	75	77	83	87	80	67		

<sup>\*</sup> Revised    <sup>P</sup> Preliminary.    <sup>1</sup> Series included in total and group indexes but not available for publication separately.  
NOTE.—For description and back figures see BULLETIN for October 1943, pp. 940-984, September 1941, pp. 878-881 and 933-937, and August 1940, pp. 753-771 and 825-882.



**INDUSTRIAL PRODUCTION, BY INDUSTRIES**  
(Without Seasonal Adjustment)

[Index numbers of the Board of Governors, 1935-39 average = 100]

Industry	1942			1943										
	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.
<b>Industrial Production—Total</b> .....	<b>218</b>	<b>220</b>	<b>221</b>	<b>223</b>	<b>229</b>	<b>232</b>	<b>235</b>	<b>239</b>	<b>238</b>	<b>241</b>	<b>245</b>	<b>248</b>	<b>249</b>	<b>247</b>
<b>Manufactures—Total</b> .....	<b>233</b>	<b>236</b>	<b>239</b>	<b>242</b>	<b>247</b>	<b>251</b>	<b>255</b>	<b>258</b>	<b>259</b>	<b>260</b>	<b>263</b>	<b>267</b>	<b>269</b>	<b>268</b>
<b>Durable Manufactures</b> .....	<b>312</b>	<b>319</b>	<b>327</b>	<b>334</b>	<b>342</b>	<b>350</b>	<b>356</b>	<b>360</b>	<b>359</b>	<b>362</b>	<b>367</b>	<b>*372</b>	<b>377</b>	<b>*378</b>
<b>Iron and Steel</b> .....	<b>207</b>	<b>204</b>	<b>200</b>	<b>204</b>	<b>208</b>	<b>210</b>	<b>209</b>	<b>208</b>	<b>201</b>	<b>203</b>	<b>209</b>	<b>213</b>	<b>214</b>	<b>209</b>
Pig iron .....	199	201	197	198	200	202	198	196	190	191	202	205	202	200
Steel .....	229	224	221	226	231	233	235	233	227	229	235	239	241	235
Open hearth .....	186	182	179	182	185	188	186	184	177	180	184	189	190	184
Electric .....	536	527	523	542	560	559	580	584	583	577	598	593	607	592
<b>Machinery</b> .....	<b>380</b>	<b>392</b>	<b>407</b>	<b>417</b>	<b>426</b>	<b>436</b>	<b>441</b>	<b>443</b>	<b>441</b>	<b>440</b>	<b>*443</b>	<b>*449</b>	<b>458</b>	<b>*464</b>
<b>Manufacturing Arsenals and Depots</b> <sup>1</sup> .....														
<b>Transportation Equipment</b> .....	<b>567</b>	<b>600</b>	<b>630</b>	<b>651</b>	<b>671</b>	<b>692</b>	<b>718</b>	<b>728</b>	<b>743</b>	<b>756</b>	<b>*763</b>	<b>*771</b>	<b>782</b>	<b>*788</b>
Automobiles .....	177	185	191	198	203	204	206	211	215	220	232	*240	249	*254
(Aircraft; Railroad cars; Locomotives; Shipbuilding —Private and Government) <sup>1</sup> .....														
<b>Nonferrous Metals and Products</b> .....	<b>230</b>	<b>239</b>	<b>243</b>	<b>250</b>	<b>252</b>	<b>256</b>	<b>257</b>	<b>266</b>	<b>264</b>	<b>266</b>	<b>273</b>	<b>*288</b>	<b>295</b>	<b>*305</b>
Smelting and refining (Copper smelting; Lead refining; Zinc smelting; Aluminum; Magnesium; Tin) <sup>1</sup> .....	222	238	242	241	253	255	262	271	275	276	279	*294	303	*309
Fabricating (Copper products; Lead shipments; Zinc ship- ments; Aluminum products; Tin consumption) <sup>1</sup> .....	234	240	243	254	252	257	255	264	260	262	270	*285	292	*303
<b>Lumber and Products</b> .....	<b>140</b>	<b>130</b>	<b>120</b>	<b>112</b>	<b>119</b>	<b>123</b>	<b>130</b>	<b>136</b>	<b>135</b>	<b>135</b>	<b>137</b>	<b>136</b>	<b>133</b>	<b>*132</b>
Lumber .....	137	123	106	96	104	110	120	130	128	128	130	129	124	*120
Furniture .....	145	142	146	142	147	149	149	147	148	148	151	149	152	*154
<b>Stone, Clay, and Glass Products</b> .....	<b>176</b>	<b>175</b>	<b>169</b>	<b>170</b>	<b>166</b>	<b>168</b>	<b>172</b>	<b>180</b>	<b>177</b>	<b>173</b>	<b>179</b>	<b>174</b>	<b>178</b>	<b>*172</b>
Glass products .....	133	136	127	147	145	146	153	169	157	156	168	162	174	166
Plate glass .....	33	35	35	35	36	35	39	43	41	45	49	53	47	54
Glass containers .....	168	171	160	187	184	185	194	214	197	195	210	200	218	206
Cement .....	202	186	156	139	126	126	128	137	136	131	129	130	124	105
Clay products .....	151	150	149	139	137	136	138	136	137	132	135	129	131	*131
Gypsum and plaster products .....	190	194	194	187	188	196	202	205	208	198	204	198	199	*196
Abrasive and asbestos products .....	258	270	293	301	305	308	313	320	325	326	327	321	326	*329
Other stone and clay products <sup>1</sup> .....														
<b>Nondurable Manufactures</b> .....	<b>168</b>	<b>168</b>	<b>168</b>	<b>168</b>	<b>171</b>	<b>171</b>	<b>173</b>	<b>175</b>	<b>177</b>	<b>177</b>	<b>180</b>	<b>*182</b>	<b>181</b>	<b>*179</b>
<b>Textiles and Products</b> .....	<b>159</b>	<b>159</b>	<b>157</b>	<b>158</b>	<b>162</b>	<b>158</b>	<b>157</b>	<b>159</b>	<b>155</b>	<b>148</b>	<b>145</b>	<b>150</b>	<b>152</b>	<b>*151</b>
Textile fabrics .....	150	150	148	149	152	149	147	149	146	139	136	141	142	.....
Cotton consumption .....	172	171	163	171	171	166	166	169	160	153	147	156	156	153
Rayon deliveries .....	174	177	178	180	181	181	181	185	183	183	177	181	186	191
Nylon and silk consumption <sup>1</sup> .....														
Wool textiles .....	160	161	163	154	166	163	157	158	160	146	150	151	152	.....
Carpet wool consumption .....	44	43	44	29	39	40	38	32	30	24	33	29	37	.....
Apparel wool consumption .....	210	212	218	208	230	228	214	222	226	207	210	*206	201	.....
Woolen and worsted yarn .....	179	179	180	172	184	181	173	177	181	164	168	172	173	.....
Woolen yarn .....	182	182	184	176	190	187	179	181	186	168	176	*178	175	.....
Worsted yarn .....	175	175	175	167	177	172	165	171	174	159	158	163	171	.....
Woolen and worsted cloth .....	179	180	185	177	187	182	177	177	179	164	166	*169	168	.....
Leather and Products .....	<b>120</b>	<b>119</b>	<b>116</b>	<b>123</b>	<b>126</b>	<b>117</b>	<b>118</b>	<b>118</b>	<b>113</b>	<b>110</b>	<b>110</b>	<b>*110</b>	<b>110</b>	<b>*108</b>
Leather tanning .....	127	130	125	130	137	119	121	122	112	105	105	*103	104	.....
Cattle hide leathers .....	145	144	141	144	151	128	131	132	117	109	105	105	103	.....
Calf and kip leathers .....	96	97	91	93	98	90	88	88	88	84	84	80	78	.....
Goat and kid leathers .....	81	79	85	89	93	93	88	86	83	80	80	89	95	.....
Sheep and lamb leathers .....	147	172	146	172	188	155	162	177	160	157	180	161	173	.....
Shoes .....	115	111	110	118	119	115	117	115	114	112	114	*114	113	*108
<b>Manufactured Food Products</b> .....	<b>147</b>	<b>141</b>	<b>139</b>	<b>131</b>	<b>127</b>	<b>128</b>	<b>128</b>	<b>135</b>	<b>141</b>	<b>152</b>	<b>*159</b>	<b>*161</b>	<b>151</b>	<b>*148</b>
Wheat flour .....	118	119	118	134	127	116	105	95	98	102	109	121	124	*129
Cane sugar meltings <sup>1</sup> .....														
Manufactured dairy products .....	126	107	95	*87	*99	*115	*143	*171	*203	*206	*179	*153	*120	*103
Butter .....	87	77	81	86	94	98	108	133	146	127	106	91	75	67
Cheese .....	127	102	97	107	119	132	153	194	213	189	167	153	130	107
Canned and dried milk .....	123	104	110	111	127	142	168	208	223	198	161	142	111	91
Ice cream .....	152	130	98											
Meat packing .....	146	166	186	171	147	140	136	162	158	170	154	160	168	206
Pork and lard .....	147	200	249	221	180	171	170	216	222	229	185	175	181	259
Beef .....	144	128	119	126	121	115	105	111	94	111	120	140	147	150
Veal .....	142	131	101	73	67	69	61	62	63	73	107	144	172	160
Lamb and mutton .....	150	152	148	128	117	105	108	126	111	134	151	173	180	166

\* Revised.    † Preliminary.    <sup>1</sup> Series included in total and group indexes but not available for publication separately.

**INDUSTRIAL PRODUCTION, BY INDUSTRIES—Continued**  
(Without Seasonal Adjustment)

[Index numbers of the Board of Governors, 1935-39 average = 100]

Industry	1942			1943										
	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.
<i>Manufactured Food Products—Continued</i>														
Other manufactured foods.....	154	145	142	133	130	129	128	130	134	146	161	165	P156	P147
Processed fruits and vegetables.....	157	112	95	79	76	67	75	79	91	148	*214	259	P155	P109
Confectionery.....	163	145	137	141	140	135	127	117	107	110	133	155	P148	
Other food products.....	152	154	155	145	142	144	142	146	149	152	153	153	P158	P161
<i>Alcoholic Beverages.....</i>														
	123	103	94	90	110	105	107	106	127	126	122	138	132	119
Malt liquor.....	121	111	105	100	128	123	130	129	161	159	150	166	144	130
Whiskey.....	13	0	0	0	0	0	0	0	0	0	0	0	0	0
Other distilled spirits.....	164	130	46	27	38	23	19	13	13	13	21	105	234	130
Rectified liquors.....	226	159	159	159	161	157	141	139	144	144	157	156	158	178
<i>Industrial Alcohol from Beverage Plants<sup>1</sup>.....</i>														
<i>Tobacco Products.....</i>														
	149	141	137	132	122	123	125	123	128	138	140	141	144	151
Cigars.....	140	117	154	103	101	93	103	104	102	99	96	101	100	101
Cigarettes.....	169	167	147	159	144	148	149	144	156	175	177	176	179	190
Other tobacco products.....	104	97	83	91	85	89	86	86	80	84	89	93	99	103
<i>Paper and Paper Products.....</i>														
	138	137	132	135	140	141	141	142	140	134	*143	143	141	
Paper and pulp.....	139	137	132	135	140	139	139	140	137	132	140	140	139	
Pulp.....	165	162	149	149	154	150	152	155	143	140	151	148	152	
Groundwood pulp.....	106	114	108	107	111	110	112	113	107	99	101	99	104	
Soda pulp.....	137	141	127	96	98	94	93	92	84	87	93	93	93	
Sulphate pulp.....	218	208	192	201	206	203	204	211	184	193	214	211	213	
Sulphite pulp.....	157	151	140	140	146	140	144	147	142	131	139	134	141	
Paper.....	135	133	129	133	138	138	137	137	136	131	139	138	137	
Paperboard.....	136	137	134	137	143	150	150	150	152	143	151	155	148	151
Fine paper.....	130	129	124	129	131	129	130	133	123	126	*135	*124	127	
Printing paper.....	131	127	120	125	131	126	124	122	122	117	126	125	123	
Tissue and absorbent paper.....	171	174	170	173	179	174	168	168	180	152	169	174	178	
Wrapping paper.....	128	123	120	125	129	127	125	130	118	127	130	126	128	
Newsprint.....	107	103	98	92	92	90	89	90	92	89	89	88	83	87
Paperboard containers (same as Paperboard).....														
<i>Printing and Publishing.....</i>														
	120	121	114	111	115	114	116	114	111	104	*110	112	112	P111
Newsprint consumption.....	109	115	108	97	98	101	107	106	101	91	93	98	101	98
Printing paper (same as shown under Paper).....														
<i>Petroleum and Coal Products.....</i>														
	154	157	156	158	165	166	171	173	177	182	193	*202	206	P210
Petroleum refining.....	153	155	155	157	164	166	171	174	180	185	196	*206	211	P217
Gasoline.....	111	110	104	99	102	99	101	104	109	109	116	122	122	P122
Fuel oil.....	137	138	137	137	143	137	144	137	138	145	153	156	151	
Lubricating oil.....	113	114	112	108	113	117	118	121	120	120	121	123	134	
Kerosene.....	112	113	102	106	123	120	124	124	119	110	102	114	113	
Other petroleum products <sup>1</sup> .....														
Coke.....	166	166	166	166	169	169	169	166	157	162	170	171	169	P163
Byproduct coke.....	155	156	156	157	158	158	159	157	152	153	159	161	158	P155
Beehive coke.....	527	503	501	485	543	551	519	481	318	453	523	538	535	P462
<i>Chemical Products.....</i>														
	317	331	346	354	362	372	384	389	396	398	*400	395	400	P393
Paints.....	122	124	126	123	125	126	130	134	139	137	139	135	138	P139
Soap.....	121	122	123	123	125	124	122	119	120	119	*126	128	126	P129
Rayon.....	190	187	196	196	200	204	210	214	213	222	223	221	225	P227
Industrial chemicals.....	304	310	319	332	332	341	350	356	366	371	382	383	396	P401
Explosives and ammunition <sup>1</sup> .....														
Other chemical products <sup>1</sup> .....														
<i>Rubber Products.....</i>														
	191	200	212	215	218	222	222	224	230	229	227	231	234	P238
<i>Minerals—Total.....</i>														
	134	132	119	119	125	127	127	132	121	140	140	143	140	P131
<i>Fuels.....</i>														
	127	130	126	124	131	133	131	129	115	136	137	140	138	P133
Coal.....	140	148	136	136	151	154	146	139	97	150	148	150	141	P125
Bituminous coal.....	145	154	143	145	157	161	151	143	103	155	153	155	144	P131
Anthracite.....	117	124	105	102	129	128	129	124	74	129	128	129	127	P102
Crude petroleum.....	121	121	121	118	121	122	124	125	124	128	131	136	137	P138
<i>Metals.....</i>														
	176	143	79	88	90	90	105	148	159	163	161	*159	149	P119
Metals other than gold and silver.....	239	192	93	114	121	121	147	223	243	250	249	247	228	P177
Iron ore.....	335	229	19	73	77	79	132	298	341	365	363	351	310	P199
(Copper; Lead; Zinc) <sup>1</sup> .....														
Gold.....	92	75	55	45	40	40	38	37	34	32	31	31	31	
Silver.....	82	75	74	77	79	79	75	76	80	86	78	68	68	

\* Revised. P Preliminary. <sup>1</sup> Series included in total and group indexes but not available for publication separately.  
 Note.—For description and back figures, see BULLETIN for October 1943, pp. 940-984, September 1941, pp. 878-881 and 933-937, and August 1940, pp. 753-771 and 825-882.

# FACTORY EMPLOYMENT AND PAY ROLLS, BY INDUSTRIES

(Without Seasonal Adjustment)

[Index numbers of the Bureau of Labor Statistics, 1939 = 100]

Industry and group	Factory employment						Factory pay rolls							
	1942		1943				1942			1943				
	Oct.	Nov.	July	Aug.	Sept.	Oct.	Nov.	Sept.	Oct.	Nov.	July	Aug.	Sept.	Oct.
<b>Total</b>	160.7	161.9	169.8	170.8	170.1	170.4	170.7	261.8	270.9	280.4	315.6	322.2	328.3	333.4
Durable goods	206.7	210.4	229.7	230.4	230.5	232.2	234.0	352.4	366.2	382.8	439.7	448.2	461.2	470.3
Nondurable goods	124.5	123.8	122.6	123.8	122.5	121.7	120.9	173.3	177.7	180.3	194.2	199.0	198.3	199.6
<b>Iron and Steel and Products</b>	164.9	165.7	172.9	173.3	173.6	174.7	175.9	255.4	264.1	270.1	299.6	308.1	312.8	319.8
Blast furnaces, steel works, etc.	136	133	133	133	132	131	200	201	204	224	230	233	234	
Steel castings	265	269	280	278	271	269	420	435	446	478	484	476	483	
Tin cans and other tinware	99	91	111	117	110	106	149	139	128	173	187	178	175	
Hardware	119	117	128	128	128	131	195	210	211	242	251	254	266	
Stoves and heating equipment	107	110	119	121	124	128	144	167	170	198	211	219	232	
Steam, hot-water heating apparatus	179	183	195	197	195	197	298	308	319	361	351	362	363	
Stamped and enameled ware	135	136	164	166	165	168	209	227	231	297	306	315	331	
Structural and ornamental metal work	190	190	196	202	202	204	297	318	314	356	373	372	384	
Forgings	244	247	261	259	260	261	390	431	442	456	483	489	514	
Screw machine products	287	289	295	292	289	289	464	492	507	542	551	549	561	
<b>Electrical Machinery</b>	235.3	243.0	275.5	276.7	279.8	283.4	287.4	368.6	382.7	402.8	462.8	475.3	487.7	494.7
<b>Machinery, except Electrical</b>	217.3	221.0	236.8	236.8	236.2	237.6	239.5	352.3	371.5	381.5	420.1	423.9	435.2	441.4
Machinery and machine shop products	222	226	244	246	245	246	355	372	382	426	430	441	447	
Tractors	149	151	167	173	177	180	198	213	212	254	263	270	279	
Agricultural, excluding tractors	115	106	139	142	145	148	164	187	172	256	267	284	288	
Pumps	281	285	316	321	323	326	511	531	556	630	657	678	694	
Refrigerators	115	123	155	159	161	166	157	176	190	260	274	288	296	
<b>Transportation Equipment, except Autos</b>	1,156.5	1,202.8	1,452.6	1,451.7	1,449.3	1,457.6	1,465.1	2,053.3	2,116.3	2,275.9	2,790.6	2,805.5	2,944.4	2,944.8
Automobiles	142.5	147.1	172.6	177.5	183.4	187.6	191.2	225.2	235.1	261.4	314.3	324.2	338.7	368.5
<b>Nonferrous Metals and Products</b>	171.2	173.5	180.6	180.9	181.8	184.3	186.0	273.3	282.7	292.2	321.1	325.4	336.8	338.2
Primary smelting and refining	143	146	169	168	169	170	203	215	228	295	299	305	301	
Clocks and watches	127	128	122	125	124	124	223	228	232	226	236	242	242	
Lighting equipment	104	106	119	120	125	130	159	165	183	203	210	223	227	
<b>Lumber and Timber Basic Products</b>	127.2	125.1	115.1	114.6	111.0	110.2	109.9	192.2	198.3	188.7	193.3	206.0	197.7	200.9
Sawmills	103	101	92	92	89	88	158	163	153	156	169	162	164	
Planing and plywood mills	121	121	114	112	108	109	168	175	174	179	183	176	182	
<b>Furniture and Lumber Products</b>	112.3	110.5	109.8	110.4	108.6	109.4	110.4	158.1	168.2	165.0	178.6	185.5	183.2	191.0
Furniture	108	106	106	107	105	106	154	165	158	172	179	177	184	
<b>Stone, Clay, and Glass Products</b>	125.2	125.3	122.1	121.8	119.8	119.3	119.2	168.4	178.9	179.2	184.4	192.3	188.5	194.0
Glass	117	117	127	128	128	129	147	164	161	182	194	193	202	
Cement	124	123	101	100	96	94	169	167	169	145	148	140	141	
Brick, tile, and terra cotta	109	106	90	88	85	83	152	155	152	135	137	128	130	
Pottery and related products	137	138	128	129	128	128	173	184	188	179	190	187	194	
<b>Textile-Mill and Fiber Products</b>	111.5	111.7	106.5	105.2	103.6	103.8	103.9	166.8	173.0	175.4	173.0	173.2	172.0	174.4
Cotton goods except small wares	128	128	122	121	119	119	208	211	213	207	204	205	205	
Silk and rayon goods	83	83	79	79	78	78	127	127	131	131	134	132	136	
Woolen and worsted manufactures	119	118	111	108	107	108	196	198	201	198	198	195	198	
Hosiery	78	78	73	72	71	71	93	103	105	102	107	105	109	
Knitted underwear	116	116	108	106	102	103	159	177	179	174	177	172	177	
Dyeing and finishing textiles	105	107	100	99	97	97	143	152	158	153	152	152	152	
Carpets and rugs, wool	91	92	87	86	83	83	131	138	139	139	135	131	136	
<b>Apparel and Other Finished Textiles</b>	114.3	112.3	105.6	105.7	104.1	104.6	103.9	147.4	157.0	152.7	155.8	164.1	163.4	164.1
Men's clothing, n.e.c.	141	108	104	103	101	102	143	148	145	151	154	154	154	
Shirts, collars, and nightwear	94	94	84	82	80	80	130	142	143	131	131	130	134	
Women's clothing, n.e.c.	93	91	84	86	85	86	116	127	123	125	138	136	132	
Millinery	86	72	76	82	80	77	121	103	76	98	122	114	106	
<b>Leather and Leather Products</b>	103.0	104.7	95.0	93.6	90.8	90.5	91.0	145.6	149.2	153.4	145.9	147.8	143.1	143.2
Leather	102	104	96	92	89	88	138	146	153	142	138	135	135	
Boots and shoes	91	93	85	84	82	81	135	135	137	131	135	131	130	
<b>Food and Kindred Products</b>	128.6	121.5	119.3	128.4	129.0	122.3	118.1	173.2	164.4	160.5	175.9	187.8	184.8	182.2
Slaughtering and meat packing	145	146	134	135	132	132	173	177	181	204	203	192	201	
Flour	105	105	114	115	117	120	138	150	148	170	184	180	193	
Baking	115	114	110	109	109	112	141	144	144	153	153	155	159	
Sugar, beet	239	253	48	51	74	167	119	294	379	68	74	100	206	
Confectionery	130	130	104	106	108	116	155	178	182	149	155	164	178	
Beverages, nonalcoholic	117	114	142	144	140	133	138	133	128	178	182	172	161	
Malt liquors	120	116	134	135	133	133	153	144	137	190	193	187	184	
Canning and preserving	142	101	120	175	185	128	373	226	163	201	316	304	225	
<b>Tobacco Manufactures</b>	106.4	104.8	95.1	94.8	94.4	95.5	96.6	144.1	153.7	157.4	153.5	151.1	154.1	160.2
Cigarettes	126	129	121	125	126	128	167	172	179	182	187	180	191	
Cigars	98	97	82	79	79	78	132	145	146	138	129	140	141	
<b>Paper and Allied Products</b>	113.1	114.7	118.9	118.8	117.2	118.2	119.3	147.0	158.9	163.5	176.3	181.9	176.6	183.0
Paper and pulp	110	109	109	109	108	108	149	159	161	169	175	168	174	
Paper goods, n.e.c.	120	124	129	127	125	127	143	157	166	181	183	178	186	
Paper boxes	107	111	123	122	120	123	132	147	154	174	180	177	185	

<sup>r</sup> Revised.

NOTE.—Figures for November 1943 are preliminary. Indexes for major groups and totals have been adjusted to final data for 1941 and preliminary data for the second quarter of 1942 made available by the Bureau of Employment Security of the Federal Security Agency. Back data and data for industries not here shown are obtainable from the Bureau of Labor Statistics. Underlying figures are for pay roll period ending nearest middle of month and cover wage earners only.

**FACTORY EMPLOYMENT AND PAY ROLLS, BY INDUSTRIES—Continued**  
(Without Seasonal Adjustments)

[Index numbers of the Bureau of Labor Statistics 1939 = 100]

Industry and group	Factory employment							Factory pay rolls						
	1942		1943					1942			1943			
	Oct.	Nov.	July	Aug.	Sept.	Oct.	Nov.	Sept.	Oct.	Nov.	July	Aug.	Sept.	Oct.
<i>Printing and Publishing</i> .....	100.9	103.1	103.4	102.9	100.7	102.3	103.9	111.2	116.3	122.4	127.0	128.8	128.9	131.0
Newspaper periodicals.....	98	99	94	94	95	95	.....	108	109	111	112	113	115	114
Book and job.....	102	105	107	106	102	105	.....	110	119	128	133	135	133	138
<i>Chemical and Allied Products</i> .....	233.4	240.3	258.6	257.0	235.4	256.4	250.9	338.5	351.4	365.3	435.7	435.8	438.4	438.4
Paints, varnishes, and colors.....	103	103	107	107	105	106	.....	129	131	135	158	160	156	160
Drugs, medicines, and insecticides.....	142	149	170	170	169	172	.....	173	184	190	232	236	242	251
Rayon and allied products.....	107	105	109	109	109	110	.....	146	145	141	169	168	170	169
Chemicals, n.e.c.....	159	160	168	169	171	173	.....	222	231	236	277	281	286	290
Cottonseed oil.....	154	151	79	87	134	145	.....	179	246	243	133	150	249	282
Fertilizers.....	103	104	95	100	105	107	.....	165	164	164	189	198	214	216
<i>Products of Petroleum and Coal</i> .....	119.3	117.8	119.1	119.7	119.0	119.3	119.0	160.5	160.8	165.4	190.3	197.1	195.0	197.7
Petroleum refining.....	108	107	113	113	113	113	.....	144	146	151	180	185	182	186
Coke and byproducts.....	123	120	113	112	111	110	.....	173	163	165	175	185	187	184
<i>Rubber Products</i> .....	139.9	143.8	158.9	160.3	161.2	161.3	163.6	189.9	201.9	213.3	256.1	258.4	273.4	278.0
Rubber tires and inner tubes.....	137	142	162	165	169	166	.....	179	190	205	253	254	277	279
Rubber boots and shoes.....	136	140	149	150	144	143	.....	206	209	222	247	250	247	244
Rubber goods, other.....	129	131	141	141	140	144	.....	177	191	196	228	232	239	248
<i>Miscellaneous Industries</i> .....	150.7	151.7	166.4	166.4	165.1	166.0	167.3	227.4	236.3	247.6	291.4	294.5	297.1	301.3
Photographic apparatus.....	145	148	177	178	178	176	.....	200	209	223	264	269	271	278
Games, toys, and dolls.....	76	80	85	86	84	88	.....	114	120	129	133	145	142	158

\* Revised.

**FACTORY EMPLOYMENT**  
(Adjusted for Seasonal Variation)

[Index numbers of the Board of Governors, 1939 = 100]

Group and year	1942			1943										
	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	April	May	June	July	Aug.	Sept.	Oct.	Nov.
Total.....	159.6	161.5	164.2	165.8	167.4	168.1	168.4	167.9	169.0	169.7	169.6	168.3	170.0	170.7
Durable.....	206.5	210.2	215.5	218.6	222.1	224.7	225.8	225.9	228.3	229.4	230.0	230.2	232.0	233.8
Nondurable.....	122.6	123.2	123.7	124.1	124.3	123.5	123.2	122.2	122.3	122.6	121.9	119.6	121.1	120.9

\* Revised. † Preliminary

NOTE.—Revised indexes based on new Bureau of Labor Statistics data released in February 1943. For back figures see p. 14 of January 1943 BULLETIN, and p. 1187 of December 1943 BULLETIN.

**HOURS AND EARNINGS OF WAGE EARNERS IN MANUFACTURING INDUSTRIES**

(Compiled by the Bureau of Labor Statistics)

Industry and group	Average hours worked per week						Average hourly earnings (cents per hour)							
	1942		1943				1942		1943					
	Sept.	Oct.	June	July	Aug.	Sept.	Oct.	Sept.	Oct.	June	July	Aug.	Sept.	Oct.
<i>All Manufacturing</i> .....	42.4	43.6	45.1	44.4	45.1	44.7	45.4	89.2	89.3	95.9	96.3	96.5	99.4	98.9
<i>Durable Goods</i> .....	44.6	45.8	46.8	46.0	46.8	46.5	47.3	99.7	99.0	105.4	106.0	106.0	109.8	108.8
Iron and Steel and Products.....	43.0	44.3	46.4	45.5	46.6	46.1	47.1	98.0	97.9	103.1	103.5	103.7	106.5	105.7
Electrical Machinery.....	46.0	46.7	47.0	46.2	46.9	46.7	47.0	94.9	93.6	97.0	97.0	97.4	99.4	98.9
Machinery Except Electrical.....	48.0	49.5	49.4	48.1	48.8	48.6	49.7	99.4	99.7	105.9	106.3	106.4	109.3	108.5
Transportation Equipment Except Automobiles.....	46.7	47.1	47.1	46.8	47.0	47.2	47.6	116.1	113.2	118.9	119.4	119.9	125.2	123.1
Automobiles.....	44.1	45.2	46.2	46.0	47.1	45.9	47.6	118.5	117.2	123.6	124.3	121.9	126.5	125.9
Nonferrous Metals and Products.....	44.1	45.4	46.9	46.1	46.6	46.8	47.0	95.6	95.6	101.1	101.5	101.7	104.6	103.1
Lumber and Timber Basic Products.....	41.0	42.5	44.4	42.7	45.2	43.5	44.2	68.2	69.4	74.1	73.8	74.6	76.8	77.4
Furniture and Finished Lumber Products.....	41.0	42.8	44.6	43.6	44.6	43.6	44.9	67.5	68.5	74.1	74.5	75.0	77.1	77.6
Stone, Clay, and Glass Products.....	39.3	41.3	43.1	41.8	43.4	42.3	43.8	79.9	81.2	84.4	84.9	85.4	87.3	87.0
<i>Nondurable Goods</i> .....	39.7	40.8	42.7	42.2	42.6	42.2	42.7	74.3	75.1	80.3	80.6	81.1	82.3	82.4
Textiles—Mill and Fiber Products.....	39.4	40.4	41.5	40.9	41.3	41.0	41.6	63.4	63.9	66.4	66.4	66.5	67.5	67.5
Apparel and other Finished Products.....	34.9	37.1	38.1	37.1	37.8	37.4	37.8	64.5	65.2	69.9	70.5	72.7	74.3	73.7
Leather and Manufactures.....	36.7	38.9	39.8	39.1	40.0	39.2	39.5	70.2	70.8	74.9	74.4	75.0	76.5	76.5
Food and Kindred Products.....	41.8	41.6	44.9	44.3	44.1	43.2	44.0	71.5	74.4	80.2	79.9	80.4	80.1	81.5
Tobacco Manufactures.....	38.6	40.4	41.0	42.1	41.1	41.3	42.6	59.7	60.2	64.5	65.1	65.8	67.0	67.0
Paper and Allied Products.....	40.8	43.4	45.7	44.6	45.6	44.4	45.7	76.7	77.1	79.8	79.7	80.4	81.1	81.1
Printing, Publishing, and Allied Industries.....	38.2	38.5	40.1	40.2	40.6	40.4	40.2	96.0	97.3	100.6	99.7	100.2	103.5	103.4
Chemicals and Allied Products.....	42.7	43.6	45.6	45.3	45.6	45.7	46.0	88.1	86.6	92.2	93.0	92.8	93.9	93.2
Products of Petroleum and Coal.....	39.5	40.5	44.9	44.9	46.2	45.3	46.0	108.8	108.1	112.8	113.9	113.7	115.5	115.3
Rubber Products.....	41.6	42.7	46.0	44.1	44.3	44.9	45.4	94.5	94.7	102.4	101.9	101.5	105.7	105.9
Miscellaneous Industries.....	43.6	44.8	46.5	45.6	45.8	45.6	46.1	81.8	81.1	88.1	88.1	88.5	90.7	90.8

\* Revised.

NOTE.—Revised data based on the classification of the 1939 Census of Manufactures. Back figures are available from the Bureau of Labor Statistics.

(Table of "Estimated Employment in Nonagricultural Establishments by Industry Division" appears on p. 99.)

**CONSTRUCTION CONTRACTS AWARDED, BY TYPE OF CONSTRUCTION**

[Figures for 37 States east of the Rocky Mountains, as reported by the F. W. Dodge Corporation. Value of contracts in millions of dollars]

Month	Total		Residential building		Nonresidential building								Public works and public utilities	
	1942	1943	1942	1943	Factories		Commercial		Educational		Other		1942	1943
					1942	1943	1942	1943	1942	1943	1942	1943		
January	316.8	350.7	102.8	110.8	75.4	73.1	17.7	7.2	9.1	5.6	21.0	68.2	90.9	85.8
February	433.6	393.5	168.0	93.3	84.5	87.7	21.8	22.7	9.2	4.2	54.2	72.7	95.9	113.0
March	610.8	339.7	219.3	71.8	112.7	63.8	36.8	25.2	10.7	4.5	71.6	51.5	159.7	123.0
April	498.7	303.4	162.1	79.4	145.1	40.7	30.9	6.6	12.4	5.9	46.5	43.0	101.7	127.7
May	673.5	234.4	148.0	63.3	178.0	24.2	23.8	9.3	10.1	5.3	86.0	36.5	227.7	95.8
June	1,190.3	229.6	185.5	61.5	271.8	53.7	46.2	6.9	15.4	7.9	234.9	26.3	436.4	73.3
July	943.8	183.7	127.4	71.8	303.5	31.9	34.7	5.3	26.6	4.8	124.3	19.9	327.3	30.0
August	721.0	413.8	100.6	67.5	261.1	234.8	21.3	7.4	17.1	4.2	107.7	26.4	213.2	73.4
September	723.2	175.1	126.7	54.1	377.8	31.1	6.1	5.1	6.2	5.8	76.8	29.0	129.6	30.1
October	780.4	213.5	161.2	69.7	240.3	34.5	18.9	11.2	10.6	5.7	103.3	28.9	246.2	63.5
November	654.2	.....	156.7	.....	106.7	.....	14.1	.....	11.6	.....	124.1	.....	241.0	.....
December	708.7	.....	159.7	.....	70.6	.....	30.0	.....	8.9	.....	168.6	.....	271.0	.....
Year	8,255.1	.....	1,817.7	.....	2,227.5	.....	302.2	.....	147.9	.....	1,219.1	.....	2,540.6	.....

**CONSTRUCTION CONTRACTS AWARDED, BY OWNERSHIP**

[Figures for 37 States east of the Rocky Mountains, as reported by the F. W. Dodge Corporation. Value of contracts in millions of dollars]

Month	Total			Public ownership			Private ownership		
	1941	1942	1943	1941	1942	1943	1941	1942	1943
January	305	317	351	124	198	316	181	119	35
February	270	434	394	105	310	364	166	123	30
March	480	611	340	269	473	304	211	138	36
April	407	499	303	184	355	253	223	144	50
May	549	674	234	267	569	192	281	105	42
June	539	1,190	230	314	1,105	183	225	85	46
July	577	944	184	348	876	122	229	68	61
August	760	721	414	520	633	351	240	88	62
September	623	723	175	403	661	120	220	62	56
October	606	780	214	371	710	157	235	71	56
November	459	654	184	298	592	135	161	62	50
December	432	709	.....	288	664	.....	144	45	.....
Year	6,007	8,255	.....	3,492	7,146	.....	2,515	1,109	.....

**CONSTRUCTION CONTRACTS AWARDED, BY DISTRICT**

[Figures for 37 States east of the Rocky Mountains, as reported by the F. W. Dodge Corporation. Value of contracts in thousands of dollars]

Federal Reserve district	1943		1942
	November	October	November
Boston	9,288	10,936	16,223
New York	12,379	30,628	67,766
Philadelphia	12,024	15,000	68,481
Cleveland	29,707	19,706	87,180
Richmond	43,810	37,243	93,525
Atlanta	22,335	20,976	97,330
Chicago	27,353	32,001	50,703
St. Louis	1,282	8,218	61,235
Minneapolis	2,685	2,154	11,686
Kansas City	16,270	13,320	44,941
Dallas	7,266	23,347	55,114
Total (11 districts)	184,399	213,529	654,184

**LOANS INSURED BY FEDERAL HOUSING ADMINISTRATION**  
(In millions of dollars)

Year or month	Total	Title I Loans		Mortgages on		
		Property improvement	Small home construction	1- to 4-family houses (Title II)	Rental and group housing (Title II)	War housing (Title VI)
1935	320	224	.....	94	2	.....
1936	557	246	.....	309	2	.....
1937	495	60	.....	424	11	.....
1938	694	160	13	473	48	.....
1939	954	208	25	669	51	.....
1940	1,026	251	26	736	13	.....
1941	1,186	262	21	877	13	13
1942	1,137	141	15	691	6	284
1942-Nov.	92	10	1	39	.....	43
1942-Dec.	97	9	1	39	.....	49
1943-Jan.	80	7	.....	31	.....	42
1943-Feb.	64	5	.....	20	.....	39
1943-Mar.	73	6	1	19	.....	47
1943-Apr.	59	7	.....	16	.....	37
1943-May	72	7	.....	18	.....	47
1943-June	78	8	.....	19	.....	51
1943-July	84	7	.....	21	.....	56
1943-Aug.	90	10	.....	20	.....	60
1943-Sept.	88	12	.....	20	.....	55
1943-Oct.	85	8	.....	20	.....	57
1943-Nov.	92	10	.....	21	.....	60

\* Less than \$500,000.

NOTE.—Figures represent gross insurance written during the period and do not take account of principal repayments on previously insured loans.

**INSURED FHA HOME MORTGAGES (TITLE II) HELD IN PORTFOLIO, BY CLASS OF INSTITUTION**  
(In millions of dollars)

End of month	Total	Commercial banks	Mutual savings banks	Savings and loan associations	Insurance companies	Federal agencies <sup>1</sup>	Other
1937-Dec.	771	430	27	110	118	32	53
1938-Dec.	1,199	634	38	149	212	77	90
1939-June	1,478	759	50	167	271	137	94
1939-Dec.	1,793	902	71	192	342	153	133
1940-Mar.	1,949	971	90	201	392	171	124
1940-June	2,075	1,026	100	208	432	182	127
1940-Sept.	2,232	1,093	111	216	480	190	141
1940-Dec.	2,409	1,162	130	224	542	201	150
1941-Mar.	2,598	1,246	146	230	606	210	160
1941-June	2,755	1,318	157	237	668	220	154
1941-Sept.	2,942	1,400	171	246	722	225	178
1941-Dec.	3,107	1,465	186	254	789	234	179
1942-Mar.	3,307	1,549	201	264	856	237	200
1942-June	3,491	1,623	219	272	940	243	195
1942-Dec.	3,620	1,669	236	276	1,032	245	163
1943-June	3,700	1,700	252	284	1,071	235	158

<sup>1</sup> The RFC Mortgage Company, the Federal National Mortgage Association, the Federal Deposit Insurance Corporation, and the United States Housing Corporation.

<sup>2</sup> Including mortgage companies, finance companies, industrial banks, endowed institutions, private and State benefit funds, etc.

NOTE.—Figures represent gross amount of mortgages held, excluding terminated mortgages and cases in transit to or being audited at the Federal Housing Administration.

MERCHANDISE EXPORTS AND IMPORTS

[In millions of dollars]

Month	Merchandise exports <sup>1</sup>					Merchandise imports <sup>2</sup>					Excess of exports				
	1939	1940	1941	1942	1943	1939	1940	1941	1942	1943	1939	1940	1941	1942	1943
January.....	213	370	325	481	<sup>P</sup> 730	178	242	229	254	<sup>P</sup> 228	35	128	96	228	<sup>P</sup> 502
February.....	219	347	303	480	<sup>P</sup> 720	158	200	234	254	<sup>P</sup> 234	61	147	69	226	<sup>P</sup> 486
March.....	268	351	357	628	<sup>P</sup> 988	190	217	268	272	<sup>P</sup> 249	77	134	89	355	<sup>P</sup> 739
April.....	231	323	387	717	<sup>P</sup> 980	186	212	287	235	<sup>P</sup> 255	45	111	100	482	<sup>P</sup> 725
May.....	249	324	385	536	<sup>P</sup> 1,085	202	211	297	191	<sup>P</sup> 281	47	112	88	345	<sup>P</sup> 803
June.....	236	350	330	648	<sup>P</sup> 1,002	179	211	280	215	<sup>P</sup> 295	57	138	50	433	<sup>P</sup> 706
July.....	230	317	365	650	<sup>P</sup> 1,251	169	232	278	213	<sup>P</sup> 300	61	84	87	437	<sup>P</sup> 951
August.....	250	351	460	703	<sup>P</sup> 1,204	176	221	282	186	<sup>P</sup> 315	74	130	178	517	<sup>P</sup> 889
September.....	289	295	425	732	<sup>P</sup> 1,233	182	195	262	196	<sup>P</sup> 280	107	101	162	536	<sup>P</sup> 953
October.....	332	344	666	801	<sup>P</sup> 1,185	215	207	304	200	<sup>P</sup> 329	117	137	362	602	<sup>P</sup> 857
November.....	292	328	492	787	<sup>P</sup> 1,036	235	224	281	168	<sup>P</sup> 318	57	104	211	619	<sup>P</sup> 718
December.....	368	322	653	873	.....	247	253	344	359	.....	121	69	309	514	.....
January-November	2,809	3,699	4,494	7,163	<sup>P</sup> 11,414	2,071	2,372	3,001	2,383	<sup>P</sup> 3,084	738	1,327	1,493	4,780	<sup>P</sup> 8,330

<sup>P</sup> Preliminary.

<sup>1</sup> Including both domestic and foreign merchandise.

<sup>2</sup> General imports, including merchandise entered for immediate consumption and that entered for storage in bonded warehouses.

Source.—Department of Commerce.

Back figures.—See BULLETIN for April 1940, p. 347; February 1937, p. 152; July 1933, p. 431; and January 1931, p. 18.

FREIGHT CARLOADINGS, BY CLASSES

[Index numbers; 1935-39 average=100]

	Total	Coal	Coke	Grain	Live-stock	For-est products	Ore	Mis-cel-laneous	Mer-chan-dise l.c.l.
Annual									
1939.....	101	98	102	107	96	100	110	101	97
1940.....	109	111	137	101	96	114	147	110	96
1941.....	130	123	168	112	91	139	183	136	100
1942.....	138	135	181	121	104	155	206	146	69
SEASONALLY ADJUSTED									
1942—September.....	140	142	186	124	102	154	203	150	55
October.....	140	138	184	139	110	149	190	150	56
November.....	136	139	186	126	114	140	190	145	58
December.....	135	132	184	139	117	137	189	144	59
1943—January.....	135	135	184	138	102	130	202	144	57
February.....	139	145	178	145	113	135	193	146	61
March.....	138	144	187	142	117	133	193	145	61
April.....	136	133	186	140	118	138	163	145	62
May.....	135	132	181	140	112	138	163	143	62
June.....	127	100	166	137	113	140	192	142	63
July.....	141	146	184	143	113	150	202	146	64
August.....	140	145	191	147	117	148	208	145	63
September.....	140	152	195	137	114	139	209	143	63
October.....	137	140	195	167	119	137	*191	140	64
November.....	139	127	186	161	132	150	191	147	67
UNADJUSTED									
1942—September.....	152	142	184	139	135	167	304	162	57
October.....	150	138	180	139	169	158	260	163	58
November.....	140	139	186	*124	*143	138	206	150	59
December.....	126	132	193	130	113	122	59	135	56
1943—January.....	124	135	193	138	98	117	50	132	55
February.....	130	145	189	142	90	129	48	137	58
March.....	130	144	189	131	92	133	56	138	62
April.....	132	133	183	124	105	138	106	143	63
May.....	137	132	179	123	101	143	269	145	62
June.....	132	100	162	140	86	145	297	146	63
July.....	146	146	178	172	97	150	323	147	63
August.....	145	145	183	158	111	156	312	147	64
September.....	151	152	193	153	151	150	314	154	66
October.....	147	140	191	167	183	144	274	153	66
November.....	142	127	186	157	166	147	193	153	68

\* Revised.

NOTE.—For description and back data, see pp. 529-533 of the BULLETIN for June 1941. Based on daily average loadings. Basic data compiled by Association of American Railroads. Total index compiled by combining indexes for classes with weights derived from revenue data of the Interstate Commerce Commission.

REVENUES, EXPENSES, AND INCOME OF CLASS I RAILROADS

[In millions of dollars]

	Total railway operating revenues	Total railway expenses	Net railway operating income	Net income
Annual				
1939.....	3,995	3,406	589	93
1940.....	4,297	3,614	682	189
1941.....	5,347	4,348	998	500
1942.....	7,466	5,985	1,481	959
SEASONALLY ADJUSTED				
1942—September.....	663	534	128	82
October.....	661	533	128	81
November.....	722	563	159	121
December.....	708	554	155	110
1943—January.....	710	577	134	92
February.....	744	591	153	111
March.....	740	616	124	82
April.....	767	623	144	101
May.....	783	624	159	118
June.....	749	629	120	78
July.....	761	653	108	68
August.....	779	663	115	75
September.....	738	655	82	*41
October.....	731	658	73	33
UNADJUSTED				
1942—September.....	698	543	155	*106
October.....	746	561	185	136
November.....	690	541	149	111
December.....	703	532	171	137
1943—January.....	671	566	105	63
February.....	664	557	106	62
March.....	756	627	130	85
April.....	749	622	127	83
May.....	759	631	128	86
June.....	747	638	110	71
July.....	791	671	121	82
August.....	800	676	125	84
September.....	777	666	110	70
October.....	796	683	113	77

\* Revised.

<sup>P</sup> Preliminary.

NOTE.—Descriptive material and back figures may be obtained from the Division of Research and Statistics. Basic data compiled by the Interstate Commerce Commission.

# DEPARTMENT STORE STATISTICS

[Based on value figures]

## MONTHLY INDEXES OF SALES AND STOCKS

[Daily average sales; end-of-month stocks. 1923-25 average = 100]

	Seasonally adjusted				Unadjusted			
	1940	1941	1942	1943	1940	1941	1942	1943
<b>SALES</b>								
January	92	101	138	143	71	79	108	111
February	90	103	126	168	71	82	99	132
March	89	103	124	136	86	93	118	121
April	89	104	117	128	86	106	115	133
May	89	105	108	125	89	105	108	125
June	91	104	104	129	87	100	100	124
July	92	115	121	142	64	79	83	98
August	98	134	130	142	77	106	103	112
September	97	116	123	132	105	125	133	143
October	94	105	128	140	101	112	137	150
November	100	116	138	158	114	133	157	180
December	101	111	125	.....	179	197	222	.....
Year	.....	.....	.....	.....	94	110	124	.....
<b>STOCKS</b>								
January	68	71	95	102	61	64	85	92
February	71	73	102	93	68	69	97	89
March	70	73	109	91	71	75	111	93
April	68	73	118	87	71	76	123	90
May	68	74	127	90	70	75	130	92
June	68	76	136	98	64	73	130	93
July	68	82	142	110	61	74	128	99
August	69	87	138	114	66	84	132	110
September	70	91	125	110	73	95	130	114
October	70	97	*115	104	79	108	128	116
November	72	95	*105	797	83	110	122	P112
December	71	92	101	.....	66	87	95	.....
Year	.....	.....	.....	.....	69	82	118	.....

\* Revised.

P Preliminary.

Back figures.—Sales, see BULLETIN for August 1936, p. 631, and subsequent issues. Stocks, see BULLETIN for March 1938, p. 232, and subsequent issues.

## WEEKLY INDEX OF SALES

[Weeks ending on dates shown. 1935-39 average = 100]

Without seasonal adjustment															
	1940	1941	1942	1943											
June 15.....	107	June 14.....	120	June 13.....	117	June 12.....	151								
22.....	92	21.....	107	20.....	116	19.....	138								
29.....	89	28.....	109	27.....	100	26.....	118								
July 6.....	67	July 5.....	86	July 4.....	84	July 3.....	116								
13.....	78	12.....	93	11.....	102	10.....	101								
20.....	72	19.....	89	18.....	93	17.....	111								
27.....	69	26.....	87	25.....	92	24.....	109								
Aug. 3.....	81	Aug. 2.....	102	Aug. 1.....	96	Aug. 31.....	107								
10.....	79	9.....	116	8.....	110	Aug. 7.....	117								
17.....	81	16.....	113	15.....	113	14.....	118								
24.....	92	23.....	119	22.....	116	21.....	132								
31.....	118	30.....	152	29.....	132	28.....	133								
Sept. 7.....	109	Sept. 6.....	122	Sept. 5.....	153	Sept. 4.....	154								
14.....	123	13.....	133	12.....	129	11.....	142								
21.....	117	20.....	131	19.....	137	18.....	161								
28.....	120	27.....	149	26.....	155	25.....	138								
Oct. 5.....	125	Oct. 4.....	168	Oct. 3.....	173	Oct. 2.....	161								
12.....	115	11.....	130	10.....	159	9.....	173								
19.....	123	18.....	131	17.....	152	16.....	171								
26.....	121	25.....	130	24.....	153	23.....	171								
Nov. 2.....	117	Nov. 1.....	138	31.....	158	30.....	174								
9.....	122	8.....	139	Nov. 7.....	166	Nov. 5.....	183								
16.....	130	15.....	148	14.....	167	13.....	191								
23.....	116	22.....	128	21.....	166	20.....	201								
30.....	147	29.....	169	28.....	166	27.....	183								
Dec. 7.....	197	Dec. 6.....	215	Dec. 5.....	236	Dec. 4.....	252								
14.....	232	13.....	236	12.....	274	11.....	275								
21.....	258	20.....	277	19.....	303	18.....	290								
28.....	124	27.....	174	26.....	199	25.....	241								
1941				1942				1943				1944			
Jan. 4.....	85	Jan. 3.....	107	Jan. 2.....	112	Jan. 1.....	.....								
11.....	99	10.....	130	9.....	138	8.....	.....								
18.....	90	17.....	131	16.....	132	15.....	.....								
25.....	89	24.....	119	23.....	119	22.....	.....								

Back figures.—See BULLETIN for April 1941, p. 311, and subsequent issues.

## SALES BY FEDERAL RESERVE DISTRICTS AND BY CITIES

[Percentage change from corresponding period of preceding year]

	Nov. 1943	Oct. 1943	11 mos. 1943		Nov. 1943	Oct. 1943	11 mos. 1943		Nov. 1943	Oct. 1943	11 mos. 1943		Nov. 1943	Oct. 1943	11 mos. 1943
<b>United States...</b>	+19	+5	+14												
<i>Boston</i> .....	+14	-3	+7	<i>Cleveland—Cont.</i>				<i>Chicago—Cont.</i>				<i>Dallas</i> .....	+37	+26	+37
<i>New Haven</i> .....	+19	+1	+4	<i>Youngstown</i> .....	+21	+6	+14	<i>Peoria</i> .....	+9	+9	+8	<i>Shreveport</i> .....	+23	+19	+17
<i>Portland</i> .....	+19	0	+24	<i>Erie</i> .....	+16	+4	+12	<i>Fort Wayne</i> .....	+11	-1	+6	<i>Dallas</i> .....	+52	+38	+46
<i>Boston</i> .....	+17	0	+7	<i>Pittsburgh</i> .....	+17	+3	+5	<i>Indianapolis</i> .....	+26	+11	+23	<i>Fort Worth</i> .....	+41	+29	+42
<i>Springfield</i> .....	+9	-4	+7	<i>Wheeling</i> .....	+26	+21	+15	<i>Des Moines</i> .....	+20	+10	+18	<i>Houston</i> .....	+31	+26	+35
<i>Providence</i> .....	+17	+4	+7	<i>Richmond</i> .....	+7	0	+12	<i>Sioux City</i> .....	+35	+13	+29	<i>San Antonio</i> .....	+31	+21	+34
<i>New York</i> .....	+17	+1	+7	<i>Washington</i> .....	+16	-2	+7	<i>Detroit</i> .....	-8	0	+5				
<i>Bridgeport</i> .....	+6	-14	-5	<i>Baltimore</i> .....	+15	-6	+11	<i>Flint</i> .....	*	+17	**+17	<i>San Francisco</i> .....	+20	+11	+21
<i>Newark</i> .....	+10	-4	0	<i>Winston-Salem</i> .....	+28	+9	+22	<i>Grand Rapids</i> .....	*	+17	**+17	<i>Phoenix</i> .....	+20	+4	+25
<i>Albany</i> .....	+9	-9	-4	<i>Charleston, S. C.</i> .....	+29	+9	+28	<i>Lansing</i> .....	-6	-4	+2	<i>Tucson</i> .....	+26	+20	+44
<i>Binghamton</i> .....	+23	+6	+15	<i>Greenville, S. C.</i> .....	+39	+14	+38	<i>Milwaukee</i> .....	+23	+2	+11	<i>Bakersfield</i> .....	+37	+30	+36
<i>Buffalo</i> .....	+18	-2	+11	<i>Lynchburg</i> .....	+28	+17	+23					<i>Fresno</i> .....	+35	+30	+26
<i>Elmira</i> .....	+13	-6	-1	<i>Norfolk</i> .....	+7	0	+12	<i>St. Louis</i> .....	+20	+4	+15	<i>Long Beach</i> .....	+26	+18	+24
<i>Niagara Falls</i> .....	+17	+15	+27	<i>Richmond</i> .....	+26	+13	+22	<i>Fort Smith</i> .....	+30	+10	+29	<i>Los Angeles</i> .....	+29	+21	+22
<i>New York City</i> .....	+20	+2	+8	<i>Charleston, W. Va.</i> .....	+7	+2	+10	<i>Little Rock</i> .....	+16	+12	+27	<i>Oakland and</i>			
<i>Poughkeepsie</i> .....	+29	+4	+9	<i>Charlottesville</i> .....	+12	+5	+9	<i>Quincy</i> .....	+28	+6	+17	<i>Berkeley</i> .....	+15	+3	+17
<i>Rochester</i> .....	+13	+2	+7	<i>Huntington</i> .....	+13	+6	+12	<i>Evansville</i> .....	+22	-5	+31	<i>Sacramento</i> .....	+16	+8	+16
<i>Schenectady</i> .....	+7	-8	+4	<i>Atlanta</i> .....	+33	+24	+30	<i>Louisville</i> .....	+19	-2	+15	<i>San Diego</i> .....	+19	-3	+16
<i>Syracuse</i> .....	+27	+10	+12	<i>Birmingham</i> .....	+23	+9	+19	<i>St. Louis</i> .....	+23	+1	+8	<i>San Francisco</i> .....	+14	+5	+20
<i>Utica</i> .....	+30	+10	+14	<i>Montgomery</i> .....	+28	+31	+29	<i>Springfield</i> .....	+31	+14	+27	<i>San Jose</i> .....	+19	+6	+19
				<i>Jacksonville</i> .....	+38	+23	+41	<i>Memphis</i> .....	+12	+10	+25	<i>Santa Rosa</i> .....	+23	+5	+21
<i>Philadelphia</i> .....	+15	+4	+7	<i>Miami</i> .....	+33	+27	+27	<i>Minneapolis</i> .....	+28	+4	+18	<i>Stockton</i> .....	*	+17	**+28
<i>Trenton</i> .....	+25	+13	+18	<i>Tampa</i> .....	+27	+29	+40					<i>Vallejo and Napa</i>	+28	+28	+39
<i>Lancaster</i> .....	+27	+9	+12	<i>Atlanta</i> .....	+39	+24	+35	<i>Kansas City</i> .....	+25	+12	+26	<i>Boise and</i>			
<i>Philadelphia</i> .....	+14	+4	+7	<i>Macon</i> .....	+22	-21	+37	<i>Denver</i> .....	+23	+8	+22	<i>Nampa</i> .....	+32	+21	+37
<i>Reading</i> .....	+15	+8	+10	<i>Baton Rouge</i> .....	+29	-18	+34	<i>Hutchinson</i> .....	+35	+14	+29	<i>Portland</i> .....	*	+4	**+19
<i>Wilkes-Barre</i> .....	+19	+11	+12	<i>New Orleans</i> .....	+29	+28	+25	<i>Topeka</i> .....	+21	+7	+29	<i>Salt Lake City</i> .....	+17	+3	+15
<i>York</i> .....	+25	+5	+11	<i>Jackson</i> .....	+22	-16	+25	<i>Wichita</i> .....	+30	+15	+32	<i>Bellingham</i> .....	+11	+5	+17
<i>Cleveland</i> .....	+18	+5	+10	<i>Chattanooga</i> .....	+32	-18	+24	<i>Joplin</i> .....	+18	+9	+21	<i>Everett</i> .....	+11	-2	+14
<i>Akron</i> .....	+16	+2	+15	<i>Knoxville</i> .....	+65	+12	+32	<i>Kansas City</i> .....	+20	-6	+10	<i>Seattle</i> .....	+15	-8	+11
<i>Cincinnati</i> .....	+17	+6	+11	<i>Nashville</i> .....	+36	+29	+36	<i>St. Joseph</i> .....	+33	+19	+29	<i>Spokane</i> .....	+5	+2	+12
<i>Cleveland</i> .....	+19	+7	+6	<i>Chicago</i> .....	+16	+2	+9	<i>Tulsa</i> .....	+28	+3	+27	<i>Tacoma</i> .....	+14	+8	+21
<i>Columbus</i> .....	+27	+16	+27									<i>Yakima</i> .....	+29	+18	+24
<i>Toledo</i> .....	+24	+5	+15												

\* Revised.

\*\* Data not yet available.

\*\* Ten months 1943.

**DEPARTMENT STORE STATISTICS—Continued**  
**SALES AND STOCKS, BY MAJOR DEPARTMENTS**

Department	Number of stores reporting	Sales during month (value)			Stocks at end of month (value)			Ratio of stocks to sales	
		Percentage change			Percentage change			October	
		Oct. 1943 from Oct. 1942	Oct. 1943 from Sept. 1943	Oct. 1942 from Sept. 1942	Oct. 1943 from Oct. 1942	Oct. 1943 from Sept. 1943	Oct. 1942 from Sept. 1942	1943	1942
<b>GRAND TOTAL—entire store</b> .....	352	+9	+12	+12	-9	+1	-2	2.7	3.2
<b>MAIN STORE—total</b> .....	352	+11	+11	+12	-9	+1	-2	2.8	3.4
<b>Women's apparel and accessories</b> .....	350	+15	+6	+8	+13	-1	-2	2.3	2.3
Women's and misses' coats and suits.....	328	+20	+23	+26	+49	-14	-11	1.7	1.4
Women's and misses' dresses.....	332	+10	-1	+5	+35	-1	+7	1.4	1.2
Blouses, skirts, sportswear, sweaters, knit apparel.....	310	+18	-9	-2	+51	-4	-2	2.2	1.7
Juniors' and girls' wear.....	293	+30	+1	-2	+33	-4	-2	1.8	1.7
Infants' wear.....	301	+23	-2	+3	-9	+3	-5	1.7	2.3
Aprons, housedresses, uniforms.....	284	+3	+7	+9	+40	+15	+8	3.0	2.2
Women's underwear, slips, negligees.....	320	+20	+19	+23	-3	+12	+3	2.9	3.5
Corsets, brassieres.....	328	+4	+1	+8	-29	+1	-4	2.6	3.8
Hosiery (women's and children's).....	344	-11	+13	+13	-6	0	-4	2.6	2.5
Gloves (women's and children's).....	324	+19	+38	+35	-23	-1	-2	3.0	4.7
Shoes (women's and children's).....	241	-2	-6	-5	-4	+1	-8	3.4	3.5
Furs.....	260	+38	+37	+23	+37	-7	-4	2.8	2.8
<b>Men's and boys' wear</b> .....	320	+11	+20	+15	-20	+2	+2	3.8	5.3
Men's clothing.....	229	+4	+33	+27	-26	-1	+2	4.1	5.7
Men's furnishings, hats, caps.....	303	+12	+30	+25	-18	+7	+4	4.1	5.6
Boys' clothing and furnishings.....	277	+22	-4	-8	-17	-2	-4	2.6	3.9
Men's and boys' shoes and slippers.....	172	-7	+14	+4	-12	+1	-3	5.6	5.9
<b>Home furnishings</b> .....	315	-2	+10	+11	-30	-2	-5	3.2	4.6
Furniture, beds, mattresses, springs.....	230	-8	+4	+2	-22	+2	-3	3.4	4.0
Domestic floor coverings.....	238	+9	+17	+25	-47	-12	-10	2.4	4.9
Draperies, curtains, upholstery.....	290	+12	+25	+34	-29	-11	-8	2.3	3.7
Major appliances (refrigerators, washers, stoves, etc.).....	193	-64	+5	-5	-72	-9	-10	3.0	3.9
Domestics, blankets, linens, etc.....	287	+20	+3	-1	-27	+3	-2	3.0	4.9
China and glassware.....	219	+9	+12	+8	-23	+2	+1	5.2	7.4
Housewares.....	219	-20	+3	+2	-25	+4	-4	4.3	4.5
<b>Piece goods (dress and coat yard goods, all materials)</b> .....	284	+28	+5	+8	-6	-4	-6	2.5	3.4
Cotton wash goods.....	120	+35	+3	+3	-11	+5	0	2.4	3.8
<b>Small wares</b> .....	331	+21	+17	+13	+2	+7	+5	3.6	4.2
Notions.....	220	+6	+8	+11	+12	+4	-1	3.7	3.5
Toilet articles, drug sundries, prescriptions.....	316	+26	+16	+6	-4	+11	+10	3.4	4.6
Jewelry and silverware.....	270	+13	+13	+13	+3	+4	-1	4.0	4.4
<b>Miscellaneous</b> .....	291	+8	+37	+42	-17	+4	+2	3.0	3.9
<b>BASEMENT STORE—total</b> .....	216	-2	+11	+10	-5	0	-2	2.6	2.7
Women's apparel and accessories.....	205	+3	+11	+11	+13	0	0	2.1	1.9
Men's and boys' clothing and furnishings.....	166	-3	+18	+14	-16	+1	-1	3.4	4.0
Home furnishings.....	123	-4	+9	+11	-28	-3	-6	2.6	3.5
Piece goods.....	54	+24	+10	+7	-3	-8	-6	2.6	3.2
Shoes.....	134	-35	+1	-2	-1	-2	-6	4.9	3.2

NOTE.—Group totals include sales in departments not shown separately. Figures for basement store are not strictly comparable with those for main store owing chiefly to inclusion in basement of fewer departments and somewhat different types of merchandise. The ratio of stocks to sales is obtained by dividing stocks at the end of the month by sales during the month and hence indicates the number of months' supply on hand at the end of the month in terms of stocks for that month.

**SALES, ACCOUNTS RECEIVABLE, AND COLLECTIONS**

Year and month	Index numbers, without seasonal adjustment, 1941 average = 100								Percentage of total sales		
	Sales during month				Accounts receivable at end of month		Collections during month		Cash sales	Instalment sales	Charge-account sales
	Total	Cash	Instalment	Charge account	Instalment	Charge account	Instalment	Charge account			
1942—September.....	*120	*140	*77	*105	63	76	90	83	56	6	38
October.....	*136	*162	*92	*114	62	82	99	106	57	6	37
November.....	135	162	*90	*115	62	84	*95	113	58	6	36
December.....	208	*262	112	166	64	109	103	116	61	5	34
1943—January.....	100	123	63	82	58	83	96	142	59	5	36
February.....	116	*139	70	*98	55	78	89	*109	58	5	37
March.....	*119	*146	*66	*99	51	77	91	105	59	5	36
April.....	*128	*159	*75	*103	49	78	85	106	60	5	35
May.....	117	*145	61	*96	45	75	79	105	60	4	36
June.....	*120	*150	*56	*100	42	76	72	100	60	4	36
July.....	*96	*125	*53	*72	39	64	70	103	62	5	33
August.....	*107	*138	64	*82	38	63	67	85	62	5	33
September.....	*131	*167	70	*104	38	74	67	84	61	5	34
October.....	*147	*187	85	*115	40	81	75	104	61	5	34
November.....	166	210	93	130	43	90	81	116	61	5	34

\* Revised.

NOTE.—These data are based on reports from a smaller group of department stores than that included in the monthly index of sales shown on the preceding page.



**CONSUMER CREDIT STATISTICS**  
**TOTAL CONSUMER CREDIT, BY MAJOR PARTS**  
 [Estimated amounts outstanding. In millions of dollars]

End of month or year	Total consumer credit	Instalment credit					Single-payment loans <sup>2</sup>	Charge accounts	Service credit
		Total instalment credit	Sale credit			Loans <sup>1</sup>			
			Total	Automotive	Other				
1929.....	7,089	3,167	2,515	1,318	1,197	652	1,577	1,749	596
1930.....	6,341	2,706	2,032	928	1,104	674	1,451	1,611	573
1931.....	5,177	2,214	1,595	637	958	619	1,051	1,381	531
1932.....	3,846	1,515	999	322	677	516	726	1,114	491
1933.....	3,717	1,581	1,122	459	663	459	588	1,081	467
1934.....	4,159	1,846	1,317	576	741	529	659	1,203	451
1935.....	5,148	2,599	1,805	940	865	794	785	1,292	472
1936.....	6,396	3,466	2,436	1,289	1,147	1,030	991	1,419	520
1937.....	7,054	3,919	2,752	1,384	1,368	1,167	1,119	1,459	557
1938.....	6,618	3,539	2,313	970	1,343	1,226	1,069	1,487	523
1939.....	7,518	4,351	2,792	1,267	1,525	1,559	1,089	1,544	534
1940.....	8,767	5,434	3,450	1,729	1,721	1,984	1,123	1,650	560
1941.....	9,499	5,921	3,747	1,942	1,805	2,174	1,204	1,764	610
1942.....	6,155	2,922	1,494	482	1,012	1,428	1,072	1,513	648
1942									
Oct.....	6,403	3,255	1,704	664	1,040	1,551	1,088	1,419	641
Nov.....	6,169	3,054	1,571	573	998	1,483	1,085	1,386	644
Dec.....	6,155	2,922	1,494	482	1,012	1,428	1,072	1,513	648
1943									
Jan.....	5,703	2,660	1,314	404	910	1,346	1,058	1,333	652
Feb.....	5,491	2,465	1,190	351	839	1,275	1,038	1,333	655
Mar.....	5,353	2,323	1,071	287	784	1,252	1,031	1,343	656
Apr.....	5,245	2,226	1,020	260	760	1,206	1,029	1,331	657
May.....	5,079	2,116	955	235	720	1,161	1,027	1,275	661
June.....	5,065	2,046	896	208	688	1,150	1,014	1,338	667
July.....	4,844	1,956	838	196	642	1,118	994	1,222	672
Aug.....	4,770	1,899	807	190	617	1,092	996	1,198	677
Sept.....	4,863	1,869	786	186	600	1,083	1,038	1,275	681
Oct.....	<sup>p</sup> 4,959	<sup>p</sup> 1,836	<sup>p</sup> 776	<sup>p</sup> 181	<sup>p</sup> 595	<sup>p</sup> 1,060	<sup>p</sup> 1,073	<sup>p</sup> 1,366	<sup>p</sup> 684
Nov.....	<sup>p</sup> 5,070	<sup>p</sup> 1,821	<sup>p</sup> 778	<sup>p</sup> 177	<sup>p</sup> 601	<sup>p</sup> 1,043	<sup>p</sup> 1,095	<sup>p</sup> 1,466	<sup>p</sup> 688

<sup>p</sup> Preliminary.

<sup>1</sup> Includes repair and modernization loans.

<sup>2</sup> An estimated total of noninstalment consumer loans; i.e., single-payment loans of commercial banks and loans by pawnbrokers.

NOTE.—National estimates of consumer short-term credit for the period from January 1929 through August 1942 were prepared by the Bureau of Foreign and Domestic Commerce, United States Department of Commerce, and published in the November 1942 issue of the *Survey of Current Business* with a description of sources of data and methods of estimation. Later estimates, comparable with those formerly published by the Department of Commerce, were made at the Board of Governors of the Federal Reserve System.

**CONSUMER INSTALMENT SALE CREDIT, EXCLUDING AUTOMOTIVE**

[Estimated amounts outstanding. In millions of dollars]

End of month or year	Total, excluding auto-motive	Department stores and mail-order houses	Furniture stores	Household appliance stores	Jewelry stores	All other retail stores
1929.....	1,197	160	583	265	56	133
1930.....	1,104	155	539	222	47	141
1931.....	958	138	454	185	45	136
1932.....	677	103	313	121	30	110
1933.....	663	119	299	119	29	97
1934.....	741	146	314	131	35	115
1935.....	865	186	336	171	40	132
1936.....	1,147	256	406	255	56	174
1937.....	1,368	314	469	307	68	210
1938.....	1,343	302	485	266	70	220
1939.....	1,525	377	536	273	93	246
1940.....	1,721	439	599	302	110	271
1941.....	1,805	469	619	313	120	284
1942.....	1,012	254	391	130	77	160
1942						
Oct.....	1,040	253	408	154	61	164
Nov.....	998	247	392	141	61	157
Dec.....	1,012	254	391	130	77	160
1943						
Jan.....	910	228	359	116	64	143
Feb.....	839	210	338	103	56	132
Mar.....	784	196	322	91	51	124
Apr.....	760	190	319	81	50	120
May.....	720	178	308	72	48	114
June.....	688	168	301	64	47	108
July.....	642	155	286	55	45	101
Aug.....	617	149	279	48	44	97
Sept.....	600	148	272	42	44	94
Oct.....	<sup>p</sup> 595	<sup>p</sup> 151	<sup>p</sup> 269	<sup>p</sup> 37	<sup>p</sup> 44	<sup>p</sup> 94
Nov.....	<sup>p</sup> 601	<sup>p</sup> 160	<sup>p</sup> 266	<sup>p</sup> 32	<sup>p</sup> 48	<sup>p</sup> 95

<sup>p</sup> Preliminary.

**CONSUMER INSTALMENT LOANS**

[Estimated amounts outstanding. In millions of dollars]

End of month or year	Total	Commercial banks <sup>1</sup>	Small loan companies	Industrial banking companies	Credit unions	Miscellaneous lenders	Repair and modernization loans
1929.....	652	43	263	219	32	95	.....
1930.....	674	45	287	218	31	93	.....
1931.....	619	39	289	184	29	78	.....
1932.....	516	31	257	143	27	58	.....
1933.....	459	29	232	121	27	50	.....
1934.....	529	39	246	125	32	60	77
1935.....	794	71	267	156	44	79	177
1936.....	1,030	130	301	191	66	102	240
1937.....	1,167	215	350	221	93	125	163
1938.....	1,226	248	346	230	113	117	172
1939.....	1,559	380	435	257	147	96	244
1940.....	1,984	586	505	288	189	99	317
1941.....	2,174	687	535	298	217	102	335
1942.....	1,428	370	424	202	141	91	200
1942							
Oct.....	1,551	421	437	222	152	92	227
Nov.....	1,483	393	428	211	145	91	215
Dec.....	1,428	370	424	202	141	91	200
1943							
Jan.....	1,346	345	403	193	132	89	184
Feb.....	1,275	319	387	185	126	88	170
Mar.....	1,252	312	387	184	127	87	155
Apr.....	1,206	299	378	179	122	87	141
May.....	1,161	290	366	174	118	85	128
June.....	1,150	287	371	174	118	86	114
July.....	1,118	283	363	170	114	85	103
Aug.....	1,092	278	357	168	112	84	93
Sept.....	1,083	277	358	169	113	85	81
Oct.....	<sup>p</sup> 1,060	<sup>p</sup> 273	<sup>p</sup> 354	<sup>p</sup> 167	<sup>p</sup> 111	<sup>p</sup> 84	<sup>p</sup> 81
Nov.....	<sup>p</sup> 1,043	<sup>p</sup> 270	<sup>p</sup> 355	<sup>p</sup> 165	<sup>p</sup> 109	<sup>p</sup> 84	<sup>p</sup> 80

<sup>p</sup> Preliminary. <sup>r</sup> Revised.

<sup>1</sup> These figures for amounts outstanding include only personal instalment cash loans and retail automotive direct loans, which are shown on the following page, and a small amount of other retail direct loans (9 million dollars at the end of November 1943), which are not shown separately.

CONSUMER CREDIT STATISTICS—Continued

CONSUMER INSTALMENT CREDITS OF COMMERCIAL BANKS, BY TYPE OF CREDIT

[Estimates. In millions of dollars]

Month or year	Total	Automotive retail		Other retail, purchased and direct	Repair and modernization loans	Personal instalment cash loans
		Purchased	Direct loans			
<b>Outstanding at end of period:</b>						
1939.....	1,020	210	160	150	220	280
1940.....	1,340	300	230	210	260	340
1941.....	1,588	396	303	279	246	364
1942.....	787	136	122	143	154	232
<b>1942—October.....</b>						
.....	922	190	148	159	168	257
November.....	860	156	136	151	165	242
December.....	787	136	122	143	154	232
<b>1943—January.....</b>						
.....	726	116	111	136	144	219
February.....	662	101	100	121	135	205
March.....	619	87	95	108	125	204
April.....	580	77	91	100	117	195
May.....	551	69	89	93	111	189
June.....	529	65	85	84	105	190
July.....	515	60	82	80	103	190
August.....	498	58	82	74	98	186
September.....	489	57	82	70	95	185
October.....	*480	57	82	67	92	*182
November.....	471	55	82	66	89	179
<b>Volume extended during month:</b>						
<b>1942—October.....</b>						
.....	77	11	11	14	9	32
November.....	64	7	9	14	7	27
December.....	69	6	10	15	6	32
<b>1943—January.....</b>						
.....	59	6	9	14	4	26
February.....	52	6	9	8	4	25
March.....	74	8	13	9	5	39
April.....	64	9	12	10	5	28
May.....	65	9	12	11	6	27
June.....	77	9	13	12	8	35
July.....	67	8	13	9	7	30
August.....	68	9	14	8	7	30
September.....	72	9	14	9	7	33
October.....	68	8	13	11	7	29
November.....	66	7	13	12	6	28

\* Revised.

NOTE.—For descriptive material and back figures, see BULLETIN for October 1942, pp. 992-994.

CONSUMER INSTALMENT LOANS MADE BY PRINCIPAL LENDING INSTITUTIONS

[Estimates of volume made in period. In millions of dollars]

Month or year	Commercial banks <sup>1</sup>	Small loan companies	Industrial banking companies	Credit unions
1930.....	503	380	41	
1931.....	498	340	38	
1932.....	376	250	34	
1933.....	304	202	33	
1934.....	384	234	42	
1935.....	423	288	67	
1936.....	563	354	105	
1937.....	619	409	148	
1938.....	604	417	179	
1939.....	763	489	257	
1940.....	927	536	320	
1941.....	983	558	343	
1942.....	705	798	408	
<b>1942</b>				
May.....	61	58	34	18
June.....	64	68	36	20
July.....	58	63	34	18
August.....	52	60	33	16
September.....	49	60	31	16
October.....	44	59	30	14
November.....	37	59	25	14
December.....	43	82	31	18
<b>1943</b>				
January.....	36	45	25	11
February.....	35	50	26	13
March.....	53	86	38	22
April.....	41	62	31	15
May.....	40	58	29	14
June.....	44	80	35	19
July.....	50	62	30	15
August.....	45	64	29	15
September.....	47	70	32	18
October.....	43	67	28	16
November.....	42	70	29	15

<sup>1</sup> These figures for loans made include only personal instalment cash loans and retail automotive direct loans, which are shown elsewhere on this page, and a small amount of other retail direct loans (one million dollars in November 1943), which are not shown separately.

FURNITURE STORE STATISTICS

Item	Percentage change from preceding month			Percentage change from corresponding month of preceding year		
	Nov. 1943	Oct. 1943	Sept. 1943	Nov. 1943	Oct. 1943	Sept. 1943
	<b>Net sales:</b>					
Total.....	+2	+10	+1	+5	-6	+2
Cash sales.....	+9	+14	+4	+19	+8	+15
<b>Credit sales:</b>						
Instalment.....	0	*+9	0	+1	-12	-4
Charge account.....	+2	+15	+3	+8	+3	+2
<b>Accounts receivable, at end of month:</b>						
Total.....	-1	0	-1	-30	-33	-34
Instalment.....	0	0	-1	-29	*-32	-34
<b>Collections during month:</b>						
Total.....	0	+5	-5	-12	-19	-14
Instalment.....	0	+6	-5	-14	-22	-18
<b>Inventories, end of month, at retail value:</b>						
.....	-3	-2	-2	-23	*-23	-23

\* Revised.

RATIO OF COLLECTIONS TO ACCOUNTS RECEIVABLE<sup>1</sup>

Month	Instalment accounts				Charge accounts
	Department stores	Furniture stores	Household appliance stores	Jewelry stores	
<b>1942</b>					
August.....	24	16	13	25	59
September.....	25	16	14	26	60
October.....	29	18	15	30	65
November.....	29	17	15	31	64
December.....	31	18	15	45	64
<b>1943</b>					
January.....	28	17	16	31	60
February.....	28	17	16	30	61
March.....	31	19	18	30	62
April.....	31	20	18	31	63
May.....	30	22	20	33	63
June.....	29	21	21	33	62
July.....	30	22	21	34	62
August.....	32	22	21	33	62
September.....	33	21	21	37	65
October.....	*37	22	22	41	66
November.....	37	23	24	41	66

\* Revised.

<sup>1</sup> Ratio of collections during month to accounts receivable at beginning of month.

# WHOLESALE PRICES, BY GROUPS OF COMMODITIES

[Index numbers of the Bureau of Labor Statistics. 1926 = 100]

Year, month, or week	All commodities	Farm products	Foods	Other commodities								
				Total	Hides and leather products	Textile products	Fuel and lighting materials	Metals and metal products	Building materials	Chemicals and allied products	House-furnishing goods	Miscellaneous
1929	95.3	104.9	99.9	91.6	109.1	90.4	83.0	100.5	95.4	94.0	94.3	82.6
1930	86.4	88.3	90.5	85.2	100.0	80.3	78.5	92.1	89.9	88.7	92.7	77.7
1931	73.0	64.8	74.6	75.0	86.1	66.3	67.5	84.5	79.2	79.3	84.9	69.8
1932	64.8	48.2	61.0	70.2	72.9	54.9	70.3	80.2	71.4	73.9	75.1	64.4
1933	65.9	51.4	60.5	71.2	80.9	64.8	66.3	79.8	77.0	72.1	75.8	62.5
1934	74.9	65.3	70.5	78.4	86.6	72.9	73.3	86.9	86.2	75.3	81.5	69.7
1935	80.0	78.8	83.7	77.9	89.6	70.9	73.5	86.4	85.3	79.0	80.6	68.3
1936	80.8	80.9	82.1	79.6	95.4	71.5	76.2	87.0	86.7	78.7	81.7	70.5
1937	86.3	86.4	85.5	85.3	104.6	76.3	77.6	95.7	95.2	82.6	89.7	77.8
1938	78.6	68.5	73.6	81.7	92.8	66.7	76.5	95.7	90.3	77.0	86.8	73.3
1939	77.1	65.3	70.4	83.0	95.6	69.7	73.1	94.4	90.5	76.0	86.3	74.8
1940	78.6	67.7	71.3	83.0	100.8	73.8	71.7	95.8	94.8	77.0	88.5	77.3
1941	87.3	82.4	82.7	89.0	108.3	84.8	76.2	99.4	103.2	84.6	94.3	82.0
1942	96.8	105.9	99.6	95.5	117.7	96.9	78.5	103.8	110.2	97.1	102.4	89.7
1942—August	99.2	106.1	100.8	95.6	118.2	97.3	79.0	103.8	110.3	96.2	102.7	88.9
September	99.6	107.8	102.4	95.5	118.1	97.1	79.0	103.8	110.4	96.2	102.5	88.8
October	100.0	109.0	103.4	95.5	117.8	97.1	79.0	103.8	110.4	96.2	102.5	88.6
November	100.3	110.5	103.5	95.8	117.8	97.1	79.1	103.8	110.1	99.5	102.5	90.1
December	101.0	113.8	104.3	95.9	117.8	97.2	79.2	103.8	110.0	99.5	102.5	90.5
1943—January	101.9	117.0	105.2	96.0	117.8	97.3	79.3	103.8	109.8	100.2	102.5	90.7
February	102.5	119.0	105.8	96.2	117.8	97.3	79.8	103.8	110.2	100.3	102.6	90.9
March	103.4	122.8	107.4	96.5	117.8	97.3	80.3	103.8	110.4	100.0	102.6	91.4
April	103.7	123.9	108.4	96.6	117.8	97.4	80.6	103.8	110.3	100.1	102.6	91.6
May	104.1	125.7	110.5	96.7	117.8	97.4	80.8	103.8	110.5	100.2	102.7	91.9
June	103.8	126.2	109.6	96.8	117.8	97.4	81.0	103.8	110.6	100.0	102.8	91.8
July	103.2	125.0	107.2	96.9	117.8	97.4	81.0	103.7	110.7	100.1	102.6	92.3
August	103.1	123.5	105.8	97.1	117.8	97.4	80.9	103.7	112.2	100.2	102.6	92.6
September	103.1	123.1	105.0	97.2	117.8	97.5	81.0	103.7	112.5	100.3	102.6	93.0
October	103.0	122.2	105.1	97.3	117.8	97.6	81.0	103.7	112.7	100.4	102.6	93.1
November	102.9	121.4	105.8	97.4	116.5	97.7	81.2	103.8	113.1	100.3	102.8	93.2
Week ending												
1943—September 4	102.8	123.3	104.7	97.3	118.4	97.0	81.7	103.8	112.2	100.2	104.2	92.4
September 11	102.8	123.2	104.8	97.4	118.4	97.0	81.7	103.8	112.5	100.2	104.2	92.6
September 18	102.9	123.6	104.5	97.4	118.4	97.0	81.6	103.8	112.5	100.2	104.2	92.6
September 25	102.9	123.8	104.9	97.4	118.4	97.0	81.6	103.8	112.5	100.2	104.2	92.6
October 2	103.0	123.6	105.0	97.5	118.4	97.0	81.7	103.8	112.5	100.3	104.2	93.1
October 9	102.8	122.7	104.9	97.5	118.4	97.0	81.8	103.8	112.5	100.3	104.2	92.9
October 16	102.9	122.8	104.7	97.5	118.4	97.1	81.8	103.8	112.5	100.3	104.2	92.9
October 23	102.9	122.7	104.8	97.5	118.4	97.1	81.8	103.8	112.6	100.3	104.2	92.9
October 30	102.8	122.2	105.0	97.5	118.4	97.2	81.6	103.8	112.8	100.4	104.2	92.9
November 6	102.9	122.8	105.7	97.5	118.4	97.2	81.6	103.8	113.0	100.4	104.2	93.0
November 13	102.8	122.1	105.5	97.5	118.4	97.2	81.6	103.8	113.0	100.4	104.2	93.0
November 20	102.6	121.2	105.6	97.5	118.4	97.2	81.6	103.8	113.0	100.4	104.2	93.0
November 27	102.6	121.2	105.8	97.5	116.9	97.2	81.7	103.8	113.0	100.4	104.2	93.0
December 4	102.8	121.8	105.6	97.6	117.5	97.2	82.1	103.9	113.1	100.4	104.2	93.0
December 11	102.9	122.0	105.9	97.8	117.5	97.2	82.4	103.9	113.4	100.3	104.2	93.0
December 18	102.9	121.8	105.7	97.8	117.9	97.2	82.6	103.9	113.4	100.3	104.4	93.0
December 25	102.9	122.0	105.7	97.8	117.9	97.2	82.6	103.9	113.5	100.3	104.4	93.0

Subgroups	1942					1943				
	Nov.	Aug.	Sept.	Oct.	Nov.	Nov.	Aug.	Sept.	Oct.	Nov.
<b>Farm Products:</b>										
Grains	92.8	116.8	119.7	122.5	123.2					
Livestock and poultry	121.3	129.5	130.2	126.1	120.5					
Other farm products	108.0	120.8	118.8	118.9	120.5					
<b>Foods:</b>										
Dairy products	111.2	108.9	108.9	109.1	110.9					
Cereal products	89.5	93.8	94.4	94.7	94.7					
Fruits and vegetables	102.0	125.6	116.7	115.1	118.5					
Meats	112.0	106.0	106.0	106.2	106.3					
Other foods	95.9	98.0	99.0	99.6	99.5					
<b>Hides and Leather Products:</b>										
Shoes	126.4	126.4	126.4	126.4	126.4					
Hides and skins	116.0	116.0	116.0	116.0	108.5					
Leather	101.3	101.3	101.3	101.3	101.3					
Other leather products	115.2	115.2	115.2	115.2	115.2					
<b>Textile Products:</b>										
Clothing	107.0	107.0	107.0	107.0	107.0					
Cotton goods	112.4	112.7	112.9	112.9	112.9					
Hosiery and underwear	70.5	70.5	70.5	71.4	71.7					
Silk										
Rayon	30.3	30.3	30.3	30.3	30.3					
Woolen and worsted goods	111.7	112.5	112.5	112.5	112.5					
Other textile products	97.6	98.7	98.7	99.2	100.5					
<b>Fuel and Lighting Materials:</b>										
Anthracite	85.7	89.6	89.9	89.9	90.6					
Bituminous coal	111.4	116.5	116.4	116.4	116.6					
Coke	122.1	122.4	122.4	122.4	124.1					
Electricity	62.3	57.6	58.1							
Gas	78.4	76.3	77.1	77.2						
Petroleum products	60.7	63.0	63.2	63.5	63.5					
<b>Metals and Metal Products:</b>										
Agricultural implements	96.9	96.9	96.9	96.9	96.9					
Farm machinery	98.0	98.0	98.1	98.1	98.1					
Iron and steel	97.2	97.1	97.1	97.1	97.1					
Motor vehicles	112.8	112.8	112.8	112.8	112.8					
Nonferrous metals	86.0	86.0	86.0	86.0	86.0					
Plumbing and heating	93.2	90.4	90.2	90.2	91.8					
<b>Building Materials:</b>										
Brick and tile	98.6	99.0	99.0	99.0	100.0					
Cement	94.2	93.6	93.6	93.6	93.6					
Lumber	133.1	142.0	142.7	143.1	143.9					
Paint and paint materials	100.7	102.8	102.6	102.8	103.2					
Plumbing and heating	93.2	90.4	90.2	90.2	91.8					
Structural steel	107.3	107.3	107.3	107.3	107.3					
Other building materials	102.9	101.4	102.0	102.2	102.2					
<b>Chemicals and Allied Products:</b>										
Chemicals	96.2	96.5	96.5	96.4	96.3					
Drugs and pharmaceuticals	165.4	165.2	165.2	165.2	165.2					
Fertilizer materials	78.6	80.1	80.6	81.3	81.3					
Mixed fertilizers	82.8	85.8	85.8	85.8	85.8					
Oils and fats	101.5	102.0	102.0	102.0	102.0					
<b>Housefurnishing Goods:</b>										
Furnishings	107.3	107.1	107.1	107.1	107.1					
Furniture	97.4	98.1	98.1	98.1	98.4					
<b>Miscellaneous:</b>										
Auto tires and tubes	73.0	73.0	73.0	73.0	73.0					
Cattle feed	132.1	155.7	159.6	159.6	159.6					
Paper and pulp	98.8	104.3	105.6	105.6	105.8					
Rubber, crude	46.3	46.2	46.2	46.2	46.2					
Other miscellaneous	95.1	96.3	96.3	96.4	96.5					

Back figures.—Bureau of Labor Statistics, Department of Labor.

ESTIMATED EMPLOYMENT IN NONAGRICULTURAL ESTABLISHMENTS, BY INDUSTRY DIVISION

[Thousands of persons]

Year and month	Total	Manufacturing	Mining	Construction*	Transportation and public utilities	Trade	Finance, service, and miscellaneous	Federal, State, and local government
<b>SEASONALLY ADJUSTED</b>								
1942—November.....	38,325	15,349	883	1,889	3,508	6,673	4,333	5,690
December.....	38,742	15,687	884	1,904	3,535	6,635	4,331	5,766
1943—January.....	38,791	15,932	870	1,843	3,549	6,513	4,350	5,734
February.....	38,821	15,975	873	1,748	3,515	6,458	4,356	5,866
March.....	38,656	16,043	864	1,564	3,551	6,424	4,347	5,863
April.....	38,478	16,025	858	1,363	3,572	6,433	4,331	5,896
May.....	38,222	15,998	842	1,213	3,577	6,357	4,302	5,933
June.....	38,345	16,139	842	1,123	3,610	6,373	4,297	5,961
July.....	38,261	16,124	835	1,065	3,630	6,388	4,300	5,919
August.....	38,067	16,145	825	1,023	3,645	6,335	4,282	5,812
September.....	37,724	16,029	817	957	3,641	6,248	4,258	5,774
October.....	37,944	16,169	810	910	3,626	6,345	4,300	5,784
November.....	38,128	16,230	802	858	3,679	6,449	4,307	5,803
<b>UNADJUSTED</b>								
1942—November.....	38,533	15,434	894	1,896	3,520	6,771	4,295	5,723
December.....	38,942	15,684	885	1,674	3,502	7,107	4,279	5,811
1943—January.....	37,862	15,743	867	1,470	3,463	6,371	4,259	5,689
February.....	37,958	15,851	867	1,386	3,456	6,291	4,270	5,837
March.....	38,115	15,958	861	1,357	3,475	6,328	4,281	5,855
April.....	38,336	15,956	850	1,328	3,552	6,423	4,337	5,890
May.....	38,262	15,911	837	1,299	3,587	6,331	4,349	5,948
June.....	38,484	16,056	835	1,277	3,653	6,371	4,355	5,937
July.....	38,364	16,136	830	1,218	3,683	6,290	4,359	5,848
August.....	38,245	16,245	820	1,162	3,695	6,218	4,331	5,771
September.....	38,227	16,179	825	1,065	3,708	6,285	4,334	5,830
October.....	38,276	16,205	819	974	3,705	6,419	4,300	5,854
November.....	38,251	16,235	810	865	3,693	6,544	4,269	5,835

\* Includes contract construction and Federal force account construction. † Revised.

Note.—Unadjusted data compiled by Bureau of Labor Statistics. Estimates exclude proprietors of unincorporated businesses, self-employed persons, domestics employed in private homes, public emergency employees (WPA, NYA, and CCC), and personnel in the armed forces. Figures for November 1943 are preliminary. Revised seasonally adjusted estimates for months prior to November 1941 are shown on p. 1156 of the November 1942 BULLETIN.

DECEMBER CROP REPORT, BY FEDERAL RESERVE DISTRICTS

[Based on estimates of the Department of Agriculture, by States, as of December 1, 1943. In thousands of units]

Federal Reserve district	Cotton		Corn		Winter wheat		Spring wheat	
	Production 1942	Estimate Dec. 1, 1943	Production 1942	Estimate Dec. 1, 1943	Production 1942	Estimate Dec. 1, 1943	Production 1942	Estimate Dec. 1, 1943
	Bales	Bales	Bushels	Bushels	Bushels	Bushels	Bushels	Bushels
Boston.....			8,024	7,383			40	48
New York.....			32,053	26,008	8,235	5,098	80	46
Philadelphia.....			49,202	43,147	14,018	12,066	128	128
Cleveland.....			229,950	214,444	40,608	30,115	52	46
Richmond.....			133,134	133,876	26,208			
Atlanta.....	1,460	1,315	177,796	179,025	7,381	5,958		
Chicago.....	2,526	2,537	1,230,298	1,287,286	34,728	31,987	1,230	911
St. Louis.....			389,390	362,072	23,409	28,034	21	16
Minneapolis.....			358,690	342,268	42,573	26,240	250,295	252,933
Kansas City.....			419,831	369,806	358,938	271,457	5,000	4,749
Dallas.....	588	320	93,887	102,083	49,053	37,142	107	111
San Francisco.....	3,745	3,616	9,263	8,761	91,299	60,971	20,773	47,704
Total.....	12,817	11,478	3,131,518	3,076,159	696,450	529,606	277,726	306,692

Federal Reserve district	Oats		Tame hay		Tobacco		White potatoes	
	Production 1942	Estimate Dec. 1, 1943	Production 1942	Estimate Dec. 1, 1943	Production 1942	Estimate Dec. 1, 1943	Production 1942	Estimate Dec. 1, 1943
	Bushels	Bushels	Tons	Tons	Pounds	Pounds	Bushels	Bushels
Boston.....	6,605	5,007	3,489	3,421	28,507	27,508	51,584	83,826
New York.....	34,615	10,726	6,220	6,498	1,672	990	32,912	35,542
Philadelphia.....	16,387	9,434	2,380	2,467	42,120	39,715	19,348	20,846
Cleveland.....	62,694	36,014	5,634	5,491	107,635	113,134	16,159	15,730
Richmond.....	26,184	25,250	4,639	4,605	805,664	768,012	25,230	29,364
Atlanta.....	22,052	21,458	4,178	4,196	144,458	153,194	15,994	18,749
Chicago.....	513,627	418,048	21,045	18,362	29,757	28,197	36,283	42,261
St. Louis.....	76,068	65,969	9,430	7,927	242,825	266,252	13,436	13,254
Minneapolis.....	390,377	328,779	11,866	11,332	2,472	2,242	44,455	58,085
Kansas City.....	149,329	161,135	8,908	7,756	3,607	4,031	37,987	39,374
Dallas.....	15,181	26,111	1,956	2,018			5,442	7,504
San Francisco.....	36,428	35,936	12,462	13,191			71,657	100,121
Total.....	1,349,547	1,143,867	92,207	87,264	1,408,717	1,403,275	370,489	464,656

1 Includes 21,000 bales grown in miscellaneous territory.

2 Includes 16,000 bales grown in miscellaneous territory.

Note.—1942 figures for all crops are as revised in December 1943.

**CURRENT STATISTICS FOR FEDERAL RESERVE CHART BOOK\*  
ON BANK CREDIT, MONEY RATES, AND BUSINESS**

	Chart book page	1943					Chart book page	1943			
		Dec. 1	Dec. 8	Dec. 15	Dec. 22	Dec. 29		Sept.	Oct.	Nov.	
<b>WEEKLY FIGURES<sup>1</sup></b>		<i>In billions of dollars</i>					<b>MONTHLY FIGURES</b>		<i>In billions of dollars</i>		
<b>RESERVES AND CURRENCY</b>											
Reserve Bank credit:											
U. S. Govt. securities, total.....	2, 4	10.45	11.02	11.01	11.55	11.61	5	9.73	9.55	10.34	
Bonds.....	4	1.57	1.58	1.59	1.61	1.62	5	22.21	22.14	22.09	
Notes.....	4	.71	.71	.68	.68	.68	5	18.73	19.00	19.57	
Certificates.....	4	1.91	2.09	2.19	2.27	2.41	5	2.27	2.28	2.29	
Bills.....	4	6.26	6.63	6.56	6.99	6.91	5	.34	.56	.34	
Special certificates.....	4	.....	.....	.....	.....	.....	5, 8	12.86	12.04	12.31	
Bills discounted.....	2	.05	.11	.09	.07	.10	8	11.45	10.77	11.24	
Gold stock.....	2	22.07	22.04	22.00	22.00	22.00	8, 9	1.42	1.26	1.07	
Money in circulation.....	2	19.94	20.14	20.24	20.38	20.43	9	.03	.03	.02	
Nonmember deposits.....	2	1.63	1.66	1.62	1.86	1.91	9	.01	.01	.01	
Treasury deposits.....	2	.28	.69	.38	.97	.76	9	.52	.39	.33	
Member bank reserves.....	3	12.56	12.57	12.93	12.68	12.77	9	.86	.84	.71	
Excess reserves <sup>2</sup> .....	3	1.10	1.98	1.24	.92	1.13	10	18.84	19.25	19.92	
Excess reserves (weekly average), total <sup>3</sup>	3	P1.04	P.98	P1.02	P1.02	P1.02	10	4.95	5.12	5.32	
New York City.....	3	.02	.01	.01	.03	.....	10	10.10	10.31	10.69	
Chicago.....	3	.01	.01	.01	.01	.....	10	3.79	3.83	3.91	
Reserve city banks.....	3	.34	.29	.29	.28	.....					
Country banks <sup>4</sup> .....	3	P.69	P.67	P.69	P.71	.....					
<b>MEMBER BANKS IN LEADING CITIES</b>											
Loans and investments.....	14	51.17	50.54	50.51	49.95	49.73					
Demand deposits adjusted.....	14	33.65	34.08	34.75	34.19	33.90					
U. S. Govt. obligations.....	14	37.34	36.82	36.72	36.17	36.11					
Total loans.....	14	11.03	10.93	10.99	11.00	10.84					
Commercial loans, total.....	15	6.38	6.40	6.41	6.49	6.44					
New York City.....	15	2.40	2.41	2.40	2.44	2.42					
100 cities outside New York.....	15	3.98	3.98	4.01	4.05	4.02					
Brokers' loans—New York City.....	15	1.12	1.09	1.13	1.10	1.04					
U. S. Govt. obligations:											
New York City, total.....	15	13.64	13.40	13.28	13.08	13.15					
Bonds.....	17	6.29	6.26	6.25	6.27	6.29					
Notes and guar. securities.....	17	2.65	2.63	2.59	2.57	2.57					
Certificates.....	17	3.30	3.27	3.20	3.12	3.12					
Bills.....	17	1.39	1.23	1.24	1.12	1.18					
100 cities outside New York, total.....	15	23.71	23.42	23.44	23.09	22.96					
Bonds.....	17	11.33	11.33	11.37	11.37	11.36					
Notes and guar. securities.....	17	3.99	3.98	3.94	3.92	3.91					
Certificates.....	17	5.86	5.79	5.76	5.72	5.64					
Bills.....	17	2.53	2.32	2.38	2.08	2.06					
<b>MONEY RATES, ETC.</b>											
Treasury bills (new issues) <sup>2</sup> .....	25	.375	.375	.375	.375	.373					
Treasury notes (taxable).....	25	1.29	1.29	1.31	1.31	1.31					
U. S. Govt. bonds:											
Partially tax-exempt.....	25, 33	1.86	1.86	1.87	1.86	1.87					
Taxable.....	25, 33	2.34	2.34	2.34	2.34	2.34					
Corporate Aaa bonds.....	33	2.74	2.74	2.74	2.74	2.74					
Corporate Baa bonds.....	33	3.84	3.84	3.83	3.81	3.81					
<b>Per cent per annum</b>											
<i>In unit indicated</i>											
Stock prices (1935-39 = 100):											
Total.....	35	89.7	92.5	92.0	92.9	91.9					
Industrial.....	35	91.2	94.2	94.0	94.9	93.7					
Railroad.....	35	83.2	86.4	86.0	86.7	85.7					
Public utility.....	35	84.5	85.9	84.7	85.7	85.3					
Volume of trading (mill. shares).....	35	.69	.96	.78	.63	.94					
<b>BUSINESS CONDITIONS</b>											
Steel production (per cent of capacity).....	50	99.5	99.3	99.3	93.0	81.3					
Electric power prod. (mill. kw. hrs.).....	50	4,560	4,567	4,613	4,340	.....					
Freight carloadings (thous. cars):											
Total.....	51	862.8	823.2	759.3	641.4	.....					
Miscellaneous.....	51	392.9	379.8	349.0	305.1	.....					
Department store sales (1935-39 = 100).....	52	252	273	290	244	.....					
F.H.A. home mortgages, new construction (thous.) <sup>1</sup> .....	52	.....	.....	.....	.....	.....					
Wholesale prices (1926 = 100):											
Total.....	63	102.8	102.9	102.9	102.9	.....					
Farm products.....	63	121.8	122.0	121.8	122.0	.....					
Other than farm and food.....	63	97.6	97.8	97.8	97.8	.....					
<b>MONEY RATES, ETC.</b>											
F. R. Bank discount rate, N. Y. ....	27	.50	.50	.50	.50	.50					
Treasury bills (new issues).....	27	.375	.375	.375	.375	.375					
Treasury notes (taxable).....	27	1.31	1.31	1.31	1.29	1.29					
Commercial paper.....	29	.69	.69	.69	.69	.69					
U. S. Govt. bonds:											
Partially tax-exempt.....	33	1.80	1.81	1.81	1.81	1.81					
Taxable.....	33	2.30	2.30	2.30	2.32	2.32					
Corporate Aaa bonds.....	29, 33	2.69	2.70	2.70	2.71	2.71					
Corporate Baa bonds.....	33	3.83	3.82	3.82	3.83	3.83					
<b>Per cent per annum</b>											
<i>In unit indicated</i>											
Stock prices (1935-39 = 100):											
Total.....	35	95.6	94.8	91.4	91.4	91.4					
Industrial.....	35	97.5	96.6	93.0	93.0	93.0					
Railroad.....	35	91.3	92.0	86.3	86.3	86.3					
Public utility.....	35	87.3	86.8	85.1	85.1	85.1					
Volume of trading (mill. shares).....	35	.66	.63	.59	.59	.59					
Brokers' balances (mill. dollars):											
Credit extended customers.....	37	770	780	740	600	640					
Money borrowed.....	37	770	740	740	600	640					
Customers' free credit balances.....	37	320	330	330	340	340					

\* Estimated. P Preliminary. R Revised. C Corrected.  
<sup>1</sup> Figures for other than Wednesday dates are shown under the Wednesday included in the weekly period.  
<sup>2</sup> Figure for Nov. 3 shown in December BULLETIN, p. 1196, should be corrected to read 0.376.  
<sup>3</sup> Number of issues decreased from 2 to 1 on Dec. 15.  
<sup>4</sup> Publication discontinued. <sup>5</sup> Adjusted for seasonal variation.  
<sup>6</sup> Figures available for June and December dates only.  
\* Copies of the Chart Book may be obtained at a price of 50 cents each.

CURRENT STATISTICS FOR FEDERAL RESERVE CHART BOOK—Continued

	Chart book page	1943				Chart book page	1943			
		Sept.	Oct.	Nov.			Sept.	Oct.	Nov.	
<b>MONTHLY FIGURES—Cont.</b>				<i>In unit indicated</i>			<b>MONTHLY FIGURES—Cont.</b>			
<b>BUSINESS CONDITIONS</b>							<b>BUSINESS CONDITIONS—Cont.</b>			
Income payments (mill. dollars), total: <sup>5</sup>	38	12,069	12,204	P12,394	Exports and imports (mill. dollars):	61	P1,233.1	P1,186.0	P1,036.3	
Salaries and wages.....	38	8,602	8,695	P8,830	Exports.....	61	P280.5	P328.6	P317.9	
Other.....	38	3,467	3,509	P3,564	Imports.....	61	P952.6	P857.4	P718.4	
Cash farm income (mill. dollars), total.	39	1,992	2,282	P2,050	Excess of exports.....	61	P-49.5			
Livestock and products.....	39	929	1,008	P1,066	Excluding Lend-Lease exports.....	61				
Crops.....	39	1,066	1,245	P946	Wholesale prices, total (1926 = 100)....	63	103.1	103.0	102.9	
Govt. payments.....	39	57	29	P38	Farm products.....	63	123.1	122.2	121.4	
Industrial production: <sup>5</sup>					Other than farm and food.....	63	97.2	97.3	97.4	
Total (1935-39 = 100).....	41, 42	P245	247	P247	Cost of living, all items (1935-39 = 100)	65	123.9	124.4	124.1	
Groups (points in total index)					Food.....	65	137.4	138.2	137.3	
Durable manufactures.....	41	P140.4	142.4	P143.3	Clothing.....	65	132.5	133.0	133.0	
Machinery, etc.....	42	P98.2	99.8	P100.8	Rent.....	65	108.0			
Iron and steel.....	42	23.5	23.6	23.0						
Other durable.....	42	P18.8	19.0	P19.5						
Nondurable manufactures.....	41	P83.2	83.5	P83.8						
Textiles and leather.....	42	P19.4	19.5	P19.4						
Paper and printing.....	42	11.6	11.5	P11.3						
Foods, liquor, and tobacco.....	42	P19.5	19.6	P20.4						
Other nondurable.....	42	32.6	32.9	P32.7						
Minerals.....	41, 42	21.0	20.7	P20.0						
Primary products (1935-39 = 100):										
Steel.....	43	239	241	235						
Cement.....	43	112	107	98						
Lumber.....	43	118	115	P123						
Coal.....	43	150	141	P125						
Crude petroleum.....	43	136	137	P138						
Cotton consumption.....	43	156	156	153						
Wool yarn.....	43	172	173							
Paper.....	43	138	136							
Leather.....	43	105	103							
Meats and dairy products.....	43	P162	157	P172						
Other manufactured foods.....	43	P138	P140	P141						
Labor force and employment (mill. persons):										
Labor force.....	44	53.3	52.6	51.9						
Employment, total.....	44	52.5	51.9	51.3						
Nonagricultural.....	44	41.2	41.2	41.5						
Agricultural.....	44	11.3	10.7	9.8						
Male.....	44	35.8	35.5	35.3						
Female.....	44	16.7	16.4	16.0						
Nonagricultural employment (mill. persons), total <sup>5</sup>	45	37.7	37.9	P38.1						
Manufacturing and mining.....	45	16.8	17.0	P17.0						
Trade.....	45	6.2	6.3	P6.4						
Government.....	45	5.8	5.8	P5.8						
Transportation and utilities.....	45	3.6	3.6	P3.7						
Construction.....	45	1.0	0.9	P0.9						
Factory employment and pay rolls (1939 = 100):										
Pay rolls.....	47	328.3	333.4							
Employment.....	47	P170.1	170.4	P170.7						
Hours and earnings at factories:										
Weekly earnings (dollars).....	48	P44.43	44.90							
Hourly earnings (cents).....	48	P99.4	98.9							
Hours worked (per week).....	48	44.7	45.4							
New orders, shipments, and inventories (1939 = 100):										
New orders, total.....	49	247	P246							
Durable.....	49	340	P332							
Nondurable.....	49	179	P183							
Shipments, total.....	49	261	P270							
Durable.....	49	356	P373							
Nondurable.....	49	186	P191							
Inventories, total.....	49	178	P179							
Durable.....	49	215	P214							
Nondurable.....	49	146	P149							
Residential contracts (mill. dollars): <sup>5</sup>										
Total.....	53	57	67	60						
Public.....	53	17	29	25						
Private, total.....	53	40	38	35						
1- and 2-family dwellings.....	53	25	31	27						
Other.....	53	15	7	8						
Construction contracts (3-mo. moving av., mill. dollars): <sup>5</sup>										
Total.....	55	265	201	P197						
Residential.....	55	64	63	P59						
Other.....	55	202	139	P138						
Freight loadings: <sup>5</sup>										
Total (1935-39 = 100).....	57	140	137	139						
Groups (points in total index)										
Miscellaneous.....	57	78.4	76.9	80.6						
Coal.....	57	32.2	29.7	27.0						
All other.....	57	28.9	P30.2	31.1						
Department stores (1923-25 = 100): <sup>5</sup>										
Sales.....	59	132	140	158						
Stocks.....	59	110	P104	97						

1943			
Jan.-Mar.	Apr.-June	July-Sept.	
<i>In millions of dollars</i>			
Bank rates on customers' loans:			
Total, 19 cities.....	2.76	3.09	2.48
New York City.....	2.36	2.70	2.05
Other Northern and Eastern cities.....	2.76	2.98	2.71
Southern and Western cities.....	3.24	3.38	2.73
<i>Per cent per annum</i>			
Dec. 31, 1942	June 30, 1943	Oct. 18, 1943	
<i>In billions of dollars</i>			
ALL BANKS IN THE U. S.			
Total deposits and currency.....	99.71	110.16	124.83
Demand deposits adjusted.....	48.92	56.04	56.03
Time deposits.....	28.44	30.26	31.67
Currency outside banks.....	13.95	15.81	17.39
<b>MEMBER BANKS</b>			
Loans and investments, total.....	12	59.26	67.16
U. S. Govt. obligations.....	12	37.55	46.98
Other securities.....	12	5.63	5.35
State and local obligations.....	13	2.97	2.88
Other domestic securities.....	13	2.66	2.48
Foreign securities.....	13		2.32
Loans, total.....	12	16.09	14.82
Commercial loans.....	13	8.48	7.41
Real estate loans.....	13	3.42	3.35
Street loans (brokers' loans).....	13	.79	.96
Holdings of U. S. Govt. securities:			
By classes of banks:			
New York City.....	16	12.55	13.89
Chicago.....	16	2.79	3.17
Reserve city banks.....	16	13.04	17.42
Country banks.....	16	9.17	12.51
By kinds of securities:			
Bonds.....	16	18.95	23.55
Notes.....	16	5.41	5.25
Certificates.....	16	6.29	9.42
Bills.....	16	4.36	6.28
Guaranteed.....	16	2.54	2.49

For footnotes see preceding page.

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# INTERNATIONAL FINANCIAL STATISTICS

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Tables on the following pages include the principal available statistics of current significance relating to gold, international capital transactions of the United States, and financial developments abroad. The data are compiled for the most part from regularly published sources such as central and commercial bank statements and official statistical bulletins; some data are reported to the Board directly. Figures on international capital transactions of the United States are collected by the Federal Reserve Banks from banks, bankers, brokers, and dealers in the United States in accordance with the Treasury Regulation of November 12, 1934. Back figures may in most cases be obtained from earlier BULLETINS and from Annual Reports of the Board of Governors for 1937 and earlier years.

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# GOLD RESERVES OF CENTRAL BANKS AND GOVERNMENTS

[In millions of dollars]

End of month	United States	Argentina <sup>1</sup>	Belgium	Brazil	British India	Bulgaria	Canada	Chile	Colombia	Czecho-Slovakia	Denmark	Egypt	France	Germany	Greece
1937—Dec.....	12,760	469	597	32	274	24	184	30	16	92	53	55	2,564	28	24
1938—Dec.....	14,512	431	581	32	274	24	192	30	24	83	53	55	2,430	29	27
1939—Dec.....	17,644	466	609	40	274	24	214	30	21	56	53	55	2,709	29	28
1940—Dec.....	21,995	353	734	51	274	24	247	30	17	58	52	52	2,000	29	28
1941—Dec.....	22,737	354	734	70	274	24	5	30	16	61	44	52	2,000	29	28
1942—Dec.....	22,726	658	735	115	274	25	6	36	25	61	44	52	2,000	29	.....
1943—Jan.....	22,683	354	734	120	274	25	7	38	27	61	44	52	2,000	.....	.....
Feb.....	22,644	354	734	121	274	.....	6	42	28	61	44	52	2,000	.....	.....
Mar.....	22,576	354	734	127	274	.....	6	46	30	61	44	52	2,000	.....	.....
Apr.....	22,473	355	734	143	274	.....	5	47	42	61	44	52	2,000	.....	.....
May.....	22,426	354	734	153	274	.....	5	48	43	61	44	52	2,000	.....	.....
June.....	22,388	354	734	166	274	.....	6	49	45	61	44	52	2,000	.....	.....
July.....	22,335	353	734	182	274	.....	7	50	51	61	44	52	2,000	.....	.....
Aug.....	22,243	353	734	202	274	.....	7	54	53	61	44	52	2,000	.....	.....
Sept.....	22,175	353	734	223	274	.....	6	5	55	61	44	.....	.....	.....	.....
Oct.....	22,116	.....	.....	.....	274	.....	5	.....	56	.....	.....	.....	.....	.....	.....
Nov.....	22,065	.....	.....	.....	.....	.....	7	.....	.....	.....	.....	.....	.....	.....	.....

End of month	Hungary	Iran (Persia)	Italy	Japan	Java	Mexico	Netherlands	New Zealand	Norway	Peru	Poland	Portugal	Rumania	South Africa	Spain
1937—Dec.....	25	25	210	261	79	24	933	23	82	21	83	69	120	189	525
1938—Dec.....	37	26	193	164	80	29	998	23	94	20	85	69	133	220	.....
1939—Dec.....	24	26	144	164	90	32	692	23	94	20	84	69	152	249	.....
1940—Dec.....	24	26	120	164	140	47	617	23	484	20	.....	59	158	367	.....
1941—Dec.....	24	26	.....	164	235	47	575	23	.....	21	.....	59	182	366	42
1942—Dec.....	24	34	.....	.....	216	39	506	23	.....	25	.....	59	241	634	42
1943—Jan.....	24	34	.....	.....	.....	70	501	23	.....	25	.....	59	241	572	.....
Feb.....	24	34	.....	.....	.....	90	497	23	.....	25	.....	59	242	523	.....
Mar.....	24	59	.....	.....	.....	110	496	23	.....	25	.....	59	246	537	.....
Apr.....	24	.....	.....	.....	.....	126	496	23	.....	25	.....	59	252	558	.....
May.....	24	.....	.....	.....	.....	125	496	23	.....	26	.....	59	261	571	.....
June.....	24	.....	.....	.....	.....	126	496	23	.....	26	.....	59	262	583	68
July.....	24	.....	.....	.....	.....	125	500	23	.....	26	.....	59	271	611	.....
Aug.....	24	.....	.....	.....	.....	174	500	23	.....	26	.....	59	282	628	.....
Sept.....	24	.....	.....	.....	.....	200	500	23	.....	26	.....	.....	.....	644	85
Oct.....	.....	.....	.....	.....	.....	200	.....	.....	.....	26	.....	.....	.....	.....	.....
Nov.....	.....	.....	.....	.....	.....	202	.....	.....	.....	31	.....	.....	.....	.....	.....

End of month	Sweden	Switzerland	Turkey	United Kingdom	Uruguay	Venezuela	Yugoslavia	B.I.S.	Other countries <sup>9</sup>
1937—Dec.....	244	650	29	2,680	74	52	51	5	185
1938—Dec.....	321	701	29	2,690	69	52	57	14	142
1939—Dec.....	308	549	29	101	68	52	59	7	153
1940—Dec.....	160	502	88	1	90	1129	82	12	145
1941—Dec.....	223	665	92	1	100	41	83	12	142
1942—Dec.....	335	824	114	1	89	68	.....	21	160
1943—Jan.....	340	832	124	1	89	68	.....	22	160
Feb.....	342	842	124	1	89	70	.....	24	182
Mar.....	344	851	124	1	89	72	.....	25	182
Apr.....	344	859	145	1	89	76	.....	25	184
May.....	346	866	158	1	96	80	.....	25	185
June.....	347	867	158	1	101	80	.....	26	185
July.....	368	876	158	1	101	80	.....	26	192
Aug.....	371	880	161	1	103	84	.....	26	192
Sept.....	374	887	161	1	108	84	.....	27	192
Oct.....	378	900	.....	1	111	84	.....	.....	192
Nov.....	384	903	.....	1	.....	84	.....	.....	.....

End of month	Government gold reserves <sup>1</sup> not included in previous figures			
	United States	United Kingdom	France <sup>2</sup>	Belgium
1937—June.....	169	3934	.....	115
Dec.....	.....	41,395	.....	81
1938—Mar.....	.....	1,489	.....	62
June.....	44	.....	.....	44
Dec.....	80	4759	331	.....
1939—Mar.....	154	1,732	559	.....
May.....	.....	477	.....	.....
June.....	85	.....	.....	17
Sept.....	164	5876	.....	.....
Dec.....	156	.....	.....	17
1940—Mar.....	145	.....	.....	.....
June.....	86	.....	.....	17
Sept.....	105	.....	.....	.....
Dec.....	48	292	.....	17
1941—Mar.....	88	.....	.....	.....
June.....	89	.....	.....	.....
Sept.....	24	6151	.....	.....
Dec.....	25	.....	.....	17
1942—Mar.....	12	.....	.....	.....
June.....	8	.....	.....	.....
Sept.....	7	.....	.....	.....
Dec.....	12	.....	.....	.....
1943—Mar.....	14	.....	.....	.....
June.....	11	.....	.....	.....

<sup>1</sup> Preliminary.  
<sup>2</sup> Figures through March 1940 and figure for December 1942 include, in addition to gold of the Central Bank held at home, gold of the Central Bank held abroad and gold belonging to the Argentine Stabilization Fund.  
<sup>3</sup> Change from previous December due largely to inclusion of gold formerly not reported.  
<sup>4</sup> On May 1, 1940, gold belonging to Bank of Canada transferred to Foreign Exchange Control Board. Gold reported since that time is gold held by Minister of Finance.  
<sup>5</sup> Figures relate to last official report dates for the respective countries, as follows: Greece—Mar. 31, 1941; Java—Jan. 31, 1942; Norway—Mar. 30, 1940; Poland—July 31, 1939; Yugoslavia—Feb. 28, 1941.  
<sup>6</sup> Figure for December 1937 is that officially reported on Apr. 30, 1938.  
<sup>7</sup> Figure for February 1941; beginning Mar. 29, 1941, gold reserves no longer reported separately.  
<sup>8</sup> Beginning December 1942, includes gold reserves abroad, formerly not reported.  
<sup>9</sup> Increase over reserves reported at end of 1941 and 1942 due primarily to inclusion for first time of gold held for Foreign Exchange Institute.  
<sup>10</sup> These countries are: Albania, Algeria, Australia, Austria through Mar. 7, 1938, Belgian Congo, Bolivia, China, Costa Rica beginning July 1943, Danzig through Aug. 31, 1939, Ecuador, El Salvador, Estonia, Finland, Guatemala, Iceland, Ireland beginning February 1943, Latvia, Lithuania, Morocco, and Thailand (Siam). Figures for certain of these countries have been carried forward from last previous official report.  
<sup>11</sup> Gold holdings of Bank of England reduced to nominal amount by gold transfers to British Exchange Equalization Account during 1939.  
<sup>12</sup> Beginning December 1940, figures refer to gold reserves of new Central Bank only.  
<sup>13</sup> Beginning February 1943, figure also includes gold reserves of new Central Bank of Ireland.  
<sup>14</sup> Beginning July 1943, figure also includes gold reserves of National Bank of Costa Rica.

NOTE.—For description of table and back figures see BULLETIN for September 1940, pp. 925-934 and pp. 1000-1007; details regarding special internal gold transfers affecting the reported figures through April 1940 appear on p. 926 in that issue.

<sup>1</sup> Reported at infrequent intervals or on delayed basis: U. S.—Exchange Stabilization Fund (Special A/c No. 1); U. K.—Exchange Equalization Account; France—Exchange Stabilization Fund and Rentes Fund; Belgium—Treasury.  
<sup>2</sup> For complete monthly series from October 1938-May 1939, see BULLETIN for February 1941, p. 170.  
<sup>3</sup> Figure for end of March 1937, first date reported.  
<sup>4</sup> Figure for end of September.  
<sup>5</sup> Reported figure for total British gold reserves on Aug. 31, 1939, less reported holdings of Bank of England on that date.  
<sup>6</sup> Figure for Sept. 1, 1941.

NOTE.—For details regarding special gold transfers in 1939-40 between the British E. E. A. and the Bank of England, and between the French E. S. F. and the Bank of France, see BULLETIN for September 1940, p. 926.



**GOLD PRODUCTION**  
**OUTSIDE U. S. S. R.**  
(In thousands of dollars)

Year or month	Estimated world production outside U.S.S.R. <sup>1</sup>	Production reported monthly												
		Total reported monthly	Africa				North and South America					Other		
			South Africa	Rhodesia	West Africa <sup>2</sup>	Belgian Congo <sup>3</sup>	United States <sup>4</sup>	Canada <sup>5</sup>	Mexico <sup>6</sup>	Colombia	Chile	Nicaragua <sup>7</sup>	Australia <sup>8</sup>	British India <sup>9</sup>
<i>\$1 = 15½ grains of gold ½ fine; i.e., an ounce of fine gold = \$35</i>														
1934.....	823,003	708,453	366,795	24,264	12,153	6,549	108,191	104,023	23,135	12,045	8,350	1,166	30,559	11,223
1935.....	882,533	752,847	377,090	25,477	13,625	7,159	126,325	114,971	23,858	11,515	9,251	868	31,240	11,468
1936.....	971,514	833,895	396,768	28,053	16,295	7,386	152,509	131,181	26,465	13,632	9,018	807	40,118	11,663
1937.....	1,041,576	893,384	410,710	28,296	20,784	8,018	168,159	143,367	29,591	15,478	9,544	848	46,982	11,607
1938.....	1,136,360	958,770	425,649	28,532	24,670	8,470	178,143	165,379	32,306	18,225	10,290	1,557	54,264	11,284
1939.....	1,208,705	1,020,297	448,753	28,009	28,564	8,759	196,391	178,303	29,426	19,951	11,376	3,506	56,182	11,078
1940.....	1,297,349	1,094,264	491,628	29,155	32,163	8,862	210,109	185,890	30,878	22,117	11,999	5,429	55,878	10,157
1941.....	1,288,945	1,089,395	504,268	27,765	32,414	.....	209,175	187,081	27,969	22,961	9,259	7,525	51,039	9,940
1942.....	968,112	494,439	26,641	29,225	.....	.....	130,963	169,446	30,000	20,882	6,409	8,623	42,525	8,960
1942—Oct.....	78,269	41,023	2,162	2,275	.....	.....	12,015	13,479	.....	1,659	401	669	4,165	420
Nov.....	70,386	39,144	2,095	2,240	.....	.....	7,831	12,801	.....	1,614	432	659	3,045	525
Dec.....	68,374	38,616	2,149	2,135	.....	.....	6,212	12,704	.....	1,433	544	906	2,940	735
1943—Jan.....	64,862	37,687	1,985	2,135	.....	.....	4,654	11,708	.....	2,055	440	672	2,827	700
Feb.....	63,904	38,835	1,902	1,855	.....	.....	4,121	11,459	.....	1,380	450	647	2,555	700
Mar.....	61,871	35,489	1,987	1,610	.....	.....	4,520	12,169	.....	1,661	558	622	2,450	805
Apr.....	63,551	37,604	2,004	1,645	.....	.....	4,891	11,309	.....	1,648	548	646	2,450	805
May.....	<sup>2</sup> 62,984	38,367	1,987	1,645	.....	.....	4,065	10,975	.....	1,599	566	700	<sup>2</sup> 2,345	735
June.....	<sup>2</sup> 62,104	37,424	1,933	1,645	.....	.....	3,945	11,442	.....	1,540	455	724	<sup>2</sup> 2,240	735
July.....	<sup>2</sup> 61,658	37,962	<sup>1</sup> 1,906	1,540	.....	.....	3,945	10,246	.....	1,763	454	622	<sup>2</sup> 2,450	770
Aug.....	<sup>2</sup> 60,157	37,297	<sup>1</sup> 1,855	1,540	.....	.....	3,634	10,268	.....	1,704	<sup>4</sup> 454	430	<sup>2</sup> 2,240	735
Sept.....	<sup>2</sup> 59,297	36,783	<sup>1</sup> 1,925	1,540	.....	.....	3,306	9,898	.....	<sup>1</sup> 1,645	<sup>4</sup> 454	770	<sup>2</sup> 2,240	735
Oct.....	<sup>2</sup> 59,945	37,162	<sup>1</sup> 1,925	1,540	.....	.....	3,814	9,802	.....	<sup>1</sup> 1,645	<sup>4</sup> 454	628	<sup>2</sup> 2,240	735

*Gold production in U. S. S. R.*: No regular Government statistics on gold production in U. S. S. R. are available, but data of percentage changes irregularly given out by officials of the gold mining industry, together with certain direct figures for past years, afford a basis for estimating annual production as follows: 1934, 135 million dollars; 1935, 158 million; 1936, 187 million; 1937, 185 million; 1938, 180 million.

- <sup>1</sup> Preliminary. Figure carried forward.
- <sup>2</sup> Annual figures through 1940 are estimates of U. S. Mint; annual figure for 1941 based on estimates of American Bureau of Metal Statistics.
- <sup>3</sup> Beginning April 1941, figures are those reported by American Bureau of Metal Statistics.
- <sup>4</sup> Beginning May 1940, monthly figures no longer reported. Annual figure for 1940 estimated at three times production for first four months of the year.
- <sup>5</sup> Includes Philippine Islands production received in United States. Annual figures are estimates of United States Mint. Monthly figures represent estimates of the American Bureau of Metal Statistics, those for 1942 having been revised by adding to each monthly figure \$359,634 so that aggregate for 1942 is equal to annual estimate for the year compiled by Bureau of Mint in cooperation with Bureau of Mines.
- <sup>6</sup> Figures for Canada beginning 1943 are subject to official revision.
- <sup>7</sup> Beginning April 1942, figures no longer reported. Annual figure for 1942 is rough estimate based on reported production of \$7,809,000 in first three months of year.
- <sup>8</sup> Gold exports, reported by the Banco Nacional de Nicaragua, which states that they represent approximately 90 per cent of total production.
- <sup>9</sup> Beginning December 1941, figures are those reported by American Bureau of Metal Statistics for total Australia.
- <sup>9</sup> Beginning May 1940, figures are those reported by American Bureau of Metal Statistics.

Note.—For explanation of table and sources see BULLETIN for February 1939, p. 151; July 1938, p. 621; June 1938, p. 540; and April 1933, pp. 233-235. For annual figures of world production back to 1873 (including Russia-U.S.S.R.), see Annual Report of Director of Mint for 1942, pp. 103-104, and 1936, pp. 108-109.

**GOLD MOVEMENTS**  
**UNITED STATES**

(In thousands of dollars at approximately \$35 a fine ounce)

Year or month	Total net imports	Net imports from or net exports (—) to:														
		United Kingdom	France	Belgium	Netherlands	Sweden	Switzerland	Canada	Mexico	Colombia	Philippine Islands	Australia	South Africa	Japan	British India	All other countries
1934 <sup>1</sup> .....	1,131,994	499,870	260,223	8,902	94,348	.....	12,402	86,829	30,270	16,944	12,038	1,029	12	4	76,820	32,304
1935.....	1,739,019	315,727	934,243	3	227,185	.....	968	95,171	13,667	10,899	15,335	3,498	65	.....	75,268	46,989
1936.....	1,116,584	174,093	573,671	3,351	71,006	2	7,511	72,648	39,966	11,911	21,513	23,280	8	.....	77,892	39,735
1937.....	1,585,503	891,531	—13,710	90,859	6,461	6	54,452	111,480	38,482	18,397	25,427	34,713	181	246,464	50,762	29,998
1938.....	1,973,569	1,208,728	81,135	15,488	163,049	60,146	1,363	76,315	36,472	10,557	27,880	39,162	401	168,740	16,159	<sup>2</sup> 67,975
1939.....	3,574,151	1,826,403	3,798	165,122	341,618	28,715	86,987	612,949	33,610	23,239	35,636	74,250	22,862	165,605	50,956	<sup>3</sup> 102,404
1940.....	4,744,472	633,083	241,778	977	63,260	161,489	90,320	2,622,330	29,880	23,999	38,627	103,777	184,756	111,739	49,989	<sup>4</sup> 388,468
1941.....	982,378	3,779	1	.....	1,747	.....	899	412,056	16,791	24,448	42,678	67,492	292,893	9,444	9,665	<sup>5</sup> 100,485
1941—Jan.....	234,242	37	1	.....	.....	1,746	563	46,876	1,147	3,168	3,185	11,136	149,735	6,085	4,501	6,062
Feb.....	108,609	1,218	.....	.....	.....	.....	337	81,529	814	11	2,772	6,738	96	.....	.....	<sup>6</sup> 15,093
Mar.....	118,567	817	.....	.....	.....	.....	.....	95,619	866	2,232	3,984	6,262	2,788	3,046	.....	2,951
Apr.....	171,992	21	.....	.....	.....	.....	.....	20,216	1,147	2,934	3,587	4,720	132,261	313	.....	6,793
May.....	34,830	2	.....	.....	.....	.....	.....	16,306	969	2,794	3,384	4,194	3,594	.....	.....	3,589
June.....	30,712	474	.....	.....	.....	.....	.....	17,514	800	7	2,114	4,593	69	.....	131	5,009
July.....	37,041	542	.....	.....	.....	.....	.....	19,224	1,080	2,128	4,970	5,199	88	.....	.....	3,811
Aug.....	36,973	79	.....	.....	.....	.....	.....	10,842	843	2,230	5,098	6,742	137	.....	1,995	69,008
Sept.....	65,702	250	.....	.....	.....	.....	.....	42,562	495	2,488	3,107	2,064	3,694	.....	.....	<sup>7</sup> 388,468
Oct.....	40,440	55	.....	.....	.....	.....	.....	16,072	1,020	2,107	3,141	6,151	200	.....	2,327	<sup>8</sup> 388,468
Nov.....	50,374	121	.....	.....	.....	.....	.....	24,917	6,336	2,110	1,830	5,980	40	.....	.....	<sup>9</sup> 388,468
Dec.....	52,896	163	.....	.....	.....	.....	.....	20,377	1,273	2,238	5,506	3,713	190	.....	711	<sup>9</sup> 388,468

- <sup>1</sup> Differs from official customs-house figures in which imports and exports for January 1934 are valued at approximately \$20.67 a fine ounce.
- <sup>2</sup> Includes \$31,830,000 from Argentina.
- <sup>3</sup> Includes \$28,097,000 from China and Hong Kong, \$15,719,000 from Italy, \$10,953,000 from Norway, \$10,077,000 from Chile, and \$37,555,000 from other countries.
- <sup>4</sup> Includes \$75,087,000 from Portugal, \$59,072,000 from Argentina, \$43,935,000 from Italy, \$33,405,000 from Norway, \$30,851,000 from U. S. S. R., \$26,178,000 from Hong Kong, \$20,583,000 from Netherlands Indies, \$16,310,000 from Yugoslavia, \$11,873,000 from Hungary, \$10,802,000 from Chile, \$10,775,000 from Brazil, \$10,416,000 from Spain, \$10,247,000 from Peru, and \$28,935,000 from other countries.
- <sup>5</sup> Includes \$44,920,000 from U. S. S. R., \$10,963,000 from Central America, and \$44,603,000 from other countries.
- <sup>6</sup> Includes imports from U. S. S. R. as follows: February—\$11,236,000, August—\$3,407,000, September—\$5,652,000, October—\$5,550,000, November—\$5,615,000, December—\$13,460,000.

Note.—Figures for months subsequent to December 1941 have not been released for publication.

NET CAPITAL MOVEMENT TO UNITED STATES SINCE JANUARY 2, 1935

[In millions of dollars]

From Jan. 2, 1935, through—	Total	Increase in foreign banking funds in U. S.			Decrease in U. S. banking funds abroad	Foreign securities: Return of U. S. funds	Domestic securities: Inflow of foreign funds	Inflow in brokerage balances
		Total	Official <sup>1</sup>	Other				
1935—Dec. (Jan. 1, 1936)	1,412.5	603.3	9.8	593.5	361.4	125.2	316.7	6.0
1936—Dec. 30	2,608.4	930.5	81.1	849.4	431.5	316.2	917.4	12.9
1937—Dec. 29	3,410.3	1,168.5	243.9	924.6	449.1	583.2	1,162.0	47.5
1938—Mar. 30	3,207.2	949.8	149.9	799.9	434.4	618.5	1,150.4	54.2
June 29	3,045.8	786.2	125.9	660.4	403.3	643.1	1,135.3	37.8
Sept. 28	3,472.0	1,180.2	187.0	993.2	477.2	625.0	1,125.4	64.1
Dec. (Jan. 4, 1939)	3,844.5	1,425.4	238.5	1,186.9	510.1	641.8	1,219.7	47.6
1939—Mar. 29	4,107.6	1,747.6	311.4	1,436.2	550.5	646.7	1,188.9	63.9
June 28	4,659.2	2,111.8	425.3	1,686.5	607.5	664.5	1,201.4	74.0
Sept. 27	5,035.3	2,479.5	552.1	1,927.3	618.4	676.9	1,177.3	83.1
Dec. (Jan. 3, 1940)	5,021.2	2,430.8	542.5	1,888.3	650.4	725.7	1,133.7	80.6
1940—Mar. (Apr. 3)	5,115.9	2,539.0	539.1	1,999.9	631.6	761.6	1,095.0	88.7
June (July 3)	5,440.7	2,830.1	922.3	1,907.8	684.1	785.6	1,042.1	98.9
Sept. (Oct. 2)	5,748.1	3,092.8	1,112.3	1,980.5	773.6	793.1	987.0	101.6
Dec. (Jan. 1, 1941)	5,727.6	3,159.0	1,200.8	1,958.3	775.1	803.8	888.7	100.9
1941—Mar. (Apr. 2)	5,526.5	3,148.8	1,307.7	1,841.0	767.4	812.7	701.8	95.9
June (July 2)	5,575.4	3,193.3	1,375.1	1,818.2	818.6	834.1	631.2	98.2
Sept. (Oct. 1)	5,510.3	3,139.5	1,321.7	1,817.7	805.3	841.1	623.5	100.9
Dec. 31	5,230.7	2,856.2	1,053.7	1,802.6	791.3	855.5	626.7	100.9
1942—Jan. 7	5,225.3	2,841.7	1,052.6	1,789.1	798.5	856.2	627.6	101.4
Jan. 14	5,199.1	2,816.9	1,012.3	1,804.6	796.5	856.7	627.0	102.0
Jan. 21	5,178.5	2,787.7	980.3	1,807.4	803.0	857.8	627.9	102.0
Jan. 28	5,163.7	2,771.6	977.6	1,793.9	801.6	857.5	631.0	102.0
Feb. 4	5,098.2	2,703.5	936.7	1,766.8	803.5	858.8	630.2	102.1
Feb. 11	5,081.6	2,687.5	926.4	1,761.1	802.9	859.1	630.0	102.2
Feb. 18	5,035.7	2,646.2	866.1	1,780.2	806.8	855.9	624.5	102.4
Feb. 25	5,069.0	2,675.5	879.4	1,796.0	809.2	856.2	626.2	102.0
Mar. 4	5,105.8	2,706.1	941.0	1,765.1	814.6	855.4	627.0	102.6
Mar. 11	5,112.1	2,714.6	955.6	1,759.0	815.8	852.7	626.6	102.4
Mar. 18	5,070.3	2,672.5	917.8	1,754.7	817.5	851.6	625.6	103.1
Mar. 25	5,051.7	2,654.4	908.1	1,746.3	817.2	851.4	625.0	103.7
Apr. 1	5,082.4	2,684.0	932.0	1,752.0	819.7	849.6	624.9	104.3
Apr. 8	5,079.5	2,675.1	918.2	1,756.9	827.3	847.2	625.2	104.7
Apr. 15	5,300.8	2,893.6	1,132.1	1,761.6	830.1	845.3	627.1	104.6
Apr. 22	5,317.1	2,912.9	1,129.7	1,783.2	829.1	844.4	626.6	104.1
Apr. 29	5,309.6	2,906.1	1,106.7	1,799.4	829.8	843.2	626.6	103.9
May 6	5,375.2	2,971.0	1,160.1	1,811.0	831.2	841.9	627.2	104.0
May 13	5,358.6	2,951.4	1,140.1	1,811.3	834.3	841.4	626.5	105.0
May 20	5,358.4	2,948.5	1,153.3	1,795.2	836.4	841.7	626.9	104.8
May 27	5,384.8	2,974.7	1,153.5	1,821.2	836.5	840.9	627.3	105.4
June 3	5,413.4	2,996.8	1,144.0	1,852.8	839.8	843.2	629.0	104.6
June 10	5,456.4	3,039.1	1,193.0	1,846.0	841.7	840.9	630.0	104.8
June 17	5,497.8	3,077.9	1,210.3	1,867.6	842.8	840.7	631.1	105.2
June 24	5,515.3	3,095.9	1,220.0	1,875.9	843.7	839.1	631.6	105.0
June 30 <sup>2</sup>	5,495.3	3,075.9	1,211.7	1,864.2	842.3	838.8	632.0	106.2
July 31	5,542.6	3,121.4	1,242.7	1,878.7	854.9	829.3	633.3	103.7
Aug. 31	5,599.9	3,184.8	1,293.1	1,891.7	839.9	828.6	642.7	103.9
Sept. 30	5,654.9	3,212.6	1,339.1	1,873.5	858.2	830.5	646.1	107.5
Oct. 31	5,694.7	3,204.2	1,341.1	1,863.2	890.0	842.1	654.3	104.1
Nov. 30	5,761.6	3,250.2	1,366.1	1,884.1	901.6	844.8	661.0	104.1
Dec. 31	5,835.0	3,320.3	1,412.0	1,908.3	888.8	848.2	673.3	104.4
1943—Jan. 30	5,907.7	3,471.1	1,536.6	1,934.5	889.8	761.3	678.5	107.0
Feb. 27	6,014.9	3,590.1	1,671.8	1,918.3	890.5	751.9	676.0	106.4
Mar. 31	6,147.1	3,643.4	1,723.1	1,920.3	898.7	810.5	685.9	108.6
Apr. 30	6,212.3	3,690.5	1,801.8	1,888.6	909.9	809.5	692.9	109.5
May 29	6,282.6	3,769.6	1,871.6	1,898.0	905.1	807.0	692.5	108.5
June 30	6,506.4	4,002.6	2,071.4	1,931.2	896.9	806.8	687.9	112.1
July 31	6,556.0	4,056.4	2,103.4	1,953.0	901.9	792.9	692.3	112.6
Aug. 31	6,726.3	4,107.9	2,122.6	1,985.3	909.4	907.8	687.0	114.3
Sept. 30	6,771.3	4,130.6	2,190.9	1,939.7	888.6	929.3	708.1	114.8

<sup>1</sup> This category made up as follows: through Sept. 21, 1938, funds held by foreign central banks at the Federal Reserve Bank of New York; beginning Sept. 28, 1938, also funds held at commercial banks in New York City by central banks maintaining accounts at the Federal Reserve Bank of New York; beginning July 17, 1940, also funds in accounts at the Federal Reserve Bank of New York which had been transferred from central bank to foreign central banks and by foreign central governments and their agencies (including official purchasing missions, trade and shipping missions, diplomatic and consular establishments, etc.).

<sup>2</sup> Reported figures for capital movement through July 1 have been adjusted to represent the movement through June 30 on the basis of certain significant movements known to have occurred on July 1. Subsequent figures are based upon new monthly statistical series. For further explanation, see BULLETIN for January 1943, p. 98.

<sup>3</sup> Amounts outstanding on Sept. 30, in millions of dollars: total foreign banking funds in United States 4,788.0, including official funds, 2,828.5, and other funds, 1,959.5; United States banking funds abroad, 246.9; and brokerage balances (net due "foreigners") 37.9. Figures for "total foreign banking funds in U. S." and "other funds" not strictly comparable to the corresponding figures for preceding months, owing to a change in reporting practice. The cumulative figures have been adjusted to exclude the unreal movements introduced into the data by this factor.

NOTE.—Statistics reported by banks, bankers, brokers, and dealers. Data by countries and geographic areas through December 1941, have been published in earlier BULLETINS for all types of capital movement in the above table (except columns 3 and 4), and for outstanding short-term liabilities to U. S. and claims on "foreigners" as reported by banks and brokers. For description of the statistics, see BULLETIN for January 1943, p. 98; April 1939, pp. 284-296; and May 1937, pp. 394-431.

**CENTRAL BANKS**

Bank of England (Figures in millions of pounds sterling)	Assets of issue department		Assets of banking department				Note circulation <sup>6</sup>	Liabilities of banking department			
	Gold <sup>1</sup>	Other assets <sup>2</sup>	Cash reserves		Dis-counts and advances	Securi-ties		Deposits			Other liabilities
			Coin	Notes				Bankers <sup>3</sup>	Public	Other	
1929—Dec. 25	145.8	260.0	.2	26.3	22.3	84.9	379.6	71.0	8.8	35.8	17.9
1930—Dec. 31	147.6	260.0	.6	38.8	49.0	104.7	368.8	132.4	6.6	36.2	18.0
1931—Dec. 30	120.7	275.0	.6	31.6	27.3	133.0	364.2	126.4	7.7	40.3	18.0
1932—Dec. 28	119.8	275.0	.8	23.6	18.5	120.1	371.2	102.4	8.9	33.8	18.0
1933—Dec. 27	190.7	260.0	1.0 <sup>4</sup>	58.7	16.8	101.4	392.0	101.2	22.2	36.5	18.0
1934—Dec. 26	192.3	260.0	.5	47.1	7.6	98.2	405.2	89.1	9.9	36.4	18.0
1935—Dec. 25	200.1	260.0	.6	35.5	8.5	94.7	424.5	72.1	12.1	37.1	18.0
1936—Dec. 30	313.7	200.0	.6	46.3	17.5	155.6	467.4	150.6	12.1	39.2	18.0
1937—Dec. 29	326.4	220.0	.8	41.1	9.2	135.5	505.3	120.6	11.4	36.6	18.0
1938—Dec. 28	326.4	230.0	.8	51.7	28.5	90.7	504.7	101.0	15.9	36.8	18.0
1939—Dec. 27	4.2	580.0	1.0	25.6	4.3	176.1	554.6	117.3	29.7	42.0	17.9
1940—Dec. 25	.2	5 630.0	.9	13.3	4.0	199.1	616.9	135.7	12.5	51.2	17.9
1941—Dec. 31	.2	5 780.0	.3	28.5	6.4	267.8	751.7	219.9	11.2	54.1	17.9
1942—Dec. 30	.2	5 950.0	.9	26.8	3.5	267.9	923.4	223.4	9.0	48.8	17.9
1943—Jan. 27	.2	950.0	.5	42.2	4.4	208.0	908.1	175.9	4.7	56.6	17.9
Feb. 24	.2	950.0	.8	32.8	5.1	218.5	917.4	178.2	7.1	53.9	18.0
Mar. 31	.2	950.0	1.2	15.7	9.9	198.4	934.5	144.3	5.9	56.8	18.1
Apr. 28	.2	5 1,000.0	1.0	46.8	5.3	196.2	953.4	170.1	8.3	53.1	17.7
May 26	.2	1,000.0	.9	55.3	4.6	185.3	945.0	174.1	3.2	51.0	17.8
June 30	.2	1,000.0	.9	53.9	4.9	261.0	946.3	238.1	9.5	55.3	17.8
July 28	.2	1,000.0	1.3	32.1	7.3	208.4	968.1	169.9	6.6	54.6	17.9
Aug. 25	.2	1,000.0	1.4	25.3	3.4	218.3	974.9	166.8	7.2	56.6	18.0
Sept. 29	.2	1,000.0	1.7	13.8	1.9	238.7	986.5	173.4	9.3	55.1	18.1
Oct. 27	.2	5 1,050.0	1.8	51.8	1.6	211.3	998.5	190.3	5.4	53.1	17.7
Nov. 24	.2	1,050.0	1.7	31.2	6.0	222.1	1,019.0	183.2	6.8	53.3	17.8

Bank of Canada (Figures in millions of Canadian dollars)	Assets					Note circulation <sup>7</sup>	Liabilities			
	Gold	Sterling and United States dollars	Dominion and provin-cial government securities		Other assets		Deposits			Other liabilities
			Short-term <sup>6</sup>	Other			Chartered banks	Dominion government	Other	
1935—Dec. 31	180.5	4.2	30.9	83.4	8.6	99.7	181.6	17.9	.8	7.7
1936—Dec. 31	179.4	9.1	61.3	99.0	8.2	135.7	187.0	18.8	2.1	13.4
1937—Dec. 31	179.8	14.9	82.3	91.6	21.7	165.3	196.0	11.1	3.5	14.4
1938—Dec. 31	185.9	28.4	144.6	40.9	5.2	175.3	200.6	16.7	3.1	9.3
1939—Dec. 30	225.7	61.3	181.9	49.9	5.5	232.8	217.0	46.3	17.9	13.3
1940—Dec. 31	(8)	38.4	448.4	127.3	12.4	359.9	217.7	10.9	9.5	28.5
1941—Dec. 31		200.9	391.8	216.7	33.5	496.0	232.0	73.8	6.0	35.1
1942—Dec. 31		.5	807.2	209.2	31.3	693.6	259.9	51.6	19.1	24.0
1943—Jan. 30		.3	768.0	231.8	17.6	677.6	237.7	14.8	61.3	26.3
Feb. 27		.3	722.2	263.8	18.5	691.7	258.5	21.5	15.3	17.9
Mar. 31		.3	752.5	276.4	16.2	719.1	261.0	21.2	24.7	19.4
Apr. 30		.6	850.4	278.0	34.2	744.1	284.5	56.5	35.5	42.6
May 31		11.8	826.1	302.5	24.9	746.8	313.1	46.8	34.2	24.4
June 30		47.2	816.7	313.0	20.8	758.4	301.1	90.1	19.2	28.9
July 31		.5	800.7	333.1	22.1	776.1	295.0	48.4	13.2	23.7
Aug. 31		37.6	798.8	340.8	29.2	796.7	308.6	59.7	10.3	31.0
Sept. 30		31.0	786.7	360.7	19.0	815.1	305.7	36.2	11.4	29.1
Oct. 30		68.5	787.4	434.0	22.1	836.6	339.2	88.9	15.6	31.7
Nov. 30		26.5	797.1	466.7	30.6	844.6	360.6	66.1	16.1	33.6

<sup>1</sup> Through February 1939, valued at legal parity of 85 shillings a fine ounce; thereafter at market price, which fluctuated until Sept. 6, 1939, when it was officially set at 168 shillings per fine ounce.  
<sup>2</sup> Securities and silver coin held as cover for fiduciary issue, the amount of which is also shown by this figure.  
<sup>3</sup> Notes issued less amounts held in banking department.  
<sup>4</sup> On Jan. 6, 1939, 200 million pounds sterling of gold (at legal parity) transferred from Bank to Exchange Equalization Account; on Mar. 1, 1939, about 5.5 million pounds (at current price) transferred from Exchange Account to Bank; on July 12, 1939, 20 million pounds transferred from Exchange Account to Bank; on Sept. 6, 1939, 279 million pounds transferred from Bank to Exchange Account.  
<sup>5</sup> Fiduciary issue increased by 50 million pounds on June 12, 1940, Apr. 30, Aug. 30, and Dec. 3, 1941, and Apr. 22 and July 28, 1942; by 70 million pounds on Dec. 2, 1942; and by 50 million pounds on Apr. 13 and Oct. 6, 1943.  
<sup>6</sup> Securities maturing in two years or less.  
<sup>7</sup> Includes notes held by the chartered banks, which constitute an important part of their reserves.  
<sup>8</sup> On May 1, 1940, gold transferred to Foreign Exchange Control Board in return for short-term Government securities (see BULLETIN for July 1940, pp. 677-678).  
**NOTE.**—For further explanation of table for Bank of England see BULLETIN for February 1931, pp. 81-83. The headings in the table for the Bank of Canada correspond to the items in that Bank's statements, except that the headings "Other assets" and "Other liabilities" include certain small asset and liability items shown separately in the statements.

**CENTRAL BANKS—Continued**

Bank of France (Figures in millions of francs)	Assets							Liabilities					
	Gold <sup>1</sup>	Foreign ex- change	Domestic bills			Advances to Government		Other assets	Note-circulation	Deposits			Other liabilities
			Open market <sup>2</sup>	Special <sup>2</sup>	Other	For occupation costs <sup>3</sup>	Other <sup>2</sup>			Government	C.A.R. <sup>4</sup>	Other	
1929—Dec. 27	41,668	25,942	5,612		8,624			8,124	68,571	11,737		7,850	1,812
1930—Dec. 26	53,578	26,179	5,304		8,429			9,510	76,436	12,624		11,698	2,241
1931—Dec. 30	68,863	21,111	7,157		7,389			11,275	85,725	5,898		22,183	1,989
1932—Dec. 30	83,017	4,484	6,802		3,438			11,712	85,028	2,311		20,072	2,041
1933—Dec. 29	77,098	1,158	6,122		4,739			11,173	82,613	2,322		13,414	1,940
1934—Dec. 28	82,124	963	5,837		3,971			11,500	83,412	3,718		15,359	1,907
1935—Dec. 27	66,296	1,328	5,800		9,712			11,705	81,150	2,862		8,716	2,113
1936—Dec. 30	60,359	1,460	5,640	1,379	8,465		17,698	12,642	89,342	2,089		13,655	2,557
1937—Dec. 30	58,933	911	5,580	652	10,066		31,909	11,733	93,837	3,461		19,326	3,160
1938—Dec. 29	87,265	821	7,422	1,797	7,880		20,627	18,498	110,335	5,061		25,595	2,718
1939—Dec. 28	<sup>a</sup> 97,267	112	11,273	2,345	5,149		34,673	20,094	151,322	1,914		14,751	2,925
1940—Dec. 26	<sup>b</sup> 84,616	42	43,194	661	3,646		72,317	63,900	23,179	984	41,400	27,202	3,586
1941—Dec. 31	84,598	38	42,115	12	4,517	142,507	69,500	22,121	270,144	1,517	64,580	25,272	3,894
1942—Sept. 24	84,598	37	43,869	4	4,038	183,758	67,500	19,818	334,370	717	31,100	32,142	5,293
Oct. 29	84,598	37	44,239	69	4,599	193,376	66,900	20,352	348,935	696	25,726	35,007	3,807
Nov. 26	84,598	37	44,562	212	6,509	198,868	68,700	20,457	364,778	677	19,769	35,181	3,547
Dec. 31	84,598	37	43,661	169	5,368	210,965	68,250	21,749	382,764	770	16,857	29,935	4,461
1943—Jan. 28	84,598	37	43,448	108	5,061	216,334	62,600	20,698	387,748	725	9,051	30,654	4,705
Feb. 25	84,598	37	43,103	105	7,533	230,911	57,800	21,458	397,319	1,521	9,521	32,886	4,299
Mar. 25	84,598	37	42,938	23	6,108	230,740	69,250	20,181	405,416	698	8,429	33,776	5,556
Apr. 29	84,598	37	42,884	26	6,686	248,320	57,650	21,072	413,567	713	8,749	34,186	4,058
May 27	84,598	37	42,930	6	6,200	260,919	56,900	21,768	419,530	734	10,166	37,750	5,177
June 24	84,598	37	42,998	1	5,573	260,927	63,550	21,042	426,974	837	14,670	29,574	6,669
July 29	84,598	38	43,261		6,456	271,371	61,150	21,472	440,291	754	11,170	31,864	4,267
Aug. 26	84,598	37	43,108		6,908	288,308	53,500	21,078	448,270	743	14,674	29,615	4,235

Reichsbank (Figures in millions of reichsmarks)	Assets							Liabilities		
	Reserves of gold and foreign exchange		Bills (and checks), including Treasury bills	Security loans	Securities		Other assets	Note circulation	Deposits	Other liabilities
	Total reserves	Gold			Eligible as note cover	Other				
1929—Dec. 31	2,687	2,283	2,848	251		92	656	5,044	755	736
1930—Dec. 31	2,685	2,216	2,572	256		102	638	4,778	652	822
1931—Dec. 31	1,156	984	4,242	245		161	1,065	4,776	755	1,338
1932—Dec. 31	920	806	2,806	176		398	1,114	3,560	540	1,313
1933—Dec. 30	396	386	3,226	183	259	322	735	3,645	640	836
1934—Dec. 31	84	79	4,066	146	445	319	827	3,901	984	1,001
1935—Dec. 31	88	82	4,552	84	349	315	853	4,285	1,032	923
1936—Dec. 31	72	66	5,510	74	221	303	765	4,980	1,012	953
1937—Dec. 31	76	71	6,131	60	106	286	861	5,493	1,059	970
1938—Dec. 31	76	71	8,244	45	557	298	1,621	8,223	1,527	1,091
1939—Dec. 30	78	71	11,392	30	804	393	2,498	11,798	2,018	1,378
1940—Dec. 31	78	71	15,419	38	32	357	2,066	14,033	2,561	1,396
1941—Dec. 31	77	71	21,656	32	107	283	2,311	19,325	3,649	1,493
1942—Oct. 31	77	( <sup>b</sup> )	24,641	13	63	201	2,117	22,600	2,887	1,624
Nov. 30	77		25,449	13	71	210	2,146	23,052	3,241	1,673
Dec. 31	76	71	29,283	25	87	210	1,664	24,375	5,292	1,680
1943—Jan. 30	77		26,270	22	51	185	2,477	23,664	3,892	1,526
Feb. 27	77		26,758	21	49	180	2,370	24,266	3,820	1,369
Mar. 31	77		27,869	18	41	85	2,345	24,697	4,340	1,397
Apr. 30	77		28,603	18	1	78	2,319	25,442	4,226	1,427
May 31	77		29,592	16	17	121	2,268	25,922	4,606	1,563
June 30	77		30,890	29	1	67	2,178	26,650	4,881	1,711
July 31	77		32,317	34	1	100	2,003	27,597	5,199	1,735
Aug. 31	77		34,570	17	1	107	1,569	29,029	5,456	1,857
Sept. 30	77		35,010	22	1	105	2,436	30,099	5,601	1,951

<sup>1</sup> Gold revalued March 1940, November 1938, July 1937, and October 1936. For further details see BULLETIN for May 1940, pp. 406-407; January 1939, p. 29; September 1937, p. 853; and November 1936, pp. 878-880.

<sup>2</sup> For explanation of this item, see BULLETIN for July 1940, p. 732.

<sup>3</sup> By a series of Conventions between the Bank of France and the Treasury, dated from Aug. 25, 1940, through July 8, 1943, advances of 291,000 million francs were authorized to meet the costs of the German army of occupation.

<sup>4</sup> Central Administration of the Reichskreditkassen.

<sup>5</sup> In each of the weeks ending Apr. 20 and Aug. 3, 1939, 5,000 million francs of gold transferred from Exchange Stabilization Fund to Bank of France; in week ending Mar. 7, 1940, 30,000 million francs of gold transferred from Bank of France to Stabilization Fund.

<sup>6</sup> Gold not shown separately in weekly Reichsbank statement after June 15, 1939.

NOTE.—For further explanation of tables see BULLETIN for February 1931, pp. 81-83, and July 1935, p. 463.

**CENTRAL BANKS—Continued**

Central Bank (Figures as of last report date of month)	1943			1942	Central Bank (Figures as of last report date of month)	1943			1942
	Nov.	Oct.	Sept.	Nov.		Nov.	Oct.	Sept.	Nov.
<b>Central Bank of the Argentine Republic</b> (millions of pesos):					<b>National Bank of Denmark</b> (millions of kroner):				
Gold reported separately			1,073	1,076	Gold			97	98
Other gold and foreign exchange			1,818	862	Foreign exchange			20	17
Negotiable Government bonds			376	366	Clearing accounts (net)			1,658	1,075
Rediscounted paper					Loans and discounts			46	49
Other assets			252	240	Securities			56	79
Note circulation			1,728	1,544	Govt. compensation account <sup>4</sup>			125	125
Deposits—Member bank			848	750	Other assets			2,065	1,308
Government			732	133	Note circulation			1,193	917
Other			81	19	Deposits—Government			833	464
Foreign exchange sold forward					Other			1,718	1,111
Other liabilities			130	98	Other liabilities			322	258
<b>Commonwealth Bank of Australia</b> (thousands of pounds):					<b>Central Bank of Ecuador</b> (thousands of sucres):			(Apr.) <sup>3</sup>	
Issue department:					Gold			148,323	98,595
Gold and English sterling	40,231		38,266	30,141	Foreign exchange (net)			104,071	99,297
Securities	123,419		120,152	96,656	Loans and discounts			82,753	88,566
Banking department:					Other assets			56,211	42,238
Coin, bullion, and cash	7,301		7,009	3,853	Note circulation			182,832	161,200
London balances	50,177		47,199	46,508	Demand deposits			179,395	134,521
Loans and discounts	19,104		20,066	20,399	Other liabilities			29,130	32,975
Securities	223,655		226,510	156,550	<b>National Bank of Egypt</b> <sup>5</sup> (thousands of pounds):			(Aug.) <sup>3</sup>	
Deposits	168,338		172,635	157,352	Gold			6,241	6,251
Note circulation	155,262		150,012	117,606	Foreign exchange			12,406	6,271
<b>National Bank of Belgium and Bank of Issue of Brussels</b> (millions of belga): <sup>1</sup>					Loans and discounts			2,661	4,929
Gold			4,331	4,338	British, Egyptian, and other Government securities			189,976	136,314
Foreign exchange			9,116	4,868	Other assets			5,577	5,650
Credits to State and public bodies			3,767	4,602	Note circulation			85,854	73,713
Credits to private economy			116	110	Deposits—Government			41,545	24,485
Reichskreditkasse			713	742	Other			75,284	48,858
Other assets			637	459	Other liabilities			14,177	12,359
Note circulation			16,132	13,244	<b>Central Reserve Bank of El Salvador</b> (thousands of colones):				
Demand deposits			908	841	Gold			26,983	24,208
Postal Checking Office			1,322	806	Foreign exchange			25,355	9,510
Other liabilities			319	227	Loans and discounts			1,359	1,501
<b>National Bank of Bohemia and Moravia</b> (millions of koruny):					Government debt and securities			6,781	7,009
Gold			1,515	1,515	Other assets			787	547
Foreign exchange			772	729	Note circulation			33,844	25,045
Discounts			1,202	822	Deposits			21,463	11,963
Loans					Other liabilities			5,957	5,766
Other assets			26,727	15,505	<b>Bank of Finland</b> <sup>2</sup>				
Note circulation			20,086	12,574	<b>Bank of Greece</b> <sup>2</sup>				
Demand deposits			4,392	3,089	<b>National Bank of Hungary</b> (millions of pengö):				
Other liabilities			5,738	2,917	Gold			100	100
<b>Central Bank of Bolivia</b> (thousands of bolivianos):					Foreign exchange reserve			4	1
Gold at home and abroad			554,951	395,379	Discounts			2,919	2,015
Foreign exchange			371,693	573,165	Loans—To Treasury			666	760
Loans and discounts			356,560	292,273	To foreign countries			933	412
Securities—Government			530,958	498,747	Other			13	32
Other			40,662	40,747	Other assets			1,176	643
Other assets			81,873	68,203	Note circulation			3,974	2,706
Note circulation			1,025,574	780,467	Demand deposits			649	666
Deposits			814,023	923,544	Consolidated foreign credits of 1931			15	21
Other liabilities			97,100	164,502	Other liabilities			1,173	571
<b>National Bank of Bulgaria</b> <sup>2</sup>					<b>Reserve Bank of India</b> (millions of rupees):				
<b>Central Bank of Chile</b> (millions of pesos):					Issue department:				
Gold			(Aug.) <sup>3</sup>		Gold at home and abroad			444	444
Discounts for member banks			261	174	Sterling securities			6,418	3,598
Loans to Government			122	159	Indian Govt. securities			734	1,324
Other loans and discounts			743	729	Rupee coin			149	153
Other assets			872	911	Note circulation			7,597	5,404
Note circulation			941	294	Banking department:				
Deposits—Bank			2,078	1,629	Notes of issue department			148	116
Other			381	247	Balances abroad			1,082	873
Other liabilities			206	114	Treasury bills discounted				8
<b>Bank of the Republic of Colombia</b> (thousands of pesos):					Loans to Government				85
Gold			98,425	41,227	Other assets			1,177	913
Foreign exchange			88,560	60,757	Deposits			158	172
Loans and discounts			3,527	15,018	Other liabilities				
Government loans and securities			57,100	59,758	<b>Central Bank of Ireland</b> (thousands of pounds): <sup>6</sup>				
Other assets			27,571	33,646	Gold			2,646	2,646
Note circulation			111,292	92,931	Sterling funds			24,080	22,309
Deposits			115,075	76,121	Note circulation			26,725	24,955
Other liabilities			48,816	41,355	<b>Bank of Japan</b> <sup>2</sup>				
					<b>Bank of Java</b> <sup>2</sup>				

<sup>1</sup> Separate figures for National Bank of Belgium not available. The Bank of Issue of Brussels was founded by the German Military Administration on June 27, 1940; it has no note issue, drawing its resources principally from advances from the National Bank and deposits by the Postal Checking Office.  
<sup>2</sup> For last available report from the central bank of Bulgaria (January 1943), see BULLETIN for July 1943, p. 697; of Finland (December 1942), see BULLETIN for October 1943, p. 1039; of Greece (March 1941) and Japan (September 1941), see BULLETIN for March 1942, pp. 281-282; and of Java (January 1942), see BULLETIN for March 1943, p. 278.  
<sup>3</sup> Latest month for which report is available for this institution.  
<sup>4</sup> Represents Bank's claim on the Government for the Bank's foreign exchange losses resulting from the revaluation of the krone on Jan. 23, 1942.  
<sup>5</sup> Items for issue and banking departments consolidated.  
<sup>6</sup> The Central Bank of Ireland began operations on Feb. 1, 1943. The text of the Central Bank Act is given in the BULLETIN for February 1943, pp. 122-127.

**CENTRAL BANKS—Continued**

Central Bank (Figures as of last report date of month)	1943			1942	Central Bank (Figures as of last report date of month)	1943			1942
	Nov.	Oct.	Sept.	Nov.		Nov.	Oct.	Sept.	Nov.
<b>Bank of Mexico</b> (thousands of pesos):					<b>Bank of Spain</b> (millions of pesetas):				
Metallic reserve <sup>1</sup> .....		436,273	420,066	261,984	Gold.....				927
"Authorized" holdings of securities, etc.....	1,246,424	1,200,603	749,867		Silver.....				626
Bills and discounts.....	158,536	140,457	112,940		Government loans and securities.....				16,117
Other assets.....	50,479	63,596	49,074		Other loans and discounts.....				3,074
Note circulation.....	1,051,004	1,023,001	692,563		Other assets.....				2,282
Demand liabilities.....	694,089	657,262	355,373		Note circulation.....				15,610
Other liabilities.....	146,619	144,459	125,929		Deposits—Government.....				3,114
<b>Netherlands Bank</b> (millions of guilders):					Other.....				3,500
Gold.....			932	910	Other liabilities.....				802
Silver (including subsidiary coin).....			1	5	<b>Bank of Sweden</b> (millions of kronor):				
Foreign bills.....		2,778	1,574	1,574	Gold.....	846	833	824	729
Discounts.....				308	Foreign assets (net).....	609	601	588	562
Loans.....			139	175	Swedish Govt. securities and advances to National Debt Office <sup>5</sup> .....	1,174	1,118	1,050	683
Other assets.....			76	257	Other domestic bills and advances.....	84	95	91	
Note circulation.....		3,041	2,920		Other assets.....	866	1,003	866	1,228
Deposits—Government.....			100		Note circulation.....	2,085	2,142	2,133	1,831
Other.....			675	242	Demand deposits—Government.....	734	364	361	769
Other liabilities.....			110	68	Other.....	136	526	313	183
<b>Reserve Bank of New Zealand</b> (thousands of pounds):					Other liabilities.....	625	618	612	419
Gold.....	2,802	2,802	2,802	2,802	<b>Swiss National Bank</b> (millions of francs):				
Sterling exchange reserve.....	28,623	25,810	26,455	26,455	Gold.....	3,908	3,896	3,838	3,516
Advances to State or State undertakings.....	39,159	37,636	25,698	25,698	Foreign exchange.....	91	77	92	71
Investments.....	10,324	10,323	4,461	4,461	Loans and discounts.....	64	61	275	139
Other assets.....	2,912	3,092	1,881	1,881	Other assets.....	( <sup>6</sup> )	351	330	315
Note circulation.....	34,418	33,636	28,460	28,460	Note circulation.....	2,922	2,873	2,805	2,497
Demand deposits.....	46,116	42,920	29,803	29,803	Other sight liabilities.....	1,189	1,233	1,455	1,267
Other liabilities.....	3,287	3,108	3,034	3,034	Other liabilities.....	( <sup>6</sup> )	280	275	278
<b>Bank of Norway</b> <sup>2</sup>					<b>Central Bank of the Republic of Turkey</b> (thousands of pounds):				(Aug.) <sup>3</sup>
<b>Bank of the Republic of Paraguay</b> (millions of pesos):					Gold.....				201,696
Gold.....			20		Foreign clearing accounts.....				66,287
Foreign exchange.....		2,333			Loans and discounts.....				657,763
Loans and discounts.....		106			Securities.....				194,672
Government loans and securities.....		1,924			Other assets.....				23,660
Other assets.....		2,107			Note circulation.....				722,802
Note circulation.....		2,531			Deposits—Gold.....				79,358
Demand deposits—Government.....		563			Other.....				165,399
Other.....		1,905			Other liabilities.....				176,516
Other liabilities.....		1,490			<b>Bank of the Republic of Uruguay</b> (thousands of pesos):				(July) <sup>3</sup>
<b>Central Reserve Bank of Peru</b> (thousands of soles):					Issue department:				90,197
Gold and foreign exchange.....		(Aug.) <sup>3</sup>	138,584	112,190	Gold and silver.....				117,032
Discounts.....			12,172	9,244	Note circulation.....				
Government loans.....			320,996	254,260	Banking department:				73,075
Other assets.....			20,435	26,890	Gold and silver.....				31,975
Note circulation.....			321,777	274,812	Notes and coin.....				
Deposits.....			147,015	104,784	Advances to State and to government bodies.....				36,125
Other liabilities.....			23,306	22,987	Other loans and discounts.....				96,453
<b>Bank of Portugal</b> (millions of escudos):					Other assets.....				161,915
Gold <sup>4</sup> .....		(May) <sup>3</sup>	1,398	1,383	Deposits.....				153,590
Other reserves (net).....			3,509	2,948	Other liabilities.....				245,953
Nonreserve exchange.....			6,762	5,783	<b>Central Bank of Venezuela</b> (thousands of bolivares):				
Loans and discounts.....			227	244	Gold.....	257,864	257,864	257,864	196,064
Government debt.....			1,025	1,028	Foreign exchange (net).....	42,329	36,665	34,312	26,620
Other assets.....			1,035	998	Credits to national banks.....	31,230	31,230	31,230	35,230
Note circulation.....			5,502	5,176	Other assets.....	14,587	12,925	13,443	12,749
Other sight liabilities.....			7,560	6,354	Note circulation—Central Bank.....	234,063	224,638	230,365	165,104
Other liabilities.....			893	854	National banks.....	26,814	27,398	27,976	38,248
<b>National Bank of Rumania</b> (millions of lei):					Deposits.....	77,755	80,288	70,642	61,053
Gold.....		(Aug.) <sup>3</sup>	53,265	45,109	Other liabilities.....	7,377	6,360	7,865	6,254
Special exchange accounts.....			30,646	30,063	<b>National Bank of the Kingdom of Yugoslavia</b> <sup>2</sup>				
Loans and discounts.....			46,447	37,849	<b>Bank for International Settlements</b> (thousands of Swiss gold francs <sup>7</sup> ):				
Special loans (in liquidation).....			256	364	Gold in bars.....		81,494	80,067	65,395
Government debt.....			20,753	21,229	Cash on hand and on current account with banks.....		20,209	18,044	33,394
Other assets.....			57,013	45,900	Sight funds at interest.....		15,413	15,773	15,861
Note circulation.....			133,711	112,307	Rediscountable bills and acceptances (at cost).....		151,201	151,399	142,742
Demand deposits.....			50,097	42,446	Time funds at interest.....		21,075	21,395	21,092
Other liabilities.....			24,572	25,762	Sundry bills and investments.....		195,889	197,657	201,732
<b>South African Reserve Bank</b> (thousands of pounds):					Other assets.....		63	37	73
Gold.....			78,158	74,040	Demand deposits (gold).....		50,628	40,802	35,374
Foreign bills.....			11,687	1,003	Short-term deposits (various currencies):				
Other bills and loans.....			727	158	Central banks for own account.....		5,948	15,320	16,312
Other assets.....			86,964	70,219	Other.....		2,493	2,494	5,171
Note circulation.....			45,239	37,075	Long-term deposits: Special accounts.....		229,001	229,001	229,001
Deposits.....			127,810	102,273	Other liabilities.....		197,273	196,755	194,450
Other liabilities.....			4,488	6,071					

<sup>1</sup> Includes gold, silver, and foreign exchange forming required reserve (25 per cent) against notes and other demand liabilities.  
<sup>2</sup> For last available reports from the central banks of Norway (March 1940), and Yugoslavia (February 1941), see BULLETIN for March 1942, pp. 281-282.  
<sup>3</sup> Latest month for which report is available for this institution.  
<sup>4</sup> Valued at average cost beginning October 1940.  
<sup>5</sup> Includes small amount of non-Government bonds.  
<sup>6</sup> Figure not available.  
<sup>7</sup> See BULLETIN for December 1936, p. 1025.

**MONEY RATES IN FOREIGN COUNTRIES**  
**DISCOUNT RATES OF CENTRAL BANKS**  
 [Per cent per annum]

Date effective	Central bank of—							Central bank of—	Rate Dec. 31	Date effective	Central bank of—	Rate Dec. 31	Date effective
	United Kingdom	France	Germany	Belgium	Netherlands	Sweden	Switzerland						
In effect Oct. 2, 1936.....	2	3	4	2	3	2½	2	Albania.....	5½	Mar. 21, 1940	Japan.....	3.29	Apr. 7, 1936
Oct. 9.....		2½						Argentina.....	3½	Mar. 1, 1936	Java.....	3	Jan. 14, 1937
Oct. 16.....		2						Belgium.....	2	Jan. 25, 1940	Latvia.....	5	Feb. 17, 1940
Oct. 20.....					2½			Bohemia and Moravia.....	3½	Oct. 1, 1940	Lithuania.....	6	July 15, 1939
Nov. 26.....							1½				Mexico.....	4½	June 4, 1942
Dec. 3.....					2								
Jan. 28, 1937.....		4											
June 15.....		6											
July 7.....		5											
Aug. 4.....		4											
Sept. 3.....		3½											
Nov. 13.....		3											
May 10, 1938.....				4									
May 13.....		2½											
May 30.....				3									
Sept. 28.....		3											
Oct. 27.....				2½									
Nov. 25.....		2½											
Jan. 4, 1939.....		2											
Apr. 17.....				4									
May 11.....				3									
July 6.....				2½									
Aug. 24.....	4												
Aug. 29.....					3								
Sept. 28.....	3												
Oct. 26.....	2												
Dec. 15.....							3						
Jan. 25, 1940.....				2									
Apr. 9.....			3½										
May 17.....							3½						
Mar. 17, 1941.....		1¾											
May 29.....							3						
June 27.....					2½								
In effect Dec. 31, 1943.....	2	1¾	3½	2	2½	3	1½						
								France.....	1¾	Mar. 17, 1941	Turkey.....	4	July 1, 1938
								Germany.....	3½	Apr. 9, 1940	United Kingdom.....	2	Oct. 26, 1939
								Greece.....	6	Mar. 1, 1942	U. S. S. R.....	4	July 1, 1936
								Hungary.....	3	Oct. 22, 1940	Yugoslavia.....	5	Feb. 1, 1935
								Italy.....	4½	May 18, 1936			

NOTE.—Changes since Nov. 30: none.

**OPEN-MARKET RATES**  
 [Per cent per annum]

Month	United Kingdom				Germany		Netherlands		Sweden	Switzerland
	Bankers' acceptances 3 months	Treasury bills 3 months	Day-to-day money	Bankers' allowance on deposits	Private discount rate	Day-to-day money	Private discount rate	Money for 1 month	Loans up to 3 months	Private discount rate
1929—Oct.....	6.13	6.19	5.45	4½-4	7.28	8.06	5.15	4.52	5½-7	3.38
1930—Oct.....	2.09	2.13	1.65	1	4.66	5.15	1.59	1.48	3½-5½	1.29
1931—Oct.....	5.68	5.46	4.36	4	8.00	9.21	2.76	3.07	6-7½	1.90
1932—Oct.....	.82	.71	.71	½	3.88	4.94	.37	1.00	3½-5½	1.50
1933—Oct.....	.79	.73	.75	½	3.88	5.11	.50	1.00	3-5	1.50
1934—Oct.....	.77	.68	.75	½	3.81	4.63	.59	1.00	2½-4½	1.50
1935—Oct.....	.63	.62	.75	½	3.04	3.13	4.70	5.00	2½-5	2.37
1936—Oct.....	.56	.54	.75	½	2.94	2.82	1.87	2.51	2½-5	1.69
1937—Oct.....	.55	.53	.75	½	2.88	2.81	.13	.50	2½-5	1.00
1938—Oct.....	.70	.68	.75	½	2.88	2.70	.21	.50	2½-5	1.00
1939—Oct.....	1.88	1.77	1.71	½-1	2.75	2.23	1.90	2.24	2½-5	1.25
1940—Oct.....	1.03	1.02	1.00	½	2.25	1.87	2.25	2.75	3½-5½	1.31
1941—Oct.....	1.03	1.00	1.00	½	2.13	1.76	1.88	2.25	3-5½	1.25
1942—Oct.....	1.03	1.00	1.04	½	2.13	1.80			3-5½	1.25
1942—Nov.....	1.03	1.00	1.00	½	2.13	1.75			3-5½	1.25
Dec.....	1.03	1.01	1.00	½	2.13	1.96			3-5½	1.25
1943—Jan.....	1.03	1.01	1.08	½	2.13	1.84			3-5½	1.25
Feb.....	1.03	1.00	1.10	½	2.13				3-5½	1.25
Mar.....	1.03	1.00	.90	½	2.13					1.25
Apr.....	1.03	1.01	1.03	½	2.13					1.25
May.....	1.03	1.00	1.07	½	2.13					1.25
June.....	1.03	1.00	1.06	½	2.13					1.25
July.....	1.03	1.00	1.04	½	2.13					1.25
Aug.....	1.03	1.00	1.11	½	2.13					1.25
Sept.....	1.03	1.00	1.07	½	2.13					1.25
Oct.....	1.03	1.00	1.00	½	2.13					1.25

NOTE.—For figures for other countries and references to explanation of tables see BULLETIN for September 1940, p. 1018.

## COMMERCIAL BANKS

United Kingdom <sup>1</sup> (11 London clearing banks. Figures in millions of pounds sterling)	Assets						Liabilities				
	Cash reserves	Money at call and short notice	Bills dis- counted	Treasury deposit receipts <sup>2</sup>	Securities	Loans to customers	Other assets	Deposits			Other liabilities
								Total	Demand <sup>3</sup>	Time <sup>3</sup>	
1936—December	244	195	322	.....	660	890	249	2,315	1,288	1,012	245
1937—December	244	163	300	.....	635	984	256	2,330	1,284	1,026	232
1938—December	243	160	250	.....	635	971	263	2,254	1,256	997	269
1939—December	274	174	334	.....	609	1,015	290	2,441	1,398	1,043	256
1940—December	324	159	265	.....	314	771	293	2,800	1,770	1,030	250
1941—December	366	141	171	.....	758	999	324	3,329	2,168	1,161	253
1942—November	367	135	241	.....	804	1,117	774	3,472	2,287	1,185	234
December	390	142	198	.....	896	1,120	794	3,629	2,429	1,200	236
1943—January	379	146	197	.....	935	1,112	773	3,577	2,369	1,207	237
February	373	154	148	.....	933	1,109	775	3,525	2,324	1,201	237
March	377	139	173	.....	884	1,132	789	3,542	2,362	1,180	235
April	375	142	128	.....	964	1,137	767	3,545	2,350	1,195	235
May	377	158	154	.....	924	1,150	769	3,566	2,380	1,185	234
June	387	165	236	.....	859	1,159	758	3,630	2,432	1,199	238
July	375	160	244	.....	900	1,162	753	3,628	2,428	1,200	245
August	383	156	232	.....	957	1,162	739	3,670	2,456	1,214	244
September	389	148	209	.....	1,045	1,160	741	3,737	2,504	1,233	248
October	394	151	181	.....	1,135	1,158	749	3,813	2,556	1,256	245

Canada (10 chartered banks. End of month figures in millions of Canadian dollars)	Assets						Liabilities				
	Entirely in Canada			Security loans abroad and net due from foreign banks	Securities	Other assets	Note circular- tion	Deposits payable in Canada excluding interbank deposits			Other liabilities
	Cash reserves	Security loans	Other loans and dis- counts					Total	Demand	Time	
1936—December	240	114	791	161	1,384	554	103	2,303	755	1,548	837
1937—December	255	76	862	102	1,411	575	96	2,335	752	1,583	850
1938—December	263	65	940	166	1,463	535	88	2,500	840	1,660	843
1939—December	292	53	1,088	132	1,646	612	85	2,774	1,033	1,741	963
1940—December	323	40	1,108	159	1,531	570	80	2,805	1,163	1,641	846
1941—December	356	32	1,169	168	1,759	653	71	3,105	1,436	1,669	962
1942—November	395	29	1,236	194	2,304	618	64	3,680	2,050	1,630	1,032
December	387	31	1,168	231	2,293	657	60	3,657	1,984	1,673	1,049
1943—January	347	29	1,100	242	2,302	582	58	3,494	1,772	1,723	1,050
February	357	29	1,044	239	2,380	589	57	3,533	1,738	1,796	1,048
March	377	24	1,003	223	2,689	599	54	3,816	1,927	1,890	1,044
April	400	25	971	218	2,818	660	52	3,984	2,058	1,926	1,056
May	442	33	1,224	212	2,728	632	50	4,152	2,419	1,732	1,068
June	421	42	1,214	204	2,687	665	49	4,101	2,319	1,782	1,084
July	406	36	1,194	185	2,652	626	48	3,959	2,133	1,826	1,094
August	434	35	1,121	242	2,681	641	46	3,978	2,062	1,916	1,131
September	427	34	1,045	198	2,881	679	46	4,085	2,096	1,989	1,133
October	460	38	1,038	202	2,870	659	45	4,107	2,146	1,961	1,115

France (4 large banks. End of month figures in millions of francs)	Assets					Liabilities				
	Cash reserves	Due from banks	Bills dis- counted	Loans	Other assets	Deposits			Own accept- ances	Other liabilities
						Total	Demand	Time		
1936—December	3,100	2,975	17,582	7,631	1,957	28,484	27,955	529	473	4,289
1937—December	3,403	4,116	18,249	7,624	2,134	30,348	29,748	600	661	4,517
1938—December	3,756	4,060	21,455	7,592	1,940	33,578	33,042	537	721	4,484
1939—December	4,599	3,765	29,546	7,546	2,440	42,443	41,872	571	844	4,609
1940—December	6,258	3,546	44,243	7,984	1,999	58,890	58,413	477	535	4,604
1941—December	6,589	3,476	61,897	8,280	2,033	76,675	75,764	912	413	5,187
1942—January	6,054	3,385	62,679	8,807	1,279	77,415	76,514	901	388	4,401
February	6,321	3,367	62,308	9,301	1,237	77,759	76,873	887	377	4,398
March	6,166	3,122	63,506	9,674	1,297	78,777	78,382	395	298	4,691
April	6,085	3,153	64,463	9,570	1,371	79,430	79,051	379	302	4,910
May	5,928	3,236	67,539	9,496	1,421	82,239	81,879	361	344	5,037
June	6,061	3,211	68,897	10,185	1,550	84,405	84,044	362	349	5,150
July	6,200	3,221	70,427	10,259	1,784	86,180	85,835	345	392	5,318
August	6,224	3,272	71,963	10,265	1,842	87,753	87,423	330	383	5,429
September	5,998	3,325	74,016	10,158	1,990	89,362	89,151	312	370	5,654
October	6,331	3,320	75,722	10,751	2,269	91,856	91,552	304	465	6,071
November	6,579	3,515	73,078	10,493	2,393	89,387	89,078	309	455	6,215
December	7,810	3,458	73,917	10,625	2,622	91,549	91,225	324	462	6,422

<sup>1</sup> Through August 1939, averages of weekly figures; beginning September 1939, end-of-month figures, representing aggregates of figures reported by individual banks for days, varying from bank to bank, toward the end of the month.

<sup>2</sup> Represent six-month loans to the Treasury at 1½ per cent, callable by the banks in emergency at a discount equal to the Bank of England rate.

<sup>3</sup> Through December 1937, excludes deposits in offices outside England and Wales which are included in total.

<sup>4</sup> Figures for three banks only. Data for Crédit Industriel et Commercial not available September 1940–March 1941.

NOTE.—For other back figures and explanation of tables, and for figures for German commercial banks, see BULLETIN for June 1941, p. 596; August 1939, p. 699; June 1935, pp. 388–390; and October 1933, pp. 641–646.



## FOREIGN EXCHANGE RATES

[Averages of certified noon buying rates in New York for cable transfers. In cents per unit of foreign currency]

Year or month	Argentina (peso)		Australia (pound)		Belgium (belga)	Brazil (cruzeiro <sup>1</sup> )		British India (rupee)	Bulgaria (lev)	Canada (dollar)		Chile (peso)		China (yuan Shanghai)
	Official	Special Export	Official	Free		Official	Free			Official	Free	Official	Free	
1934.....	33.579			400.95	23.287	8.4268		37.879	1.2852		101.006	10.1452		34.094
1935.....	32.659			388.86	18.424	8.2947		36.964	1.2951		99.493	5.0833		36.571
1936.....	33.137			395.94	16.917	8.5681	<sup>25</sup> 8.7788	37.523	1.2958		99.913	5.1240		29.751
1937.....	32.959			393.94	16.876	8.6437	6.1983	37.326	1.2846		100.004	5.1697	<sup>24</sup> 4.0000	29.606
1938.....	32.597			389.55	16.894	8.8438		36.592	1.2424		99.419	5.1716	4.0000	21.360
1939.....	30.850			353.38	16.852	6.0027	5.1248	33.279	<sup>21</sup> 1.2111		96.018	5.1727	4.0000	11.879
1940.....	29.773		<sup>23</sup> 322.80	305.16	<sup>21</sup> 16.880	6.0562	5.0214	30.155		<sup>20</sup> 90.909	85.141	5.1668	4.0000	6.000
1941.....	29.773	<sup>23</sup> 23.704	322.80	321.27		6.0575	5.0705	30.137		90.909	87.345	<sup>25</sup> 16.664	<sup>24</sup> 4.0000	<sup>25</sup> 3.313
1942.....	29.773	23.704	322.80	321.50		6.0584	5.1427	30.122		90.909	88.379			
1942-Dec.....	29.773	23.704	322.80	321.50		6.0593	5.1520	30.122		90.909	87.883			
1943-Jan.....	29.773	23.704	322.80	321.50		6.0586	5.1316	30.122		90.909	89.640			
1943-Feb.....	29.773	23.704	322.80	321.50		6.0586	5.1292	30.122		90.909	90.037			
1943-Mar.....	29.773	23.704	322.80	321.50		6.0586	5.1275	30.122		90.909	89.923			
1943-Apr.....	29.773	24.332	322.80			6.0586	5.1275	30.122		90.909	90.199			
1943-May.....	29.773	25.188	322.80			6.0587	5.1276	30.123		90.909	90.137			
1943-June.....	29.773	25.188	322.80			6.0586	5.1275	30.122		90.909	90.099			
1943-July.....	29.773	25.188	322.80			6.0586	5.1275	30.122		90.909	90.585			
1943-Aug.....	29.773	25.188	322.80			6.0586	5.1275	30.122		90.909	90.638			
1943-Sept.....	29.773	25.147	322.80			6.0586	5.1275	30.122		90.909	90.150			
1943-Oct.....	29.773	25.125	322.80			6.0586	5.1275	30.122		90.909	89.426			
1943-Nov.....	29.773	25.125	322.80			6.0586	5.1275	30.122		90.909	89.422			

Year or month	Colombia (peso)	Czechoslovakia (koruna)	Denmark (krone)	Finland (markka)	France (franc)	Germany (reichsmark)	Greece (drachma)	Hong Kong (dollar)	Hungary (pengo)	Italy (lira)	Japan (yen)	Mexico (peso)	Netherlands (guilder)	New Zealand (pound)
1935.....	56.011	4.1642	21.883	2.1627	6.6013	40.258	.9386	48.217	29.602	8.2471	28.707	27.778	67.715	391.26
1936.....	57.083	4.0078	22.189	2.1903	6.1141	40.297	.9289	31.711	29.558	7.2916	29.022	27.760	64.481	398.92
1937.....	56.726	3.4930	22.069	2.1811	4.0460	40.204	.9055	30.694	19.779	5.2607	28.791	27.750	55.045	396.91
1938.....	55.953	3.4674	21.825	2.1567	2.8781	40.164	.8958	30.457	19.727	5.2605	28.451	22.122	55.009	392.35
1939.....	57.061	<sup>23</sup> 3.4252	20.346	1.9948	2.5103	40.061	.8153	27.454	19.238	5.1959	25.963	19.303	53.335	354.82
1940.....	57.085		<sup>21</sup> 19.308	1.8710	<sup>22</sup> 2.0827	40.021	<sup>2</sup> 6.715	22.958	18.475	5.0407	23.436	18.546	<sup>25</sup> 3.128	306.38
1941.....	57.004			<sup>22</sup> 2.0101		<sup>23</sup> 9.968		<sup>24</sup> 24.592	<sup>21</sup> 19.770	<sup>25</sup> 5.0703	<sup>23</sup> 23.439	20.538		322.54
1942.....	57.052											20.569		322.78
1942-Dec.....	57.177											20.573		322.78
1943-Jan.....	57.222											20.573		322.78
1943-Feb.....	57.220											20.573		323.30
1943-Mar.....	57.233											20.573		324.42
1943-Apr.....	57.280											20.574		324.42
1943-May.....	57.280											20.580		324.42
1943-June.....	57.280											20.580		324.42
1943-July.....	57.278											20.577		324.42
1943-Aug.....	57.277											20.575		324.42
1943-Sept.....	57.277											20.578		324.42
1943-Oct.....	57.277											20.580		324.42
1943-Nov.....	57.277											20.580		324.42

Year or month	Norway (krone)	Poland (zloty)	Portugal (escudo)	Rumania (leu)	South Africa (pound)	Spain (peseta)	Straits Settlements (dollar)	Sweden (krona)	Switzerland (franc)	United Kingdom (pound)		Uruguay (peso)		Yugoslavia (dinar)
										Official	Free	Controlled	Non-controlled	
1934.....														
1935.....	25.316	18.846	4.6089	1.0006	498.29	13.615	59.005	25.982	32.366		503.93	79.956		2.2719
1936.....	24.627	18.882	4.4575	.9277	484.66	13.678	57.173	25.271	32.497		490.18	80.251		2.2837
1937.....	24.974	18.875	4.5130	.7382	491.65	12.314	58.258	25.626	30.189		497.09	79.874		2.2965
1938.....	24.840	18.923	4.4792	.7294	489.62	6.053	57.973	25.487	22.938		494.40	79.072		2.3060
1939.....	24.566	18.860	4.4267	.7325	484.16	5.600	56.917	25.197	22.871		488.94	64.370		2.3115
1940.....	25.226	<sup>21</sup> 18.835	4.0375	.7111	440.17	10.630	51.736	23.991	22.525		443.54	62.011	<sup>23</sup> 6.789	2.2716
1941.....	<sup>22</sup> 22.709		3.7110	<sup>2</sup> 6.896	397.99	9.322	46.979	23.802	22.676		<sup>24</sup> 403.50	383.00	65.830	2.2463
1942.....			<sup>4</sup> 4.0023		398.00	<sup>29</sup> 130	<sup>47</sup> 133	<sup>23</sup> 28.829	<sup>23</sup> 23.210		403.50	403.50	65.830	<sup>21</sup> 2.2397
1942-Dec.....					398.00						403.50	403.50	65.830	52.734
1943-Jan.....					398.00						403.50	403.50	65.830	52.754
1943-Feb.....					398.00						403.50	403.50	65.830	52.803
1943-Mar.....					398.00						403.50		65.830	52.805
1943-Apr.....					398.00						403.50		65.830	52.749
1943-May.....					398.00						403.50		65.830	52.710
1943-June.....					398.00						403.50		65.830	52.829
1943-July.....					398.00						403.50		65.830	52.866
1943-Aug.....					398.00						403.50		65.830	52.871
1943-Sept.....					398.00						403.50		65.830	52.929
1943-Oct.....					398.00						403.50		65.830	52.978
1943-Nov.....					398.00						403.50		65.830	53.003

<sup>1</sup> Prior to Nov. 1, 1942, the official designation of the Brazilian currency unit was the "milreis."

<sup>2</sup> Average of daily rates for that part of the year during which quotations were certified.

Note.—Developments affecting averages during 1943:

Certified rates discontinued: Australia and United Kingdom, free rates, after Feb. 1.

Changes in nominal status (noted only if affecting quotations for at least five days a month): none.

For further information concerning the bases and nominal status of exchange quotations, and concerning suspensions of quotations prior to 1943, see BULLETIN for February 1943, p. 201; March 1942, p. 285; February 1941, p. 183; February 1940, p. 178; September 1939, p. 831; March 1939, p. 236; and March 1938, p. 244.

**PRICE MOVEMENTS IN PRINCIPAL COUNTRIES**  
**WHOLESALE PRICES—ALL COMMODITIES**

[Index numbers]

Year or month	United States	Canada	United Kingdom	France	Germany	Italy	Japan	Netherlands	Sweden	Switzerland
	(1926=100)	(1926=100)	(1930=100)	(1913=100)	(1913=100)	(1928=100)	(October 1900=100)	(1926-30=100)	(1935=100)	(July 1914=100)
1926.....	100	100	124	695	134		237	106	126	144
1930.....	86	87	100	554	125	85	181	90	103	126
1931.....	73	72	88	500	111	75	153	76	94	110
1932.....	65	67	86	427	97	70	161	65	92	96
1933.....	66	67	86	398	93	63	180	63	90	91
1934.....	75	72	88	376	98	62	178	63	96	90
1935.....	80	72	89	338	102	68	186	62	100	90
1936.....	81	75	94	411	104	76	198	64	102	96
1937.....	86	85	109	581	106	89	238	76	114	111
1938.....	79	79	101	653	106	95	251	72	111	107
1939.....	77	75	103	681	107	99	278	74	115	111
1940.....	79	83	137		110	116	311	88	146	143
1941.....	87	90	153		112	132	329		172	184
1942.....	99	96	159		114				189	210
1942—November.....	100	97	161		115		358		195	214
December.....	101	97	161		115		358		195	215
1943—January.....	102	97	162		116				196	215
February.....	103	98	162		116		365		197	217
March.....	103	99	162		116				197	217
April.....	104	99	163		116				197	218
May.....	104	99	163		116				197	218
June.....	104	100	163		116				197	218
July.....	103	100	164		117				196	218
August.....	103	100	162		117				195	218
September.....	103	101	163		116				195	220
October.....	103	102	163						195	
November.....	103	102	163						195	

<sup>p</sup> Preliminary. <sup>r</sup> Revised.

<sup>1</sup> Approximate figure, derived from old index (1913=100).

<sup>2</sup> Average based on figures for 8 months; no data available since August 1939, when figure was 674.

<sup>3</sup> Average based on figures for 5 months; no data available since May 1940, when figure was 89.

Sources.—See BULLETIN for January, 1941, p. 84; April 1937, p. 372; March 1937, p. 276; and October 1935, p. 678.

**WHOLESALE PRICES—GROUPS OF COMMODITIES**

[Indexes for groups included in total index above]

Year or month	United States (1926=100)			Canada (1926=100)			United Kingdom (1930=100)		Germany (1913=100)		
	Farm products	Foods	Other commodities	Farm products	Raw and partly manufactured goods	Fully and chiefly manufactured goods	Foods	Industrial products	Agricultural products	Industrial raw and semi-finished products	Industrial finished products
1926.....	100	100	100	100	100	100			129	130	150
1930.....	88	91	85	82	82	87	100	100	113	120	150
1931.....	65	75	75	56	62	75	89	87	104	103	136
1932.....	48	61	70	48	55	70	88	85	91	89	118
1933.....	51	61	71	51	57	70	83	87	87	88	113
1934.....	65	71	78	59	64	73	85	90	96	91	116
1935.....	79	84	78	64	66	73	87	90	102	92	119
1936.....	81	82	80	69	71	74	92	96	105	94	121
1937.....	86	86	85	87	84	81	102	112	105	96	125
1938.....	69	74	82	74	73	78	97	104	106	94	126
1939.....	65	70	81	64	67	75	97	106	108	95	126
1940.....	68	71	83	67	75	82	133	138	111	99	129
1941.....	82	83	89	71	82	89	146	156	112	100	133
1942.....	106	100	96	82	90	92	158	160	115	102	134
1942—November.....	111	104	96	87	93	93	158	162	116	102	134
December.....	114	104	96	87	93	93	159	162	117	102	134
1943—January.....	117	105	96	88	93	93	160	163	119	102	134
February.....	119	106	96	89	94	93	160	163	118	103	134
March.....	123	107	97	91	96	93	160	163	118	103	135
April.....	124	108	97	92	97	93	161	163	119	103	134
May.....	126	111	97	93	98	93	162	163	119	102	135
June.....	126	110	97	94	99	93	161	164	119	102	135
July.....	125	107	97	96	100	93	164	164	121	102	135
August.....	124	106	97	98	101	93	158	164	121	102	136
September.....	123	105	97	98	101	94	159	165	119	102	136
October.....	122	105	97	104	103	94	157	165			
November.....	121	106	97	104	103	94	157	165			

<sup>p</sup> Preliminary.

Sources.—See BULLETIN for May 1942, p. 451; March 1935, p. 180; and March 1931, p. 159.

**PRICE MOVEMENTS IN PRINCIPAL COUNTRIES—Continued**  
**RETAIL FOOD PRICES**

[Index numbers]

Year or month	United States (1935-39 =100)	Canada (1935-39 =100)	United Kingdom (July 1914 =100)	Germany (1913-14 =100)	Netherlands (1911-13 =100)	Switzerland (June 1914 =100)
1932	87	86	126	116	119	125
1933	84	85	120	113	120	117
1934	94	93	122	118	124	115
1935	100	95	125	120	118	114
1936	101	98	130	122	120	120
1937	105	103	139	122	127	130
1938	98	104	141	122	130	130
1939	95	101	141	123	130	132
1940	97	106	164	128	140	146
1941	106	116	168	129	175	175
1942	124	127	161	132	200	200
1942—November	131	132	163	129	206	206
December	133	133	164	129	208	208
1943—January	133	127	164	131	209	209
February	134	127	164	132	210	210
March	137	128	165	133	210	210
April	141	129	165	133	210	210
May	143	130	165	134	210	210
June	142	131	165	136	211	211
July	139	132	168	140	211	211
August	137	133	167	139	211	211
September	137	134	166	133	212	212
October	138	133	168	132	212	212
November	137	133	168	132	212	212

**COST OF LIVING**

[Index numbers]

Year or month	United States (1935-39 =100)	Canada (1935-39 =100)	United Kingdom (July 1914 =100)	Germany (1913-14 =100)	Netherlands (1911-13 =100)	Switzerland (June 1914 =100)
1932	98	99	144	121	141	138
1933	92	94	140	118	139	131
1934	96	96	141	121	140	129
1935	98	96	143	123	136	128
1936	99	98	147	125	132	130
1937	103	101	154	125	137	137
1938	101	102	156	126	139	137
1939	99	102	158	126	140	138
1940	100	106	184	130	148	151
1941	105	112	199	133	174	174
1942	117	117	200	137	193	193
1942—November	120	119	200	135	200	200
December	120	119	200	136	200	200
1943—January	121	117	199	137	201	201
February	121	117	199	137	201	201
March	123	117	199	138	201	201
April	124	118	198	138	203	203
May	125	118	199	139	203	203
June	125	119	198	139	203	203
July	124	119	200	142	204	204
August	123	119	199	141	204	204
September	124	119	198	138	204	204
October	124	119	199	138	204	204
November	124	119	199	138	204	204

<sup>p</sup> Preliminary.

<sup>1</sup> Revised index from March 1936 (see BULLETIN for April 1937, p. 373).

<sup>2</sup> Average based on figures for 3 months; no data available since March 1940, when figure was 141.

<sup>3</sup> Average based on figures for 5 months; no data available since May 1940, when figure was 149.

Sources.—See BULLETIN for May 1942, p. 451; October 1939, p. 943; and April 1937, p. 373.

**SECURITY PRICES**

[Index numbers except as otherwise specified]

Year or month	Bonds					Common stocks				
	United States (derived price) <sup>1</sup>	United Kingdom (December 1921=100)	France (1913=100)	Germany (average price) <sup>2</sup>	Netherlands <sup>3</sup>	United States (1935-39 =100)	(1926=100)			Netherlands (1930=100)
							United Kingdom	France	Germany	
Number of issues.....	15	87	36	<sup>2</sup> 139	8	402	278	300	(4)	100
1926.....	90.1	110.0	57.4	.....	.....	105.6	100.0	100.0	100.0	.....
1932.....	84.4	113.2	88.6	<sup>5</sup> 67.1	94.8	51.2	67.9	105.2	<sup>8</sup> 50.3	46
1933.....	91.2	119.7	81.3	82.5	105.3	67.0	78.6	99.6	61.7	52
1934.....	98.2	127.5	82.1	90.7	113.4	76.6	85.7	83.3	71.1	55
1935.....	105.5	129.9	83.5	<sup>6</sup> 95.1	107.8	82.9	86.3	79.7	82.9	55
1936.....	109.5	131.2	76.3	95.8	109.1	117.5	97.0	77.2	91.6	66
1937.....	<sup>1</sup> 110.2	124.6	75.1	98.7	<sup>3</sup> 101.8	117.5	96.3	97.4	102.6	104.2
1938.....	111.1	121.3	77.3	99.9	105.9	88.2	80.8	89.7	100.1	95.8
1939.....	113.8	112.3	83.9	99.0	90.9	94.2	75.9	98.3	94.1	89.7
1940.....	115.9	118.3	<sup>7</sup> 84.7	100.7	<sup>8</sup> 77.9	88.1	70.8	<sup>7</sup> 120.6	114.6	<sup>9</sup> 95.0
1941.....	117.8	123.8	<sup>9</sup> 98.7	103.0	.....	80.0	72.5	<sup>10</sup> 289.7	136.8	129.0
1942.....	118.3	127.3	<sup>7</sup> 100.1	<sup>7</sup> 103.3	.....	69.4	75.3	<sup>11</sup> 476	142.1	131.5
1942—November	119.5	127.5	.....	.....	.....	75.2	80.4	<sup>12</sup> 529	142.8	128.8
December	118.9	127.3	.....	.....	.....	75.9	80.1	<sup>13</sup> 583	143.5	135.9
1943—January	119.5	129.0	.....	.....	.....	79.7	82.4	.....	145.1	143.5
February	120.0	128.9	.....	.....	.....	84.8	82.2	.....	145.3	156.2
March	119.8	128.8	.....	.....	.....	88.2	82.6	.....	145.1	155.0
April	119.9	129.0	.....	.....	.....	91.3	83.7	.....	.....	.....
May	120.1	127.1	.....	.....	.....	95.2	84.3	.....	.....	.....
June	120.5	127.0	.....	.....	.....	96.7	84.1	.....	145.1	.....
July	121.1	127.8	.....	.....	.....	98.5	85.6	.....	144.9	.....
August	121.1	127.2	.....	.....	.....	94.4	86.0	.....	.....	.....
September	120.8	126.9	.....	.....	.....	95.6	86.6	<sup>14</sup> 535	.....	.....
October	120.9	127.4	.....	.....	.....	94.8	86.3	.....	.....	.....
November	120.4	.....	.....	.....	.....	91.4	.....	.....	.....	.....

<sup>p</sup> Preliminary.

<sup>1</sup> Figures represent calculated prices of a 4 per cent, 20-year bond offering a yield equal to the monthly average yield for 15 high-grade corporate bonds for the series beginning 1937 and for a varying number of high-grade bonds for the series prior to that date. The yearly average for 1937 is the same for both series. Source.—Standard and Poor's Corporation.

<sup>2</sup> Since Apr. 1, 1935, the 139 bonds included in the calculation of the average price have all borne interest at 4½ per cent. The series prior to that date is not comparable to the present series, principally because the 169 bonds then included in the calculation bore interest at 6 per cent.

<sup>3</sup> Indexes of reciprocals of average yields. For old index, 1929-1936, 1929 = 100; average yield in base year was 4.57 per cent. For new index beginning January 1937, Jan.-Mar. 1937 = 100; average yield in base period was 3.39 per cent.

<sup>4</sup> This number, originally 329, has declined as the number of securities eligible for the index has diminished. In May 1941, it was down to 287.

<sup>5</sup> Average May-Dec. only; exchange closed Jan. 1-Apr. 11.

<sup>6</sup> Average based on figures for 3 months; no data available June-Dec.

<sup>7</sup> Average based on figures for 9 months; no data available May-July.

<sup>8</sup> Average based on figures for 10 months; no data available Jan.-Feb.

<sup>9</sup> Average based on figures for 9 months; no data available May-July.

<sup>10</sup> Average based on figures for 10 months; no data available Jan.-Feb.

Sources.—See BULLETIN for November 1937, p. 1172; July 1937, p. 698; April 1937, p. 373; June 1935, p. 394; and February 1932, p. 121.

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[December 31, 1943]

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Atlanta.....	Frank H. Neely J. F. Porter		W. S. McLarin, Jr. Malcolm H. Bryan	L. M. Clark	H. F. Conniff
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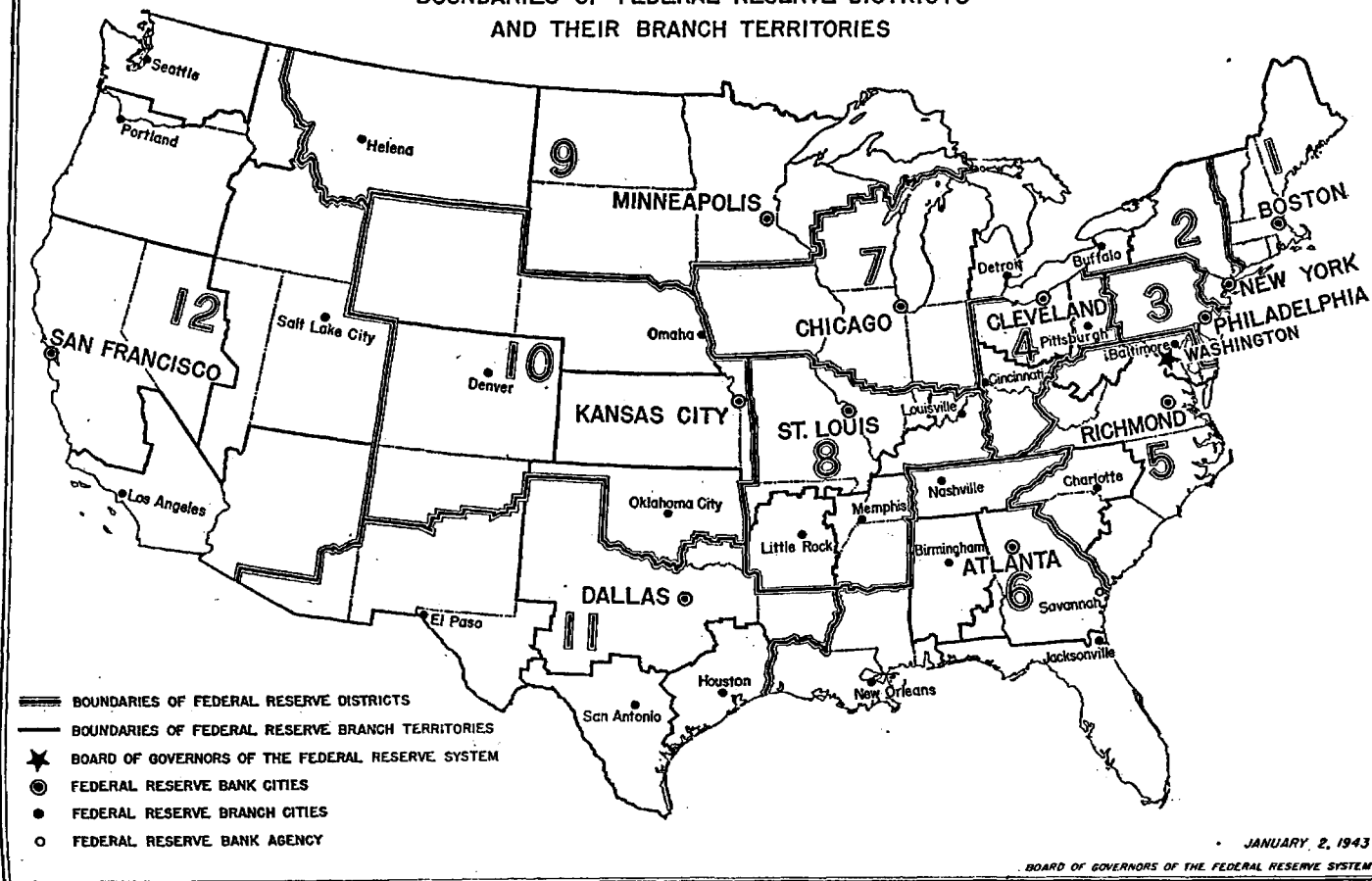
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Cleveland.....	Cincinnati Pittsburgh	B. J. Lazar <sup>5</sup> J. W. Kossin <sup>5</sup>	Kansas City....	Denver Oklahoma City Omaha	Jos. E. Olson <sup>5</sup> G. H. Pipkin <sup>5</sup> L. H. Earhart <sup>5</sup>
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Atlanta.....	Birmingham Jacksonville Nashville New Orleans	P. L. T. Beavers <sup>4</sup> Geo. S. Vardeman, Jr. <sup>4</sup> Joel B. Fort, Jr. <sup>4</sup> E. P. Paris <sup>4</sup>	San Francisco...	Los Angeles Portland Salt Lake City Seattle	W. N. Ambrose <sup>4</sup> D. L. Davis <sup>4</sup> W. L. Partner <sup>4</sup> C. R. Shaw <sup>4</sup>
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<sup>1</sup> Also Federal Reserve Agent.    <sup>2</sup> Cashier.    <sup>3</sup> Also Cashier.    <sup>4</sup> Managing Director.    <sup>5</sup> Vice President.    <sup>6</sup> Manager.

# FEDERAL RESERVE SYSTEM

BOUNDARIES OF FEDERAL RESERVE DISTRICTS  
AND THEIR BRANCH TERRITORIES



JANUARY 2, 1943

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM