

# FEDERAL RESERVE BULLETIN



**NOVEMBER 1941**

*Review of the Month—Treasury Finance and Banking  
Developments*

*Amendment of Consumer Credit Regulation*

*Consumer Credit—Amendment to, and Interpretations of,  
Regulation W*

*Economic Aspects of Federal, State, and Local Taxation*

*Annual Report of the Bank for International Settlements*

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

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# FEDERAL RESERVE BULLETIN

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## *Treasury Finance and Banking Developments*

Acceleration of the defense effort in recent months has resulted in a rapid rise in Government disbursements, and estimates of expenditures for the current fiscal year have been enlarged. The Government's objective has been to meet the increased outlays by methods that would contribute as little as possible to inflationary trends. With this in mind a tax bill was enacted that is expected to raise an additional 3.5 billion dollars a year. In so far as the Government must resort to borrowing it has announced a policy of issuing obligations that will be purchased largely by investors other than commercial banks. This is for the reason that bank purchases of securities create new deposits available for consumer expenditures, while purchases by other investors tap previously existing funds instead of creating new ones. Two new instruments introduced for this purpose are defense savings bonds and tax anticipation notes.

Tax receipts and proceeds from the sale of defense bonds and tax-anticipation notes, together with a reduction in the working balance, were sufficient to meet the larger part of the Treasury's requirements from July to the middle of October. In the latter part of October, however, the Treasury made a large public offering of long-term bonds which brought in about 1.3 billion dollars. Toward the end of the month its offerings of Treasury bills were increased from 100 million dollars to 150 million dollars a week.

Curtailment of offerings of open-market securities by the Treasury was reflected from July to the middle of October in stability of Government security holdings by commercial banks. In the latter part of October, however, banks' holdings increased owing to purchases of the new Treasury bond offering. Bank loans have continued to increase at a rapid rate. Bank reserves, which had declined since

early this year principally on account of an increase in currency in circulation, were reduced further in the latter part of October as a result of cash payments by banks to the Treasury for the new bond issue. Excess reserves were also reduced on November 1 by the coming into effect of an increase of about 1.2 billion dollars in reserve requirements in accordance with the action announced by the Board of Governors on September 23. As a result of these developments excess reserves of member banks, which at their peak a year ago amounted to nearly 7 billion dollars, were by November 1 reduced to 3.5 billion dollars. At their present level excess reserves are lower than at any time since March 1939 but are still larger than they ever were prior to that date.

Appropriations and authorizations for defense have increased from about 20 billion dollars at the end of October 1940 to about 60 billion dollars at the present time. These figures are those covered by the regular budget and include outlays for the War and Navy Departments, lend-lease aid, defense housing, and defense activities of civil departments and agencies. They exclude expenditures to be financed by the Reconstruction Finance Corporation as well as British Government orders in this country for military purposes placed prior to the beginning of lend-lease aid. Including these two items, the total program exceeds 67 billion dollars.

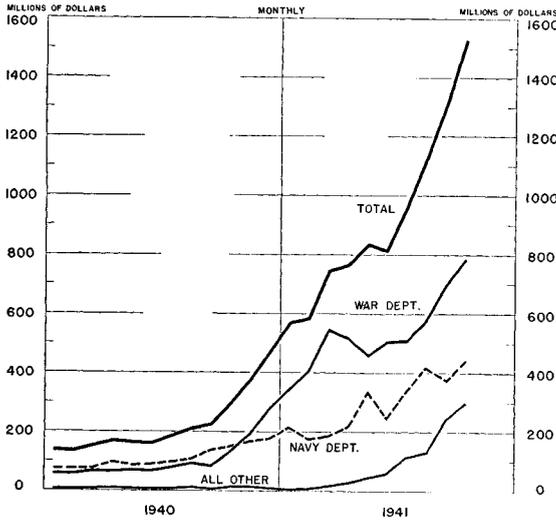
Expansion in the program has been reflected in marked increases in actual cash outlays for defense purposes. Last January the Budget Bureau estimated that defense expenditures for the fiscal year beginning in July, 1941, would amount to 11 billion dollars. In June the estimate was raised to nearly 16 billion dollars and again on October 5 to 18

### **Progress of defense program**

billion dollars. Monthly defense expenditures from the budget, as shown in the chart, increased from about 300 million dollars in October 1940, to 800 million dollars in June of this year, and further to about 1,500 million dollars in October. On the basis of

to 12.0 billion dollars, which would leave a deficit for the fiscal year of 12.6 billion dollars. The following table gives a summary of Treasury receipts and expenditures during the first four months of the current fiscal year and the preceding year, with the new estimates for the full fiscal year 1942 compared with actual results in 1941. The increase in defense expenditures during the current fiscal year is estimated at 11.7 billion dollars. The actual increase in the first four months of the fiscal year was 4 billion dollars. Non-defense expenditures have been somewhat below the level of a year ago.

NATIONAL DEFENSE EXPENDITURES



Budget accounts on basis of daily Treasury Statements.

the latest budget estimates, expenditures for the rest of this fiscal year will average about 1,650 million dollars a month. Defense expenditures by certain Government corporations, such as the Reconstruction Finance Corporation and its subsidiary defense companies, not included in the budget, have also increased in the past year. Recently the Reconstruction Finance Corporation made loans to the British Government for payments on war orders placed in this country prior to the lend-lease legislation. By the end of October out of the total defense program of 67 billion dollars for all purposes about 15 billion dollars had been spent.

Revised estimates of Treasury receipts and expenditures for the current fiscal year which ends next June, issued by the Bureau of the Budget on October 5, increased estimates of total expenditures by 2.4 billion dollars to 24.6 billion dollars. Estimated net receipts were increased by 2.6 billion dollars

TREASURY RECEIPTS AND EXPENDITURES  
(In millions of dollars)

	July-October		Fiscal years	
	1940	1941	1941	1942 (est.)
Budget expenditures:				
National defense.....	918	4,931	6,255	18,000
Other.....	2,234	2,153	6,456	6,581
Total.....	3,152	7,084	12,711	24,581
Net budget receipts.....	1,822	2,390	7,607	11,998
Excess of budget expenditures.....	1,330	4,694	5,103	12,583
Trust accounts, etc., excess of receipts (-) or expenditures (+).....	-189	-80	+148	.....
Change in general fund balance.....	+29	+8	+742	.....
Increase in gross direct debt.....	1,170	4,623	5,994	.....

Budget receipts are estimated to increase by 4.4 billion dollars during the current fiscal year over last year. Through October, the actual increase over the same period last year was about 600 million dollars, the largest part of which was in income tax receipts, reflecting both increased taxes imposed by the revenue acts of 1940 and the higher level of income in the calendar year 1940, as compared with 1939. Large increases in receipts during the current year will occur in the period January to June 1942, when income tax collections will be based on incomes for the calendar year 1941 and will also reflect the increases in taxes provided in the Revenue Act of 1941.

The deficit in budget accounts during the first four months of the current fiscal year amounted to 4.7 billion dollars. Except for a small amount of net receipts in accounts

outside the regular budget, these requirements were met by an increase in the public debt. On the basis of current estimates, requirements in budget accounts for the rest of this fiscal year will amount to about 8 billion dollars.

On September 20 the President signed the Revenue Act of 1941. The estimated additional yield resulting from this legislation, on a full-year basis, is shown in the following table.

Because of the lag in the payment of income taxes and the fact that increased excise taxes will be in effect only for three-fourths of the fiscal year, it has been estimated that only about 2 billion dollars of the full amount of 3.5 billion dollars will be collected in the fiscal year 1942.

Taxes on the incomes of corporations and individuals, on estates, and gifts, the capital stock tax and many excise taxes are increased and new taxes are imposed. The 10 per cent defense tax imposed by the Revenue Act of 1940 is integrated into the regular rate structures.

*Corporation taxes.*—A surtax on corporate incomes is imposed at the rate of 6 per cent on the first \$25,000 of net income and 7 per

cent on net income in excess of that amount. It differs in its effect from an equivalent increase in the normal tax because it applies also to income from partially tax-exempt securities.

No change is made in the general framework of the excess profits tax under which corporations have the option of calculating the "normal profits" credit from which excess profits are measured with reference either to base period earnings or to invested capital. The rate of return allowed on statutory invested capital is lowered from its present level of 8 per cent to 7 per cent with respect to invested capital in excess of 5 million dollars. A substantial increase in excess profits tax revenues, partly offset by a smaller decline in normal corporation tax, is obtained by reversing the sequence in which corporation income tax and excess profits tax liabilities are determined. Under previously existing law, corporation normal tax was computed first and was allowed as a deduction both in computing "normal profits" and current profits subject to excess profits tax. Under the Revenue Act of 1941, excess profits tax liability is computed first, and normal and surtax are not allowed as deductions. Excess profits taxes, however, are allowed as a deduction in determining income for normal and surtax purposes. For corporations choosing the invested capital method, it is provided that, with certain restrictions, 125 per cent of equity capital invested after December 31, 1940, shall be counted in determining invested capital. The exemption from excess profits tax of excess profits derived from the mining of certain strategic metals in the United States is terminated. The rates of tax are increased by 10 percentage points in each bracket and now range from 35 per cent on the first \$20,000 of excess profits to 60 per cent on that part of excess profits over \$500,000.

*Individual income taxes.*—Personal exemptions under the individual income tax are reduced from \$2,000 to \$1,500 for heads of families and from \$800 to \$750 for single

**The Revenue Act of 1941**

ESTIMATED ADDITIONAL YIELD OF THE REVENUE ACT OF 1941, AS COMPARED WITH PREVIOUSLY EXISTING LAW<sup>1</sup>  
[In millions of dollars]

	Increase or decrease(—)
Income taxes:	
Corporation:	
Normal tax.....	—493.3
Surtax.....	763.1
Excess profits tax.....	1,112.3
Total corporation income taxes.....	1,382.1
Individual.....	1,144.6
Total income taxes.....	2,526.7
Miscellaneous internal revenue:	
Capital stock tax.....	22.3
Estate tax.....	141.6
Gift tax.....	16.0
Excise and miscellaneous taxes <sup>2</sup> .....	846.8
Total miscellaneous internal revenue <sup>2</sup> .....	1,026.7
<b>Total additional revenue.....</b>	<b>3,553.4</b>

<sup>1</sup> Treasury Department, Division of Research and Statistics. All estimates show full year effects. Estimates for corporation and individual income taxes are based on levels of income estimated for calendar year 1941; all other estimates are based on income levels estimated for fiscal year 1942.

<sup>2</sup> Excluding \$47.5 million non-recurring floor-stock taxes.

individuals. Rates of surtax are raised; and surtax is imposed on all income in excess of personal exemption and credit for dependents, instead of exempting, as heretofore, the first \$4,000 of such income. An optional simplified method of determining income taxes is provided for persons whose gross income does not exceed \$3,000 and is derived wholly from specified sources; and the credit for one dependent is disallowed in cases where the taxpayer's status as head of family is occasioned solely by the existence of one or more such dependents.

The taxes on foreign income recipients and the rates of the tax withheld at source on payments to them are increased. The existing authorization to conclude treaties reducing these rates with contiguous countries is extended to cover all countries of the Western Hemisphere. It is provided that taxpayers owning non-interest bearing obligations, such as non-interest bearing defense bonds, issued at a discount and redeemable for fixed amounts increasing at stated intervals may report such increments of value as income on an accrual basis even though they report other income on a cash basis. Certain simplifications in income tax accounting are introduced with respect to short-term obligations issued on a discount basis by the Federal, State, or local governments.

*Excise and miscellaneous taxes.*—Existing taxes are increased or new taxes are imposed on automobiles, trucks, buses, and their parts, refrigerators, business and store machines, commercial washing machines, electric, gas, and oil appliances, radios, phonographs, records, and musical instruments, photographic apparatus, optical equipment, electric signs, light bulbs and tubes; on tires and tubes and other rubber articles; on safe deposit boxes, sporting goods, luggage, toilet preparations, furs, matches, playing cards, and jewelry; on distilled spirits and wines; on admissions, cabarets, roof-gardens, club dues, coin operated amusement and gaming devices, bowling alleys, and billiard and pool tables; on communications and the transportation of per-

sons, and the use of automobiles and boats. This list includes a number of articles using scarce resources needed for defense production.

As shown in the following table, the interest-bearing direct debt of the Government increased by 4.7 billion dollars during the first four months of the current fiscal year. Of this amount about 2.9 billion dollars is represented by sales of savings bonds and new tax notes.

**INTEREST-BEARING DIRECT AND GUARANTEED SECURITIES**  
[In millions of dollars]

	Amounts outstanding		Change since June 30
	June 30, 1941	October 31, 1941	
Direct obligations:			
Treasury bonds .....	30,215	31,759	+1,544
Treasury notes .....	5,698	5,509	-189
Treasury bills .....	1,603	1,404	-199
Postal savings and pre-war bonds ..	196	196	-----
Marketable issues—total .....	37,713	38,869	+1,156
U. S. savings bonds .....	4,314	5,394	+1,080
Tax anticipation notes .....	-----	1,818	+1,818
Depository bonds .....	-----	61	+61
Adjusted service bonds .....	241	235	-6
Public issues—total .....	42,267	46,377	+4,110
Special issues .....	6,120	6,664	+544
Total direct obligations .....	48,387	53,040	+4,653
Guaranteed obligations .....	6,360	6,930	+570

The open-market direct debt increased by 1.2 billion dollars, reflecting the sale for cash in October of 1.3 billion dollars of long Treasury bonds and the sale of an additional 100 million dollars of these bonds to Government agencies and trust funds, offset in part by the net redemption of 200 million dollars of Treasury bills. In addition, 200 million dollars of maturing notes were exchanged for the new bonds. Special issues to Government agencies and trust funds increased by 500 million dollars. The guaranteed debt showed an increase of about 600 million dollars.

Acceleration in the rate of sale of savings bonds is indicated by the fact that for the six-month period May to October of this year sales of defense savings bonds totaled 1.8 billion dollars compared with net sales of 1 billion dollars of the former savings bonds in

the full fiscal year 1940. As shown in the following table the larger part of the sales of defense savings bonds has been in Series F and G bonds. These bonds may be purchased by investors other than commercial banks in an amount of not more than \$50,000 issue price, in any one calendar year for the two issues combined. Sales of the Series E bonds, which may be purchased only by individuals in an amount not in excess of \$5,000 maturity value in any one calendar year, have ranged between 100 million dollars and 150 million dollars a month.

SALES OF DEFENSE SAVINGS BONDS AND TAX NOTES  
MAY-OCTOBER 1941

[Issue price. In millions of dollars]

	Defense savings bonds			Tax anticipation notes		
	Total	Series E	Series F and G	Total	Series A	Series B
May.....	350	101	249			
June.....	315	103	212			
July.....	342	145	197			
August.....	266	118	148	1,037	18	1,019
September.....	232	105	127	306	8	298
October.....	271	123	148	475	7	468
Total.....	1,775	694	1,081	1,818	33	1,785

Receipts from the sales of the new tax notes, which began on August 1, amounted to 1.8 billion dollars through the end of October. Only about 2 per cent of these were Series A notes, which are designed for the relatively small taxpayer and the use of which for tax purposes is limited to \$1,200 principal amount for any one taxpayer in any one calendar year. The Series B notes, which yield a lower investment return, are designed for the large taxpayer, and the amount which may be purchased by any one taxpayer is limited only by the amount of his tax liability.

In October, the Treasury sold a new issue of 1.6 billion dollars of 2½ per cent 1967-1972 Treasury bonds. Cash subscriptions totaled 10.4 billion dollars, of which 12½ per cent, or 1.3 billion dollars, were allotted. In addition, 100 million dollars of the new bonds were sold to Government investment accounts, and about 200 million dollars were exchanged for December 1941 notes. The new issue, although of long term and low rate and

issued in relatively large amount, immediately rose to a substantial premium and closed the month at 103¼.

The outstanding amount of Treasury bills declined by 200 million dollars during the past four months. In September, 300 million dollars of maturing bills were not replaced. Beginning with the week of October 22, however, an additional weekly amount of 50 million dollars of bills was sold.

The amount of guaranteed debt increased by 600 million dollars in July. At this time, the Treasury refunded 400 million dollars of maturing notes of the Reconstruction Finance Corporation and the Commodity Credit Corporation. In addition, cash was raised to finance these organizations.

During October the Treasury announced that in order to reduce the number of financing operations in the market on behalf of the Government and to simplify the financing program, it is contemplated that all of the Government-guaranteed issues now outstanding in the hands of the public will eventually be converted into Treasury issues. The needs of the Government corporations and agencies will be supplied directly by the Treasury rather than by the sale of guaranteed securities. As a consequence of this program, the market will ultimately be dealing with but one class of Government obligation. In this connection, on October 23 a new issue of 1 per cent March 1946 Treasury notes, dated November 1, was offered in exchange for the 300 million dollars of Reconstruction Finance Corporation notes and 204 million dollars of Commodity Credit Corporation notes maturing in November. The 112 million dollars of United States Housing Authority notes maturing on November 1 were paid off in cash.

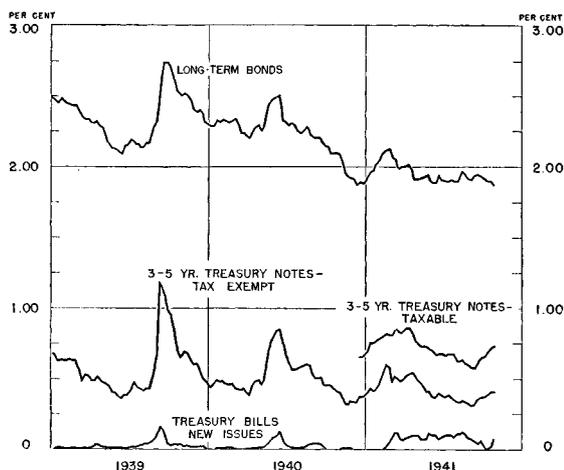
As shown by the chart, prices of Government securities are at a high level.

Government security market

After reaching all-time highs around the first of August, both partially tax-exempt and taxable bonds fluctuated within a relatively narrow range until the latter part of October

when the long-term partially tax-exempt bonds advanced to successive new high levels. The yield on the partially tax-exempt bonds of 1960-65 declined to a new low of 1.95 per cent. The yield on the taxable bonds of 1956-58 declined slightly to the previous record low of 2.09 per cent. Yields on notes have risen somewhat since reaching new low levels

YIELDS ON GOVERNMENT SECURITIES



Weekly averages of daily yields of 3- to 5-year tax-exempt Treasury notes, 3- to 5-year taxable Treasury notes, and partially tax-exempt Treasury bonds due or callable after 12 years, and average discount on new issues of 91-day Treasury bills (tax-exempt through February 1941, and taxable thereafter) offered within week. For weeks ending January 7, 1939 to October 25, 1941.

early in September. At the end of October, the yield on 3-to-5 year tax-exempt notes was 0.45 per cent compared with 0.31 per cent early in September. The yield on taxable notes rose from 0.58 per cent to 0.77 per cent.

After increasing rapidly for several months, holdings of United States Government securities by city banks showed little change in August and declined somewhat during September and the early part of October, principally as a result of a reduction during September of 300 million dollars in the amount of Treasury bills outstanding. In the third week of October, however, reporting banks increased their Government security holdings by 275 million dollars. Treasury bond holdings were increased by 325 million dollars in this week, as a result of purchases

**Bank holdings of Government securities**

of the new issue of long-term bonds sold by the Treasury on October 20. Since the middle of last year, a period during which borrowing by the Treasury was increased by defense needs, holdings of Government direct and guaranteed securities at reporting member banks in leading cities have grown by over 3 billion dollars, or 26 per cent, and reached a new high level of 14.7 billion dollars.

At country banks holdings of United States Government direct and guaranteed obligations increased by 160 million dollars in the third quarter of the year, according to preliminary figures from the September 24 call report. These holdings have steadily risen since the middle of last year by an aggregate of 760 million dollars, or about 25 per cent.

The sharp rise in commercial loans, which began in the summer of 1940 when producers

first began to receive large defense orders, continued into October. Since August of last year the increase has been almost uninterrupted and has amounted to 840 million dollars at New York City banks and to 1,260 million dollars at reporting banks in other leading cities. In both cases the rise has amounted to about 50 per cent. Larger defense orders, as well as increased production in other lines, have required more financing of producers and distributors of goods and a large part of the needs of the medium-size and small firms is being supplied by commercial banks.

**Expansion in bank loans**

Loans of banks outside leading cities have also been increasing. According to preliminary figures just made available in the member bank call report for September 24, loans of country banks rose by 215 million dollars in the third quarter of the year. Since the middle of 1940, loans of these banks have increased by more than 800 million dollars, or by about 17 per cent.

Bank deposits have increased further as the consequence of the expansion of bank loans and investments and of further gold imports. The effect of these factors in increasing the amount of bank deposits has

been partially offset by large withdrawals of currency into circulation and, in the third week of October, by a sharp building up of Treasury deposits at the Federal Reserve Banks. Consequently adjusted demand deposits at city banks have shown little net change since last July.

In New York City, demand deposits have declined since July. At banks in other leading cities they have continued to increase, owing partly to the fact that commercial funds have been moving away from New York City to other parts of the country. This movement of funds out of New York has also been reflected in a further growth of bank deposits at country banks and in a rise in balances held by these banks with their city correspondents—principally outside New York. In addition to this outward movement of commercial funds, from New York City, institutional and individual investors, who hold large balances in New York money market banks, have drawn on their deposits to purchase Government securities, and this may account for some of the decline in deposits at New York banks.

Excess reserves of member banks, which declined by about 2 billion dollars from January to August, increased slightly in September but showed a sharp decrease in the latter part of October. At the close of the month they amounted to about 4.6 billion. The net decline of 2.3 billion dollars since the peak reached last January was largely due to increases of 1.8 billion dollars in money in circulation and of 600 million dollars in required reserves. Practically all of the decline occurred at New York City banks. Changes in member bank reserves and the factors affecting them in recent years are shown in the chart on page 1142 of this BULLETIN.

On November 1 excess reserves were further reduced by 1.2 billion dollars, when the

increase in the reserve requirement percentages, which was announced by the Board on September 23, became effective. The new requirements and those previously in force are shown in the table on page 1145 of this BULLETIN. The new requirements are approximately one-seventh higher than those which had been in effect since April 16, 1938. The estimated effect of the increase in requirements on the reserve position of the various classes of member banks is shown by the following table. By far the largest

CHANGES IN RESERVE POSITION OF MEMBER BANKS BY CLASSES OF BANKS, NOVEMBER 1, 1941  
[In millions of dollars]

	Required reserves		Increase in reserve requirements	Excess reserves (new basis)
	Old basis	New basis		
Central reserve city banks:				
New York.....	3,630	4,110	480	920
Chicago.....	730	840	110	330
Reserve city banks*	2,570	2,950	380	1,450
Country banks*	1,130	1,330	200	790
All member banks.....	*8,060	9,230	1,170	3,490

\* Estimated.

amount of the increase in requirements, and the resulting decline in excess reserves, was at city banks. As shown by the table, 480 million dollars of the decline in excess reserves was at central reserve city banks in New York; 110 million dollars at Chicago central reserve city banks; 380 million dollars at banks in the 59 reserve cities; and about 200 million dollars at country banks.

After the increase in reserve requirements became effective on November 1, total excess reserves were about 3.5 billion dollars. This year, therefore, the entire growth in excess reserves during 1939 and 1940 has been absorbed. The amount of excess reserves remaining, however, is larger than during any period prior to the spring of 1939 and could provide the basis for a further growth of as much as 40 per cent in the present volume of loans and investments of commercial banks.

# Amendment of Consumer Credit Regulation

THE Board of Governors of the Federal Reserve System has adopted Amendment No. 2 to Regulation W, dealing with consumer credit. This amendment, which is effective December 1, 1941 and is mainly of an administrative and technical nature, is printed on page 1087.

One change made by the amendment is that instalment loans of \$1500 or less *for the purpose of purchasing* articles listed in the Supplement, but not secured by them, are to be subject to the same rules as have been in effect for instalment loans *secured by* listed articles recently purchased. The amendment also makes the 18-month maximum maturity apply to all miscellaneous instalment loans of \$1500 or less, instead of \$1000 or less, as previously provided. In addition the amendment includes a provision for an optional method of treating additions to outstanding credits, exemptions of certain business loans and certain real estate loans, a provision permitting irregular payments by farmers, and a number of minor technical changes.

## Purpose Loans

A loan of \$1500 or less which is for the purpose of purchasing a listed article is to be limited to the maximum credit value of the article (66 $\frac{2}{3}$  per cent of the basis price in the case of an automobile), even though the loan is not secured by the listed article purchased. Under the regulation as originally issued an instalment credit sale by a retailer was limited to this maximum credit value and a loan secured by a listed article recently purchased was similarly limited. However, this left a loophole since a lender could advance an amount equal to the full value of an article so long as he did not

take the article as security. The amendment closes this loophole.

The figure \$1500 was chosen because one of the purposes of the regulation is to dampen consumer demand for the listed articles, including automobiles, and the delivered price of most automobiles, with the increased excise tax, is now more than \$1000, whereas at the time the regulation was issued a majority of the automobiles sold for less than \$1000.

For modernization loans, however, the figure was left at \$1000. In view of the curtailment of new building resulting from priorities and other governmental regulations, it seemed undesirable to impose any further restrictions on the financing of repairs and improvements to old properties, particularly since, in some of the communities affected, much of the material and labor entering into such work are not scarce or needed in the defense program.

## Non-Purpose (Miscellaneous) Loans

The scope of the regulation with respect to non-purpose loans (loans not secured by, and not for the purpose of purchasing, listed articles) is to be enlarged. Loans of \$1500 or less, instead of \$1000 or less, are to be subject to the 18-month maximum maturity. A primary reason why non-purpose loans have been subject to the regulation is that, in existing circumstances, the purpose of the loan cannot always be definitely determined and the loan may actually be to finance or refinance purchases of listed articles—as in cases, for example, where there has been a previous combination of a number of loans, a refunding, or a temporary use of other funds of the borrower. Consequently, when

\$1500 was selected as the figure for purpose loans, it was considered appropriate to raise the figure for non-purpose loans to the same level.

#### Additions to Outstanding Credits

If a lender who holds an instalment obligation advances additional money to the customer or if a retailer who is carrying an outstanding instalment account sells an additional article to the customer, the lender or retailer is given the option of treating the old and the new credits separately, or of consolidating the two into a new credit with uniform payments. The payments on this new credit shall be as large as those called for under the old credit and even larger if this should be necessary to pay out the consolidated credit within 15 months. As originally issued, the regulation did not give this option, but provided that, after November 1, when a new credit was extended to the same customer the old and new credits should be treated separately in applying the regulation. This rule would have interfered with the practice of many lenders and retailers who have been accustomed to consolidating the two credits into a new credit with uniform instalments throughout and would, in some cases, have imposed a number of mechanical difficulties. The option now offered provides, without an undue liberalization of the regulation, a means by which the lenders and retailers may permit uniform instalments.

An unqualified option to consolidate the old and new credits and treat them as one new credit with a maturity of 18 months would have had the effect of permitting the lender or retailer to lengthen the term of the old credit. For this reason and also in order to help prevent the consolidation procedure from operating in favor of one dealer or retailer as against another or in favor of one class of creditors as against another, the instalment payments are required to be not less than they were under the old credit and the maturity is limited to 15 months.

#### Business Loans

An instalment loan to the owner of a business enterprise for the purpose of financing it, and not for the purpose of purchasing a listed article, is to be exempted. The Executive Order and the regulation were designed to curtail the demand for *consumer* credit—not *business* credit. In the original regulation it was not found possible to differentiate between consumer loans and business loans except in so far as that was done by making the regulation apply only to miscellaneous instalment loans of \$1000 or less. However, since the amendment provided for the determination of the purpose of loans, whether secured by the articles or not, it became possible to make a specific exemption for business loans.

#### “Farmer Plans”

In the case of farmers, any schedule of payments is to be permitted, provided the required down payment is made and not less than half the balance is to be paid within half the maximum maturity. Although the regulation when originally issued made some provision for persons with seasonal incomes, the provision was found to be inadequate for farmers whose annual cash income may come in two or three main payments. The provision for irregular payments, safeguarded by the requirement that half be paid in half the maximum maturity, was considered necessary in order not to penalize farmers as compared with other instalment purchasers.

#### Small Down Payments

Retailers are not required to obtain a down payment if it would be \$2 or less. Under the original regulation, the retailer was required to obtain the prescribed down payment even if it was only a few cents. This was a nuisance both to the retailer and his customer and had virtually no effect upon the total volume of consumer credit. A further reason for the exemption was that it would eliminate

the down payment requirement on many sales of low-priced articles which are usually purchased by persons with very small incomes.

#### **Minimum Monthly Payments**

The provision in the original regulation requiring that instalments be not less than \$5 per month, which was to have become effective January 1, 1942, was eliminated. This was done because the provision would have operated as a hardship on persons of very small means, out of all proportion to its effect upon the total volume of consumer credit, and because it would have tended, in some instances, to influence purchasers on instal-

ment credit to buy more than they need—since the monthly payments would be \$5 whether the purchase be as small as \$10 or as large as \$90.

#### **Real Estate Loans**

Credit to finance or refinance the construction or purchase of an entire residential structure or other entire structure is to be exempted. The regulation as originally issued exempted loans secured by first mortgages on improved real estate, but failed to exempt a number of construction and financing loans secured by junior mortgages. This has now been remedied.

### *Industrial Production, by Selected Groups, Expressed as Points in the Total Index*

Tables giving seasonally adjusted figures for the Board's series on output of durable manufactures, nondurable manufactures, minerals, and eight subgroupings of manufactures, all expressed as points in the total index of industrial production, appear on pages 1187 to 1189 of this BULLETIN. These data serve a purpose not served by group indexes expressed in terms of their own 1935-1939 averages as 100. They show not only the relative movements of the groups but also

the broad composition of the industrial structure in each month and the extent to which each grouping shown is responsible for changes in the total index. Figures for durable manufactures, nondurable manufactures, and minerals are shown from January 1919 to date and those for the other series from 1935 to date. These are the data on which the industrial production charts in Federal Reserve Chart Book I are based.

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# From a Legal Standpoint

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

## **Inactive Executive Officer Serving as Director and Member of Discount Committee**

The Board has been requested to render an opinion on the question whether an officer of a member bank, who is also serving as a director and as a member of the discount committee of the bank, is to be regarded as an executive officer within the meaning of the Board's Regulation O, as amended effective July 1, 1939, notwithstanding the adoption of a resolution by the board of directors providing that he is not authorized to participate in its operating management.

The Board of Governors has considered this question in the light of the definition of the term "executive officer" in its Regulation O, the views expressed by Federal Reserve Banks and others who have considered this matter, and the authority of the Board to define the term "executive officer." The Board has concluded that an officer of a member bank, who is also serving as a director and as a member of the discount committee and with respect to whom a resolution as described above has been adopted by the board of directors, is to be considered an executive officer within the meaning of Regulation O except in a case where a provision of the by-laws of the bank or a resolution of the board of directors requires the service in rotation of every director as a member of the discount committee and the directors do in fact serve as members of the committee in accordance with such by-law or resolution.

## **CONSUMER CREDIT**

### **Amendment to Regulation W**

Effective December 1, 1941, the Board of Governors issued Amendment No. 2 to Regulation W dealing with instalment credit, which amends the regulation in several particulars. There follows a nontechnical summary of the changes made by the amend-

ment, together with the text of Amendment No. 2:

Instalment loans of \$1,500 or less (instead of \$1,000 as previously) are made subject to the 18-month maturity limit (except modernization loans, where the figure remains \$1,000).

Instalment loans of \$1,500 or less for the purpose of purchasing listed articles are made subject to the same limit on amount as now applies to instalment loans secured by listed articles.

In connection with all instalment loans of \$1,500 or less and all instalment loans secured by listed articles, the lender is required after January 1, 1942, to obtain a signed statement from the borrower as to the purpose of the loan.

Down payments of \$2 or less are no longer required; and the \$5 minimum on monthly instalments (which was to become effective January 1, 1942) is eliminated.

Instalment loans to make down payments on listed articles are prohibited.

In addition to first mortgages, which are already exempt, credit extended to finance or refinance the construction or purchase of an entire building is exempt.

Instalment loans for business purposes are exempt (except in connection with the purchase of listed articles).

In connection with additions to outstanding credits, the lender or seller is given an option: (1) the old credit and the addition may be treated separately in applying the regulation, or (2) the consolidated credit may have a maturity of 15 months, with monthly instalments at least as large as under the old credit.

For farmers, any schedule of payments is permitted, if the down payment and maturity requirements of the regulation are complied with, and if one-half of the balance is to be paid within the first half of the maximum maturity.

All these amendments are effective December 1, 1941; and the effective date of sections 8(a), (b), (c), and (d) is postponed from November 1 to December 1, 1941.

**Amendment No. 2 to Regulation W**

Effective December 1, 1941, Regulation W is amended in the following respects:

**SECTION 2(e)**

In section 2(e) the figure \$1,000 is changed to \$1,500.

**SECTION 4(e)**

Section 4(e) is stricken out and a new section 4(e), which reads as follows, is substituted:

(e) **Small Down Payments.**—In any case in which the down payment required by section 4(a) would be \$2.00 or less, the Registrant may disregard such requirement.

**SECTION 5**

Section 5 is changed to read as follows:

**SECTION 5. INSTALMENT LOAN CREDIT**

Except as otherwise permitted by section 6, any extension of instalment loan credit shall comply with the following requirements:

(a) **Loans Secured by or to Purchase Listed Articles.**—If the extension of instalment loan credit is secured, or according to any oral or written agreement of the parties is to become secured, by any listed article which has been purchased within 45 days prior to, or is to be purchased at any time after, such extension of instalment loan credit; or if the extension of instalment loan credit, even though not so secured, is in a principal amount of \$1,500 or less and the Registrant knows or has reason to know that the proceeds are to be used to purchase any listed article:

(1) The principal amount lent to the obligor (excluding any interest or finance charges, and the cost of any insurance) shall not exceed the maximum credit value of the listed article specified in the Supplement; and, in determining such maximum credit value, the Registrant may accept in good faith a written statement signed by the obligor setting forth the *bona fide* cash purchase price of the article and of any accessories and of any services, except insurance, rendered in connection with the acquisition thereof, which statement so accepted shall, for purposes of this regulation be deemed to be correct; and

(2) The maturity shall not exceed that specified for the listed article in the Supplement, and such maximum maturity shall be calculated from the date of purchase of such listed article or from the date of such extension of instalment loan credit, whichever is earlier.

(b) **Miscellaneous Loans of \$1,500 or Less.**—If the extension of instalment loan credit is not subject to section 5(a) but is in a principal amount of \$1,500 or less, the maximum maturity shall not exceed that specified in the Supplement for extensions

of instalment loan credit subject to this section 5(b).

(c) **General Requirements.**—Whether subject to section 5(a) or section 5(b), the extension of instalment loan credit shall comply with the following additional requirements:

(1) The extension of instalment loan credit shall be evidenced by a written instrument or record, and there shall be incorporated therein or attached thereto a written statement, of which a copy shall be given to the obligor as promptly as circumstances will permit, and which shall set forth the terms of payment and, if the loan is subject to section 5(a), the *bona fide* cash purchase price used for determining the maximum credit value of the listed article involved;

(2) Except as permitted by section 5(c)(3), the total of the principal and any interest or finance charges shall be payable in instalments which shall be substantially equal in amount or be so arranged that no instalment is substantially greater in amount than any preceding instalment; and

(3) Instalments shall be payable at approximately equal intervals not exceeding one month, except that, when appropriate in order to facilitate repayment in accordance with the seasonal nature of the obligor's main source of income or to encourage off-seasonal purchases of seasonal goods, the payment schedule may reduce or omit payments over any period or periods totaling not more than 4 months during the life of such extension of credit if the schedule increases the scheduled payments in such manner as to meet the other requirements of this section 5.

(d) **Statement of the Borrower.**—On and after January 1, 1942, no Registrant shall make any extension of instalment loan credit (except under the provisions of section 8(a)) unless, at or before the execution of the loan contract, he shall have obtained and accepted in good faith a signed Statement of the Borrower as to the purposes of the loan in form prescribed by the Board. No obligor shall willfully make any material misstatement or omission in such Statement. The Registrant, acting in good faith, may rely upon the facts set out by the obligor in such Statement and, when the Registrant is so acting, such facts shall be deemed to be correct for the purposes of the Registrant. Until January 1, 1942 (after which date a Statement of the Borrower must be obtained) the Registrant, in ascertaining the purposes of the loan or the maximum credit value of any listed article, may, in good faith, accept and rely upon a written statement in any form signed by the obligor and such statement shall, for the purposes of this regulation, be deemed to be correct. In case the Registrant accepts in good faith a written statement signed by the obligor that any listed article which secures an extension of instalment loan credit has not been purchased within 45 days prior to such extension of credit, such statement shall, for the purposes of this regulation, be deemed to be correct.

(e) **Credit Subject to Section 5(a) Only in Part.**—In case an extension of instalment loan credit consists only in part of an extension of credit subject to section 5(a), the amount and terms of such extension of credit shall be such as would result if the credit were divided and each part treated in good faith as if it stood alone.

A loan or part thereof which is secured by a listed article only because of an "overlap agreement," "spreader clause," or other form of general over-all lien or only because the Registrant is prevented by a State law or regulation from having in effect more than one contract of loan from the same borrower at the same time, but which otherwise would not be subject to section 5(a), shall not be deemed to be so secured within the meaning of such section.

(f) **Loans to Make Down Payments Prohibited.**—An extension of instalment loan credit does not comply with the requirements of this regulation if the Registrant making such extension knows or has reason to know that any part of the proceeds thereof is to be used to make a down payment on the purchase price of any listed article: *Provided*, That if the Registrant accepts in good faith a written statement signed by the obligor that no part of the proceeds is to be so used, such statement shall, for the purposes of this regulation, be deemed to be correct.

#### SECTION 6(a)

Section 6(a) is changed to read as follows:

(a) Any extension of credit which is secured by a *bona fide* first lien on improved real estate duly recorded or which is for the purpose of financing or refinancing the construction or purchase of an entire residential building or other entire structure.

#### SECTION 6(1)

A new subsection reading as follows is added at the end of section 6:

(1) Any extension of instalment loan credit which is made to a person whose income is derived principally from the operation of a business enterprise of which such person is the owner or proprietor, provided the extension of credit is for the purpose of financing such business enterprise and is not for the purpose of purchasing any listed article or secured by any listed article purchased within 45 days before the extension of credit.

#### SECTIONS 8(a), 8(b), 8(c) AND 8(d)

The effective date of sections 8(a), 8(b), 8(c) and 8(d) has been postponed from November 1, 1941, to December 1, 1941, and they have been changed to read as follows:

(a) **Renewals or Revisions.**—If any obligation or claim evidencing any extension of instalment sale credit or instalment loan credit is renewed or revised by a Registrant, the extension of instalment credit does not comply with the requirements of this regulation if such renewal or revision has the effect of changing the terms of repayment to terms which this regulation would not have permitted in the first instance for such credit; *Provided*, That nothing in this regulation shall be construed to prevent any Registrant from making any renewal or revision, or taking any action that it shall deem necessary in good faith (1) with respect to any obligation of any member of the armed forces of the United States incurred prior to his induction into such service, or (2) for the Registrant's own protection in connection with any obligation which is in default and is the subject of *bona fide* collection effort by the Registrant.

(b) **Additions to Outstanding Credit Held by Registrant.**—An extension of instalment sale credit or instalment loan credit does not comply with the requirements of this regulation if it is consolidated with any obligation or obligations held by the Registrant evidencing any prior extension or extensions of instalment credit to the same obligor, unless the additional extension of credit complies with the maximum credit value limitations applicable thereto (if any) and, in addition, the consolidated obligation complies with one of the following options:

**Option 1.** The terms of the consolidated obligation shall be such as would have been necessary to meet the requirements of this regulation if the two obligations had not been consolidated; or

**Option 2.** The consolidated obligation shall provide for a rate of payment, throughout its term, which is (A) at least as large per month as the rate of payment or payments on the outstanding obligation or obligations being consolidated would have been for the month commencing on the date of consolidation, and (B) is larger to whatever extent may be necessary in order to repay the consolidated obligation within 15 months.

(c) **Credit to Retire Obligations Held Elsewhere.**—Any extension of instalment loan credit, the proceeds of which a Registrant knows or has reason to know will be used in whole or in part to retire any extension of instalment credit not held by such Registrant, shall be subject to the provisions of this regulation to the same extent as if the obligation being retired were held by the Registrant.

(d) **Statement of Necessity to Prevent Undue Hardship.**—Notwithstanding the provisions of sections 8(a), 8(b) and 8(c), if a Registrant accepts in good faith a statement of necessity as provided in the following paragraph, the renewed, revised or consolidated obligation may provide for a schedule of repayment as though it were a new extension of instalment loan credit subject to section 5(b), even though such action results in the reduction of the rate of repayment thereon.

The requirements of a statement of necessity will be complied with only if the Registrant accepts in good faith a written statement in form and content prescribed by the Board and signed by the obligor that the contemplated renewal, revision or other action is necessary in order to avoid undue hardship upon the obligor or his dependents resulting from contingencies that were unforeseen by him at the time of obtaining the original extension of instalment credit or which were beyond his control, which statement also sets forth briefly the principal facts and circumstances with respect to such contingencies and specifically states that the renewal, revision, or other action is not pursuant to a preconceived plan or an intention to evade or circumvent the requirements of this regulation. Until the Board has prescribed the form and content of the statement of necessity the Registrant may in good faith accept a written statement in any form, provided such statement otherwise conforms to the requirements of this section.

#### SECTION 9(f)

Old section 9(f), which is superseded by language in the amended section 5(e), is

stricken out and a new section 9(f), which reads as follows, has been substituted:

(f) "Farmer Plans".—When appropriate for the purpose of facilitating repayment in accordance with the seasonal nature of the obligor's main source of income, an extension of instalment credit which is made to a person who is engaged in agriculture and derives income principally therefrom may be payable in any amounts and at any intervals, notwithstanding sections 4(c), 4(d) and 5(c): *Provided*, That (1) the extension of credit complies with the applicable provisions concerning the amount and maximum maturity of the credit and (2) at least one-half of the credit is to be repaid within the first half of the applicable maximum maturity.

#### SECTION 10

Section 10 is changed to read as follows:

##### SECTION 10. EFFECTIVE DATE OF REGULATION

This regulation shall become effective September 1, 1941, except that sections 8(a), 8(b), 8(c) and 8(d) and the amendments made by Amendment No. 2 shall not become effective until December 1, 1941.

#### SUPPLEMENT, PART 4

In Part 4 of the Supplement, the figure \$1,000 is changed to \$1,500.

#### Interpretations of Regulation W

The Board of Governors of the Federal Reserve System has issued the following interpretations of Regulation W relating to Consumer Credit:

##### Statement of Transaction—Form and Contents

###### Interpretation No. 84 of Regulation W

The Board has received several questions regarding the application of sections 4(f) and 5(c) (1) of Regulation W, which become effective October 1, 1941, and relate to the "statement of transaction" required in connection with extension of instalment sale credit or instalment loan credit. The answers are given below:

1. It is not necessary that all of the information required by section 4(f) or 5(c) (1) be included on a single sheet of paper, but if parts of the information appear on two or more sheets it is necessary that these sheets be attached together, and that copies of all of them be given to the obligor together. The statement referred to in these sections, and the copy required to be given the customer, need not be identical in form.

2. It is not necessary that the particular terminology used in the regulation ("bona fide cash purchase price," "deferred balance," and "time balance") be used in the statement

of transaction, as long as the statement contains the required information. When the contract is in the form of a lease agreement, such terminology as is applicable to a lease, giving the corresponding information, may be used.

3. The bona fide cash purchase price of a particular article and accessories, including relevant taxes, may be shown as a total without being itemized into various parts. Although section 4(f) (2) requires itemization of (1) the article, (2) the accessories and (3) the services referred to in the section, the items themselves may be itemized without stating the portion of the total purchase price that relates to each. Accessories which are standard equipment for the article need not be individually itemized, and a group of accessories which are sold as a single group by the manufacturer may be shown in the statement as a unit.

4. The itemization for a new automobile follows this same rule, and need not show separately the matters referred to in paragraphs 1 through 4 of Part 3(a) of the Supplement. As indicated above, however, the accessories should be indicated, and so should the relevant services.

5. In the case of an extension of instalment sale credit subject to section 4 of the regulation, item 2 under section 4(f) requires that the statement of transaction show the bona fide cash purchase price of the article—the price at which the seller would sell the article for full cash payment—even though the sale will be made at a "time price" which includes carrying charges.

6. The information referred to in each of the seven paragraphs of section 4(f) must be set forth, and it is not sufficient that an item of information may be obtained by mathematical derivation from other information in the statement. However, if the interest or finance charge is not included in the face amount of the obligation but is an additional amount calculated pursuant to an arithmetic formula plainly set forth in the statement, paragraphs 5 and 6 do not require this amount to be shown in dollars and cents or to be included in the statement of the time balance.

7. In any case in which a State law or local regulation requires that sales taxes be shown separately or requires in any other respect more detail than that required by Regulation W, the regulation does not prohibit such further itemizing.

**Heating Stoves—Gas Heaters Suspended From Ceiling**

Interpretation No. 85 of Regulation W

The classification "Heating stoves and space heaters designed for household use" does not include gas heating units designed to be suspended from the ceiling and operated with a fan circulator.

**Mechanical Refrigerators—Series of Small Cabinets**

Interpretation No. 86 of Regulation W

The classification "mechanical refrigerators" includes certain refrigerating systems consisting of (1) one or more cabinets of which each has less than 12 cubic feet rated capacity, and (2) a separate mechanical refrigeration unit servicing these cabinets. This is true even though the aggregate capacity of the cabinets included in the system may be 12 cubic feet or more.

**Automatic Gas Systems**

Interpretation No. 87 of Regulation W

Butane, propane, or similar automatic gas systems or containers are included in Group E of the Supplement.

**"Charges for Delivery"**

Interpretation No. 88 of Regulation W

Part 3 (a) of the Supplement to Regulation W provides that the maximum credit value of a new automobile shall be  $66\frac{2}{3}$  per cent of the purchase price but that such maximum credit value shall in no event exceed  $66\frac{2}{3}$  per cent of the sum of items numbered 1 through 4 as set forth under part 3 (a). In this connection, the Board has received several questions as to the amounts which may be included under that portion of item 4 which permits the inclusion of "Any bona fide charges for delivery . . . not included in the foregoing items."

In general this provision permits only the inclusion of bona fide charges for services which are actually rendered by the seller in connection with the delivery of a new automobile and which are not included in the manufacturer's retail quotation (item 1) or in transportation charges (item 2). For example, charges for such services as lubricating, cleaning, polishing, or otherwise conditioning the car may not be included under item 4 if these services are included in item 1 or 2; but in case any such services are not

included in items 1 and 2, a charge which is reasonably related to the value of such services may be included in item 4. Likewise, where the contract of sale includes any additional services connected with the delivery of the car, such as greasing the car for a certain period or providing antifreeze, a reasonable charge for such services may be included in item 4. On the other hand there may not be included in item 4 a charge which the dealer may make for "advertising" or for "warehousing," nor any other charges which the dealer may make except bona fide charges for services which are actually rendered by the seller to the purchaser and are not included in items 1 and 2.

**Water Heaters Under 85 Gallons Capacity**

Interpretation No. 89 of Regulation W

The classification "water heaters designed for household use" includes all water heaters with a storage tank capacity of 85 gallons or less.

**Cooking Stoves—Commercial Use Only—Continuous Heating Surface—Deep-Fat Fryer**

Interpretation No. 90 of Regulation W

The classification "cooking stoves and ranges with less than seven heating surfaces" does not include cooking and baking equipment that is clearly designed for commercial use and not suitable for use in households, even though having less than seven heating surfaces. A cooking stove or range or oven, which is designed for commercial use in restaurants and hotels, and which has a single or continuous heating surface or heating unit, is not included. A deep-fat fryer designed for such use is not included.

**Group E—"In Connection With Existing Structures"**

Interpretation No. 91 of Regulation W

Question has been received as to whether materials and services for building a new garage are included in Group E if the garage is on improved real estate upon which other buildings are located but is itself a separate new structure. For purposes of Regulation W, materials and services in such circumstances are not considered to be "in connection with existing structures" but are considered to be for new structures, and hence not included in Group E.

**Second Mortgage—Sale Credit—Loan Credit**

Interpretation No. 92 of Regulation W

A 24-month note for \$650 secured by a second mortgage on a house is not subject to Regulation W if it is given by the purchaser to the seller as part of the purchase price of the house; and the note may be discounted by a bank under section 3(a)(2)(B). This would be true even if plumbing fixtures and other listed articles had been incorporated in the house, because for the purposes of Regulation W the sale would be regarded as the sale of a house and not as the sale of plumbing fixtures.

Similarly, the fact that a \$1500 instalment loan is secured by a second mortgage on a house that was purchased within 45 days and which at the time of purchase contained plumbing fixtures or other listed articles previously installed, would not cause the loan to be subject to section 5(a) as a loan secured by a "listed article which has been purchased within 45 days." The recent purchase is considered to be the purchase of a house rather than the purchase of a listed article, and the case would not be altered by the fact that the seller of the house might have purchased and installed the listed article only shortly before he sold the house and within 45 days prior to the loan. On the other hand, section 5(a) would apply if the mortgagor had owned the house for some time and had purchased and installed the listed articles within 45 days prior to the loan, since in such a case the mortgagor's recent purchase would be a purchase of a listed article rather than the purchase of a house.

**Air Conditioner—Portable Units**

Interpretation No. 93 of Regulation W

The classification "room-unit air conditioners" includes portable units of one horsepower or less.

**Two Notes Covering One Repair Job**

Interpretation No. 94 of Regulation W

In the case of a home improvement that is carried out as a single job totaling \$995, of which \$550 is for a furnace and other Group D items while \$445 is for Group E items, the question has been asked whether a Registrant financing the entire job may divide the financing into \$445 on an instalment basis subject

to the requirements of Regulation W and \$550 on a single-payment basis not subject to the regulation.

This is a single transaction and may not be divided by the Registrant in this manner.

**"Balloon" Note at End of 12 Months**

Interpretation No. 95 of Regulation W

Questions have been received as to whether a certain plan of repayment meets the requirements of Regulation W regarding 18 months' maximum maturity and equal monthly payments for instalment loan credit. There is provision for 11 equal monthly payments, and a larger twelfth payment at the end of the twelfth month for the remainder. However, there is an express agreement between the parties that when the twelfth payment falls due, unless the borrower has defaulted on an earlier payment or unless there is a material impairment of his credit, only a portion of the twelfth payment will actually be paid and the remaining portion will be refinanced into six equal monthly payments in such manner that the net result will be eighteen substantially equal monthly payments.

Such an arrangement complies with the specified requirements of the regulation.

**"Bona Fide Cash Purchase Price"**

Interpretation No. 96 of Regulation W

The phrase "bona fide cash purchase price" in section 5(a)(1) and section 5(c)(1) means the bona fide cash purchase price of the article and accessories purchased, including any sales taxes thereon and any bona fide delivery and installation charges.

**Repairs and Alterations—Effect of Down Payment in Section 6 (b)**

Interpretation No. 97 of Regulation W

A Registrant makes an extension of instalment sale credit arising out of the sale of materials and services (including certain Group D articles) in connection with repairs, alterations or improvements upon urban, suburban or rural real property in connection with an existing structure. The bona fide cash purchase price of all the materials and services is \$1500 and the bona fide cash purchase price of the Group D articles is \$700. The pur-

chaser makes a cash payment of \$150 and remains indebted to the seller in the amount of \$1350. Is the transaction exempt under section 6(b) of the regulation?

The exemption in 6(b) does not apply since the \$700 purchase price of the Group D articles is more than 50 per cent of the overall deferred balance of \$1350.

**Repairs and Alterations—One Job, Two Notes**

Interpretation No. 98 of Regulation W

Facts similar to W-97, but the bona fide cash purchase price of all the materials and services is \$3000 and the bona fide cash purchase price of the Group D articles is \$1400. The purchaser does not make any down-payment and remains indebted in the full amount of \$3000. Inasmuch as \$2500 is the maximum amount of a loan which may be insured by the Federal Housing Administration under Title I of the National Housing Act, the customer's obligation totaling \$3000 is divided into two parts, one in the amount of \$2500 which is insured by the Federal Housing Administration, and the other in the amount of \$500 which is not insured. The \$1400 of Group D items exceeds 50 per cent of the \$2500 but is less than 50 per cent of the \$3000. Is the transaction exempt under section 6(b)?

Since the \$3000 represents a single transaction and is divided into two parts merely for convenient treatment under the National Housing Act, it is permissible to treat the \$3000 as a unit, and hence as an exempt transaction under Section 6(b).

**Payments Slightly Less Than Amount Required**

Interpretation No. 99 of Regulation W

The Board was recently asked whether the phrase "maximum credit value in per cent of basis price" in the Supplement to Regulation W should be interpreted literally or whether down payments which are short a reasonable amount are permissible.

The Board replied that the "maximum credit value" provided in the Supplement is a figure which should be calculated mathematically and not be arrived at by approximation, and therefore the Regulation does not authorize an extension of credit which is even a few cents in excess of the maximum provided by the Regulation.

**Statement of Transaction to be Furnished Promptly**

Interpretation No. 100 of Regulation W

The Board has been asked whether the following procedure complies with section 4(f) of Regulation W.

The seller gives no statement of the transaction to the purchaser but authorizes the finance company which discounts the obligation to furnish the statement to the purchaser in its normal course of business, with the result that the purchaser receives the statement approximately two weeks after the obligation is discounted by the finance company.

The Board replied that this procedure does not comply with the requirements of section 4(f).

**Instalment Sale Contract May be Rescinded**

Interpretation No. 101 of Regulation W

Regulation W does not prohibit the rescission of an instalment sale contract by agreement of the parties at any time if the seller refunds all amounts received and the purchaser returns the article; as, for example, where the article is found to be defective and the seller is unable to replace it. However, if the purchaser returns the article several months after the date of sale on the ground that it is defective and if the seller does not replace the article but instead agrees with the purchaser to rescind the sale and sell the purchaser another article of the same kind or a similar article of a higher price, these facts may indicate that the rescission was merely a formality used for the purpose of evading the Regulation and that the transaction should have been treated as a trade-in as described in W-71.

**Single Payment Credit Changed to Instalment Basis**

Interpretation No. 102 of Regulation W

A Registrant sells a listed article under a bona fide agreement that the purchase price will be paid in a single payment 60 days after the date of purchase. By reason of a change in circumstances and not in pursuance of any previous agreement or arrangement, at about the time the payment is to be made the purchaser asks that the purchase be changed to an instalment basis. Is it necessary to get a down payment? From what date must the maximum maturity be calculated?

Since the sale was made under a bona fide agreement and there were no evasive side agreements between the parties, it is not necessary under the present terms of the regulation to get a down payment, and the maximum maturity is 18 months from the date on which the credit is changed to an instalment basis.

**Air Conditioners—Capacity—Circulating Fans**

Interpretation No. 103 of Regulation W

The classification "Home air conditioning systems" includes air cooling units that have a rated capacity of 5 tons or less of refrigeration and that are designed for use with a central air circulating system. The classification does not include circulating fans unless they are incorporated in the unit. The classification of such a unit is not affected by the character of building in which it is to be used.

**Plumbing Fixtures—Water Softeners**

Interpretation No. 104 of Regulation W

The classification "Plumbing and sanitary fixtures designed for household use" includes water softeners having a rated capacity of 120,000 grains or less of hardness removal between regenerations.

**Listed and Unlisted Articles Sold Together**

Interpretation No. 105 of Regulation W

Section 4(g) of Regulation W provides that where a listed and an unlisted article are sold at the same time, the permissible terms shall be determined by dividing the transaction into two parts, so that the sale of the listed article will comply with Regulation W and the sale of the unlisted article will be on terms which the seller would have granted on that sale if standing alone.

Some sellers have established their own minimum down payment or minimum periodic payment requirements in connection with instalment sales, but when two or more articles are sold at the same time these requirements apply to the total. The Board has been asked whether section 4(g) requires such a seller to apply his minimum payment requirements to the sale of the unlisted article as though the listed article had not been sold to the customer. The Board replied that the Regulation does not require him to do so, but permits him to give the same terms

on the part of the sale represented by the unlisted article which he would have given, in a similar combination sale, in the absence of the Regulation.

**FOREIGN FUNDS CONTROL**

**General Licenses Issued by the Secretary of the Treasury**

Since the publication of certain General Licenses on pages 987-989 of the October 1941 Federal Reserve BULLETIN, the following General Licenses have been issued by the Office of the Secretary of the Treasury under the authority of the Executive Order of April 10, 1940, as amended, and Regulations issued pursuant thereto relating to transactions in foreign exchange, etc.:

Treasury Department, Office of the Secretary,  
October 9, 1941

*General License No. 1A, Under Executive Order No. 8389, April 10, 1940, as Amended, and Regulations Issued Pursuant Thereto, Relating to Transactions in Foreign Exchange, etc.\**

A general license is hereby granted authorizing transactions ordinarily incident to the transfer of securities from a blocked account in the name of any person to a blocked account in the same name in a domestic bank, provided both of the following terms and conditions are complied with:

- (1) Such securities shall not be transferred from any blocked account in a domestic bank; and
- (2) Such securities shall not be transferred from any other blocked account if such transfer represents, directly or indirectly, a transfer of the interest of a blocked country or national thereof to any other country or person.

E. H. FOLEY, JR.,  
*Acting Secretary of the Treasury.*

Treasury Department, Office of the Secretary,  
October 9, 1941

*General License No. 2, as Amended, under Executive Order No. 8389, April 10, 1940, as Amended, and Regulations Issued Pursuant Thereto, Relating to Transactions in Foreign Exchange, etc.\**

General License No. 2 is amended to read as follows:

- (1) A general license is hereby granted:
  - (a) Authorizing any banking institution within the United States to debit any blocked account with such banking institution (or with another office within the United States of such banking institution) in payment or reimbursement for normal service charges owed to such banking institution by the owner of such blocked account;

\* Sec. 5 (b), 40 Stat. 415 and 966; Sec. 2, 48 Stat. 1; 54 Stat. 179; Ex. Order 8389, April 10, 1940, as amended by Ex. Order 8785, June 14, 1941, and Ex. Order 8832, July 26, 1941; Regulations, April 10, 1940, as amended June 14, 1941, and July 26, 1941.

**From a Legal Standpoint**

(b) Authorizing any banking institution within the United States to make book entries against any foreign currency account maintained by it with a banking institution in any blocked country for the purpose of responding to debits to such account for normal service charges in connection therewith.

(2) Any banking institution within the United States which during any quarterly period makes any entries to any account in an aggregate amount in excess of \$25 under the authority of this general license shall file promptly with the appropriate Federal Reserve Bank a report showing the name of such account and the aggregate amount of the entries to such account under the authority of this general license during such quarterly period.

(3) As used in this general license, the term "normal service charges" shall include charges in payment or reimbursement for interest due; cable, telegraph, or telephone charges; postage costs; custody fees; small adjustment charges to correct bookkeeping errors; and, but not by way of limitation, minimum balance charges, account carrying charges, notary and protest fees, and charges for reference books, photostats, credit reports, transcripts of statements, registered mail insurance, stationery and supplies, checkbooks, and other similar items.

E. H. FOLEY, JR.,  
*Acting Secretary of the Treasury.*

Treasury Department, Office of the Secretary,  
October 9, 1941

*Amendment of General License No. 53, under Executive Order No. 8389, April 10, 1940, as Amended, and Regulations Issued Pursuant Thereto, Relating to Transactions in Foreign Exchange, etc.\**

The definition of the term "generally licensed trade area" appearing in section (3) (a) of General License No. 53 is hereby amended in the following respects:

- (a) The word "and" is deleted in item (vii);
- (b) A semi-colon is substituted for the period in item (viii); and
- (c) The following items are added to the end thereof:
  - (ix) Syria and Lebanon; and
  - (x) (1) French Equatorial Africa, including the Cameroons; (2) New Caledonia; (3) Tahiti; (4) the French Establishments in India.

E. H. FOLEY, JR.,  
*Acting Secretary of the Treasury.*

Treasury Department, Office of the Secretary,  
October 9, 1941

*General License No. 73, under Executive Order No. 8389, April 10, 1940, as Amended, and Regulations Issued Pursuant Thereto, Relating to Transactions in Foreign Exchange, etc.\**

(1) A general license is hereby granted licensing as a generally licensed national any partnership which is a national of China and which meets all of the following conditions:

- (a) the partnership has been continuously engaged in business within the continental United States since prior to June 17, 1940;

\* Sec. 5 (b), 40 Stat. 415 and 966; Sec. 2, 48 Stat. 1; 54 Stat. 179; Ex. Order 8389, April 10, 1940, as amended by Ex. Order 8785, June 14, 1941, and Ex. Order 8832, July 26, 1941; Regulations, April 10, 1940, as amended June 14, 1941, and July 26, 1941.

(b) the active management and control of such partnership is vested in partners within the United States who are not nationals of any blocked country (or are licensed as generally licensed nationals);

(c) since prior to June 17, 1940, no partner in such partnership has been a national of any blocked country other than China.

(2) This general license shall not be deemed to license as a generally licensed national any partnership which is a national of any blocked country other than China.

(3) All partnerships licensed herein as generally licensed nationals shall file with the appropriate Federal Reserve Bank within thirty days after the date hereof a report in triplicate setting forth: (a) the name and address of the partnership; (b) the name, address and nationality of each partner; and (c) a statement that the partnership is licensed as a generally licensed national under this general license. Any partnership not complying with this requirement is not authorized to engage in any transaction under this general license.

(4) Reports on Form TFR-300 are not required to be filed with respect to the property interests of any partnership licensed herein as a generally licensed national.

E. H. FOLEY, JR.,  
*Acting Secretary of the Treasury.*

Treasury Department, Office of the Secretary,  
October 9, 1941

*General License No. 74, under Executive Order No. 8389, April 10, 1940, as Amended, and Regulations Issued Pursuant Thereto, Relating to Transactions in Foreign Exchange, etc.\**

(1) A general license is hereby granted authorizing payments and transfers of credit from blocked accounts in domestic banks for the necessary personal expenses within the United States of any citizen of the United States who is within any foreign country, and for the personal expenses within the United States of the family of such citizen, provided that the following terms and conditions are complied with:

(a) Such payments and transfers are made only from blocked accounts in the name of, or in which the beneficial interest is held by, such citizen or his family;

(b) The total of all such payments and transfers made under this general license does not exceed \$500 in any one calendar month for any such citizen or his family.

(2) This general license shall not be deemed to authorize any payment or transfer of credit which could not be effected without a license if such citizen were a generally licensed national.

(3) Domestic banks making any such payment or transfer shall satisfy themselves that the foregoing terms and conditions are complied with and shall file promptly with the appropriate Federal Reserve Bank separate monthly reports in triplicate on Form TFR-111 respecting the transactions for the account of each such citizen.

E. H. FOLEY, JR.,  
*Acting Secretary of the Treasury.*

\* Sec. 5 (b), 40 Stat. 415 and 966; Sec. 2, 48 Stat. 1; 54 Stat. 179; Ex. Order 8389, April 10, 1940, as amended by Ex. Order 8785, June 14, 1941, and Ex. Order 8832, July 26, 1941; Regulations, April 10, 1940, as amended June 14, 1941, and July 26, 1941.

*From a Legal Standpoint*

Treasury Department, Office of the Secretary,  
October 23, 1941

*General License No. 32, as Amended, Under Executive Order No. 8389, April 10, 1940, as Amended, and Regulations Issued Pursuant Thereto, Relating to Transactions in Foreign Exchange, etc.\**

General License No. 32 is amended to read as follows:

(1) A general license is hereby granted authorizing remittances by any individual through any domestic bank to any individual who is a national of a blocked country and who is within any foreign country, and any domestic bank is authorized to effect such remittances, provided the following terms and conditions are complied with:

(a) Such remittances are made only for the necessary living expenses of the payee and his household and do not exceed \$100 in any one calendar month to any one household, except that additional sums not exceeding \$25 in any one calendar month may be remitted for each member of the payee's household in addition to the payee, provided that in no case shall a sum in excess of \$200 per calendar month be remitted to any one household;

(b) Such remittances are not made from a blocked account other than from an account in a banking institution within the United States in the name of, or in which the beneficial interest is held by, the payee or members of his household;

(c) If the payee is within any blocked country, the remittance may be effected only:

(i) By the payment of the dollar amount of the remittance to a domestic bank for credit to a blocked account in the name of a banking institution within such country; or

(ii) By the acquisition of foreign exchange from a person in the United States having a license specifically authorizing the sale of such exchange.

(d) If the payee is within any foreign country other than a blocked country the remittance may be effected in the same manner that such remittance would be effected if the payee were not a national of a blocked country.

(2) All individuals making such remittances and all domestic banks effecting such remittances shall satisfy themselves that the foregoing terms and conditions are complied with.

(3) Domestic banks through which any such remittances originate shall execute promptly Section A of Form TFR-132 in triplicate with respect to each such remittance. When so executed, such copies of Form TFR-132 shall be forwarded promptly to the domestic bank ultimately transmitting abroad (by cable or otherwise) the payment instructions for such remittance and the latter bank shall, upon the receipt thereof, execute Section B of such copies of Form TFR-132 and promptly file such executed report in triplicate with the appropriate Federal Reserve Bank. If the domestic bank through which any such remittance originates is also the bank ultimately

transmitting abroad the payment instructions for such remittance, then such bank shall execute both Sections A and B of such report. No report on Form TFR-132 shall be deemed to have been filed in compliance with this general license unless both Sections A and B thereof have been duly executed as herein prescribed.

(4) As used in this general license the term "household" shall mean:

- (a) those individuals sharing a common dwelling as a family; or
- (b) any individual not sharing a common dwelling with others as a family.

E. H. FOLEY, JR.,  
*Acting Secretary of the Treasury.*

Treasury Department, Office of the Secretary,  
October 23, 1941

*General License No. 33, as Amended, Under Executive Order No. 8389, April 10, 1940, as Amended, and Regulations Issued Pursuant Thereto, Relating to Transactions in Foreign Exchange, etc.\**

General License No. 33 is amended to read as follows:

(1) A general license is hereby granted authorizing remittances by any individual through any domestic bank to any individual who is a citizen of the United States within any foreign country and any domestic bank is authorized to effect such remittances, provided the following terms and conditions are complied with:

(a) Such remittances do not exceed \$500 in any one calendar month to any payee and his household and are made only for the necessary living and traveling expenses of the payee and his household, except that an additional sum not exceeding \$1000 may be remitted once to such payee if such sum will be used for the purpose of enabling the payee or his household to return to the United States;

(b) Such remittances are not made from a blocked account other than from an account in a banking institution within the United States in the name of, or in which the beneficial interest is held by, the payee or members of his household.

(2) Remittances herein authorized shall be effected pursuant to the terms and conditions of (c) or (d), as the case may be, under (1) of General License No. 32. If remittances cannot be effected pursuant to (c) under (1) of General License No. 32, domestic banks are authorized to effect such remittances in any of the following three ways:

(a) By establishing or maintaining free dollar accounts;

(b) By payment of the dollar amount of the remittance to a domestic bank for credit to a blocked account in the name of a banking institution within any blocked country; or

(c) By payment of the dollar amount of the remittance to a domestic bank for credit to the dollar account of a banking institution which is not a national of any blocked country.

\* Sec. 5(b), 40 Stat. 415 and 966; Sec. 2, 48 Stat. 1; 54 Stat. 179; Ex. Order 8389, April 10, 1940, as amended by Ex. Order 8785, June 14, 1941, and Ex. Order 8832, July 26, 1941; Regulations, April 10, 1940, as amended June 14, 1941, and July 26, 1941.

\* Sec. 5(b), 40 Stat. 415 and 966; Sec. 2, 48 Stat. 1; 54 Stat. 179; Ex. Order 8389, April 10, 1940, as amended by Ex. Order 8785, June 14, 1941, and Ex. Order 8832, July 26, 1941; Regulations, April 10, 1940, as amended June 14, 1941, and July 26, 1941.

**From a Legal Standpoint**

(3) All individuals making such remittances and all domestic banks effecting such remittances shall satisfy themselves that the foregoing terms and conditions are complied with.

(4) With respect to each remittance made pursuant to this general license, reports on Form TFR-132 shall be executed and filed in the manner and form and under the conditions prescribed in General License No. 32.

(5) As used in this general license the term "household" shall be deemed to have the meaning prescribed in General License No. 32.

E. H. FOLEY, JR.,  
*Acting Secretary of the Treasury.*

Treasury Department, Office of the Secretary,  
October 23, 1941

*General License No. 72, as Amended, Under Executive Order No. 8389, April 10, 1940, as Amended, and Regulations Issued Pursuant Thereto, Relating to Transactions in Foreign Exchange, etc.\**

Paragraph (2) of General License No. 72 is hereby amended in the following respects:

(a) The following sentences are deleted:

"Domestic banks are authorized to effect the payments referred to in (c) and to establish and maintain free dollar accounts if necessary, and only to the extent necessary, to effect such payments. Domestic banks are not authorized to establish or maintain free dollar accounts in cases where such payments may be effected in the manner prescribed in (a) or (b) of General License No. 32, as amended."

(b) The following sentence is substituted for the sentences deleted by paragraph (a) of this amendment:

"Domestic banks shall effect the payments referred to in (c) pursuant to the terms and conditions of paragraph (2) of General License No. 33."

E. H. FOLEY, JR.,  
*Acting Secretary of the Treasury.*

Treasury Department, Office of the Secretary,  
October 24, 1941

*General License No. 9, as Amended, Under Executive Order No. 8389, April 10, 1940, as Amended, and*

\* Sec. 5 (b), 40 Stat. 415 and 966; Sec. 2, 48 Stat. 1; 54 Stat. 179; Ex. Order 8389, April 10, 1940, as amended by Ex. Order 8785, June 14, 1941, and Ex. Order 8832, July 26, 1941; Regulations, April 10, 1940, as amended June 14, 1941, and July 26, 1941.

*Regulations Issued Pursuant Thereto, Relating to Transactions in Foreign Exchange, etc.\**

General License No. 9 is amended to read as follows:

(1) A general license is hereby granted authorizing the bona fide purchase and sale of commodity futures contracts and of evidences of ownership of actual commodities on an exchange or board of trade within the United States by banking institutions within the United States, for the account of nationals of any blocked country, pursuant to the instructions of such nationals, and necessary transfers or other dealings in evidences of ownership of commodities, transfers of credit and payments between accounts in banking institutions within the United States as required in connection with such purchases or sales or because of fluctuations in the market value of the commodities covered by such contracts or evidences of ownership, provided that:

(a) No such purchase shall be made except for the purpose of covering a short position taken prior to October 25, 1941, in the account of the national for whom the purchase is made;

(b) No such sale shall be made except for the purpose of liquidating a long position taken prior to October 25, 1941, in the account of the national for whom the sale is made; and

(c) In the case of either purchase or sale the net proceeds of the transaction are credited to a blocked account in the name of the national for whose account the transaction was effected and in the banking institution within the United States which maintains the account for which the transaction was effected.

(2) Each banking institution engaging in any transaction herein authorized is required to file promptly with the appropriate Federal Reserve Bank monthly reports showing the details of each such transaction, including a description of the commodity futures contracts or evidences of ownership of actual commodities purchased or sold, the dates of the purchases or sales, the persons for whose account the purchases or sales were made, the price at which each purchase was made, the name of the exchange or board of trade on which each such transaction was effected, and the net market position in the commodity in question of the national for whose account the transaction was effected before such transaction and after such transaction.

E. H. FOLEY, JR.,  
*Acting Secretary of the Treasury.*

\* Sec. 5 (b), 40 Stat. 415 and 966; Sec. 2, 48 Stat. 1; 54 Stat. 179; Ex. Order 8389, April 10, 1940, as amended by Ex. Order 8785, June 14, 1941, and Ex. Order 8832, July 26, 1941; Regulations, April 10, 1940, as amended June 14, 1941, and July 26, 1941.

# *Economic Aspects of Federal, State, and Local Taxation*

by

MARRINER S. ECCLES \*

It has not been my privilege heretofore to speak before an audience of tax authorities. While I cannot hope to add to your technical enlightenment, I am venturing to outline to you some of the broader national aspects of taxation in relation to fiscal and monetary action that, in my judgment, are of the greatest importance to this country now and in the future. In what I have to say I am, of course, speaking only for myself.

For a long time I have been interested in making fiscal policy play its proper part in a broad program for maintaining that orderly economic progress that ought to go step by step with the steady growth in our human resources and in our technical knowledge. Except during major wars, our State and local governments have until recently been much more important from the financial point of view than the Federal Government. Although Federal revenues and expenditures have greatly expanded during the past decade, it is only since the beginning of the defense program that Federal expenditures have begun to exceed aggregate State and local expenditures. It is only in the current fiscal year that Federal taxes will exceed aggregate State and local taxes. No one who is interested in a more intelligently planned fiscal policy for the nation as a whole can fail to take account of the financial problems of our State and local units of government, and of the vast complex of taxing jurisdictions numbering more than 175,000.

The principles that should govern present policy are simple. If we are to attain the broad objectives of our present national policy, expenditures for defense must absorb an increasingly large proportion of our national income. This general policy is, of

course, easy to state, but difficult to apply. Our people—business men, labor, farmers—are still thinking mainly in terms of the profits they hope to make rather than of the sacrifices which will be required of all groups of our population. As yet our standard of living has not suffered and relatively few dislocations have resulted. In some localities where there have been sudden large increases in population due to the expansion in defense industry, the strain of providing adequate public services is severe, but in general State and local revenues are exceeding budgetary expectations and relief rolls are diminishing. The temptation is strong to expand Government services and get rid of unpopular taxes. Sound public policy requires that both of these temptations be resisted. Public works not directly connected with defense, no matter how meritorious on general grounds, should be postponed until after the emergency has passed and we can once more afford to devote our men and materials to raising the standard of living of our citizens. I cannot agree with the superficially logical view that State and local taxes should be reduced in order to make it easier for taxpayers to bear the burden of increased Federal taxes. It is natural for taxpayers to attempt to avoid a reduction in their standard of living, but taxes will not serve the essential purpose of helping to divert resources to defense production unless consumer expenditures are sharply reduced.

State and local government should decrease expenditures. They should not reduce existing tax rates and they should devote surplus revenue to the repayment of debt. This would be anti-inflationary, in harmony with governmental policy. In commenting upon the regulation recently issued by the Board of Governors to dampen consumer instalment credit, I emphasized the importance of the repayment of debt by individuals:

\* An address by Marriner S. Eccles, Chairman of the Board of Governors of the Federal Reserve System, before the luncheon meeting of the National Tax Association at the University of Minnesota, October 14, 1941.

*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.

"When incomes are at high levels, that is the time when people should reduce their debts or get out of debt. Our people cannot spend their increased incomes and go into debt for more and more things today without precipitating a price inflation that would recoil ruinously upon all of us. . . . By deferring civilian demand at this time, we can help avoid inflation, we can aid in defense, and we can store up a backlog of buying power that will help offset a post-defense slump."

Repayment of debt by State and local governments is equally important at this time.

Looking ahead, however, to the post-defense period, the problems that we will then be facing will be the same in their essential nature as those that confronted us during the 30's and for which we succeeded in finding only a partial solution until the beginning of large-scale expenditures under the defense program. They are the problems of poverty in the midst of plenty; of the capacity to produce outrunning the power to purchase and consume; of millions of able-bodied and skilled workers without employment; of idle plants and factories. Yet, if we have the will, we know the way to meet those problems. We have before our eyes a conclusive demonstration of the way in which vigorous and determined action by Government can transform a situation of general overabundance to a situation of general scarcity within the space of a few months.

The general problem of finding a market for the products of farms and mines and factories that is large enough and stable enough to provide steady employment for all who wish to work is one that confronts all the industrial countries of the modern world. In the United States this problem is complicated by the great size of our country and the diversity of our economic activities. In those parts of the country that were settled earliest, wealth has accumulated and from the very beginning of our economic history accumulated wealth in these areas has sought and found an outlet for investment in the development of the resources of the frontier regions that were one by one opened up to settlement. Year after year this process continued. The result has been a vast aggregation of obligations which the citizens of areas that offered opportunity for investment owed to citizens of areas that had capital seeking investment. These obligations took various forms: mortgages on urban residential and business properties and on farms, the securities, both stocks and bonds, of mines, public utilities, and other business en-

terprises, and the obligations of State and local governments. As the loans and investments grew, the volume of interest, dividends, rents and amortization payments also grew. Debt payments had to be maintained both in times when prices for the produce of debtor areas were high and markets were large and in times when prices were low and markets were restricted.

In general, the creditor areas are also centers of manufacturing that must look for a market not only to their own citizens but to the country as a whole. The maintenance of economic balance in the country as a whole requires that citizens of debtor areas have enough money income both to maintain interest, amortization and other payments on their obligations to investors in the creditor areas and to maintain at a high level their purchases of the output of the factories of the creditor areas. They must maintain their standing both as good credit risks and as good customers. This healthy state of national economic balance is continually being upset by forces that are entirely outside the control of the States or of the individual businessman and the individual worker. The result is recurrent periods of breakdown and distress, bankruptcy in debtor areas, idle factories in creditor areas and widespread unemployment and hardship in the country as a whole. There is no essential difference between this situation and that resulting from international debts. Both are, in essence, exchange problems. By tariffs, quotas, exchange restrictions, or even by resort to more punitive steps of a military or economic nature, including expropriation, nations attempt to redress the situation. The Federal Government alone can remedy this condition among the States—and taxation is one of the most effective means. Through that medium funds which the creditor areas drain out of debtor areas through interest, dividends and rents, as well as payments on debt, can be kept flowing back to sustain employment, to keep mines and factories in the debtor areas operating and continuing to yield returns to the creditor areas. I realize that the creditor States complain about paying more in taxes in proportion to what they get back from the Federal Government than do the debtor States. But that is a short-sighted attitude which fails to comprehend that in no other way can the debtor areas continue to yield returns to the creditor areas. I recognize also that the Federal form of government

does not adapt itself easily to a centralized and coordinated attack upon problems that must be dealt with as national problems if they are to be dealt with at all.

The problem of maintaining the standing of our citizens as both good credit risks and good customers is basically one of maintaining the national income at levels which represent the fullest possible utilization of our labor supply and other economic resources. Debts which can be easily carried and paid off when the national income is stable or steadily growing become insupportable when income falls. Defaults and bankruptcies used to be the accepted methods of dealing with these difficulties. But such methods are crude and unsatisfactory both in terms of economic values and human values. During the depression we developed better methods by attacking the problem from both ends, by seeking to restore incomes and by adjusting debts of farmers and home owners through the Farm Credit Administration and the Home Owners' Loan Corporation.

In the future, the most important safeguard against the danger of a relapse into the intolerable conditions of the early 30's will be a long-run plan for public investment, adapted to the differing needs and conditions of our different geographical areas. So far as possible, this should take the form of productive public works and expenditures not only to improve the basic conditions which are responsible for keeping the standards of living in some of our States lower than in others, but also to raise the standard of living particularly in the lower income groups wherever they may be. Productive public investment, which should be noncompetitive with private enterprise, means not only roads, public buildings, subsidized housing, bridges, dams and irrigation projects; it also means better education and a higher level of public health and nutrition. The fact that so many of our young men called up for military service were shown on medical examination to be physically unfit is a shameful revelation of our neglect, as a democracy, to deal with national health and nutrition problems.

We will also need to extend and to make more uniform as between citizens living in different States the system of social security benefits. This mechanism is ideally suited to use as an anti-inflationary measure in times like the present and an anti-deflationary measure in periods such as we may have when the defense effort is over. This is the time

to build up a reserve by increasing the taxes both for old age and unemployment, decreasing the taxes and drawing on the reserve as unemployment develops. And to insure that increased current revenues will be followed by an appropriate flow of outpayments when they are needed to combat the deflationary forces of the post-defense period, the old-age insurance system should be converted from its present contributory basis to a system that frankly recognizes and meets the national obligation to provide a minimum of support for *all* of our needy aged. We should give everyone reaching the age of 65 a minimum of 30 dollars a month, regardless of the amount of his contribution to the system. Variations in payments to meet local conditions should be made possible by Federal grants matching additional payments made by the States up to 10 dollars a month, thus enabling maximum payments of 50 dollars a month. The Federal Government should recapture, by means of the income tax, payments of this type in excess of amounts needed by the aged to bring their total income up to a level representing a minimum standard of comfort. Such a revision would do away with the present complicated set of rules governing benefits; it would completely remove the cost of old-age pensions from the budgets of our less wealthy States; and it would make the support of the aged a national responsibility, as it should be. I also think it essential to nationalize the unemployment insurance program extending the coverage to all workers and increasing the benefits both as to amount and time, increasing the rates and providing that employees contribute 50 per cent of the tax.

If we are to be successful in the objective of creating a high and steadily increasing demand for the products of industry after the defense period, we must adopt a progressive tax system bearing heavily upon savings concentrated in creditor areas and lightly upon the great mass of families of the low income groups. This means that we must get rid of, or at least check the growth of the sort of taxes to which our States have unfortunately been forced to resort more and more in recent years. I am referring to the general sales taxes and the taxes on gasoline, tobacco, and other articles of mass consumption. These have taken on increasing importance in State tax structures in recent years as a consequence of the inadequacy of the general property tax and

the pressure to find funds to finance relief and other welfare expenditures. Although these taxes were enacted with the commendable motive of preserving the solvency and credit standing of our State and local governments, they had an unfortunate effect upon the level of activity in the economy as a whole and were among the factors that made national recovery slow and incomplete until the beginning of the defense program. Their effectiveness as revenue producers is largely attributable to the fact that the Federal Government continued on a deficit basis throughout almost the whole of this period and thereby provided the stimulus for expansion of the consumer expenditures upon which these taxes were levied.

If we are to make progressive taxes the major element of our national tax structure, however, it will not be possible to continue the present system of having both the States and the Federal Government levy taxes on corporate and individual incomes and transfers at death. Increases in the rates of these taxes sufficient to make them contribute a major share of total governmental revenues over the long run would so intensify the existing difficulties that some change in the present chaotic system would be unavoidable. Citizens and corporations in some jurisdictions are lightly taxed because of a fixed policy in their States to compete for the domicile of corporations and persons of wealth. In other States they are heavily taxed because their States have taken the leadership in the use of progressive taxes. It has long been recognized that uniformity and equity can be attained only by making the total tax levied on income and on gifts and bequests a matter for Federal control. This might be done along the lines suggested to you by Mayor LaGuardia at your conference last year, by the device of allowing a limited tax credit against Federal taxes for State taxes of similar type. We have already adopted this device for purposes of the Federal estate tax and the Federal unemployment compensation tax and we have seen that it does give a powerful incentive to the several States to enact and collect a tax of a particular type, when they are led to do so by the knowledge that the revenue will go to the Federal Government unless they take appropriate action. However, while this device creates a presumption that a State will levy taxes only up to the amount of the Federal tax credit allowed, it does not guarantee

the taxpayer against the possibility that a State government, hard pressed for revenue, may not go considerably beyond this limit and it does not eliminate the possibility that the same income or the same transfer of property at death will be taxed by more than one State. In the end the only thoroughgoing cure for these difficulties lies in a drastic reallocation of taxing powers between the States and the Federal Government. Such an allocation would involve restricting the right to levy taxes on income, gifts, and bequests wholly to the Federal Government with redistribution of a share of the revenue from these sources to the States. I know how controversial this subject is but I think we will have to face, quite frankly, the implication that State revenues will tend to consist more and more of taxes shared with the Federal Government and of grants from the Federal Government, which already make up about 14 per cent of State revenues. The real question is how to retain the valuable elements of local initiative, local control over governmental services and adaptation of services to the differing needs and conditions of differing areas. We have had enough experience with Federal grants and with Federal direct expenditure programs during the depression to know that this problem is not insoluble. We should continue to follow the broad policy that has grown out of these activities of leaving responsibility for initiative as to the type of activity to be undertaken in the hands of State and local government, to leave, wherever possible, the detailed administration in their hands and to provide for Federal supervision only to the extent necessary to insure that funds are wisely, prudently and honestly used. In a program of the magnitude and novelty that characterized Federal spending for recovery, it is not surprising that there were mistakes but the failures as well as the successes of this period of experiment provide a valuable basis for the wise planning of the future.

I have outlined in a general way some of the main considerations that I think should apply in shaping taxation policy to the needs of the defense and post-defense periods. Let me add, however, that all I have said is based upon my profound conviction that we must make democracy function more effectively in the future than in the past—and that this can be done by democratic processes and methods, primarily by use of the Government's broad functional powers of control.

Fiscal and monetary action, properly used, can go far towards correcting the basic causes of economic breakdown. These over-all, functional powers—of which taxation is the most potent single instrument—need to be supplemented by some direct controls at all times, particularly in a time like the present when we have acute shortages of strategic materials. However, the more wisely and effectively over-all controls are applied, the less will be the area in which there will be need for direct measures.

In the past, we have been slow, often too slow, to recognize changed conditions and to adapt our system to them. We have too often tolerated poverty while we failed to recognize that the proper function of the democratic system is dynamic, not static. Too often what we have thought of as our rights were wrongs for great numbers of our fellow citizens. We can—we must preserve our Constitutional guarantees—freedom of enterprise and initiative, subject only to such limitations and restraints as are necessary to protect the public interest. But we must recognize that the right to work must be coupled with the opportunity to work. Freedom of speech, freedom to worship as we will, freedom of the press, all of our cherished liberties are of cold comfort to the destitute. There is no reason, except willful blindness, why we cannot make our system function far better than it ever has before by guaranteeing that no willing, able-bodied worker shall lack for employment and that the aged shall not be in abject want.

I grow impatient—for events move swiftly in the world today—with those in your field and mine who say that fiscal and monetary policies suitable for the past are necessarily appropriate today. It is surprising how many who should know better, who should have learned from the experience of the past decade, still hold that taxation should be based exclusively on considerations of the need for raising revenue, without regard for the social and economic necessities that only the tax instrument can be adapted to meet, if intelligently used by Government.

I recognize fully that in the day when we had a scarcity of capital, when new capital accumulations more or less automatically flowed into new production, it was wise public policy to have taxation contribute so far as possible to capital formation. All that we could amass at home and billions more that we borrowed from abroad went into the rapid

expansion of the nation across the face of this continent. But I deny that in a day when capital is over-abundant in relation to the outlets for its private investment it is still wise public policy to encourage its accumulation in stagnant pools. Rather I have favored during the decade of the 30's tax policies that tended to maintain the flow of purchasing power in the economy by forcing idle funds back into the circulation stream. That is a departure from the older orthodoxy, to be sure, but it involves no loss of fundamental liberties. It is no threat to democratic institutions. Rather, it is absolutely essential for their preservation. Similarly, I have favored the appropriate accompanying monetary policies. Thus during the depression, I favored making the supply of money abundant and interest rates low in order to create an anti-deflationary climate which would be favorable for recovery provided positive action were taken at the same time in the fiscal field. By the same reasoning, I favor such anti-inflationary fiscal and monetary policies as are possible at this time, when the economy has moved rapidly towards full production and employment, under the stimulus of large defense expenditures.

In the day of capital scarcity, in the day when the gold standard prevailed for most of the world, even though it was never the unmanaged mechanism pictured by its most ardent champions, there may have been logic in relegating taxation to the role of revenue only, and in putting some reliance upon the interest rate as a regulator of economic excesses. But the late 20's disabused our minds of the notion that a high interest rate could curb speculation. The early 30's should have taught us that a negative fiscal policy was both economically and politically untenable. The later 30's should have demonstrated to us convincingly that a more positive policy, even though halting and hampered by widespread resistance, can have the most powerful effect in economic restoration. And the present period is giving us irrefutable proof of the degree to which a vastly expanded, positive policy called forth by national peril rather than by deliberate choice, can swiftly transform the economy from under-employment to boom conditions. Unhappily, the boom conditions are largely concentrated in the industrial sectors of the economy in the production of the things of war instead of the things of peace that improve our standards of living. The logic of having taxation play a passive,

neutral role in times past, and of having monetary policy responsive to international gold movements, rather than subject to national direction and control, is no longer valid in the world of today. Rather, the respective spheres of fiscal and monetary policy are reversed. Fiscal policy has assumed the greatest importance as a democratic instrument of economic action, while monetary policy assumes a secondary place. Both must be coordinated by deliberate action.

Even a cursory review of the economic history of the last dozen years indicates not only that democratic nations must and can without sacrifice of any fundamental principles use the functional Government controls of fiscal and monetary action, but that no other rational choice is open to those who profess to be in favor of preserving our institutions. The question is no longer whether such functional powers should be turned deliberately to helping us solve our economic problems, but whether we can so organize and coordinate our democratic processes, that the necessary flexibility and administrative discretion will be afforded to achieve the best results. I am aware of the difficulties. They are inherent in established legislative processes, and the division of powers. They are present, particularly, in the relationship between the Federal Government and the States.

We have not made much progress towards simplification so far, but the time has come when we can no longer continue to tolerate this chaos. For the fact is that with the increasing assumption by modern governments of social and economic responsibilities, in the light of the increasingly important role that governments play in affecting economic conditions, what may have been an endurable conflict in the highly important fields of taxation is now too serious, too much of a limi-

tation upon necessary democratic action, to ignore.

It is not necessary, before this audience, to stress the point that there can be no consistency or continuity of national economic policy, it can have no adequate flexibility, if it must be exercised in conflict rather than in harmony with the States. Manifestly if the Federal Government is to be effective in using its powers to dampen inflationary tendencies, State policies must, on the whole, be aimed in the same direction. In the post-defense era, Federal action to offset a slump will be ineffective to the extent that the States are not prepared to act in concert with Government policy.

In brief, monetary policy should be the servant, not the master, in the economy. We should rely heavily upon fiscal policy, its timing and application, as a stabilizing factor and as a motivating force without which monetary policy alone is ineffective. We should utilize and coordinate these over-all instruments of public policy, not only because of their demonstrated effectiveness, but because they are the only logical alternatives to a no longer possible *laissez faire*, on the one hand, and a regimented, policed economy, of fascist character, on the other. There is no reason why we cannot learn to use them more intelligently in the future than we have in the past, recognizing always that these and other functional controls are at best supplemental to the main driving force of private enterprise. There is no reason why democratic processes cannot be adapted, and every reason why they should be adapted to using these instruments of economic influence to the fullest, not only in the defense period but in the future when the economic problems of a world at peace will ironically be even more difficult to deal with than the economic problems of a world at war.

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# From the Board's Correspondence

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Questions of general interest, relating to money and banking, are answered in this section of the BULLETIN.

## Proposal to Tax Bank Deposits

### QUESTION

Would it not be feasible to impose a Federal tax on the deposit of funds in bank checking accounts? Such a tax, of one or two cents per hundred dollars, could be charged to depositors accounts monthly and remitted by the banks to the Treasury. The virtue of this tax is that it would be relatively inexpensive to administer, easy to collect and would yield a substantial revenue without delay.

### ANSWER

THE tax proposal which you outline has the advantage of administrative simplicity, which is of great importance at a time when tax laws are becoming increasingly difficult to understand and to administer.

In our opinion, however, your proposal is not in accord with one of the fundamental principles of taxation in a democracy, namely, that taxes should be imposed in accordance with ability to pay. Under your proposal deposit holders would be taxed on the number of dollars deposited by them. A small business man, for instance, who earns a moderate income may have a very active deposit ac-

count which reflects the whole volume of his business transactions rather than his net profits. His deposit tax might exceed that of an individual who is much better off but whose only deposits consist of salary or dividend checks. An equitable tax would bear more heavily on the latter than on the former.

If the tax is passed on in the form of increased prices of the commodities produced or services rendered by the taxpayers, it becomes similar to a general tax on commodities. Such a tax is undesirable because it bears on everyone in proportion to his consumption, a result that is not consistent with the principle that the well-to-do should contribute a larger share of their income than those in less comfortable circumstances.

An additional technical consideration is the probability that some depositors could easily evade the tax by making payments in currency and by means of re-endorsed checks passing from person to person without being deposited.

## Extent to Which Reserve Banks Can Finance Defense Expenditures

### QUESTION

To what extent can the Federal Reserve Banks finance defense expenditures of producers or of the Government?

### ANSWER

THE Federal Reserve Banks are authorized to make short-term loans to member banks, and by furnishing member banks with additional funds the Reserve Banks can

assist them in financing defense activities. However, at the present time member banks altogether have several billion dollars of excess reserves, and few of them have occasion to apply to the Reserve Banks for loans.

Under the terms of Section 13(b) of the Federal Reserve Act Federal Reserve Banks may make advances with maturities of not more than five years for the purpose of pro-

viding established commercial and industrial businesses with working capital. Such advances may be made to or in participation with member banks and other financing institutions and, in exceptional circumstances, direct to industrial concerns when they are unable to obtain the requisite financial assistance from the usual sources on a reasonable basis.

The Federal Reserve Banks are not authorized to extend credit direct to the Govern-

ment. However, they may buy in the open market without regard to maturities direct obligations of the Government and obligations of Government agencies fully guaranteed as to principal and interest by the United States. Open market purchases of Government securities by the Federal Reserve Banks are undertaken with the view of influencing the availability or the cost to member banks of reserve funds and are thus governed by their effect on the general credit situation.

### *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 September 16, 1941, to October 15, 1941, inclusive.

##### *District of Columbia*

Washington—The Munsey Trust Company

##### *Indiana*

Bremen—Bremen State Bank  
Parker—The Parker Banking Company

##### *Missouri*

St. Charles—The Union Savings Bank of St. Charles

##### *New York*

Rensselaer—Rensselaer County Bank and Trust Company  
Rye—Rye Trust Company  
Williamson—The State Bank of Williamson

##### *Ohio*

Ada—The Liberty Bank

##### *West Virginia*

Wardensville—The Capon Valley Bank

## Member Bank Earnings, First Half of 1941

**T**OTAL earnings of member banks were larger in the first six months of 1941 than in any half-year period since the banking holiday, but since expenses also were larger there was no substantial increase in net current earnings. As shown in the following table, net profits (after recoveries, charge-offs, etc.) totaled more than in any other half-year period since the end of 1936; they were at an annual rate of 6.9 per cent on total capital accounts, as compared with similar annual rates of 5.8 per cent in the first half of 1940, 7.0 per cent in the first half of 1939, and 5.4 per cent in the first half of 1938.

The amount of interest and discount on loans has increased in each of the past four half-year periods; this is attributable to the larger volume of loans, as the average rate of income on loans has declined slightly. Interest and dividends on securities have been relatively stable since the beginning of 1940, at a somewhat lower level than in previous years, reflecting lower rates of return.

Losses and depreciation were less than in

any half-year period since the banking holiday, while recoveries, profits on securities sold, etc. were less than in any half-year period since 1934 except the second half of 1937, when profits on securities sold were relatively small. Although losses and depreciation have exceeded recoveries, profits on securities sold, etc. in most of the recent periods, the margin has narrowed since 1939 with the result that a greater proportion of net current earnings has been carried through to net profits.

Notwithstanding the increase in net profits, cash dividends declared in the first half of the current year were substantially less than in the previous six months; they were at an annual rate of 8.6 per cent on capital stock and 3.5 per cent on total capital accounts, approximately the same as in the first half of 1940.

For detail figures of earnings, expenses, etc., in the first half of 1941 and the second half of 1940, turn to page 1186 of this BULLETIN.

### MEMBER BANK EARNINGS, BY HALF-YEAR PERIODS, JANUARY 1936—JUNE 1941

[Amounts in millions of dollars]

Item	1936		1937		1938		1939		1940		1941
	First half-year	Second half-year	First half-year								
<b>Earnings—total</b> .....	<b>617</b>	<b>654</b>	<b>652</b>	<b>669</b>	<b>631</b>	<b>644</b>	<b>633</b>	<b>662</b>	<b>649</b>	<b>674</b>	<b>681</b>
Interest and discount on loans.....	253	260	268	285	269	274	272	288	290	305	318
Interest and dividends on securities.....	235	252	244	237	224	225	223	221	214	217	215
Service charges on deposit accounts.....	19	20	22	23	25	26	27	28	29	30	32
All other earnings.....	110	122	118	124	113	119	111	125	116	122	116
<b>Expenses—total</b> .....	<b>430</b>	<b>442</b>	<b>449</b>	<b>453</b>	<b>448</b>	<b>443</b>	<b>446</b>	<b>448</b>	<b>455</b>	<b>466</b>	<b>475</b>
Salaries and wages.....	172	180	181	191	187	193	190	198	195	205	204
Interest on time deposits.....	89	88	88	88	88	83	82	77	75	73	71
All other expenses.....	169	174	180	174	173	167	174	173	185	188	200
<b>Net current earnings</b> .....	<b>187</b>	<b>212</b>	<b>203</b>	<b>216</b>	<b>183</b>	<b>201</b>	<b>187</b>	<b>214</b>	<b>194</b>	<b>208</b>	<b>206</b>
Recoveries, profits on securities, sold, etc.....	253	254	158	97	137	142	191	135	143	159	129
Losses and depreciation.....	216	225	166	172	175	222	187	193	175	180	137
<b>Net profits</b> .....	<b>224</b>	<b>241</b>	<b>195</b>	<b>141</b>	<b>145</b>	<b>121</b>	<b>191</b>	<b>156</b>	<b>162</b>	<b>187</b>	<b>198</b>
<b>Cash dividends declared</b> <sup>1</sup> .....	<b>95</b>	<b>103</b>	<b>100</b>	<b>101</b>	<b>99</b>	<b>99</b>	<b>104</b>	<b>104</b>	<b>100</b>	<b>110</b>	<b>101</b>
Number of officers <sup>2</sup> .....	31,825	31,980	32,589	32,728	33,527	33,176	34,386	34,172	35,002	35,369	36,085
Number of employees.....	147,823	149,422	155,466	155,139	154,564	154,039	156,710	158,137	162,307	163,783	173,231
Number of banks <sup>2</sup> .....	6,400	6,376	6,357	6,341	6,338	6,338	6,330	6,362	6,398	6,486	6,556

<sup>1</sup> Includes interest on capital notes and debentures.

<sup>2</sup> At end of period.

# Annual Report of the Bank for International Settlements

*The Eleventh Annual Report of the Bank for International Settlements, covering the year ending March 31, 1941, was presented by Mr. Thomas H. McKittrick, President of the Bank, at its annual general meeting at Basle on June 9, 1941. Selections from the Report, with a minimum of textual changes, are given herewith:*

## EXCHANGE RATES, FOREIGN TRADE, AND PRICE MOVEMENTS

**Exchange rates.**—The main characteristic of foreign exchange conditions in 1940 was a further extension of official regulations, generally combined with detailed supervision of foreign trade. Steps were taken to stop leakages in the existing exchange controls; the remaining markets for "free rates" became narrower as foreign payments—commercial and others—were forced into official channels. Alterations in exchange values were the result not so much of market forces as of deliberate official action, often undertaken in connection with commercial negotiations. In the Danubian and Balkan regions the lack of uniformity in the quotations of different currencies, the result of a complicated system of premiums and varying provisions for surrender of foreign exchange, was largely eliminated. In areas occupied by Germany rates of exchange were fixed more or less in conformity with the official quotations previously in force. In the United Kingdom and other countries of the British Empire the exchange regulations were reinforced and further agreements concluded with foreign exchange centres; as a result the quotation of free sterling, which in May 1940 had fallen 20 per cent below the official rate, recovered in the autumn the ground which had been lost.

NOTE: About one-fourth of the material given in the full Report is republished here. The complete Report, available in English, includes in addition an Introduction and a Conclusion, chapters on "Production and Movements of Gold" and "International Capital Movements", and a chapter recording the current activities of the Bank. In making selections from the other chapters, emphasis has been given to material relating to developments in Continental Europe. The Report also deals broadly with economic and financial developments in the United States, Latin America, and the Far East. For earlier Reports, see BULLETIN for October 1940, September 1939, June 1938, etc.

Among developments outside Europe interest attaches to the immobilisation in the United States of the assets of a number of European countries which were occupied in the course of the war or otherwise changed their political status. Fear of an extension of these measures provoked fairly extensive capital movements: dollars to the value of some 850 million Swiss francs were, for instance, sold by private investors to the Swiss National Bank between the middle of June 1940 and the end of March 1941. In Latin American countries export difficulties continue to limit the normal supply of foreign exchange and have necessitated stricter control measures. In a few instances (Bolivia, Peru, Venezuela) they have led to further depreciation. The exchange position of the Argentine, Brazil, and Mexico has been strengthened by a considerable influx of money from abroad, partly refugee funds and partly capital for new investments, while a number of Latin American countries were assisted by credits obtained from the Export-Import Bank and the Exchange Stabilization Fund in the United States. Finally, in the Far East the continuation of hostilities has subjected the exchanges to further strain: in the autumn of 1940 a strict control was imposed on the exchange of goods and the transfer of money between the different countries forming the yen area (Japan, Manchukuo, and North China); in December 1940 a new central bank was established in Nanking with its own currency, competing in Shanghai and other areas with the Chungking yuan (the currency of the Chiang Kai-Chek Government); the latter, after a depreciation of 25 per cent in the first four months of 1940, remained relatively stable up to the end of the year. Between the Yokohama Specie Bank and the Bank of Java an agreement, valid for one year but terminable at three months notice, came into force on January 1, 1941, under which these banks make advances in their own currency to ensure prompt payments to exporters, any balance being settled from time to time by payments in U. S. dollars. In

several European clearing agreements provisions have also been included for advances by central banks to avoid delay in payments through the clearings—examples of the increased importance of official intervention under conditions which exclude resort to the ordinary sources of banking credit.

The present preponderance of the Reichsmark in the currency structure of the European continent is due to the increased relative importance of the German market for the trade of many countries after the cutting-off of their overseas commercial relations. In the area within the German barrier more than one-half of the foreign trade is with Germany and practically all payments are made through clearings. Steps have been taken in Berlin to facilitate transactions by a development towards a multilateral clearing system. In this connection the arrangements entered into with countries in the Danubian and Balkan regions are of particular interest.

Especially after 1933 the intensification of trade relations with countries in central and south-eastern Europe became an objective of German commercial policy, partly because these countries could deliver agricultural and other primary products in exchange for industrial articles and partly because trade with these areas could presumably be maintained even in the event of a war. Since the world-wide depression made it difficult for the Danubian and Balkan countries to sell their agricultural products in western Europe, these countries were naturally interested in the possibilities of exporting at comparatively remunerative prices to the German market. In their clearing agreements with Germany the old par rates of exchange were at first applied. It was soon found that exports to Germany tended to exceed imports, leaving the countries from time to time with a credit balance which in some instances affected the rates of the Reichsmark quoted in the free market. Since the Danubian and Balkan countries were in need of free "devisen" to pay for their imports of overseas raw materials (textiles, colonial products, etc.) and to meet the service of their foreign debts, they allowed premiums on the purchase and sale of free exchange in order to stimulate exports payable in such exchange. In that way the rates applied to such currencies as dollars, sterling, and Swiss francs did not correspond to the rates applied to the Reichs-

mark; and between the different countries in the Danubian and Balkan regions a variety of clearing rates were in force, with cross rates that did not harmonise.

After the war had started in 1939 a series of developments set in which affected the exchange situation. Trade with most of the so-called free-exchange countries became gradually more difficult; commodity prices were rising in the Danubian and Balkan regions; the harvest in 1940 was generally a poor one and, for other reasons also, exports to Germany tended to decline. On the other hand, imports from Germany were badly needed; within a short time the clearing balances began to move in favour of Germany. By negotiations which were pursued in the latter half of 1940 new arrangements affecting the exchange rates were entered into between Germany, on the one hand, and Bulgaria, Greece, Hungary, Roumania, and Yugoslavia individually, on the other. The valuation of the Reichsmark is now at a uniform level in relation to the gold (or dollar) value of the various currencies in the Danubian and Balkan regions.

In the areas occupied by Germany measures have been taken to determine the rate of the respective currencies in relation to the official quotation of the Reichsmark. In March 1939, when the rate between the Czecho-Slovak crown and the Reichsmark was fixed at 10 koruny = 1 Reichsmark (instead of the previous quotation of 11.62 koruny = 1 Reichsmark), it was decided to allow the crown to retain the old rates in relation to other foreign currencies (on the basis of 11.73 koruny = 1 Reichsmark) in order not to hamper exports from the Protectorate of Bohemia and Moravia. This meant, for instance, that the dollar continued to be quoted at 29.25 koruny, instead of 25 koruny, as would have been the case if the dollar rate were calculated via the Reichsmark. After eighteen months, however, this disparity was ended upon the abolition of the customs frontier between Germany and the Protectorate as from October 1, 1940: in relation to other currencies than the Reichsmark the exchange value of the Protectorate currency was raised by 17 per cent.

In the territories of Poland which were incorporated into Germany, as also in the Governor-Generalship, the rate of conversion between the Reichsmark and the zloty was fixed at 1 Reichsmark = 2 zloty. On April

8, 1940, the "Reichskreditkassen", opened at the time of the occupation to provide means of payment for the German troops and emergency currency and credit facilities, were closed and a new Bank of Issue for the Governor-Generalship with its head office in Cracow began operations, the old notes of the Bank Polski being exchanged for the notes of the new bank at par. The offices of the Reichskreditkassen were taken over as branches of the new bank; the Reichskreditkassenscheine (the amount of which did not exceed 45 million Reichsmark) were withdrawn and replaced by zloty (or by Reichsbank notes in the incorporated territories). German currency is no longer legal tender in the Governor-Generalship, which is connected with the German monetary system through a clearing arrangement.

The rates fixed for the territories occupied by Germany in the spring and summer of 1940 may be seen from the following table:

RATE IN NATIONAL CURRENCY FOR 1 REICHSMARK

Country	Rates of May 9, 1940 Berlin T. T.	Rates for Reichskreditkassenscheine	Rates of April 1, 1941 Berlin T. T.
Norway (crowns) .....	1. 76	<sup>1</sup> 1. 67	1. 76
Denmark (crowns) .....	2. 07	<sup>1</sup> 2. 00	2. 07
Holland (florins) .....	0. 75	0. 67 <sup>2</sup> 0. 75	0. 75
Belgium (belgas) .....	2. 39	2. 00 <sup>3</sup> 2. 50	2. 50
Luxemburg (Luxemburg francs)	9. 57	8. 00 <sup>5</sup> 10. 00	<sup>4</sup> 10. 00
France (French francs) .....	17. 84	20. 00	20. 00

<sup>1</sup> Rates first fixed; afterwards the rates were adapted to the official rates in Berlin.

<sup>2</sup> Altered to this rate on July 17, 1940, and slightly readjusted on April 23, 1941.

<sup>3</sup> Rates altered on July 22, 1940, to the rate of conversion fixed in the German-Belgian payments agreement of July 10, 1940.

<sup>4</sup> Last rate quoted on March 5, 1941.

<sup>5</sup> Altered to this rate on July 22, 1940, in accordance with new Belgian rate.

To provide the German troops with means of payment the method of issuing Reichsmark notes called Reichskreditkassenscheine was again employed in Norway, Denmark, Holland, Belgium, Luxemburg, and France. Reichskreditkassenscheine became the cash of the German troops abroad, and their import or use in Germany itself was forbidden. In fact, the employment of Reichskreditkassenscheine as an ad hoc currency made it possible to avoid the issue of Reichsmark notes, which would at least temporarily have swollen the note circulation of the Reichsbank. Under a decree of May 3, modified by a decree of May 15, 1940, the central

management of the Reichskreditkassen was authorised to issue Reichskreditkassenscheine in denominations of 50, 20, 5, 2, and 1 Reichsmark as well as 50 Reichspfennige and coins of 10 and 5 Reichspfennige against cover chiefly in the form of loans to the Reich, for which a maximum of 3 milliard Reichsmark was fixed. Total issues do not seem to have exceeded 1.7 milliard Reichsmark and it was semi-officially stated in January 1941 that the circulation of Reichskreditkassenscheine had declined by one-half since the autumn of 1940. The issue of coins has not been of any practical importance.

While Reichskreditkassenscheine were issued to the German troops in Norway and Denmark and these notes were given the quality of legal tender, no Reichskreditkassen were actually opened in these two countries since in them the credit systems continued to function with only slight interruption, and early arrangements were made with the central banks for Reichskreditkassenscheine already issued to be exchanged and for the occupying authorities to be supplied with the necessary means of payment against crediting of Reichsmark to the accounts of these countries with the Reichsbank.

In Holland, Belgium, and France Reichskreditkassen were opened in May 1940 by the German authorities, but in each of these countries arrangements were soon made to provide the German troops with the national currency. In Holland the Reichskreditkassen were closed by the middle of July, with the exception of the office in Amsterdam, which was retained for the task of liquidation and liaison. In Belgium the conditions were more complicated since in May 1940 the direction of National Bank of Belgium had moved abroad; a new Bank of Issue was established, which came into being on July 15, 1940. Since, however, the direction of the National Bank at that time returned to Brussels, it was decided that the new Bank of Issue should employ the administration and the notes of the National Bank. The Reichskreditkassen were maintained as credit institutions for the German military administration but the issue of new Reichskreditkassenscheine was on a very limited scale. In France the activity of the Reichskreditkassen was likewise restricted upon the conclusion of an agreement with the Bank of France after the armistice of June 22, 1940.

In Holland exchange restrictions had been

introduced on May 10, 1940, and on June 24, 1940, a comprehensive system of exchange control was imposed according to the German model. Private holdings of gold and foreign exchange were to be offered to the Nederlandsche Bank, which by the end of November 1940 had acquired 38 million florins in gold from private hoards. In relation to Germany the exchange restrictions were gradually made less rigid. From November 1, 1940, permission was given to transfer freely an amount of 5,000 Reichsmark per month per person; in the early months of 1941 increased capital transfers were permitted but a special tax of 70 per cent on immediate repatriations of capital was imposed to check a too voluminous inward movement of funds. Then, from April 1, 1941, full freedom of payments was established between Holland and Germany, including the right to bring notes and other means of payment from one country to the other. The Dutch-German clearing ceased to operate as far as payments between the two countries were concerned but remained in force with regard to payments between Holland and third countries. The rate of 100 florins = 132.70 Reichsmark was made applicable also to notes and coins, which are exchangeable at the offices of the central banks and a number of other institutions. The freedom from restrictions extends to the transfer of capital, but the "blocked mark tax" which had been imposed by the Dutch Government on repatriations of capital investments in Germany was maintained, though with certain alleviations. This tax, which is intended to compensate for the gain accruing to individual owners from the return of capital invested in Germany and to prevent a sudden and wholesale liquidation of such investments, was fixed at 60 per cent for transfers up to the end of 1941, declining thereafter.

In Belgium a clearing arrangement of July 10, 1940, replaced the previous payments agreement between Belgium and Germany. The new Bank of Issue, which acts as payments institution, has obtained from the Belgian Ministry of Finance a guarantee to the amount of 1,000 million Belgian francs in order to be in a position to pay promptly clearing claims of Belgian exporters to Germany.

In France the following rates govern the exchange value of the French franc:

(i) In relation to Germany the rate of 5

Reichsmark = 100 French francs (1 Reichsmark = 20 French francs) was originally fixed by the occupying authorities as the rate for the Reichskreditkassenscheine; it was afterwards maintained in the clearing arrangement concluded in the middle of November 1940 between the Reich (including Bohemia and Moravia), on the one hand, and the occupied and unoccupied parts of France as well as the French colonies, protectorates, and mandated territories, on the other.

(ii) After the armistice the agreements concluded in September 1939, by which the rate of 176.625 French francs = 1 pound sterling was to be maintained with sterling, lapsed, but the corresponding rate of 43.80 French francs = 1 dollar, was maintained. This dollar rate corresponds to the former rates of 17.51 French francs for the Reichsmark and about 10.15 French francs for the Swiss franc.

(iii) In the clearing agreement concluded between France and Switzerland on October 23, 1940, however, the rate to be applied to all commercial payments was rounded off to 10 French francs = 1 Swiss franc. For reasons of convenience, this rate was subsequently adopted by the French Exchange Office for all transactions (commercial and non-commercial) which are made neither in dollars nor in Reichsmark nor via the Reichsmark. These rates correspond theoretically (no arbitrage being possible) to a rate of 43.11 French francs for the dollar and 17.25 French francs for the Reichsmark.

(iv) In addition, there is a "free rate" quoted outside France (in Zurich at the present time) for bank transfers on "foreign accounts" opened with French banks in the name of persons residing abroad.

(v) Another rate, subject to considerable fluctuation, is quoted for French bank-notes, as in the case of other countries which have prohibited or limited the reimportation of their notes. It is not permissible to take more than 1,000 French francs into France on each journey.

In actual practice the situation is, however, less complicated than might appear from the different rates indicated above. Commercial transactions take place either against or via the Reichsmark at the rate of 20 French francs = 1 Reichsmark or against the Swiss franc at the rate of 10 French francs = 1 Swiss franc (corresponding to 17.25 French francs = 1 Reichsmark).

The clearing arrangements entered into by the Governor-Generalship of Poland, Norway, Holland, and Belgium provide for payments through accounts kept at the German Clearing Institute (Verrechnungskasse) in Berlin; and these provisions apply both to the clearings between these four countries in their relations with each other and to the clearings between any one of them and other countries in Europe. In fact the German Clearing Institute enters as creditor and debtor in relation to the clearing institutes of the countries concerned. The centralisation of the accounts for these four countries makes it possible to arrange more easily for a settlement of balances on a multilateral basis. In practice permission must be obtained for a surplus balance on one account to be utilised for payments on some other account and, generally, the total of the amount which any one of these countries can utilise, is fixed in advance for a certain period, usually in connection with commercial agreements.

Between other countries in Europe than the four just mentioned direct clearings are in force without, as a rule, any provisions for settlement of balances in relation to third countries. Since, however, Germany holds a predominant position in the trade of the continent of Europe, the accounts with Germany may afford the possibility of arranging for settlements between a surplus on one account and a deficit on another; or Germany may, within limits, allow a surplus in Reichsmark to be utilised for payments to third countries (as in the German-Bulgarian clearing). In the bilateral arrangements which are being negotiated increased attention is given to the possibilities of settlement in relation to third parties.

The official rate of the lira, which had been reduced in September 1939 by about 4 per cent from 5.2625 to 5.05 dollars = 100 lire, has been maintained at the latter rate except for a temporary deviation to 5.032 dollars in the middle of 1940, but at the end of May 1941 it was raised again to 5.2625 dollars. This raising of the lira rate on the dollar was followed by corresponding adjustments in the rates of a number of other currencies (including the Reichsmark, the Swiss franc, and the Swedish krona), the result being a greater uniformity in the system of rates and cross rates in relation to the lira and thus also in the continental exchange relations generally.

The exchange restrictions which had been introduced in Sweden during February 1940 were at first designed mainly to control capital movements but, as conditions turned more difficult in the spring, they were also used as a means of import control. Later in the year, when the exchange market became easier, it was possible somewhat to soften the restrictions. While in the first four months of 1940 the combined holdings of gold and foreign exchange of the Riksbank and the commercial banks fell by about 320 million Swedish kronor (mainly because of payments for excess imports), the movement for the remainder of the year was in the opposite direction, the combined holdings rising by about 120 million Swedish kronor. In this latter period from May to December 1940 the Riksbank acquired 255 million Swedish kronor of foreign exchange while the commercial banks reduced their holdings by 133 million Swedish kronor. This reduction, which was most marked in the late autumn, would seem to have been due to fears that sales of Swedish assets in the United States would be made subject to licence and possibly also that the Swedish krona would be raised in value in relation to the dollar. During the year there was, however, very little change in the quotations for any of the leading currencies.

The year 1940 in Switzerland was characterised by unusually strong movements on the foreign exchange market. During the first five and a half months the National Bank, together with the Exchange Equalisation Fund, furnished the market with dollars to an equivalent of nearly 500 million Swiss francs. In the main these dollars were required to pay for a heavy excess of imports and to supply the means of payment for future imports, but in part they served to meet withdrawals of funds owned by foreigners and, as the political situation became more unfavourable, to provide for the acquisition of dollar holdings on private account.

In the middle of June, when France opened negotiations with Germany for an armistice, funds suddenly began to return to the Swiss market and the inward movement continued almost without interruption up to the end of the year, by which time the National Bank had added nearly 650 million Swiss francs to its foreign exchange holdings. At first this movement was due principally to the sale of dollars by commercial and industrial firms

which no longer needed that currency for payments abroad since imports from overseas countries had been largely cut off. Towards the end of the year there was another and more important reason for the massive repatriation of funds, viz., the fear that Swiss assets in the United States would be placed under the régime of licences by the American Government. In the first quarter of 1941 dollar funds still continued to be liquidated, the National Bank acquiring the countervalue of about 200 million Swiss francs.

When it had to provide dollars for the market in the spring of 1940, the National Bank, in agreement with the Federal Department for Finance and Customs, asked the banks on May 10, 1940, to limit their supplies of foreign exchange for industry and trade to the amounts needed for payments of imports and foreign services, and in particular to abstain from the sale of exchange for foreign investments. Thus an informal arrangement took the place of official restrictions. When later on in the year the National Bank had to acquire large amounts of dollars, it adopted the policy of demanding information as to the origin of the foreign exchange offered to it. The Bank was not interested in receiving unstable foreign funds and it was anxious to prevent blocked dollars from being liquidated through the Swiss market but it accepted all the exchange resulting from Swiss exports or representing repatriation of funds in Swiss ownership. Notwithstanding the large increase in the National Bank's exchange holdings the arrangement limiting the outflow of funds was maintained in order to keep the country's capital at the service of the Swiss economy.

In the first five and a half months of the year the dollar rate remained unchanged at 4.45 $\frac{7}{8}$  Swiss francs = 1 dollar. In response to the subsequent inflow of funds the rate gradually went to 4.30 $\frac{7}{8}$  Swiss francs, where it was held from October 1940 to April 1941 except for some minor fluctuations in the last two months of 1940. The improvement in the dollar value of the Swiss franc affected the quotations of other currencies also; the rate fixed in the Swiss-German clearing was reduced in October 1940 from 175.44 to 173.01 Swiss francs = 100 Reichsmarks. On the other hand, the National Bank has kept its purchase price of gold unaltered at 4,869.8 Swiss francs per kilogram and has bought gold at that price from foreign central banks

and whenever the francs paid for the gold were to be used for settlement of commercial and other operations useful to the country.

**Foreign trade.**—No statistics have been published regarding the foreign trade of Germany since the war began. In a speech made by a Director of the German Reichsbank and published in December 1940 it was, however, explained that at the beginning of the war there was naturally a sharp decline in the foreign turnover, since more than one-half of Germany's pre-war imports came from overseas countries and from England and France. But, thanks to an intensification of trade with European countries, the volume of German foreign trade was gradually brought back to the pre-war level as regards both exports and imports. Germany's foreign trade balance at the beginning of the war was at first active; later on, heavy German purchases in all the accessible European countries led to an import surplus, although the German economy was able to maintain a considerable production for export in addition to its work for the armed forces. In the latter half of 1940 German imports from Holland, Belgium, and France rose considerably, substantial stocks of raw materials which these countries had accumulated being partly transferred to Germany. The improvement in Germany's trade position was helped by the well-maintained foreign trade of the Protectorate of Bohemia and Moravia, which entered into a customs union with Germany as from October 1, 1940.

Just before the war 65 per cent of Germany's exports went to Continental Europe, from which Germany took 55 per cent of her imports. Trade with the U. S. S. R. was negligible ( $\frac{1}{2}$  per cent of the total turnover). Besides the recovery of the Russian trade in 1940, a notable increase occurred in trade with Italy. Increased coal deliveries to Italy should be specially mentioned. Of the 12 to 13 million tons of coal annually imported into Italy about 65 per cent was obtained in 1937 from Germany (principally by sea via Hamburg) and 16 per cent from the United Kingdom. In 1940 British shipments were wholly replaced by deliveries from Germany.

In February 1941 an agreement was concluded between Germany and Italy providing for an exchange of goods to the value of 1 milliard Reichsmark annually; at the same time it was agreed that for the duration of the war all deliveries of military importance

should be continued without regard to equilibrium in the balance of payments or the position of the clearing accounts.

In Italy also, regular publication of foreign trade returns has been discontinued since the beginning of the war, but the global figures for 1940 have been disclosed. According to these figures imports increased by some 2.9 milliard to 12.9 milliard lire, about 30 per cent, this being the highest level reached since 1931 (except for the year 1937, when the necessity of replenishing stocks after the Abyssinian campaign swelled imports to a record figure of 13.6 milliard lire). Exports in 1940 amounted to 9.2 milliard lire, compared with 8.5 milliard in the previous year, thus increasing by 9 per cent. In the whole period 1931-40 the highest exports were attained in 1931 with a figure of 10 milliard lire, i. e., before the great depression had made its full effects felt in Italy. The passive trade balance rose from 1.5 milliard in 1939 to 3.7 milliard lire in 1940, which is below the previous record of 5.7 milliard in 1937. It is officially stated that the deficit in the trade balance was largely due to the payment of higher prices for imported goods and to the necessity of accumulating stocks. It is added that in the balance of payments the deficit on merchandise account was largely offset by certain active items, such as shipping freights (during the first five months of the year), and by a reduction in certain passive items, such as the service of Italian foreign loans, the transfer of which has been suspended since June 1940.

Although the overseas trade of Italy came practically to a standstill upon her entry into the war, the loss thus sustained was partly counterbalanced by an increase in the traffic with Continental Europe, particularly with Germany, Switzerland, Sweden, and Spain. During the last seven months of 1940 Germany took 41 per cent of Italy's exports, providing some 47 per cent of her imports.

Apart from the obstacles caused by warfare and blockade, the decline in the trade of south-eastern Europe shown by the trade returns for 1940 was due to bad harvests in most of the countries and also to measures taken by the governments to retain essential commodities for home consumption. In the approach to the problems of foreign trade a great change has occurred: while up to the end of August 1939 the aim of the commercial policy was to achieve a "favourable trade

balance", the attitude thereafter may be indicated by the formula: "imports precede exports". Instead of import restrictions of various kinds, export quotas and export prohibitions have been imposed and the accumulation of free "devisen" is no longer regarded as a major objective.

In the early months of 1940 attempts were still made to import raw materials from overseas markets. Traffic in the Mediterranean was, however, much hampered from the very beginning of hostilities in Europe; it became extremely difficult after the entry of Italy into the war and well-nigh impossible after the outbreak of the Italo-Greek war. Among the raw materials which threatened to become particularly scarce textile fibres were of the greatest importance, the Danubian and Balkan countries having developed their own textile industries. A substitute for imported cotton was found to some extent in unexpectedly large deliveries of "Ersatz-Fiber" from Germany and Italy. Mention should also be made of the increase in the local growth of cotton in Bulgaria, Greece, and Turkey.

The authorities in Switzerland no longer publish details regarding the composition of foreign trade or its distribution among different countries, but the global figures of values and quantities of imports and exports give some indication of the general tendencies. In the development of foreign trade since the war began it is possible to distinguish two different phases. From September 1939 to the spring of 1940 successful efforts were made to increase imports in order to accumulate stocks, especially of raw materials. Then came a sudden decline in the summer of 1940, and, although there was a certain recovery in the autumn, the quantities then imported were only about two-thirds of the normal volume—indicating reduced imports of raw materials. As a result of the general rise in import prices the reduction in the value of imports by 2 per cent for the year as a whole corresponds to a setback of 30 per cent in volume.

The export trade shows a somewhat different development. From September 1939 to the summer of 1940 there was a certain reduction in the weight of goods exported (partly because of export prohibitions in Switzerland and partly because many foreign countries prohibited the import of Swiss products of a luxury character), but prices

were higher, so that in value exports still showed an increase. From the third quarter of 1940 a notable advance occurred in the volume of exports—an indication of a change in the structure of the export trade. Normally, Swiss exports consist of highly manufactured products. While in some of these lines exports declined, an important new category was added: export of goods for general consumption, such as cattle and dairy products, which are heavier in weight in relation to their value.

In the three Scandinavian countries imports were exceptionally high up to the spring of 1940, when the extension of the war to Norway and Denmark radically changed their foreign trade position. Normally about 40 per cent of total Swedish exports consisted of timber, wood-pulp, and paper, of which more than three-quarters was sold to the British and extra-European markets, now no longer accessible. New trade agreements were concluded with a number of countries in Europe as well as with the U. S. S. R.; while in 1936-38 the Continent of Europe accounted for 53 per cent of both Swedish imports and exports, in the twelve months May 1940 to April 1941 it provided 83 per cent of the imports and took 91 per cent of the exports.

FOREIGN TRADE OF THE NORTHERN COUNTRIES IN 1939 AND 1940

[In millions of national currency units]

Country	Imports	Exports	Trade balance
Denmark:			
1939.....	1,740	1,578	-162
1940.....	1,374	1,508	+134
Finland:			
1939.....	7,573	7,710	+137
1940.....	5,180	2,980	-2,200
Norway:			
1939.....	1,366	808	-559
1940.....	945	612	-333
Sweden:			
1939.....	2,499	1,889	-610
1940.....	1,999	1,338	-661

In Norway also the volume of imports and exports fell heavily after the events in the spring of 1940, although measures were taken to increase German purchases of forestry products, fish, and minerals. Denmark, for the first time since 1914, had an export surplus in 1940, due to large exports to Germany not only from current production but also from the stocks of cattle, pigs, and poultry which had to be reduced when feeding stuffs

could no longer be imported from overseas countries. In judging the value of the foreign trade figures it must be borne in mind that during 1940 export prices rose by an average of 27 per cent and import prices by 62 per cent.

The foreign trade of Holland in the first quarter of 1940 was characterised by a large import surplus. No statistics are available for the month of April, but in the ten months May 1940 to February 1941 trade was mainly with Germany.

FOREIGN TRADE OF HOLLAND

[In millions of florins]

Period	Total			With Germany		
	Ex-ports	Im-ports	Bal-ance	Ex-ports	Im-ports	Bal-ance
Jan.-Mar. 1940.....	217	408	-191	32	77	-45
May 1940-Feb. 1941.....	419	575	-156	303	317	+14

Imports from Germany increased from October 1940, probably in connection with increased supplies of raw materials for Dutch industries, which early in 1941 received large German orders.

During the first four months of 1940 the imports of the Belgium-Luxemburg Union amounted to 8,395 million and the exports to 5,887 million Belgian francs, leaving an import surplus of 2,508 million. The following table shows the foreign trade with Germany up to September 1940.

BELGIUM-LUXEMBURG TRADE WITH GERMANY MAY-OCTOBER 1940

[In millions of Belgian francs]

Month	Imports	Exports
1940—May.....	661	1,057
June.....	72	8
July.....	159	31
August.....	141	184
September.....	215	136

For the last quarter of the year no figures of foreign trade have been published, but the customs receipts for that quarter indicate that trade recovered somewhat from the low level of only 10 per cent of normal which obtained in the summer and early autumn of 1940.

**Price movements.**—In the United Kingdom the initial advance of prices in the months

immediately following the outbreak of war slowed down in 1940.

PRICE MOVEMENTS IN THE UNITED KINGDOM

[August 1939=100]

Index	Aug. 1939	Dec. 1939	Dec. 1940	Mar. 1941
Wholesale prices*.....	100	124	151	154
Retail food prices.....	100	113	125	122
Cost of living.....	100	112	126	127

\* Board of Trade Index.

Apart from the impact of the heavy budget deficit and price developments on the world markets (where relatively slight increases have occurred), the main factors influencing British prices of imported commodities have been the lowering of the exchange value of the pound by 14 per cent in September 1939, higher costs of transport, changes in the sources of supply, and the Government's buying policy. This applies also to purchases of home-produced commodities, the prices of which have been influenced by increased costs, since rates of wages as well as prices of materials, equipment, and transport have risen, while net profits have rather shown a tendency to fall. Nominal wage rates rose by 14 per cent between August 1939 and December 1940. Retail food prices, which rose by 25 per cent in the same period, have been fixed more and more by the Government, in some cases by means of subsidies designed to keep down the advance in the cost of living.

Germany has continued to apply a system of comprehensive price control by which the increase in wholesale prices and in the cost of living has been kept within narrow limits.

PRICE MOVEMENTS IN GERMANY

[August 1939=100]

Index	Aug. 1939	Dec. 1939	Dec. 1940	Mar. 1941
Wholesale prices.....	100	100.5	103.5	104.3
Retail food prices.....	100	98.3	101.4	102.5
Cost of living.....	100	99.3	102.7	103.8

The increase in prices has been mainly in finished industrial products (especially textiles, shoes, furniture, and rubber articles), whereas agricultural prices showed practically no change. Strict rationing of the consumption of essential commodities and allocation of supplies of materials by official agencies are integral parts of the distributive

system designed to ensure that shortages do not lead to increases in prices.

The price control in Germany, which since the beginning of the war has applied also to wages, was further extended in 1940. By decree of November 6, 1940, it was made compulsory to reduce prices in cases where, for instance, more efficient technical methods or a lowering in quality led to a rise in profits. In exceptional cases permission may be given to firms to surrender part of their profits instead of lowering prices. In addition to the "price stop" and "wage stop" already in force, a "profit stop" was thus introduced.

In Italy, by ministerial decree of March 12, 1941, the "price stop" instituted in June 1940 was prolonged for the duration of the war. Provision was made for prices to remain at the level prevailing on June 30, 1940, and for the prolongation of current contracts regarding remuneration for work, insurance, rents (with certain restrictions), lighting, etc. Although the official publication of price indexes has not been resumed, it is known that a rise in prices of certain commodities has taken place, especially as a result of the higher cost of imports.

PRICE MOVEMENTS IN EUROPE

[August 1939=100]

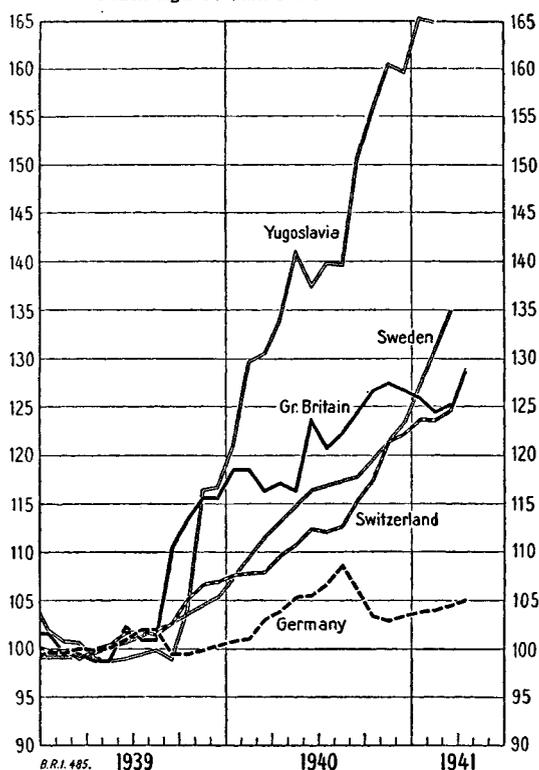
Country	Wholesale prices		Cost of living	
	Dec. 1940	Mar. 1941	Dec. 1940	Mar. 1941
Bulgaria.....	135	135	119	121
Denmark.....	172	178	136	139
Finland.....	.....	.....	124	132
Greece.....	.....	.....	123	.....
Hungary.....	127	131	115	117
Norway.....	150	160	130	134
Portugal.....	145	.....	111	114
Spain.....	130	.....	134	.....
Sweden.....	144	152	119	128
Switzerland.....	153	159	117	120
Turkey.....	.....	.....	120	* 124
Yugoslavia.....	188	* 203	149	* 155

\* February 1941.

In other continental European countries for which price statistics are available, the rise in wholesale prices amounted to at least 30 per cent from the outbreak of the war to March 1941.

The increase was highest in Yugoslavia, where it exceeded 100 per cent; then came Denmark with more than 75 per cent, Norway, and Switzerland with around 60 per cent, Sweden with more than 50 per cent, Bulgaria 35 per cent, and Hungary just over 30 per cent. The cost of living has risen less

Cost of Living in certain countries  
Index figures Jan.-June 1939 = 100



steeply—often by only one-half of the rise in wholesale prices.

In general, adjustment to the German price level has been an important factor in price movements on the Continent of Europe since the outbreak of war. In the years 1929-33 prices and wages in Germany were reduced by 35 and 20 per cent respectively, i.e., to a greater extent than in other European countries, but the depreciation of the currencies of these other countries while the Reichsmark was maintained at par made the German price level, when calculated at official rates of exchange, higher than elsewhere. By the beginning of 1939 the resulting divergence of wholesale prices amounted to fully 30 per cent; in relation to France it was even greater on account of the far-reaching depreciation of the French franc in 1938. In order to maintain equilibrium in her balance of payments notwithstanding the considerable price discrepancy, Germany imposed a comprehensive system of foreign trade control under which imports were restricted and subsidies

granted to German exporters to enable them to compete on foreign markets.

The outbreak of the war and the virtual isolation of the Continent of Europe from the rest of the world strengthened Germany's trade position within the European area. Germany was able to abolish the export subsidies and to attract to herself goods which had previously been exported to the British Isles or extra-European countries. The result was that Germany's price level became one of the dominating influences in price developments on the Continent. This has been the case especially in relation to the Protectorate of Bohemia and Moravia and to Holland, consequent upon the abolition of exchange restrictions between them and Germany (and for the Protectorate customs duties as well); and the same forces have been at work also vis-à-vis other countries on the Continent of Europe. By the increases in prices and wages which have occurred since the outbreak of the war a considerable adjustment to the German level has no doubt already been effected, but in some cases discrepancies still remain, which, at the prevailing rates of exchange, are in no way negligible.

Apart from influences emanating from the foreign trade position, price movements in the various countries have been subject to a number of domestic influences, among which the increased cost of production of substitutes, poor crops in 1940, and higher prices paid to encourage an extension of farming, as well as the mounting budget deficits, have been the most important. Systems of price control are everywhere in force, and increased powers have been given to price controllers in 1940. Wage control is still an exception to the rule, but in no country can the government remain indifferent to important changes in wage rates. It is generally admitted that a rise in the cost of living should not be fully compensated by a rise in wages; when the higher living costs reflect an increased scarcity of consumption goods it is physically impossible to compensate everybody; and when indirect taxation is increased part of the purpose is often to restrict the volume of consumers' purchases, while full compensation would mean freedom from the particular tax increase. The compensation which has in fact been granted to wage-earners in different countries has been limited in general to about one-half of the

rise in the cost of living, with special allowances in favor of larger families. Rationing makes it possible, as a rule, to ensure a more equitable distribution of available supplies than would be the result of competitive bidding in a free market and also to prevent shortages from resulting in exaggerated price rises. It has been the tendency everywhere to rely more upon direct intervention in the price system through rationing and control than upon credit restriction.

GOVERNMENT FINANCE, MONEY AND CAPITAL MARKETS, AND THE STOCK EXCHANGES

**Government finance, money and capital markets.**—Government financing dominated the money and capital markets throughout the world in 1940, not only in the belligerent countries but in neutral states and occupied territories also. Only in rare instances were other factors important, as for example the financing of clearing claims in Denmark and Slovakia and the repatriation of dollar balances to Switzerland. Budget deficits caused by the war were financed in the first months by both Germany and England almost wholly at short-term, but more recently large long- and middle-term loans have been placed, so that in both cases government borrowing in the six months to March 1941 was about half at long- and half at short-term. In Italy considerable conversion and consolidation issues have been made to reduce the floating debt, swollen through the budget deficits of recent years. In most other European countries budget deficits due to armament expenditure, occupation costs or efforts at reconstruction have been financed largely at short-term, in some cases through a considerable expansion of bank (including central bank) credit.

The war has not put a stop to the era of cheap money except in temporary and isolated cases. Long-term rates of interest have fallen over the year in the United States and in Germany, England, and some other European countries, including territories occupied by Germany after the campaign in the spring and summer of 1940. In Sweden the official discount rate was raised by  $\frac{1}{2}$  per cent in May 1940, this being the only increase of bank rate in the world during the year (if the readjustment of bank rate in the Protectorate of Bohemia and Moravia to the German level be omitted); eight out of

twenty-one European bank rates were lowered during 1940, the most important consideration in each case being to enable the governments to borrow at lower cost.

In Germany the technique of war financing was perfected in peacetime and, whereas other countries were forced to improvise new methods, at least in the first months of the war, the change in Germany was rather one of degree and the transition a smooth one. The total revenue of the Reich from taxation and borrowing rose considerably on the outbreak of war and at the end of 1940 was more than double that of the last quarter of 1938. The financial year runs from April to March and the following table gives figures for the past three years.

REICH RECEIPTS FROM TAXATION AND BORROWING

[In millions of Reichsmark]

Quarter	Taxation	Borrowing	Total	Percentage of total from taxation
1939 April-June.....	5,221	3,738	8,959	58.3
July-September.....	6,179	5,074	11,253	54.9
October-December.....	6,335	6,102	12,437	50.9
1940 January-March.....	5,840	6,159	11,999	48.7
1940 April-June.....	6,067	8,134	14,201	42.7
July-September.....	7,351	9,575	16,926	43.4
October-December.....	6,987	9,819	16,806	41.6
1941 January-March.....	6,816	10,309	17,125	39.8
Financial years 1938-39.....	17,691	10,838	28,529	62.0
1939-40.....	23,575	21,073	44,648	52.8
1940-41.....	27,221	37,837	65,058	41.8

This table does not show all budgetary receipts although it covers over 90 per cent of internal budget revenue. The war contribution of the local authorities to the central government, due to economies of administration up to one-half, gave a further 1.25 milliard Reichsmark in 1940-41 and, with net receipts from public enterprises, etc., made up some 3-4 milliard in addition to the tax revenue shown in the table.

Of the total budgetary receipts, amounting to, say, 68-69 milliard Reichsmark in 1940-41, less than one-fifth was needed to cover civil expenditure, the balance being devoted to the war effort. Besides this internal budget revenue, contributions are received from the occupied territories in the shape of occupation costs, which for France, for instance, were at the rate of 7,300 million Reichsmark annually: the returns of the Bank of France show, however, that up to the end of 1940 less than half had been effectively utilised.

Official estimates of revenue for the financial year 1941-42 give the income from taxation at 30 milliard, administration receipts at 5 milliard and the war contribution of the local authorities at 1.4 milliard Reichsmark. The addition of the "Matrikular" contribution of the Protectorate and the occupation costs from occupied territories raises the total current revenue (apart from borrowing) above 40 milliard.

Some forms of taxation receipts and customs revenue may be expected to fall off in wartime but other tax income has increased to take their place. Since the outbreak of war a 50 per cent supplement has been added to income tax and war increases have been made to taxes on beer, wines, and tobacco. Official statements have been issued to the effect that no new taxes and no further increases in the rates of present taxation are to be made in 1941 and that no "war loans" are to be publicly offered on the open market. Actually wartime borrowing has been effected "noiselessly" through the intermediary of banks and other institutions.

The total public debt of the Reich (excluding tax certificates) rose, according to the published statements, from 19 milliard Reichsmark at the end of March 1938 to 34 milliard at the outbreak of war and 86 milliard at the end of March 1941 (of which 38 milliard Reichsmark was at short-term). In the calendar year 1938 huge market issues were made and long-term financing preponderated. Short-term issues, particularly Treasury bills, became more important in 1939, especially if account be taken of the six-month tax certificates (one-half of the total).

Large issues of Treasury bills were made in 1940 but the volume of long- and middle-term loans also grew, so that receipts from borrowing of 20 milliard Reichsmark in the last six months of the financial year 1940-41 were divided almost equally between long- and short-term issues. Classified under long-term "market" loans in 1940 are the new issues of 4 per cent Treasury certificates, the earlier tranches of which were of only 5 years' while later tranches were up to 20 years' maturity. A remarkable feature of the year was the large amounts invested in government bonds by savings banks, insurance companies, and similar institutions (the so-called "liquidity loans") reflecting the accumulation of small savings. Deposits in savings banks alone passed the level of 33 mil-

liard Reichsmark in 1940 against only 22 milliard in the middle of 1939, 2 milliard of the increase being due to the inclusion of Ostmark and Sudeten banks in the 1940 figures. A further feature was the small amount taken by direct advances from the Reichsbank (included in the Bank's return under "Sundry assets", which also comprise the direct advances to the Reichspost and Reichsbahn).

GERMAN REICHSBANK RETURN

[In millions of Reichsmark]

End of quarter	Assets			Liabilities	
	Bills and cheques	Securities	Sundry assets	Note circulation	Deposits, etc.
1939 December.....	11,392	1,197	2,033	11,798	2,018
1940 March.....	12,242	537	1,822	12,176	1,760
June.....	12,611	597	1,863	12,785	1,854
September.....	13,206	472	1,797	12,847	1,795
December.....	15,419	389	1,726	14,033	2,561
1941 March.....	15,367	385	1,246	14,188	2,127

Actually the "working credit" of the government was reduced on balance during 1940 by 205 million Reichsmark to 580 million, while the item "securities" fell as Government bonds were sold on the stock exchange. On the other hand, the volume of "bills and cheques," mostly Treasury bills and thus representing indirect Government borrowing, rose by 4 milliard Reichsmark on the year. The rise of the note circulation in 1940 is largely accounted for by the territorial expansion and by the slower circulation of money and the maintenance of higher cash reserves. Treasury bills issued by the Government during the year 1940 amounted to 17.4 milliard (raising the total in circulation to 30.7 milliard). Some 13.4 milliard Treasury bills were thus placed outside the Reichsbank, mostly with the other banks, which experienced a remarkable increase of deposits during 1940 parallel to the rise of Treasury bills and securities.

Besides the acquisition of Treasury bills, an important factor during the year was the extension of the banks' business to incorporated and occupied territories. Deposits with the five Berlin Grossbanken grew by one-third in 1940 and with the four special banks by over one-half. It has been estimated that the deposits with all reporting banks at the end of 1940 were about 33-35

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GERMAN BANKS' BALANCE-SHEET ITEMS

[In millions of Reichsmark]

End of year	Assets				Liabilities
	Bills and cheques	Treasury bills	Securities	Advances	Deposits etc.
A. Five big Berlin Banks					
1938	2,243	1,229	768	3,223	7,627
1939	2,137	2,563	488	3,416	8,803
1940	2,282	3,793	1,300	2,715	11,699
B. Four special Banks					
1938	1,471	749	532	416	3,296
1939	985	3,071	455	475	5,103
1940	1,504	4,701	828	640	7,846
C. Total nine Banks					
1938	3,714	1,978	1,300	3,639	10,923
1939	3,122	5,634	943	3,891	13,906
1940	3,786	8,494	2,128	3,355	19,545

GERMAN MARKET RATES

[In percentages]

Issue	At out-break of war	Beginning of 1941	Reduction
Share yields	5.20	3.80	1.40
"Liquidity loans" and longer-term Treasury certificates	4.50	3.50	1.00
17-18 months' Treasury bills	3.75	3.00	0.75
"Block bills" of 360 days	3.56	2.75	0.81
6-7 months' Treasury bills	2.25	2.50	0.75
Private discount rate	2.75	2.25	0.50

<sup>1</sup> 12-13 months' bills.

<sup>2</sup> 4-5 months' bills.

milliard Reichsmark against 21 milliard in July 1939, when the last monthly return was published, an increase of 12-14 milliard, mostly against Treasury bills. In the same period the total Treasury-bill issue rose by 23 milliard Reichsmark, of which about 7 milliard was placed with the Reichsbank and 16 milliard with banks and other market institutions. Significant as a sign of the liquidity of the economy as a whole and of the change of structure of the banks is the fall of advances in 1940.

Each of the three big Berlin banks with a network of branches throughout the country increased its capital during the year to keep pace with the increase of total liabilities. The capital and reserves of all German reporting banks amounted to 2.5 milliard Reichsmark with 21 milliard deposits in July 1939 against 4.5 milliard with 11.5 milliard deposits in 1913. The problem of raising capital resources when profits are tending to fall with the narrowing margin of interest rates is similar to that in the United States—and, as in that country, emphasises the importance of building up reserves. In both cases the solvency of the banks and the protection of depositors are assured rather by the high level of the banks' first-class liquid assets than by the volume of nominal capital.

The Reichsbank reduced its discount rate to 3½ per cent on April 9, 1940, from 4 per cent, at which it had stood since September 1932. The extent of the reduction of interest rates in Germany since the beginning of the war may be seen from the following table.

The liquidity of the economy is reflected also in the long-term market. Perhaps the most striking illustration of this is found in the terms of issue of Treasury certificates;

the first issue at 99 of 4 per cents (for five years) in March 1940 gave a yield of 4.33 per cent, while early in January 1941 it was possible to make a 3½ per cent issue (for 15 years) at 98¾ with a yield of 3.63 per cent.

The Reichsbank increased its holding of securities by 100 million Reichsmark between March 7 and the end of April 1940 but was able to sell in later months, and by the end of the year its total holding was very low (under 390 million).

The most important event from a financial point of view in the Protectorate of Bohemia and Moravia was the customs and monetary "Anschluss" with Germany on October 1, 1940, by which the Protectorate came within the German system of customs and foreign exchange restrictions. During the year the market was under the influence of increasing liquidity due chiefly to the surplus of exports, for the most part to the Reich (while clearings with other countries were also made through Berlin in Reichsmark). The easy conditions are illustrated in the National Bank's return by the almost complete disappearance of internal credit business at the end of the year, the rise of "other sight liabilities" and the increased circulation of "Bons de caisse", issued since the second half of 1938 to mop up surplus funds on the market.

In order to fall into line with the Reichsbank, the National Bank's official rate of discount was raised from 3 to 3½ per cent on October 1, 1940, while other rates in the country were similarly adjusted. During the year the regulations governing the National Bank were modified to exclude from the primary cover provisions those Protectorate notes issued against German currency and other claims in Reichsmark, including Reich Treasury bills and certificates which

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NATIONAL BANK OF BOHEMIA AND MORAVIA

[In millions of koruny]

End of month	Assets			Liabilities		
	Gold and foreign exchange	In-ternal credit	"Sun-dry assets"	Note circulation	Other sight liabilities	"Bons de caisse"
1938 December.....	3,942	3,550	1,045	6,950	656	395
1939 December.....	2,402	1,896	*3,791	6,345	1,054	525
1940 September.....	2,494	710	5,345	5,976	969	931
December.....	2,232	24	7,816	6,453	1,560	1,002
1941 March.....	2,234	250	8,444	7,007	2,051	1,320

\* 2,831 million koruny of this amount are shown in the balance sheet to be claims on Germany on account of Reichsmark note and coin holdings (636 million) or other floating assets (2,195 million).

the Bank was also authorised to discount or purchase.

The Italian budget has shown a deficit since the year ending June 30, 1931 (financial year 1930-31), but it was only from the time of the Abyssinian campaign (beginning October 1935) that "exceptional" military expenditure took a prominent part in the budget outlay. Recent closed budget figures have been as follows:

ITALIAN BUDGET ACCOUNTS

[In billions of lire]

Year	Revenue	Total expenditure	Deficit	"Exceptional" expenditure <sup>1</sup>
Four years' average				
1930-31 to 1933-34.....	19.0	22.6	3.6	-----
1934-35.....	18.8	20.8	2.0	1.0
1935-36.....	20.4	33.1	12.7	11.1
1936-37.....	24.7	40.9	16.2	17.5
1937-38.....	27.5	38.6	11.2	9.0
1938-39.....	27.6	39.9	12.3	6.5
1939-40.....	32.4	60.4	28.0	21.9
1940-41 <sup>2</sup> .....	31.0	96.0	65.0	-----

<sup>1</sup> Included in total expenditure (column two).

<sup>2</sup> Estimates of the Ministry of Finance.

Expenditure rose, prior to the present war, for a number of reasons, of which the most important were the costs of the Abyssinian campaign, the empire development schemes, the Spanish war, the union with Albania, and the policy of autarky and rearmament. In spite of a 50 per cent increase of revenue over the five years from 1934-35, the heavy "exceptional" expenditure in the year 1939-40 (which includes the first three weeks of active warfare) raised the deficit to a record figure. Expenditure for the financial year 1940-41 was estimated at 96 milliard lire and the deficit at 65 milliard, say 5½ milliard a

month. The extent of the Italian effort may be realised by comparison of these figures with the national income, which was estimated for 1939 at 125 milliard lire.

The aggregate deficit of 82 milliard lire in the six financial years 1934-35 to 1939-40 has been covered by borrowing at long- and middle-term and at short-term in about equal proportions. The floating debt expanded in the six years by about 40 milliard lire, of which some 8-9 milliard was on account of the current advances of the Cassa Depositi e Prestiti and of other official institutions, 16-17 milliard lire was issued as one-year Treasury bills and the remainder, say 15 milliard, was covered by other Treasury resources and the extension of central bank credit. No detailed statistics of the public debt have been published since June 1935, when the total internal debt was 105 milliard lire, of which 12 milliard was floating debt. At the end of June 1940, the total debt was estimated at about 170 milliard, of which 40-45 milliard would be at short term.

The note circulation, which fell from 18 milliard lire at the time of the stabilisation of the currency in 1927 to under 13 milliard in the middle of 1935 (before the Abyssinian campaign), rose above 24 milliard by the end of 1939. In the two years up to the end of 1939, 8 milliard lire was advanced by the Bank of Italy direct to the Government, there being a corresponding increase of the Bank's total sight liabilities. In the first nine months of war about ten per cent of the total borrowing of 50 milliard lire (three-quarters of the estimated deficit of 65 milliard) was from the central bank. On this basis the note circulation in March 1941 was estimated at a minimum of 30 milliard (the advances to the Government being some 15 milliard).

In the countries occupied by Germany after the campaign in the spring and early summer of 1940 certain similarities in the line of development may be traced. Emergency government financing (generally involving drawing on the central bank) to cover the suddenly increased outlay, partial moratoria, restrictions on the withdrawal of bank deposits, and closing of stock exchanges were followed by the use of German means of payment (Reichskreditkassenscheine) by the advancing German troops. With the occupation completed, German commissioners were appointed to the central banks and the Kassenscheine were kept in use until arrangements

had been made for payments in local currencies by the German authorities; the banks were fully opened, moratoria were lifted and the stock exchanges gradually resumed activity. The local currencies were closed to outside influences by exchange restrictions and rates were fixed with the Reichsmark as well as with other currencies. Taxes began to flow in again and government financing became more normal but generally some central-bank credit continued to finance the clearings with Germany and to cover occupation costs; thus note circulations and commercial banks' cash reserves rose, bank deposits expanded, the markets increased in liquidity, and interest rates fell.

Denmark and Norway were occupied by Germany in April, Belgium and Holland in May, and the north and west of France in June 1940. The principal causes for the changes in the credit situation in Denmark since April 1940 are best shown by a table giving the main alterations in the return of the central bank.

DANMARKS NATIONALBANK RETURN  
[In millions of kroner]

Item	March 1940	March 1941	Change on year
Assets			
Clearing assets .....		498	+498
Sundry debtors .....	47	561	+514
All other assets 1 .....	818	414	-404
Total of balance sheet .....	865	1,473	+608
Liabilities			
Note circulation .....	609	707	+98
Sight deposits 2 .....	75	554	+479
All other liabilities .....	181	212	+31

1 Including the gold reserves and internal credit items.

2 Including current accounts.

Danish exporters through the clearing are paid directly and the foreign claims taken over by the National Bank. A large surplus of exports of agricultural products to Germany has led to a piling-up of clearing claims against which imports have not been made. In March 1941 there were net foreign exchange and clearing assets of 513 million kroner against all countries, compared with a net debt of 36 million a year before. The item "Sundry debtors," which includes the claims on the Reichskreditkassen for Kassenscheine redeemed by the National Bank and also the financing of the occupation costs, has grown in a similar measure. Together the two items have risen by over 1,000 million kroner during the year to March 1941. Of

the 1,000 million new central-bank credit thus created, 400 million has been utilised to repay credit previously granted, 100 million has gone into circulation and nearly 500 million has piled up on sight account at the National Bank. The liquidity indicated by higher cash holdings and the repayment of debts is also reflected in the returns of the private banks.

In May 1940 the Government created a 100 million kroner fund to guarantee, up to 50 per cent, advances made by the banks for the financing of industrial enterprises, but total advances nevertheless continue to fall. With deposits and cash rising and credit being repaid, the banks have employed part of their increased resources in the bond market (taking up securities sold by the National Bank to curb the expansion of its assets). Over the year bond prices have risen by 10 per cent and the National Bank has twice reduced its discount rate, from 5½ to 4½ per cent in May and to 4 per cent in October 1940 (while parallel reductions have been made by the commercial banks on deposits and credit items). It is noteworthy that savings-bank deposits have not recovered. For the whole year 1940 they remained below the level of 1939. Some small loans have been issued by the Government but insufficient to put a check to the expansion of central-bank credit.

The situation in Norway is more difficult to illustrate owing to the absence of the central-bank return, the last to be published being that of March 30, 1940. This return showed the increase of tension, the note circulation having risen to 600 million kroner compared with 480 million, the average for 1939. This tension grew in April, there being a run on bank deposits met by an increase of rediscounting at the central bank. From April 16 a moratorium was declared until May 9. In that month a change took place: the Oslo bank's discount rate was reduced on May 11 from 4½ to 3 per cent, with parallel reductions in the interest rates of the commercial and savings banks. The easing of the situation was due to the relaxation of tension with the ending of the campaign and to the further extension of central-bank credit to the Government. The note circulation continued to rise and was estimated at about 1,000 million kroner at the end of the year, while the published returns of the commercial banks show a swelling of their cash resources.

NORWEGIAN COMMERCIAL AND SAVINGS BANKS  
(Aggregate Figures)

[In millions of kroner]

End of month	Deposits			Loans	Se- curi- ties	Cash re- serves <sup>2</sup>	Re- dis- counts <sup>1</sup>
	Sight <sup>1</sup>	Other	Total				
1938 December ..	146	2,834	2,980	1,680	1,021	100	1
1939 December ..	157	2,740	2,897	1,825	922	81	19
1940 March .....	209	2,768	2,977	1,871	915	71	47
December .....	554	2,636	3,190	1,579	1,061	441	1
1941 March .....	667	2,719	3,386	1,475	1,063	668	-----

<sup>1</sup> Commercial banks only.

<sup>2</sup> Including balances at central bank.

The strain up to April 1940 and the complete change-over since the occupation are illustrated by the reduction of rediscounts and the huge increase of the banks' cash reserves. This increase of bank cash, accompanied by the repayment of loans and a rise in sight deposits at the commercial banks, must originate in the creation of central-bank credit, directly or indirectly, for account of the Government. "Other deposits", which more directly reflect changes in genuine savings, have on the contrary fallen.

The costs of mobilisation and other extraordinary expenditure in Holland caused an expansion of the floating debt (to the Nederlandsche Bank and the market) to its highest point of 630 million florins early in March 1940. In February a 300 million 4 per cent 40-year loan was issued and in March 132 million was received as the Government's share in the book profits on revaluation of the gold reserve. Thus, in April the floating debt to the market was reduced below 400 million florins; the Government was out of debt to the Nederlandsche Bank and, in fact, had a credit balance in account.

Hostilities with Germany commenced on May 10, whereupon restrictions on the withdrawal of bank deposits were imposed. The campaign was short and the Nederlandsche Bank published its weekly returns as usual, except that of May 13, 1940. The last return before the conflict showed no particular signs of tension: a comparison of this with later returns is given below.

In the two weeks to May 20, 1940, the call on the central bank was considerable; the Government drew 38 million florins (withdrawing its deposit and taking a loan) and private customers (mostly the banks) 111 million (from deposits and credit granted), while 102 million went into circulation as

NEDERLANDSCHE BANK RETURN

[In millions of florins]

Item	1940			1941
	May 6	May 20	End Dec.	End Mar.
<b>Assets:</b>				
Sundry accounts.....	21	21	123	212
Foreign bills.....	1	1	15	23
Loan to the Government <sup>1</sup> .....	(-23)	15	261	175
<i>Total (three items).....</i>	(-2)	37	399	410
Gold <sup>2</sup> .....	1,160	1,115	1,102	1,096
Domestic credit <sup>3</sup> .....	228	302	211	221
Other assets.....	65	60	71	71
Total of balance sheet.....	1,474	1,514	1,783	1,798
<b>Liabilities:</b>				
Notes.....	1,159	1,261	1,552	1,593
Private accounts.....	232	193	175	144
Other liabilities.....	60	61	57	60

<sup>1</sup> Net, i. e. direct advances plus Treasury bills placed with the Bank less credit on current account.

<sup>2</sup> Mostly abroad.

<sup>3</sup> Excluding credit to Government.

notes. The tension soon abated, private credit was repaid and on June 11 the restrictions on the withdrawal of bank deposits (which had already been relaxed on May 23) were completely lifted.

Since the occupation, however, the monetary situation has been dominated by the excess of official financing over receipts, reflected in the considerable rise of three asset items in the balance sheet of the Nederlandsche Bank (shown at the top of the table). From May 20 to the end of December 1940 the aggregate increase of 362 million florins has its counterpart in a rise of 291 million in the note circulation and a net repayment of 73 million private domestic credit. The two items "Sundry accounts" and "Foreign bills" consist largely of the Reichsmark claims of the Nederlandsche Bank. Besides financing the clearing balance and the occupation costs, the Government has other extraordinary expenditure for war-damage compensation and unemployment relief, financed by short-term borrowing on Treasury bills and from the Nederlandsche Bank, as reflected in the item "Loan to the Government" in the table. In Holland, unlike Denmark and Norway, the extension of central-bank credit has led to an almost parallel expansion of the note circulation.

Besides borrowing from the central bank, the Government has placed a large volume of Treasury bills on the market. These have been largely taken up by the banks, whose holdings have increased. Withdrawals of

deposits from the banks in the first months of the year were met by a reduction of the Treasury-bill holding, in May below 150 million florins. From May 1940 to March 1941 deposits have risen by over 50 per cent while private credit has been repaid and the Treasury-bill portfolio, having increased to more than three times its earlier volume, amounts to more than two-thirds of total deposits.

In January 1941 a comprehensive tax reform was undertaken and it is estimated that revenue from this source may be increased by 50 per cent from the 800 million florins in 1940 to, say, 1,200 million in 1941. Government expenditure, however, is estimated, on the basis of recent borrowing, to be running at some 1,500-1,700 million florins a year above ordinary revenue. Ordinary expenditure is estimated at 900-1,000 million florins a year, public works and reconstruction at 200 million, and the costs of occupation and expenditure for the German civil administration at 1,200 million. In addition, certain German orders to Dutch industry necessitate interim financing by the Dutch Treasury. In January 1941 a 500 million 4 per cent ten-year loan was issued at par for the consolidation of the floating debt.

The discount rate of the Nederlandsche Bank has remained unchanged at 3 per cent since August 29, 1939, in spite of the extreme pressure (and bank moratorium) in the spring of 1940 and the comparative ease of the market at the end of the year.

The outbreak of the European war in September 1939 came as a shock to the money and capital markets in Belgium, weakened earlier in the year by an exchange crisis in the spring and bank failures in the autumn (following the Mendelssohn crash in Amsterdam): the 4 per cent unified rente fell from around 85 in August to under 70 in November 1939. In the first months of 1940 there were signs of returning confidence—the unified rente rose to 80, and from January to March over 2,000 million Belgian francs of the Government floating debt was taken up by the market (thus relieving the National Bank).

Hostilities between Belgium and Germany commenced on May 10, 1940, whereupon the notes of the National Bank were made inconvertible and a credit of 5 milliard Belgian francs was opened for the Government. The commercial banks borrowed freely from the National Bank, to meet customers' require-

ments and to constitute cash reserves, but it was necessary to decree a partial restriction on the withdrawal of bank deposits (as on postal cheque accounts) from May 13 and to postpone bill protests, etc. The armistice came into force on May 28. On June 27 the new Bank of Issue in Brussels was founded with a capital of 150 million Belgian francs (20 per cent paid up) subscribed by the Belgian commercial banks, but on July 7 the direction of the National Bank returned from abroad, where it had temporarily been operating, and in August the partial bank moratorium was lifted.

The weekly return of the National Bank was suspended from May 8 to December 26, 1940, inclusive, the Bank of Issue published no statistics before its balance sheet of December 31, 1940, and the circulation of Reichskreditkassenscheine was undisclosed. The National Bank has, however, published half-yearly balance sheets for June 25 and December 25, 1940 (and weekly returns from January 2, 1941, are available for both the National Bank and the Bank of Issue). The following table summarises and combines the statistics of the National Bank and the Bank of Issue:

BELGIUM—COMBINED SITUATION OF NATIONAL BANK AND BANK OF ISSUE \*

[In billions of Belgian francs]

Year and month	Assets					Liabilities	
	Gold <sup>1</sup>	Foreign exchange <sup>2</sup>	Government Debt		Credit to private economy	Note circulation	Current accounts
			Short-term	Long-term			
1939 December	21.1	-----	3.7	0.9	2.2	27.9	1.0
1940 June	21.6	0.3	5.9	0.9	4.7	33.5	1.4
December	21.7	3.8	9.4	1.3	1.3	34.8	2.6
1941 March	21.7	5.6	10.7	1.2	0.7	37.9	2.1

\* Government debt statistics on last day of month. Other figures from National Bank balance sheets on 25th of month up to June 1940; for December 1940 and March 1941 the combined returns of the National Bank and Bank of Issue for January 2 and March 27, 1941.

<sup>1</sup> Including the so-called "valeurs-or" etc. On June 25, 1940, only 155,000 Belgian francs and on December 25, 1940, 8,190,000 Belgian francs of the total gold holding was in Belgium, the remainder being held abroad.

<sup>2</sup> Including for December 1940 and March 1941 two new items "Credits in foreign exchange" and "Foreign money and notes" and also the accounts of the Reichskreditkassen.

May and June 1940 were the critical months and "credit to the private economy" probably reached its highest point about the end of June. In round figures, the huge increase of 5.6 milliard Belgian francs in the

note circulation in the first half of 1940 was due principally to 2.2 milliard direct Government borrowing and 2.6 milliard other demands for credit (mostly by the banks). In the following months the tension was relaxed but in the second six months of 1940 as a whole there was a net rise of over 1 milliard Belgian francs in the note issue, accompanied by a further expansion of Government borrowing from the National Bank by some 4 milliard, while the "foreign exchange" holding of the two banks rose by 3.5 milliard. On January 2, 1941, this item combines 956 million "foreign credits", 1,915 million "foreign notes and coin" and 1,015 million on the two accounts of the Reichskreditkassen: the balance sheet of the Bank of Issue indicates that the foreign claims were predominantly in Reichsmark (and doubtless represent, to a large extent, the withdrawal of Reichskreditkassenscheine and the accumulation of clearing claims). At the end of August 1940 the Ministry of Finance gave a guarantee of 1 milliard Belgian francs to the Bank of Issue to cover possible losses due to the Bank's paying out amounts owing to Belgian exporters but remaining untransferred in Reichsmark on the clearing account in Berlin. In the first three months of 1941 the expansion of the note issue was accelerated, rising by 3.1 milliard Belgian francs compared with 6.9 milliard during the whole year 1940.

The extension of official credit produced considerable liquidity in the economy of the country, and central-bank credit to the private economy declined rapidly from June 1940 to a very low level in 1941, while the commercial banks replenished their cash reserves. These conditions are also reflected in the returns of these banks.

Deposits, after an increase at the beginning of the year, declined to their lowest at the end of June. The run on deposits was met and a high reserve of cash constituted by re-discounting bills (the bill holding falling by 1.5 milliard Belgian francs, i. e. 40 per cent, in the three months) and by further borrowing of 2.5 milliard from official sources. The situation had entirely changed by September, and from June 1940 to March 1941 deposits expanded by nearly 6 milliard Belgian francs, parallel to the Treasury-bill holding included in the bill portfolio. The discounting of commercial bills doubtless declined and advances to the public have been reduced from the expanded figures of June 1940. In the second

half of 1940, there was also an appreciable increase in the volume of postal cheque accounts (about 800 million) but savings-bank deposits have tended to decline (by slightly over 1 milliard on the year).

Although conditions on the market changed fundamentally during the year, the National Bank maintained its discount rate unaltered at 2 per cent from January 25, 1940 (when it was reduced by  $\frac{1}{2}$  per cent). Out of the total borrowings of 12.7 milliard Belgian francs during the year 11.3 milliard were at short-term (of which 5.7 milliard were placed directly with the National Bank). Taxation receipts, which fell heavily in the second and third quarters of the year but recovered to the normal figures in the fourth quarter, provided 40 per cent of the Government's income for the year as a whole. Estimates of budget expenditure have been raised from the 13.8 milliard Belgian francs in 1940 (which was in fact greatly exceeded) to 16.2 milliard in 1941 (excluding occupation costs).

The year 1940 in France may be roughly divided into three periods, the first extending to early May, the second to about the end of July and the third comprising the last five months of the year. These periods may be illustrated by the figures in the following table:

BANK OF FRANCE RETURN  
[In billions of French francs]

Item	1939	1940			
	Dec. 28	May 9	June 10	End July 1	Dec. 26
Gold.....	97	85	85	85	85
Private credit <sup>2</sup> .....	17	19	29	29	17
Public credit—					
Old advances.....	30	10	10	10	10
"War" advances <sup>3</sup> .....	14	22	36	58	64
Occupation costs.....					72
Note circulation.....	151	159	174	197	218
Current accounts—					
Treasury <sup>4</sup> .....	2	1	1	1	1
Private <sup>5</sup> .....	15	14	25	31	25
Reichskreditkassen.....					41

<sup>1</sup> August 1.

<sup>2</sup> Bills discounted, 30-day and other advances and bills purchased on the market.

<sup>3</sup> Authorised by the decree of September 1, 1939, and by the Conventions of February 29 and June 9, 1940.

<sup>4</sup> Treasury and the Caisse Autonome d'Amortissement.

<sup>5</sup> Including other sight liabilities.

The first period was one of comparative calm. The expansion of 8 milliard French francs in the note circulation was due to the increase in "war" advances to the state. By the revaluation of the gold holding in Feb-

ruary 1940, at the rate which had actually been in force since September 1939, it was possible, on the one hand, to wipe out 20 milliard French francs of the pre-war advances and, on the other, to transfer 30 milliard of gold to the Exchange Stabilisation Fund, to serve for war purchases abroad. Hence the reduction of "old advances" by 20 milliard and the net decline of 12 milliard in the gold holding.

The second period covers the phase of active campaigning and the disturbed period during the summer. In the month to June 10 there was an expansion of 10 milliard French francs in private credit and 14 milliard for the Government, accompanied by an increase of 15 milliard in the note circulation. No weekly return was published from June 10 but weekly figures from August 1 have been given in the Bank's annual report and more detailed explanations have been added by the Minister of Finance and the Governor of the Bank of France. At the General Meeting of the Bank in March 1941 the latter said that the bill portfolio, 6 milliard French francs on May 9, reached its highest point of about 18 milliard in the first days of July and that the total expansion of private credit in a few weeks amounted to 14 milliard. The Bank of France made every effort to avoid a general moratorium. The banks were helped by a system of overdrafts against the deposit of Treasury bills (to eliminate continuous handling of securities) while commercial bills were discounted even if they carried the signature of debtors resident in occupied territory. To permit the Treasury to cover its immediate needs while tax collections were practically interrupted, the Treasury concluded an agreement with the Bank of France on June 9, 1940, by which the maximum of "war" advances was raised to 70 milliard French francs. This maximum was never exceeded despite heavy drawings in June and July. The effect of the demand on the Bank's credit was a rise in the note circulation to 198 milliard early in August (an increase of nearly 40 milliard, some 25 per cent in three months).

The third period was characterised by efforts to put the internal financial position and the banking system in order and also by the appearance of a new factor: the payment of the costs of occupation fixed at 400 million French francs a day from June 25.

Once the local financial administration

could take up its work, collection of taxes began again. Deposits returned to the postal cheque accounts and the savings banks, and the net issues of Treasury bills rose to an average of 6 milliard French francs per month. Despite large exceptional expenditure the resort of the Treasury to the Bank of France to meet internal needs slowed down and later on ceased. At the same time the exceptional advances by the Bank to the market began to be reimbursed from the month of August, but at that time the first payments of occupation costs had to be met and the series of agreements between the Bank of France and the Treasury gave the latter special advances for that purpose. The first of these agreements was signed on August 25 and the amount of 27.2 milliard French francs, representing the amount of occupation costs for the period since June 25, was debited to the account of new advances "for occupation costs" and a similar sum credited to the current account of the Reichskreditkassen. Altogether this account had been credited with 77,144 million French francs by the end of the year, 72,317 million being debited to the special advances account and the balance temporarily to the Government's "war" advances account. Of the total 77 milliard odd, 41,400 million French francs (54 per cent) remained unspent on the account of the Reichskreditkassen at the end of the year; 24 milliard had been drawn to cover various payments while 12 milliard was utilised to redeem Reichskreditkassenscheine previously issued by the occupying authorities (the amount remaining in circulation in France being unknown).

Central bank credit granted to the private economy of the country decreased in the second half of the year to a figure slightly less than at the end of 1939, owing partly to the liquidity of the market and partly to the low level of business activity. As a consequence, the rise in the note circulation slowed down. After having reached nearly 40 milliard French francs in May, June, and July, the increase rather exceeded 20 milliard during the last five months of the year and, according to a statement by the Minister of Finance, it was only 11 milliard during the first four months of 1941, bringing the note circulation to 232 milliard French francs at the end of April.

With the armistice the great part of the military expenditure ceased: nevertheless,

besides ordinary administrative expenses and debt service, there was considerable emergency expenditure on immediate reconstruction (bridges, etc.), on behalf of refugees and other relief in the face of the drying-up of ordinary income (although no tax returns were published, taxation revenue doubtless fell off in the spring and summer as in Belgium and Holland). The budget deficit, which towards the end of 1940 was estimated at about 5 milliard French francs a month, was largely met by the issue of Treasury bills, which explains the cessation of the Treasury's resort to the Bank of France except for payment of the occupation costs.

For 1941 a budget has been established which does not comprise the occupation costs (146 milliard French francs covered solely by the Treasury) nor the expenditure of the Caisse Autonome d'Amortissement (9 milliard covered by the resources allocated to the "Caisse"). The budget estimates are as follows:

	Billions of French francs
Ordinary expenditure	
Public debt	18.0
Annuities, pensions, etc.	14.5
Administrative expenditure	64.5
	<hr/>
Total	97.0
	<hr/>
Extraordinary expenditure	
Liquidation of expenditure resulting from the hostilities	29.0
Public works, etc.	8.6
	<hr/>
Total	37.6
	<hr/>

Ordinary receipts are estimated at 68.2 milliard French francs. They cover about two-thirds of ordinary expenditure and nearly one-half of the total budget expenditure.

The considerable issue of Treasury bills is reflected in the balance sheets of the three large banks, Crédit Lyonnais, Société Générale and Comptoir National d'Escompte).

After considerable withdrawals in the second quarter of 1940 (reflected by the borrowing of the banks at the Bank of France) a reflux of deposits took place at great intensity in the period from July to September (when stocks were largely sold out), according to the

FRANCE—RETURNS OF THREE BIG COMMERCIAL BANKS  
[In billions of French francs]

Year and month	Assets			Liabilities
	Cash	Bills	Advances and overdrafts	Deposits
1939 December .....	4.5	27.2	7.9	39.4
1940 March.....	4.0	31.7	8.2	43.5
June*.....				<hr/>
September.....	5.8	36.7	9.7	52.1
December.....	6.2	43.8	8.4	58.5
1941 March.....	5.7	50.0	8.3	63.6

\* Not published.

annual report of the Société Générale. The increase of deposits continued until the end of the year and into 1941. Although cash reserves were strengthened (partly owing, no doubt, to the prohibition of transfer from the occupied to the unoccupied area) and there was some private borrowing in the form of advances and overdrafts in the middle of 1940, the characteristic of the returns is the parallel rise of deposits and bills. As the circulation of commercial bills (and acceptances) has fallen with the decrease of business activity, the holding of Treasury bills must have risen by at least 20 milliard French francs during the year 1940 (an amount fully equal to the increase of deposits).

In the middle of March 1941, the Bank of France reduced its bank rate and the rate for 30-day advances against Government paper of not more than two years' maturity, from 2 to 1¾ per cent. This decrease of ¼ per cent was followed by a similar reduction in the rates for National Defence Bills and for the various classes of Treasury bills. An improvement of 4½ per cent Government bonds to par in April 1941 opened up the possibility of a large conversion operation, covering some 11.5 milliard French francs of public debt issued through the Crédit National.

In spite of great differences of economic structure, of monetary conditions and of political experiences in 1940, certain broad similarities in the developments may be perceived in the countries of south-eastern Europe. Generally these countries lack organised money and capital markets according to western standards, the rate of savings is low and the use of bank notes is more widespread than cheques and bank deposits. Unbalanced budgets, due largely to increased military and other extraordinary expenditure (such

as the financing of clearing claims) has been covered from market borrowing only with difficulty, if at all. Recourse by the governments to central-bank credit has thus been frequent and, in some cases, on a considerable scale, with corresponding increases in the note circulation (and in bank reserves with the central bank). Owing to differences of accounting, it is not always easy to say exactly to what extent the recent expansions in note issues are due directly or indirectly to Government borrowing from the central banks, but this is doubtless the predominant influence in most cases. In some instances withdrawals of deposits from the commercial and savings banks have led to considerable calls on the central banks for rediscounts and loans, but these phases have generally been temporary, continued Government expenditure restoring liquidity to the economy. The following table gives the volume of note circulations since 1938, with 1929 and the subsequent lowest depression point to form a background against which the magnitude of the recent expansions may be judged.

SOUTH-EASTERN EUROPE—NOTE CIRCULATIONS OF CENTRAL BANKS

(In millions of national currency units)

End of year or month	Bulgaria	Greece	Hungary	Roumania	Slovakia	Yugoslavia
1929 .....	3,609	5,193	501	21,144	-----	5,818
Lowest 1930-34 <sup>1</sup> .....	2,449	4,003	353	19,605	-----	4,327
1938 .....	2,800	7,239	863	34,902	-----	6,921
1939 .....	4,245	9,454	975	48,800	1,392	9,698
1940 .....	6,518	15,369	1,387	64,349	1,657	13,834
March 1941 .....	7,800	18,116	1,369	68,886	1,568	14,339
Percentage increase:						
In year 1940 .....	54	63	42	32	19	43
In 2 years 1939-40 .....	133	112	61	84	-----	100
In 11 years 1929-40 .....	81	196	177	204	-----	138

<sup>1</sup> Lowest end-of-year figure, i. e. Roumania 1930, Greece 1931, Hungary 1932, Yugoslavia 1933, and Bulgaria 1934.

<sup>2</sup> Last return received: Greece, March 15, and Yugoslavia, March 22, 1941.

<sup>3</sup> By the end of May 1941 the note issue had risen to 1,734 million pengö, of which 491 million pengö had been issued in incorporated territories in exchange for the notes of the former central banks: 85 million pengö against Czecho-Slovakian koruny, 215 million against Roumanian lei, and 191 million against Yugoslavian dinars.

In all these countries the note circulation in 1940 was well above the 1929 figure, generally two to three times higher (and three to four times greater than the depression lows). In all cases the expansion from the end of 1938 has been rapid, accelerating in 1940. Territorial changes have caused some duplications, e. g., the National Bank of Hungary, on December 31, 1940, had issued 171 million

pengö of its own notes against the equivalent of Roumanian notes withdrawn from incorporated territory (some 5,120 million lei) which are also shown in the outstanding circulation of the National Bank of Roumania.

Sweden and Switzerland have much in common at the present time. Neutral in the war of 1914-18, the two countries, although not involved in the present war, have spent considerable sums upon defence. Both countries enjoy a similarly high national income and standard of living and have great financial strength. A good idea of the central-bank and market developments may be obtained from the accompanying charts.

Both Sweden and Switzerland lost gold and foreign exchange almost continuously from 1938 until the spring of 1940, when the trend was reversed: the efflux was proportionately much more considerable for Sweden, especially from the outbreak of war, whereas the reflux to Switzerland was far greater. Internal credit conditions in Sweden were seriously affected at the time of the Finnish-Russian war and the Riksbank intervened to meet Treasury requirements (in particular for payments abroad) and to assist the commercial banks subjected to a rapid withdrawal of deposits. In Switzerland the cash reserves of the banks were large and borrowing at the National Bank was not considerable (although it must not be forgotten that the profits on gold revaluations of 475 million Swiss francs were distributed between the Confederation and the Cantons in May 1940). In both countries the situation eased in the second half of the year, but the note circulation in Switzerland (of which perhaps 400-500 million Swiss francs is hoarded abroad) continued to expand.

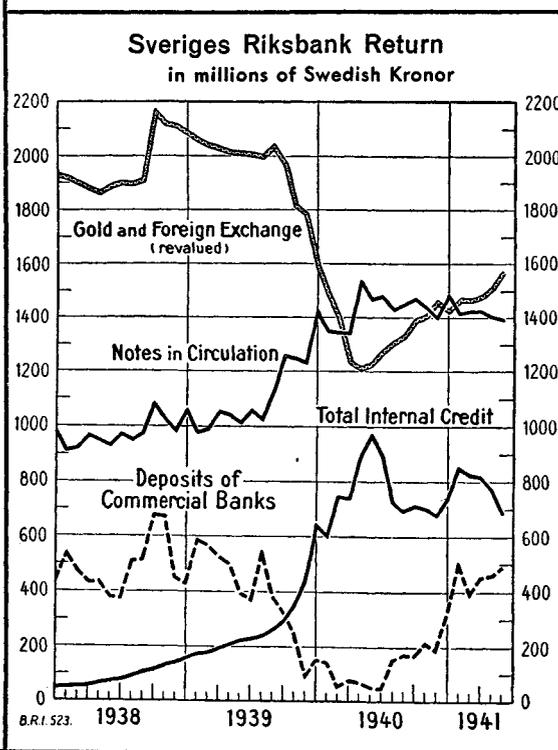
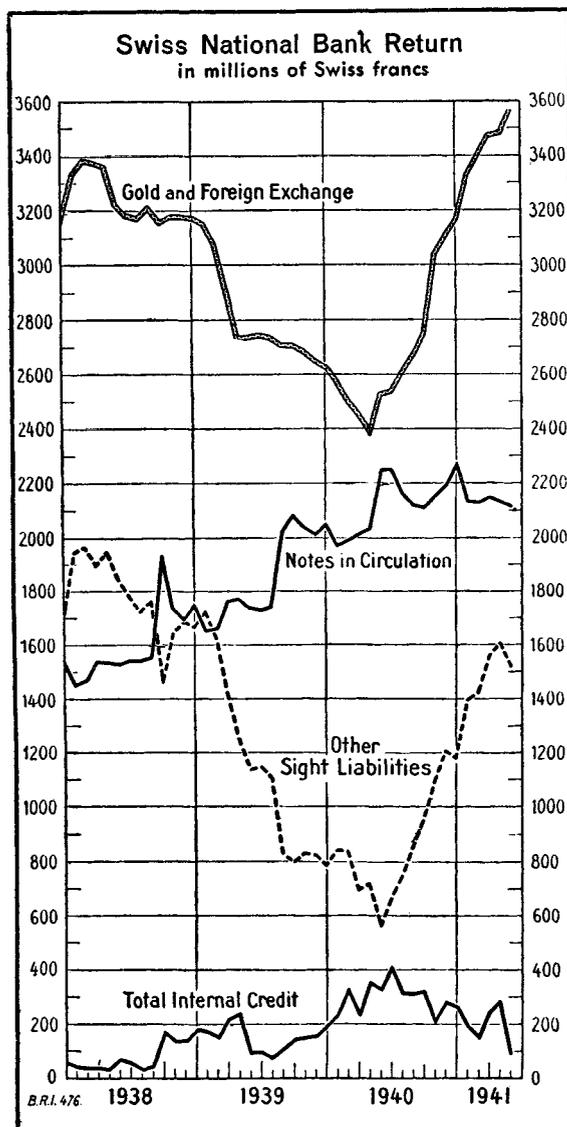
The greater pressure on internal credit conditions in Sweden is also shown by the rapid reaction of the Riksbank, which raised its rediscount rate three times by 1/2 per cent to reach 3 1/2 per cent in the middle of May 1940 (two reductions of 1/2 per cent bringing the rate back to 2 1/2 per cent at the end of May 1941). In Switzerland bank rate (which has a great influence on mortgage rates in the country) remained unchanged throughout the period at the very low level of 1 1/2 per cent. The margin between short-term and long-term rates was much narrower in Sweden than in Switzerland: the yield on Government securities, which in Sweden was barely over 2 per cent until the spring of

1939, had risen to 4½ per cent in April 1940; in Switzerland the rise in the yield was more moderate, from something over 3 per cent to 4½ per cent on May 10, 1940, when the stock exchanges were temporarily closed. In both cases the yields of long-term Government securities fell below 4 per cent before the end of the year.

Changing conditions on the money and capital markets naturally influenced the Governments' borrowing policy to cover defence expenditure. In Sweden, where defence expenditure runs at about 1,800 million Swedish

kronor per annum, of which over one-half is to be covered by borrowing, issues of Government bonds brought in 1,000 million during the year 1940, the most important being the 4 per cent 5-year Defence bonds, of which 800 million Swedish kronor were issued, while 340 million new Treasury bills were placed, largely with the banks. In Switzerland, where preparations for defence were started in the years before the war, current expenditure on defence works and mobilisation is at the yearly rate of nearly 1,000 million Swiss francs, mostly met by loans: during the year 350 million was obtained from 10-year bond issues (225 million at 3½-4 per cent in March and 125 million at 3½ per cent in November 1940), 290 million Swiss francs from two issues of 3 to 4-year Treasury bills at 3⅛-3¾ per cent, 112 million from 3.6 per cent tax certificates (to anticipate receipts from the national defence "sacrifice" levy), while 250 million Swiss francs from the profits on the revaluation of the National Bank's gold holding in May 1940 were applied towards the amortisation of military expenditure.

As for the experience in the United King-



dom, the following table shows the development of the budget and public debt quarterly over the last three financial years.

Revenue from taxation has risen particularly from the middle of 1940, owing to a larger yield of old taxes (notably income tax and certain consumption taxes) and the imposition of new ones (notably the excess profits duty, the national defence contributions and the purchase tax); and in the financial year 1940-41 it was one-third above the year 1939-40. But expenditure has risen more steeply as the war effort intensified and in 1940-41 was over double the previous year. The budget estimates for 1941-42 show still higher figures, revenue rising by nearly 380 million pounds sterling to a total of 1,786 million. The estimate of expenditure is put at 4,200 million but this figure excludes the value of supplies obtained in the United States. The Chancellor of the Exchequer explained that the figure comparable with the actual expenditure of 3,867 million pounds sterling in 1940-41 would be "far beyond" 5,000 million for 1941-42.

The first long-term borrowing for defence was the 80 million pounds sterling 3 per cent National Defence loan 1954-58 issued in June 1938. In 1939 the Government bond market was weak and the bulk of the deficit financing was made through an expansion of the Treas-

ury-bill issue. The accompanying chart of quotations of 3½ per cent War loan shows the recovery of the market from the latter part of 1939, the weakness of May and June 1940 (when the revised "minimum" price was nearly reached) and the subsequent rise to new high levels with returning confidence, when the opportunity was taken to float a number of long-term loans.

In the financial year 1939-40, 75 per cent of the budget deficit was covered by short-term borrowing and in 1940-41 only 54 per cent of a deficit more than three times as great. Long-term borrowing grew in importance as the war continued. A new issue of National savings certificates and a "savings campaign" produced an increase of Savings certificates at the rate of over 14 million pounds sterling a month during the fiscal year 1940-41; 3 per cent Defence bonds were placed "on tap" in November 1939 and the issue continued throughout the period; a 3 per cent War loan for 300 million was floated in March 1940; 2½ per cent National War bonds were placed "on tap" in June 1940 and produced 440 million during the year, a further issue being made in January 1941. In the financial year 1940-41 as a whole nearly 1,200 million pounds sterling new money was raised at long-term, compared with 200 million in 1939-40.

UNITED KINGDOM—PUBLIC FINANCES

[In millions of pounds sterling]

Year and month	Budget Accounts (cash basis)			Public debt increases or decreases (-) <sup>1</sup>			
	Taxation	Expenditure <sup>2</sup>	Deficit	Long and middle-term debt	Floating debt	Total	Other items <sup>3</sup>
1938 April-June.....	132	235	103	13	93	106	(- 3)
July-Sept.....	174	238	64	64	(- 3)	61	+ 3
Oct.-Dec.....	184	284	100	(- 1)	104	103	(- 3)
1939 Jan.-March.....	437	298	(+139) <sup>4</sup>	(-17)	(-116)	(-133)	(- 6)
1939 April-June.....	144	296	152	(- 2)	156	154	(- 2)
July-Sept.....	194	347	153	(- 2)	160	158	(- 5)
Oct.-Dec.....	206	542	336	41	299	340	(- 4)
1940 Jan.-March.....	505	625	120	163	(-46)	117	+ 3
1940 April-June.....	188	695	507	339	173	512	(- 5)
July-Sept.....	264	915	651	184	474	658	(- 7)
Oct.-Dec.....	299	1,098	798	310	490	800	(- 2)
1941 Jan.-March.....	656	1,159	503	326	192	518	(-15)
Financial years 1938-39.....	927	1,055	128	59	78	137	(- 9)
1939-40.....	1,049	1,810	761	200	569	769	(- 8)
1940-41.....	1,409	3,867	2,458	1,159	1,329	2,488	(-30)

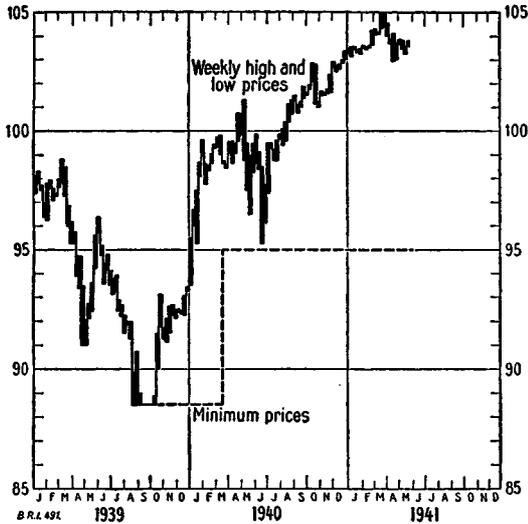
<sup>1</sup> Nominal amounts. Movements as calculated from the annual national debt returns in March and from quarterly estimates.

<sup>2</sup> Excluding sinking fund.

<sup>3</sup> Other items producing agreement between the quarterly deficit and nominal movements of public debt, e. g. sinking fund, movements of Treasury cash balance, difference between nominal amount of loans issued and cash receipts, etc.

<sup>4</sup> Surplus.

Great Britain - Quotation of 3½% War Loan



The balance of the budget deficit, some 1,300 million pounds sterling, was covered by an increase in the floating debt by this amount to 2,800 million on March 31, 1941. The Treasury bill issue increased by 780 million to 2,210 million on March 31, 1941, having doubled since the beginning of the war. Although the importance of the division of Treasury bills into those sold by "tender" (to the market) and those "on tap" (to official and semi-official investors) has diminished, it is not without significance that tap bills have increased by 760 million pounds sterling on the year to March 1941 compared with a rise of only 110 million in the bills issued by tender. Some of these tap bills were probably held by the Unemployment Fund, by Government insurance schemes and similar bodies but, in so far as they are held by Government offices as an employment for surplus balances, the debt is due by one Government department (the Treasury) to another and not to the public. Tap bills have also been issued to the Exchange Equalisation Account against the disposal of the gold held by the Account for foreign payments. In this way the budget deficit has been covered by the utilisation of existing monetary reserves. The case is somewhat different with regard to mobilised dollar securities; here a reserve of the country as a whole has been used, not a reserve belonging to the Government itself. The dollar securities were bought by the Government from the original owners

for cash (sterling), the Government raising the money by increasing its borrowing. Doubtless one reason for the large increase of long-term lending to the Government in 1940-41 was the fact that previous owners of dollar securities mobilised during the year reinvested the proceeds, directly or indirectly, in Government (sterling) securities. The Chancellor of the Exchequer, in his budget speech in April 1941, said that, in round figures, Government expenditures in the first 18 months of war was 4,650 million pounds sterling, of which 2,000 million was met by taxation, 1,000 million from overseas resources, and the balance of 1,650 million by borrowing.

An interesting innovation in 1940 was the invitation to the banks to make direct six-month deposits with the Treasury. 430 million pounds sterling deposits bearing interest at 1½ per cent were outstanding at the end of March 1941. The financing of the budget deficit was the outstanding influence on the banking system during the year, as the following table shows:

LONDON CLEARING BANKS' RETURNS

[In millions of pounds sterling]

Year and month	Assets					Liabilities
	Cash reserves and money at call	Bills discounted	Treasury deposit receipts	Investments	Advances	Deposits
1939 December <sup>1</sup> .....	444	334	-----	609	1,002	2,441
1940 March.....	390	336	-----	611	1,006	2,363
June.....	436	384	-----	636	982	2,469
September.....	432	401	91	697	937	2,597
December <sup>1</sup> .....	483	265	313	771	906	2,800
1941 March.....	420	194	<sup>2</sup> 374	821	908	2,764

<sup>1</sup> December figures are given for the 31st of the month. Other returns are on varying dates in the month.

<sup>2</sup> Part of the total of 430 million pounds sterling outstanding at the end of March 1941 was held by other than clearing banks.

On the year to December 1940 deposits have risen by 359 million pounds sterling, that is by 15 per cent, part of which, however, is due to the longer time taken for the collection of cheques, owing to the physical inconvenience under which the London market operated, particularly in the second half of the year. Bank credit granted to private, industrial, and commercial customers decreased: advances fell by 96 million while the number of commercial bills discounted doubt-

less declined (over nine-tenths of the bills in circulation being Treasury bills). More bank credit has been granted to Government contractors but less in other directions, particularly for the financing of foreign trade, now largely in Government hands. Credit granted directly or indirectly to the Government grew considerably. Treasury deposit receipts and bills discounted (including Treasury bills) together were 244 million pounds sterling higher on the year, while "investments" (including Government securities) rose by 62 million. These figures should be related to the increase, in 1940, of 1,091 million in the floating debt and 996 million in the long-term Government debt. The clearing banks appear to have taken rather over 300 million pounds sterling of Government issues exceeding 2,000 million, say 15 per cent.

The expansion of clearing-bank deposits in 1940 was accompanied by a rise of the banks' cash reserves at the Bank of England by 20 million pounds sterling to 136 million. The Bank of England's return was also affected by the increase of the note circulation by 60 million to nearly 620 million, almost the whole increase taking place in the first seven months of the year.

Money market conditions have continued very easy. Bank rate, which was raised for a few weeks on the outbreak of war, has remained since October 26, 1939, at 2 per cent, while the discount rate on Treasury bills, which dominates the market, was steady in 1940 at a shade over 1 per cent, falling in March 1941 to under 1 per cent for the first time during the war. While the weight of money does not find an expression in the Treasury-bill rate, which, for technical reasons, is stereotyped, it affects the volume of applications, which has been as high as 160 million pounds sterling for 65 million bills offered by tender. Long-term rates are best expressed by the yield of representative Government securities. The quotation of the 3½ per cent War loan (a funded issue redeemable at the option of the Treasury only after 1952), which was 95 at the beginning of the year, giving a flat yield of 3.7 per cent, rose above par in April and, after a setback in June, gradually strengthened to 105 in March 1941, with a flat yield of 3.3 per cent. Shorter-term issues and loans with fixed maturity dates gave lower yields and 2½ per cent National War bonds of 5-7 years, for exam-

ple, have been on tap at par since June 1940. In February 1941 the legal maximum at which the Government might borrow money was lowered from 5 to 3 per cent, a measure taken in order to indicate that the authorities were determined to borrow at low rates all through the war.

**Stock exchanges.**—The outbreak of the war and the military events of 1940 have not left the stock exchanges unaffected, though in this field the divergence between the tendencies in different countries has been remarkable. Valuations of capital assets, which in normal times largely reflect movements in current profits and interest rates, tend under present conditions to be based on more or less uncertain anticipations as to developments in the years to come.

Almost all the stock exchanges displayed a weak tendency in the first five months of 1940; on May 10 the bourses were closed in Brussels, Amsterdam, and Zurich, and on June 10 in Paris. Zurich was the first to reopen, on July 8; Amsterdam came later in July and Brussels in August, while Paris opened for bond dealing in October but remained closed for shares until March 1941. There was a mild setback in Berlin in June (reported to be due to the prospect of a short war), while in London the slump which had begun in March continued into July. All the exchanges show rises of varying degree in the second half of the year. In the spring of 1941 the share indexes for New York and four of the European exchanges (London, Zurich, Amsterdam, and Stockholm) were grouped around 75 to 90 per cent of the average for the year 1938. The indexes for Berlin, Milan, Lyons, and Brussels were grouped around 150 to 180 per cent of the 1938 level—about twice as high as the former group.

The most spectacular rise took place in Brussels, where the share index more than doubled during the year 1940. The bourse was shut on May 10 and remained closed until August 21, when the bond market was opened, and from September 3 shares were gradually introduced. Various precautions were taken, particularly the prohibition of forward markets, the placing of all dealing upon a cash basis and the fixing of "just quotations" some 15 per cent above those ruling before the closing in May. But further rises had to be allowed and by February 1941 the "Amens" Index was 100 per cent higher

than in May. The President of the Stock Exchange Commission issued an order in the middle of March 1941 prohibiting increases of quotations by more than 1 per cent a day. About two weeks later a rise of 2 per cent daily was permitted.

The Paris bourse was shut on June 10, 1940 (four days before the entry of German troops) and, except for an unsuccessful trial during a few days at the end of July, not opened again until October 14. On the reopening, quotations were confined to rentes and other Government paper and to industrial bonds; there remained no official market for shares in the occupied zone until the reintroduction of shares in Paris on March 19, 1941.

With Paris closed or restricted in scope, the importance of the provincial markets in the unoccupied zone increased, especially in Marseilles and Lyons. The Lyons bourse had been opened on August 27 for both bonds and shares and, after some initial weakness, a bull movement set in, with particular attention paid to shares of electrical and chemical works in the unoccupied zone (less subject to raw-material difficulties than some others), as also of industries directly or indirectly having colonial or foreign interests. A number of shares doubled in price during the bull movement. By March 1941 the yield of many shares was down to about 1 or 2 per cent.

Rentes were also strong but, owing to the impossibility of arbitrage, considerable differences of quotations developed between Paris and the provincial markets. The rise in rentes was checked at the end of the year but was resumed in the new year, when yields were reduced to about 4½ per cent.

Besides the regulation of technical questions as to cash payments and prior delivery of securities, special measures were taken, to enter into force on the opening of the Paris share market in March 1941, for the purpose of checking an exaggerated rise in share values and suppressing illegitimate markets: shares were to be delivered only in registered form (or deposited with a bank or stockbroker), single daily quotations were fixed and fluctuations beyond 5 per cent in one day were not permitted, etc. Foreign securities and the securities of French companies operating abroad might not be quoted in Paris (though dealt in at Lyons). The immediate result of these measures was a sharp contraction in the turnover.

The Amsterdam bourse, after a weak trend in the first months of the year, was shut on May 10, 1940, and reopened gradually from July 15 onwards, at first for Government bonds and, after the establishment of rates in unofficial dealing, for shares with official quotations. The opening was firm and in the following months all securities previously quoted were listed for dealings, including American shares (generally Dutch certificates) and German bonds and shares. Some Dutch shares, especially those of companies with foreign interests, showed extraordinary rises from the low levels to which they had previously fallen. The abolition of exchange regulations between Holland and Germany on April 1, 1941, opened the Amsterdam market to German purchasers without restriction and a considerable rise in quotations ensued.

At the end of 1940 the share index was some 50 per cent above the closing figure in May but still somewhat below the 1938 average. American shares were quoted well above the New York parities, partly, but by no means wholly, for the reason that dividends were included in the price, owing to the impossibility of transfer. From May 1, 1941, the official quotation of American share certificates was suspended.

The Swiss bourses started the year weak and after a rather sharp decline were closed from May 10, 1940, at the wish of the National Bank, while outside dealings between banks were restricted. On July 1 unofficial dealings on the exchanges were permitted experimentally and on July 8 the official opening was made. Share trading was resumed, free of restrictions, while minimum prices, 5 per cent under those of May 9, were introduced for Government bonds. But the bond market was firm and the share market quiet; the share index finished the year 1940 about 10 per cent below the end of 1939 but showed a sustained rise in the first months of 1941.

Of the stock exchanges that remained open throughout 1940, those of Milan and London showed the most considerable fluctuations, Milan, however, ending nearly 20 per cent higher and London over 20 per cent lower on the year. Milan quotations rose sharply on the outbreak of war in September 1939 and, after some hesitation in November, upon the introduction of the capital tax, finished the year strongly. In the first months of 1940 a setback was experienced, due in part to a

new tax on stock exchange profits, and accentuated in May through the imminence of Italy's entry into the war and fears of a moratorium and of the closing of the exchanges. With the beginning of hostilities, the upward movement once more gained ground, carrying the index in December 1940 to a new high, but temporary, peak. A sharp reaction was caused by the imposition of special taxes and restrictions on dividends, but when these were relaxed in March 1941, the December peak was again exceeded. In March 1941 the yield on most shares was reckoned at about 3 per cent compared with over 5 per cent on Government bonds.

The London stock market was buoyant from the outbreak of war up to March 1940, when a landslide started which, by the end of June, had carried the index down by more than 30 per cent. From this point a slow but steady recovery raised quotations, so that at the end of January 1941 one-third of the loss had been regained. London share prices remained depressed, however, by the weight of direct taxation (in addition to income tax at 42½ per cent, a 100 per cent excess profits duty was imposed in 1940), while, in some cases, difficulties of valuation have made cautious quotations desirable.

Between the outbreak of the war and the end of 1940 the index of share quotations on the Berlin bourse rose by 40 per cent. Taking advantage of the strong markets, the Prussian State Bank (Seehandlung), which had the trusteeship of the shares accepted by the Reich in payment of the tax on Jews in November 1938, continued its sales, and at the end of 1940 there remained only a very small unsold balance. In view of market conditions it was decided to reintroduce the so-called "speculation tax" (really an income tax on profits realised on the sale of shares within one year of purchase), which had been in abeyance for two years.

Two reasons for the rise in share quotations in Germany may be mentioned: the fall of long-term interest rates and the narrowness of the share market in the face of an increased demand. The rate of interest on new issues of Reich loans was reduced from 4½ per cent at the end of 1939 to 3½ per cent early in 1941, the yields falling accordingly. The average yield on all Reich loans outstanding was, of course, somewhat higher. With the market strong, the decline of share yields was more rapid. The officially cal-

culated average yield for all shares dealt in (some 450-470 issues including about 50 non-dividend-paying) fell below 5 per cent in December 1939, below 4½ per cent in March 1940, and below 4 per cent in September 1940; early in 1941 it was 3¾ per cent.

In all cases where stock exchanges have been reopened after an abrupt close, special measures have been taken regarding uncompleted forward contracts, outstanding loans on securities, and similar technical matters, in order to facilitate dealings. In addition to the factors which tend indirectly to weigh on share quotations (war damage, heavy direct taxation, limitation of dividends, etc.) governments or stock-exchange authorities have found it necessary to take measures to check unwarranted price rises and the development of black markets. Generally, stock exchanges have been reopened first for bonds and later for share dealing, introduced by degrees—in Paris only after five months. Other measures may be summarised as follows:

- (a) dealings only for cash and no forward markets (general);
- (b) verbal warnings, official or semi-official, against exaggerated rises of quotations (in several instances);
- (c) the fixing of minimum prices (Oslo);
- (d) fixing of maximum price rises for any single day (Brussels and Prague);
- (e) fixing of maximum quotations (the "price-stop" in Vienna);
- (f) fixing of one quotation a day (Paris);
- (g) prohibition on dealing outside the stock exchange at prices higher than the official quotation (Prague);
- (h) prohibition of publication of unsatisfied "bid" prices (Brussels and Prague);
- (i) prohibition of use of securities as collateral for stock exchange loans (Brussels and Paris);
- (j) making all shares transferred nominative and thus prohibiting dealing in bearer securities (Paris).

It is interesting to note that in the northern countries minimum prices were introduced for both bonds and shares and that in Switzerland a minimum for Government bonds only was fixed (somewhat on the lines of the policy adopted in England on the outbreak of war).

As stock markets decline, so bond markets gain in importance, not only relatively but

usually in absolute volume and in turnover also. The growing significance of the bond markets, especially for government obligations, is a result of the more active part played by governments in the economy of certain countries in recent years and by all governments in time of war. But the increase of the public debt is often offset to a greater or lesser extent by the repayment of private indebtedness. This shift from private to public indebtedness (on the stock exchange from shares to bonds and in the banks from advances to "investments") is accentuated in wartime, when, indeed, the growth of the public debt may well outrun the decline of private indebtedness. The growth of the domestic public debt in England has produced in the London stock exchange a bias towards bonds which is expressed in the fact that the 2,000 million pounds sterling 3½ per cent War loan is the real "market leader" (in contrast to the New York "market leaders", which are still thought of as the stocks of outstanding corporations).

The growth of Government debts in recent years has a striking parallel in the growth in importance of small savings invested through savings banks, life assurance companies, social insurance funds, and similar institutions, which, having their liabilities expressed in fixed monetary sums, prefer to invest in bonds with a fixed nominal amount and maturity date. This is true of the United States, England, Germany, and certain other countries, and is well illustrated by statistics recently published in Germany showing that over half the bonds outstanding in Germany are held by institutions, against about one-tenth before the war of 1914-18.

Government securities, long and short, are becoming the preponderating investment of commercial and savings banks, of life assurance companies, and social funds almost throughout the world. Another aspect of the relative decline of business and other private borrowing is the profound change in the structural form of the total indebtedness, particularly in relation to the underlying assets. In other words, there is a change from the more or less illiquid private loan, bank advance, or direct mortgage to the comparatively liquid Treasury bill or "shiftable" obligation (i. e. saleable on a regular market). Governments cannot for long allow "liquid claims", especially in the form of Government securities, to become illiquid through the clos-

ing of stock exchanges or in other ways. The events of 1940 showed how every effort was made to avoid moratoria and how bond markets were kept open or rapidly reopened, even in the midst of catastrophe.

It is an ironical fact of the present times that the destruction of national wealth through warfare is facilitated by the creation of more "liquid claims", in the form of Government bonds, to the aggregate wealth that remains. In England, the compulsory insurance against war damage has been introduced not only to ensure an equitable distribution of sacrifice but also to preserve the complex structure of debts and claims which has been erected. The volume of Government indebtedness is everywhere growing both absolutely and in relation to the national wealth, and important problems will call for solution in the post-war period when working capital and other funds invested temporarily in Government securities are wanted for their normal purposes.

#### CENTRAL BANKING DEVELOPMENTS

Many important factors relating to central banking activity during the year have already been mentioned earlier in this Report, especially in the sections on exchange rates and on government finance, money, and capital markets. At the beginning of the war, or shortly afterwards, nearly all European central-bank statutes were modified to give greater elasticity for direct lending to the governments and to allow the release of gold and foreign exchange for foreign payments without a contraction of the note circulation or of bankers' cash, and further steps in this direction were taken in 1940. The advent of war, indeed, brought an expansion of central-bank credit in most European countries for the needs of the Government and, at times of emergency, to cover withdrawals of deposits by the public from the other banks. The growing liquidity of the markets as a result of Government spending occasioned considerable repayments of private credit previously granted by both the central and the commercial banks, but note circulations continued to rise, in some cases with increased rapidity.

Modifications were made in the laws and statutes governing the activity of central banks to allow further direct lending to the Government in France and Algeria, in Bulgaria, Turkey, Greece, and Roumania dur-

ing 1940. By two Conventions of February 29 and June 9, 1940, the amount of provisional advances granted by the Bank of France to the Government was raised to 70 milliard French francs, a limit which was nearly attained early in October but which has not been exceeded. On August 25, 1940, a special advance was granted by the Bank of France to the Government to cover occupation costs, the total of permissible advances on this account being successively raised to 108 milliard in May 1941. The Bank of Algeria was authorised by a law of December 31, 1940, to place at the disposal of the French Government a further advance of 1 milliard French francs and an advance of 50 million to the Government of Algeria, the legal maximum of the note circulation being raised at the same time from 5 to 7 milliard.

Further resources for Government credit were given in Bulgaria by a law of March 9: the National Bank had previously been authorised to place an amount not exceeding 20 per cent of its paid-up capital and reserves in Government or Government-guaranteed securities. The new law authorised the Bank in addition to invest a sum not exceeding 140 per cent of its paid-up capital and reserves in Treasury bonds maturing in, at most, seven years, issued to foreign firms in payment of Government supplies. A law of May 30 authorised the Turkish Treasury to contract extraordinary advances from the central bank to the extent of 250 million Turkish pounds. The legal limit for the temporary advances of the Bank of Greece to the Greek Government was raised from 400 million drachma to 1,000 million by a law of October 18, 1940. In Roumania, by a decision of the Council of Ministers dated March 29, 1940, the National Bank's powers were widened as regards the granting of credit to agriculturists as well as to the Government. The limit on the discount of agricultural bills up to nine months' maturity, previously fixed at 40 per cent of the bill portfolio, was removed. Further, the discounting of Treasury bills by private persons had been limited to 20 per cent of the Bank's capital, and advances or overdrafts on Government or publicly-guaranteed securities to 30 per cent of the bill portfolio, while the purchase of Government or Government-guaranteed securities was limited to the total of the capital and reserves. The new law authorised the General Council

of the Bank to draw up temporary rules regarding these operations so long as the "exceptional circumstances" obtained.

As regards gold reserves new laws were passed in 1940 and revaluations were made in France (February), Holland (March), Roumania (April), and Switzerland (May), in each case the book profit going largely, if not wholly, to the Government to cover defence and other expenditure. In the Protectorate of Bohemia and Moravia the gold price was lowered when the exchange was adjusted upwards to the Reichsmark at the end of September: the gold reserve of the National Bank was written down in value, special measures being taken to deal with the book loss of 207 million koruny. A change was made in the law governing the Sveriges Riksbank, which had previously limited the gold holding of the Bank eligible as primary reserve to the gold held in Sweden, plus gold held abroad or in transport up to 15 per cent of the total reserve. By a royal ordinance of January 31, 1940, the gold reserve of the Bank now constitutes all gold and bullion held by Sveriges Riksbank, wherever its location. Further, while the gold reserve remains in the books at par value, market value has been taken for the calculation of cover requirements since that time.

Modifications of laws and statutes have also been made during the year with regard to the internal administration of the central banks in Roumania (March 29), Yugoslavia (September 14), France (November 24), and the French colonial banks in Indo-China, Madagascar, and French West Africa, as well as the Bank of Algeria.

The most interesting of these changes were those affecting the Bank of France. The reform of 1936 maintained the principle of the Bank's fundamental statutes of 1808 that the direction of the affairs of the Bank should be exercised by a governor appointed by the state and assisted by two deputy governors. But that reform replaced the fifteen regents of the Bank (elected by the two hundred largest shareholders) by a General Council of twenty members, of which only two were elected by the shareholders, nine representing economic and social interests (six chosen by the Government) and nine the collective interests of the nation, chosen from amongst the highest officials. The new law of November 24, 1940, allows this organisation to con-

tinue but reduces the number of councillors from twenty to eleven: three chosen by the shareholders, four by the Government from among representatives of commerce, industry, and agriculture, three persons with official positions (the Director of the Caisse des Dépôts et Consignations, the Governor of the Crédit Foncier, and the Director-General of the Crédit National), while one councillor is chosen from the personnel of the Bank. Thus, although the number of councillors is reduced, the shareholders are better represented and there are no longer any officials representing the various services of the Government. Similar administrative reforms were made at the same time to the Crédit Foncier and the Crédit National, in both cases only the highest executive being the representative of the state.

Three European central banks suspended operations in 1940 when the Baltic States were attached to the U. S. S. R. and the rouble currency introduced. A new Bank of Issue in Brussels was constituted on June 27, 1940, by a decree of the German Military Commander for Belgium and Northern France. The Bank, which is a joint-stock company under Belgian law, has a capital of 150 million Belgian francs (subscribed by the Belgian commercial banks). The Bank's statutes follow the general line of central-bank law modified by the conditions of its creation. The Bank is authorised to issue notes expressed in Belgian francs which, if issued, would be legal tender; but, as already mentioned earlier in this Report, no bank-notes have been issued—the Issue Bank having become in practice the banking department of the National Bank, entrusted particularly with relations with the occupying authorities, the management of the clearings and the accounts of the Reichskreditkassen, while the postal cheque accounts have also been transferred to it. The creation of a new central reserve bank in China has been mentioned previously in this Report.

Though actual changes in the laws and statutes governing central banks have not been numerous during the past year, measures taken affecting central banks directly or indirectly in an administrative or other capacity have far exceeded the experience of recent years. It is only necessary to mention some of the tasks carried out by central banks to indicate the wide field covered.

(a) Temporary legal and other arrangements were made regarding the removal of offices and administration in times of emergency, and in some instances actual removals took place.

(b) Numerous exchanges of bank-notes and other means of payment have been made in attached and occupied territories, generally involving changes of bookkeeping into the new currency. In the occupied territories arrangements have been concluded, making the national currency available to the occupying authorities and providing for the withdrawal of previously issued Reichskreditkassenscheine. These central banks work with the supervision of a German Commissioner appointed by the occupying authorities.

(c) Foreign exchange regulations have generally been made watertight and in many cases adapted to the German model. In Roumania the premiums given for gold produced in the country and sold to the National Bank have been changed. As European gold reserves are now mostly held outside Europe and foreign exchange reserves in sterling and dollars are largely unavailable, the importance of the Reichsmark holding has considerably increased for certain central banks, not only in volume but in turnover.

(d) Numerous new bilateral clearing and payments agreements, either through the central bank or through an associated institution, have been made during the year. Of particular practical importance has been the mobilisation of clearing "Spitzen" through central-bank credit.

(e) Mobilisations of foreign securities have taken place, as also the registration and management of enemy property and, in occupied territories, the property of the enemies of the occupying authorities (as well as the restitution of the property of the occupying authorities or their nationals previously placed under supervision).

(f) Small notes have been issued in some cases to supplement the coinage, while nickel and bronze coins have been withdrawn (involving the disappearance of the well-known French "sou").

The Reichsbank in particular has been called upon for numerous administrative and other tasks. The Reichskreditkassen, which closely followed the German army in the

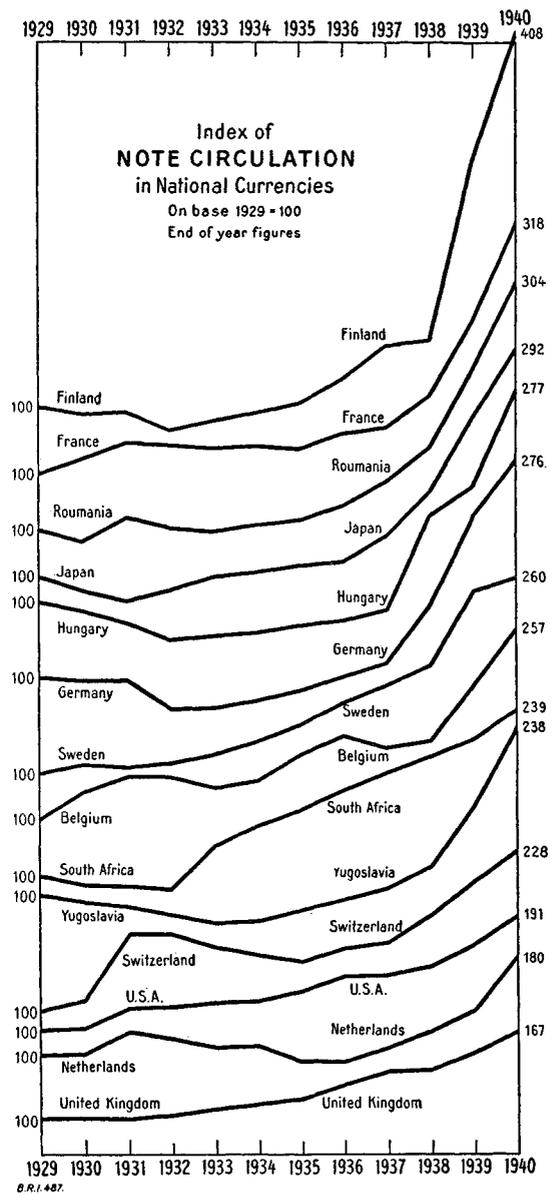
field, were manned by Reichsbank personnel (although the institutions were, of course, completely separate) and the management of the circulation of Reichskreditkassenscheine and their withdrawal were thus supervised by Reichsbank staff. Reichsbank notes, which had previously been issued in the Saar (February 1935), Austria (March 1938), the Sudeten territory (October 1938), Memel (March 1939), Danzig (September 1939), and the incorporated territories of Poland (November 1939), were issued during 1940 in Eupen, Malmédy, and Moresnet (June), and in Alsace, Lorraine, and Luxemburg (August). Not only were Reichsbank notes introduced in these cases but bookkeeping and other accounts were changed over into Reichsmark.

One feature of central bank balance sheets has been common to all countries—the increase of the note circulation, particularly during the past two years. The accompanying chart gives end-of-year index figures for eleven European and three overseas countries. Certain European countries have been omitted from the statistics for lack of recent data, e. g., Italy, Spain, and Norway, and others owing to the incomparability of the data, e. g., Czecho-Slovakia. A warning must be uttered regarding too close a comparison. Changes in gold values have been considerable but the movement of prices, particularly retail prices and wages, in the countries concerned is probably the most realistic criterion, and it should be remembered that for nearly all of the countries shown in the chart retail prices were, on the average of 1940, below the level of 1929 (the important exception being Japan with a 40 per cent increase).

The fact that only the note circulation of the central bank has been used for the indexes, except for the United States where all "money in circulation" has been taken, does not invalidate the chart; generally the increase of the circulation of coin is not disproportionate to the rise in the issue of notes.

The main reasons for the increase of note circulations over the last few years were mentioned in the last Annual Report. Higher amounts paid as wages and spent on consumption goods, larger amounts carried as cash by the individual or held as reserves by commercial banks and other institutions, and an increase of hoarding, affected perhaps by the low rates paid on deposits, are among the most important general factors. Special

influences were operative in some cases: the increase of foreign hoarding of Swiss notes from 1931 onwards, the rise in the price of gold in South Africa from 1932 and, for Germany, the increase of territory, especially the incorporation of Austria and the Sudeten areas in 1938, should be mentioned. The acceleration of the increase in the volume of notes in circulation in the last two years is in European countries to be associated with the war: in part a result of the direct or indirect



financing of the Government by the central bank, in part a reflection of a higher demand for liquidity by the public. The lower velocity in the agricultural sector of the economy (which has had its income position improved in many countries) must, however, be taken into account. Moreover, it is probable that mobilisation increases the need of actual cash. For these and other reasons the rise in note circulation is generally higher than the increase in "money incomes" and cannot in itself be taken as the measure of an inflationary expansion. Almost without exception note circulations have risen since 1929 more than deposits held at commercial banks, while "the other sight liabilities" of the central banks (especially the reserve balances of commercial banks) have shown highly varying movements.

The following table shows the relationship between the note circulation of the central bank, the total of "other sight liabilities", and the total deposits and current accounts with the commercial banks for the years 1929 and 1940, and the percentage increase over the eleven years in the United States and in three European countries. For the United Kingdom there is a remarkable stability in the relationships, each of the three items having risen over the eleven years by about one-half, the total of the clearing banks' deposits remaining between 4½ and 5 times as great as the note circulation. For the other countries important changes in the relationship are noticeable. For the United States the money in circulation has nearly doubled, rising rather faster than total deposits with the member banks. For this country, however, the most remark-

able change has been the increase in the "other sight liabilities," particularly the reserve balances of the member banks. The cash basis thus exists for a considerable expansion of member-bank deposits through the purchase of securities or other credit operations. This relative increase of the cash reserves of commercial banks is a feature of developments in a number of countries other than those shown in the table, e. g. Finland, Holland, Belgium, Denmark, etc. and appears to show for these countries the tendency for superfluous central-bank credit to return via the commercial banks and to be held, at least for the time being, as surplus deposits rather than as notes.

In Germany also, the "other sight liabilities" at the Reichsbank have risen rather more than the note circulation and, as in the other countries mentioned, this is an indication of the liquidity of the market. The apparent relative fall in the volume of commercial bank deposits compared with the note issue must be read in the light of the large volume of foreign deposits in 1929 which had been withdrawn before 1940. The French situation is remarkable in that deposits with the three big banks fell from half of the volume of the note circulation in 1929 to about one-quarter in 1940, when the deposits of all the banks in the country would certainly have amounted to considerably less than the total note issue.

To obtain a complete picture it would naturally be desirable to trace the changes in the relationships shown in the tables through the years and to consider other factors such as the volume of savings deposits. But the table brings out the fact, which is confirmed

CENTRAL BANK NOTE CIRCULATIONS AND RELATED FACTORS

[End-of-year figures]

Item	U. S. A.			France			Germany			United Kingdom		
	1929	1940	1940 as per- centage of 1929	1929	1940	1940 as per- centage of 1929	1929	1940	1940 as per- centage of 1929	1929	1940	1940 as per- centage of 1929
	Millions of dollars			Millions of francs			Millions of Reichsmark			Millions of pounds sterling		
Central Bank:												
Note circulation.....	4,578	8,732	191	68,571	218,383	318	5,044	14,033	278	380	616	162
Total "other sight liabilities".....	2,414	16,126	668	19,587	128,187	144	755	2,561	339	160	251	157
Commercial Banks:												
Total deposits and current accounts.....	33,865	46,007	136	32,682	58,448	179	21,753	34,000	156	1,889	2,800	148

<sup>1</sup> Without Reichskreditkassen accounts.

<sup>2</sup> Three large banks: Crédit Lyonnais, Comptoir National, and Société Générale.

<sup>3</sup> Estimated 33-35,000 million Reichsmark.

by calculations for other countries, that generally the rise of note circulations has been more rapid than the increase in the volume of bank deposits in recent years, even in countries such as the United States, where the cheque habit is well developed.

In time of war the central banks, as the ultimate source of liquidity, are naturally exposed to heavy strain. In this connection it is pertinent to point out that both in the United Kingdom and in Germany direct borrowing from the central bank has been on a very small scale and utilised only to even out temporary irregularities of receipts and expenditures. In the calendar year 1940 the published statistics show the direct advance of the Bank of England to the Treasury at its highest point of 50 million pounds sterling in December, compared with an average note circulation of 580 million and total budget expenditure of 3,300 million; similarly, the working credit granted by the Reichsbank to the German Government touched 685 million Reichsmark in June compared with an average note circulation of 12,200 million

and total receipts from taxation and borrowing of 60,000 million. In both cases direct advances from the central bank did not exceed 2 per cent of annual budget expenditure.

Indirect government borrowing and other influences are, however, also of importance and, in the end, the currency system will only escape comparatively unscathed where internal war financing is effected from current taxation, and through the borrowing of genuine savings. No doubt, dangerous developments are scarcely concealed in many countries and, if they are not arrested, the task of setting right currency troubles when the war is over will be far from easy. In wartime it is inevitable that central banks, as indeed all other institutions, must come largely under government control and participate to their utmost in the effort of their countries. But their principal contribution even then should be to uphold fundamental principles, the non-observance of which would not only render post-war reconstruction and adaptation more difficult but might also impair the war effort itself.

# National Summary of Business Conditions

Compiled October 17 and released for publication October 20. Figures shown on charts may differ from preliminary figures used in text.

**I**NDUSTRIAL activity continued at a high rate in September and the first half of October. Further advances in the output of defense products were accompanied by curtailment in some lines of civilian goods, particularly automobiles, rubber, and silk. Prices of industrial products increased further but agricultural prices declined after the middle of September, and on October 16 dropped sharply in response to international developments.

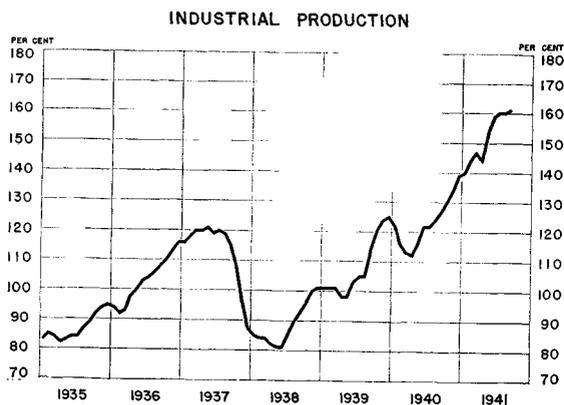
## Production

Industrial output increased by about the usual seasonal amount in September and the Board's adjusted index remained at 160 per cent of the 1935-1939 average, the same as in July and August. Continued increases in activity were reported in the machinery, aircraft, and shipbuilding industries. At steel mills activity in September and the first half of October was maintained at about 97 per cent of capacity. Output and deliveries of nonferrous metals likewise remained at about capacity levels, while lumber production declined somewhat from the high August rate. Automobile production increased less than

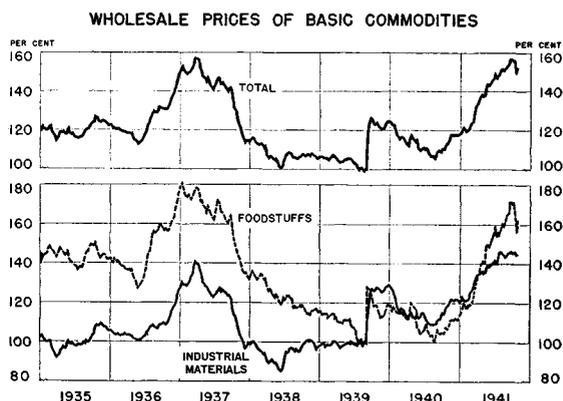
seasonally in September, following the changeover to new models, and, according to preliminary estimates, output in September was considerably below the maximum quota that had been authorized by the Government.

In the textile industry activity declined somewhat in September, reflecting mainly a further sharp reduction at silk mills. Activity at wool mills rose to a new high level, while at cotton mills there was little change from a rate slightly below the peak reached last May. Shoe production continued in large volume, and output of manufactured food products was maintained near the peak August level. Output of chemicals likewise continued at earlier high rates, but at rubber plants activity was considerably below the level of last summer owing to curtailment programs ordered by the Government.

Coal production, which during the summer months had been unusually large, increased less than seasonally in September, owing in part to temporary work stoppages at some bituminous and anthracite mines. Crude petroleum production advanced to record levels in September and the first half of Oc-



Federal Reserve index of physical volume of production, adjusted for seasonal variation, 1935-1939 average = 100. By months, January 1935 to September 1941.



Bureau of Labor Statistics' indexes based on 12 foodstuffs and 16 industrial materials, August 1939 = 100. Thursday figures, January 3, 1935 to October 23, 1941.

tober, and output of metals and shipments of iron ore down the Lakes continued at about capacity.

Value of construction contract awards declined in September, according to figures of the F. W. Dodge Corporation, reflecting chiefly decreases in awards for public projects which had been exceptionally large in August. Awards for private residential building also declined, while contracts for other private work increased somewhat further. Total awards in September, as in August, were 80 per cent larger than in the corresponding period last year. This higher level reflected mainly a greater amount of public construction, which was nearly three times as large as a year ago, compared with an increase of about 10 per cent for private construction.

On October 9, the Supply Priorities and Allocations Board announced that, effective immediately, no public or private construction projects which use critical materials could be started during the emergency unless these projects were either necessary for direct national defense or essential to the health and safety of the nation.

#### Distribution

Distribution of general merchandise showed less than the customary seasonal rise in September, following an unusually large volume of sales in August. During the past three months sales have been larger than in the corresponding period of any previous year. In the first half of October sales at

department stores declined from the peak reached in late September when there were considerable consumer purchases, particularly of articles subject to higher taxes on October 1.

Loadings of revenue freight in September increased less than seasonally, particularly those of miscellaneous freight, which have been high in recent months, and loadings of coal, which were curtailed during part of the month by work stoppages at some mines. Shipments of forest products declined considerably from the high August level.

#### Commodity Prices

Prices of industrial products continued to advance in September and the first half of October and Federal price ceilings were announced for additional commodities, including leading types of lumber, coke, wastepaper, paperboard, acetic acid, alcohols, and carded cotton yarns. In some cases these ceilings were below previously existing market quotations. Price advances were permitted, however, for some other commodities under Federal control. Prices of cotton and of foodstuffs increased further in the first half of September, but subsequently declined, owing partly to seasonal influences. On Thursday, October 16, prices of these commodities dropped sharply.

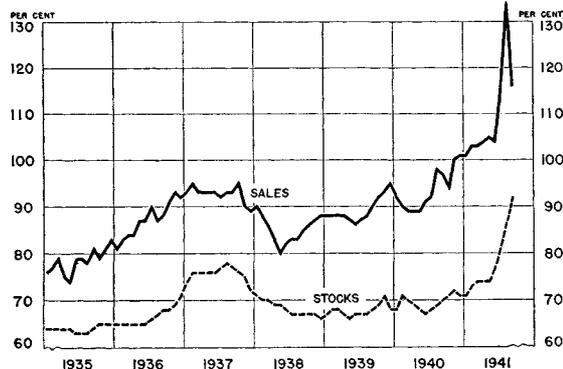
#### Bank Credit

Commercial loans at member banks continued to rise during September and the first half of October, reflecting in part defense demands. Increases were substantial both in New York and in other leading cities. Holdings of United States Government obligations decreased, mainly at banks in leading cities outside of New York. Excess reserves of member banks showed little change in this period.

#### United States Government Security Market

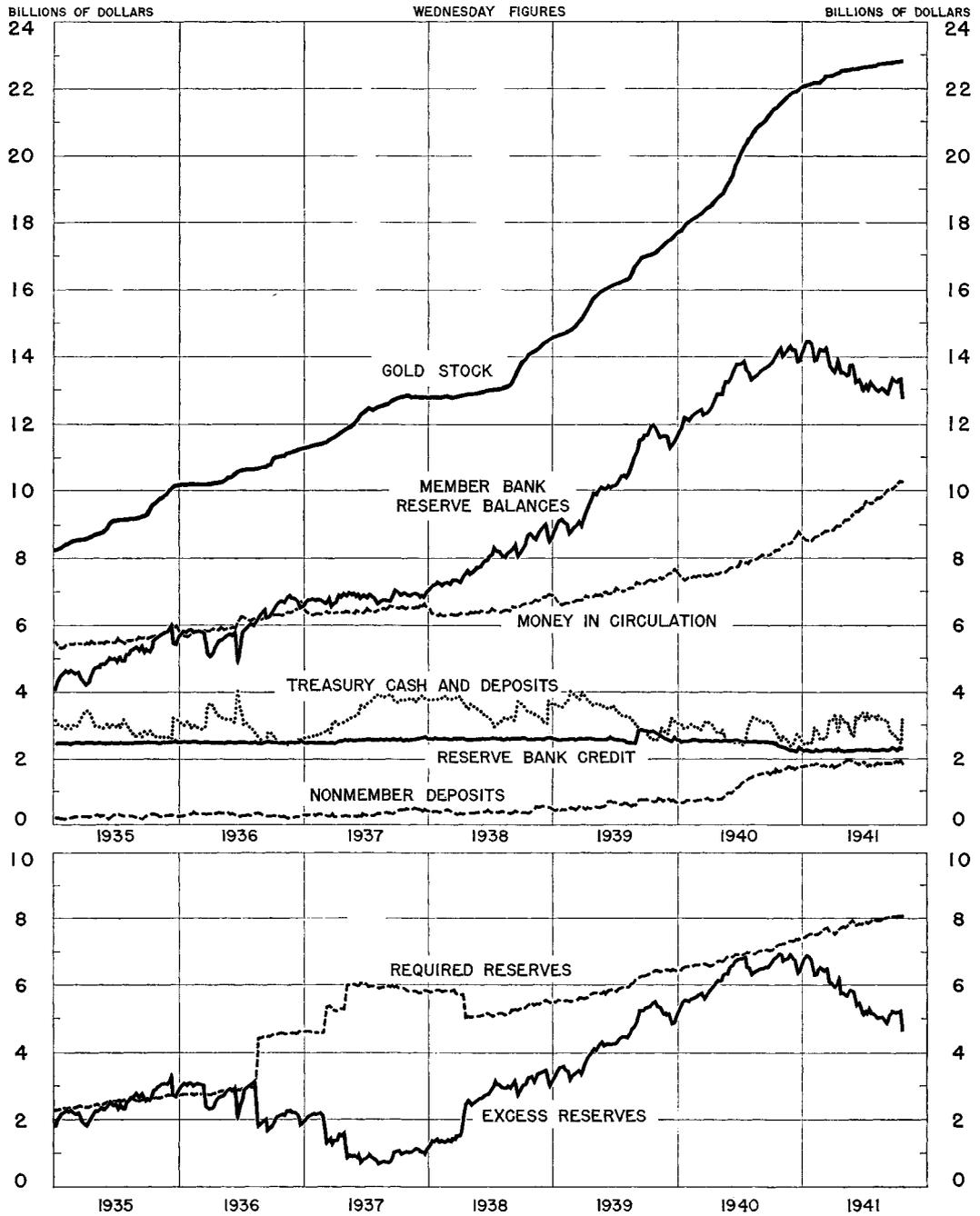
Following a slight decline in the first half of September, prices of long-term Treasury partially tax-exempt bonds increased during the latter half of September and in the first part of October. The yield on the 2¾ per cent bonds of 1960-1965 reached a new record low of 2.01 per cent in October. Prices of taxable bonds moved within a relatively narrow range during the period with yields slightly above previous low levels.

DEPARTMENT STORE SALES AND STOCKS



Federal Reserve indexes of value of sales and stocks, adjusted for seasonal variation, 1923-1925 average = 100. By months, January 1935 to September 1941.

# MEMBER BANK RESERVES AND RELATED ITEMS



Latest figures for October 22. See page 1144.

# 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. Current figures compiled by the Board are generally released prior to publication in the BULLETIN and press statements will be sent without charge to those wishing them. For a list of current releases see FEDERAL RESERVE PUBLICATIONS at the back of this BULLETIN.

# MEMBER BANK RESERVES, RESERVE BANK CREDIT, AND RELATED ITEMS

[In millions of dollars]

Date	Reserve Bank credit outstanding										Member bank reserves				
	Bills dis- counted	U. S. Government securities			All other Reserve Bank credit <sup>1</sup>	Total	Gold stock	Treasury currency out- standing	Money in cir- culation	Treasury cash hold- ings	Treasury deposits with Federal Reserve Banks	Non-member deposits	Other Federal Reserve accounts	Total	Ex- cess <sup>2</sup>
		Total	Ma- turing with- in 5 years	Ma- turing after 5 years											
<b>Monthly averages of daily figures:</b>															
1940—July.....	3	2,450	1,202	1,247	63	2,515	20,260	3,017	7,884	2,206	391	1,316	261	13,785	6,752
Aug.....	3	2,444	1,201	1,244	57	2,505	20,718	3,028	7,967	2,277	885	1,451	262	13,408	6,407
Sept.....	5	2,434	1,191	1,243	64	2,503	21,064	3,040	8,095	2,287	781	1,535	265	13,643	6,582
1941—July.....	3	2,184	951	1,234	111	2,298	22,651	3,156	9,670	2,303	949	1,774	289	13,120	5,193
Aug.....	8	2,184	951	1,234	92	2,284	22,700	3,173	9,839	2,360	829	1,839	286	13,004	5,017
Sept.....	12	2,184	951	1,234	101	2,297	22,740	3,188	10,061	2,379	476	1,836	289	13,184	5,116
<b>End of month figures:</b>															
1940—July 31.....	4	2,448	1,202	1,246	32	2,484	20,463	3,024	7,883	2,250	694	1,382	262	13,498	6,514
Aug. 31.....	4	2,436	1,192	1,244	76	2,515	20,913	3,036	8,059	2,277	810	1,516	261	13,541	6,525
Sept. 30.....	5	2,434	1,191	1,243	46	2,485	21,244	3,044	8,151	2,290	756	1,581	269	13,727	6,655
1941—July 31.....	5	2,184	951	1,234	104	2,293	22,675	3,166	9,732	2,334	877	1,752	287	13,151	5,215
Aug. 30.....	11	2,184	951	1,234	80	2,275	22,719	3,181	9,995	2,376	906	1,821	284	12,794	4,796
Sept. 30.....	11	2,184	951	1,234	69	2,264	22,761	3,198	10,163	2,281	423	1,838	292	13,227	5,169
<b>Wednesday figures:</b>															
1940—Dec. 4.....	4	2,195	1,020	1,176	67	2,266	21,827	3,074	8,569	2,204	255	1,708	278	14,154	6,816
Dec. 11.....	5	2,184	1,020	1,165	51	2,241	21,858	3,077	8,625	2,197	235	1,687	279	14,152	6,785
Dec. 18.....	4	2,184	1,048	1,136	117	2,306	21,898	3,081	8,716	2,204	570	1,702	289	13,804	6,395
Dec. 24.....	4	2,184	1,048	1,136	149	2,338	21,930	3,082	8,817	2,213	481	1,711	289	13,837	6,438
Dec. 31.....	3	2,184	1,048	1,136	88	2,274	21,995	3,087	8,732	2,213	368	1,732	284	14,026	6,615
1941—Jan. 8.....	3	2,184	1,048	1,136	50	2,237	22,034	3,034	8,628	2,203	220	1,740	284	14,284	6,835
Jan. 15.....	4	2,184	1,048	1,136	67	2,254	22,066	3,092	8,542	2,195	237	1,742	283	14,414	6,896
Jan. 22.....	4	2,184	1,048	1,136	69	2,256	22,089	3,095	8,541	2,196	261	1,750	283	14,410	6,864
Jan. 29.....	3	2,184	1,048	1,136	41	2,228	22,110	3,097	8,548	2,200	258	1,799	283	14,347	6,799
Feb. 5.....	2	2,184	1,048	1,136	31	2,217	22,122	3,099	8,627	2,212	692	1,784	283	13,842	6,306
Feb. 12.....	3	2,184	1,048	1,136	74	2,260	22,130	3,100	8,665	2,212	622	1,837	283	13,871	6,331
Feb. 19.....	2	2,184	1,048	1,136	49	2,235	22,140	3,102	8,668	2,222	479	1,785	282	14,021	6,440
Feb. 26.....	3	2,184	1,048	1,136	36	2,223	22,179	3,101	8,725	2,204	368	1,752	281	14,175	6,542
Mar. 5.....	2	2,184	1,048	1,136	51	2,237	22,237	3,103	8,805	2,192	391	1,772	280	14,136	6,435
Mar. 12.....	1	2,184	1,048	1,136	59	2,244	22,313	3,106	8,811	2,196	421	1,748	280	14,211	6,483
Mar. 19.....	1	2,184	984	1,201	73	2,259	22,335	3,104	8,826	2,208	913	1,721	289	13,741	6,106
Mar. 26.....	1	2,184	984	1,201	35	2,221	22,359	3,108	8,842	2,230	906	1,788	288	13,633	6,011
Apr. 2.....	1	2,184	955	1,230	59	2,244	22,384	3,110	8,944	2,251	1,045	1,704	288	13,506	5,941
Apr. 9.....	5	2,184	955	1,230	46	2,235	22,413	3,113	8,993	2,272	813	1,740	288	13,656	6,027
Apr. 16.....	1	2,184	1,008	1,177	100	2,286	22,421	3,116	8,989	2,269	534	1,763	289	13,979	6,264
Apr. 23.....	2	2,184	1,008	1,177	53	2,239	22,482	3,118	8,992	2,299	947	1,808	289	13,506	5,760
Apr. 30.....	2	2,184	1,008	1,177	48	2,234	22,506	3,122	9,071	2,283	865	1,830	288	13,524	5,771
May 7.....	1	2,184	1,008	1,177	43	2,229	22,525	3,125	9,151	2,292	804	1,905	288	13,440	5,711
May 14.....	2	2,184	1,008	1,177	53	2,239	22,538	3,129	9,155	2,283	762	1,961	287	13,458	5,689
May 21.....	2	2,184	1,008	1,177	50	2,237	22,565	3,131	9,186	2,280	477	1,972	286	13,732	5,855
May 28.....	4	2,184	1,008	1,177	43	2,231	22,573	3,133	9,294	2,221	462	1,926	286	13,749	5,824
June 4.....	2	2,184	951	1,234	54	2,240	22,579	3,136	9,394	2,229	993	1,852	285	13,201	5,407
June 11.....	2	2,184	951	1,234	63	2,249	22,593	3,138	9,393	2,240	941	1,809	285	13,312	5,488
June 18.....	2	2,184	951	1,234	55	2,241	22,612	3,142	9,433	2,258	1,024	1,855	295	13,131	5,314
June 25.....	2	2,184	951	1,234	63	2,249	22,620	3,148	9,490	2,275	1,081	1,891	295	12,985	5,145
July 2.....	3	2,184	951	1,234	86	2,273	22,627	3,150	9,704	2,276	837	1,820	289	13,125	5,265
July 9.....	3	2,184	951	1,234	61	2,249	22,640	3,152	9,695	2,291	1,039	1,756	289	12,971	5,124
July 16.....	2	2,184	951	1,234	108	2,294	22,655	3,157	9,645	2,309	849	1,792	288	13,223	5,336
July 23.....	3	2,184	951	1,234	61	2,248	22,664	3,161	9,634	2,320	954	1,769	288	13,117	5,181
July 30.....	5	2,184	951	1,234	56	2,245	22,673	3,163	9,687	2,330	921	1,748	288	13,097	5,155
Aug. 6.....	5	2,184	951	1,234	41	2,231	22,682	3,169	9,795	2,345	839	1,865	287	12,951	5,018
Aug. 13.....	10	2,184	951	1,234	53	2,247	22,703	3,172	9,792	2,361	919	1,816	287	12,945	5,027
Aug. 20.....	8	2,184	951	1,234	80	2,272	22,710	3,178	9,840	2,377	785	1,835	285	13,037	5,058
Aug. 27.....	10	2,184	951	1,234	87	2,281	22,716	3,178	9,899	2,378	772	1,843	285	12,998	4,994
Sept. 3.....	12	2,184	951	1,234	45	2,241	22,722	3,180	10,034	2,400	708	1,834	284	12,884	4,857
Sept. 10.....	14	2,184	951	1,234	58	2,255	22,733	3,185	10,036	2,397	456	1,843	283	13,158	5,111
Sept. 17.....	11	2,184	951	1,234	121	2,316	22,741	3,188	10,046	2,408	334	1,836	293	13,328	5,249
Sept. 24.....	12	2,184	951	1,234	83	2,279	22,749	3,194	10,070	2,350	379	1,856	293	13,273	5,202
Oct. 1.....	11	2,184	951	1,234	49	2,244	22,761	3,196	10,183	2,259	309	1,918	292	13,240	5,193
Oct. 8.....	11	2,184	951	1,234	70	2,265	22,772	3,203	10,237	2,241	304	1,877	291	13,290	5,209
Oct. 15.....	8	2,184	951	1,234	121	2,313	22,778	3,207	10,283	2,222	259	1,920	292	13,321	5,234
Oct. 22.....	4	2,184	908	1,277	103	2,291	22,786	3,214	10,278	2,195	977	1,800	292	12,749	4,655

<sup>1</sup> Includes industrial advances and bills bought, 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. Back figures for end of month and Wednesday dates since January 6, 1937 on maturity distribution of security holdings will be supplied on request.

**FEDERAL RESERVE BANK DISCOUNT RATES**  
[Per cent per annum]

Federal Reserve Bank	Rediscounts and advances under sections 13 and 13a of the Federal Reserve Act except last paragraph of Section 13				Advances under Section 10(b) of the Federal Reserve Act		Advances secured by direct obligations of the United States (last paragraph of Section 13 of the Federal Reserve Act)			
	Secured by direct and eligible guaranteed obligations of the U. S.		All other				To banks		To others	
	Rate Nov. 1	In effect beginning—	Rate Nov. 1	In effect beginning—	Rate Nov. 1	In effect beginning—	Rate Nov. 1	In effect beginning—	Rate Nov. 1	In effect beginning—
Boston.....	1	Sept. 1, 1939	1	Sept. 1, 1939	2	Sept. 2, 1937	1	Sept. 1, 1939	2½	Apr. 29, 1938
New York.....	1	Aug. 27, 1937	1	Aug. 27, 1937	2	Oct. 10, 1935	1	Aug. 25, 1939	3½	Feb. 8, 1934
Philadelphia.....	1½	Sept. 4, 1937	1½	Sept. 4, 1937	2	Sept. 4, 1937	1½	Sept. 1, 1939	2½	Sept. 1, 1939
Cleveland.....	1½	May 11, 1935	1½	May 11, 1935	2	Oct. 19, 1935	(1) 1½	Sept. 1, 1939	3½	May 11, 1935
Richmond.....	1½	Aug. 27, 1937	1½	Aug. 27, 1937	2	Sept. 10, 1937	1½	Sept. 1, 1939	4	Feb. 19, 1934
Atlanta.....	1	Sept. 16, 1939	1½	Aug. 21, 1937	2	Aug. 21, 1937	1	Sept. 16, 1939	2½	Apr. 23, 1938
Chicago.....	1	Sept. 1, 1939	1½	Aug. 21, 1937	2	Aug. 21, 1937	1	Sept. 1, 1939	4	Oct. 16, 1933
St. Louis.....	1	Sept. 1, 1939	1½	Sept. 2, 1937	2	Sept. 2, 1937	1	Sept. 16, 1939	4	Feb. 23, 1935
Minneapolis.....	1½	Aug. 24, 1937	1½	Aug. 24, 1937	2	Aug. 24, 1937	1½	Sept. 1, 1939	3	Oct. 8, 1938
Kansas City.....	1	Sept. 16, 1939	1½	Sept. 3, 1937	2	Sept. 3, 1937	1	Sept. 16, 1939	2½	Apr. 16, 1938
Dallas.....	1	Sept. 16, 1939	1½	Aug. 31, 1937	2	Aug. 31, 1937	1	Sept. 16, 1939	2½	Apr. 16, 1938
San Francisco.....	1½	Sept. 3, 1937	1½	Sept. 3, 1937	2	Sept. 17, 1937	1½	Sept. 1, 1939	4	Oct. 19, 1933

<sup>1</sup> Two and one-half per cent to lenders other than banks. NOTE.—Rates applicable to United States Government securities' repurchase agreements are as follows: New York, one per cent; Cleveland, Kansas City, and Dallas, one and one-half per cent.  
Back figures.—See Annual Report for 1937 (table 40).

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

Maturity	Rate in effect on Nov. 1	In effect beginning—	Previous rate
1-15 days <sup>1</sup> .....	1½	Oct. 20, 1933	1
16-30 days.....	1½	do	1
31-45 days.....	1½	do	1
46-60 days.....	1½	do	1
61-90 days.....	1½	do	1
91-120 days.....	2	do	1
121-180 days.....	2½	do	1½

<sup>1</sup> This rate also applies to acceptances bought under repurchase agreements, which agreements are always for a period of 15 days or less.  
NOTE.—Minimum buying rates at the Federal Reserve Bank of New York on prime bankers' acceptances payable in dollars; higher rates may be charged for other classes of bills. The same minimum rates apply to purchases, if any, made by other Federal Reserve Banks.  
Back figures.—See Annual Report for 1937 (table 41).

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

Classes of deposits and banks	Aug. 16, 1936—Feb. 28, 1937	Mar. 1, 1937—Apr. 30, 1937	May 1, 1937—Apr. 15, 1938 <sup>2</sup>	Apr. 16, 1938—Oct. 31, 1941	Effective Nov. 1, 1941 <sup>2</sup>
On net demand deposits: <sup>1</sup>					
Central reserve city.....	19½	22¾	26	22¾	26
Reserve city.....	15	17½	20	17½	20
Country.....	10½	12¾	14	12	14
On time deposits:					
All member banks.....	4½	5½	6	5	6

<sup>1</sup> See footnote to table on p. 1151 for explanation of method of computing net demand deposits.  
<sup>2</sup> Percentages in this column are double the statutory requirements, which were in effect June 21, 1917-Aug. 15, 1936.

**MARGIN REQUIREMENTS<sup>1</sup>**

Prescribed by Board of Governors of the Federal Reserve System in accordance with Securities Exchange Act of 1934  
[Per cent of market value]

	Apr. 1, 1936—Oct. 31, 1937	Nov. 1, 1937 and after
For extensions of credit by brokers and dealers on listed securities, under Regulation T.....	55	40
For short sales, under Regulation T.....	( <sup>2</sup> )	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**

Rates in effect Nov. 1 on advances and commitments under Section 13b of the Federal Reserve Act  
[Per cent per annum except as indicated by footnote<sup>1</sup>]

Federal Reserve Bank	Advances direct to industrial or commercial organizations	Advances to or in participation with financing institutions		Commitments to make advances
		On portion for which institution is obligated <sup>1</sup>	On remaining portion <sup>1</sup>	
Boston.....	3½-6	3	3½	¼-1
New York.....	4-6	2-3	2-5	1-2
Philadelphia.....	3½-6	2½	(0)	¼-2
Cleveland.....	3½-5	(3)	(0)	¼-1
Richmond.....	4-6	(½)	(0)½	1-2
Atlanta.....	4-6	4	4-6	1-2
Chicago.....	3-6	2-6	3-6	½-2
St. Louis.....	3½-5½	1½-2	(0)	(0)½
Minneapolis.....	3-6	3-6	3-6	1-2
Kansas City.....	4-6	4	4	(0) 1
Dallas.....	4-6	4	4-6	(0) 1
San Francisco.....	4-6	3-4	4-6	½-2

<sup>1</sup> The Federal Reserve Banks of New York, Philadelphia, Cleveland, Richmond, Atlanta, Chicago, St. Louis, Minneapolis, Kansas City, and Dallas may charge same rate as charged borrower by financing institution, if lower than rate shown.  
<sup>2</sup> Same as rate charged borrower by financing institution.  
<sup>3</sup> One per cent less than rate charged borrower by financing institution.  
<sup>4</sup> One per cent less than rate charged borrower by financing institution with minimum of three per cent (see note 1).  
<sup>5</sup> One-half of one per cent less than rate charged borrower by financing institution with minimum of four per cent (see note 1).  
<sup>6</sup> Minimum charge one-fourth of one per cent.

**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 to Jan. 31, 1935	Feb. 1, 1935 to Dec. 31, 1935	In effect beginning Jan. 1, 1936
Savings deposits.....	3	2½	2½
Postal savings deposits.....	3	2½	2½
Other time deposits payable in:			
6 months or more.....	3	2½	2½
90 days to 6 months.....	3	2½	2½
Less than 90 days.....	3	2½	1

NOTE.—Maximum rates that may be paid by insured nonmember banks as established by the Federal Deposit Insurance Corporation, effective February 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		
	1941								1941	1940	
	Oct. 22	Oct. 15	Oct. 8	Oct. 1	Sept. 24	Sept. 17	Sept. 10	Sept. 3	Sept.	Aug.	Sept.
<b>Assets</b>											
Gold certificates on hand and due from U. S. Treasury.....	20,560,029	20,525,032	20,501,030	20,466,031	20,362,029	20,297,032	20,297,032	20,299,032	20,446,030	20,299,030	18,928,300
Redemption fund—F. R. notes.....	13,289	14,153	14,010	14,729	15,743	16,386	16,386	15,146	14,729	15,146	11,789
Other cash.....	267,533	250,498	243,391	252,404	269,462	267,065	262,666	235,953	250,885	256,847	331,586
<b>Total reserves.....</b>	<b>20,840,851</b>	<b>20,789,683</b>	<b>20,758,431</b>	<b>20,733,164</b>	<b>20,647,234</b>	<b>20,580,483</b>	<b>20,576,084</b>	<b>20,550,131</b>	<b>20,711,644</b>	<b>20,571,023</b>	<b>19,271,675</b>
<b>Bills discounted:</b>											
For member banks.....	3,545	7,762	10,771	10,869	11,317	10,684	13,405	12,219	10,768	10,814	4,631
For nonmember banks, etc.....			200	200	200	200	200	200	200	200	410
<b>Total bills discounted.....</b>	<b>3,545</b>	<b>7,762</b>	<b>10,971</b>	<b>11,069</b>	<b>11,517</b>	<b>10,884</b>	<b>13,605</b>	<b>12,419</b>	<b>10,968</b>	<b>11,014</b>	<b>5,041</b>
Industrial advances.....	9,570	9,273	9,087	8,902	8,964	8,896	9,701	9,681	8,918	9,801	8,604
<b>U. S. Government securities:</b>											
Direct.....											
Bonds.....	1,402,200	1,359,200	1,359,200	1,359,200	1,359,200	1,359,200	1,359,200	1,359,200	1,359,200	1,359,200	1,312,000
Notes.....	777,300	820,300	820,300	820,300	820,300	820,300	820,300	820,300	820,300	820,300	1,115,000
Guaranteed.....	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	6,600
<b>Total U. S. Government securities, direct and guaranteed.....</b>	<b>2,184,100</b>	<b>2,184,100</b>	<b>2,184,000</b>	<b>2,184,100</b>	<b>2,433,600</b>						
Other Reserve Bank credit outstanding.....	93,367	111,770	60,677	39,638	74,169	111,796	47,828	34,878	60,480	70,355	37,881
<b>Total Reserve Bank credit outstanding.....</b>	<b>2,290,582</b>	<b>2,312,905</b>	<b>2,264,835</b>	<b>2,243,709</b>	<b>2,278,750</b>	<b>2,315,676</b>	<b>2,255,234</b>	<b>2,241,078</b>	<b>2,264,466</b>	<b>2,275,270</b>	<b>2,485,126</b>
<b>Liabilities</b>											
F. R. notes in actual circulation.....	7,352,047	7,350,851	7,299,505	7,255,733	7,164,250	7,147,456	7,129,940	7,117,836	7,233,999	7,079,505	5,449,878
<b>Deposits:</b>											
Member bank—reserve account.....	12,748,587	13,321,390	13,290,448	13,240,448	13,273,084	13,327,926	13,158,335	12,884,323	13,227,293	12,794,227	13,726,906
U. S. Treasurer—general account.....	977,178	258,814	304,023	308,748	378,956	333,762	455,691	708,465	422,880	906,190	755,747
Foreign.....	1,140,505	1,188,259	1,165,164	1,184,983	1,111,359	1,126,450	1,143,825	1,152,015	1,114,080	1,136,350	1,054,790
Other deposits.....	659,406	731,908	711,401	733,445	744,984	709,232	698,933	681,726	724,333	684,477	525,865
<b>Total deposits.....</b>	<b>15,525,676</b>	<b>15,500,371</b>	<b>15,471,036</b>	<b>15,467,624</b>	<b>15,508,383</b>	<b>15,497,370</b>	<b>15,456,784</b>	<b>15,426,529</b>	<b>15,488,586</b>	<b>15,521,244</b>	<b>16,063,308</b>
<b>Ratio of total reserves to deposit and F. R. note liabilities combined (per cent).....</b>	<b>91.1</b>	<b>91.0</b>	<b>91.2</b>	<b>91.2</b>	<b>91.1</b>	<b>90.9</b>	<b>91.1</b>	<b>91.2</b>	<b>91.2</b>	<b>91.0</b>	<b>89.6</b>

**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>										
Oct. 1.....	11,069	8,339	1,111	1,214	250	150	5			
Oct. 8.....	10,971	8,923	761	997	143	142	5			
Oct. 15.....	7,762	6,215	689	536	139	191	12			
Oct. 22.....	3,545	1,753	156	522	360	706	48			
<b>Industrial advances:</b>										
Oct. 1.....	8,902	2,549	312	170	438	878	1,484	1,680	1,391	
Oct. 8.....	9,087	2,575	321	167	569	902	1,488	1,678	1,387	
Oct. 15.....	9,273	2,569	332	187	649	896	1,495	1,698	1,447	
Oct. 22.....	9,570	2,816	390	421	423	877	1,572	1,636	1,435	
<b>U. S. Government securities, direct and guaranteed:</b>										
Oct. 1.....	2,184,100				43,000	84,800	66,200	208,200	548,300	1,233,600
Oct. 8.....	2,184,100				43,000	84,800	66,200	208,200	548,300	1,233,600
Oct. 15.....	2,184,100				43,000	84,800	66,200	208,200	548,300	1,233,600
Oct. 22.....	2,184,100				43,000	84,800	66,200	208,200	548,300	1,276,600

# STATEMENT OF CONDITION OF THE FEDERAL RESERVE BANKS, BY WEEKS

[In thousands of dollars]

	Total	Boston	New York	Phila- del- phia	Cleve- land	Rich- mond	At- lanta	Chicago	St. Louis	Min- neap- olis	Kan- sas City	Dallas	San Francisco
<i>Assets</i>													
Gold certificates on hand and due from U. S. Treasury:													
Sept. 17	20,297,032	1,165,291	8,466,882	1,285,122	1,562,934	735,905	495,286	3,428,338	550,443	340,687	480,557	330,684	1,454,903
Sept. 24	20,362,029	1,186,757	8,482,408	1,288,142	1,567,634	743,755	499,933	3,459,700	549,414	334,198	483,462	329,788	1,436,838
Oct. 1	20,466,031	1,172,081	8,486,641	1,269,914	1,619,585	747,653	497,438	3,498,028	550,915	342,888	488,781	352,038	1,440,569
Oct. 8	20,501,030	1,197,660	8,429,686	1,280,429	1,615,632	779,620	506,105	3,458,242	569,779	347,821	501,055	356,464	1,458,537
Oct. 15	20,525,032	1,202,609	8,386,277	1,294,225	1,647,605	790,663	514,241	3,427,227	573,860	346,979	506,176	356,153	1,479,017
Oct. 22	20,560,029	1,240,767	8,495,112	1,293,518	1,663,678	772,653	508,355	3,341,043	573,368	345,861	500,676	359,657	1,465,341
Redemption Fund—Federal Reserve notes:													
Sept. 17	16,386	4,883	1,773	1,015	920	1,775	464	1,218	902	552	478	731	1,675
Sept. 24	15,743	4,853	1,658	968	871	1,477	442	1,175	893	548	470	725	1,663
Oct. 1	14,729	4,757	1,299	821	729	1,566	374	1,011	861	534	445	708	1,624
Oct. 8	14,010	4,721	1,170	765	679	1,263	350	959	848	526	433	687	1,609
Oct. 15	14,153	4,677	1,009	695	620	1,884	321	896	835	520	422	679	1,595
Oct. 22	13,289	4,634	852	629	500	1,491	292	837	822	514	410	671	1,577
Other cash:													
Sept. 17	267,065	27,219	60,042	17,531	17,425	15,370	21,186	38,257	11,015	5,423	11,935	11,755	29,907
Sept. 24	269,402	27,588	64,416	16,407	22,388	12,989	18,665	39,754	11,575	5,359	12,360	10,240	27,721
Oct. 1	252,404	27,435	54,707	17,223	17,041	15,485	17,732	37,414	15,068	4,423	10,898	8,732	26,246
Oct. 8	243,391	26,340	55,771	16,394	18,214	11,012	15,874	35,911	13,505	4,915	11,210	9,703	24,542
Oct. 15	250,498	25,610	50,136	17,292	15,678	16,927	19,634	35,798	17,562	4,985	11,623	10,445	24,808
Oct. 22	267,539	26,382	57,147	17,466	19,553	15,414	18,708	37,918	17,728	4,834	12,912	11,503	27,968
Total reserves:													
Sept. 17	20,580,483	1,197,393	8,528,697	1,303,668	1,581,279	753,050	516,936	3,467,813	562,360	346,662	492,970	343,170	1,486,485
Sept. 24	20,647,234	1,219,198	8,548,482	1,305,517	1,590,893	758,221	519,040	3,500,629	561,882	340,105	496,292	340,753	1,466,222
Oct. 1	20,733,164	1,204,273	8,542,647	1,287,958	1,637,355	764,704	515,544	3,536,453	566,844	347,345	500,124	361,478	1,468,439
Oct. 8	20,758,431	1,228,721	8,486,627	1,297,588	1,634,525	791,895	522,329	3,495,112	584,132	353,262	512,698	366,854	1,484,688
Oct. 15	20,789,683	1,232,896	8,437,422	1,312,212	1,663,903	809,474	534,196	3,463,921	592,257	352,484	518,221	367,277	1,505,420
Oct. 22	20,840,851	1,271,783	8,553,111	1,311,613	1,683,791	789,558	527,355	3,379,798	591,918	351,209	513,998	371,831	1,494,886
Bills discounted:													
Secured by U. S. Government obligations, direct and guaranteed:													
Sept. 17	1,610		1,240	8	100		20		33	60	10	89	50
Sept. 24	1,920		1,415	155	100		20		33	60	10	127	
Oct. 1	1,660		1,155	163	100		20			60	20	142	
Oct. 8	1,591		1,125	108	100		29	25		60	20	124	
Oct. 15	1,487	150	925	58	100		30	25		85	30	51	33
Oct. 22	1,351	150	595	58	200		30	25	14	85	140	54	
Other bills discounted:													
Sept. 17	9,274		8,130	19	56	46	36	24	159	29	162	598	15
Sept. 24	9,597		8,481	19	56	46	36	24	109	29	165	617	15
Oct. 1	9,409		8,450	19	56	9	7	24	6	4	242	577	15
Oct. 8	9,380		8,477	19	56	9	7	24	6	4	241	522	15
Oct. 15	6,275	200	5,209		37		12			29	266	522	
Oct. 22	2,194	200	25		52		12			45	1,295	512	53
Total bills discounted:													
Sept. 17	10,884		9,370	27	156	46	56	24	192	89	172	687	65
Sept. 24	11,517		9,896	174	156	46	56	24	142	89	175	744	15
Oct. 1	11,069		9,605	182	156	9	27	24	6	64	262	719	15
Oct. 8	10,971		9,602	127	156	9	36	49	6	64	261	646	15
Oct. 15	7,762	350	6,134	58	137		42	25		114	296	573	33
Oct. 22	3,545	350	620	58	252		42	25	14	130	1,435	566	53
Industrial advances:													
Sept. 17	8,896	1,436	1,183	3,698	255	810	161	349		482	81	298	143
Sept. 24	8,964	1,667	1,083	3,669	247	803	160	332		466	96	298	143
Oct. 1	8,902	1,667	1,081	3,623	219	801	174	342		462	96	294	143
Oct. 8	9,087	1,661	1,086	3,623	213	801	176	336	200	463	96	294	138
Oct. 15	9,273	1,655	1,086	3,609	222	793	265	332	300	493	96	284	138
Oct. 22	9,570	1,895	1,096	3,573	211	792	271	336	400	480	96	283	137
U. S. Government securities, direct and guaranteed:													
Bonds:													
Sept. 17	1,363,800	99,286	384,113	107,301	141,895	74,720	57,484	166,999	65,886	38,477	66,280	53,594	107,765
Sept. 24	1,363,800	99,286	384,113	107,301	141,895	74,720	57,484	166,999	65,886	38,477	66,280	53,594	107,765
Oct. 1	1,363,800	105,744	353,624	107,412	134,809	84,293	58,227	186,227	69,382	40,590	58,653	47,800	117,039
Oct. 8	1,363,800	105,744	353,624	107,412	134,809	84,293	58,227	186,227	69,382	40,590	58,653	47,800	117,039
Oct. 15	1,363,800	105,744	353,624	107,412	134,809	84,293	58,227	186,227	69,382	40,590	58,653	47,800	117,039
Oct. 22	1,406,800	109,078	364,773	110,798	139,060	86,951	60,063	192,099	71,570	41,870	60,502	49,307	120,729
Notes:													
Sept. 17	820,300	59,719	231,036	64,541	85,348	44,943	34,577	100,446	39,630	23,144	39,864	32,235	64,817
Sept. 24	820,300	59,719	231,036	64,541	85,348	44,943	34,577	100,446	39,630	23,144	39,864	32,235	64,817
Oct. 1	820,300	63,604	212,697	64,605	81,084	50,703	35,022	112,012	41,731	24,414	35,279	28,752	70,397
Oct. 8	820,300	63,604	212,697	64,605	81,084	50,703	35,022	112,012	41,731	24,414	35,279	28,752	70,397
Oct. 15	820,300	63,604	212,697	64,605	81,084	50,703	35,022	112,012	41,731	24,414	35,279	28,752	70,397
Oct. 22	777,300	60,270	201,548	61,219	76,833	48,045	33,186	106,141	39,544	23,134	33,430	27,244	66,706
Total U. S. Government securities, direct and guaranteed:													
Sept. 17	2,184,100	159,005	615,149	171,842	227,243	119,663	92,061	267,445	105,516	61,621	106,144	85,829	172,582
Sept. 24	2,184,100	159,005	615,149	171,842	227,243	119,663	92,061	267,445	105,516	61,621	106,144	85,829	172,582
Oct. 1	2,184,100	159,005	615,149	171,842	227,243	119,663	92,061	267,445	105,516	61,621	106,144	85,829	172,582
Oct. 8	2,184,100	159,005	615,149	171,842	227,243	119,663	92,061	267,445	105,516	61,621	106,144	85,829	172,582
Oct. 15	2,184,100	159,005	615,149	171,842	227,243	119,663	92,061	267,445	105,516	61,621	106,144	85,829	172,582
Oct. 22	2,184,100	169,348	566,321	172,017	215,893	134,996	93,249	298,240	111,114	65,004	93,932	76,551	187,435

Federal Reserve Banks—Continued

(In thousands of dollars)

	Total	Boston	New York	Phila- del- phia	Cleve- land	Rich- mond	At- lanta	Chicago	St. Louis	Min- neap- olis	Kan- sas City	Dallas	San Fran- cisco
<b>Assets—Continued</b>													
<b>Total bills and securities:</b>													
Sept. 17	2,203,880	160,441	625,702	175,567	227,654	120,519	92,278	267,818	105,708	62,192	106,397	86,814	172,790
Sept. 24	2,204,581	160,672	626,128	175,685	227,646	120,512	92,277	267,801	105,658	62,176	106,415	86,871	172,740
Oct. 1	2,204,071	171,015	577,007	175,822	216,268	135,896	93,450	298,605	111,119	65,530	94,290	77,565	187,594
Oct. 8	2,204,158	171,009	577,009	175,767	216,262	135,806	93,461	298,624	111,319	65,531	94,289	77,492	187,589
Oct. 15	2,201,135	171,353	573,541	175,684	216,252	135,789	93,556	298,596	111,413	65,611	94,324	77,409	187,607
Oct. 22	2,197,215	171,593	568,037	175,648	216,356	135,788	93,562	298,601	111,528	65,614	95,463	77,400	187,625
<b>Due from foreign banks:</b>													
Sept. 17	47	3	18	5	4	2	2	6	1	*	1	1	4
Sept. 24	47	3	18	5	4	2	2	6	1	*	1	1	4
Oct. 1	47	3	18	5	4	2	2	6	1	*	1	1	4
Oct. 8	47	3	18	5	4	2	2	6	1	*	1	1	4
Oct. 15	47	3	18	5	4	2	2	6	1	*	1	1	4
Oct. 22	47	3	18	5	4	2	2	6	1	*	1	1	4
<b>Federal Reserve notes of other banks:</b>													
Sept. 17	41,900	1,625	3,974	1,405	1,986	14,575	2,334	2,613	2,304	1,048	4,374	857	4,805
Sept. 24	39,422	1,202	2,959	1,417	1,914	14,235	3,319	2,534	2,406	1,825	3,611	625	3,375
Oct. 1	37,718	1,106	2,750	1,428	2,189	14,633	1,915	2,799	2,273	1,065	3,557	531	3,472
Oct. 8	38,717	1,110	2,937	1,445	1,869	15,011	2,659	2,946	2,167	1,029	3,250	876	3,418
Oct. 15	40,674	1,076	5,234	1,132	2,588	13,822	2,906	2,584	2,219	861	4,000	1,305	2,947
Oct. 22	38,271	1,248	2,708	1,483	2,219	13,754	2,706	2,467	2,633	905	3,405	964	3,779
<b>Uncollected items:</b>													
Sept. 17	1,296,599	123,992	293,696	83,497	164,100	108,616	51,571	198,266	70,523	30,848	49,581	44,348	77,561
Sept. 24	1,956,918	92,096	210,684	62,182	116,901	83,959	38,567	137,087	47,414	26,421	46,635	36,861	58,111
Oct. 1	1,058,511	105,082	255,999	70,775	134,642	86,718	43,613	145,554	44,775	24,178	47,020	36,108	64,047
Oct. 8	896,730	90,155	198,787	59,490	103,362	79,469	41,554	123,470	46,793	26,974	39,214	32,366	55,096
Oct. 15	1,433,599	130,582	363,747	92,567	172,852	112,248	58,135	228,019	61,952	30,174	55,170	52,308	77,845
Oct. 22	1,072,061	102,072	251,515	60,053	127,001	86,118	45,101	156,436	47,439	27,349	48,415	40,392	70,760
<b>Bank premises:</b>													
Sept. 17	40,662	2,796	10,262	4,856	4,488	2,784	1,963	2,997	2,295	1,758	2,916	1,166	2,791
Sept. 24	40,781	2,796	10,401	4,856	4,476	2,784	1,962	2,997	2,294	1,348	2,916	1,166	2,785
Oct. 1	40,732	2,791	10,404	4,845	4,476	2,791	1,959	2,991	2,287	1,345	2,900	1,158	2,785
Oct. 8	40,754	2,791	10,404	4,867	4,476	2,791	1,959	2,991	2,287	1,345	2,900	1,158	2,785
Oct. 15	40,840	2,791	10,404	4,867	4,476	2,787	1,959	2,991	2,286	1,345	2,900	1,158	2,785
Oct. 22	40,983	2,791	10,548	4,867	4,463	2,892	1,958	2,991	2,285	1,345	2,900	1,158	2,785
<b>Other assets:</b>													
Sept. 17	42,369	2,851	11,262	3,571	4,830	2,570	1,773	4,902	1,933	1,232	2,016	1,667	3,762
Sept. 24	43,221	2,916	11,694	3,600	4,854	2,598	1,811	4,963	1,973	1,251	2,035	1,710	3,816
Oct. 1	44,406	3,198	11,311	3,604	4,765	2,919	1,879	5,639	2,118	1,353	1,869	1,589	4,168
Oct. 8	44,944	3,230	11,475	3,661	4,851	2,943	1,879	5,738	2,132	1,355	1,889	1,551	4,234
Oct. 15	44,118	3,139	11,385	3,569	4,734	2,892	1,842	5,640	2,067	1,323	1,845	1,565	4,127
Oct. 22	44,417	3,186	11,370	3,637	4,766	2,930	1,865	5,640	2,098	1,350	1,853	1,581	4,141
<b>Total assets:</b>													
Sept. 17	24,205,940	1,489,101	9,473,611	1,572,569	1,984,341	1,002,116	666,857	3,944,415	745,124	443,330	658,255	478,023	1,748,198
Sept. 24	23,932,204	1,478,883	9,410,366	1,553,262	1,946,688	982,311	656,978	3,916,017	721,628	433,126	657,903	467,957	1,707,053
Oct. 1	24,118,649	1,487,468	9,400,136	1,544,437	1,999,699	1,007,573	658,362	3,992,047	729,417	440,816	649,755	478,430	1,730,509
Oct. 8	23,983,781	1,497,025	9,287,257	1,542,823	1,965,349	1,027,917	663,843	3,928,887	748,831	449,496	631,241	480,298	1,737,814
Oct. 15	24,550,096	1,541,840	9,401,751	1,590,036	2,064,809	1,077,105	692,596	3,999,757	772,198	451,798	676,401	501,013	1,780,735
Oct. 22	24,233,845	1,552,676	9,397,307	1,566,306	2,038,600	1,031,042	672,549	3,845,939	757,902	448,182	666,035	493,327	1,763,980
<b>Liabilities</b>													
<b>Federal Reserve notes in actual circulation:</b>													
Sept. 17	7,147,456	593,288	1,859,559	499,550	680,888	360,629	235,762	1,515,496	270,120	182,327	237,410	113,421	599,006
Sept. 24	7,164,250	595,142	1,859,748	500,994	682,867	363,393	236,679	1,518,673	274,451	182,501	237,719	114,849	597,234
Oct. 1	7,255,733	601,472	1,878,309	503,779	686,852	375,661	243,004	1,529,757	281,670	184,471	241,311	121,373	608,074
Oct. 8	7,299,505	605,566	1,877,469	505,567	691,566	382,357	247,185	1,535,280	286,468	186,493	242,528	123,003	616,023
Oct. 15	7,350,851	612,139	1,895,191	509,321	696,136	390,164	246,942	1,543,760	288,742	186,380	242,332	122,373	617,371
Oct. 22	7,352,047	611,152	1,888,986	509,459	695,903	388,100	246,796	1,550,355	289,657	187,722	242,679	122,345	618,893
<b>Deposits:</b>													
<b>Member bank—reserve account:</b>													
Sept. 17	13,327,926	676,430	6,138,594	801,763	974,332	439,687	304,464	2,024,505	324,313	171,702	300,633	252,677	918,826
Sept. 24	13,273,084	683,052	6,098,591	804,086	969,579	455,318	298,814	2,024,640	319,164	167,514	299,065	254,664	898,597
Oct. 1	13,240,448	686,675	5,989,464	786,399	985,432	458,699	296,511	2,063,343	324,541	174,354	292,065	261,282	921,683
Oct. 8	13,290,448	696,612	5,994,116	801,080	976,769	480,165	305,039	2,036,486	339,034	178,953	304,170	260,672	917,352
Oct. 15	13,321,390	709,449	5,979,074	800,162	1,009,139	483,452	308,819	2,001,325	346,028	176,508	308,906	263,090	935,438
Oct. 22	12,748,587	666,095	5,757,623	767,547	967,050	452,421	286,252	1,891,370	334,695	157,469	304,974	253,788	909,303
<b>U. S. Treasurer—general account:</b>													
Sept. 17	333,762	25,406	56,765	24,098	15,788	28,260	15,810	35,429	33,416	23,010	24,993	24,681	26,106
Sept. 24	378,956	30,756	82,255	32,262	24,074	18,473	23,894	42,060	28,048	21,327	27,821	20,762	27,224
Oct. 1	308,748	18,391	54,120	29,302	38,827	20,582	17,186	35,759	24,530	20,396	24,123	14,781	10,751
Oct. 8	304,023	29,294	53,853	19,065	31,545	17,474	11,031	43,656	21,706	18,836	20,962	17,121	19,480
Oct. 15	258,814	9,853	29,273	21,552	23,505	19,329	20,290	33,788	23,187	17,915	25,858	17,750	16,515
Oct. 22	977,178	95,626	413,929	65,032	90,253	35,764	33,729	70,425	32,259	38,741	28,822	31,674	40,924
<b>Foreign:</b>													
Sept. 17	1,126,450	52,048	440,395	107,320	101,788	47,575	38,724	132,767	33,192	24,341	32,085	32,805	84,130
Sept. 24	1,111,359	52,471	434,402	105,712	100,263	46,862	38,144	130,778	32,694	23,976	31,605	32,847	82,847
Oct. 1	1,184,983	50,761	510,632	105,561	100,120	46,795	38,089	130,591	32,648	23,942	31,559	31,559	82,726
Oct. 8	1,165,164	50,675	458,727	111,007	105,285	49,209	40,054	137,329	34,332	25,177	33,188	33,188	86,993
Oct. 15	1,188,259	52,951	458,833	114,514	108,611	50,764	41,319	141,667	35,417	25,972	34,236	34,236	89,739
Oct. 22	1,140,505	51,795	442,664	109,361	103,723	48,479	39,660	135,291	33,823	24,803	32,695	32,695	85,716
<b>Other deposits:</b>													
Sept. 17	709,232	6,404	595,809	16,450	27,510	6,096	7,890	4,995	8,398	5,830	2,611	730	26,509
Sept. 24	744,984	7,313	624,012	14,265	28,623	7,401	9,422	5,073	8,602	6,315	5,		

*Federal Reserve Banks—Continued*

[In thousands of dollars]

	Total	Boston	New York	Phila- del- phia	Cleve- land	Rich- mond	At- lanta	Chicago	St. Louis	Min- neap- olis	Kan- sas City	Dallas	San Fran- cisco
<i>Liabilities—Continued</i>													
<i>Total deposits:</i>													
Sept. 17 .....	15,497,370	760,288	7,231,563	949,631	1,119,418	521,618	366,888	2,197,696	399,319	224,883	360,322	310,173	1,055,571
Sept. 24 .....	15,508,383	773,592	7,239,260	956,325	1,122,539	528,054	370,274	2,202,551	388,508	219,132	364,433	307,733	1,035,982
Oct. 1 .....	15,467,624	764,009	7,165,093	936,013	1,153,109	533,088	360,072	2,235,713	391,931	225,432	352,501	309,160	1,041,503
Oct. 8 .....	15,471,036	782,137	7,103,442	944,800	1,142,222	553,171	364,494	2,222,839	404,472	229,653	362,106	311,900	1,049,800
Oct. 15 .....	15,500,371	783,406	7,050,089	957,409	1,179,651	560,967	378,606	2,188,127	414,890	229,846	372,284	316,316	1,068,780
Oct. 22 .....	15,525,675	821,008	7,157,505	954,900	1,192,010	543,554	367,231	2,101,878	409,385	227,506	369,129	319,419	1,062,150
<i>Deferred availability items:</i>													
Sept. 17 .....	1,184,850	109,523	252,859	88,563	149,147	103,510	50,448	183,165	63,687	26,309	49,081	42,808	65,750
Sept. 24 .....	882,796	84,138	181,549	61,114	106,359	74,451	36,238	146,657	46,649	21,666	44,279	33,763	45,933
Oct. 1 .....	1,018,920	95,903	227,077	69,897	124,846	82,466	41,519	178,495	43,813	21,094	44,503	36,271	53,036
Oct. 8 .....	836,100	83,139	176,496	57,671	96,595	75,894	38,381	122,606	45,871	23,506	38,144	33,753	44,044
Oct. 15 .....	1,321,876	120,276	326,437	88,534	154,079	109,484	53,274	219,703	56,568	25,751	50,405	50,701	66,664
Oct. 22 .....	978,741	94,507	220,806	67,069	115,713	82,879	44,709	145,473	46,841	23,120	42,765	39,879	54,980
<i>Other liabilities, including accrued dividends:</i>													
Sept. 17 .....	3,473	408	912	299	363	325	106	348	123	120	146	139	184
Sept. 24 .....	3,950	401	1,068	350	397	370	128	431	140	130	155	158	222
Oct. 1 .....	3,692	493	972	268	348	356	118	361	139	131	138	151	217
Oct. 8 .....	4,307	597	1,129	303	423	395	133	437	148	154	145	171	272
Oct. 15 .....	4,186	426	1,293	288	403	380	126	423	137	142	159	160	249
Oct. 22 .....	4,388	405	1,233	391	429	393	162	478	144	143	160	160	290
<i>Total liabilities:</i>													
Sept. 17 .....	23,833,149	1,463,507	9,344,893	1,538,043	1,949,816	986,082	653,204	3,896,705	733,249	433,639	646,959	466,541	1,720,511
Sept. 24 .....	23,559,379	1,453,273	9,281,625	1,518,783	1,912,162	966,268	643,319	3,868,312	709,748	423,429	646,586	456,503	1,679,371
Oct. 1 .....	23,745,969	1,461,877	9,271,451	1,509,957	1,965,155	991,571	644,713	3,944,326	717,553	431,128	638,453	466,955	1,702,830
Oct. 8 .....	23,610,948	1,471,439	9,158,536	1,508,341	1,930,806	1,011,817	650,193	3,881,162	736,959	439,806	642,923	468,827	1,710,139
Oct. 15 .....	24,177,284	1,516,247	9,273,010	1,555,552	2,030,269	1,060,995	678,948	3,952,013	760,337	442,119	665,180	489,550	1,753,064
Oct. 22 .....	23,860,851	1,527,072	9,268,530	1,531,819	2,004,055	1,014,926	658,898	3,798,184	746,027	438,491	654,733	481,803	1,736,313
<i>Capital Accounts</i>													
<i>Capital paid in:</i>													
Sept. 17 .....	141,045	9,361	51,724	11,908	14,599	5,542	4,843	15,087	4,367	3,004	4,550	4,296	11,764
Sept. 24 .....	141,013	9,361	51,725	11,860	14,599	5,548	4,847	15,091	4,368	3,004	4,550	4,296	11,764
Oct. 1 .....	141,043	9,362	51,734	11,860	14,600	5,549	4,848	15,098	4,368	3,006	4,551	4,296	11,771
Oct. 8 .....	141,155	9,361	51,759	11,859	14,601	5,639	4,848	15,094	4,368	3,007	4,552	4,296	11,771
Oct. 15 .....	141,173	9,361	51,772	11,859	14,600	5,639	4,849	15,095	4,368	3,011	4,552	4,296	11,771
Oct. 22 .....	141,248	9,362	51,772	11,860	14,603	5,639	4,848	15,097	4,376	3,011	4,553	4,356	11,771
<i>Surplus (section 7):</i>													
Sept. 17 .....	157,065	10,906	56,447	15,144	14,323	5,247	5,725	22,824	4,925	3,152	3,613	3,974	10,785
Sept. 24 .....	157,065	10,906	56,447	15,144	14,323	5,247	5,725	22,824	4,925	3,152	3,613	3,974	10,785
Oct. 1 .....	157,065	10,906	56,447	15,144	14,323	5,247	5,725	22,824	4,925	3,152	3,613	3,974	10,785
Oct. 8 .....	157,065	10,906	56,447	15,144	14,323	5,247	5,725	22,824	4,925	3,152	3,613	3,974	10,785
Oct. 15 .....	157,065	10,906	56,447	15,144	14,323	5,247	5,725	22,824	4,925	3,152	3,613	3,974	10,785
Oct. 22 .....	157,065	10,906	56,447	15,144	14,323	5,247	5,725	22,824	4,925	3,152	3,613	3,974	10,785
<i>Surplus (section 13b):</i>													
Sept. 17 .....	26,785	2,874	7,070	4,393	1,007	3,244	713	1,429	533	1,000	1,138	1,263	2,121
Sept. 24 .....	26,785	2,874	7,070	4,393	1,007	3,244	713	1,429	533	1,000	1,138	1,263	2,121
Oct. 1 .....	26,785	2,874	7,070	4,393	1,007	3,244	713	1,429	533	1,000	1,138	1,263	2,121
Oct. 8 .....	26,785	2,874	7,070	4,393	1,007	3,244	713	1,429	533	1,000	1,138	1,263	2,121
Oct. 15 .....	26,785	2,874	7,070	4,393	1,007	3,244	713	1,429	533	1,000	1,138	1,263	2,121
Oct. 22 .....	26,785	2,874	7,070	4,393	1,007	3,244	713	1,429	533	1,000	1,138	1,263	2,121
<i>Other capital accounts:</i>													
Sept. 17 .....	47,896	2,453	13,477	3,081	4,596	2,001	2,372	8,370	2,050	2,535	1,995	1,949	3,017
Sept. 24 .....	47,962	2,469	13,499	3,082	4,597	2,004	2,374	8,361	2,054	2,541	2,018	1,951	3,012
Oct. 1 .....	47,787	2,449	13,434	3,083	4,614	1,962	2,363	8,370	2,038	2,530	2,000	1,942	3,002
Oct. 8 .....	47,828	2,445	13,445	3,086	4,612	1,970	2,364	8,378	2,046	2,531	2,015	1,938	2,998
Oct. 15 .....	47,789	2,452	13,452	3,088	4,610	1,980	2,361	8,396	2,032	2,516	1,978	1,930	2,994
Oct. 22 .....	47,896	2,462	13,488	3,090	4,612	1,986	2,365	8,405	2,041	2,528	1,998	1,931	2,990
<i>Total liabilities and capital accounts:</i>													
Sept. 17 .....	24,205,940	1,489,101	9,473,611	1,572,569	1,984,341	1,002,116	666,857	3,944,415	745,124	443,330	658,255	478,023	1,748,198
Sept. 24 .....	23,932,204	1,478,883	9,410,366	1,553,262	1,946,688	982,311	656,978	3,916,017	721,628	433,126	657,905	467,987	1,707,053
Oct. 1 .....	24,118,649	1,487,468	9,400,136	1,544,437	1,999,699	1,007,573	658,362	3,992,047	729,417	440,816	649,755	478,430	1,730,509
Oct. 8 .....	23,983,781	1,497,025	9,287,257	1,542,823	1,965,349	1,027,917	663,843	3,928,887	748,831	449,496	654,241	480,298	1,737,814
Oct. 15 .....	24,550,096	1,541,840	9,401,751	1,590,036	2,064,809	1,077,105	692,596	3,999,757	772,195	451,798	676,461	501,013	1,780,735
Oct. 22 .....	24,233,845	1,552,676	9,397,307	1,566,306	2,038,600	1,031,042	672,549	3,845,939	757,902	448,182	666,035	493,327	1,763,980
<i>Commitments to make industrial advances:</i>													
Sept. 17 .....	11,487	1,061	516	2,094	1,242	741	1,044	669	705	28	37	23	3,327
Sept. 24 .....	12,586	810	516	2,122	1,190	742	1,044	635	660	28	1,501	23	3,315
Oct. 1 .....	12,709	810	514	2,196	1,229	788	1,044	692	659	28	1,501	23	3,225
Oct. 8 .....	13,673	807	515	2,254	1,224	860	1,041	1,600	659	28	1,501	23	3,161
Oct. 15 .....	13,580	806	507	2,265	1,244	851	1,041	1,600	559	28	1,501	23	3,155
Oct. 22 .....	13,574	553	463	2,270	1,228	1,226	1,041	1,600	559	28	1,501	23	3,082

**INDUSTRIAL ADVANCES BY FEDERAL RESERVE BANKS**  
[Amounts in thousands of dollars]

Date (last Wednesday of each month)	Applications received		Applications under consideration		Applications approved		Advances outstanding <sup>1</sup> (amount)	Commitments outstanding (amount)	Approved but not completed <sup>2</sup> (amount)	Repaid, expired, or withdrawn by applicant, etc. (amount)	Participations outstanding <sup>3</sup> (amount)
	Number	Amount	Number	Amount	Number	Amount					
1934—Dec. 26	4,386	146,972	71	2,955	984	49,634	13,589	8,225	20,966	5,558	1,296
1935—June 26	6,325	237,581	68	11,349	1,646	88,778	27,518	20,579	11,248	24,900	4,533
Dec. 31 <sup>4</sup>	7,437	293,084	28	2,823	1,993	124,493	32,493	27,049	11,548	44,025	8,778
1936—June 24	8,006	314,471	12	1,880	2,183	133,343	30,484	24,454	9,381	61,425	7,599
Dec. 30	8,247	328,998	5	1,245	2,280	139,829	25,526	20,959	8,226	77,910	7,208
1937—Mar. 31	8,344	333,300	9	1,322	2,323	141,545	23,059	18,611	7,898	85,210	6,767
June 30	8,430	339,509	10	1,263	2,361	145,758	23,019	16,331	1,470	97,663	7,275
Sept. 29	8,474	341,842	1	800	2,381	146,724	21,415	14,880	537	102,588	7,304
Dec. 29	8,534	350,551	7	550	2,406	150,987	20,216	12,780	3,369	107,384	7,238
1938—Mar. 30	8,708	358,936	19	1,299	2,464	154,918	19,371	13,110	3,419	111,193	7,825
June 29	8,976	369,853	8	476	2,566	161,158	18,444	13,649	3,084	117,555	8,426
Sept. 28	9,102	378,974	8	146	2,617	168,380	17,567	13,597	5,737	122,447	9,032
Dec. 28	9,188	387,490	5	247	2,653	175,013	17,345	14,161	1,946	128,839	12,722
1939—Mar. 29	9,249	392,230	14	344	2,683	177,895	15,798	12,647	1,975	135,004	12,471
June 28	9,308	395,499	5	255	2,721	179,778	15,255	11,175	2,067	139,281	12,000
Sept. 27	9,366	402,305	2	370	2,752	185,234	14,454	10,517	1,938	146,156	12,169
Dec. 27	9,418	405,225	2	41	2,781	188,222	13,683	9,220	2,659	151,679	10,981
1940—Jan. 31	9,433	406,097	2	76	2,793	188,879	12,860	8,376	2,504	154,629	10,510
Feb. 28	9,456	407,392	4	32	2,805	190,055	12,997	8,966	1,454	155,574	11,064
Mar. 27	9,476	410,192	7	199	2,814	192,665	12,723	8,224	2,471	158,110	11,137
Apr. 24	9,487	411,628	4	118	2,825	194,096	12,001	8,725	2,264	159,950	11,156
May 29	9,504	413,178	3	45	2,832	195,404	11,242	8,852	2,474	161,491	11,345
June 26	9,512	413,646	2	33	2,838	195,739	10,988	8,762	2,195	162,612	11,182
July 31	9,536	415,599	2	76	2,853	197,439	10,907	8,582	1,991	164,949	11,010
Aug. 28	9,546	416,454	6	444	2,856	197,906	10,779	8,238	2,095	165,865	10,929
Sept. 25	9,556	417,260	1	10	2,865	198,966	10,778	8,078	2,315	167,046	10,749
Oct. 30	9,573	420,837	4	740	2,875	201,750	10,484	7,351	4,260	169,746	9,909
Nov. 27	9,581	421,139	2	650	2,883	202,041	9,893	7,106	4,056	171,394	9,592
Dec. 31 <sup>4</sup>	9,609	431,236	2	222	2,908	212,510	9,152	5,226	13,954	177,792	6,386
1941—Jan. 29	9,633	435,474	4	1,929	2,923	214,800	9,483	5,207	12,325	179,021	8,764
Feb. 26	9,659	442,712	1	600	2,945	223,226	9,451	5,066	20,424	179,569	8,716
Mar. 26	9,682	448,506	3	823	2,959	228,732	9,226	7,315	19,986	180,989	10,916
Apr. 30	9,719	444,985	2	35	2,987	225,849	9,157	8,464	13,035	183,646	11,547
May 28	9,793	455,868	5	1,725	3,046	234,714	9,639	12,342	14,134	186,062	12,537
June 25	9,817	458,092	2	35	3,067	238,505	10,549	13,072	8,090	192,783	14,011
July 30	9,855	471,035	3	145	3,096	248,867	10,761	11,697	11,626	202,287	12,496
Aug. 27	9,891	481,255	2	70	3,120	258,154	10,359	12,928	11,620	208,279	15,068
Sept. 24	9,912	498,017	3	2,220	3,132	267,606	9,808	13,551	10,251	216,258	17,738
Oct. 22 <sup>5</sup>	9,940	503,172	1	11,856	3,151	273,760	10,411	13,574	11,840	218,886	19,049

<sup>1</sup> Includes industrial advances past due 3 months or more which are not included in industrial advances outstanding in weekly statement of condition of Federal Reserve Banks.  
<sup>2</sup> Includes applications approved conditionally by the Federal Reserve Banks and under consideration by applicant.  
<sup>3</sup> Does not include financing institution guaranties of advances and commitments made by Federal Reserve Banks, which amounted to \$676,000, Oct. 22, 1941.  
<sup>4</sup> Tuesday.  
<sup>5</sup> Latest date for which figures are available.

**FEDERAL RESERVE NOTES—FEDERAL RESERVE AGENTS' ACCOUNTS, BY WEEKS**  
[In thousands of dollars]

	Total	Boston	New York	Philadelphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minneapolis	Kansas City	Dallas	San Francisco
Federal Reserve Notes:													
Issued to F. R. Bank by F. R. agent:													
Oct. 1	7,605,730	631,835	1,960,654	525,793	712,915	399,896	263,178	1,561,981	299,195	189,951	249,088	133,393	677,851
Oct. 8	7,678,873	642,505	1,976,801	530,516	715,938	404,231	269,568	1,573,743	304,911	191,737	252,917	135,195	680,811
Oct. 15	7,709,349	639,128	1,983,066	528,007	722,663	411,363	269,159	1,577,215	312,678	192,402	252,796	134,439	686,433
Oct. 22	7,734,850	648,895	1,978,184	534,426	727,381	415,584	269,934	1,581,300	310,058	193,052	252,862	135,166	688,008
Held by Federal Reserve Bank:													
Oct. 1	349,997	30,363	82,345	22,014	26,063	24,235	20,174	32,224	17,525	5,480	7,777	12,020	69,777
Oct. 8	379,368	36,939	99,332	24,949	24,372	21,874	22,383	38,463	18,443	5,244	10,389	12,192	64,788
Oct. 15	358,498	26,989	87,875	18,686	26,527	21,199	22,217	33,455	23,936	6,022	10,464	12,066	69,062
Oct. 22	382,803	37,743	89,198	24,967	31,478	27,484	23,138	30,945	20,401	5,330	10,183	12,821	69,115
In actual circulation: <sup>1</sup>													
Oct. 1	7,255,733	601,472	1,878,309	503,779	686,852	375,661	243,004	1,529,757	281,670	184,471	241,311	121,373	608,074
Oct. 8	7,299,505	605,566	1,877,469	505,567	691,566	382,357	247,185	1,535,280	286,468	186,493	242,528	123,003	616,023
Oct. 15	7,350,851	612,139	1,895,191	509,321	696,136	390,164	246,942	1,543,760	288,742	186,380	242,332	122,373	617,371
Oct. 22	7,352,047	611,152	1,888,986	509,459	695,903	388,100	246,796	1,550,355	289,657	187,722	242,679	122,345	618,893
Collateral held by agent as security for notes issued to bank:													
Gold certificates on hand and due from U. S. Treasury:													
Oct. 1	7,739,000	655,000	1,970,000	540,000	715,000	425,000	270,000	1,580,000	309,000	192,000	255,000	139,000	689,000
Oct. 8	7,796,000	655,000	1,980,000	540,000	720,000	425,000	275,000	1,600,000	319,000	192,000	255,000	141,000	694,000
Oct. 15	7,836,000	655,000	1,990,000	540,000	725,000	425,000	275,000	1,600,000	329,000	197,000	255,000	141,000	704,000
Oct. 22	7,886,000	655,000	1,990,000	540,000	730,000	450,000	275,000	1,620,000	329,000	197,000	255,000	141,000	704,000
Eligible paper:													
Oct. 1	9,999	-----	9,520	163	-----	-----	-----	-----	-----	60	256	-----	-----
Oct. 8	9,940	-----	9,517	108	-----	-----	-----	-----	-----	60	255	-----	-----
Oct. 15	6,946	350	6,134	58	-----	-----	-----	-----	-----	110	294	-----	-----
Oct. 22	2,563	350	620	58	-----	-----	-----	-----	14	126	1,395	-----	-----
Total collateral:													
Oct. 1	7,748,999	655,000	1,979,520	540,163	715,000	425,000	270,000	1,580,000	309,000	192,060	255,256	139,000	689,000
Oct. 8	7,805,940	655,000	1,989,517	540,108	720,000	425,000	275,000	1,600,000	319,000	192,060	255,255	141,000	694,000
Oct. 15	7,842,946	655,350	1,996,134	540,058	725,000	425,000	275,000	1,600,000	329,000	197,110	255,294	141,000	704,000
Oct. 22	7,888,563	655,350	1,990,620	540,058	730,000	450,000	275,000	1,620,000	329,014	197,126	256,395	141,000	704,000

<sup>1</sup> Includes Federal Reserve notes held by the United States Treasury or by a Federal Reserve Bank other than the issuing bank.

### RESERVE POSITION OF MEMBER BANKS, SEPTEMBER, 1941

[Averages of daily figures. In millions of dollars]

Classes of banks and districts	Gross demand deposits	Net demand deposits <sup>1</sup>	Time deposits	Reserves with Federal Reserve Banks		
				Re-quired	Held	Ex-cess
All member banks	47,299	38,801	12,545	8,068	13,184	5,116
Central reserve city banks:						
New York	16,867	16,163	847	3,719	5,554	1,834
Chicago	3,552	3,146	489	740	1,218	478
Reserve city banks:						
Boston district	1,427	1,280	81	228	416	188
New York district	289	226	149	47	70	23
Philadelphia district	1,702	1,445	229	264	578	313
Cleveland district	2,370	1,877	735	365	750	384
Richmond district	1,101	841	239	159	305	146
Atlanta district	1,012	701	180	132	195	63
Chicago district	1,885	1,357	701	273	473	201
St. Louis district	1,118	853	174	158	239	81
Minneapolis district	507	375	83	70	98	28
Kansas City district	1,274	850	156	156	225	68
Dallas district	951	602	132	112	157	45
San Francisco district	3,051	2,477	2,042	536	830	294
Total	16,687	12,883	4,902	2,500	4,335	1,836
Country banks:						
Boston district	1,193	863	569	132	248	116
New York district	1,823	1,312	1,491	232	478	246
Philadelphia district	870	575	886	113	218	105
Cleveland district	872	557	743	104	209	105
Richmond district	826	459	395	75	145	71
Atlanta district	726	438	254	65	107	42
Chicago district	1,231	765	857	135	265	131
St. Louis district	527	324	259	52	86	35
Minneapolis district	410	256	281	45	73	29
Kansas City district	572	351	161	50	77	27
Dallas district	668	417	105	55	95	39
San Francisco district	474	292	306	50	74	23
Total	10,192	6,608	6,307	1,108	2,076	968

<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.

NOTE.—See table on p. 1145 for percentages of deposits required to be held as reserves.

### MEMBER BANK RESERVE BALANCES BY CLASSES 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	Chi-cago		
Total reserves held:					
1940—September	13,643	6,705	1,234	3,905	1,800
October	14,043	6,889	1,279	4,024	1,851
November	14,131	6,975	1,218	4,080	1,858
December	14,049	6,997	1,142	4,096	1,815
1941—January	14,339	7,135	1,051	4,240	1,913
February	13,906	6,807	1,033	4,258	1,898
March	13,979	6,924	931	4,197	1,928
April	13,600	6,518	966	4,204	1,912
May	13,650	6,243	1,144	4,298	1,965
June	13,201	5,958	1,144	4,184	1,914
July	13,120	5,875	1,120	4,198	1,927
August	13,004	5,600	1,140	4,287	1,978
September	13,184	5,554	1,218	4,335	2,076
Week ending (Friday):					
1941—Sept. 5	12,844	5,462	1,122	4,236	2,023
Sept. 12	13,136	5,563	1,169	4,326	2,078
Sept. 19	13,328	5,602	1,239	4,382	2,105
Sept. 26	13,269	5,568	1,265	4,357	2,079
Oct. 3	13,256	5,474	1,310	4,364	2,107
Oct. 10	13,299	5,413	1,307	4,413	2,166
Oct. 17	13,337	5,414	1,251	4,464	2,208
Excess reserves:					
1940—September	6,582	3,324	570	1,821	866
October	6,864	3,465	610	1,888	902
November	6,830	3,493	546	1,895	897
December	6,646	3,443	476	1,887	840
1941—January	6,832	3,505	381	2,016	930
February	6,422	3,166	347	2,004	906
March	6,304	3,203	252	1,923	927
April	5,883	2,812	295	1,885	891
May	5,831	2,514	434	1,949	933
June	5,351	2,238	424	1,820	870
July	5,193	2,150	388	1,789	866
August	5,017	1,898	403	1,824	892
September	5,116	1,834	478	1,836	968
Week ending (Friday):					
1941—Sept. 5	4,820	1,749	386	1,763	922
Sept. 12	5,066	1,832	431	1,831	973
Sept. 19	5,236	1,876	494	1,870	996
Sept. 26	5,200	1,857	525	1,850	968
Oct. 3	\$5,194	1,772	572	1,853	\$996
Oct. 10	\$5,230	1,720	571	1,884	\$1,055
Oct. 17	\$5,240	1,709	523	1,912	\$1,096

<sup>2</sup> Preliminary  
<sup>1</sup> Weekly figures of excess reserves of all member banks and of country banks are estimates.

### DEPOSITS OF MEMBER BANKS IN LARGER AND SMALLER CENTERS

[Averages of daily figures. In millions of dollars]

Federal Reserve district	All member banks				Member banks in larger centers (places over 15,000)				Member banks in smaller centers (places under 15,000)			
	Gross demand		Time		Gross demand		Time		Gross demand		Time	
	Sept.	Aug.	Sept.	Aug.	Sept.	Aug.	Sept.	Aug.	Sept.	Aug.	Sept.	Aug.
Boston	2,620	2,584	650	649	2,457	2,426	527	527	163	158	123	122
New York	18,979	18,777	2,488	2,473	<sup>1</sup> 1,735	<sup>1</sup> 1,651	<sup>1</sup> 1,123	<sup>1</sup> 1,111	377	371	518	514
Philadelphia	2,572	2,528	1,116	1,117	2,254	2,224	650	653	318	304	466	464
Cleveland	3,243	3,184	1,478	1,476	2,912	2,867	1,131	1,131	331	317	347	345
Richmond	1,927	1,834	634	629	1,678	1,602	430	427	249	232	204	202
Atlanta	1,737	1,683	433	432	1,571	1,521	349	348	167	162	85	84
Chicago	6,668	6,596	2,047	2,044	<sup>1</sup> 2,660	<sup>1</sup> 2,628	<sup>1</sup> 1,217	<sup>1</sup> 1,213	456	441	341	339
St. Louis	1,646	1,587	434	431	1,334	1,295	307	306	312	292	127	126
Minneapolis	918	885	364	363	723	701	197	197	194	184	167	167
Kansas City	1,846	1,794	317	317	1,456	1,419	297	296	390	375	110	111
Dallas	1,619	1,567	238	239	1,261	1,220	191	193	357	348	47	46
San Francisco	3,524	3,410	2,348	2,343	3,375	3,271	2,245	2,241	150	139	103	102
Total	47,299	46,430	12,545	12,513	23,415	22,825	8,571	8,550	3,465	3,322	2,638	2,624

<sup>1</sup> Excluding central reserve city banks, for which figures for latest month are shown 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
1940—August.....	8,059	66	47	1,605	1	389	174	258	5,334	22	162
September.....	8,151	66	48	1,615	1	394	177	259	5,409	22	161
October.....	8,300	65	48	1,620	1	400	180	264	5,541	22	160
November.....	8,522	65	49	1,658	1	407	183	275	5,705	21	159
December.....	8,732	65	50	1,667	1	412	185	290	5,883	21	157
1941—January.....	8,593	64	50	1,595	1	403	183	278	5,842	21	156
February.....	8,781	64	50	1,635	1	406	184	278	5,985	21	155
March.....	8,924	64	51	1,651	1	413	186	277	6,106	21	154
April.....	9,071	63	51	1,654	1	418	189	274	6,247	21	153
May.....	9,357	63	52	1,697	1	426	191	286	6,468	20	152
June.....	9,612	63	53	1,714	1	434	194	300	6,684	20	150
July.....	9,732	63	54	1,691	1	438	196	307	6,813	20	149
August.....	9,995	62	55	1,723	1	445	199	313	7,027	20	148
September.....	10,163	62	56	1,724	1	455	202	314	7,181	20	147

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 <sup>3</sup>	
		Total	Coin	\$1 <sup>3</sup>	\$2	\$5	\$10	\$20	Total	\$50	\$100	\$500	\$1,000	\$5,000		\$10,000
1940—August.....	8,059	5,748	611	556	36	1,044	1,858	1,644	2,313	495	1,035	213	493	26	51	2
September.....	8,151	5,814	618	566	36	1,055	1,876	1,663	2,340	503	1,048	216	496	25	52	3
October.....	8,300	5,911	627	575	36	1,068	1,908	1,696	2,392	512	1,071	223	508	25	52	3
November.....	8,522	6,098	639	591	38	1,107	1,977	1,748	2,426	523	1,089	225	512	26	51	3
December.....	8,732	6,247	648	610	39	1,129	2,021	1,800	2,489	538	1,112	227	523	30	60	4
1941—January.....	8,593	6,094	635	577	37	1,091	1,973	1,781	2,502	540	1,126	230	530	24	52	4
February.....	8,781	6,243	641	582	38	1,116	2,041	1,826	2,541	551	1,144	232	535	24	55	4
March.....	8,924	6,342	650	590	38	1,132	2,074	1,858	2,583	560	1,163	238	543	24	56	1
April.....	9,071	6,430	658	595	39	1,135	2,112	1,892	2,642	573	1,197	241	550	25	56	2
May.....	9,357	6,683	669	615	40	1,176	2,211	1,972	2,675	587	1,218	242	546	24	57	2
June.....	9,612	6,890	681	625	41	1,207	2,289	2,047	2,725	607	1,244	244	548	24	57	2
July.....	9,732	6,992	688	626	40	1,215	2,334	2,090	2,742	615	1,257	244	544	24	58	3
August.....	9,995	7,237	700	641	42	1,257	2,430	2,169	2,760	630	1,274	244	543	24	46	3
September.....	10,163	7,378	713	658	42	1,270	2,469	2,227	2,787	645	1,293	243	537	24	46	3

<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).

### TREASURY CURRENCY OUTSTANDING

[Held by Treasury and Federal Reserve Banks and in circulation. In millions of dollars]

End of month	Total	Silver dollars and silver bullion <sup>1</sup>	Subsidiary silver coin	Minor coin	United States notes	Federal Reserve Bank notes	National bank notes
1940—August.....	3,036	1,915	409	178	347	23	164
September.....	3,044	1,920	411	181	347	22	163
October.....	3,059	1,931	415	183	347	22	162
November.....	3,072	1,937	419	187	347	22	160
December.....	3,087	1,945	425	189	347	22	159
1941—January.....	3,097	1,953	427	191	347	22	158
February.....	3,102	1,959	428	192	347	21	156
March.....	3,109	1,965	429	193	347	21	155
April.....	3,122	1,971	434	194	347	21	154
May.....	3,134	1,977	440	196	347	21	153
June.....	3,149	1,983	447	199	347	21	152
July.....	3,166	1,991	455	202	347	20	151
August.....	3,181	1,998	462	204	347	20	150
September.....	3,198	2,006	469	207	347	20	149

<sup>1</sup> Includes silver held against silver certificates amounting to \$1,929,000,000 on Sept. 30, 1941 and \$1,844,000,000 on Sept. 30, 1940.

### SHIPMENTS AND RECEIPTS OF UNITED STATES PAPER CURRENCY

[By selected banks and financial institutions in New York City. In millions of dollars]

Year or month	Shipments to Europe	Receipts from Europe	Net shipments	Net receipts
1937.....	21.5	47.6	-----	26.1
1938.....	33.1	34.4	-----	1.3
1939.....	110.2	9.8	100.3	-----
1940.....	17.7	.7	17.0	-----
1940—September.....	.1	(1)	.1	-----
October.....	.1	.1	.1	-----
November.....	.1	.2	.1	-----
December.....	.1	.1	.1	-----
1941—January.....	.2	.1	(1)	-----
February.....	.1	.1	.1	-----
March.....	(1)	(1)	(1)	-----
April.....	.1	(1)	.1	-----
May.....	(1)	(1)	(1)	-----
June.....	(1)	(1)	(1)	-----
July.....	(1)	(1)	(1)	-----
August.....	(1)	(1)	(1)	-----
September.....	(1)	(1)	(1)	-----

<sup>1</sup> Less than \$50,000.

Back figures.—See Annual Report for 1937 (table 38).

Description.—See BULLETIN for January 1932, pp. 7-8.

### 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>
1934 <sup>2</sup> .....	8,238	4,202.5	1,133.9	82.6	92.9
1935.....	10,125	1,887.2	1,739.0	.2	110.7
1936.....	<sup>3</sup> 11,258	1,132.5	1,116.6	-85.9	131.6
1937.....	<sup>3</sup> 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
1940—May.....	19,209	439.0	435.1	-36.7	14.2
June.....	19,963	754.2	1,163.0	-437.2	11.1
July.....	20,463	499.4	520.0	-55.1	16.2
August.....	20,913	450.2	351.6	67.0	12.5
September.....	21,244	331.6	334.1	36.6	13.5
October.....	21,506	261.1	326.0	-117.9	19.2
November.....	21,801	295.2	330.1	-39.5	16.6
December.....	21,995	194.0	137.2	7.4	16.3
1941—January.....	22,116	121.7	234.2	-52.8	13.5
February.....	22,232	115.4	108.6	-46.2	12.6
March.....	22,367	135.4	118.6	.2	12.0
April.....	22,506	138.5	172.0	-10.5	12.8
May.....	22,575	69.1	34.8	-3.8	12.6
June.....	22,624	49.2	30.7	4.0	14.4
July.....	22,675	50.5	37.0	-27.7	13.6
August.....	22,719	44.7	37.0	-31.2	12.4
September.....	22,761	41.5	65.7	<sup>4</sup> -46.8	<sup>4</sup> 14.4
Oct. 1-29 <sup>2</sup> .....	22,796	35.3	35.7	<sup>4</sup> -23.1	

<sup>2</sup> Preliminary.

<sup>1</sup> Figures are those for United States published in table on p. 1192, 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 \$27,000,000 on Dec. 31, 1936, and \$1,228,000,000 on Dec. 31, 1937.

<sup>4</sup> Gold held under earmark at Federal Reserve Banks for foreign account, in millions of dollars: September 30—2,022.5; October 29—2,045.6.

NOTE.—For back figures see Annual Report for 1937 (table 29).

### MOVEMENT OF GOLD TO AND FROM UNITED STATES<sup>1</sup>

(In thousands of dollars)

From or to—	1941					
	Sept.		Aug.		Jan.-Sept.	
	Im-ports	Ex-ports <sup>2</sup>	Im-ports	Ex-ports <sup>2</sup>	Im-ports	Ex-ports <sup>2</sup>
France.....						1
Portugal.....	30		109			321
Sweden.....						1,747
Switzerland.....						899
United Kingdom.....	250		79			3,440
U. S. S. R.....	5,652		3,407			20,295
Canada.....	42,563		10,845			350,719
Mexico.....	495		843			8,170
Central America.....	911		903			8,088
West Indies and Bermuda.....						
Argentina.....	103		124			671
Bolivia.....	20		10			150
Brazil.....	1					77
Chile.....	1,338		209			6,862
Colombia.....	2,488		2,230			17,993
Ecuador.....	477					228
Peru.....	1,634		319			7,422
Venezuela.....	392		448			3,377
British Guiana.....	67		70			820
Australia.....	2,064		6,742			51,647
New Zealand.....	405		167			2,131
British Oceania.....				354		2,617
British India.....				1,995		6,628
Netherlands Indies.....						829
China and Hong Kong.....				715		3,697
Japan.....						9,444
Philippine Islands.....	3,107		5,098			32,203
South Africa.....	3,694		137			292,462
All other countries.....	16		1,947			3,642
Total.....	65,707	5	36,979	6	838,719	51

<sup>1</sup> Figures represent customs valuations which, with some exceptions, are at rate of \$35 a fine ounce.

<sup>2</sup> Beginning May 1941, the Department of Commerce suspended publication of export statistics by country of destination.

<sup>3</sup> Back figures.—See table, p. 1192, and Annual Report for 1937 (tables 31 and 32).

### BANK SUSPENSIONS<sup>1</sup>

	Total, all banks	Member banks		Nonmember banks	
		National	State	In-sured <sup>2</sup>	Not 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—Jan.-Sept.....	5	2		3	
<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	460
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—Jan.-Sept.....	2,436	1,933		503	

<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 January 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).

### 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 leading centers <sup>1</sup>	133 other centers
1929.....	982,531	603,089	331,938	47,504
1936.....	461,889	208,936	219,670	33,283
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
1940—August.....	32,844	11,604	18,314	2,926
September.....	33,812	12,594	18,267	2,951
October.....	39,695	14,952	21,365	3,378
November.....	39,088	14,952	20,819	3,317
December.....	46,673	18,626	24,327	3,721
1941—January.....	41,133	15,147	22,498	3,488
February.....	35,783	13,268	19,457	3,057
March.....	44,558	17,402	23,586	3,570
April.....	42,237	15,657	23,074	3,505
May.....	43,665	16,124	23,795	3,746
June.....	45,942	17,282	24,853	3,807
July.....	44,808	16,288	24,660	3,861
August.....	42,856	15,079	24,033	3,745
September.....	43,870	15,654	24,310	3,907

<sup>1</sup> National series, for which bank debit figures are available beginning with 1919.

<sup>2</sup> Except that 1929 figure is for 128 centers only.

Back figures.—Annual report for 1937, page 137. 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 provisions 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

Call date	Total	Member banks			Nonmember banks	
		Total	National	State	Mutual savings banks	Other nonmember banks
1929—June 29.....	25, 110	8, 707	7, 530	1, 177	611	15, 792
Dec. 31.....	24, 630	8, 522	7, 403	1, 119	609	15, 499
1933—June 30.....	14, 519	5, 606	4, 897	709	576	8, 337
Dec. 30.....	15, 011	6, 011	5, 154	857	579	8, 421
1936—June 30.....	15, 752	6, 400	5, 368	1, 032	566	8, 786
Dec. 31.....	15, 628	6, 376	5, 325	1, 051	565	8, 687
1937—June 30.....	15, 527	6, 357	5, 293	1, 064	564	8, 606
Dec. 31.....	15, 393	6, 341	5, 260	1, 081	563	8, 489
1938—June 30.....	15, 287	6, 338	5, 242	1, 096	563	8, 386
Dec. 31.....	15, 206	6, 338	5, 224	1, 114	556	8, 312
1939—June 30.....	15, 082	6, 330	5, 203	1, 127	553	8, 199
Dec. 30.....	15, 037	6, 362	5, 187	1, 175	552	8, 123
1940—Mar. 26.....	15, 006	6, 377	5, 178	1, 199	551	8, 078
June 29.....	14, 953	6, 398	5, 164	1, 234	551	8, 004
Dec. 31.....	14, 895	6, 486	5, 144	1, 342	551	7, 858
1941—Apr. 4.....	14, 871	6, 528	5, 138	1, 390	550	7, 793
June 30.....	14, 855	<sup>1</sup> 6, 556	5, 130	<sup>1</sup> 1, 426	547	7, 752

For footnotes see table below.

### DEPOSITS, EXCLUSIVE OF INTERBANK DEPOSITS <sup>1</sup>

[In millions of dollars]

Call date	All banks	Member banks			Nonmember banks	
		Total	National	State	Mutual savings banks	Other nonmember banks
1929—June 29....	53, 852	32, 284	19, 411	12, 873	8, 983	12, 584
Dec. 31.....	55, 289	33, 865	20, 290	13, 575	8, 916	12, 508
1933—June 30....	37, 998	23, 338	14, 772	8, 566	9, 713	4, 946
Dec. 30.....	38, 505	23, 771	15, 386	8, 385	9, 708	5, 026
1936—June 30....	51, 335	34, 098	21, 966	12, 112	10, 060	7, 178
Dec. 31.....	53, 701	35, 893	23, 107	12, 786	10, 143	7, 666
1937—June 30....	53, 287	35, 440	22, 926	12, 514	10, 213	7, 635
Dec. 31.....	52, 440	34, 810	22, 655	12, 155	10, 257	7, 373
1938—June 30....	52, 195	34, 745	22, 553	12, 193	10, 296	7, 153
Dec. 31.....	54, 054	36, 211	23, 497	12, 714	10, 365	7, 478
1939—June 30....	55, 992	38, 027	24, 534	13, 493	10, 521	7, 444
Dec. 30.....	58, 344	39, 930	25, 661	14, 269	10, 613	7, 801
1940—Mar. 26....	59, 017	40, 579	25, 911	14, 667	<sup>3</sup> 10, 544	<sup>3</sup> 7, 895
June 29.....	60, 582	42, 039	26, 931	15, 108	10, 631	7, 912
Dec. 31.....	65, 021	46, 007	29, 214	16, 793	10, 658	8, 356
1941—Apr. 4.....	65, 211	46, 179	29, 467	16, 712	10, 684	8, 347
June 30.....	67, 172	<sup>4</sup> 48, 076	30, 684	<sup>4</sup> 17, 392	10, 641	8, 456

For footnotes see table below.

### LOANS AND INVESTMENTS

[In millions of dollars]

Call date	All banks			Member banks			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
1936—June 30.....	48, 458	20, 679	27, 778	32, 259	12, 542	19, 717	9, 961	5, 105	4, 856	6, 238	3, 032	3, 206
Dec. 31.....	49, 524	21, 449	28, 075	33, 000	13, 360	19, 640	10, 060	5, 027	5, 034	6, 464	3, 062	3, 402
1937—June 30.....	49, 696	22, 514	27, 182	32, 739	14, 285	18, 454	10, 180	5, 002	5, 178	6, 778	3, 227	3, 550
Dec. 31.....	48, 566	22, 198	26, 368	31, 752	13, 958	17, 794	10, 187	4, 996	5, 191	6, 627	3, 244	3, 383
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 <sup>2</sup> .....	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—Mar. 26.....	51, 135	22, 190	28, 945	34, 163	13, 939	20, 224	<sup>3</sup> 10, 226	4, 922	5, 304	<sup>3</sup> 6, 746	3, 329	3, 417
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—Apr. 4.....	56, 147	24, 322	31, 825	38, 983	15, 878	23, 104	10, 276	4, 954	5, 322	6, 889	3, 490	3, 399
June 30.....	57, 945	25, 312	32, 633	<sup>4</sup> 40, 659	<sup>4</sup> 16, 729	<sup>4</sup> 23, 930	10, 314	4, 955	5, 360	6, 972	3, 628	3, 344

<sup>1</sup> Prior to Dec. 30, 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> Prior to December 1938 the figures include loans and investments indirectly representing bank premises or other real estate, now classified in condition reports among "Other assets." The amounts of such loans and investments in December 1938, were approximately \$50,000,000 and \$100,000,000, respectively.

<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, prior to March 1940, was classified as a mutual savings bank, is now included in figures in the "Other nonmember banks" column.

<sup>4</sup> Includes two mutual savings banks in Wisconsin and one in Indiana, all admitted to membership since the preceding call date, Apr. 4, 1941.

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 <sup>1</sup>								Investments <sup>1</sup>								
		Total <sup>1</sup>	Com-mercial and in-dustrial <sup>2</sup>	Agricultural <sup>2</sup>	Open market paper	Loans for purchasing or carrying securities		Real estate loans	Loans to banks	Other loans <sup>4</sup>	Total	U. S. Government obligations				Obligations of States and political subdivisions	Other securities	
						To brokers and dealers	To others <sup>3</sup>					Total	Bills <sup>5</sup>	Notes	Bonds			Guar-anteed
<b>Total—All Member Banks</b>																		
1929—Dec. 31..	35,934	26,160	—	—	583	2,463	7,685	3,191	714	11,515	9,784	3,863	—	—	—	—	1,393	4,528
1933—June 30..	24,786	12,858	—	—	595	953	3,752	2,372	330	4,857	11,928	6,887	1,113	2,049	3,725	—	1,744	3,297
1938—June 30..	30,721	12,938	—	—	492	701	2,614	2,613	120	6,397	17,783	12,343	316	3,653	6,246	2,128	2,143	3,296
Dec. 31..	32,070	13,208	4,787	712	442	973	775	2,716	125	2,728	18,863	13,222	286	3,389	7,208	2,340	2,448	3,192
1939—June 30..	32,603	13,141	4,783	788	420	731	736	2,828	58	2,796	19,462	13,777	441	2,720	7,786	2,831	2,554	3,131
Dec. 30..	33,941	13,208	5,386	730	455	790	700	2,957	56	2,888	19,979	14,328	563	2,223	8,398	3,144	2,692	2,959
1940—June 29..	34,451	13,969	5,538	736	450	447	668	3,069	42	3,020	20,482	14,722	797	2,543	8,261	3,121	2,885	2,870
Dec. 31..	37,126	15,321	6,204	865	456	642	652	3,223	43	3,230	21,805	15,823	652	2,594	9,091	3,486	3,013	2,973
1941—Apr. 4 <sup>6</sup> ..	38,983	15,878	—	—	—	—	—	—	—	—	23,104	16,988	—	—	—	3,487	3,206	2,911
June 30..	40,659	16,729	7,270	738	537	575	635	3,365	44	3,565	23,930	18,078	1,127	2,631	10,481	3,839	2,984	2,867
Sept. 24 <sup>7</sup> ..	41,939	17,540	—	—	—	—	—	—	—	—	24,399	18,339	—	—	—	3,164	2,896	—
<b>New York City<sup>7</sup></b>																		
1929—Dec. 31..	8,774	6,683	—	—	195	1,257	2,145	169	322	2,595	2,091	1,112	58	166	889	—	222	758
1933—June 30..	7,133	3,424	—	—	364	759	1,044	157	162	937	3,709	2,551	638	967	926	—	478	680
1938—June 30..	8,013	3,172	—	—	141	556	717	132	85	1,541	4,840	3,740	222	1,358	1,451	709	394	707
Dec. 31..	8,335	3,262	1,456	5	138	787	220	121	99	436	5,072	3,857	158	1,142	1,663	894	517	698
1939—June 30..	8,688	2,988	1,474	5	128	555	215	130	41	440	5,700	4,483	168	908	2,284	1,123	480	736
Dec. 30..	9,339	3,296	1,768	7	120	611	188	133	44	425	6,043	4,772	315	797	2,385	1,275	579	693
1940—June 29..	9,829	3,014	1,801	6	103	320	188	137	32	426	6,815	5,486	421	1,092	2,650	1,324	634	695
Dec. 31..	10,910	3,384	2,025	6	100	465	190	130	25	443	7,527	6,044	207	1,245	2,977	1,615	695	788
1941—Apr. 4 <sup>6</sup> ..	11,696	3,502	—	—	—	—	—	—	—	—	8,194	6,625	—	—	—	1,620	771	798
June 30..	12,493	3,778	2,405	3	97	422	186	129	33	503	8,715	7,268	577	1,526	3,415	1,751	651	796
Sept. 24 <sup>7</sup> ..	12,929	3,937	—	—	—	—	—	—	—	—	8,991	7,331	—	—	—	819	841	—
<b>City of Chicago<sup>7</sup></b>																		
1929—Dec. 31..	1,757	1,448	—	—	19	251	533	21	88	535	309	116	3	19	94	—	96	96
1933—June 30..	1,287	677	—	—	69	61	251	30	30	237	610	384	206	82	97	—	87	138
1938—June 30..	1,806	625	—	—	15	29	109	10	—	361	1,281	981	12	313	535	122	140	159
Dec. 31..	1,969	539	319	17	16	43	70	12	1	62	1,430	1,114	59	291	655	109	141	176
1939—June 30..	2,052	544	329	19	15	39	71	12	—	59	1,507	1,175	185	234	621	135	154	179
Dec. 30..	2,105	569	365	6	17	41	66	13	—	60	1,536	1,203	153	176	701	172	162	179
1940—June 29..	2,205	603	417	8	16	23	61	16	—	62	1,602	1,258	254	161	710	134	177	167
Dec. 31..	2,377	696	476	5	17	42	54	19	—	84	1,681	1,307	297	145	752	112	188	186
1941—Apr. 4 <sup>6</sup> ..	2,649	780	—	—	—	—	—	—	—	—	1,869	1,466	—	—	—	125	226	177
June 30..	2,707	846	609	5	21	36	55	20	—	101	1,861	1,483	417	125	803	138	190	188
Sept. 24 <sup>7</sup> ..	2,573	918	—	—	—	—	—	—	—	—	1,655	1,304	—	—	—	175	176	—
<b>Reserve City Banks</b>																		
1929—Dec. 31..	12,029	9,084	—	—	168	664	2,775	1,538	258	3,679	2,944	1,368	91	165	1,112	—	448	1,128
1933—June 30..	8,492	4,482	—	—	126	108	1,340	1,131	99	1,678	4,011	2,483	205	681	1,597	—	598	930
1938—June 30..	11,150	4,853	—	—	163	95	998	1,201	26	2,369	6,298	4,658	69	1,268	2,603	718	732	908
Dec. 31..	11,654	4,963	1,914	207	149	119	242	1,230	20	1,081	6,691	5,018	57	1,224	2,997	740	808	866
1939—June 30..	11,756	5,004	1,884	234	135	115	221	1,284	12	1,116	6,751	4,991	78	1,014	3,010	889	895	866
Dec. 30..	12,272	5,329	2,100	221	155	119	222	1,335	9	1,168	6,943	5,194	63	819	3,339	972	890	860
1940—June 29..	12,160	5,365	2,134	176	156	87	210	1,372	6	1,224	6,795	4,947	87	839	3,052	969	981	868
Dec. 31..	13,013	5,931	2,436	263	153	115	207	1,436	15	1,307	7,081	5,204	103	771	3,281	1,049	984	893
1941—Apr. 4 <sup>6</sup> ..	13,494	6,165	—	—	—	—	—	—	—	—	7,328	5,440	—	—	—	1,047	1,034	855
June 30..	14,013	6,498	2,879	175	202	100	198	1,477	9	1,457	7,515	5,700	73	606	3,858	1,162	979	836
Sept. 24 <sup>7</sup> ..	14,591	6,561	—	—	—	—	—	—	—	—	7,730	5,917	—	—	—	980	834	—
<b>Country Banks</b>																		
1929—Dec. 31..	13,375	8,936	—	—	201	291	2,231	1,462	45	4,705	4,439	1,267	97	171	999	—	627	2,546
1933—June 30..	7,873	4,275	—	—	35	25	1,117	1,055	38	2,005	3,598	1,469	64	299	1,106	—	581	1,549
1938—June 30..	9,752	4,388	—	—	173	21	790	1,269	9	2,126	5,364	2,964	13	715	1,667	579	878	1,522
Dec. 31..	10,113	4,444	1,048	483	138	25	243	1,353	5	1,149	5,669	3,233	11	732	1,893	597	982	1,453
1939—June 30..	10,109	4,605	1,095	531	140	22	229	1,402	5	1,180	5,504	3,127	11	563	1,870	683	1,025	1,351
Dec. 30..	10,224	4,768	1,151	495	163	20	224	1,477	4	1,234	5,456	3,159	31	431	1,972	725	1,061	1,236
1940—June 29..	10,257	4,987	1,187	546	174	17	208	1,544	3	1,308	5,270	3,030	36	451	1,849	695	1,097	1,144
Dec. 31..	10,826	5,309	1,267	590	187	21	201	1,644	3	1,397	5,517	3,269	45	433	2,081	710	1,146	1,102
1941—Apr. 4 <sup>6</sup> ..	11,144	5,431	—	—	—	—	—	—	—	—	5,713	3,456	—	—	—	694	1,176	1,081
June 30..	11,446	5,607	1,377	555	216	17	195	1,739	3	1,504	5,839	3,627	60	374	2,404	788	1,165	1,047
Sept. 24 <sup>7</sup> ..	11,846	5,823	—	—	—	—	—	—	—	—	6,023	3,788	—	—	—	1,189	1,045	—

<sup>2</sup> Preliminary.

<sup>1</sup> Classifications indicated were revised as of Dec. 31, 1938; for explanation see BULLETIN for January, 1939, pp. 22-23, and BULLETIN for April, 1939, pp. 259-264, 332. Beginning June 30, 1939, detailed classifications available on June and December dates only.

<sup>3</sup> Not shown in call reports prior to December 1938, but the total amount of agricultural loans was reported separately on some dates, and the total amount of "Commercial, industrial and agricultural paper" has been reported by weekly reporting banks since May 1937.

<sup>4</sup> Figures in this column prior to Dec. 31, 1938, represent all loans on securities, regardless of purpose, excepting only loans on securities to banks and to brokers and dealers.

<sup>5</sup> This is a residual item and, because of the revised loan classifications, figures beginning Dec. 31, 1938, are not comparable with earlier figures.

<sup>6</sup> Includes Treasury certificates of indebtedness through 1934.

<sup>7</sup> Breakdown of loans and investments not reported separately.

<sup>8</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]

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	Call date
				Individuals, partnerships, and corporations	States and political subdivisions	Certified and officers' checks etc. <sup>3</sup>	U. S. Government <sup>4</sup>	Individuals, partnerships, and corporations	States and political subdivisions	Postal savings <sup>4</sup>	Domestic banks		Foreign banks			
											Demand	Time				
<i>Total—All Member Banks</i>																
2,374	558	2,168	16,647	17,526	1,335	1,681	143	12,267	595	122	3,517	95	698	879	6,709	1929—Dec. 31
2,235	405	2,008	12,089	11,830	1,087	657	806	7,803	300	788	3,057	89	146	191	4,837	1933—June 30
8,004	712	4,084	20,893	19,816	2,314	662	543	10,874	454	83	6,096	135	331	11	5,368	1938—June 30
8,694	746	4,240	22,293	21,119	2,386	547	790	10,846	462	61	6,510	132	511	6	5,424	Dec. 31
10,011	712	4,674	23,587	22,448	2,532	790	694	11,063	441	59	7,097	142	607	5	5,496	1939—June 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	Dec. 30
12,279	862	5,634	26,461	24,965	2,499	558	725	11,368	411	52	8,717	145	737	2	5,562	1940—Mar. 26
13,751	789	5,751	27,877	26,397	2,529	475	711	11,459	410	59	8,852	134	703	3	5,608	June 29
13,992	991	6,185	30,429	29,576	2,724	913	616	11,687	435	56	9,581	135	706	3	5,698	Dec. 31
13,531	837	6,340	31,576	29,752	2,957	662	523	11,837	392	54	9,873	137	635	3	5,754	1941—Apr. 4
12,959	999	6,293	32,678	31,429	2,940	738	619	11,898	397	55	9,610	138	688	3	5,800	June 30
<i>New York City<sup>5</sup></i>																
827	68	179	4,750	5,847	128	1,180	20	1,112	33	18	1,198	40	597	179	2,105	1929—Dec. 31
846	46	101	4,358	4,676	96	461	332	671	4	110	1,255	22	128	8	1,582	1933—June 30
3,517	65	119	6,698	6,900	273	367	123	694	32	---	2,514	---	291	---	1,587	1938—June 30
4,104	68	109	7,168	7,273	280	195	139	652	36	---	2,687	---	442	---	1,593	Dec. 31
4,975	61	112	8,012	8,281	288	472	84	653	46	---	2,992	---	524	---	1,586	1939—June 30
5,915	89	125	8,899	9,090	251	178	74	693	43	---	3,542	1	695	---	1,592	Dec. 30
6,386	84	163	9,562	9,652	219	260	68	742	35	---	3,629	1	672	---	1,601	1940—Mar. 26
7,072	88	119	10,235	10,283	258	147	67	732	29	---	3,840	1	650	---	1,599	June 29
7,057	102	122	11,062	11,357	370	471	48	768	51	---	4,032	---	646	---	1,615	Dec. 31
6,715	85	154	11,645	11,629	302	302	29	806	38	---	4,021	---	657	---	1,623	1941—Apr. 4
5,857	136	131	11,619	11,895	319	306	32	778	27	---	3,948	---	623	---	1,625	June 30
<i>City of Chicago<sup>5</sup></i>																
169	13	133	957	1,041	42	32	8	332	58	2	310	19	33	41	316	1929—Dec. 31
232	34	203	912	870	87	16	46	358	1	6	259	---	2	---	204	1933—June 30
936	31	208	1,523	1,386	221	23	86	443	16	---	688	---	6	---	249	1938—June 30
884	35	235	1,688	1,597	151	29	83	452	9	---	658	---	9	---	257	Dec. 31
897	26	235	1,666	1,565	197	22	60	471	17	---	746	---	12	---	270	1939—June 30
993	42	283	1,739	1,676	167	24	80	483	10	3	879	---	9	---	250	Dec. 30
909	25	195	1,544	1,503	133	18	80	482	11	5	997	---	7	---	253	1940—Mar. 26
1,187	39	242	1,898	1,782	199	17	79	489	15	5	940	---	7	---	260	June 29
1,051	42	319	1,941	1,905	174	27	90	496	8	5	997	---	8	---	270	Dec. 31
815	20	283	1,755	1,685	151	26	108	486	10	4	1,151	---	7	---	270	1941—Apr. 4
1,062	41	262	2,205	2,109	213	33	95	480	17	5	1,010	---	8	---	279	June 30
<i>Reserve City Banks</i>																
751	156	947	5,229	5,547	423	300	76	4,433	371	41	1,604	30	64	292	2,029	1929—Dec. 31
705	122	1,002	3,764	3,708	349	108	312	2,941	205	388	1,315	59	15	16	1,533	1933—June 30
2,289	300	1,951	6,934	6,668	812	146	266	4,238	262	31	2,514	113	32	---	1,753	1938—June 30
2,354	321	1,940	7,214	7,034	796	170	424	4,233	269	17	2,719	108	57	---	1,777	Dec. 31
2,735	318	2,210	7,654	7,331	917	160	415	4,320	233	19	2,920	115	69	---	1,812	1939—June 30
3,118	348	2,485	8,176	8,002	813	190	435	4,362	240	14	3,516	117	53	---	1,828	Dec. 30
3,336	364	2,632	8,400	8,278	942	150	431	4,386	214	12	3,525	115	56	---	1,833	1940—Mar. 26
3,759	334	2,679	8,774	8,372	956	147	422	4,422	219	18	3,526	105	44	---	1,873	June 29
4,027	396	2,741	9,581	9,468	995	228	327	4,506	226	19	3,919	106	51	---	1,904	Dec. 31
4,107	361	2,859	10,137	9,552	1,206	171	273	4,540	202	19	4,023	108	49	---	1,917	1941—Apr. 4
4,125	385	2,793	10,480	10,142	1,139	209	341	4,590	211	19	4,000	108	55	---	1,940	June 30
<i>Country Banks</i>																
627	321	908	5,711	5,091	742	169	39	6,390	133	61	405	6	3	367	2,258	1929—Dec. 31
452	203	702	3,054	2,576	555	72	116	3,833	86	285	228	7	1	167	1,517	1933—June 30
1,263	316	1,806	5,738	4,863	1,008	126	68	5,499	144	62	380	22	2	11	1,778	1938—June 30
1,353	322	1,956	6,224	5,215	1,128	154	143	5,509	147	44	446	23	2	6	1,798	Dec. 31
1,403	307	2,117	6,255	5,272	1,130	135	136	5,619	145	40	439	26	2	5	1,828	1939—June 30
1,578	363	2,614	6,866	5,896	1,090	172	154	5,677	140	35	571	26	2	3	1,851	Dec. 30
1,648	389	2,645	6,954	5,832	1,205	131	147	5,757	151	35	566	29	2	2	1,875	1940—Mar. 26
1,733	328	2,711	6,969	5,960	1,115	164	143	5,816	147	37	538	29	2	3	1,876	June 29
1,857	452	3,002	7,845	6,846	1,184	187	151	5,917	150	33	633	29	2	3	1,909	Dec. 31
1,894	372	3,044	8,039	6,886	1,269	163	114	6,006	142	31	677	29	2	3	1,943	1941—Apr. 4
1,914	437	3,106	8,374	7,282	1,269	190	151	6,049	143	31	652	30	2	3	1,956	June 30

<sup>1</sup> Prior to Dec. 31, 1935, excludes balances with private banks to the extent that they were then reported in "Other assets." Since Oct. 25, 1933, includes time balances with domestic banks which on that date amounted to \$69,000,000 and which prior to that time were reported in "Other assets."  
<sup>2</sup> Demand deposits other than interbank and U. S. Government, less cash items reported as in process of collection and, prior to Dec. 31, 1935, less cash items reported on hand but not in process of collection.  
<sup>3</sup> Includes "Due to Federal Reserve Banks (transit account)," known as "Due to Federal Reserve Banks (deferred credits)" prior to Dec. 31, 1935.  
<sup>4</sup> U. S. Treasurer's time deposits, open account, are combined with postal savings (time) deposits.  
<sup>5</sup> Central reserve city banks.  
<sup>6</sup> Partly estimated.

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

**WEEKLY REPORTING MEMBER BANKS—NEW YORK CITY AND OUTSIDE  
LOANS AND INVESTMENTS**

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

Date or month	Total loans and investments	Loans							Investments										
		Total	Com-mercial, in-dustrial, and agri-cultural	Open market paper	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	Notes	Bonds	Guar-anteed				
<i>Total—101 Cities</i>																			
1940—September	24,233	8,653	4,551	295	400	462	1,221	45	1,679	15,580	11,897	677	2,083	6,555	2,582	3,683			
1941—May	27,764	10,029	5,621	360	479	446	1,237	39	1,847	17,735	14,024	949	2,214	7,789	3,072	3,711			
June	28,157	10,252	5,772	370	483	447	1,243	40	1,897	17,905	14,253	1,033	2,234	7,952	3,034	3,652			
July	28,560	10,501	5,975	381	496	445	1,249	40	1,915	18,059	14,490	1,079	2,249	7,946	3,216	3,569			
August	28,942	10,631	6,149	400	453	438	1,253	41	1,927	18,281	14,578	1,069	2,266	7,931	3,312	3,703			
September	29,171	10,937	6,321	395	536	437	1,258	42	1,948	18,234	14,467	903	2,287	7,958	3,319	3,767			
1941—July 30	28,771	10,572	6,047	388	478	439	1,253	43	1,924	18,199	14,588	1,074	2,253	7,952	3,309	3,611			
Aug. 6	28,761	10,597	6,087	397	462	439	1,254	39	1,919	18,164	14,553	1,075	2,253	7,920	3,305	3,611			
Aug. 13	28,874	10,663	6,146	399	457	440	1,254	42	1,925	18,211	14,559	1,059	2,256	7,932	3,312	3,652			
Aug. 20	29,025	10,688	6,180	404	444	437	1,252	41	1,930	18,337	14,593	1,064	2,276	7,939	3,314	3,744			
Aug. 27	29,107	10,697	6,183	400	448	437	1,254	43	1,932	18,410	14,608	1,079	2,279	7,934	3,316	3,802			
Sept. 3	29,238	10,903	6,222	397	607	436	1,256	45	1,940	18,335	14,567	1,019	2,283	7,949	3,316	3,768			
Sept. 10	29,230	10,975	6,310	397	588	437	1,258	43	1,942	18,255	14,496	936	2,284	7,963	3,313	3,759			
Sept. 17	29,098	10,917	6,362	394	469	437	1,260	40	1,955	18,181	14,408	844	2,287	7,957	3,320	3,773			
Sept. 24	29,120	10,954	6,389	393	481	437	1,258	40	1,956	18,166	14,397	814	2,294	7,962	3,327	3,769			
Oct. 1	29,125	11,024	6,447	397	494	428	1,257	39	1,962	18,101	14,301	785	2,280	7,917	3,319	3,800			
Oct. 8	29,132	11,076	6,501	403	493	427	1,256	40	1,956	18,056	14,307	815	2,250	7,920	3,322	3,749			
Oct. 15	29,385	11,244	6,568	419	551	439	1,258	43	1,966	18,141	14,378	842	2,255	7,946	3,335	3,763			
Oct. 22	29,618	11,212	6,556	423	535	433	1,262	37	1,966	18,406	14,653	817	2,222	8,271	3,343	3,753			
<i>New York City</i>																			
1940—September	9,641	2,813	1,734	75	290	163	124	36	391	6,828	5,381	312	1,038	2,655	1,376	1,447			
1941—May	11,635	3,314	2,141	92	349	161	114	31	426	8,321	6,929	487	1,449	3,219	1,774	1,392			
June	11,794	3,412	2,213	94	349	161	114	30	451	8,382	7,003	582	1,456	3,242	1,723	1,379			
July	11,926	3,496	2,291	90	357	164	112	31	451	8,430	7,080	605	1,442	3,232	1,801	1,350			
August	12,082	3,534	2,367	85	326	161	110	33	452	8,548	7,082	602	1,438	3,188	1,854	1,466			
September	12,222	3,655	2,426	77	396	159	108	33	456	8,567	7,021	495	1,447	3,221	1,858	1,546			
1941—July 30	11,983	3,505	2,318	89	339	162	112	32	453	8,478	7,087	591	1,434	3,216	1,846	1,391			
Aug. 6	12,001	3,512	2,337	88	332	161	112	31	451	8,489	7,097	625	1,432	3,195	1,845	1,392			
Aug. 13	12,041	3,545	2,372	88	328	161	111	33	452	8,496	7,074	582	1,433	3,200	1,859	1,422			
Aug. 20	12,127	3,540	2,385	84	317	160	109	32	453	8,587	7,091	609	1,445	3,183	1,854	1,496			
Aug. 27	12,157	3,537	2,375	81	325	160	109	34	453	8,620	7,066	590	1,443	3,176	1,857	1,554			
Sept. 3	12,270	3,695	2,393	79	462	159	110	35	457	8,575	7,031	548	1,442	3,187	1,854	1,544			
Sept. 10	12,259	3,709	2,428	77	445	159	109	33	458	8,550	7,009	503	1,443	3,211	1,852	1,541			
Sept. 17	12,152	3,600	2,435	76	336	159	108	32	454	8,552	7,004	460	1,450	3,237	1,857	1,548			
Sept. 24	12,208	3,616	2,450	74	342	159	107	31	453	8,592	7,040	468	1,453	3,249	1,870	1,552			
Oct. 1	12,237	3,654	2,482	72	354	151	107	30	458	8,583	7,002	479	1,437	3,224	1,862	1,581			
Oct. 8	12,188	3,686	2,515	72	356	150	107	30	456	8,502	6,968	474	1,402	3,223	1,869	1,534			
Oct. 15	12,309	3,783	2,547	83	400	154	106	34	459	8,526	6,985	449	1,412	3,243	1,881	1,541			
Oct. 22	12,326	3,755	2,544	84	378	153	106	29	461	8,571	7,045	423	1,408	3,324	1,890	1,526			
<i>Outside New York City</i>																			
1940—September	14,592	5,840	2,817	220	110	299	1,097	9	1,288	8,752	6,516	365	1,045	3,900	1,206	2,236			
1941—May	16,129	6,715	3,480	268	130	285	1,123	8	1,421	9,414	7,095	462	765	4,570	1,298	2,319			
June	16,363	6,840	3,559	275	134	286	1,129	10	1,446	9,523	7,250	451	778	4,710	1,311	2,273			
July	16,634	7,005	3,684	291	139	281	1,137	9	1,464	9,629	7,410	474	807	4,714	1,415	2,219			
August	16,860	7,127	3,782	315	127	277	1,143	8	1,475	9,733	7,496	467	828	4,743	1,458	2,237			
September	16,949	7,282	3,895	318	140	278	1,150	9	1,492	9,667	7,446	408	840	4,737	1,461	2,221			
1941—July 30	16,788	7,067	3,729	299	139	277	1,141	11	1,471	9,721	7,501	483	819	4,736	1,463	2,220			
Aug. 6	16,760	7,085	3,750	309	130	278	1,142	8	1,468	9,675	7,456	450	821	4,725	1,460	2,219			
Aug. 13	16,833	7,118	3,774	311	129	279	1,143	9	1,473	9,715	7,485	477	823	4,732	1,453	2,230			
Aug. 20	16,898	7,148	3,795	320	127	277	1,143	9	1,477	9,750	7,502	455	831	4,756	1,460	2,248			
Aug. 27	16,950	7,160	3,808	319	123	277	1,145	9	1,479	9,790	7,542	489	836	4,758	1,459	2,248			
Sept. 3	16,968	7,208	3,829	318	145	277	1,146	10	1,483	9,760	7,536	471	841	4,762	1,462	2,224			
Sept. 10	16,971	7,266	3,882	320	143	278	1,149	10	1,484	9,705	7,487	433	841	4,752	1,461	2,218			
Sept. 17	16,946	7,317	3,927	318	133	278	1,152	8	1,501	9,629	7,404	384	837	4,720	1,463	2,225			
Sept. 24	16,912	7,338	3,939	319	139	278	1,151	9	1,503	9,574	7,357	346	841	4,713	1,457	2,217			
Oct. 1	16,888	7,370	3,965	325	140	277	1,150	9	1,504	9,518	7,299	306	843	4,693	1,457	2,219			
Oct. 8	16,944	7,390	3,986	331	137	277	1,149	10	1,500	9,554	7,339	341	848	4,697	1,453	2,215			
Oct. 15	17,076	7,461	4,021	336	151	285	1,152	9	1,507	9,615	7,393	393	843	4,703	1,454	2,222			
Oct. 22	17,292	7,457	4,012	339	157	280	1,156	8	1,505	9,335	7,608	394	814	4,947	1,453	2,227			

NOTE.—For description of figures see BULLETIN for November 1935 (pp. 711-738) or reprint, and BULLETIN for June 1937 (pp. 530-531). For back figures see BULLETIN for November 1935 (pp. 711-738) or reprint, BULLETIN for December 1935 (p. 876), Annual Report for 1937 (tables 65-67) and corresponding tables in previous Annual Reports.

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

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

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			Borrowings	Capital accounts	Date or month
				Individuals, partnerships, and corporations	States and political subdivisions	Certified and officers' checks etc.	U. S. Government <sup>2</sup>	Individuals, partnerships, and corporations	States and political subdivisions	Postal savings <sup>2</sup>	Domestic banks		Foreign banks				
											Demand	Time					
11,499	504	3,235	21,011	20,595	1,421	396	507	5,175	179	24	8,465	111	679	-----	3,784	<i>Total 101 Cities</i>	
11,294	546	3,495	24,010	23,356	1,853	461	394	5,246	183	26	9,069	115	660	-----	3,862	1940—September	
10,925	585	3,479	23,969	23,509	1,741	518	456	5,233	175	26	9,059	114	663	-----	3,873	1941—May	
10,823	564	3,498	24,211	23,884	1,615	526	467	5,254	163	26	9,078	113	659	-----	3,873	June	
10,646	547	3,476	24,343	23,789	1,798	467	530	5,274	158	22	9,075	111	639	-----	3,883	July	
10,742	556	3,575	24,404	23,890	1,829	493	596	5,271	156	21	9,402	114	624	-----	3,885	August	
10,835	561	3,481	24,544	24,029	1,750	523	470	5,260	158	26	8,965	113	659	-----	3,869	1941—July 30	
10,662	537	3,410	24,217	23,548	1,735	455	502	5,273	157	25	8,981	110	649	-----	3,882	Aug. 6	
10,594	556	3,539	24,245	23,927	1,736	471	520	5,276	157	25	9,109	112	648	-----	3,884	Aug. 13	
10,696	536	3,495	24,455	23,897	1,825	464	533	5,276	158	20	9,106	112	631	-----	3,883	Aug. 20	
10,633	559	3,462	24,453	23,787	1,894	479	565	5,271	159	20	9,103	112	629	-----	3,883	Aug. 27	
10,534	543	3,502	24,349	23,719	1,876	475	591	5,268	156	21	9,240	115	626	-----	3,889	Sept. 3	
10,725	573	3,530	24,503	23,948	1,843	494	590	5,273	156	21	9,336	113	630	-----	3,886	Sept. 10	
10,879	551	3,676	24,375	24,040	1,785	478	596	5,273	155	21	9,592	115	613	-----	3,881	Sept. 17	
10,830	559	3,592	24,390	23,853	1,811	525	608	5,270	159	21	9,440	112	626	-----	3,885	Sept. 24	
10,792	537	3,596	24,277	23,894	1,906	656	580	5,267	160	21	9,557	112	624	-----	3,888	Oct. 1	
10,804	558	3,523	24,400	23,788	1,857	503	442	5,285	157	21	9,496	113	633	-----	3,892	Oct. 8	
10,816	550	3,645	24,640	24,772	1,823	568	276	5,278	156	21	9,782	111	632	-----	3,897	Oct. 15	
10,358	562	3,504	24,382	23,989	1,840	569	598	5,283	154	21	9,347	111	645	-----	3,902	Oct. 22	
6,421	84	81	9,673	9,740	249	222	35	683	42	-----	3,702	-----	625	-----	1,493	<i>New York City</i>	
5,897	89	99	11,055	11,108	353	231	19	700	26	-----	3,844	-----	597	-----	1,517	1940—September	
5,667	123	97	10,986	11,086	291	305	19	699	22	-----	3,860	-----	600	-----	1,519	1941—May	
5,586	107	88	11,022	11,183	247	297	18	722	21	-----	3,846	-----	596	-----	1,510	June	
5,316	88	87	10,910	10,995	299	251	62	740	24	-----	3,797	-----	577	-----	1,518	July	
5,285	86	88	10,888	10,983	299	264	111	738	24	-----	3,883	-----	561	-----	1,519	August	
5,589	95	84	11,100	11,251	277	298	16	735	22	-----	3,827	-----	597	-----	1,508	1941—July 30	
5,360	88	82	10,906	10,958	252	242	39	740	23	-----	3,778	-----	587	-----	1,518	Aug. 6	
5,263	90	85	10,788	10,997	247	265	54	740	23	-----	3,821	-----	586	-----	1,519	Aug. 13	
5,339	85	88	10,979	11,047	338	248	66	740	24	-----	3,799	-----	568	-----	1,518	Aug. 20	
5,302	90	93	10,965	10,977	300	248	89	739	25	-----	3,791	-----	568	-----	1,516	Aug. 27	
5,257	88	84	10,978	11,005	330	245	107	738	24	-----	3,814	-----	566	-----	1,520	Sept. 3	
5,300	91	88	10,977	11,077	309	281	107	739	26	-----	3,855	-----	566	-----	1,519	Sept. 10	
5,315	84	93	10,781	10,937	273	229	109	739	23	-----	3,959	-----	551	-----	1,518	Sept. 17	
5,267	84	87	10,816	10,913	282	302	121	736	23	-----	3,904	-----	563	-----	1,518	Sept. 24	
5,161	80	90	10,672	10,865	342	398	129	736	24	-----	3,976	-----	563	-----	1,520	Oct. 1	
5,157	82	87	10,701	10,784	317	284	120	747	24	-----	3,882	-----	570	-----	1,522	Oct. 8	
5,138	81	91	10,706	11,071	289	286	124	738	25	-----	3,975	-----	572	-----	1,522	Oct. 15	
4,985	81	93	10,564	10,735	277	321	283	735	25	-----	3,812	-----	587	-----	1,523	Oct. 22	
5,078	420	3,154	11,338	10,855	1,172	174	472	4,492	137	24	4,763	111	54	-----	2,291	<i>Outside New York City</i>	
5,397	457	3,396	12,955	12,248	1,500	230	375	4,546	157	26	5,225	115	63	-----	2,345	1940—September	
5,258	462	3,382	12,983	12,423	1,450	213	437	4,534	153	26	5,199	114	63	-----	2,354	1941—May	
5,237	457	3,410	13,189	12,701	1,368	229	449	4,532	142	26	5,232	113	63	-----	2,363	June	
5,330	459	3,389	13,453	12,794	1,499	216	468	4,534	134	22	5,278	111	62	-----	2,365	July	
5,457	470	3,487	13,516	12,907	1,530	229	485	4,533	132	21	5,519	114	63	-----	2,366	August	
5,246	466	3,397	13,444	12,778	1,473	225	454	4,525	136	26	5,138	113	62	-----	2,361	1941—July 30	
5,302	449	3,328	13,311	12,588	1,483	213	463	4,533	134	25	5,203	110	62	-----	2,364	Aug. 6	
5,331	466	3,454	13,457	12,930	1,489	206	466	4,536	134	25	5,288	112	62	-----	2,365	Aug. 13	
5,357	451	3,407	13,476	12,850	1,487	216	467	4,536	134	20	5,307	112	63	-----	2,365	Aug. 20	
5,331	469	3,369	13,488	12,810	1,534	231	476	4,532	134	20	5,312	112	61	-----	2,367	Aug. 27	
5,277	455	3,418	13,371	12,714	1,546	230	484	4,530	132	21	5,426	115	60	-----	2,369	Sept. 3	
5,425	482	3,442	13,526	12,871	1,534	213	483	4,534	130	21	5,481	113	64	-----	2,367	Sept. 10	
5,564	467	3,583	13,594	13,101	1,612	249	487	4,534	132	21	5,633	115	62	-----	2,363	Sept. 17	
5,563	475	3,505	13,574	12,940	1,529	223	487	4,534	136	21	5,536	112	63	-----	2,367	Sept. 24	
5,631	457	3,506	13,605	13,029	1,564	258	451	4,531	136	21	5,581	112	61	-----	2,368	Oct. 1	
5,647	476	3,436	13,699	13,004	1,540	219	322	4,538	133	21	5,614	113	63	-----	2,370	Oct. 8	
5,678	469	3,554	13,934	13,701	1,534	282	152	4,540	131	21	5,807	111	60	-----	2,375	Oct. 15	
5,373	481	3,411	13,818	13,254	1,563	248	315	4,548	129	21	5,535	111	58	-----	2,379	Oct. 22	

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

<sup>2</sup> U. S. Treasurer's time deposits, open account, are combined with postal savings (time) deposits.

# WEEKLY REPORTING MEMBER BANKS—BY FEDERAL RESERVE DISTRICTS

## LOANS AND INVESTMENTS

[In millions of dollars.]

Federal Reserve district and date (1941)	Total loans and investments	Loans								Investments						
		Total	Com- mer- cial, in- dus- trial, and agri- cul- tural	Open mar- ket paper	Loans for purchasing or carrying securities		Real estate loans	Loans to banks	Other loans	Total	U. S. Government obligations					Other secur- ities
					To brok- ers and deal- ers	To others					Total	Total	Bills	Notes	Bonds	
<b>Boston (6 cities)</b>																
Oct. 1.....	1,440	779	427	89	13	16	79	4	151	661	536	13	42	409	72	125
Oct. 8.....	1,464	783	427	91	13	16	79	4	153	681	558	35	41	412	70	123
Oct. 15.....	1,462	784	425	94	16	16	79	4	150	678	557	33	40	414	70	121
Oct. 22.....	1,472	778	421	94	16	16	79	4	148	694	572	40	40	422	70	122
<b>New York (8 cities)*</b>																
Oct. 1.....	13,223	4,076	2,646	89	358	196	193	30	564	9,147	7,426	494	1,480	3,463	1,989	1,721
Oct. 8.....	13,166	4,108	2,678	91	360	195	193	30	561	9,058	7,385	483	1,445	3,462	1,995	1,673
Oct. 15.....	13,284	4,206	2,709	103	404	200	192	34	564	9,078	7,399	456	1,454	3,483	2,006	1,679
Oct. 22.....	13,330	4,175	2,702	105	382	198	193	29	566	9,155	7,488	428	1,450	3,594	2,016	1,667
<b>Philadelphia (4 cities)</b>																
Oct. 1.....	1,345	567	303	43	27	32	51	-----	111	778	512	1	29	385	97	266
Oct. 8.....	1,351	568	304	42	27	32	51	-----	112	783	515	1	29	388	97	268
Oct. 15.....	1,351	568	304	43	26	32	51	-----	112	783	515	1	29	389	96	268
Oct. 22.....	1,364	570	303	44	28	31	51	-----	113	794	526	1	29	400	96	268
<b>Cleveland (10 cities)</b>																
Oct. 1.....	2,242	870	417	23	15	19	185	1	210	1,372	1,106	8	181	734	183	266
Oct. 8.....	2,244	866	418	24	15	19	185	1	204	1,378	1,114	13	181	736	184	264
Oct. 15.....	2,252	870	416	24	18	20	186	1	205	1,382	1,115	13	178	741	183	267
Oct. 22.....	2,272	865	413	25	16	19	186	1	205	1,407	1,142	16	176	764	186	265
<b>Richmond (12 cities)</b>																
Oct. 1.....	839	328	159	14	3	13	50	-----	89	511	443	1	79	256	107	68
Oct. 8.....	843	327	158	14	3	13	50	-----	89	516	449	4	80	257	108	67
Oct. 15.....	851	333	161	14	4	15	50	-----	89	518	451	7	80	257	107	67
Oct. 22.....	865	331	161	15	3	13	51	-----	88	534	468	8	77	276	107	66
<b>Atlanta (8 cities)</b>																
Oct. 1.....	741	390	200	6	6	11	38	2	127	351	235	7	44	117	67	116
Oct. 8.....	746	398	206	5	6	12	38	2	129	348	233	6	44	117	66	115
Oct. 15.....	766	415	214	5	8	14	38	2	134	351	237	6	44	116	71	114
Oct. 22.....	769	408	211	5	6	12	38	2	134	361	247	6	42	129	70	114
<b>Chicago (12 cities)*</b>																
Oct. 1.....	3,898	1,404	919	53	51	61	142	-----	178	2,494	1,947	189	218	1,179	361	547
Oct. 8.....	3,906	1,401	923	54	47	60	142	-----	175	2,505	1,958	197	223	1,178	360	547
Oct. 15.....	3,962	1,407	922	54	49	62	142	-----	178	2,555	1,996	234	227	1,177	358	559
Oct. 22.....	4,052	1,413	918	53	59	62	143	-----	178	2,639	2,076	227	212	1,277	360	563
<b>St. Louis (5 cities)</b>																
Oct. 1.....	901	451	268	22	5	12	61	1	82	450	339	5	36	218	80	111
Oct. 8.....	909	458	274	23	5	12	60	2	82	451	340	5	37	218	80	111
Oct. 15.....	914	464	283	22	5	12	60	1	81	450	338	5	36	217	80	112
Oct. 22.....	916	462	283	21	5	12	60	1	80	454	341	4	36	221	80	113
<b>Minneapolis (8 cities)</b>																
Oct. 1.....	483	255	135	3	1	6	15	-----	95	228	187	7	21	122	37	41
Oct. 8.....	486	256	134	3	2	6	15	-----	96	230	188	7	23	121	37	42
Oct. 15.....	490	259	136	3	3	6	15	-----	96	231	190	7	23	124	36	41
Oct. 22.....	498	261	139	3	2	6	15	-----	96	237	195	7	17	136	35	42
<b>Kansas City (12 cities)</b>																
Oct. 1.....	823	430	264	28	3	11	33	-----	91	393	260	8	44	109	99	133
Oct. 8.....	830	432	266	29	3	11	33	-----	90	398	263	9	42	112	100	135
Oct. 15.....	846	438	270	30	3	11	33	-----	91	408	277	23	41	112	101	131
Oct. 22.....	852	443	274	30	3	11	33	-----	92	409	280	24	42	114	100	129
<b>Dallas (9 cities)</b>																
Oct. 1.....	644	344	235	2	3	14	23	1	66	300	239	39	34	117	49	61
Oct. 8.....	652	349	238	2	3	14	24	1	67	303	241	43	33	117	48	62
Oct. 15.....	661	357	242	2	5	14	24	1	69	304	242	44	32	117	49	62
Oct. 22.....	662	357	244	2	5	14	24	-----	68	305	243	43	32	122	46	62
<b>San Francisco (7 cities)</b>																
Oct. 1.....	2,546	1,130	474	25	9	37	387	-----	198	1,416	1,071	13	72	808	178	345
Oct. 8.....	2,535	1,130	475	25	9	37	386	-----	198	1,405	1,063	12	72	802	177	342
Oct. 15.....	2,546	1,143	486	25	10	37	388	-----	197	1,403	1,061	13	71	799	178	342
Oct. 22.....	2,566	1,149	487	26	10	39	389	-----	198	1,417	1,075	13	69	816	177	342
<b>City of Chicago*</b>																
Oct. 1.....	2,520	922	679	33	44	53	22	-----	91	1,598	1,246	188	116	782	160	352
Oct. 8.....	2,526	922	684	33	41	53	22	-----	89	1,604	1,251	196	116	781	158	353
Oct. 15.....	2,576	924	680	32	43	55	22	-----	92	1,652	1,291	233	119	783	156	361
Oct. 22.....	2,640	928	677	31	52	54	22	-----	92	1,712	1,347	226	117	848	156	365

\* Separate figures for New York City are shown in the immediately preceding table, and for the city of Chicago in this table. The figures for the New York and Chicago districts, as shown in this table, include New York City and Chicago, respectively.

**WEEKLY REPORTING MEMBER BANKS—BY FEDERAL RESERVE DISTRICTS**  
**RESERVES AND LIABILITIES**

[In millions of dollars]

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	Federal Reserve district and date (1941)
				Individuals, partnerships, and corporations	States and political subdivisions	Certified and officers' checks etc.	U. S. Government <sup>2</sup>	Individuals, partnerships, and corporations	States and political subdivisions	Postal savings <sup>2</sup>	Domestic banks		Foreign banks				
											Demand	Time					
546	152	207	1,430	1,459	101	27	11	228	1	1	399	-----	21	1	250	<i>Boston (6 cities)</i>	
549	152	202	1,506	1,440	123	25	8	223	1	1	396	-----	23	1	250	Oct. 1	
562	152	232	1,533	1,501	131	31	4	223	1	1	416	-----	19	1	251	Oct. 8	
523	154	200	1,515	1,439	146	28	8	228	1	1	370	-----	20	1	252	Oct. 15	
5,377	103	234	11,567	11,565	575	421	147	1,101	26	7	4,093	13	564	-----	1,646	<i>New York (8 cities)*</i>	
5,369	108	275	11,590	11,468	544	304	133	1,113	26	7	3,968	13	571	-----	1,647	Oct. 1	
5,358	105	234	11,615	11,795	520	307	131	1,104	27	7	4,086	13	573	-----	1,647	Oct. 8	
5,187	107	260	11,430	11,419	513	345	297	1,102	27	7	3,998	13	588	-----	1,649	Oct. 15	
581	25	235	1,243	1,186	142	16	18	254	2	-----	492	13	6	-----	218	<i>Philadelphia (4 cities)</i>	
594	26	222	1,258	1,183	142	12	13	254	2	-----	490	13	5	-----	218	Oct. 1	
589	25	228	1,248	1,227	136	11	7	254	2	-----	507	13	5	-----	218	Oct. 8	
574	27	229	1,267	1,217	136	18	21	254	2	-----	475	13	5	-----	218	Oct. 15	
789	54	414	1,789	1,777	129	32	46	725	20	-----	557	36	1	-----	394	<i>Cleveland (10 cities)</i>	
774	55	401	1,738	1,746	130	27	33	726	20	-----	544	36	1	-----	394	Oct. 1	
809	55	421	1,840	1,853	130	34	18	727	20	-----	564	35	1	-----	395	Oct. 8	
765	57	404	1,828	1,797	134	33	27	728	20	-----	536	35	1	-----	395	Oct. 15	
313	26	273	671	671	68	14	33	209	3	2	421	6	-----	102	<i>Richmond (12 cities)</i>		
325	28	277	692	684	65	13	22	209	3	2	434	6	-----	101	Oct. 1		
326	27	283	699	714	64	19	11	209	3	2	450	6	-----	103	Oct. 8		
307	29	287	698	680	72	16	26	209	3	2	435	5	-----	103	Oct. 15		
193	15	269	534	518	87	6	47	188	4	3	375	3	1	-----	98	<i>Atlanta (8 cities)</i>	
196	18	265	537	524	87	5	34	189	3	3	392	3	1	-----	99	Oct. 1	
197	17	257	558	566	80	13	15	189	3	3	401	3	2	-----	99	Oct. 8	
185	18	260	536	531	81	6	37	190	3	3	394	4	2	-----	99	Oct. 15	
1,727	81	635	3,372	3,150	420	54	124	975	25	3	1,449	9	9	-----	427	<i>Chicago (12 cities)*</i>	
1,700	83	620	3,330	3,145	399	43	96	976	25	3	1,435	9	9	-----	427	Oct. 1	
1,652	83	628	3,410	3,288	403	65	33	977	25	3	1,482	9	9	-----	427	Oct. 8	
1,555	83	615	3,397	3,214	401	62	94	979	25	3	1,410	9	8	-----	427	Oct. 15	
233	14	202	598	627	44	11	20	187	4	2	455	1	-----	98	<i>St. Louis (5 cities)</i>		
243	16	202	600	630	45	10	16	188	4	2	474	1	-----	99	Oct. 1		
250	15	219	623	673	44	13	11	188	4	2	482	1	-----	99	Oct. 8		
241	16	207	619	651	44	10	18	188	4	2	464	1	-----	99	Oct. 15		
114	7	126	362	327	73	8	1	111	-----	1	196	2	1	-----	63	<i>Minneapolis (8 cities)</i>	
115	8	129	366	334	64	8	1	111	-----	1	200	3	1	-----	63	Oct. 1	
113	8	130	368	346	61	7	1	111	-----	1	201	2	1	-----	64	Oct. 8	
98	8	111	354	331	59	7	1	111	-----	1	189	2	1	-----	64	Oct. 15	
208	18	319	633	624	90	12	16	140	2	1	477	6	-----	110	<i>Kansas City (12 cities)</i>		
217	19	310	641	626	83	12	14	140	2	1	479	6	-----	110	Oct. 1		
222	18	317	656	668	84	14	10	140	2	1	494	6	-----	110	Oct. 8		
219	19	300	652	645	87	11	12	140	2	1	481	6	-----	110	Oct. 15		
164	14	301	593	571	65	17	35	124	8	1	296	-----	1	-----	91	<i>Dallas (9 cities)</i>	
165	15	287	594	576	62	14	25	124	8	1	309	-----	1	-----	92	Oct. 1	
167	14	296	609	614	62	19	13	124	8	1	316	-----	1	-----	92	Oct. 8	
159	15	292	598	589	59	15	20	125	8	1	308	-----	1	-----	93	Oct. 15	
547	28	331	1,435	1,419	112	38	82	1,025	65	-----	377	23	20	-----	391	<i>San Francisco (7 cities)</i>	
557	30	333	1,448	1,432	108	30	47	1,027	63	-----	334	23	21	-----	392	Oct. 1	
571	31	340	1,481	1,527	108	35	22	1,027	61	-----	403	23	21	-----	392	Oct. 8	
545	29	339	1,468	1,476	108	28	37	1,029	59	-----	337	23	19	-----	392	Oct. 15	
1,318	41	283	2,229	2,118	233	32	95	473	22	-----	1,032	-----	8	-----	279	<i>City of Chicago</i>	
1,305	41	277	2,239	2,118	223	24	80	473	22	-----	1,075	-----	7	-----	279	Oct. 1	
1,237	42	281	2,243	2,211	226	32	25	473	22	-----	1,111	-----	8	-----	279	Oct. 8	
1,178	41	281	2,247	2,160	226	23	73	474	22	-----	1,031	-----	7	-----	279	Oct. 15	

\* 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> U. S. Treasurer's time deposits, open account, are combined with postal savings (time) deposits.

**COMMERCIAL PAPER AND BANKERS' ACCEPTANCES OUTSTANDING**

[In millions of dollars]

End of month	Com- mer- cial paper out- stand- ing <sup>1</sup>	Dollar acceptances outstanding									
		Total out- stand- ing	Held by				Based on				
			Accepting banks			Others <sup>2</sup>	Im- ports into United States	Ex- ports from United States	Dollar ex- change	Goods stored in or shipped between points in	
			Total	Own bills	Bills bought					United States	Foreign coun- tries
1940—June.....	224	206	166	112	54	40	79	43	13	36	34
July.....	232	188	152	103	49	36	75	32	13	35	32
August.....	245	182	148	103	44	34	80	24	11	38	29
September.....	251	177	142	100	42	35	80	22	11	35	28
October.....	252	187	149	96	53	38	91	20	11	37	28
November.....	232	197	159	99	60	38	98	20	9	41	29
December.....	218	209	167	100	67	42	109	18	10	44	27
1941—January.....	232	213	168	103	65	45	115	16	11	44	26
February.....	241	212	164	99	65	48	119	18	7	42	26
March.....	263	217	170	107	63	47	120	24	8	41	25
April.....	275	220	170	105	66	49	126	25	7	38	23
May.....	295	215	164	105	60	51	125	24	3	41	22
June.....	299	213	161	101	59	52	123	24	3	43	20
July.....	330	210	161	106	55	49	121	22	3	47	16
August.....	354	197	148	100	47	50	114	21	3	49	11
September.....	371	177	131	85	46	46	105	13	4	45	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.

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)
1935—December.....	1,258	75	135	179	930	286	79	24	10	410
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	80	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
September.....	635	12	57	218	370	268	56	20	5	255
October.....	653	12	70	203	381	269	58	20	5	253
November.....	666	12	64	214	383	280	59	20	4	253
December.....	677	12	99	204	427	281	54	22	5	247
1941—January.....	661	11	73	207	399	275	54	22	6	238
February.....	634	11	78	199	375	267	53	22	6	237
March.....	633	9	81	199	387	268	56	21	6	231
April.....	606	10	86	199	368	265	60	20	8	227
May.....	622	10	102	185	403	262	61	17	7	223
June.....	616	11	89	186	395	255	65	17	7	222
July.....	628	10	87	189	388	266	70	17	8	221
August.....	628	10	160	189	460	262	72	16	7	221
September.....	633	10	83	196	396	260	78	16	8	219

<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 RATES IN NEW YORK CITY

[Per cent per annum]

Year, month, or week	Prevailing rate <sup>1</sup> on—		Average rate on—			Average yield on 3-to-5 year U. S. Treasury notes	
	Prime commercial paper, 4 to 6 months	Prime bankers' acceptances, 90 days	Stock exchange call loan renewals <sup>2</sup>	U. S. Treasury 91-day bills <sup>3</sup>		Tax-exempt	Taxable
				New issues offered within period	Dealers' quotation		
1938 average	.81	.44	1.00	.053	.07	.83	.76
1939 average	.59	.44	1.00	.023	.05	.59	.59
1940 average	.56	.44	1.00	.014	.04	.50	.50
1940—Sept.	.56	.44	1.00	.021	.05	.48	.48
Oct.	.56	.44	1.00	(4)	.02	.43	.43
Nov.	.56	.44	1.00	.003	.02	.34	.34
Dec.	.56	.44	1.00	(4)	.02	.35	.65
1941—Jan.	.56	.44	1.00	(4)	.02	.43	.76
Feb.	.56	.44	1.00	.034	.04	.55	.81
Mar.	.56	.44	1.00	.089	.11	.50	.84
April.	.56	.44	1.00	.092	.10	.52	.81
May.	.56	.44	1.00	.082	.11	.44	.72
June.	.56	.44	1.00	.089	.12	.38	.68
July.	.56	.44	1.00	.097	.12	.37	.67
Aug.	.50	.44	1.00	.108	.13	.33	.62
Sept.	.50	.44	1.00	.055	.10	.34	.62
Week ending:							
Oct. 4	1/2	7/16	1.00	.002	.11	.38	.66
Oct. 11	1/2	7/16	1.00	.001	.07	.39	.69
Oct. 18	1/2	7/16	1.00	.024	.06	.41	.72
Oct. 25	1/2	7/16	1.00	.067	.06	.41	.73

<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> Tax-exempt bills prior to March 1941; taxable bills thereafter.

<sup>4</sup> Rate negative.

*Back figures.*—See Annual Report for 1937 (tables 43 and 44). Figures for 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
<i>Monthly figures<sup>1</sup></i>				
1938—June	2.56	1.70	2.78	3.31
July	2.57	1.70	2.78	3.35
August	2.52	1.67	2.71	3.28
September	2.53	1.70	2.74	3.26
October	2.57	1.70	2.90	3.21
November	2.49	1.70	2.68	3.20
December	2.60	1.70	2.95	3.23
1939—January	2.64	1.73	2.97	3.32
February	2.52	1.70	2.69	3.26
<i>Quarterly figures</i>				
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

<sup>1</sup> Prior to March 1939 figures were reported monthly on a basis not strictly comparable with the current quarterly series.

*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 <sup>3</sup>	High-grade corporate <sup>4</sup>	Total	Corporate (Moody's) <sup>5</sup>						
					By ratings				By groups		
					Aaa	Aa	A	Baa	Industrial	Railroad	Public utility
Number of issues	2-6	15	5	120	30	30	30	30	40	40	40
1938 average	2.56	2.91	3.12	4.19	3.19	3.56	4.22	5.80	3.50	5.21	3.87
1939 average	2.36	2.76	2.92	3.77	3.01	3.22	3.89	4.96	3.30	4.53	3.48
1940 average	2.21	2.50	2.77	3.55	2.84	3.02	3.57	4.75	3.10	4.30	3.25
1940—September	2.18	2.44	2.71	3.50	2.82	3.01	3.52	4.66	3.10	4.23	3.19
October	2.10	2.32	2.70	3.46	2.79	3.01	3.48	4.56	3.06	4.15	3.18
November	1.97	2.18	2.65	3.40	2.75	2.96	3.40	4.48	2.98	4.07	3.14
December	1.89	2.07	2.59	3.36	2.71	2.92	3.36	4.45	2.93	4.03	3.13
1941—January	1.99	2.16	2.57	3.36	2.75	2.95	3.36	4.38	2.96	3.96	3.17
February	2.10	2.27	2.71	3.40	2.78	3.00	3.38	4.42	3.00	4.00	3.19
March	2.01	2.28	2.73	3.39	2.80	3.01	3.37	4.38	3.02	3.98	3.17
April	1.96	2.20	2.76	3.39	2.82	3.04	3.38	4.33	3.06	3.96	3.16
May	1.92	2.14	2.75	3.37	2.81	2.99	3.34	4.32	3.02	3.95	3.13
June	1.91	2.08	2.70	3.34	2.77	2.95	3.31	4.31	2.96	3.95	3.10
July	1.90	2.03	2.66	3.30	2.74	2.90	3.26	4.28	2.90	3.92	3.07
August	1.94	2.00	2.65	3.29	2.74	2.90	3.24	4.27	2.90	3.92	3.06
September	1.94	1.99	2.64	3.30	2.75	2.91	3.24	4.30	2.88	3.95	3.07
Week ending:											
Oct. 4	1.92	1.96	2.63	3.29	2.74	2.89	3.23	4.31	2.87	3.95	3.06
Oct. 11	1.90	1.92	2.62	3.28	2.73	2.88	3.21	4.27	2.85	3.93	3.05
Oct. 18	1.90	1.90	2.60	3.28	2.73	2.88	3.21	4.28	2.85	3.93	3.05
Oct. 25	1.87	1.90	2.61	3.28	2.73	2.88	3.21	4.28	2.85	3.92	3.06

<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 partially tax-exempt U. S. Government bonds 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 3 issues respectively, and the railroad Aaa and Aa groups from 10 to 5 and 10 to 9 issues respectively.

*Back figures.*—See Annual Report for 1937 (table 80) and for high-grade corporate bonds, Bulletin of the Treasury Department for July 1941, pages 21-24. Figures for U. S. Government bonds available on request.

**SECURITY MARKETS<sup>1</sup>**

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 <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								
10	25	5	10	10	15	15	402	354	20	28					
Number of issues.....	2-6	15	10	25	5	10	10	15	15	402	354	20	28	-----	
1938 average.....	102.5	113.7	111.1	83.4	86.7	72.2	91.6	15.1	161.4	88	90	70	86	1,104	
1939 average.....	105.2	116.3	113.8	89.5	91.2	78.1	99.3	13.8	167.5	94	95	75	99	977	
1940 average.....	107.2	121.2	115.9	94.8	97.3	83.8	103.5	14.0	169.2	88	88	71	96	767	
1940—September.....	107.7	122.3	116.5	96.3	98.3	85.1	105.3	14.5	168.6	86	85	72	95	553	
October.....	108.8	124.6	117.2	97.7	101.1	86.4	105.9	15.0	170.8	86	85	73	94	599	
November.....	110.7	127.3	118.0	98.5	103.0	86.8	105.9	15.3	171.6	87	87	74	92	1,044	
December.....	111.8	129.3	117.7	98.1	102.8	86.2	105.3	16.4	176.2	85	85	70	91	814	
1941—January.....	110.4	127.8	117.7	99.2	103.0	89.0	105.6	17.9	177.9	85	85	73	91	564	
February.....	108.8	125.6	116.7	97.5	101.7	87.1	103.8	17.5	172.9	80	79	70	87	444	
March.....	110.1	125.4	116.9	98.4	102.2	88.4	104.6	19.3	171.5	80	80	71	87	440	
April.....	110.8	126.8	116.8	99.5	103.1	89.5	106.0	20.7	170.8	78	77	71	83	495	
May.....	111.4	128.2	117.0	99.3	102.4	89.4	106.2	21.0	168.9	77	77	71	79	420	
June.....	111.5	129.5	117.7	99.2	103.3	87.9	106.3	21.6	168.9	80	80	71	82	463	
July.....	111.7	130.4	118.7	99.9	104.8	87.8	107.1	23.9	173.1	83	84	74	82	757	
August.....	111.1	131.0	118.5	99.6	104.9	86.8	107.3	24.9	174.3	83	84	74	81	473	
September.....	111.1	131.2	118.1	98.0	105.1	84.5	107.2	24.4	173.4	84	85	73	81	599	
Week ending:															
Oct. 4.....	111.4	131.9	118.6	99.1	105.3	84.6	107.3	24.7	172.4	83	84	71	80	431	
Oct. 11.....	111.7	132.8	118.7	99.4	105.5	85.3	107.3	25.2	172.4	81	83	71	80	548	
Oct. 18.....	111.7	133.3	118.8	98.9	105.3	84.5	106.8	24.8	172.4	80	81	70	78	620	
Oct. 25.....	112.1	133.3	118.9	99.1	105.3	85.0	107.2	25.3	172.0	80	81	70	78	594	

<sup>1</sup> Revised.

<sup>2</sup> Monthly and weekly data are averages of daily figures, except for municipal bonds and for stocks, which are based on Wednesday figures.

<sup>3</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. For description see November 1940 BULLETIN, pp. 1179-1180. Prices expressed in decimals.

<sup>4</sup> Prices derived from average yields, as computed by Standard and Poor's Corporation.

<sup>5</sup> New series beginning with 1937 as published by Standard and Poor's Corporation. Prices derived from averages of median yields.

<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> Revised series, as published by Standard and Poor's Corporation. Figures for preferred stocks have been revised beginning with February 1928; the common stock indexes have been converted from a 1926 to a 1935-39 base, and substitutions have been made in the list of stocks. Figures on number of issues relate to stocks in indexes at the present time.

<sup>8</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; for municipal bonds, see Annual Report for 1937 (table 79).

**CAPITAL ISSUES**

[In millions of dollars]

Year or month	Total (new and re-fund-ing)	For new capital								For refunding							
		Total (do-mestic and for-ign)	Domestic						For-ign <sup>2</sup>	Total (do-mestic and for-ign)	Domestic						For-ign <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	Bonds and notes	Stocks	
1931.....	4,038	3,095	2,860	1,235	75	1,551	1,239	311	235	944	893	21	51	821	789	32	51
1932.....	1,751	1,197	1,165	762	77	325	305	20	32	554	498	87	93	319	315	4	56
1933.....	1,063	720	708	483	64	161	140	120	12	343	283	37	26	219	187	32	60
1934.....	2,160	1,386	1,386	803	405	178	144	35	0	774	765	136	317	312	312	0	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.....	4,804	1,966	1,954	757	461	736	601	135	2	2,848	2,848	478	344	2,026	1,834	193	0
1940—Sept.....	229	114	114	46	0	68	64	4	0	116	116	24	26	66	64	1	0
Oct.....	711	258	258	98	112	48	22	26	0	453	453	80	28	345	332	14	0
Nov.....	442	264	264	53	42	169	166	3	0	178	178	25	59	94	68	26	0
Dec.....	613	191	191	129	0	62	46	16	0	422	422	73	14	335	292	43	0
1941—Jan.....	421	95	95	40	2	53	51	2	0	325	325	23	31	271	269	3	0
Feb.....	347	77	77	37	8	32	25	6	0	270	270	26	17	227	210	17	0
Mar.....	406	182	182	86	9	87	56	31	0	223	219	93	11	115	84	32	4
Apr.....	920	745	745	60	645	39	29	10	(3)	175	175	40	28	107	107	0	0
May.....	406	107	107	37	5	64	61	3	0	299	299	74	28	197	162	35	0
June.....	881	519	519	59	370	90	77	14	(3)	362	362	26	223	113	108	5	0
July.....	612	296	296	40	212	44	30	13	(6)	316	316	14	216	86	76	11	0
Aug.....	471	360	360	33	0	327	324	4	0	110	110	11	25	74	73	2	0
Sept.....	273	65	65	31	0	34	22	12	0	209	209	20	27	161	156	6	0

<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.

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

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).

**UNITED STATES GOVERNMENT DEBT—VOLUME AND KIND OF DIRECT SECURITIES**

[On basis of daily statements of United States Treasury. In millions of dollars]

End of month	Total gross debt	Total interest bearing debt	Marketable public issues <sup>1</sup>					Nonmarketable public issues				Special issues			Noninterest bearing debt	
			Total	Treasury bills	Treasury notes	Treasury bonds <sup>2</sup>	Postal savings and prewar bonds	Total <sup>3</sup>	U. S. savings bonds	Treasury tax notes	Ad-justed serv-ice bonds	Total	Social secur-ity <sup>4</sup>	Other <sup>5</sup>	Ma-tured	Other
1932—June	19,487	19,161	18,852	616	1,261	13,460	790					309		309	60	266
1933—June	22,539	22,158	21,834	954	4,548	13,417	806					323		323	66	315
1934—June	27,053	26,480	26,084	1,404	6,653	15,679	831					396		396	54	518
1935—June	28,701	27,645	26,950	2,053	10,023	14,019	855	62	62			633		633	231	825
1936—June	33,779	32,989	31,102	2,354	11,381	17,168	200	1,261	316			945	626	19	607	620
1937—June	36,425	35,800	33,054	2,303	10,617	19,936	198	1,188	800			389	1,568	579	979	506
1938—June	37,165	36,576	32,344	1,154	9,147	21,846	197	1,556	1,238			319	2,676	1,601	1,075	447
1939—June	40,440	39,886	33,965	1,308	7,243	25,218	196	2,151	1,868			283	3,770	2,511	1,258	411
1940—June	42,968	42,376	34,436	1,302	6,383	26,555	196	3,166	2,905			261	4,775	3,528	1,247	386
1940—Sept.	44,073	43,480	35,119	1,303	6,384	27,235	196	3,298	3,044			254	5,063	3,751	1,312	381
Oct.	44,137	43,560	35,123	1,307	5,660	27,960	196	3,336	3,084			252	5,102	3,777	1,325	380
Nov.	44,273	43,707	35,124	1,308	5,660	27,960	196	3,374	3,123			251	5,209	3,885	1,324	379
Dec.	45,025	44,458	35,645	1,310	6,178	27,960	196	3,444	3,195			249	5,370	4,047	1,322	377
1941—Jan.	45,877	45,320	36,276	1,307	6,813	27,960	196	3,619	3,371			248	5,426	4,066	1,359	376
Feb.	46,090	45,535	36,275	1,306	6,813	27,960	196	3,727	3,480			247	5,534	4,174	1,359	374
Mar.	47,173	46,581	37,054	1,604	5,722	29,532	196	3,844	3,599			245	5,683	4,324	1,359	372
Apr.	47,231	46,673	37,075	1,603	5,721	29,554	196	3,891	3,647			244	5,707	4,354	1,353	372
May	47,721	47,160	37,075	1,603	5,721	29,554	196	4,251	4,008			243	5,834	4,485	1,349	370
June	48,961	48,387	37,713	1,603	5,698	30,215	196	4,555	4,314			241	6,120	4,728	1,392	369
July	49,513	48,965	37,713	1,603	5,698	30,215	196	4,929	4,649			239	6,324	4,811	1,512	368
Aug.	50,921	50,371	37,667	1,604	5,698	30,169	196	6,234	4,908	1,037		237	6,470	4,941	1,528	367
Sept.	51,346	50,791	37,368	1,305	5,698	30,169	196	6,765	5,132	1,343		236	6,658	5,126	1,532	365

<sup>1</sup> Including amounts held by Government agencies and trust funds which aggregated \$2,103,000,000 on Aug. 31, and \$2,105,000,000 (preliminary) on Sept. 30, 1941. These amounts exclude holdings by production credit associations and joint stock land banks.

<sup>2</sup> Including Liberty bonds.

<sup>3</sup> Beginning with July 1941 includes depositary bonds not shown separately which amounted to \$54,000,000 on Sept. 30.

<sup>4</sup> Including special issues to Federal old-age and survivors insurance trust fund, unemployment trust fund, and railroad retirement account.

<sup>5</sup> Including special issues to Government life insurance fund, adjusted service fund, national service life insurance fund, Government employees' retirement funds, Postal Savings System, Federal Deposit Insurance Corporation, and Federal Savings and Loan Insurance Corporation.

<sup>6</sup> Including certificates of indebtedness not shown separately: 1932, \$2,726,000,000; 1933, \$2,108,000,000; 1934, \$1,517,000,000.

**SECURITIES FULLY GUARANTEED BY UNITED STATES GOVERNMENT, BY ISSUING AGENCIES<sup>1</sup>**

[In millions of dollars]

End of month	Total amount outstanding <sup>2</sup>	Interest-bearing						Non-interest bearing matured debt <sup>3</sup>
		Total	Federal Farm Mortgage Corporation	Home Owners' Loan Corporation	Recon-struction Finance Corporation	Com-modity Credit Corporation	U. S. Housing Authority	
1934—June	681		312	134	235			
December	3,063		980	1,834	249			
1935—June	4,123		1,226	2,647	250			
December	4,494		1,387	2,855	252			
1936—June	4,718		1,422	3,044	252			
December	4,662		1,422	2,988	252		(?)	
1937—June	4,665		1,422	2,987	255		(?)	
December	4,645		1,410	2,937	297		(?)	
1938—June	4,853		1,410	2,937	299	206	1	
December	4,992		1,388	2,888	509	206	1	
1939—June	5,450		1,379	2,928	820	206	114	3
December	5,621	5,704	1,269	2,731	1,096	407	114	4
1940—June	5,529	5,498	1,269	2,603	1,096	407	114	8
1940—September	5,808	5,787	1,269	2,602	1,097	696	114	9
October	5,810	5,790	1,269	2,602	1,097	696	114	12
November	5,919	5,901	1,269	2,600	1,097	696	226	13
December	5,917	5,901	1,269	2,600	1,097	696	226	15
1941—January	5,915	5,901	1,269	2,600	1,097	696	226	12
February	5,914	5,901	1,269	2,600	1,097	696	226	13
March	5,916	5,905	1,269	2,600	1,097	696	226	16
April	6,560	6,550	1,269	2,600	1,741	696	226	17
May	6,371	6,359	1,269	2,409	1,741	696	226	17
June	6,370	6,360	1,269	2,409	1,741	696	226	17
July	6,939	6,930	1,269	2,409	2,101	907	226	17
August	6,937	6,928	1,269	2,409	2,101	905	226	17
September	6,937	6,929	1,269	2,409	2,101	905	226	18

<sup>1</sup> Principal amount of obligations guaranteed as to interest and principal. Excludes obligations held by U. S. Treasury and reflected in the public debt.

<sup>2</sup> Figures on matured debt were not published prior to September 1939.

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

**MATURITIES OF PUBLIC MARKETABLE SECURITIES OF U. S. GOVERNMENT, DIRECT AND FULLY GUARANTEED, SEPTEMBER 30, 1941**

[In millions of dollars]

Maturing or callable	Direct securities maturing					Treasury bonds due or callable <sup>1</sup>	Fully guaranteed securities maturing					Total fully guaranteed securities due or callable <sup>1</sup>	
	Total	Treasury bills	Treasury notes	Bonds			Total <sup>2</sup>	Federal Farm Mortgage Corporation	Home Owners' Loan Corporation	Reconstruction Finance Corporation	Commodity Credit Corporation		U. S. Housing Authority
				Treasury	Pre-war and Postal Savings								
1941—Oct. 1—Dec. 31	1,509	1,305	204			616			300	204	112	616	
1942—Jan. 1—Mar. 31	426		426		(3)	310			310			650	
Apr. 1—June 30	342		342		(3)	276			276			1,151	
July 1—Sept. 30	342		342		(3)	320			320			320	
Oct. 1—Dec. 31	232		232										
1943	1,396		1,396		(3)	1,855	614		324	289		614	
1944	1,849		1,849		(3)	2,555	1,561		875		114	2,394	
1945	3,191		1,249	1,941	(3)	1,755	412		571	412		1,167	
1946	1,535			1,519	16	2,344							
1947	2,384			2,370	14	1,460	1,095	340	755				
1948	1,489			1,487	2	3,301							
1949	1,821			819	2	2,278	835	835					
1950	1,689			1,687	2	1,186							
1951	1,230			1,223	7	3,500							
1952	2,454			2,436	18	1,024	779		779				
1953	2,932			2,904	27	725							
1954	3,709			3,687	22	681							
1955	1,515			1,480	35	2,611							
1956	1,170			1,170		2,431							
1958	1,449			1,449		919							
1959	982			982									
1960	2,611			2,611		1,485							
1961	50				50								
1963	919			919			95	95					
1964													
1965	1,485			1,485									
Total	37,368	1,305	5,698	30,169	196	30,169	6,911	1,269	2,409	2,101	905	226	6,911
Within 1 year	2,278	1,305	973		(3)	1,202			886	204	112		2,417
1 to 5 years	8,202		4,726	3,460	17	8,509	2,906		875	701	114		4,494
5 to 10 years	7,613			7,585	28	10,667	1,930	1,175	755				
10 to 20 years	16,871			16,719	152	10,993	779		779				
Over 20 years	2,404			2,404			95	95					

<sup>1</sup> Securities not callable prior to maturity are shown as of date of maturity.

<sup>2</sup> Excluding debentures of Federal Housing Administration, which amounted to \$18,000,000 on September 30.

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

**OWNERSHIP OF UNITED STATES GOVERNMENT SECURITIES, DIRECT AND FULLY GUARANTEED**

[In millions of dollars]

End of month	Total interest-bearing securities	Held by Federal agencies and trust funds			Held by Federal Reserve Banks	Privately held <sup>1</sup>						
		Special issues	Public issues	Total		Member banks	Other commercial banks	Mutual savings banks	Insurance companies <sup>2</sup>	Other investors <sup>3</sup>		
										Marketable issues <sup>2</sup>	U. S. Savings and adjusted service bonds	
1930—June	15,922	764	208	591	14,359	4,061	920	520			8,900	
1931—June	16,520	291	144	668	15,417	5,343	670	650			8,800	
1932—June	19,161	309	261	1,784	16,807	5,628	590	680	800		9,100	
1933—June	22,158	323	366	1,998	19,471	6,887	590	720	1,000		10,300	
1934—June	27,161	396	1,055	2,432	23,278	9,413	890	970	1,500		10,500	
1935—June	31,768	633	1,365	2,433	27,337	11,429	1,290	1,540	2,600		10,400	100
1936—June	37,707	626	1,703	2,430	32,948	13,671	1,600	2,050	3,900		10,500	1,200
December	38,362	632	1,820	2,430	33,480	13,545	1,710	2,330	4,500		10,500	900
1937—June	40,465	1,558	2,036	2,526	34,345	12,689	1,870	2,390	5,000		11,300	1,100
December	41,353	2,227	2,049	2,564	34,513	12,371	1,790	2,450	5,200		11,500	1,200
1938—June	41,428	2,676	2,123	2,564	34,065	12,343	1,700	2,690	5,200		10,700	1,400
December	43,891	3,156	2,198	2,564	35,973	13,222	1,850	2,880	5,600		10,800	1,600
1939—June	45,336	3,770	2,138	2,551	36,877	13,777	1,920	3,040	5,800		10,400	1,900
December	47,067	4,231	2,323	2,484	38,029	14,328	1,970	3,100	6,000		10,400	2,200
1940—June	47,874	4,775	<sup>3</sup> 2,292	2,466	38,341	14,722	1,830	3,110	6,100		9,700	2,900
December	50,360	5,370	<sup>3</sup> 2,250	2,184	40,556	15,823	1,940	3,220	6,500		9,900	3,200
1941—June	54,747	6,120	<sup>3</sup> 2,360	2,184	44,083	18,078	<sup>2</sup> 2,020	<sup>3</sup> 3,430	6,600		9,700	4,300

<sup>r</sup> Revised.

<sup>1</sup> Estimated figures for other commercial banks and mutual savings banks have been rounded to nearest 10 millions and estimated figures for insurance companies and other investors have been rounded to nearest 100 millions.

<sup>2</sup> Holdings of insurance companies included with "Other investors" prior to 1932.

<sup>3</sup> Excluding holdings of production credit associations and joint stock land banks.

NOTE.—For end of June figures 1916–1929, see BULLETIN for July 1941, p. 664.

## SUMMARY OF TREASURY OPERATIONS

[On basis of daily statements of United States Treasury. In millions of dollars]

Period	General and special accounts												Excess of receipts (+) or expenditures (-)	Trust accounts etc., <sup>2</sup> excess of receipts (+) or expenditures (-)	Increase or decrease during period				
	Receipts						Expenditures (excl. debt retirements)								Total <sup>1</sup>	General fund balance <sup>2</sup>	Gross debt <sup>3</sup>		
	Income taxes	Miscellaneous internal revenue	Social security taxes	All other	Total receipts	Net receipts <sup>1</sup>	Interest on debt	National defense	Agricultural Adjustment Program	Unemployment relief	Transfers to trust accounts etc. <sup>1</sup>	All other							
Fiscal year ending:																			
June 1938...	2,640	2,279	755	567	6,242	5,855	926	1,029	362	1,914	220	2,788	7,239	-1,384	+306	-338	+740		
June 1939...	2,189	2,232	740	507	5,668	5,165	941	1,206	787	2,595	182	2,996	8,707	-3,542	+890	+622	+3,275		
June 1940...	2,125	2,345	838	617	5,925	5,387	1,041	1,657	1,002	1,919	226	3,153	8,998	-3,611	+136	-947	+2,528		
June 1941...	3,470	2,967	932	900	8,269	7,607	1,111	6,080	877	1,741	325	2,577	12,711	-5,103	-148	+742	+5,994		
3 months ending:																			
Sept. 1940...	519	796	208	121	1,645	1,489	188	621	192	432	161	688	2,283	-794	+213	+524	+1,105		
Sept. 1941...	922	798	258	167	2,145	1,944	203	3,404	103	346	189	756	5,001	-3,057	+304	-368	+2,385		
1940—Sept...	432	213	29	37	711	711	148	225	70	139	15	162	759	-48	-158	-39	+168		
Oct...	44	237	38	47	365	333	73	297	103	145	-----	251	869	-536	-24	-495	+64		
Nov...	40	252	138	46	485	362	11	379	108	138	20	162	817	-455	+216	-103	+136		
Dec...	429	231	34	46	741	740	219	470	110	155	-----	218	1,172	-432	-209	+111	+752		
1941—Jan...	63	210	47	52	372	340	25	569	103	146	18	251	1,111	-771	+15	-97	+852		
Feb...	104	204	193	172	674	541	21	584	96	138	20	217	1,075	-534	-3	-324	+213		
Mar...	1,208	273	34	52	1,567	1,566	150	748	102	159	10	229	1,399	+167	-236	+1,014	+1,083		
Apr...	75	244	43	240	602	565	73	763	71	148	18	242	1,315	-750	+403	-290	+58		
May...	63	254	165	58	541	394	12	837	39	145	-----	108	1,141	-747	-264	-521	+490		
June...	916	265	32	64	1,277	1,276	339	812	32	135	-----	211	1,528	-252	-259	+729	+1,241		
July...	84	268	48	56	456	413	25	960	44	132	169	268	1,598	-1,185	+599	-34	+551		
Aug...	59	269	173	54	554	397	9	1,124	27	106	14	250	1,529	-1,133	-2	+274	+1,408		
Sept...	780	261	37	58	1,136	1,135	169	1,320	32	109	6	238	1,874	-739	-293	-607	+425		

Period	Details of trust accounts, etc.											Details of general fund balance (end of period)					
	Old-age insurance trust fund and railroad retirement account			Unemployment trust fund			Net expenditures in checking accounts of Government agencies				All other		Total	In-crement on gold	Seigniorage	Working balance	
	Net receipts	Investments	Benefit payments	Receipts	Investments	Other expenditures	Reconstruction Finance Corporation	Commodity Credit Corporation	United States Housing Authority	All other	Receipts	Expenditures					
Fiscal year ending:																	
June 1938...	550	461	85	763	560	191	*9	*184	1	*12	414	327	2,216	142	446	1,628	
June 1939...	639	516	120	838	395	442	*658	136	*60	*186	440	324	2,838	142	536	2,160	
June 1940...	703	573	129	959	443	514	*234	10	17	*174	*458	*358	1,891	143	585	1,163	
June 1941...	844	637	186	1,114	563	555	80	58	121	*41	*674	*622	2,633	143	605	1,885	
3 months ending:																	
Sept. 1940...	212	144	40	268	80	191	13	*135	34	*68	*196	*164	2,415	143	592	1,680	
Sept. 1941...	248	192	54	282	206	78	*16	*173	*2	*79	269	235	2,266	143	611	1,511	
1940—Sept...	11	148	14	67	*18	81	*13	*1	15	*18	*37	*28	2,415	143	592	1,680	
Oct...	32	*5	15	107	31	84	*10	21	51	*13	29	17	1,920	143	595	1,183	
Nov...	143	*5	15	145	113	31	59	24	*103	*50	18	6	1,817	143	596	1,078	
Dec...	1	151	15	51	11	33	15	17	8	21	35	25	1,928	143	597	1,188	
1941—Jan...	42	*10	15	78	29	41	16	12	32	*43	38	50	2,025	143	599	1,283	
Feb...	152	*5	16	149	113	43	160	7	*8	*30	33	42	1,701	143	601	957	
Mar...	11	160	17	28	*10	37	64	37	25	*56	46	49	2,715	143	602	1,970	
Apr...	46	*10	17	69	40	35	*406	33	24	*12	57	48	2,425	143	603	1,679	
May...	148	*6	17	167	137	30	82	57	31	241	43	32	1,904	143	604	1,157	
June...	58	224	17	51	19	31	87	*16	27	*18	86	83	2,633	143	605	1,885	
July...	89	24	18	82	60	29	*280	*221	*22	*11	*162	*138	2,599	143	607	1,848	
Aug...	157	*16	18	176	146	25	166	34	10	*42	*54	*46	2,873	143	610	2,120	
Sept...	1	185	18	24	-----	24	98	13	9	*27	53	51	2,266	143	611	1,511	

<sup>1</sup> Revised for change in classification of commodity stamp transactions of Surplus Marketing Administration. Figures for 1939 and October 1940-June 1941 have not yet been revised because of lack of adequate data.

<sup>2</sup> Beginning with July 1, 1940, net receipts represent total receipts less net social security employment taxes, which under the 1939 amendments to the Social Security Act are appropriated directly to the Federal old-age and survivors insurance trust fund. To make the figures for earlier periods comparable, transfers to this trust fund, formerly shown under expenditures, have been deducted from total receipts, from total expenditures, and from transfers to trust accounts.

<sup>3</sup> Details given in lower section of table.

<sup>4</sup> For details, see page 1164.

\* For social security investments, excess of redemptions; for net expenditures in checking accounts, excess of receipts.

NOTE.—For explanation of table see BULLETIN for October, 1940, pp. 1052-1054.

## GOVERNMENTAL CORPORATIONS AND CREDIT AGENCIES

[Based on compilation by U. S. Treasury Department from reports received from organizations concerned. In millions of dollars]

	1940					1941							
	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.
<i>Assets</i>													
Loans and preferred stock:													
Loans to financial institutions.....	433	437	441	469	485	445	425	409	400	397	417	408	407
Preferred stock, etc.....	756	757	757	739	736	729	711	706	703	702	698	693	669
Loans to railroads.....	553	513	512	515	516	523	518	523	523	505	505	497	497
Home and housing mortgage loans.....	2,336	2,348	2,387	2,387	2,390	2,424	2,395	2,406	2,427	2,436	2,445	2,413	2,413
Farm mortgage loans.....	2,534	2,526	2,517	2,508	2,500	2,481	2,485	2,475	2,467	2,458	2,448	2,437	2,426
Other agricultural loans.....	815	802	785	772	757	728	727	776	867	830	779	754	726
All other loans.....	1,197	1,200	1,214	1,291	1,293	1,309	1,352	1,386	1,409	1,472	1,511	1,553	1,690
Total loans and preferred stock.....	8,623	8,583	8,613	8,680	8,682	8,639	8,614	8,681	8,796	8,800	8,804	8,756	8,826
Cash.....	566	572	521	549	533	580	595	620	771	464	376	771	594
U. S. Govt. direct securities.....	715	693	704	699	701	723	736	756	771	780	802	824	844
Securities of Government corporations and credit agencies:													
Fully guaranteed by U. S.....	131	131	130	128	128	127	127	124	126	125	123	123	123
Other <sup>1</sup> .....	36	36	30	24	22	21	22	20	21	17	18	17	18
Accounts and other receivables.....	519	512	521	513	491	552	524	551	555	549	598	707	671
Business property.....	569	570	597	601	593	599	600	602	608	623	636	653	664
Property held for sale.....	1,061	1,081	1,094	1,113	1,141	1,190	1,206	1,245	1,297	1,392	1,497	1,567	1,625
Other assets.....	191	193	188	210	211	214	251	310	338	359	423	435	517
Total assets other than interagency <sup>2</sup> .....	12,410	12,371	12,398	12,518	12,500	12,645	12,676	12,909	13,282	13,108	13,277	13,853	13,882
<i>Liabilities</i>													
Bonds, notes, and debentures:													
Fully guaranteed by U. S.....	5,811	5,809	5,808	5,919	5,917	5,915	5,914	5,916	6,560	6,371	6,370	6,939	6,937
Other <sup>1</sup> .....	1,354	1,356	1,354	1,422	1,395	1,389	1,386	1,390	1,385	1,434	1,443	1,442	1,445
Other liabilities.....	1,234	1,238	1,243	1,237	1,214	1,294	1,292	1,391	1,432	1,492	1,604	1,761	1,741
Total liabilities other than interagency <sup>2</sup> .....	8,400	8,403	8,406	8,579	8,526	8,599	8,592	8,696	9,377	9,297	9,417	10,142	10,123
Excess of assets over liabilities, excluding interagency transactions.....	4,010	3,968	3,992	3,939	3,974	4,046	4,084	4,213	3,906	3,811	3,860	3,711	3,759
U. S. Govt. interests.....	3,603	3,558	3,580	3,526	3,559	3,629	3,666	3,792	3,484	3,388	3,436	3,286	3,333
Privately owned interests.....	407	410	412	413	415	417	418	421	422	423	424	425	426

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

<sup>2</sup> Including, however, investments in securities of agencies (other than mentioned in footnote 1) and deposits of agencies with Reconstruction Finance Corporation.

## PRINCIPAL ASSETS AND LIABILITIES OF GOVERNMENTAL CORPORATIONS AND CREDIT AGENCIES, AUGUST 31, 1941

[Based on compilation by U. S. Treasury Department from reports received from organizations concerned. In millions of dollars]

	Assets							Liabilities		
	Total loans and preferred stock	Cash	U. S. Govt. direct obligations	Guaranteed obligations	Accounts and other receivables	Business property	Property held for sale	Bonds, notes, and debentures		
							Guaranteed by United States	Other		
Reconstruction Finance Corporation.....	1,613	123	51	-----	23	(1)	45	2,102	-----	
National defense corporations.....	2	(1)	-----	-----	44	(1)	367	-----	-----	
Home mortgage and housing agencies:										
Home Owners' Loan Corporation.....	2,015	159	-----	-----	6	3	308	2,417	(1)	
Federal home loan banks.....	173	49	53	11	1	-----	-----	-----	76	
RFC Mortgage Company.....	69	(1)	-----	(1)	2	7	1	-----	-----	
Federal National Mortgage Association.....	198	-----	-----	1	4	(1)	1	-----	85	
United States Housing Authority.....	306	20	6	-----	3	127	-----	226	-----	
Farm credit agencies:										
Federal Farm Mortgage Corporation.....	622	22	-----	-----	53	-----	10	1,269	37	
Federal land banks.....	1,804	54	117	-----	175	6	66	-----	975	
Federal intermediate credit banks.....	261	23	36	-----	2	-----	-----	-----	247	
Banks for cooperatives.....	83	17	23	8	1	(1)	(1)	-----	-----	
Production credit corporations.....	62	(1)	47	-----	(1)	(1)	-----	-----	(1)	
Regional agricultural credit corporations.....	7	15	-----	-----	1	-----	(1)	-----	-----	
Commodity Credit Corporation.....	178	17	-----	-----	168	4	786	906	-----	
Farm Credit Administration.....	261	14	-----	-----	(1)	-----	-----	-----	-----	
Farm Security Administration.....	469	-----	-----	-----	30	-----	1	-----	-----	
Insurance agencies:										
Federal Crop Insurance Corporation.....	-----	8	-----	-----	(1)	-----	-----	-----	-----	
Federal Deposit Insurance Corporation.....	-----	52	19	448	37	(1)	27	-----	-----	
Federal Savings and Loan Insurance Corporation.....	-----	1	25	103	3	-----	-----	-----	-----	
Federal Housing Administration.....	-----	16	32	-----	29	1	10	17	2	
Export-Import Bank of Washington.....	144	1	-----	-----	41	(1)	-----	-----	-----	
Tennessee Valley Authority.....	20	-----	-----	-----	8	403	-----	-----	8	
U. S. Maritime Commission.....	31	-----	-----	-----	20	47	-----	-----	-----	
Rural Electrification Administration.....	303	-----	-----	-----	6	-----	-----	-----	-----	
Public Works Administration.....	82	-----	-----	-----	-----	-----	-----	-----	-----	
Other.....	94	14	6	-----	15	65	1	-----	15	
Total.....	8,826	594	844	123	671	664	1,625	6,937	1,445	

<sup>1</sup> Less than \$500,000.

<sup>2</sup> Excludes Federal land bank bonds in the amount of \$761,000,000 held by Federal Farm Mortgage Corporation.

## RECONSTRUCTION FINANCE CORPORATION LOANS AND INVESTMENTS

[Amounts outstanding at end of month. In millions of dollars]

	1940				1941								
	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.
Loans to financial institutions.....	142	142	167	172	166	162	158	154	149	145	139	134	131
Loans on preferred stock of banks and insurance companies.....	57	57	56	53	50	49	49	49	48	48	48	48	48
Preferred stock, capital notes, and debentures.....	460	460	455	452	447	442	437	434	432	429	425	410	407
Loans to railroads (including receivers).....	470	470	473	474	482	482	487	487	470	470	462	461	461
Loans for self-liquidating projects.....	38	47	36	36	37	35	35	36	37	37	81	81	81
Loans to industrial and commercial businesses:													
For national defense.....	3	3	6	7	9	11	17	21	61	65	70	71	82
Other.....	129	128	126	121	119	117	115	114	113	111	109	108	106
Loan to Great Britain.....												100	125
Loans to drainage, levee, and irrigation districts.....	83	83	84	83	83	83	83	76	74	79	79	77	77
Other loans.....	5	5	5	5	5	5	5	5	5	5	5	5	5
Securities purchased from Public Works Administration.....	116	116	115	116	114	113	113	113	111	122	120	117	117
<b>Total loans and investments, other than interagency.....</b>	<b>1,503</b>	<b>1,511</b>	<b>1,522</b>	<b>1,519</b>	<b>1,512</b>	<b>1,499</b>	<b>1,499</b>	<b>1,488</b>	<b>1,503</b>	<b>1,511</b>	<b>1,538</b>	<b>1,613</b>	<b>1,640</b>
Preferred stock of, and loans to Export-Import Bank.....	74	74	99	99	174	174	174	174	174	174	174	174	174
Loans to Rural Electrification Administration.....	146	146	146	146	152	157	164	168	175	182	190	195	202
Capital stock of, and loans to RFC Mortgage Company.....	61	63	64	67	68	68	69	71	71	73	75	76	77
Capital stock of, and loans to Federal National Mortgage Association.....	81	85	87	90	93	96	99	99	101	102	103	105	107
Loans to Tennessee Valley Authority.....	8	8	8	8	8	8	8	8	8	8	8	8	8
Capital stock of, and loans to national defense companies <sup>1</sup> .....	10	24	33	45	63	83	121	168	219	282	327	380	527
Loans to Farm Security Administration.....	10	21	23	28	18	33	60	81	97	116	89	96	101
Capital stock of Federal Home Loan Banks.....						125	125	125	125	125	125	125	125
<b>Total loans and investments.....</b>	<b>1,894</b>	<b>1,932</b>	<b>1,983</b>	<b>2,003</b>	<b>2,089</b>	<b>2,244</b>	<b>2,319</b>	<b>2,383</b>	<b>2,473</b>	<b>2,573</b>	<b>2,630</b>	<b>2,772</b>	<b>2,962</b>

<sup>1</sup> Including Metals Reserve Company, Rubber Reserve Company, Defense Plant Corporation, and Defense Supplies Corporation.

## FARM CREDIT ADMINISTRATION

### LOANS AND DISCOUNTS OUTSTANDING, BY INSTITUTIONS

[In millions of dollars]

End of year or month	Total	Farm mortgage loans			Short-term credit				Loans to cooperatives		
		Total	Federal land banks	Land Bank Commissioner	Total <sup>1</sup>	Federal intermediate credit banks <sup>2</sup>	Production credit associations	Emergency crop and drought relief loans	Total <sup>3</sup>	Banks for cooperatives	Agricultural Marketing Act revolving fund
1934.....	2,964	2,533	1,916	617	315	56	61	111	117	28	55
1935.....	3,321	2,967	2,072	795	358	47	94	173	97	50	44
1936.....	3,363	2,901	2,064	837	337	41	105	165	125	70	54
1937.....	3,335	2,848	2,035	813	367	40	138	173	120	88	31
1938.....	3,211	2,785	1,982	753	364	34	148	171	112	87	24
1939.....	3,058	2,596	1,905	691	364	33	154	168	99	76	21
1940—September.....	3,035	2,526	1,867	659	420	41	195	178	89	73	16
October.....	3,008	2,517	1,862	655	394	35	180	173	96	79	17
November.....	2,986	2,508	1,856	652	383	34	173	170	96	77	17
December.....	2,973	2,500	1,851	648	381	34	172	168	93	75	16
1941—January.....	2,964	2,489	1,844	645	382	35	174	167	92	75	16
February.....	2,970	2,485	1,842	643	393	36	182	169	91	74	16
March.....	2,976	2,475	1,836	640	413	37	195	175	88	70	16
April.....	2,982	2,467	1,830	637	431	39	207	179	85	68	16
May.....	2,988	2,458	1,824	634	440	40	215	179	90	74	16
June.....	2,988	2,448	1,818	630	450	42	221	179	90	74	16
July.....	2,986	2,437	1,811	626	453	44	224	179	96	80	16
August.....	2,975	2,426	1,804	622	450	45	221	177	99	83	16
September.....	2,954	2,411	1,795	616	431	43	208	174	111	94	16

<sup>1</sup> Including loans of regional agricultural credit corporations (not shown in the breakdown) amounting to \$87,000,000 in 1934, \$43,000,000 in 1935, \$25,000,000 in 1936, \$16,000,000 in 1937, \$11,000,000 in 1938, \$3,000,000 in 1939, and from \$6,000,000-\$8,000,000 since 1939.

<sup>2</sup> Exclusive of loans to and discounts for regional agricultural credit corporations, production credit associations, and banks for cooperatives, amounting to a total of \$225,000,000 in September 1941. These loans and discounts are included in the columns for the institutions concerned.

<sup>3</sup> Including loans of Federal intermediate credit banks to cooperatives (not shown in the breakdown) amounting to \$34,000,000 in 1934, \$3,000,000 in 1935, and a negligible amount since 1935.

## FEDERAL HOME MORTGAGE AND HOUSING AGENCIES

### LOANS AND DISCOUNTS OUTSTANDING, BY INSTITUTIONS

[In millions of dollars]

End of month	Home Owners' Loan Corporation	Federal Home Loan Banks <sup>1</sup>	Federal savings and loan associations <sup>2</sup>	RFC Mortgage Company	Federal National Mortgage Association	United States Housing Authority
1933—June.....		47				
Dec.....	132	85				
1934—June.....	1,217	85				
Dec.....	2,379	87	81			
1935—June.....	2,658	79	186			
Dec.....	2,897	103	348	6		
1936—June.....	2,945	119	475	18		
Dec.....	2,765	145	587	36		
1937—June.....	2,556	167	742	49		
Dec.....	2,398	200	854	68		10
1938—June.....	2,265	196	948	41	38	13
Dec.....	2,169	199	1,034	54	80	32
1939—June.....	2,081	169	1,136	57	125	68
Dec.....	2,038	181	1,271	57	147	123
1940—June.....	2,013	157	1,405	60	163	87
1940—Sept.....	1,988	176	1,488	61	171	129
Oct.....	1,981	182	1,515	63	175	168
Nov.....	1,969	186	1,533	65	178	176
Dec.....	1,956	201	1,546	67	181	186
1941—Jan.....	1,942	171	1,564	68	185	228
Feb.....	1,929	157	1,579	68	187	211
Mar.....	1,914	146	1,600	69	190	233
Apr.....	1,900	142	1,628	70	190	266
May.....	1,885	145	1,658	70	192	288
June.....	1,870	170	1,688	65	194	316
July.....	1,855	168	1,718	67	196	296
Aug.....	1,841	173	1,751	69	198	306
Sept.....	1,825	178	(3)	70	200	332

<sup>1</sup> Loans and discounts to member institutions of the Federal Home Loan Bank System.

<sup>2</sup> Federal Home Loan Bank Board estimates for all Federal savings and loan associations which are private institutions chartered and supervised by the Federal Home Loan Bank Board.

<sup>3</sup> Not available.

## POSTAL SAVINGS SYSTEM

[In millions of dollars]

End of month	Depositors' balances <sup>1</sup>	Assets					Cash reserve funds, etc. <sup>2</sup>
		Total	Cash in depository banks	U. S. Government securities			
				Total	Direct obligations	Guaranteed obligations	
1934—June.....	1,198	1,225	695	453	418	35	76
December.....	1,207	1,237	540	597	467	130	100
1935—June.....	1,205	1,236	385	777	630	147	74
December.....	1,201	1,237	287	853	706	147	98
1936—June.....	1,232	1,265	203	967	800	167	95
December.....	1,260	1,296	145	1,058	891	167	93
1937—June.....	1,268	1,307	136	1,100	933	167	71
December.....	1,270	1,308	130	1,097	930	167	80
1938—June.....	1,252	1,290	115	1,103	936	167	73
December.....	1,252	1,291	86	1,132	965	167	73
1939—June.....	1,262	1,304	68	1,157	1,011	146	78
December.....	1,279	1,319	53	1,192	1,046	146	74
1940—June.....	1,293	1,337	43	1,224	1,078	146	69
1940—September....	1,295	1,339	40	1,224	1,078	146	74
October.....	1,296	1,338	38	1,224	1,078	146	75
November.....	1,298	1,341	37	1,224	1,078	146	80
December.....	1,304	1,348	36	1,224	1,078	146	88
1941—January.....	1,314	1,356	34	1,239	1,093	146	81
February.....	1,318	1,361	33	1,245	1,098	146	83
March.....	1,320	1,364	31	1,259	1,113	146	74
April.....	1,317	1,362	30	1,259	1,113	146	73
May.....	1,310	1,359	30	1,254	1,108	146	75
June.....	1,304	1,356	30	1,251	1,104	146	75
July.....	1,307	1,359	29	1,251	1,104	146	80
August.....	<sup>2</sup> 1,309						
September.....	<sup>2</sup> 1,311						

<sup>2</sup> Preliminary.

<sup>1</sup> Outstanding principal, represented by certificates of deposit. Does not include accrued interest nor 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.

## LOANS INSURED BY FEDERAL HOUSING ADMINISTRATION<sup>1</sup>

[In millions of dollars]

Year or month	Total	Property improvement (Title I)	New small home construction (Title I)	Home mortgages (Title II)	Mortgages on rental and group housing (Title II)	Defense housing (Title VI)
1934.....	30	30				
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	
1940—Sept.....	107	33	3	68	2	
Oct.....	112	29	2	80	1	
Nov.....	99	28	2	69	*	
Dec.....	104	24	2	78		
1941—Jan.....	102	20	2	79	*	
Feb.....	84	20	1	61	1	
Mar.....	84	17	2	62	3	
Apr.....	75	12	1	60	2	
May.....	89	22	1	65	1	
June.....	105	27	3	75	*	
July.....	105	20	3	82	*	
Aug.....	91	18	2	70	*	1
Sept.....	107	31	2	73	*	1

<sup>1</sup> Figures represent gross insurance written during the period and do not take account of principal repayments on previously insured loans.  
\* Less than \$500,000.

## INSURED FHA HOME MORTGAGES (TITLE II) HELD IN PORTFOLIO BY CLASSES OF INSTITUTIONS<sup>1</sup>

[In millions of dollars]

End of month	Total	Commercial banks	Mutual savings banks	Savings and loan associations	Insurance companies	Federal agencies <sup>2</sup>	Other <sup>3</sup>
1936—Dec.....	365	228	8	56	41	5	27
1937—Dec.....	771	431	27	110	118	32	53
1938—Mar.....	856	472	26	119	146	42	51
June.....	933	509	28	127	165	44	60
Sept.....	1,049	565	32	137	187	56	72
Dec.....	1,199	634	38	149	212	77	89
1939—Mar.....	1,349	699	44	159	241	114	92
June.....	1,478	759	50	167	271	137	94
Sept.....	1,622	824	57	178	302	148	113
Dec.....	1,793	903	71	192	341	153	133
1940—Mar.....	1,949	971	90	201	393	171	123
June.....	2,075	1,026	100	208	432	182	127
Sept.....	2,232	1,093	112	216	480	190	141
Dec.....	2,409	1,162	130	224	542	201	150
1941—Mar.....	1,598	1,247	146	230	606	210	159
June.....	2,755	1,318	157	237	668	221	154
Sept.....	2,942	1,381	190	246	722	225	178

<sup>1</sup> Gross amount of mortgages held, does not include terminated mortgages and cases in transit to or being audited at the Federal Housing Administration.

<sup>2</sup> The RFC Mortgage Company, the Federal National Mortgage Association, and the United States Housing Corporation.

<sup>3</sup> Including mortgage companies, finance companies industrial banks, endowed institutions, private and State benefit funds, etc.

# 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>		Factory payrolls <sup>5</sup> 1923-25 =100	Freight-car loadings <sup>6</sup> 1935-39 =100	Department store sales (value) <sup>6</sup> 1923-25 =100	Wholesale commodity prices <sup>4</sup> 1925 =100	Cost of living <sup>4</sup> 1935-39 =100	
		Total		Manu- factures		Min- erals	Total	Resi- den- tial	All other	Non- agri- cultural <sup>5</sup> 1935-39 =100	Factory 1923-25=100						
		Ad- justed	Unad- justed	Dur- able	Non- dur- able						Ad- justed						Ad- justed
						Ad- justed	Unad- justed	Ad- justed	Unad- justed								
1919			72	84	62	71	63	44	79		106.7	98.0	120	78	138.6	124.5	
1920			75	93	60	83	63	30	90		107.1	117.2	129	94	154.4	143.2	
1921			68	58	53	67	56	44	65		82.0	75.6	110	87	97.6	127.7	
1922			73	81	67	71	79	68	88		90.7	81.2	121	88	96.7	119.7	
1923			88	103	72	98	84	81	86		103.8	102.9	142	98	100.6	121.9	
1924			82	95	69	89	94	95	94		96.4	96.0	139	99	98.1	122.2	
1925			90	107	76	92	122	124	120		99.8	101.1	146	103	103.5	125.4	
1926			96	114	79	100	129	121	135		101.7	104.2	152	106	100.0	126.4	
1927			95	107	83	100	129	117	139		99.5	102.4	147	107	95.4	124.0	
1928			99	117	85	99	135	126	142		99.7	103.5	148	108	96.7	122.6	
1929	122.3		110	132	93	107	117	87	142	107.6	106.0	110.4	152	111	95.3	122.5	
1930	110.9		91	98	84	93	92	50	125	100.9	92.4	89.4	131	102	86.4	119.4	
1931	94.3		75	67	79	80	63	37	84	92.3	78.1	67.8	105	92	73.0	108.7	
1932	73.2		68	41	70	76	28	13	40	82.8	66.3	46.7	78	69	64.8	97.6	
1933	69.5		69	54	79	82	25	11	37	83.3	73.4	50.1	82	67	65.9	92.4	
1934	80.2		75	65	81	80	32	12	48	90.5	85.7	64.5	89	75	74.9	95.7	
1935	87.2		87	83	90	86	37	21	50	94.2	91.3	74.1	92	79	80.0	98.1	
1936	101.2		103	108	100	99	55	37	70	100.0	99.0	85.8	107	88	80.8	99.1	
1937	107.2		113	122	106	112	59	41	74	105.0	108.6	102.5	111	92	86.3	102.7	
1938	98.9		89	78	95	97	64	45	80	98.5	90.9	78.5	89	85	78.6	100.8	
1939	105.5		108	109	108	106	72	60	81	102.3	99.9	92.2	101	90	77.1	99.4	
1940	112.5		123	138	113	117	81	72	89	105.6	107.5	105.4	109	94	78.6	100.2	
1938																	
July	97.2	86	84	71	95	94	59	49	68	97.0	87.2	85.9	71.7	88	83	78.8	-----
August	98.1	90	91	78	99	97	66	53	77	97.6	89.3	90.2	77.9	90	83	78.1	-----
September	99.1	93	97	83	100	97	78	56	96	98.2	91.0	93.6	82.3	92	85	78.3	100.7
October	100.2	96	100	89	100	99	82	57	102	98.7	92.0	94.2	85.0	95	86	77.6	-----
November	100.7	100	102	96	103	102	96	56	128	99.6	94.8	95.3	85.3	95	87	77.5	-----
December	101.4	101	99	97	104	102	96	57	128	100.3	96.7	96.2	88.1	96	88	77.0	100.2
1939																	
January	101.3	101	97	97	104	103	86	55	111	100.5	96.8	94.5	84.7	98	88	76.9	-----
February	101.9	101	99	97	104	101	73	58	85	100.7	96.8	96.1	87.1	95	88	76.9	-----
March	103.0	101	100	96	104	104	69	55	80	100.8	96.7	97.0	88.8	94	88	76.7	99.1
April	101.8	97	98	93	103	91	67	58	74	99.8	96.6	96.9	86.8	87	88	76.2	-----
May	103.6	98	99	93	104	97	63	55	68	100.6	96.3	95.9	86.3	90	87	76.2	-----
June	104.8	103	102	99	106	104	63	58	67	101.7	97.3	96.4	87.9	97	86	75.6	98.6
July	104.6	105	102	102	106	107	67	62	71	102.0	98.4	96.6	85.8	99	87	75.4	-----
August	106.5	106	106	108	108	92	73	67	78	102.4	99.0	99.5	91.2	101	88	75.0	-----
September	107.8	114	119	118	111	114	73	68	76	103.0	100.8	103.7	95.4	111	90	79.1	100.6
October	109.1	121	126	129	115	119	76	68	82	104.2	104.8	107.3	103.2	114	92	79.4	-----
November	109.9	124	126	134	117	120	83	61	101	104.9	107.0	107.5	103.2	114	93	79.2	-----
December	111.2	125	122	138	117	114	86	60	107	105.4	108.2	107.8	105.4	110	95	79.2	99.6
1940																	
January	110.6	122	117	134	113	118	75	53	93	104.9	107.6	105.0	99.8	111	92	79.4	-----
February	110.1	116	113	124	110	114	63	56	68	104.2	105.8	105.0	99.3	105	90	78.7	-----
March	108.8	113	112	118	107	117	62	57	66	104.0	104.0	104.4	99.8	100	89	78.4	99.8
April	109.1	112	112	116	107	119	64	62	66	103.3	102.8	103.2	97.9	103	89	78.6	-----
May	110.1	116	117	123	110	117	64	64	65	103.8	102.8	102.5	97.8	106	89	78.4	-----
June	110.2	122	121	133	114	119	74	69	77	104.2	103.9	103.1	99.5	111	91	77.5	100.6
July	111.7	122	120	136	113	119	85	77	91	104.7	105.1	103.2	98.2	110	92	77.7	-----
August	113.3	124	124	143	112	114	90	82	98	105.6	107.4	107.4	105.5	112	98	77.4	-----
September	114.6	127	132	151	112	116	93	82	101	106.1	108.9	111.4	111.6	112	97	78.0	100.4
October	115.8	130	135	155	116	113	95	85	103	107.3	111.4	113.8	116.2	110	94	78.7	100.2
November	116.6	134	136	157	120	118	111	87	130	108.8	114.2	114.7	116.4	116	100	79.6	100.1
December	119.0	139	136	164	124	118	115	90	136	110.6	116.6	116.2	122.4	119	101	80.0	100.7
1941																	
January	121.3	140	135	171	123	119	103	84	117	111.0	118.3	115.5	120.7	122	101	80.8	100.8
February	123.0	144	139	176	126	118	99	76	118	111.6	118.6	117.8	126.8	124	103	80.6	100.8
March	123.7	147	144	180	127	125	94	74	109	111.4	119.4	119.9	131.2	126	103	81.5	101.2
April	124.5	144	144	180	131	95	103	80	121	111.5	122.0	122.6	134.7	112	104	83.2	102.2
May	128.4	154	155	190	135	126	101	88	111	112.9	124.9	124.9	144.1	135	105	84.9	102.9
June	131.0	159	160	195	139	132	117	101	129	114.2	128.7	127.8	152.1	139	104	87.1	104.6
July	133.3	160	159	199	135	131	139	115	158	116.0	133.3	130.5	152.6	138	115	88.8	105.3
August	134.8	160	162	199	139	131	152	112	184	116.4	133.0	132.8	157.8	139	134	90.3	106.2
September	136.9	162	163	204	138	130	159	110	207	116.2	132.5	135.6	163.0	130	116	91.8	108.1
October		163	167	208	137	129								127	105	92.0	-----

<sup>1</sup> Preliminary.      \* Average per working day.      † Revised.      ‡ Estimated.

<sup>2</sup> Department of Commerce series on value of payments to individuals.

<sup>3</sup> For indexes by groups or industries, see pp. 1171-1174; for description, see BULLETIN for September 1941, pp. 878-881, and for August 1940, pp. 753-771.

<sup>4</sup> Based on F. W. Dodge Corporation data; for description, see p. 358 of BULLETIN for July 1931; by groups, see p. 1179.

<sup>5</sup> The unadjusted indexes of employment and payrolls, and cost of living are compiled by or based on data of the Bureau of Labor Statistics. For description of seasonally adjusted index of factory employment compiled by the Federal Reserve Board of Governors, see BULLETIN for October 1938, pp. 835-837, and for October 1939, p. 878. For indexes by groups or industries see pp. 1175-1178 for employment and payrolls and p. 1182 for prices.

<sup>6</sup> Excludes military and naval forces.

<sup>7</sup> For sales comparisons by cities and by departments see p. 1181 of this BULLETIN.

*Back figures in BULLETIN.*—For industrial production, August 1940, pp. 825-882 and Sept. 1941, pp. 933-937; for factory employment and payrolls, October 1938, pp. 838-866, October 1939, pp. 879-887, and February 1941, p. 166; for department store sales, October 1938, p. 918, and January 1941, p. 65; for freight-car loadings, June 1941 pp. 529-533.

# INDUSTRIAL PRODUCTION, BY INDUSTRIES (Adjusted for Seasonal Variation)

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

Industry	1940					1941								
	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.
<b>Industrial Production—Total</b> <sup>1</sup> .....	<b>124</b>	<b>127</b>	<b>130</b>	<b>134</b>	<b>139</b>	<b>140</b>	<b>144</b>	<b>147</b>	<b>144</b>	<b>154</b>	<b>159</b>	<b>160</b>	<b>160</b>	<i>p</i> 162
<b>Manufactures—Total</b> <sup>1</sup> .....	<b>126</b>	<b>129</b>	<b>134</b>	<b>137</b>	<b>142</b>	<b>144</b>	<b>148</b>	<b>151</b>	<b>153</b>	<b>159</b>	<b>164</b>	<b>165</b>	<b>165</b>	<i>p</i> 167
Durable <sup>1</sup> .....	<b>143</b>	<b>151</b>	<b>155</b>	<b>157</b>	<b>164</b>	<b>171</b>	<b>176</b>	<b>180</b>	<b>180</b>	<b>190</b>	<b>195</b>	<b>199</b>	<b>199</b>	<i>p</i> 204
Nondurable.....	<b>112</b>	<b>112</b>	<b>116</b>	<b>120</b>	<b>124</b>	<b>123</b>	<b>126</b>	<b>127</b>	<b>131</b>	<b>135</b>	<b>139</b>	<b>138</b>	<b>139</b>	<i>p</i> 138
<b>Iron and Steel</b> .....	<b>165</b>	<b>169</b>	<b>172</b>	<b>171</b>	<b>174</b>	<b>179</b>	<b>179</b>	<b>184</b>	<b>181</b>	<b>184</b>	<b>184</b>	<b>185</b>	<b>185</b>	<i>p</i> 192
Pig iron.....	162	167	169	173	173	177	176	178	170	175	179	181	182	185
Steel.....	166	175	178	177	181	186	187	193	196	196	196	197	198	207
Open hearth and Bessemer.....	159	164	167	164	166	172	171	177	172	174	173	174	172	179
Electric.....	219	247	259	263	283	291	300	305	340	355	359	365	382	405
<b>Machinery</b> .....	<b>138</b>	<b>145</b>	<b>149</b>	<b>152</b>	<b>164</b>	<b>168</b>	<b>177</b>	<b>185</b>	<b>194</b>	<b>206</b>	<b>214</b>	<b>216</b>	<b>223</b>	<i>p</i> 228
<b>Transportation Equipment</b> <sup>2</sup> .....	<b>149</b>	<b>159</b>	<b>165</b>	<b>171</b>	<b>177</b>	<b>190</b>	<b>203</b>	<b>207</b>	<b>197</b>	<b>228</b>	<b>243</b>	<b>257</b>	<b>240</b>	<i>p</i> 252
Aircraft.....	460	508	552	600	635	685	741	768	818	872	926	1,003	1,123	<i>p</i> 1,212
Automobile bodies, parts, and assembly.....	121	121	125	125	125	134	143	142	124	152	161	171	139	<i>p</i> 132
Automobile factory sales.....	71	110	130	134	129	144	152	143	122	151	148	154	93	74
Railroad cars.....	127	148	148	166	172	178	182	178	196	218	235	<i>p</i> 233	236	<i>p</i> 256
Locomotives.....	123	140	160	168	186	204	222	234	266	280	308	342	355	<i>p</i> 370
Shipbuilding (private yards).....	213	220	227	226	263	282	307	335	352	380	425	<i>p</i> 467	484	<i>p</i> 557
<b>Nonferrous Metals and Products</b> .....	<b>137</b>	<b>143</b>	<b>149</b>	<b>155</b>	<b>162</b>	<b>167</b>	<b>173</b>	<b>179</b>	<b>183</b>	<b>189</b>	<b>184</b>	<b><i>p</i>188</b>	<b>186</b>	<i>p</i> 187
Nonferrous metal smelting <sup>3</sup> .....	132	132	133	135	137	137	142	142	147	148	144	142	145	<i>p</i> 145
Copper smelting.....	133	129	130	135	135	133	140	136	145	144	136	131	135	<i>p</i> 135
Zinc smelting.....	140	148	147	147	152	153	158	163	164	170	170	173	175	175
Copper deliveries.....	134	154	170	179	190	201	209	219	221	231	222	234	221	<i>p</i> 225
Lead shipments.....	128	126	132	145	158	161	165	172	186	205	210	<i>p</i> 200	196	---
Zinc shipments.....	139	141	142	144	146	149	148	146	147	144	144	142	143	146
Tin consumption.....	117	113	109	112	115	119	130	143	147	147	141	155	161	---
<b>Lumber and Products</b> .....	<b>114</b>	<b>121</b>	<b>123</b>	<b>127</b>	<b>132</b>	<b>137</b>	<b>135</b>	<b>128</b>	<b>132</b>	<b>132</b>	<b>135</b>	<b>141</b>	<b>140</b>	<i>p</i> 137
Lumber.....	113	121	124	128	133	139	139	125	128	122	125	131	134	<i>p</i> 128
Furniture.....	115	121	122	125	128	132	129	132	139	151	155	161	153	<i>p</i> 154
<b>Stone, Clay and Glass Products</b> .....	<b>119</b>	<b>124</b>	<b>126</b>	<b>130</b>	<b>140</b>	<b>154</b>	<b>158</b>	<b>150</b>	<b>142</b>	<b>141</b>	<b>150</b>	<b>151</b>	<b>154</b>	<i>p</i> 156
Cement.....	115	125	133	140	155	181	183	156	139	134	138	143	148	154
Common and face brick.....	129	131	126	135	147	---	---	---	---	---	---	---	---	---
Common brick.....	130	124	126	136	147	---	---	---	---	---	---	---	---	---
Face brick.....	125	146	127	132	148	---	---	---	---	---	---	---	---	---
Glass containers.....	114	116	115	114	119	123	131	139	135	148	155	154	158	163
Polished plate glass.....	114	118	111	113	117	137	138	135	142	142	152	146	133	120
<b>Textiles and Products</b> .....	<b>113</b>	<i>p</i> 115	<b>123</b>	<b>135</b>	<b>140</b>	<b>138</b>	<b>143</b>	<b>146</b>	<b>150</b>	<b>157</b>	<b>156</b>	<b>155</b>	<b>154</b>	<i>p</i> 152
Textile fabrics.....	111	113	121	132	135	133	140	143	146	152	151	151	149	<i>p</i> 146
Cotton consumption.....	124	<i>p</i> 119	126	139	142	144	152	156	160	164	160	162	160	156
Rayon deliveries.....	127	120	129	146	156	156	148	150	158	169	173	173	170	<i>p</i> 168
Silk deliveries.....	61	65	71	77	74	69	67	71	74	71	73	<i>p</i> 77	56	<i>p</i> 34
Wool textiles.....	106	123	132	140	145	136	149	152	152	165	163	157	166	<i>p</i> 173
Carpet wool consumption.....	95	109	125	128	131	119	143	146	139	148	149	126	148	<i>p</i> 157
Apparel wool consumption.....	108	137	152	160	163	149	165	179	171	196	190	177	181	<i>p</i> 215
Woolen yarn.....	104	120	124	131	132	125	134	135	140	153	151	153	162	<i>p</i> 163
Worsted yarn.....	117	135	149	152	157	150	163	163	166	178	178	174	179	<i>p</i> 182
Woolen and worsted cloth.....	105	122	127	140	149	142	153	154	156	167	165	160	166	<i>p</i> 171
<b>Leather and Products</b> .....	<b>97</b>	<b>95</b>	<b>97</b>	<b>107</b>	<b>109</b>	<b>107</b>	<b>108</b>	<b>114</b>	<b>114</b>	<b>123</b>	<b>130</b>	<b><i>p</i>129</b>	<b>121</b>	<i>p</i> 119
Leather tanning.....	92	90	93	100	102	102	103	113	109	118	121	124	123	---
Cattle hide leathers.....	95	95	100	110	113	115	112	119	118	129	131	136	140	---
Calf and kip leathers.....	83	82	85	92	86	88	92	112	97	99	98	<i>p</i> 93	103	---
Goat and kid leathers.....	83	83	81	82	86	79	87	97	96	105	113	<i>p</i> 116	96	---
Shoes.....	101	99	100	112	113	110	112	115	117	126	136	<i>p</i> 132	119	<i>p</i> 116
<b>Manufactured Food Products</b> .....	<b>114</b>	<b>110</b>	<b>118</b>	<b>117</b>	<b>121</b>	<b>117</b>	<b>120</b>	<b>121</b>	<b>123</b>	<b>124</b>	<b>127</b>	<b>126</b>	<b>133</b>	<i>p</i> 134
Wheat flour.....	99	100	104	99	104	98	105	105	110	110	107	103	98	99
Cane sugar meltings.....	90	86	116	136	122	124	107	122	123	119	129	102	129	---
Manufactured dairy products.....	110	<i>p</i> 116	122	117	125	131	127	125	135	134	130	133	136	<i>p</i> 140
Ice cream.....	104	114	128	122	131	138	132	129	144	---	---	---	---	---
Butter.....	105	<i>p</i> 107	108	106	110	119	118	119	119	117	111	113	109	109
Cheese.....	115	<i>p</i> 121	114	117	118	123	124	131	138	134	121	128	134	145
Canned and dried milk.....	132	133	135	126	138	136	129	124	135	139	132	141	165	183
Meat packing.....	119	121	127	133	134	114	126	134	126	132	124	125	134	126
Pork and lard.....	141	147	152	159	165	121	145	159	143	147	134	132	149	139
Beef.....	99	95	101	106	107	110	109	110	110	120	120	123	124	118
Veal.....	91	92	98	102	97	86	94	91	96	97	91	96	94	101
Lamb and mutton.....	96	95	106	110	109	112	112	111	108	109	101	110	105	99
Other manufactured foods.....	115	109	118	116	120	117	119	120	122	122	129	128	135	<i>p</i> 137
<b>Alcoholic Beverages</b> .....	<b>92</b>	<i>p</i> 104	<b>103</b>	<b>96</b>	<b>101</b>	<b>105</b>	<b>108</b>	<b>104</b>	<b>107</b>	<b>114</b>	<b>122</b>	<b>130</b>	<b>128</b>	131
Malt liquor.....	91	<i>p</i> 94	100	94	104	105	106	100	102	106	107	115	110	118
Whiskey.....	44	71	80	77	85	78	81	80	82	90	94	108	93	94
Other distilled spirits.....	215	<i>p</i> 232	118	86	85	112	132	132	140	129	154	206	206	262
Rectified spirits.....	87	126	134	131	105	126	131	130	137	170	206	190	219	170
<b>Tobacco Products</b> .....	<b>106</b>	<b>108</b>	<b>115</b>	<b>113</b>	<b>114</b>	<b>113</b>	<b>116</b>	<b>117</b>	<b>120</b>	<b>119</b>	<b>118</b>	<b>114</b>	<b>118</b>	121
Cigars.....	105	102	105	103	108	111	110	109	117	109	106	106	109	104
Cigarettes.....	110	113	120	119	121	118	125	127	127	131	131	123	129	137
Manufactured tobacco and snuff.....	96	100	112	106	101	101	96	97	101	100	97	97	96	99

<sup>1</sup> Revised.

<sup>2</sup> Preliminary.

<sup>3</sup> Includes manufacturing in Government arsenals and quartermaster depots not available for publication separately.

<sup>4</sup> Includes shipbuilding in Government yards not available for publication separately.

*Industrial Production, by Industries (Adjusted for Seasonal Variation)—Continued*

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

Industry	1940					1941								
	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.
<i>Paper and Paper Products</i> <sup>1</sup> .....	124	120	122	125	130	129	128	132	134	142	145	147	147	-----
Paper and pulp.....	123	118	121	124	131	129	128	133	136	145	149	152	152	-----
Pulp.....	150	150	148	150	159	153	153	160	161	162	175	167	172	-----
Groundwood pulp.....	119	117	118	123	119	119	122	119	121	120	121	122	128	-----
Soda pulp.....	120	114	124	113	142	128	129	137	135	141	151	149	151	-----
Sulphate pulp.....	179	185	184	186	200	190	193	199	199	203	216	203	215	-----
Sulphite pulp.....	148	145	140	143	148	144	144	153	156	155	170	163	164	-----
Paper.....	118	113	117	120	127	126	124	129	132	142	145	150	148	-----
Paperboard.....	121	118	123	132	143	138	134	138	143	158	154	170	161	158
Fine paper.....	114	107	110	114	114	110	110	114	115	127	134	140	147	-----
Newsprint production.....	113	111	112	109	109	113	115	115	114	114	114	112	113	-----
Printing paper.....	117	111	114	114	117	119	123	126	131	138	149	149	149	-----
Tissue and absorbent paper.....	121	125	124	120	131	132	125	133	132	137	144	142	140	-----
Wrapping paper.....	117	107	110	114	120	120	119	124	129	139	140	138	139	-----
<i>Printing and Publishing</i> <sup>2</sup> .....	110	108	109	110	112	111	114	116	118	122	128	127	129	127
Newsprint consumption.....	104	104	104	106	107	103	105	106	106	107	106	106	109	105
<i>Petroleum and Coal Products</i> .....	113	116	116	118	180	122	122	123	121	125	127	128	150	-----
Petroleum refining.....	109	112	112	114	116	117	117	118	119	122	123	124	126	-----
Gasoline.....	109	113	111	112	115	117	118	120	120	124	123	123	126	-----
Fuel oil.....	116	113	115	116	120	120	122	121	120	119	122	124	127	-----
Lubricating oil.....	98	102	109	115	107	112	104	105	118	118	134	133	132	-----
Kerosene.....	111	121	123	123	130	120	123	113	117	115	104	108	116	-----
Coke.....	140	143	145	147	149	150	152	154	133	148	154	154	154	-----
Byproduct coke.....	137	139	141	143	143	143	145	145	134	141	145	146	146	-----
Beehive coke.....	263	267	266	281	378	367	398	434	69	386	435	429	453	426
<i>Chemicals</i> .....	115	114	116	118	121	122	123	123	132	135	143	146	145	145
<i>Rubber products</i> .....	115	124	126	132	144	141	153	155	158	162	192	153	130	131
Rubber consumption.....	116	125	128	133	147	143	156	158	161	164	196	156	132	134
Tires and tubes.....	105	109	109	116	117	123	128	134	131	144	152	126	117	108
Pneumatic tires.....	106	110	110	118	118	124	128	135	132	144	151	127	118	108
Inner tubes.....	102	107	103	107	115	121	127	132	130	145	155	125	110	103
<i>Minerals—Total</i> .....	114	116	113	118	118	119	118	125	95	126	132	131	131	130
<i>Fuels</i> .....	112	115	109	113	113	114	113	121	86	121	129	127	129	128
Bituminous coal.....	121	119	98	112	115	117	114	149	22	149	153	146	147	135
Anthracite.....	115	108	94	97	108	98	102	102	71	80	126	137	162	127
Crude petroleum.....	108	114	115	115	113	114	113	112	113	114	120	119	119	125
<i>Metals</i> .....	129	127	135	148	147	148	148	148	149	152	152	151	144	143
Iron ore shipments.....	159	155	163	192	186	187	189	191	200	197	200	207	203	203
Copper.....	139	137	141	143	145	148	153	148	152	159	155	156	155	154
Lead.....	114	112	117	113	116	116	116	118	119	115	117	114	116	-----
Zinc <sup>3</sup> .....	117	120	118	120	123	125	126	125	133	127	136	125	131	137
Gold <sup>3</sup> .....	108	108	120	131	129	131	125	126	120	131	125	120	-----	-----
Silver <sup>3</sup> .....	106	103	120	127	129	128	126	127	129	122	128	124	-----	-----

<sup>1</sup> Revised.      <sup>2</sup> Preliminary.

<sup>1</sup> Includes also paperboard container production held constant, on a seasonally adjusted basis, at 123 since July 1940 when figures were last reported.

<sup>2</sup> Includes also printing paper production shown under "Paper."

<sup>3</sup> Revised series. Back figures may be obtained from Division of Research and Statistics.

NOTE.—For description and back figures see BULLETIN for September 1941, pages 878-881 and 933-937, and August 1940, pages 753-771 and 825-882.

# INDUSTRIAL PRODUCTION, BY INDUSTRIES

(Without Seasonal Adjustment)

(Index numbers of the Board of Governors. 1935-39 average = 100)

Industry	1940					1941								
	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.
<b>Industrial Production—Total</b> <sup>1</sup>	124	132	*135	136	136	135	*139	144	144	155	160	159	162	p168
<b>Manufactures—Total</b> <sup>1</sup>	125	133	138	139	140	139	144	149	153	160	165	164	167	p173
Durable <sup>1</sup>	139	150	159	161	164	166	171	178	182	192	198	197	195	p207
Nondurable	114	119	121	121	121	118	122	126	129	134	138	138	142	p146
<b>Iron and Steel</b>	158	166	171	172	174	179	179	184	181	184	184	185	185	192
Pig iron	161	164	169	173	173	177	176	178	170	175	179	181	182	185
Steel	161	171	176	178	181	186	187	193	193	196	196	197	198	207
Open hearth and Bessemer	154	161	165	166	166	172	171	177	172	174	173	174	172	179
Electric	212	242	257	265	283	291	300	305	340	355	359	365	382	405
<b>Machinery</b>	135	142	149	152	164	168	177	185	194	206	214	216	223	p228
<b>Transportation Equipment</b> <sup>2</sup>	122	154	179	185	188	194	207	214	206	229	244	231	221	p252
Aircraft	460	508	552	600	635	685	741	768	818	872	926	1,003	1,123	p1,212
Automobile bodies, parts, and assembly	91	119	142	143	138	138	148	150	136	152	161	136	118	p141
Automobile factory sales	23	89	142	161	152	151	161	100	139	164	164	134	47	74
Railroad cars	130	135	141	153	172	178	182	178	196	218	235	*233	236	p256
Locomotives	124	137	152	163	186	204	222	234	266	280	308	342	355	p370
Shipbuilding (private yards)	202	213	229	219	263	282	307	335	352	380	425	*467	484	p557
<b>Nonferrous Metals and Products</b>	133	143	152	158	162	166	173	179	184	190	185	188	186	p186
Nonferrous metal smelting <sup>3</sup>	127	131	138	137	138	137	142	142	147	148	144	141	145	p145
Copper smelting	127	129	138	139	135	133	140	136	145	144	136	131	135	p135
Zinc smelting	133	143	147	147	152	153	158	163	164	170	170	173	175	175
Copper deliveries	133	156	173	181	188	200	209	219	221	231	222	234	221	p225
Lead shipments	122	127	138	155	165	166	165	172	186	205	210	*200	196	.....
Zinc shipments	128	138	143	147	147	149	148	146	147	144	144	142	143	146
Tin consumption	115	108	108	112	112	114	130	146	151	153	148	154	159	.....
<b>Lumber and Products</b>	123	132	132	126	121	116	119	123	130	134	140	144	152	p149
Lumber	126	134	132	123	114	113	115	118	128	130	135	142	148	p143
Furniture	118	127	133	130	133	123	129	133	135	142	150	149	158	p162
<b>Stone, Clay and Glass Products</b>	133	139	142	136	125	110	112	125	142	164	172	166	172	p174
Cement	141	150	154	145	124	100	102	117	139	163	174	177	181	184
Common and face brick	150	161	154	147	125	.....	.....	.....	.....	.....	.....	.....	.....	.....
Common brick	153	162	160	149	120	.....	.....	.....	.....	.....	.....	.....	.....	.....
Face brick	142	161	140	141	133	.....	.....	.....	.....	.....	.....	.....	.....	.....
Glass containers	124	118	119	115	111	110	120	130	135	159	163	160	172	166
Polished plate glass	93	118	127	129	141	144	131	141	142	142	149	96	109	120
<b>Textiles and Products</b>	111	118	126	137	140	138	143	147	160	157	155	155	154	p152
Textile fabrics	108	115	124	134	136	133	140	143	146	152	150	150	148	p146
Cotton consumption	114	*119	129	139	142	144	152	156	160	164	160	162	160	156
Rayon deliveries	137	138	144	151	154	154	148	150	158	169	173	173	170	p168
Silk deliveries	57	65	77	87	79	72	68	74	73	66	66	*69	50	p32
Wool textiles	109	120	129	139	145	136	149	152	152	165	163	157	166	p173
Carpet wool consumption	101	111	124	126	131	119	143	146	139	148	149	126	148	p157
Apparel wool consumption	113	137	145	162	163	149	165	179	171	196	190	177	181	p215
Woolen yarn	108	119	121	129	132	125	134	135	140	153	151	153	162	p163
Worsted yarn	120	130	149	152	157	150	163	163	166	178	178	174	179	p182
Woolen and worsted cloth	107	116	122	139	149	142	153	154	156	167	165	160	166	p171
<b>Leather and Products</b>	104	102	98	98	99	104	117	122	118	120	119	*125	128	p127
Leather tanning	89	89	93	101	104	103	112	112	110	115	118	*120	119	.....
Cattle hide leathers	93	94	101	114	115	116	125	121	118	126	125	*127	133	.....
Calf and kip leathers	87	81	82	87	88	87	97	105	96	94	100	*102	108	.....
Goat and kid leathers	81	84	80	79	87	79	91	96	99	103	113	*115	94	.....
Shoes	114	111	102	96	95	106	121	128	123	124	119	*128	135	p130
<b>Manufactured Food Products</b>	131	133	126	116	115	104	104	107	112	120	129	138	153	p163
Wheat flour	100	115	113	103	100	99	104	102	103	100	101	102	99	114
Cane sugar meltings	95	102	113	112	98	103	105	135	135	117	132	117	136	.....
Manufactured dairy products	145	*118	96	80	79	84	92	105	134	182	199	193	183	p143
Ice cream	169	124	92	73	68	69	78	99	138	.....	.....	.....	.....	.....
Butter	116	*106	95	84	87	95	101	105	118	151	155	137	120	108
Cheese	130	*125	107	89	82	89	96	107	133	177	186	165	151	150
Canned and dried milk	136	123	108	88	95	103	110	121	152	200	195	172	169	168
Meat packing	102	112	127	151	159	133	122	122	119	132	121	119	116	119
Pork and lard	106	117	143	191	212	157	145	143	135	147	130	119	112	111
Beef	100	107	110	111	107	110	98	100	102	120	118	125	126	132
Veal	92	101	108	104	92	83	83	86	95	101	92	95	95	111
Lamb and mutton	95	107	113	107	104	118	112	107	105	111	96	104	104	111
Other manufactured foods	136	140	132	117	115	103	103	105	107	111	122	137	159	176
<b>Alcoholic Beverages</b>	90	*109	108	104	98	87	94	100	108	120	129	131	122	137
Malt liquor	106	*95	82	77	81	84	90	96	111	124	137	142	128	120
Whiskey	24	*57	76	96	98	104	106	98	91	90	75	59	51	75
Other distilled spirits	103	*318	314	181	105	73	79	86	84	77	91	97	99	359
Rectified spirits	68	134	174	207	140	92	113	124	122	149	165	160	171	180
<b>Tobacco Products</b>	110	118	120	115	98	108	108	110	113	121	128	123	122	132
Cigars	108	117	127	123	83	90	96	100	111	108	113	111	113	120
Cigarettes	116	121	118	114	108	119	118	119	118	133	144	138	136	146
Manufactured tobacco and snuff	97	108	115	105	89	98	95	99	100	100	99	99	96	107

\* Revised.

† Preliminary.

<sup>1</sup> Includes manufacturing in Government arsenals and quartermaster depots not available for publication separately.

<sup>2</sup> Includes shipbuilding in Government yards not available for publication separately.

<sup>3</sup> Includes also lead production shown under "Minerals."

*Industrial Production, by Industries (Without Seasonal Adjustment)—Continued*

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

Industry	1940					1941								
	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.
<i>Paper and Paper Products</i> <sup>1</sup> .....	123	124	127	124	123	126	131	136	137	141	143	*141	146	-----
Paper and pulp.....	121	120	124	124	124	128	133	137	140	145	147	*145	150	-----
Pulp.....	148	147	150	151	154	154	159	164	165	165	173	160	170	-----
Groundwood pulp.....	101	102	110	126	124	124	127	128	136	133	124	109	109	-----
Soda pulp.....	120	115	124	113	138	125	133	141	139	141	150	141	151	-----
Sulphate pulp.....	179	185	188	186	190	192	199	203	199	203	214	199	215	-----
Sulphite pulp.....	148	145	143	144	144	144	148	156	159	155	167	155	164	-----
Paper.....	117	116	120	120	120	124	129	133	136	142	143	142	147	-----
Paperboard.....	123	125	130	132	127	132	138	144	146	155	154	161	163	167
Fine paper.....	107	102	110	110	112	111	118	122	126	130	131	127	138	-----
Newsprint production.....	110	111	112	112	110	113	113	115	114	115	115	109	110	-----
Printing paper.....	113	110	115	113	116	119	126	132	136	140	146	*140	145	-----
Tissue and absorbent paper.....	121	131	129	119	126	128	130	134	135	136	143	*135	140	-----
Wrapping paper.....	116	108	113	114	116	120	124	126	130	136	137	133	138	-----
<i>Printing and Publishing</i> <sup>2</sup> .....	102	108	113	112	112	109	115	121	124	126	127	*116	120	*127
Newsprint consumption.....	91	105	111	111	109	98	104	110	113	111	107	92	96	106
<i>Petroleum and Coal Products</i> .....	114	118	118	119	119	120	120	119	*120	126	128	129	131	-----
Petroleum refining.....	110	114	114	115	115	115	115	114	119	122	124	125	128	-----
Gasoline.....	112	116	114	113	112	113	114	114	118	124	126	127	130	-----
Fuel oil.....	114	114	116	117	122	123	*123	*118	*117	*119	*121	122	124	-----
Lubricating oil.....	97	102	109	115	106	108	103	104	122	122	134	131	131	-----
Kerosene.....	107	119	123	126	131	126	124	115	119	115	102	103	111	-----
Coke.....	139	142	145	148	149	150	152	154	133	148	154	154	154	-----
Byproduct coke.....	137	139	141	143	143	143	145	145	134	141	145	146	146	-----
Beehive coke.....	210	222	274	309	378	367	398	434	69	386	435	429	453	*426
<i>Chemicals</i> .....	112	116	120	120	122	121	123	128	135	134	137	*139	142	*147
<i>Rubber Products</i> .....	115	126	126	135	137	145	151	155	157	162	192	153	130	131
Rubber consumption.....	116	128	128	138	140	148	153	158	160	164	196	156	132	134
Tires and tubes.....	105	109	109	116	117	123	128	134	131	144	152	126	117	108
Pneumatic tires.....	106	110	110	118	118	124	128	135	132	144	151	127	118	108
Inner tubes.....	102	107	103	107	115	121	127	132	130	145	155	125	110	103
<i>Minerals—Total</i> .....	*118	124	122	119	*113	113	*114	116	96	127	131	130	134	*136
<i>Fuels</i> .....	109	116	112	115	116	117	118	121	87	118	123	121	125	*129
Bituminous coal.....	111	124	110	128	127	130	134	143	18	126	132	128	135	*140
Anthracite.....	85	103	99	98	115	114	112	105	76	88	116	107	120	*122
Crude petroleum.....	111	114	114	111	111	111	112	114	116	118	120	119	122	*125
<i>Metals</i> .....	*171	*172	*178	*146	*98	*95	*93	*92	*148	181	*181	*184	182	*177
Iron ore shipments.....	308	301	294	162	-----	-----	-----	-----	210	323	326	344	335	311
Copper.....	135	136	146	147	146	145	155	151	156	159	152	147	152	153
Lead.....	114	112	117	114	118	116	116	116	121	117	116	110	116	-----
Zinc <sup>3</sup> .....	111	116	118	120	123	125	126	125	133	127	136	125	131	*137
Gold <sup>3</sup> .....	118	126	141	148	133	125	112	111	106	113	116	115	-----	-----
Silver <sup>3</sup> .....	104	104	119	128	129	129	129	131	130	121	123	122	-----	-----

\* Revised.

‡ Preliminary.

<sup>1</sup> Includes also paperboard container production which has been carried forward on the basis of seasonal changes since July 1940 when figures were last reported.

<sup>2</sup> Includes also printing paper production shown under "Paper."

<sup>3</sup> Revised series. Back figures may be obtained from Division of Research and Statistics.

NOTE.—For description and back figures, see BULLETIN for September 1941, pages 878-881 and 933-937, and August 1940, pages 753-771 and 825-882.

# FACTORY EMPLOYMENT, BY INDUSTRIES

(Adjusted for Seasonal Variation)

[Index numbers of the Board of Governors; adjusted to Census of Manufactures through 1937. 1923-25 average=100]

Industry and group	1940					1941								
	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.
<b>Total*</b> .....	<b>107.4</b>	<b>108.9</b>	<b>111.4</b>	<b>114.2</b>	<b>116.6</b>	<b>118.3</b>	<b>118.6</b>	<b>119.4</b>	<b>122.0</b>	<b>124.9</b>	<b>128.7</b>	<b>133.3</b>	<b>133.0</b>	<b>132.5</b>
Durable goods*.....	104.3	107.4	111.2	114.6	117.6	121.1	122.1	123.0	126.3	129.5	134.0	140.8	141.1	141.4
Nondurable goods*.....	110.2	110.3	111.5	113.8	115.7	115.6	115.2	115.9	118.0	120.5	123.7	126.1	125.3	124.0
<b>Iron, Steel, Products</b> .....	<b>111.1</b>	<b>112.9</b>	<b>116.1</b>	<b>118.9</b>	<b>122.4</b>	<b>124.8</b>	<b>125.5</b>	<b>126.2</b>	<b>128.3</b>	<b>132.0</b>	<b>136.0</b>	<b>139.0</b>	<b>140.3</b>	<b>139.9</b>
Blast furnaces, steel works.....	123	123	125	127	130	133	133	136	140	145	149	150	149	149
Bolts, nuts, washers, rivets.....	116	119	121	128	135	139	145	151	153	160	166	169	173	172
Cast-iron pipe.....	78	81	84	89	89	88	92	92	93	94	95	95	94	97
Cutlery, edge tools.....	104	107	109	110	110	110	108	110	114	117	122	130	130	130
Forgings.....	74	77	81	83	88	90	94	96	100	102	105	111	111	113
Hardware.....	98	102	105	109	113	113	114	116	115	116	118	105	116	114
Plumbers' supplies.....	87	89	90	94	98	99	98	100	101	102	102	102	103	100
Stamped, enameled ware.....	169	179	188	190	196	194	201	202	204	214	220	228	232	233
Steam, hot-water heating.....	91	92	97	100	103	106	106	107	109	111	114	123	126	125
Stoves.....	96	95	98	100	108	113	106	106	107	110	114	121	115	109
Structural, ornamental.....	78	81	84	86	91	96	100	100	101	103	104	105	106	104
Tin cans, tinware.....	98	96	99	103	104	109	112	113	113	122	129	131	132	131
Tools.....	98	101	106	111	116	121	126	128	133	135	139	142	146	146
Wirework.....	152	170	189	201	207	206	208	208	203	207	214	218	202	229
<b>Machinery</b> .....	<b>120.0</b>	<b>122.5</b>	<b>126.6</b>	<b>130.9</b>	<b>136.0</b>	<b>141.2</b>	<b>144.2</b>	<b>148.1</b>	<b>155.8</b>	<b>161.6</b>	<b>167.3</b>	<b>173.0</b>	<b>176.6</b>	<b>176.7</b>
Agricultural implements.....	139	141	143	140	143	147	140	126	158	166	170	175	182	180
Cash registers, etc.....	129	132	132	134	137	137	140	146	151	150	163	168	170	174
Electrical machinery.....	107	111	116	120	126	131	137	142	147	153	159	164	168	168
Engines, turbines, etc.....	176	182	197	211	218	237	239	243	245	259	275	293	314	323
Foundry, machine-shop products.....	101	103	107	110	114	118	120	124	129	134	139	143	144	145
Machine tools.....	247	247	257	265	275	286	296	304	315	326	337	349	366	356
Radios, phonographs.....	145	138	134	142	150	155	165	178	189	197	184	191	187	183
Textile machinery.....	76	79	81	83	86	89	92	95	98	101	104	107	108	111
Typewriters.....	119	123	126	128	130	131	110	134	138	143	150	155	157	158
<b>Transportation Equipment</b> .....	<b>120.9</b>	<b>130.2</b>	<b>140.2</b>	<b>145.9</b>	<b>145.6</b>	<b>150.4</b>	<b>152.9</b>	<b>154.1</b>	<b>158.9</b>	<b>164.8</b>	<b>174.6</b>	<b>196.6</b>	<b>192.2</b>	<b>197.1</b>
Aircraft.....	3,479	3,881	4,243	4,447	4,731	5,089	5,398	5,509	5,813	6,121	6,538	7,208	7,960	8,830
Automobiles.....	107	116	125	127	124	123	123	123	125	128	132	149	137	130
Cars, electric, steam-railroad.....	30	36	39	42	46	52	55	56	59	64	67	75	79	81
Locomotives.....	33	36	39	42	46	52	55	56	59	64	67	75	79	81
Shipbuilding.....	186	187	195	204	220	244	262	268	286	302	342	387	397	441
<b>Nonferrous Metals, Products</b> .....	<b>115.7</b>	<b>118.6</b>	<b>122.3</b>	<b>126.5</b>	<b>129.4</b>	<b>133.3</b>	<b>135.1</b>	<b>136.2</b>	<b>138.9</b>	<b>140.7</b>	<b>144.1</b>	<b>148.3</b>	<b>148.1</b>	<b>144.6</b>
Aluminum*.....	199	202	207	214	218	229	224	220	229	234	230	238	244	240
Brass, bronze, copper.....	140	147	153	162	168	173	176	179	181	182	190	193	195	195
Clocks, watches.....	98	100	101	101	102	107	109	111	115	118	121	125	121	105
Jewelry.....	99	94	96	98	101	102	105	107	111	113	115	120	118	109
Lighting equipment.....	92	100	103	105	106	110	112	110	112	112	116	123	122	121
Silverware, plated ware.....	70	72	74	75	76	77	79	79	81	82	84	94	87	86
Smelting, refining.....	92	92	94	94	96	98	100	101	101	102	102	103	105	103
<b>Lumber, Products</b> .....	<b>69.0</b>	<b>70.6</b>	<b>71.3</b>	<b>73.6</b>	<b>75.2</b>	<b>76.5</b>	<b>75.5</b>	<b>74.0</b>	<b>74.2</b>	<b>74.6</b>	<b>75.9</b>	<b>78.9</b>	<b>78.4</b>	<b>77.7</b>
Furniture.....	90	91	91	93	96	97	98	98	101	104	106	108	107	103
Lumber, millwork.....	63	65	68	71	72	74	72	71	70	69	71	75	76	75
Lumber, sawmills.....	62	64	64	66	67	68	67	65	65	64	65	68	68	68
<b>Stone, Clay, Glass Products</b> .....	<b>81.8</b>	<b>83.0</b>	<b>84.7</b>	<b>88.4</b>	<b>90.4</b>	<b>94.6</b>	<b>92.9</b>	<b>92.3</b>	<b>92.3</b>	<b>92.1</b>	<b>93.7</b>	<b>98.6</b>	<b>98.4</b>	<b>98.4</b>
Brick, tile, terra cotta.....	60	61	61	65	68	75	74	71	70	69	69	73	74	74
Cement.....	69	70	72	74	76	75	76	75	74	73	74	76	77	79
Glass.....	107	109	112	117	117	120	116	118	121	122	124	131	130	129
Marble, granite, slate.....	45	46	46	45	46	46	47	46	45	45	44	43	41	42
Pottery.....	94	94	96	100	105	108	108	108	109	109	116	126	123	121
<b>Textiles, Products</b> .....	<b>101.1</b>	<b>101.9</b>	<b>102.6</b>	<b>105.3</b>	<b>107.2</b>	<b>107.3</b>	<b>107.1</b>	<b>107.6</b>	<b>109.8</b>	<b>112.9</b>	<b>116.1</b>	<b>120.1</b>	<b>117.1</b>	<b>114.9</b>
Fabrics.....	92.6	93.5	95.2	97.7	98.7	98.8	99.1	100.4	103.3	105.9	109.0	111.1	109.6	107.4
Carpets, rugs.....	72	75	79	82	82	85	84	83	86	89	90	89	91	91
Cotton goods.....	93	94	95	97	99	99	100	101	103	106	111	113	115	113
Cotton small wares.....	79	81	82	87	90	92	93	94	97	103	107	110	110	108
Dyeing, finishing textiles.....	128	129	129	129	132	132	134	136	138	141	144	149	143	141
Hats, fur-felt.....	83	84	80	84	85	83	83	83	80	85	86	86	79	77
Hosiery.....	138	138	140	141	144	144	142	142	141	144	146	149	144	135
Knitted outerwear.....	72	69	70	71	74	69	69	68	71	76	81	85	88	78
Knitted underwear.....	75	74	75	76	77	81	78	78	79	81	79	90	88	88
Knitted cloth.....	147	151	153	151	149	144	141	143	141	155	163	162	160	157
Silk, rayon goods.....	62	61	63	65	64	63	64	66	69	74	75	72	67	61
Woolen, worsted goods.....	86	90	93	99	98	98	98	102	109	109	110	112	108	111
<b>Wearing apparel</b> .....	<b>116.1</b>	<b>116.5</b>	<b>114.8</b>	<b>118.0</b>	<b>121.9</b>	<b>122.0</b>	<b>120.5</b>	<b>119.3</b>	<b>119.8</b>	<b>124.0</b>	<b>127.0</b>	<b>135.1</b>	<b>129.0</b>	<b>127.0</b>
Clothing, men's.....	104	104	102	109	115	114	111	110	114	122	124	124	120	119
Clothing, women's.....	164	165	164	168	170	166	166	164	159	161	170	194	176	171
Corsets, allied garments.....	112	112	112	114	114	114	113	114	114	116	119	119	122	124
Men's furnishings.....	125	126	122	118	116	116	118	118	119	121	124	138	138	135
Millinery.....	73	78	74	68	69	76	82	78	78	73	68	75	79	76
Shirts, collars.....	118	119	117	117	122	131	126	125	128	131	133	135	135	134

\* Revised.

\* Indexes adjusted to Census of Manufactures through 1939. For back figures see BULLETIN for February 1941, p. 166, and for June 1941, p. 569.

NOTE.—Figures for September 1941 are preliminary. For description and back data see the BULLETIN for October 1938, pages 835-866, and for October 1939, pages 878-887. Underlying figures are for payroll period ending nearest middle of month.

## Factory Employment (Adjusted)—Continued

[Index numbers of the Board of Governors; adjusted to Census of Manufactures through 1937. 1923-25 average=100]

Industry and group	1940					1941								
	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.
<i>Leather, Manufactures</i> .....	89.1	89.9	91.1	93.8	94.5	93.3	93.2	94.3	95.5	96.8	101.0	100.2	97.9	98.6
Boots, shoes.....	87	88	90	92	93	91	91	92	93	94	98	97	94	94
Leather.....	82	81	82	84	85	85	86	88	90	90	95	97	96	98
<i>Food, Products</i> .....	129.8	126.9	129.9	132.4	135.6	135.3	131.0	131.3	132.5	135.0	137.3	137.2	139.9	139.2
Baking.....	146	144	144	144	144	143	145	146	148	149	151	149	152	151
Beverages.....	272	265	271	281	285	281	279	278	277	287	286	289	293	293
Butter.....	96	96	96	102	101	98	99	102	105	107	105	103	104	102
Canning, preserving.....	146	130	152	152	157	149	144	139	140	147	156	160	169	170
Confectionery.....	88	86	86	90	91	89	88	91	92	89	90	97	100	91
Flour.....	79	79	78	78	78	78	77	78	79	78	80	79	77	79
Ice cream.....	76	75	79	81	81	80	81	79	82	79	78	78	80	79
Slaughtering, meat packing.....	108	109	110	114	121	112	111	113	114	119	121	119	119	121
Sugar, beet.....	106	110	100	102	145	240	144	111	97	99	93	89	76	89
Sugar refining, cane.....	93	91	95	95	97	92	89	97	103	102	101	94	93	98
<i>Tobacco Manufactures</i> .....	63.0	63.7	63.3	63.4	64.7	66.3	64.9	64.0	65.0	65.8	65.8	65.7	64.4	61.6
Tobacco, snuff.....	56	57	57	55	57	57	54	54	54	54	53	53	53	54
Cigars, cigarettes.....	64	65	64	65	63	68	66	65	66	67	68	67	66	63
<i>Paper, Printing</i> .....	116.4	115.7	116.1	116.8	117.3	117.1	117.2	118.5	119.8	121.2	122.9	124.8	125.1	124.2
Boxes, paper.....	119	117	117	120	122	123	122	125	129	132	139	142	143	141
Paper, pulp.....	117	117	115	116	116	116	117	119	120	123	125	126	128	129
Book, job printing.....	100	100	102	101	102	103	101	103	104	104	104	108	103	104
Newspaper, periodical printing.....	117	116	116	118	117	116	116	117	117	117	117	117	118	117
<i>Chemicals, Petroleum, and Coal Products</i> .....	122.2	121.7	122.8	123.9	125.3	126.8	128.1	129.0	133.6	136.9	140.7	142.9	145.0	144.3
Petroleum refining.....	122	121	121	120	120	120	120	121	121	123	125	127	127	127
Other than petroleum.....	122.2	121.8	123.3	124.9	126.6	128.5	130.0	131.1	136.6	140.4	144.7	146.8	149.3	148.5
Chemicals.....	141	141	143	147	151	154	157	161	163	168	172	173	179	180
Cottonseed oil, cake, meal.....	75	62	92	101	102	102	100	94	110	106	107	109	101	88
Druggists' preparations.....	117	116	114	113	113	116	118	119	122	129	132	135	137	142
Explosives.....	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Fertilizers.....	113	107	107	107	103	104	103	95	112	118	124	129	124	122
Paints, varnishes.....	126	127	125	127	128	130	130	134	135	136	140	145	143	146
Rayon, allied products.....	306	309	310	311	314	310	306	308	324	330	337	326	323	324
Soap.....	85	86	86	82	87	88	90	89	91	93	94	98	99	96
<i>Rubber Products</i> .....	87.0	89.7	91.6	93.6	96.8	99.0	100.4	102.0	103.9	106.1	111.7	113.0	113.3	112.3
Rubber boots, shoes.....	54	54	57	60	64	67	69	69	74	78	82	82	79	77
Rubber tires, inner tubes.....	71	73	74	75	77	78	79	80	82	83	86	87	87	87
Rubber goods, other.....	149	155	157	160	167	171	174	177	176	179	192	194	200	196

† Revised.

‡ Data not available.

### TOTAL NONAGRICULTURAL EMPLOYMENT

[Thousands of persons]

Year and month	Total non-agricultural employment <sup>1,2</sup>	Employees in nonagricultural establishments							Military and naval forces	
		Total <sup>2</sup>	Manufacturing <sup>*</sup>	Mining	Construction	Transportation and public utilities	Trade	Financial, service, and miscellaneous		Government <sup>2</sup>
SEASONALLY ADJUSTED										
1940—September.....	35,936	29,793	10,280	849	1,318	3,059	6,285	4,174	3,828	634
October.....	36,324	30,181	10,477	835	1,490	3,053	6,289	4,181	3,856	737
November.....	36,827	30,684	10,698	833	1,669	3,053	6,341	4,204	3,886	822
December.....	37,460	31,317	10,899	837	1,974	3,064	6,437	4,226	3,880	884
1941—January.....	37,571	31,428	11,021	849	2,014	3,077	6,298	4,233	3,936	958
February.....	37,787	31,644	11,045	846	2,132	3,087	6,333	4,250	3,951	1,139
March.....	37,724	31,581	11,108	855	1,933	3,105	6,351	4,254	3,975	1,343
April.....	37,772	31,629	11,316	872	1,859	3,133	6,474	4,258	4,017	1,554
May.....	38,243	32,100	11,545	877	1,698	3,192	6,449	4,280	4,059	1,679
June.....	38,680	32,537	11,843	889	1,644	3,220	6,536	4,295	4,110	1,758
July.....	39,273	33,130	12,211	914	1,668	3,264	6,614	4,336	4,123	1,821
August.....	39,425	33,282	12,188	923	1,666	3,302	6,685	4,339	4,179	1,934
September.....	39,354	33,211	12,144	908	1,701	3,301	6,620	4,334	4,203	1,992
UNADJUSTED										
1940—September.....	36,528	30,385	10,479	846	1,511	3,120	6,321	4,255	3,853	634
October.....	36,867	30,724	10,668	856	1,654	3,121	6,362	4,187	3,876	733
November.....	36,986	30,843	10,735	853	1,709	3,065	6,433	4,167	3,881	822
December.....	37,608	31,465	10,856	855	1,720	3,039	6,584	4,180	3,931	884
1941—January.....	36,621	30,478	10,797	852	1,623	3,012	6,165	4,142	3,887	958
February.....	36,928	30,785	10,982	854	1,678	3,028	6,173	4,164	3,906	1,145
March.....	37,227	31,084	11,152	864	1,631	3,056	6,259	4,187	3,935	1,343
April.....	37,676	31,533	11,370	864	1,775	3,113	6,463	4,265	3,983	1,546
May.....	38,321	32,178	11,545	869	1,782	3,185	6,421	4,327	4,049	1,662
June.....	38,860	32,717	11,777	876	1,816	3,239	6,530	4,353	4,126	1,740
July.....	39,281	33,138	11,995	888	1,895	3,290	6,512	4,394	4,164	1,857
August.....	39,626	33,483	12,168	900	1,921	3,326	6,564	4,394	4,210	1,944
September.....	40,065	33,922	12,386	906	1,957	3,365	6,659	4,420	4,229	1,992

\* Adjusted to Census of Manufactures through 1939.

<sup>1</sup> Includes self-employed persons, casual workers, and domestic servants not included in total of employees in nonagricultural establishments.

<sup>2</sup> Excludes military and naval forces.

NOTE.—Unadjusted data compiled by Bureau of Labor Statistics. Figures for September 1941 are preliminary. For back figures, adjusted for seasonal variation, see pp. 534-535 of the BULLETIN for June 1941.

# FACTORY EMPLOYMENT AND PAYROLLS, BY INDUSTRIES

(Without Seasonal Adjustment)

[Index numbers of the Bureau of Labor Statistics; adjusted to Census of Manufactures through 1937. 1923-25 average=100]

Industry and group	Factory employment								Factory payrolls					
	1940		1941				1940		1941					
	Aug.	Sept.	May	June	July	Aug.	Sept.	Aug.	Sept.	May	June	July	Aug.	Sept.
<b>Total*</b> .....	107.4	111.4	124.9	127.9	130.5	132.8	135.6	105.5	111.6	144.1	152.2	152.6	157.8	163.0
Durable goods*.....	102.4	108.2	131.3	135.1	137.7	138.4	142.3	106.5	115.1	163.1	173.9	172.3	177.1	183.5
Nondurable goods*.....	112.2	114.4	118.8	121.1	123.7	127.5	129.2	104.4	107.7	122.9	127.9	130.7	136.2	140.0
<b>Iron, Steel, Products</b> .....	110.7	113.6	132.9	136.1	137.7	139.9	140.8	113.6	118.0	160.9	163.6	166.3	172.1	171.0
Blast furnaces, steel works.....	122	123	141	144	147	149	149	125	128	173	180	182	183	178
Bolts, nuts, washers, rivets.....	115	118	161	166	167	171	171	139	139	234	248	224	241	226
Cast-iron pipe.....	80	82	94	97	98	96	98	76	79	110	115	112	112	117
Cutlery, edge tools.....	102	107	119	120	124	127	130	93	101	134	139	135	148	150
Forgings.....	73	77	102	105	108	111	113	86	92	153	163	157	169	173
Hardware.....	96	101	117	118	104	113	113	107	114	142	150	124	154	155
Plumbers' supplies.....	87	89	102	102	102	103	99	82	83	105	106	102	107	105
Stamped, enameled ware.....	164	177	218	220	222	225	229	183	201	265	279	272	289	294
Steam, hot-water heating.....	90	94	112	114	119	125	128	85	91	129	138	138	148	156
Stoves.....	98	101	113	116	117	117	116	89	97	119	125	122	128	128
Structural, ornamental.....	80	83	102	106	107	110	110	73	75	114	120	112	124	120
Tin cans, tinware.....	108	105	121	132	139	145	145	122	117	146	163	171	185	188
Tools.....	96	100	135	139	140	143	144	96	104	172	181	174	183	201
Wirework.....	146	165	213	216	213	194	222	163	189	277	285	272	252	296
<b>Machinery</b> .....	119.2	123.1	162.5	167.7	172.3	175.5	177.5	131.1	138.0	217.2	229.9	232.9	241.3	246.2
Agricultural implements.....	131	134	171	172	171	172	171	152	156	229	233	228	238	251
Cash registers, etc.....	129	132	151	163	168	170	174	136	140	196	216	214	223	230
Electrical machinery.....	107	111	154	159	164	167	169	124	131	215	224	232	240	242
Engines, turbines, etc.....	176	183	272	286	298	314	325	240	251	444	485	504	541	565
Foundry, machine-shop products.....	101	103	135	139	143	144	145	101	105	166	178	177	182	184
Machine tools.....	238	248	327	339	346	352	357	303	332	507	529	535	553	585
Radios, phonographs.....	157	160	174	181	189	202	213	150	162	192	200	219	234	257
Textile machinery.....	76	78	101	104	106	108	109	74	76	124	131	133	136	141
Typewriters.....	118	123	144	148	153	156	158	125	137	190	208	217	222	233
<b>Transportation Equipment</b> .....	105.0	127.0	172.0	178.1	179.5	171.4	192.8	115.6	141.4	217.1	240.4	229.3	224.1	256.2
Aircraft.....	3,479	3,764	6,305	6,734	7,280	7,960	8,565	3,727	4,212	7,745	8,212	9,078	10,462	11,268
Automobiles.....	86	112	134	135	127	109	126	96	125	171	188	158	137	163
Cars, electric, steam-railroad.....	51	54	80	85	89	89	95	47	50	85	93	91	94	102
Locomotives.....	33	36	65	68	76	79	80	33	37	80	91	103	105	109
Shipbuilding.....	181	188	311	339	375	388	444	211	227	434	506	583	614	705
<b>Nonferrous Metals, Products</b> .....	113.8	119.8	139.9	141.9	143.5	145.7	146.0	117.0	128.0	166.7	174.6	174.1	182.0	184.0
Aluminum *.....	195	201	234	228	234	239	239	233	248	322	321	320	343	346
Brass, bronze, copper.....	138	147	184	190	190	193	195	161	178	247	262	264	274	272
Clocks, watches.....	95	101	116	117	118	118	107	101	109	143	148	138	146	134
Jewelry.....	99	103	104	107	112	118	119	83	91	98	101	105	113	120
Lighting equipment.....	88	100	112	114	116	116	121	77	90	110	117	118	122	139
Silverware, plated ware.....	69	73	83	84	83	85	87	61	70	91	94	87	94	105
Smelting, refining.....	91	92	102	102	103	104	103	89	92	112	117	117	118	118
<b>Lumber, Products</b> .....	71.3	73.4	74.7	76.9	79.5	81.0	80.8	68.3	71.2	78.0	84.0	85.5	92.5	91.2
Furniture.....	91	95	100	104	106	108	108	82	87	103	110	110	116	118
Lumber, millwork.....	64	67	70	73	76	78	77	53	55	62	67	68	75	74
Lumber, sawmills.....	65	66	66	67	70	71	71	62	64	66	71	74	81	78
<b>Stone, Clay, Glass Products</b> .....	84.5	85.8	95.6	97.1	99.6	101.5	101.5	76.9	79.7	97.8	100.2	98.9	104.1	105.4
Brick, tile, terra cotta.....	64	65	73	75	78	79	79	54	54	69	72	73	77	77
Cement.....	75	75	78	79	82	83	84	73	77	85	90	91	94	93
Glass.....	107	109	124	126	128	130	130	116	121	150	154	147	155	161
Marble, granite, slate.....	49	49	47	46	45	44	45	37	38	39	35	35	36	36
Pottery.....	91	94	113	114	117	119	121	81	87	114	118	115	124	125
<b>Textiles, Products</b> .....	99.7	102.6	112.5	112.6	113.2	115.5	115.6	87.4	92.6	110.3	111.4	113.6	119.5	123.4
Fabrics.....	90.4	92.8	105.1	106.2	107.0	106.9	106.4	80.9	84.8	109.3	111.6	113.3	114.5	117.8
Carpets, rugs.....	71	76	89	90	89	91	91	59	65	90	90	90	94	97
Cotton goods.....	89	92	106	109	109	110	111	80	85	117	120	123	126	130
Cotton small wares.....	77	79	103	104	105	107	106	73	77	114	116	121	124	125
Dyeing, finishing textiles.....	122	125	141	139	139	136	136	102	107	134	133	134	133	136
Hats, fur-felt.....	87	86	81	83	84	82	79	83	77	77	86	91	90	81
Hosiery.....	136	139	143	143	143	142	136	144	147	158	158	160	155	151
Knitted outerwear.....	70	73	77	79	81	81	83	60	64	72	75	75	77	81
Knitted underwear.....	73	74	82	79	86	88	86	66	68	85	83	91	91	96
Knitted cloth.....	148	154	155	160	159	161	161	129	138	149	154	154	157	156
Silk, rayon goods.....	63	64	69	69	69	68	63	51	51	63	64	64	64	61
Woolen, worsted goods.....	87	89	107	108	109	109	110	78	82	113	117	117	119	129
Wearing apparel.....	116.7	120.7	124.2	121.9	122.3	129.8	131.6	94.9	102.5	105.9	104.1	107.3	121.9	127.0
Clothing, men's.....	107	108	119	120	122	123	124	82	83	101	107	109	114	115
Clothing, women's.....	164	171	165	159	160	176	178	130	142	132	119	128	155	164
Corsets, allied garments.....	109	112	118	118	115	119	124	109	123	137	139	132	140	149
Men's furnishings.....	117	123	122	122	126	129	132	114	120	130	131	138	145	155
Millinery.....	73	87	76	63	58	80	85	65	94	51	43	40	75	84
Shirts, collars.....	117	122	132	132	129	134	137	102	108	131	136	131	141	147

\* Revised.

\* Indexes adjusted to Census of Manufactures through 1939. For back figures see BULLETIN for February 1941, p. 166.

## Factory Employment and Payrolls—Continued

[Index numbers of the Bureau of Labor Statistics; adjusted to Census of Manufactures through 1937. 1923-25 average=100]

Industry and group	Factory employment							Factory payrolls						
	1940		1941					1940		1941				
	Aug.	Sept.	May	June	July	Aug.	Sept.	Aug.	Sept.	May	June	July	Aug.	Sept.
<i>Leather, Manufactures</i> .....	92.0	90.8	95.5	98.1	101.0	101.1	99.5	77.0	74.6	91.0	97.2	<sup>1</sup> 103.2	104.7	102.0
Boots, shoes.....	91	90	93	95	98	98	96	75	72	87	92	99	101	96
Leather.....	80	80	90	94	96	95	97	77	77	98	107	109	109	114
<i>Food, Products</i> .....	145.7	147.4	127.4	<sup>1</sup> 135.2	<sup>1</sup> 144.6	158.2	165.3	139.0	138.5	134.7	<sup>1</sup> 144.4	<sup>1</sup> 152.5	165.2	172.9
Baking.....	147	147	149	152	150	153	154	140	141	148	154	153	155	157
Beverages.....	299	283	293	310	324	328	314	358	332	362	391	<sup>1</sup> 421	430	399
Butter.....	103	100	110	114	<sup>1</sup> 112	111	106	89	88	97	105	104	105	99
Canning, preserving.....	264	269	100	136	210	304	352	248	232	91	134	213	321	395
Confectionery.....	80	96	81	80	83	91	102	77	98	84	86	85	101	115
Flour.....	80	81	77	78	80	78	81	76	81	75	79	82	81	93
Ice cream.....	91	81	87	<sup>1</sup> 93	96	96	85	78	70	75	83	85	84	77
Slaughtering, meat packing.....	107	108	117	120	119	118	119	112	113	133	138	139	143	147
Sugar, beet.....	89	102	47	48	52	64	82	88	116	54	57	57	68	90
Sugar refining, cane.....	96	92	103	<sup>1</sup> 103	<sup>1</sup> 98	95	99	83	78	90	<sup>1</sup> 102	<sup>1</sup> 91	100	97
<i>Tobacco Manufactures</i> .....	64.4	65.8	64.9	65.5	65.4	65.8	63.5	62.3	65.9	67.1	70.1	69.8	70.0	70.2
Tobacco, snuff.....	55	56	53	52	52	52	54	65	67	67	67	68	68	69
Cigars, cigarettes.....	66	67	66	67	67	68	65	62	66	67	70	70	70	70
<i>Paper, Printing</i> .....	115.2	116.2	120.8	121.6	123.0	123.9	124.7	110.9	113.4	124.9	128.6	<sup>1</sup> 128.6	130.9	133.2
Boxes, paper.....	118	120	130	135	139	142	145	131	134	159	170	174	182	188
Paper, pulp.....	117	117	123	125	126	128	129	125	124	146	158	157	163	163
Book, job printing.....	100	100	103	102	105	106	104	86	88	96	95	98	99	99
Newspaper, periodical printing.....	114	116	118	117	115	115	117	106	111	114	114	110	110	114
<i>Chemicals, Petroleum, and Coal Products</i> .....	119.4	123.0	<sup>1</sup> 135.4	<sup>1</sup> 136.8	<sup>1</sup> 138.9	141.8	146.1	134.4	138.1	<sup>1</sup> 164.9	<sup>1</sup> 172.4	175.9	179.2	186.4
Petroleum refining.....	123	123	122	125	127	128	128	137	139	146	157	157	159	168
Other than petroleum.....	118.6	123.1	<sup>1</sup> 138.6	<sup>1</sup> 139.6	<sup>1</sup> 141.7	145.2	150.5	133.5	137.8	<sup>1</sup> 170.7	<sup>1</sup> 177.2	<sup>1</sup> 181.7	185.4	192.0
Chemicals.....	142	143	167	172	176	180	182	169	171	222	233	240	247	250
Cottonseed, oil, cake, meal.....	52	81	72	66	63	71	115	49	78	66	62	60	65	117
Druggists' preparations.....	114	118	125	127	129	134	144	127	133	143	150	163	165	176
Explosives.....	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Fertilizers.....	81	96	127	93	91	90	109	71	85	127	94	<sup>1</sup> 90	91	111
Paints, varnishes.....	124	126	141	145	146	144	144	132	136	170	178	173	171	170
Rayon, allied products.....	308	312	324	327	324	329	327	318	328	356	362	369	368	369
Soap.....	84	88	92	93	<sup>1</sup> 96	97	98	102	107	126	129	<sup>1</sup> 133	130	133
<i>Rubber Products</i> .....	85.9	89.4	106.4	110.7	111.4	111.8	112.1	87.7	95.7	128.7	141.2	<sup>1</sup> 135.6	138.9	135.9
Rubber boots, shoes.....	55	56	75	78	79	79	80	57	60	88	98	94	102	105
Rubber tires, inner tubes.....	71	73	83	86	87	87	87	76	85	111	122	118	117	110
Rubber goods, other.....	144	152	182	190	189	193	193	142	153	207	225	214	228	231

<sup>r</sup> Revised. <sup>1</sup> Data not available.

NOTE.— Figures for September 1941 are preliminary. Back data may be obtained from the Bureau of Labor Statistics. Underlying figures are for payroll period ending nearest middle of month.

### 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)						
	1940		1941					1940		1941				
	July	Aug.	Apr.	May	June	July	Aug.	July	Aug.	Apr.	May	June	July	Aug.
<b>Total</b> .....	37.3	38.4	40.0	40.8	41.3	40.3	41.0	66.7	66.8	70.8	72.6	73.8	74.4	74.5
<i>Durable goods</i> .....	37.9	39.7	41.5	42.5	43.1	41.5	42.6	72.7	73.1	78.5	80.6	82.2	82.6	83.0
Iron, Steel, Products.....	37.2	38.8	40.8	41.5	42.0	39.9	41.4	77.7	77.7	84.1	85.8	86.3	86.2	87.1
Machinery.....	40.5	41.2	44.5	45.4	45.6	44.6	45.1	74.4	74.5	78.9	81.8	83.2	83.6	84.4
Transportation Equipment.....	36.2	39.9	39.7	42.4	43.8	41.2	41.9	89.1	89.7	92.3	94.5	97.6	98.8	99.0
Nonferrous Metals, Products.....	38.6	40.1	42.0	42.8	43.1	42.0	43.0	70.1	70.3	74.9	77.0	79.4	80.3	80.8
Lumber, Products.....	37.0	39.4	40.2	40.1	40.9	39.9	41.8	51.9	52.6	54.7	55.6	57.0	57.7	58.8
Stone, Clay, Glass Products.....	35.5	37.0	38.0	38.5	38.6	37.4	38.5	66.5	66.8	69.5	71.0	71.7	72.0	72.1
<i>Nondurable goods</i> .....	36.7	37.2	38.4	38.9	39.4	39.0	39.4	61.5	61.3	62.9	64.1	65.0	65.7	65.8
Textiles, Products.....	33.8	34.9	37.3	37.9	38.1	37.4	38.1	50.2	51.2	52.4	53.0	53.4	55.0	55.4
Fabrics.....	34.8	35.7	38.3	38.8	39.1	38.5	38.9	48.6	48.6	50.9	52.0	52.2	53.4	53.3
Wearing apparel.....	31.9	33.5	35.3	36.2	36.0	35.4	36.4	53.4	55.8	55.3	55.0	55.9	58.2	59.6
Leather, Manufactures <sup>1</sup> .....	35.9	35.8	38.0	37.5	38.7	38.7	39.2	55.3	55.4	57.9	59.0	59.9	60.9	61.5
Food, Products.....	39.9	40.4	39.6	40.3	41.0	41.1	41.3	62.5	61.5	65.5	67.0	67.2	66.1	65.8
Tobacco Manufactures.....	36.8	36.1	33.2	36.9	37.6	37.3	37.2	50.2	49.2	50.6	50.9	51.7	52.3	52.0
Paper, Printing.....	38.4	38.2	39.6	40.0	40.1	39.6	40.1	79.1	78.9	80.5	81.1	82.6	82.5	82.4
Chemicals, Petroleum, and Coal Products.....	38.5	38.7	39.9	39.8	40.5	40.0	40.0	78.3	77.8	77.3	80.6	82.4	83.8	83.7
Petroleum refining.....	35.3	35.8	37.0	37.0	38.2	37.4	38.0	98.6	97.7	99.5	100.8	102.0	103.0	102.5
Other than petroleum refining.....	39.7	39.8	40.7	40.7	41.2	40.8	40.6	70.9	70.7	70.7	74.4	76.1	77.7	78.0
Rubber Products.....	35.7	36.3	39.4	40.3	41.4	39.2	39.4	78.5	77.9	80.4	81.6	83.6	84.5	86.1

<sup>r</sup> Revised.

<sup>1</sup> Beginning with October 1940 figures are not comparable because of expansion in reporting sample.

### CONSTRUCTION CONTRACTS AWARDED, BY TYPES 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 <sup>1</sup>	
					Factories		Commercial		Educational <sup>1</sup>		Other <sup>1</sup>			
	1940	1941	1940	1941	1940	1941	1940	1941	1940	1941	1940	1941	1940	1941
January.....	196.2	305.2	77.4	111.3	12.9	55.9	15.9	26.9	6.1	11.6	17.7	24.2	66.3	75.1
February.....	200.6	270.4	74.9	116.5	15.4	37.8	20.2	20.9	8.1	7.9	26.9	23.5	55.2	63.9
March.....	272.2	479.9	121.7	147.9	21.8	121.8	23.1	33.1	9.3	10.4	19.6	36.1	76.7	130.6
April.....	300.5	406.7	135.4	166.5	23.5	66.2	24.0	36.2	17.4	11.2	24.0	29.7	76.3	96.9
May.....	328.9	548.7	145.9	201.3	23.2	81.1	26.1	50.8	15.3	17.1	25.6	53.5	92.8	144.9
June.....	324.7	539.1	135.3	205.6	15.2	102.3	33.1	35.7	14.3	13.5	29.4	49.0	97.5	133.0
July.....	398.7	577.4	140.4	205.0	49.5	109.8	38.9	37.2	16.5	19.1	34.1	54.5	119.3	151.7
August.....	414.9	760.2	153.0	231.5	39.6	135.7	28.6	69.8	14.4	11.7	36.6	69.4	142.8	242.0
September.....	347.7	-----	152.4	-----	38.0	-----	27.1	-----	9.8	-----	26.4	-----	94.0	-----
October.....	383.1	-----	148.5	-----	47.1	-----	29.4	-----	18.6	-----	41.2	-----	98.2	-----
November.....	380.3	-----	152.8	-----	79.0	-----	24.9	-----	8.5	-----	35.9	-----	79.1	-----
December.....	456.2	-----	159.3	-----	77.3	-----	27.1	-----	8.9	-----	69.3	-----	114.3	-----
Year.....	4,004.0	-----	1,596.9	-----	442.4	-----	318.3	-----	147.2	-----	386.7	-----	1,112.4	-----

<sup>1</sup> Not strictly comparable with data for earlier years due to changes in classification.

### 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 <sup>1</sup>						Private ownership <sup>1</sup>					
	1936	1937	1938	1939	1940	1941	1936	1937	1938	1939	1940	1941	1936	1937	1938	1939	1940	1941
January.....	215	243	192	252	196	305	149	112	118	148	93	111	66	130	75	104	104	194
February.....	140	188	119	220	201	270	79	69	51	111	82	96	62	119	68	109	119	174
March.....	199	231	227	301	272	480	96	66	95	128	95	226	103	165	132	173	177	254
April.....	235	270	222	330	301	407	105	74	99	160	103	169	130	195	123	170	197	238
May.....	216	244	283	308	329	549	94	93	144	135	112	255	122	151	139	174	217	294
June.....	233	318	251	288	325	539	116	137	108	128	147	302	116	180	143	161	177	237
July.....	295	322	240	300	399	577	153	131	98	137	205	346	141	191	142	163	194	231
August.....	275	281	313	312	415	760	153	104	171	158	195	509	122	178	142	154	220	251
September.....	234	207	301	323	348	623	116	80	160	144	144	400	119	127	141	179	204	223
October.....	226	202	358	262	383	-----	101	78	203	92	175	-----	125	124	154	170	209	-----
November.....	208	198	302	300	380	-----	89	93	179	144	195	-----	119	106	123	166	186	-----
December.....	200	209	389	354	456	-----	82	115	279	225	258	-----	117	94	110	129	198	-----
Year.....	2,675	2,913	3,197	3,551	4,004	-----	1,334	1,152	1,705	1,708	1,802	-----	1,341	1,761	1,492	1,822	2,202	-----

<sup>1</sup> Back figures.—See BULLETIN for February 1938, p. 159. Data for years prior to 1932 not available.

### CONSTRUCTION CONTRACTS AWARDED, BY DISTRICTS

[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	1941		1940
	Sept.	Aug.	Sept.
Boston.....	31,284	*41,779	26,700
New York.....	57,862	*76,321	53,900
Philadelphia.....	37,932	26,437	23,934
Cleveland.....	46,865	*52,589	34,643
Richmond.....	77,738	*146,093	34,192
Atlanta.....	115,995	*102,851	31,323
Chicago.....	61,107	*118,723	69,156
St. Louis.....	99,462	*62,782	25,467
Minneapolis.....	10,030	13,597	12,028
Kansas City.....	38,756	25,462	13,744
Dallas.....	46,261	*93,599	22,564
Total (11 districts).....	623,292	760,233	347,651

\* Revised.

### COMMERCIAL FAILURES, BY DISTRICTS

[Figures reported by Dun & Bradstreet. Amounts in thousands of dollars.]

Federal Reserve district	Number			Liabilities		
	1941		1940	1941		1940
	Sept.	Aug.	Sept.	Sept.	Aug.	Sept.
Boston.....	65	60	44	722	786	630
New York.....	245	357	321	3,406	3,214	3,918
Philadelphia.....	54	68	75	383	1,445	701
Cleveland.....	41	47	36	490	750	1,049
Richmond.....	25	32	37	367	377	348
Atlanta.....	30	42	43	632	317	488
Chicago.....	90	136	145	931	2,090	1,337
St. Louis.....	27	23	36	284	183	665
Minneapolis.....	19	15	20	1,076	75	240
Kansas City.....	35	42	49	277	217	255
Dallas.....	11	20	23	121	210	159
San Francisco.....	93	112	147	704	1,470	1,607
Total.....	735	954	976	9,393	11,134	11,397

New series. Includes cases of discontinuances where loss to creditors was involved even though actual legal formalities were not invoked. Back figures, available for 1939 only, may be obtained from Dun and Bradstreet, Inc.

## MERCHANDISE EXPORTS AND IMPORTS

[In millions of dollars]

Month	Merchandise exports <sup>1</sup>					Merchandise imports <sup>2</sup>					Excess of exports				
	1937	1938	1939	1940	1941	1937	1938	1939	1940	1941	1937	1938	1939	1940	1941
January.....	223	289	213	370	325	240	171	178	242	229	-18	118	35	128	*96
February.....	233	262	219	347	303	278	163	158	200	234	-45	99	61	147	*69
March.....	257	275	268	351	357	307	173	190	217	268	-51	102	77	134	89
April.....	269	274	231	323	387	287	160	186	212	287	-18	115	45	111	100
May.....	290	257	249	324	385	285	148	202	211	297	5	109	47	112	88
June.....	265	233	236	350	330	286	146	179	211	280	-21	87	57	138	50
July.....	268	228	230	317	359	265	141	169	232	278	3	87	61	84	81
August.....	277	231	250	351	*455	246	166	176	221	*283	31	65	74	130	*173
September.....	297	246	289	295	-----	233	168	182	195	-----	63	79	107	101	-----
October.....	333	278	332	344	-----	224	178	215	207	-----	108	100	117	137	-----
November.....	315	252	292	328	-----	223	176	235	224	-----	92	76	57	104	-----
December.....	323	269	368	322	-----	209	171	247	253	-----	115	98	121	69	-----
Year.....	3,349	3,094	3,177	4,021	-----	3,084	1,960	2,318	2,625	-----	265	1,134	859	1,396	-----
Jan.-Aug.....	2,082	2,049	1,896	2,732	*2,900	2,194	1,267	1,439	1,747	*2,154	-113	782	457	985	*746

\* Preliminary. † Revised.

<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 February 1937, p. 152; July 1933, p. 431; and January 1931, p. 18.

### FREIGHT-CAR LOADINGS, BY CLASSES

[Index numbers; 1935-39 average=100]

	Total	Coal	Coke	Grain	Live-stock	For-est products	Ore	Mis-cel-laneous	Mer-chandise l.c.l.
<b>SEASONALLY ADJUSTED</b>									
1940—Aug.....	112	124	162	96	96	115	139	110	95
Sept.....	112	114	147	*107	98	122	145	112	95
Oct.....	110	91	149	100	99	128	181	116	96
Nov.....	116	109	150	98	98	131	181	120	97
Dec.....	119	107*	153	96	96	133	164	125	99
1941—Jan.....	122	109	145	102	88	138	180	130	99
Feb.....	124	113	149	102	93	133	181	131	101
Mar.....	126	128	168	113	93	127	192	128	100
Apr.....	112	45	137	113	93	130	266	130	102
May.....	135	138	182	124	91	130	266	136	102
June.....	139	156	189	126	88	136	152	139	102
July.....	138	150	200	112	83	149	156	140	100
Aug.....	139	158	199	103	84	152	155	141	99
Sept.....	130	133	176	111	84	138	149	135	97
<b>UNADJUSTED</b>									
1940—Aug.....	113	109	136	117	91	120	244	110	96
Sept.....	125	120	144	117	129	132	254	124	100
Oct.....	125	104	149	107	152	135	238	132	100
Nov.....	122	121	159	96	124	129	145	125	98
Dec.....	112	121	167	87	92	119	46	116	95
1941—Jan.....	113	124	174	90	84	124	45	115	94
Feb.....	115	129	183	85	75	128	45	118	98
Mar.....	120	132	175	97	74	127	50	124	101
Apr.....	108	38	120	96	82	130	203	131	103
May.....	131	117	167	107	82	135	276	138	102
June.....	136	131	170	123	69	141	265	141	101
July.....	138	127	172	163	70	149	283	139	99
Aug.....	140	139	167	125	80	160	271	141	99
Sept.....	145	140	172	122	111	149	261	150	102

\* 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 <sup>1</sup>

[Millions of dollars]

	Total railway operating revenues	Total railway expenses	Net railway operating income	Net income
<b>SEASONALLY ADJUSTED*</b>				
1940—July.....	356	302	54	13
Aug.....	365	*305	*60	16
Sept.....	377	309	67	25
Oct.....	363	311	52	8
Nov.....	379	312	67	25
Dec.....	401	316	85	43
1941—Jan.....	389	316	73	32
Feb.....	402	319	84	43
Mar.....	417	334	83	41
Apr.....	382	323	59	*18
May.....	439	346	93	50
June.....	474	363	110	68
July.....	471	370	100	58
Aug.....	485	374	111	-----
<b>UNADJUSTED</b>				
1940—July.....	366	308	58	*17
Aug.....	*382	315	*67	22
Sept.....	383	308	74	31
Oct.....	414	327	87	43
Nov.....	375	304	71	31
Dec.....	382	303	79	51
1941—Jan.....	377	315	62	20
Feb.....	358	300	58	15
Mar.....	416	336	81	35
Apr.....	375	322	53	7
May.....	442	354	89	43
June.....	455	362	93	53
July.....	485	379	106	64
Aug.....	494	382	111	*67

\* Revised. † Preliminary.

\* Derived from Interstate Commerce Commission data.

<sup>1</sup> Excludes switching and terminal companies.

NOTE.—Descriptive material and back figures may be obtained from the Division of Research and Statistics.

## DEPARTMENT STORE STATISTICS

### MONTHLY INDEXES OF SALES AND STOCKS

Index numbers based on value figures; 1923-25 average=100

	Seasonally adjusted				Unadjusted			
	1938	1939	1940	1941	1938	1939	1940	1941
<b>SALES</b>								
Jan.	90	88	92	101	70	69	71	79
Feb.	88	88	90	103	70	69	71	81
Mar.	86	88	89	103	77	82	86	93
Apr.	83	88	89	104	86	88	86	106
May	80	87	89	105	80	87	89	105
June	82	86	91	104	79	83	87	100
July	83	87	92	115	58	60	64	79
Aug.	83	88	98	134	65	69	77	106
Sept.	85	90	97	116	91	97	105	125
Oct.	86	92	94	-----	92	99	101	-----
Nov.	87	93	100	-----	99	106	114	-----
Dec.	88	95	101	-----	156	168	179	-----
Year	-----	-----	-----	-----	85	90	94	-----
<b>STOCKS</b>								
Jan.	71	67	68	71	63	60	61	64
Feb.	70	68	71	73	67	65	68	70
Mar.	70	68	70	74	71	69	71	75
Apr.	69	67	69	74	71	69	71	78
May	69	66	68	74	71	68	70	76
June	68	67	67	77	65	64	64	73
July	67	67	68	82	61	60	61	73
Aug.	67	67	69	87	65	65	66	84
Sept.	67	68	70	92	70	71	73	95
Oct.	67	69	71	-----	74	77	79	-----
Nov.	67	71	72	-----	78	82	83	-----
Dec.	66	68	71	-----	62	64	66	-----
Year	-----	-----	-----	-----	68	68	69	-----

Back figures.—Department store sales, see BULLETIN for August 1936, p. 631, for October 1938, p. 918, and for January 1941, p. 65; department store stocks, see BULLETIN for March 1938, p. 232.

### WEEKLY INDEX OF SALES

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

1938		1939		1940		1941	
Sept. 3	105	Sept. 2	108	Aug. 31	118	Aug. 30	152
10	94	9	98	Sept. 7	109	Sept. 6	122
17	111	16	112	14	123	13	133
24	104	23	107	21	117	20	131
Oct. 1	105	30	120	28	120	27	148
8	112	Oct. 7	123	Oct. 5	125	Oct. 4	169
15	103	14	112	12	115	11	130
22	105	21	116	19	123	18	131

### SALES BY DEPARTMENTS

Percentage change from corresponding period of preceding year

Department	September 1941	Nine months 1941
<b>NET SALES—entire store</b>	+24*	+17*
<b>Main Store</b>	+25	+18
<b>Basement Store</b>	+18	+14
<b>Women's, girls', and infants' apparel and accessories</b>	+32	+16
<b>Main store</b> <sup>1</sup>	+23	+16
Women's and misses' coats and suits	+56	+27
Women's and misses' dresses	+14	+11
Blouses, skirts, sportswear, sweaters, knit apparel	+21	+19
Juniors' and girls' wear	+19	+19
Aprons, housedresses, uniforms	+20	+14
Women's underwear, slips, negligees	+24	+15
Infants' wear	+18	+16
Women's and children's shoes	+14	+12
Furs	+107	+45
<b>Basement</b> <sup>2</sup>	+18	+14
<b>Men's and boys' wear</b>	+16	+13
<b>Main store</b> <sup>1</sup>	+17	+14
Men's clothing	+18	+16
Men's furnishings, hats, caps	+19	+11
Boys' clothing and furnishings	+14	+14
<b>Basement</b> <sup>2</sup>	+14	+10
<b>Homefurnishings</b>	+28	+24
<b>Main store</b> <sup>1</sup>	+28	+24
Furniture, beds, mattresses, springs	+25	+25
Domestic floor coverings	+27	+26
Draperies, curtains, upholstery	+24	+15
Major appliances (refrigerators, washers, stoves, etc.)	+51	+40
Domestics, blankets, comforters, linens, towels	+26	+24
<b>Basement (including domestics, blankets, linens, towels)</b> <sup>2</sup>	+24	+20
<b>Piece goods (dress and coat yard goods, all materials)</b>	+18	+7
<b>Main store</b>	+18	+7
<b>Basement</b>	+17	+9
<b>Shoes (basement only)</b>	+10	+8

\* Based on reports from 244 stores. Reports of total sales from a larger number of stores, including many stores not reporting sales by departments, showed an increase of 24 per cent for September and 19 per cent for the first nine months of 1941, as indicated in the table below.

<sup>1</sup> Group totals for main store include sales in departments not shown separately.

<sup>2</sup> Group totals for basement are not strictly comparable with those shown for main store owing chiefly to inclusion in basement of fewer departments and somewhat different types of merchandise.

### SALES BY FEDERAL RESERVE DISTRICTS AND BY CITIES

Percentage change from corresponding period of preceding year

	Sept. 1941	Aug. 1941	Nine mos. 1941		Sept. 1941	Aug. 1941	Nine mos. 1941		Sept. 1941	Aug. 1941	Nine mos. 1941				
<b>United States</b>	+24	+32	+19	<b>Cleveland (cont'd)</b>				<b>Chicago</b>	+25	+28	+18	<b>Dallas</b>	+22	+35	+19
<b>Boston</b>	+26	+31	+19	<b>Cleveland</b>	+33	+43	+25	<b>Chicago</b>	+22	+18	+11	<b>Shreveport</b>	+28	+39	+18
<b>New Haven</b>	+21	+32	+17	<b>Columbus</b>	+26	+32	+18	<b>Peoria</b>	+22	+31	+15	<b>Dallas</b>	+27	+38	+19
<b>Portland</b>	+32	+29	+19	<b>Toledo</b>	+16	+32	+18	<b>Fort Wayne</b>	+32	+43	+28	<b>Fort Worth</b>	+30	+31	+20
<b>Boston</b>	+27	+28	+15	<b>Youngstown</b>	+35	+36	+28	<b>Indianapolis</b>	+22	+36	+20	<b>Houston</b>	+9	+34	+16
<b>Springfield</b>	+25	+37	+21	<b>Erie</b>	+34	+50	+27	<b>Des Moines</b>	+22	+19	+12	<b>San Antonio</b>	+29	+38	+27
<b>Providence</b>	+30	+30	+20	<b>Pittsburgh</b>	+23	+37	+18	<b>Sioux City</b>	+37	+16	+14				
				<b>Wheeling</b>	+29	+53	+25	<b>Detroit</b>	+29	+42	+25	<b>San Francisco</b>	+29	+34	+20
<b>New York</b>	+20	+29	+16					<b>Flint</b>	+10	+30	+26	<b>Phoenix</b>	+45	+61	+30
<b>Bridgeport</b>	+42	+43	+29	<b>Richmond</b>	+19	+34	+22	<b>Grand Rapids</b>	+25	+31	+17	<b>Bakersfield</b>	+13	+27	+6
<b>Newark</b>	+20	+29	+15	<b>Washington</b>	+17	+32	+22	<b>Lansing</b>	+27	+45	+30	<b>Fresno</b>	+22	+32	+11
<b>Albany</b>	+17	+29	+16	<b>Baltimore</b>	+20	+36	+22	<b>Milwaukee</b>	+28	+31	+21	<b>Long Beach</b>	+34	+57	+29
<b>Binghamton</b>	+31	+43	+24	<b>Winston-Salem</b>	+20	+21	+15	<b>St. Louis</b>	+25	+36	+21	<b>Los Angeles</b>	+24	+31	+18
<b>Buffalo</b>	+11	+45	+24	<b>Charleston, S.C.</b>	+34	+67	+37	<b>Fort Smith</b>	+16	+30	+16	<b>Oakland and Berkeley</b>	+30	+31	+13
<b>Elmira</b>	+30	+60	+34	<b>Norfolk</b>	+19	+25	+16	<b>Little Rock</b>	+28	+50	+27	<b>Sacramento</b>	+25	+28	+13
<b>Niagara Falls</b>	+31	+37	+15	<b>Richmond</b>	+31	+46	+44	<b>Quincy</b>	+29	+24	+15	<b>San Diego</b>	+33	+40	+37
<b>New York City</b>	+21	+25	+14	<b>Richmond</b>	+20	+20	+17	<b>Evansville</b>	+13	+29	+15	<b>San Francisco</b>	+28	+22	+16
<b>Poughkeepsie</b>	+18	+23	+15	<b>Charleston</b>	+10	+47	+24	<b>Louisville</b>	+33	+57	+37	<b>San Jose</b>	+18	+20	+6
<b>Rochester</b>	+21	+30	+16	<b>Huntington</b>	+27	+48	+22	<b>St. Louis</b>	+24	+30	+17	<b>Santa Rosa</b>	+21	+30	+11
<b>Syracuse</b>	+24	+41	+23					<b>Springfield</b>	+32	+51	+41	<b>Stockton</b>	+22	+27	+8
				<b>Atlanta</b>	+21	+34	+20	<b>Memphis</b>	+24	+36	+21	<b>Vallejo and Napa</b>	+39	+45	+43
<b>Philadelphia</b>	+21	+32	+18	<b>Birmingham</b>	+28	+37	+23	<b>Minneapolis</b>	+22	+17	+12	<b>Boise and Nampa</b>	+27	+31	+11
<b>Trenton</b>	+20	+31	+18	<b>Montgomery</b>	+18	+30	+15	<b>Kansas City</b>	+26	+26	+17	<b>Portland</b>	+31	+42	+20
<b>Lancaster</b>	+37	+28	+16	<b>Jacksonville</b>	+24	+41	+31	<b>Denver</b>	+30	+32	+18	<b>Salt Lake City</b>	+29	+33	+19
<b>Philadelphia</b>	+22	+32	+19	<b>Tampa</b>	+6	+45	+23	<b>Hutchinson</b>	+33	+29	+19	<b>Bellingham</b>	+42	+37	+15
<b>Reading</b>	+21	+31	+21	<b>Atlanta</b>	+22	+30	+19	<b>Topeka</b>	+16	+20	+13	<b>Everett</b>	+28	+49	+27
<b>Wilkes-Barre</b>	+24	+39	+16	<b>Macon</b>	+36	+48	+25	<b>Wichita</b>	+37	+42	+23	<b>Seattle</b>	+48	+45	+31
<b>York</b>	+21	+4	+17	<b>Baton Rouge</b>	+22	+33	+17	<b>Joplin</b>	+29	+36	+22	<b>Spokane</b>	+33	+34	+19
				<b>New Orleans</b>	+29	+33	+19	<b>Kansas City</b>	+28	+21	+17	<b>Tacoma</b>	+40	+64	+40
<b>Cleveland</b>	+27	+41	+23	<b>Jackson</b>	+26	+38	+21	<b>St. Joseph</b>	+14	+14	+11	<b>Walla Walla</b>	+16	+24	+5
<b>Akron</b>	+41	+59	+33	<b>Chatanooga</b>	+20	+41	+22	<b>Omaha</b>	+30	+27	+14	<b>Yakima</b>	+25	+37	+8
<b>Cincinnati</b>	+20	+36	+18	<b>Knoxville</b>	+21	+38	+21	<b>Oklahoma City</b>	+23	+22	+18				
				<b>Nashville</b>	+16	+34	+21	<b>Tulsa</b>	+21	+24	+15				

\* Revised.

# WHOLESALE PRICES, BY GROUPS OF COMMODITIES

[Index numbers of the Bureau of Labor Statistics. 1928=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	Housefurnishing 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	72.0	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	72.0	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	81.3	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
1940—July	77.7	66.5	70.3	82.3	99.0	72.4	71.1	95.1	92.5	77.0	88.5	77.7
August	77.4	65.6	70.1	82.0	96.9	72.3	71.1	94.9	93.3	76.7	88.5	76.7
September	78.0	66.2	71.5	82.3	98.3	72.5	71.0	95.4	95.6	76.8	88.5	76.5
October	78.7	66.4	71.1	83.5	100.4	73.6	71.6	97.3	97.8	76.9	88.6	76.9
November	79.6	68.2	72.5	84.1	102.3	74.5	71.9	97.6	98.9	77.5	88.6	77.5
December	80.0	69.7	73.5	84.1	102.3	74.8	71.7	97.6	99.3	77.7	88.9	77.3
1941—January	80.8	71.6	73.7	84.3	102.4	75.2	72.1	97.7	99.6	78.6	89.0	77.1
February	80.6	70.3	73.5	84.4	101.6	76.4	72.1	97.6	98.3	78.5	89.1	76.9
March	81.5	71.6	75.2	84.9	102.6	78.4	72.0	97.7	99.5	79.8	89.5	77.6
April	83.2	74.4	77.9	85.9	103.9	81.0	72.9	97.9	100.1	81.8	90.4	78.6
May	84.9	76.4	79.5	87.4	106.4	83.0	75.6	98.1	100.4	83.6	91.4	79.6
June	87.1	82.1	83.1	88.6	107.8	84.5	77.9	98.3	101.0	83.8	93.1	80.6
July	88.8	85.8	84.7	89.7	109.4	86.2	78.5	98.5	103.1	85.2	94.4	82.0
August	90.3	87.4	87.2	90.8	110.2	88.3	79.0	98.6	105.5	86.0	95.4	83.7
September	91.8	91.0	89.5	91.6	111.3	89.7	79.3	98.6	106.4	87.4	97.2	85.1
Week ending—												
1941—July 5	87.7	84.1	84.1	89.2	108.8	84.1	79.0	98.4	101.7	84.6	94.3	81.2
July 12	88.1	85.0	84.1	89.5	109.3	84.3	79.1	98.0	102.4	85.1	95.3	81.3
July 19	88.3	85.4	83.8	89.7	109.6	85.0	79.3	98.6	102.6	85.0	95.4	81.7
July 26	88.8	86.7	84.6	90.0	109.7	86.4	79.4	98.6	102.7	85.0	95.5	81.8
August 2	89.2	87.2	85.5	90.2	109.7	86.6	79.4	98.6	103.3	85.5	95.8	82.3
August 9	89.6	87.8	86.2	90.6	109.9	87.1	79.6	98.6	104.2	85.7	95.9	83.0
August 16	89.6	86.4	86.7	90.7	110.2	87.4	79.5	98.7	104.8	85.9	96.4	83.1
August 23	90.0	86.7	87.0	90.9	110.8	87.3	79.8	98.6	105.2	85.9	96.8	83.6
August 30	90.6	88.6	88.2	91.1	110.9	87.6	79.8	98.7	105.7	85.8	96.9	84.1
September 6	91.0	89.1	88.6	91.4	111.2	88.3	79.9	98.7	106.0	86.0	97.1	84.5
September 13	91.6	91.6	89.1	91.6	111.4	88.7	80.0	98.7	105.9	87.3	97.9	84.9
September 20	91.5	91.2	88.5	91.8	111.7	89.2	80.0	98.7	106.2	87.8	98.0	85.0
September 27	91.2	89.9	87.6	92.0	112.3	89.6	80.1	98.7	106.6	88.1	98.3	85.1
October 4	91.6	90.3	89.7	92.1	112.4	89.9	80.1	98.7	106.6	89.7	98.5	85.0
October 11	91.6	90.5	89.2	92.3	112.6	90.1	79.9	98.6	107.1	89.8	99.7	85.9
October 18	91.7	89.8	88.4	93.1	113.2	90.2	80.0	102.2	106.9	89.7	99.9	85.6
October 25	91.2	88.1	87.5	93.0	113.2	90.3	79.9	102.2	107.0	89.6	99.9	85.5

Subgroups	1940					1941				
	Sept.	June	July	Aug.	Sept.	Sept.	June	July	Aug.	Sept.
<b>Farm Products:</b>										
Grains	61.7	75.9	76.3	79.6	85.3					
Livestock and poultry	72.4	93.0	98.9	99.0	101.1					
Other farm products	63.2	76.6	79.9	82.0	86.0					
<b>Foods:</b>										
Dairy products	75.1	84.3	87.7	90.3	93.3					
Cereal products	76.0	79.8	80.3	81.5	85.8					
Fruits and vegetables	60.8	73.0	69.4	70.3	70.7					
Meats	79.0	90.8	93.8	97.5	99.4					
Other foods	62.6	79.5	81.6	84.4	86.5					
<b>Hides and Leather Products:</b>										
Shoes	107.0	111.7	114.7	116.1	117.1					
Hides and skins	84.0	112.4	112.5	112.2	112.1					
Leather	88.9	97.9	98.1	98.5	100.0					
Other leather products	99.7	102.1	102.7	103.7	106.3					
<b>Textile Products:</b>										
Clothing	85.6	91.6	93.9	95.1	96.1					
Cotton goods	69.2	94.6	96.1	101.5	104.2					
Hosiery and underwear	61.4	61.9	62.9	63.8	64.4					
Silk	42.8	51.2	51.4	52.0	—					
Rayon	29.5	29.5	29.5	29.5	29.8					
Woolen and worsted goods	84.2	94.6	96.5	98.2	101.4					
Other textile products	71.6	94.1	98.0	96.8	95.1					
<b>Fuel and Lighting Materials:</b>										
Anthracite	79.6	81.0	82.2	83.3	84.5					
Bituminous coal	96.8	103.7	104.9	106.3	107.2					
Coke	109.6	122.2	122.2	122.2	122.2					
Electricity	73.5	67.2	—	—	—					
Gas	84.8	81.0	80.8	78.3	—					
Petroleum products	48.9	59.9	60.9	61.4	61.7					
<b>Metals and Metal Products:</b>										
Agricultural implements	92.4	92.4	92.5	92.9	93.4					
Farm machinery	93.7	93.5	93.5	93.9	94.4					
Iron and steel	94.9	96.5	96.8	96.9	96.9					
Motor vehicles	96.1	100.3	100.4	100.4	100.4					
Nonferrous metals	80.7	84.5	84.7	84.4	84.4					
Plumbing and heating	80.5	83.1	83.2	86.8	87.1					
<b>Building Materials:</b>										
Brick and tile	90.2	92.5	94.2	95.1	95.7					
Cement	90.6	91.9	92.1	92.1	92.2					
Lumber <sup>1</sup>	107.1	117.6	122.3	127.5	129.1					
Paint and paint materials	84.1	90.3	91.6	93.3	94.7					
Plumbing and heating	80.5	83.1	83.2	86.8	87.1					
Structural steel	107.3	107.3	107.3	107.3	107.3					
Other building materials	93.5	96.9	98.4	99.9	100.2					
<b>Chemicals and Allied Products:</b>										
Chemicals	84.8	87.2	87.3	87.5	88.2					
Drugs and pharmaceuticals	96.0	99.9	100.0	100.1	104.4					
Fertilizer materials	68.1	69.9	74.0	75.3	76.6					
Mixed fertilizers	74.2	73.8	77.0	77.1	77.1					
Oils and fats	39.9	80.6	83.7	87.3	91.3					
<b>Housefurnishing Goods:</b>										
Furnishings	94.8	99.0	99.7	100.7	102.1					
Furniture	81.8	87.0	88.9	89.9	92.2					
<b>Miscellaneous:</b>										
Auto tires and tubes	58.8	58.8	58.8	60.8	60.8					
Cattle feed	75.9	88.9	104.2	108.8	126.2					
Paper and pulp	93.2	98.0	98.8	100.7	101.7					
Rubber, crude	39.8	45.6	46.0	47.8	47.1					
Other miscellaneous	82.6	87.4	88.9	89.8	91.0					

<sup>r</sup> Revised.

<sup>1</sup> Revised series.

Back figures.—For monthly and annual indexes of groups, see Annual Report for 1937 (table 86); for indexes of subgroups, see Annual Report for 1937 (table 87).

**CURRENT STATISTICS FOR FEDERAL RESERVE CHART BOOK\***  
**ON BANK CREDIT, MONEY RATES, AND BUSINESS**

	Chart book page	1941					Chart book page	1941				
		Sept. 24	Oct. 1	Oct. 8	Oct. 15	Oct. 22		July	Aug.	Sept.		
<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>							<b>RESERVES AND CURRENCY</b>					
Reserve Bank credit, total	3	2.28	2.24	2.27	2.31	2.29	Reserve Bank credit, total	2, 7	2.30	2.28	2.30	
U. S. Gov't securities,							U. S. Gov't securities	7	2.18	2.18	2.18	
by maturities, total	5	2.18	2.18	2.18	2.18	2.18	Bills discounted	7	(5)	.01	.01	
Within 1 yr.	5	.19	.19	.19	.19	.15	Gold stock	2	22.65	22.70	22.74	
Within 5 yrs.	5	.95	.95	.95	.95	.91	Money in circulation	2	9.67	9.84	10.06	
After 5 yrs.	5	1.23	1.23	1.23	1.23	1.28	Treasury cash	2	2.30	2.36	2.38	
Gold stock	3	22.75	22.76	22.77	22.78	22.79	Treasury deposits	2	.95	.83	.48	
Treasury currency	3	3.19	3.20	3.20	3.21	3.21	Reserve balances	2, 8	13.12	13.00	13.18	
Money in circulation	3, 11	10.07	10.18	10.24	10.28	10.28	Required reserves	8	7.93	7.99	8.07	
Treasury cash holdings	3	2.35	2.26	2.24	2.22	2.20	Excess reserves	8	5.19	5.02	5.12	
Treasury deposits	3	.38	.31	.30	.26	.98	Money in circulation, total	10	9.73	10.00	10.16	
Nonmember deposits	3	1.86	1.92	1.88	1.92	1.80	Coins and bills under \$50.	10	6.99	7.24	7.38	
Member bank reserves	3	13.27	13.24	13.29	13.32	12.75	Bills of \$50 and over	10	2.74	2.76	2.79	
Excess reserves—total*	9	5.20	5.19	5.22	5.23	5.87	<b>TREASURY FINANCE</b>					
New York City	9	1.86	1.77	1.72	1.71	1.62	U. S. Government debt:					
Chicago	9	.52	.57	.67	.52	.46	Direct obligations, total	19	48.97	50.37	50.79	
Reserve city banks	9	1.85	1.85	1.88	1.91	1.80	Bonds	19	35.34	35.56	35.79	
Country banks*	9	.97	0.99	1.04	1.08	0.99	Notes	19	5.70	6.74	7.04	
<b>MEMBER BANKS</b>							Bills	19	1.60	1.60	1.30	
Total, 101 cities:							Special issues	19	6.32	6.47	6.66	
Loans and investments	16	29.12	29.13	29.13	29.39	29.62	Guaranteed obligations	19	6.93	6.93	6.93	
Balances due to							<b>MONEY RATES, ETC.</b>					
domestic banks	16	9.55	9.67	9.61	9.89	9.46	<i>Per cent per annum</i>					
Demand deposits ad-							F. R. Bank discount					
justed	16	24.39	24.28	24.40	24.64	24.38	rate, N. Y.	23	1.00	1.00	1.00	
Time deposits	16	5.43	5.43	5.44	5.44	5.44	Treasury bills (new issues)	23	0.097	0.108	0.055	
New York City:							Treasury notes <sup>2</sup>	23	0.37	0.33	0.34	
Commercial loans	17	2.45	2.48	2.52	2.55	2.54	U. S. Gov't bonds <sup>3</sup>	29	1.90	1.94	1.94	
Brokers' loans	17	.34	.35	.36	.40	.38	Commercial paper	25	.50	.50	.50	
U. S. Gov't obligations	17	7.04	7.00	6.97	6.99	7.05	Corporate Aaa bonds	25, 29	2.74	2.74	2.75	
100 cities outside New York:							Corporate Baa bonds	29	4.28	4.27	4.30	
Commercial loans	17	3.94	3.97	3.99	4.02	4.01	<i>In unit indicated</i>					
U. S. Gov't obligations	17	7.36	7.30	7.34	7.39	7.61	Stock prices					
<b>MONEY RATES, ETC.</b>		<i>Per cent per annum</i>										
Treasury bills (new issues)	21	.062	.002	.001	.024	.067	(1935-1939=100):					
Treasury notes <sup>2</sup>	21	0.38	0.38	0.39	0.41	0.41	Total**	31	83.2	83.2	83.6	
U. S. Gov't bonds <sup>3</sup>	21, 29	1.94	1.92	1.90	1.90	1.87	Industrial	31	84.2	84.3	84.8	
Corporate Aaa bonds	29	2.75	2.74	2.73	2.73	2.73	Railroad	31	73.8	74.4	72.6	
Corporate Baa bonds	29	4.33	4.31	4.27	4.28	4.28	Public utility	31	81.8	81.0	81.3	
		<i>In unit indicated</i>					Volume of trading (mill. shares)		31	.76	.47	.60
Stock prices							Brokers' balances (mill. dollars):					
(1935-1939=100):							Credit extended customers	33	628	628	633	
Total**	31	83.4	82.7	81.4	79.6	79.5	Money borrowed	33	388	460	396	
Industrial	31	84.8	84.0	82.5	80.6	80.6	Customers' free credit balances	33	266	262	260	
Railroad	31	71.4	71.4	71.2	70.1	69.5	<b>BUSINESS CONDITIONS</b>					
Public utility	31	80.7	80.1	79.5	78.4	77.6	Wholesale prices:					
Volume of trading (mill. shares)	31	.62	.43	.55	.62	.59	All commodities (1928=100):					
<b>BUSINESS CONDITIONS</b>							Total <sup>4</sup>		35, 65	88.8	90.3	91.8
Wholesale prices:							Farm products	35	85.8	87.4	91.0	
All commodities (1928=100):							Other <sup>4</sup>	35	89.7	90.8	91.6	
Total	35	91.2	91.6	91.6	91.7	91.2	Industrial commodities					
Farm products	35	89.9	90.3	90.5	89.8	88.1	(Aug. 1939=100):					
Other <sup>4</sup>	35	92.0	92.1	92.3	93.1	93.0	Total	37	113.0	114.4	115.6	
Basic commodities							Finished	37	109.1	110.2	110.9	
(Aug. 1939=100), total	36	155.6	155.9	154.2	149.6	152.2	Raw and semifinished	37	120.8	122.9	125.0	
12 foodstuffs	36	170.4	171.1	165.6	156.7	162.5	Cost of living (1935-39=100):					
16 industrial materials	36	145.2	145.2	146.0	144.3	144.8	All items	39	105.3	106.2	108.1	
Steel production							Rent	39	106.1	106.3	106.8	
(per cent of capacity)	44	96.8	96.9	98.1	98.4	97.8	Clothing	39	104.8	106.9	110.8	
Automobile production							Food	39	106.7	108.0	110.8	
(thous. cars)	44	77.0	76.8	79.1	85.6	91.9	* Estimated. † Preliminary. ‡ Revised.					
Freight-car loadings (thous. cars):							1 Figures for other than Wednesday dates are shown under the Wednesday included in the weekly period.					
Total	45	919.5	917.5	903.9	922.9	913.6	2 Tax-exempt issues only.					
Miscellaneous	45	399.7	396.9	392.6	407.5	405.6	3 Partially tax-exempt issues only.					
Electric power production							4 Other than farm products and foods.					
(mill. kw. hrs.)	46	3,233	3,290	3,315	3,273	3,299	5 Less than \$5,000,000.					
Department store sales							6 Estimate for October is shown on page 1170.					
(1935-1939=100)	46	148	169	130	131	130	* Current figures are for the revised edition of the Chart Book announced on p. 864 of the September BULLETIN. Copies of this Chart Book can be obtained at a price of 50 cents each.					
F.H.A. home mortgages, new constr. (thous.)	47	4.86	4.20	4.47	3.78	4.16	** Incorrect figures were plotted for the following months: May 1939, 88.4; July 1940, 80.8.					



**CURRENT STATISTICS FOR FEDERAL RESERVE CHART BOOK\*—Continued**  
[In billions of dollars]

	Chart book page	1938		1939			1940			1941		
		Dec. 31	Mar. 29	June 30	Oct. 2	Dec. 30	Mar. 26	June 29	Dec. 31	Apr. 4	June 30	Sept. 24
<b>CALL REPORT FIGURES</b>												
<b>ALL BANKS IN THE U. S.</b>												
Total deposits and currency.....	12	59.12	59.11	60.95	62.87	64.10	64.88	66.96	70.75	72.43	74.15	-----
Demand deposits adjusted.....	12	26.01	26.04	27.35	29.09	29.79	30.54	31.96	34.94	36.10	37.32	-----
Time deposits.....	12	26.38	26.56	26.80	26.81	27.06	27.47	27.74	27.90	27.90	27.88	-----
Currency outside banks.....	12	5.83	5.63	6.01	6.19	6.40	6.23	6.70	7.32	7.78	8.20	-----
Loans and investments, total.....	13	48.87	48.93	49.62	49.95	50.88	51.14	51.34	54.19	56.15	57.94	-----
Loans.....	13	21.30	21.15	21.32	21.63	22.17	22.19	22.34	23.74	24.32	25.31	-----
Investments.....	13	27.57	27.78	28.30	28.32	28.71	28.95	29.00	30.45	31.83	32.63	-----
<b>MEMBER BANKS</b>												
Investments, total <sup>1</sup> .....		18.86	19.05	19.46	19.61	19.98	20.22	20.48	21.81	23.10	23.93	†24.42
U. S. Government obligations:												
Direct.....	14	10.88	10.69	10.95	10.89	11.18	11.31	11.60	12.34	13.50	14.24	-----
Guaranteed.....	14	2.34	2.66	2.83	2.92	3.14	3.11	3.12	3.49	3.49	3.84	-----
State and local government obligations.....	14	2.45	2.56	2.55	2.76	2.69	2.91	2.89	3.01	3.21	2.98	‡3.16
Other domestic securities.....	14	3.01	2.96	2.94	(?)	2.77	(?)	2.70	2.80	(?)	2.72	(?)
Foreign securities.....	14	.18	.18	.19	(?)	.19	(?)	.17	.17	(?)	.15	(?)
Loans, total <sup>1</sup> .....		13.21	13.05	13.14	13.47	13.96	13.94	13.97	15.32	15.88	16.73	†17.54
Commercial loans (incl. open-market paper).....	15	5.89	5.96	5.99	(?)	6.57	(?)	6.72	7.52	(?)	8.55	(?)
Street loans (Brokers' loans).....	15	.79	.67	.56	(?)	.61	(?)	.32	.47	(?)	.42	(?)
Other security loans <sup>1</sup> .....	15	.96	.90	.91	(?)	.88	(?)	.80	.83	(?)	.79	(?)
Real estate loans.....	15	2.72	2.75	2.83	(?)	2.96	(?)	3.07	3.23	(?)	3.37	(?)
All other loans <sup>1</sup> .....		2.85	2.77	2.85	(?)	2.94	(?)	3.06	3.27	(?)	3.61	(?)
<b>SEMI-ANNUAL FIGURES</b>												
<b>OWNERSHIP OF U. S. GOVERNMENT OBLIGATIONS</b>												
Total direct and guaranteed obligations outstanding <sup>1</sup>		43.89		45.34		47.07		47.87	50.36		54.75	
Amount held by:												
U. S. Government agencies and trust funds:												
Public issues.....	20	2.20		2.14		2.32		2.29	2.25		2.36	
Special issues.....	20	3.16		3.77		4.23		4.77	5.37		6.12	
Federal Reserve Banks.....	20	2.56		2.55		2.48		2.47	2.18		2.18	
Commercial banks.....	20	15.07		15.70		16.30		16.55	17.76		†20.10	
Mutual savings banks.....	20	2.88		3.04		3.10		3.11	3.22		3.43	
Insurance companies.....	20	5.60		5.80		6.10		6.10	6.60		6.60	
Other investors.....	20	12.40		12.30		12.60		12.60	13.10		14.00	

<sup>†</sup> Preliminary. <sup>‡</sup> Revised. <sup>1</sup> Series not shown in Chart Book. <sup>2</sup> Figures available for June and December dates only.  
<sup>3</sup> Figures are reported on somewhat different basis beginning December 31, 1938. For detailed explanation of the changes and for estimates on old basis as of December 31, 1938, see BULLETIN for April 1939, page 332.  
<sup>4</sup> Includes since December 31, 1938, only loans made for the purpose of purchasing or carrying securities; loans on securities made for other purposes are included in commercial loans and in all other loans.  
<sup>5</sup> Includes loans to banks and other loans under new classification beginning December 31, 1938. <sup>6</sup> Partly estimated.  
\* Current figures are for the revised edition of the Chart Book announced on p. 864 of the September BULLETIN. Copies of this chart book can be obtained at a price of 50 cents each.

**OCTOBER CROP REPORT, BY FEDERAL RESERVE DISTRICTS**

[Based on estimates of the Department of Agriculture, by States, as of October 1, 1941]  
[In thousands of units]

Federal Reserve district	Cotton		Corn		Winter wheat		Spring wheat	
	Production 1940	Estimate Oct. 1, 1941						
	<i>Bales</i>	<i>Bales</i>	<i>Bushels</i>	<i>Bushels</i>	<i>Bushels</i>	<i>Bushels</i>	<i>Bushels</i>	<i>Bushels</i>
Boston.....			7,366	7,758			88	68
New York.....			25,393	29,017	8,786	7,327	92	90
Philadelphia.....			47,863	50,490	16,901	16,580	158	150
Cleveland.....			160,404	199,112	47,351	55,298	77	59
Richmond.....	1,730	953	135,014	131,752	26,663	27,251		
Atlanta.....	2,304	1,991	178,019	182,430	6,508	6,955		
Chicago.....			965,662	1,021,503	63,298	61,072	1,921	1,776
St. Louis.....	1,3,277	2,3,554	326,128	341,318	62,531	52,978	77	38
Minneapolis.....			265,502	286,786	24,756	36,576	187,516	241,101
Kansas City.....	666	589	225,245	281,758	232,606	281,793	6,522	7,403
Dallas.....	3,869	3,315	105,113	85,292	29,957	36,105	105	148
San Francisco.....	720	659	7,491	8,286	69,794	103,031	30,991	25,395
Total.....	12,566	11,061	2,449,200	2,625,502	589,151	684,966	227,547	276,228
Federal Reserve district	Oats		Tame hay		Tobacco		White potatoes	
	Production 1940	Estimate Oct. 1, 1941						
	<i>Bushels</i>	<i>Bushels</i>	<i>Tons</i>	<i>Tons</i>	<i>Pounds</i>	<i>Pounds</i>	<i>Bushels</i>	<i>Bushels</i>
Boston.....	7,047	6,863	3,485	3,152	32,923	35,021	54,600	55,114
New York.....	31,264	26,979	5,858	4,432	1,983	2,353	32,153	32,041
Philadelphia.....	19,499	19,647	2,359	2,080	49,590	52,245	24,843	23,856
Cleveland.....	57,472	61,774	5,978	5,207	123,150	106,042	20,132	19,874
Richmond.....	21,064	23,152	4,099	3,865	743,939	645,658	28,489	21,952
Atlanta.....	15,205	19,584	3,259	3,391	178,516	139,571	15,337	15,005
Chicago.....	525,658	465,436	21,291	19,743	36,785	31,897	41,618	42,042
St. Louis.....	60,057	60,600	8,210	8,234	277,570	234,630	13,817	13,017
Minneapolis.....	302,514	251,869	10,550	12,062	3,034	2,689	52,330	43,966
Kansas City.....	127,627	132,999	7,302	8,856	4,476	4,290	35,334	31,022
Dallas.....	40,507	39,314	1,781	1,771			3,949	6,877
San Francisco.....	27,714	30,626	12,140	12,940			75,120	69,767
Total.....	1,235,628	1,138,843	86,312	85,733	1,451,966	1,254,396	397,722	374,533

<sup>1</sup> Includes 18,000 bales grown in miscellaneous territory.  
<sup>2</sup> Includes 19,000 bales grown in miscellaneous territory.

## MEMBER BANK EARNINGS

### NATIONAL AND STATE MEMBER BANKS, BY HALF-YEAR PERIODS, JULY 1, 1940—JUNE 30, 1941

[Figures for national banks were compiled by the Comptroller of the Currency from reports submitted by national banks. Amounts in thousands of dollars.]

Item	All member banks		National member banks		State member banks	
	Second half of 1940	First half of 1941	Second half of 1940	First half of 1941	Second half of 1940	First half of 1941
<b>Earnings—total</b> .....	<b>673, 538</b>	<b>680, 733</b>	<b>437, 479</b>	<b>445, 519</b>	<b>236, 059</b>	<b>235, 214</b>
Interest and discount on loans.....	305, 350	318, 468	209, 971	219, 717	95, 379	98, 751
Interest and dividends on securities.....	216, 595	215, 024	141, 657	141, 416	74, 938	73, 608
Collection charges, commissions, fees, etc.....	16, 966	17, 885	11, 773	12, 373	5, 193	5, 512
Foreign department.....	5, 644	4, 636	3, 569	3, 000	2, 075	1, 636
Trust department.....	48, 703	43, 829	17, 573	15, 233	31, 130	28, 596
Service charges on deposit accounts.....	30, 095	31, 704	20, 610	21, 704	9, 485	10, 000
Rent received.....	40, 766	40, 702	25, 877	26, 014	14, 889	14, 688
Other current earnings.....	9, 419	8, 485	6, 449	6, 062	2, 970	2, 423
<b>Expenses—total</b> .....	<b>465, 836</b>	<b>474, 416</b>	<b>302, 390</b>	<b>307, 957</b>	<b>163, 446</b>	<b>166, 459</b>
Salaries—officers.....	79, 259	78, 978	52, 943	52, 394	26, 314	26, 584
Salaries and wages—others.....	125, 471	124, 909	77, 630	77, 252	47, 841	47, 657
Directors' and committee members' fees.....	3, 985	3, 858	2, 756	2, 653	1, 229	1, 205
Interest on time deposits.....	72, 738	70, 564	51, 786	50, 245	20, 952	20, 319
Interest on borrowed money.....	69	44	43	27	26	17
Real estate taxes.....	17, 640	16, 077	11, 131	10, 096	6, 509	5, 981
Other taxes.....	34, 033	40, 692	22, 754	27, 220	11, 279	13, 472
Other current expenses.....	132, 641	139, 294	83, 347	88, 070	49, 294	51, 224
<b>Current earnings</b> .....	<b>207, 702</b>	<b>206, 317</b>	<b>135, 089</b>	<b>137, 562</b>	<b>72, 613</b>	<b>68, 755</b>
<b>Recoveries, profits on securities, etc.—total</b> .....	<b>159, 599</b>	<b>129, 017</b>	<b>102, 253</b>	<b>86, 009</b>	<b>57, 346</b>	<b>43, 008</b>
Recoveries on loans.....	29, 093	24, 985	19, 473	18, 314	9, 620	6, 671
Recoveries on securities.....	36, 428	30, 458	23, 372	22, 506	13, 056	7, 952
Profits on securities sold.....	81, 426	62, 182	51, 751	38, 623	29, 675	23, 559
All other.....	12, 652	11, 392	7, 657	6, 566	4, 995	4, 826
<b>Losses and depreciation—total</b> .....	<b>180, 364</b>	<b>136, 779</b>	<b>109, 197</b>	<b>91, 106</b>	<b>71, 167</b>	<b>45, 673</b>
On loans.....	43, 380	35, 973	28, 559	23, 216	14, 821	12, 757
On securities.....	84, 153	61, 634	52, 990	44, 071	31, 223	17, 563
On banking house and equipment.....	27, 412	19, 666	15, 845	14, 502	11, 567	5, 164
All other.....	25, 419	19, 506	11, 863	9, 317	13, 556	10, 189
<b>Net profits</b> .....	<b>186, 937</b>	<b>198, 555</b>	<b>128, 145</b>	<b>132, 465</b>	<b>58, 792</b>	<b>66, 090</b>
<b>Cash dividends declared—total</b> .....	<b>110, 446</b>	<b>100, 993</b>	<b>71, 198</b>	<b>63, 143</b>	<b>39, 248</b>	<b>37, 850</b>
On preferred stock <sup>1</sup> .....	6, 566	6, 291	4, 355	4, 002	2, 211	2, 289
On common stock.....	103, 880	94, 702	66, 843	59, 141	37, 037	35, 561
Loans <sup>2</sup> .....	14, 644, 684	15, 976, 109	9, 580, 302	10, 434, 743	5, 064, 382	5, 541, 366
Securities <sup>2</sup> .....	21, 143, 852	22, 946, 428	13, 262, 679	14, 376, 126	7, 881, 173	8, 570, 302
Real estate assets <sup>2</sup> .....	1, 271, 032	1, 245, 348	771, 949	758, 482	499, 083	486, 866
Cash assets <sup>2</sup> .....	22, 896, 425	22, 798, 888	14, 477, 865	14, 605, 679	8, 418, 560	8, 193, 209
Total assets <sup>2</sup> .....	60, 252, 011	63, 534, 245	38, 238, 435	40, 333, 971	22, 013, 576	23, 200, 274
Time deposits <sup>2</sup> .....	12, 194, 459	12, 415, 031	8, 376, 892	8, 464, 601	3, 817, 567	3, 950, 430
Total deposits <sup>2</sup> .....	54, 079, 364	57, 254, 984	34, 400, 493	36, 425, 635	19, 678, 871	20, 829, 349
Total capital accounts <sup>2, 3</sup> .....	5, 652, 634	5, 750, 280	3, 560, 674	3, 560, 674	2, 154, 283	2, 189, 606
Number of officers at end of period.....	35, 369	36, 085	26, 109	26, 494	9, 260	9, 591
Number of employees at end of period.....	163, 783	173, 231	103, 676	110, 152	60, 107	63, 079
Number of banks at end of period.....	6, 486	6, 556	5, 144	5, 130	1, 342	1, 426
<b>Ratios to total capital accounts:<sup>4</sup></b>						
Net current earnings.....	7.3	7.2	7.7	7.7	6.7	6.3
Net profits.....	6.6	6.9	7.3	7.4	5.5	6.0
Cash dividends declared.....	3.9	3.5	4.1	3.5	3.6	3.5
<b>Ratios to loans:<sup>4</sup></b>						
Interest and discount on loans.....	4.2	4.0	4.4	4.2	3.8	3.6
Recoveries on loans.....	.4	.3	.4	.4	.4	.2
Losses on loans.....	.6	.5	.6	.4	.6	.5
<b>Ratios to securities:<sup>4</sup></b>						
Interest and dividends on securities.....	2.0	1.9	2.1	2.0	1.9	1.7
Recoveries on securities.....	.3	.3	.4	.3	.3	.2
Profits on securities sold.....	.8	.5	.8	.5	.8	.5
Losses on securities.....	.8	.5	.8	.6	.8	.4
<b>Other ratios:</b>						
Interest on time deposits to time deposits <sup>4</sup> .....	1.2	1.1	1.2	1.2	1.1	1.0
Time deposits to total deposits.....	22.5	21.7	24.4	23.2	19.4	19.0
Total capital accounts to loans, securities, and real estate assets.....	15.3	14.3	14.8	13.9	16.0	15.0
Loans to total assets.....	24.3	25.1	25.1	25.9	23.0	23.9
Securities to total assets.....	35.1	36.1	34.7	35.6	35.8	36.9

<sup>1</sup> Includes interest on capital notes and debentures.

<sup>2</sup> For the second half of 1940 these are averages of figures reported on June 29, 1940 and Dec. 31, 1940; for the first half of 1941 they are averages of figures reported on Dec. 31, 1940, Apr. 4, 1941, and June 30, 1941.

<sup>3</sup> Represents the aggregate book value of capital stock, capital notes and debentures, surplus, undivided profits, reserves for contingencies, and other capital reserves.

<sup>4</sup> Annual basis.

Back Figures.—See BULLETIN for November 1940, pp. 1181 and 1182.

# INDUSTRIAL PRODUCTION—MAJOR DIVISIONS EXPRESSED AS POINTS IN TOTAL INDEX

COMPILED WITH 1923 WEIGHTS, 1919-1929

[Adjusted for seasonal variation, 1935-39 average for total index=100]

Year and month	In-dustrial production	Dur-able manu-factures	Non-durable manu-factures	Min-erals	Year and month	In-dustrial production	Dur-able manu-factures	Non-durable manu-factures	Min-erals
1919.....	72	29.1	31.7	10.8	1924—January.....	86	35.6	35.9	14.3
1920.....	75	32.2	30.6	12.5	February.....	88	36.8	35.9	14.9
1921.....	58	18.5	29.1	10.0	March.....	86	36.1	35.9	14.0
1922.....	73	28.0	34.3	10.7	April.....	83	34.7	35.5	13.0
1923.....	88	36.0	37.0	14.8	May.....	80	31.8	34.9	13.0
1924.....	82	33.0	35.6	13.5	June.....	76	29.6	33.7	13.0
1925.....	90	37.2	39.3	13.9	July.....	75	28.8	33.4	13.0
1926.....	96	39.6	40.9	15.1	August.....	78	30.5	34.2	12.8
1927.....	95	37.3	42.8	15.1	September.....	81	31.6	35.5	13.7
1928.....	99	40.5	43.8	14.9	October.....	82	32.2	36.6	13.6
1929.....	110	46.0	47.6	16.2	November.....	84	32.8	37.5	13.4
1919—January.....	71	30.9	28.6	11.1	December.....	86	34.7	38.1	13.7
February.....	68	30.5	27.5	9.8	1925—January.....	89	36.5	38.4	14.2
March.....	66	28.6	27.3	9.4	February.....	89	36.4	38.9	13.8
April.....	67	27.2	29.5	10.0	March.....	89	36.6	38.8	13.5
May.....	67	25.1	31.4	10.4	April.....	90	36.3	39.1	14.2
June.....	72	28.5	32.2	10.7	May.....	90	36.1	38.9	14.6
July.....	75	30.9	33.1	11.4	June.....	89	36.2	38.4	14.5
August.....	77	32.7	33.0	11.1	July.....	91	36.6	39.4	14.7
September.....	75	29.1	34.1	12.0	August.....	90	35.2	39.4	15.0
October.....	74	27.7	34.4	12.3	September.....	88	36.4	38.9	13.0
November.....	74	29.2	35.0	8.9	October.....	92	39.2	39.4	12.9
December.....	74	29.0	34.3	10.8	November.....	94	40.5	40.2	13.2
1920—January.....	82	33.8	35.6	12.1	December.....	95	41.4	40.7	13.0
February.....	82	34.6	34.8	11.9	1926—January.....	93	39.5	40.7	12.8
March.....	81	33.9	34.3	12.2	February.....	93	39.4	40.5	13.4
April.....	76	30.3	33.7	11.5	March.....	95	39.4	40.3	14.8
May.....	78	32.1	33.9	11.9	April.....	94	39.2	40.1	14.9
June.....	78	33.8	32.2	12.5	May.....	94	39.3	39.7	14.5
July.....	76	33.1	30.8	12.4	June.....	95	39.7	40.2	15.0
August.....	77	34.3	29.9	12.8	July.....	95	39.8	40.2	15.2
September.....	74	33.6	28.9	11.9	August.....	96	40.1	41.0	15.3
October.....	72	32.1	27.0	12.8	September.....	98	40.4	42.0	15.5
November.....	66	28.7	24.2	13.2	October.....	98	39.9	42.0	15.8
December.....	62	26.7	22.4	13.3	November.....	97	39.2	41.8	16.4
1921—January.....	58	22.4	24.1	11.5	December.....	97	38.4	42.1	16.4
February.....	57	20.8	25.3	10.9	1927—January.....	96	38.1	42.1	16.0
March.....	55	18.3	26.6	10.1	February.....	97	38.7	42.2	16.3
April.....	55	17.3	27.8	10.2	March.....	99	38.9	42.6	17.1
May.....	57	17.6	28.6	10.4	April.....	96	38.5	42.6	15.0
June.....	56	16.5	29.7	9.9	May.....	97	38.5	43.1	15.2
July.....	56	15.6	30.4	9.5	June.....	96	37.5	44.0	14.9
August.....	58	17.3	30.6	9.7	July.....	95	36.8	44.0	14.3
September.....	58	17.4	31.1	9.4	August.....	95	36.8	43.5	15.1
October.....	61	19.4	31.7	10.0	September.....	94	36.0	43.0	14.7
November.....	61	19.8	31.6	9.6	October.....	92	35.0	42.5	14.5
December.....	61	19.0	31.5	9.7	November.....	92	34.9	42.5	14.4
1922—January.....	63	20.1	31.9	10.9	December.....	93	36.1	42.3	14.2
February.....	65	21.7	31.8	12.0	1928—January.....	94	37.6	42.3	14.3
March.....	69	23.8	32.2	12.9	February.....	95	38.2	42.8	14.2
April.....	67	27.1	31.4	7.5	March.....	96	38.3	42.6	14.9
May.....	70	28.7	33.1	7.6	April.....	95	38.7	42.3	14.5
June.....	74	30.3	34.4	8.3	May.....	97	38.8	43.2	14.9
July.....	74	30.8	34.4	8.0	June.....	98	39.8	43.2	14.5
August.....	72	27.3	35.3	8.8	July.....	99	40.7	43.4	14.5
September.....	76	28.6	35.4	11.5	August.....	101	41.6	44.2	15.0
October.....	80	31.5	36.1	12.7	September.....	101	42.1	44.3	15.1
November.....	84	32.4	37.8	13.3	October.....	103	43.1	44.9	15.5
December.....	86	33.9	38.0	14.1	November.....	105	43.9	45.7	15.9
1923—January.....	85	34.1	36.6	14.0	December.....	107	45.2	46.4	15.5
February.....	86	34.3	37.3	14.1	1929—January.....	108	45.5	46.4	16.3
March.....	89	35.7	38.3	14.6	February.....	108	44.9	46.5	16.6
April.....	91	36.7	38.4	15.6	March.....	108	45.9	46.8	15.6
May.....	92	37.7	38.8	15.2	April.....	110	46.5	47.3	16.3
June.....	91	37.4	38.3	15.2	May.....	112	47.3	48.2	16.2
July.....	90	37.2	37.3	15.5	June.....	113	48.6	48.6	16.1
August.....	88	36.3	36.7	15.4	July.....	114	49.1	48.5	16.5
September.....	87	36.2	36.3	14.1	August.....	114	48.7	48.5	16.4
October.....	86	35.7	35.7	14.8	September.....	112	47.1	48.5	16.7
November.....	86	35.6	35.7	14.8	October.....	110	45.6	48.5	16.3
December.....	84	35.3	35.2	13.8	November.....	105	42.3	47.0	15.6
					December.....	100	38.6	45.7	16.0

*Industrial Production—Major Divisions Expressed as Points in Total Index—Continued*

**COMPILED WITH 1937 WEIGHTS, 1929-1941**

[Adjusted for seasonal variation, 1935-39 average for total index=100]

Year and month	In- dus- trial pro- duc- tion	Dur- able manu- factures	Non- dur- able manu- factures	Min- erals	Year and month	In- dus- trial pro- duc- tion	Dur- able manu- factures	Non- dur- able manu- factures	Min- erals
1929.....	110	50.2	43.4	16.3	1935—January.....	83	28.9	41.3	12.8
1930.....	91	37.3	39.4	14.1	February.....	85	30.3	41.5	12.9
1931.....	75	25.6	37.2	12.1	March.....	84	29.8	41.2	13.3
1932.....	58	15.6	32.6	10.1	April.....	82	29.6	40.8	12.1
1933.....	69	20.3	37.1	11.6	May.....	83	29.1	40.8	12.7
1934.....	75	24.7	38.2	12.1	June.....	84	28.6	41.4	13.8
1935.....	87	31.6	42.3	13.1	July.....	84	29.7	41.9	12.5
1936.....	103	41.0	47.1	15.1	August.....	87	32.3	42.1	12.6
1937.....	113	46.2	49.9	17.0	September.....	89	33.5	43.1	12.9
1938.....	89	29.6	44.3	14.7	October.....	92	34.7	43.9	13.7
1939.....	108	41.2	50.7	16.2	November.....	94	35.7	44.5	13.8
1940.....	123	52.2	53.0	17.8	December.....	95	36.3	44.9	14.2
1929—January.....	108	49.5	42.2	16.3	1936—January.....	94	35.4	44.6	14.4
February.....	108	48.8	42.3	16.6	February.....	92	34.0	43.2	14.8
March.....	108	49.9	42.6	15.7	March.....	93	34.9	44.0	13.9
April.....	110	50.7	43.0	16.5	April.....	98	38.5	45.2	14.8
May.....	112	51.7	43.8	16.3	May.....	100	40.3	45.6	14.6
June.....	113	53.1	44.2	16.1	June.....	103	41.8	46.2	14.7
July.....	115	53.8	44.1	16.7	July.....	104	42.5	46.9	15.0
August.....	114	53.2	44.1	16.5	August.....	106	42.8	48.2	15.0
September.....	112	51.3	44.2	16.7	September.....	108	43.8	48.6	15.2
October.....	110	49.7	44.3	16.3	October.....	110	44.8	49.4	15.5
November.....	105	45.9	43.1	15.7	November.....	113	45.8	50.8	16.2
December.....	100	41.9	42.0	16.0	December.....	116	47.5	52.2	16.3
1930—January.....	100	42.9	41.8	15.6	1937—January.....	116	47.5	52.3	16.0
February.....	100	43.0	41.4	15.2	February.....	118	48.5	52.5	16.5
March.....	98	42.4	40.8	14.3	March.....	120	49.1	52.7	18.2
April.....	98	41.7	41.2	14.6	April.....	120	50.0	53.5	16.7
May.....	96	40.6	40.4	14.6	May.....	121	50.5	53.5	16.9
June.....	93	38.8	39.8	14.4	June.....	119	49.0	53.0	17.4
July.....	89	36.0	38.7	14.2	July.....	120	50.9	51.8	17.2
August.....	86	34.6	37.9	13.8	August.....	119	51.2	50.3	17.5
September.....	85	33.7	37.8	13.5	September.....	115	48.9	48.7	17.6
October.....	83	31.9	37.6	13.5	October.....	107	43.2	46.4	17.2
November.....	81	30.2	37.3	13.3	November.....	96	36.2	43.1	16.7
December.....	79	29.1	36.9	12.9	December.....	87	30.4	40.8	16.3
1931—January.....	78	28.9	36.9	12.5	1938—January.....	85	28.3	41.3	15.7
February.....	79	29.2	37.6	12.1	February.....	84	27.6	42.0	14.8
March.....	80	29.8	38.1	12.6	March.....	84	27.2	42.1	14.8
April.....	80	29.3	38.4	12.7	April.....	82	26.4	41.0	14.4
May.....	80	28.3	38.9	12.4	May.....	81	25.7	41.3	13.6
June.....	77	26.4	38.5	12.6	June.....	81	25.1	42.0	14.0
July.....	76	25.3	38.5	12.5	July.....	86	26.9	44.6	14.3
August.....	73	23.7	38.2	11.6	August.....	90	29.5	46.2	14.7
September.....	70	21.9	37.0	11.3	September.....	93	31.6	46.7	14.8
October.....	68	20.8	35.3	11.9	October.....	96	33.6	47.0	15.0
November.....	67	20.5	34.5	12.0	November.....	100	36.2	48.1	15.5
December.....	66	20.4	34.3	11.8	December.....	101	36.6	48.7	15.5
1932—January.....	64	19.4	34.4	10.6	1939—January.....	101	36.8	48.8	15.7
February.....	63	18.2	34.2	10.5	February.....	101	36.8	48.6	15.4
March.....	62	17.0	33.6	11.2	March.....	101	36.3	48.7	15.8
April.....	58	16.2	31.4	10.5	April.....	97	35.3	48.3	13.9
May.....	56	15.8	30.7	9.6	May.....	98	35.1	48.6	14.7
June.....	54	15.1	30.0	9.1	June.....	103	37.5	49.6	15.8
July.....	53	13.7	29.6	9.3	July.....	105	38.8	49.6	16.3
August.....	54	13.1	31.5	9.6	August.....	106	41.0	50.5	14.0
September.....	58	14.0	33.7	10.2	September.....	114	44.8	52.0	17.3
October.....	60	14.5	34.6	10.5	October.....	121	49.1	54.0	18.0
November.....	59	14.9	34.1	10.5	November.....	124	50.9	55.0	18.3
December.....	58	14.8	33.4	9.9	December.....	125	53.4	55.0	17.4
1933—January.....	58	14.5	33.2	10.0	1940—January.....	122	51.0	52.9	18.0
February.....	57	14.0	32.9	10.5	February.....	116	46.9	51.6	17.4
March.....	54	12.3	31.1	10.8	March.....	113	44.8	50.0	17.8
April.....	58	14.6	33.5	9.9	April.....	112	44.1	50.2	18.1
May.....	68	18.3	38.2	11.5	May.....	116	46.8	51.7	17.8
June.....	78	23.5	42.6	12.1	June.....	122	50.4	53.4	18.0
July.....	85	28.4	44.1	12.7	July.....	122	51.5	52.7	18.1
August.....	82	27.5	41.0	13.2	August.....	124	54.3	52.6	17.4
September.....	77	25.6	39.4	12.4	September.....	127	57.1	52.4	17.7
October.....	73	24.1	37.3	11.6	October.....	130	58.7	54.6	17.2
November.....	69	20.6	36.7	11.6	November.....	134	59.7	56.3	17.9
December.....	70	21.5	36.4	11.6	December.....	139	62.4	58.2	18.0
1934—January.....	72	22.4	37.4	11.9	1941—January.....	140	64.9	57.4	18.0
February.....	75	24.8	38.0	12.1	February.....	144	66.8	58.8	17.9
March.....	79	26.8	39.0	13.0	March.....	147	68.2	59.7	19.0
April.....	79	27.7	39.1	12.2	April.....	144	68.4	61.2	14.5
May.....	80	28.8	38.8	12.3	May.....	154	72.0	63.2	19.1
June.....	79	28.7	37.6	12.2	June.....	159	74.0	65.1	20.1
July.....	73	23.6	37.5	12.1	July.....	160	75.6	64.7	19.9
August.....	73	22.7	37.9	11.9	August.....	160	75.3	65.0	19.9
September.....	70	21.9	35.7	11.9	September.....	160	76.6	64.2	19.7
October.....	71	21.6	38.0	11.8	October.....				
November.....	72	21.6	38.6	11.8	November.....				
December.....	77	24.5	40.1	12.2	December.....				

**INDUSTRIAL PRODUCTION—SELECTED GROUPINGS EXPRESSED AS POINTS IN TOTAL INDEX**

[Adjusted for seasonal variation, 1935-39 average for total index=100]

Year and month	Total	Iron and steel	Machinery and transportation equipment	Other durable	Textiles and leather	Paper and printing	Foods, liquors, and tobacco	Other non-durable	Minerals
1935—Jan.....	83	8.9	13.0	7.0	12.7	8.1	12.1	8.5	12.8
Feb.....	85	9.0	13.7	7.6	12.5	8.3	12.2	8.5	12.9
Mar.....	84	8.3	13.9	7.5	12.2	8.3	12.1	8.5	13.3
April.....	82	7.9	13.9	7.7	11.9	8.2	12.3	8.3	12.1
May.....	83	7.9	13.8	7.4	12.0	8.2	12.3	8.4	12.7
June.....	84	7.5	13.5	7.6	12.2	8.3	12.4	8.5	13.8
July.....	84	7.8	13.8	8.1	12.4	8.3	12.6	8.6	12.5
Aug.....	87	9.3	14.5	8.6	12.6	8.3	12.5	8.7	12.6
Sept.....	89	9.4	15.2	8.9	13.0	8.6	12.6	8.9	12.9
Oct.....	92	9.9	15.5	9.3	13.4	8.7	12.8	9.0	13.7
Nov.....	94	10.5	15.8	9.4	13.8	8.8	12.8	9.1	13.8
Dec.....	95	10.5	16.0	9.7	13.7	9.0	12.9	9.2	14.2
1936—Jan.....	94	9.8	16.2	9.5	13.5	8.7	13.2	9.2	14.4
Feb.....	92	9.6	15.3	9.1	12.9	8.6	12.9	8.8	14.8
Mar.....	93	9.7	15.9	9.4	12.7	8.8	13.4	9.1	13.9
April.....	98	11.7	16.9	9.9	13.3	9.2	13.4	9.3	14.8
May.....	100	12.2	17.7	10.4	13.1	9.3	13.6	9.6	14.6
June.....	103	13.1	18.1	10.6	13.3	9.3	13.8	9.8	14.7
July.....	104	13.2	18.6	10.7	13.9	9.4	13.7	9.9	15.0
Aug.....	106	13.5	18.3	11.1	14.4	9.6	14.3	10.0	15.0
Sept.....	108	13.9	18.5	11.4	14.4	9.7	14.4	10.1	15.2
Oct.....	110	14.3	18.9	11.6	14.7	9.9	14.7	10.2	15.5
Nov.....	113	14.5	19.6	11.7	15.2	10.5	14.7	10.4	16.2
Dec.....	116	14.9	20.7	11.9	16.2	10.7	14.7	10.6	16.3
1937—Jan.....	116	15.3	20.2	12.0	16.3	10.7	14.5	10.7	16.0
Feb.....	118	15.2	20.9	12.5	16.1	10.7	14.8	11.0	16.5
Mar.....	120	15.3	21.3	12.6	16.4	10.6	14.8	11.0	18.2
April.....	120	15.6	21.5	12.9	16.5	11.0	14.9	11.1	16.7
May.....	121	15.9	21.7	12.9	16.6	11.1	14.6	11.2	16.9
June.....	119	14.1	22.2	12.8	16.3	11.0	14.4	11.2	17.4
July.....	120	15.8	22.4	12.7	14.9	10.9	14.9	11.1	17.2
Aug.....	119	16.0	22.8	12.4	14.1	10.7	14.7	10.9	17.5
Sept.....	115	15.1	22.0	11.9	12.9	10.4	14.3	11.0	17.6
Oct.....	107	11.2	21.1	10.9	11.5	9.8	14.4	10.7	16.2
Nov.....	96	7.4	18.9	9.9	9.9	9.0	14.1	10.1	16.7
Dec.....	87	5.3	16.4	8.7	8.9	8.7	13.7	9.5	16.3
1938—Jan.....	85	5.8	14.3	8.1	9.2	8.9	14.0	9.2	15.7
Feb.....	84	6.0	13.5	8.1	9.8	9.0	14.1	9.1	14.8
Mar.....	82	6.0	12.8	8.4	10.1	9.0	13.9	9.2	14.8
Apr.....	84	6.0	12.3	8.0	9.7	8.8	13.8	8.8	14.4
May.....	81	5.6	12.0	8.1	10.1	8.6	13.7	8.9	13.6
June.....	81	5.4	11.7	8.1	10.7	8.6	14.0	8.7	14.0
July.....	86	6.6	11.7	8.5	12.2	9.3	14.1	8.9	14.3
Aug.....	90	8.1	12.2	9.2	13.4	9.5	14.0	9.3	14.7
Sept.....	93	9.0	12.9	9.7	13.4	9.5	14.2	9.6	14.8
Oct.....	96	9.9	13.6	10.1	13.3	9.8	14.2	9.7	15.0
Nov.....	100	11.4	14.6	10.2	13.9	9.9	14.5	9.8	15.5
Dec.....	101	10.6	15.5	10.6	14.3	9.7	14.6	10.0	15.5
1939—Jan.....	101	10.4	15.7	10.6	14.4	9.7	14.6	10.0	15.7
Feb.....	101	10.4	15.8	10.6	14.4	9.9	14.4	10.0	15.4
Mar.....	101	10.2	15.7	10.4	14.1	9.7	14.7	10.1	15.8
April.....	97	9.3	15.7	10.3	13.8	9.8	14.6	10.1	13.9
May.....	98	9.0	15.9	10.2	14.0	9.7	14.9	10.0	14.7
June.....	103	10.5	16.5	10.5	14.5	9.8	15.0	10.2	15.8
July.....	105	11.1	16.9	10.9	15.0	9.8	14.5	10.3	16.3
Aug.....	106	12.5	17.4	11.2	14.8	10.3	15.2	10.2	14.0
Sept.....	114	14.7	18.2	11.9	15.1	11.0	15.2	10.8	17.3
Oct.....	121	17.4	18.9	12.8	15.7	11.7	15.3	11.3	18.0
Nov.....	124	17.9	19.7	13.3	16.8	11.7	15.2	11.3	18.3
Dec.....	125	17.8	21.2	13.5	16.4	11.9	15.4	11.3	17.4
1940—Jan.....	122	16.6	21.6	12.8	15.5	10.8	15.2	11.3	18.0
Feb.....	116	13.6	21.1	12.1	14.4	10.5	15.5	11.2	17.4
Mar.....	113	11.7	21.2	11.9	13.3	10.3	15.3	11.0	17.8
April.....	112	11.6	20.9	11.6	13.1	10.6	15.4	11.1	18.1
May.....	116	13.9	21.2	11.7	13.7	11.4	15.4	11.3	17.8
June.....	122	16.7	22.0	11.8	14.2	11.9	16.1	11.3	18.0
July.....	122	17.4	22.2	11.9	14.8	11.4	15.3	11.2	18.1
Aug.....	124	17.9	24.0	12.4	14.9	11.0	15.5	11.2	17.4
Sept.....	127	18.6	25.4	13.1	15.1	10.7	15.2	11.3	17.7
Oct.....	130	18.9	26.3	13.4	16.0	10.9	16.2	11.5	17.2
Nov.....	134	18.8	27.1	13.8	17.6	11.0	16.0	11.7	17.9
Dec.....	139	19.1	28.7	14.5	18.2	11.3	16.5	12.2	18.0
1941—Jan.....	140	19.7	29.9	15.3	17.9	11.2	16.1	12.2	18.0
Feb.....	144	19.7	31.6	15.5	18.6	11.3	16.5	12.5	17.9
Mar.....	147	20.2	32.8	15.1	19.0	11.6	16.6	12.5	19.0
April.....	144	19.9	33.2	15.2	19.5	11.8	16.9	13.0	14.5
May.....	154	20.2	36.5	15.4	20.4	12.3	17.1	13.4	19.1
June.....	159	20.2	38.1	15.6	20.4	12.7	17.6	14.3	20.1
July.....	160	20.4	39.2	16.0	20.4	12.8	17.6	14.0	19.9
Aug.....	160	20.3	38.9	16.0	20.0	12.9	18.3	13.7	19.9
Sept.....	160	20.3	38.9	16.0	20.0	12.9	18.3	13.7	19.9
Oct.....	160	21.1	39.6	16.0	19.8	12.7	18.1	13.7	19.7
Nov.....									
Dec.....									

# 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. Daily and monthly press releases giving daily and monthly average foreign exchange rates will be sent without charge to those wishing them. Other data on the following pages are not regularly released prior to publication.

# GOLD RESERVES OF CENTRAL BANKS AND GOVERNMENTS

[In millions of dollars]

End of month	United States	Argentina	Belgium	Brazil	British India	Bulgaria	Canada	Chile	Colombia	Czechoslovakia	Denmark	Egypt	France	Germany	Greece
1936—Dec.....	11,258	501	632	25	275	20	188	29	19	91	54	55	2,995	27	26
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—Sept.....	21,244	<sup>2</sup> 385	-----	48	274	24	<sup>3</sup> 8	30	15	56	53	52	2,000	-----	28
Oct.....	21,506	369	-----	49	274	24	5	30	17	58	53	52	2,000	-----	28
Nov.....	21,801	353	-----	50	274	24	8	30	19	58	53	52	2,000	-----	28
Dec.....	21,995	353	<sup>4</sup> 734	51	274	24	7	30	17	58	52	52	2,000	-----	28
1941—Jan.....	22,116	353	734	51	274	24	7	30	20	59	51	52	2,000	-----	28
Feb.....	22,232	353	734	55	274	24	8	30	18	59	49	52	2,000	-----	28
Mar.....	22,367	353	734	56	274	24	6	30	18	59	48	52	2,000	-----	28
Apr.....	22,506	353	-----	57	274	24	7	30	17	59	48	52	2,000	-----	28
May.....	22,575	353	-----	58	274	24	8	30	16	59	48	52	2,000	-----	28
June.....	22,624	353	-----	62	274	-----	6	30	18	61	47	-----	2,000	-----	28
July.....	22,675	353	-----	63	-----	-----	7	30	18	-----	45	-----	2,000	-----	28
Aug.....	22,719	352	-----	65	-----	-----	11	30	17	-----	45	-----	2,000	-----	28
Sept.....	22,761	-----	-----	-----	-----	-----	6	-----	17	-----	-----	-----	-----	-----	28

End of month	Hungary	Iran (Persia)	Italy	Japan	Java	Mexico	Netherlands	New Zealand	Norway	Peru	Poland	Portugal	Rumania	South Africa	Spain
1936—Dec.....	25	25	208	463	60	46	491	23	98	20	75	68	114	203	<sup>5</sup> 718
1937—Dec.....	25	25	210	261	79	24	933	23	82	21	83	69	120	189	<sup>5</sup> 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	<sup>1</sup> 84	69	152	249	-----
1940—Sept.....	24	-----	<sup>1</sup> 137	164	109	25	634	23	<sup>1</sup> 84	21	-----	69	156	314	-----
Oct.....	24	-----	-----	164	109	28	629	23	-----	21	-----	59	157	328	-----
Nov.....	24	-----	-----	164	129	32	621	23	-----	21	-----	59	157	351	-----
Dec.....	24	-----	-----	164	140	47	617	23	-----	20	-----	59	158	367	-----
1941—Jan.....	24	-----	-----	164	152	50	616	23	-----	-----	-----	59	158	376	-----
Feb.....	24	-----	-----	164	171	52	614	23	-----	-----	-----	59	158	388	-----
Mar.....	24	-----	-----	( <sup>6</sup> )	178	54	614	23	-----	-----	-----	-----	158	401	-----
Apr.....	24	-----	-----	-----	174	56	572	23	-----	-----	-----	-----	171	413	-----
May.....	24	-----	-----	-----	174	58	572	23	-----	-----	-----	-----	172	418	-----
June.....	24	-----	-----	-----	173	59	573	23	-----	-----	-----	-----	175	427	-----
July.....	24	-----	-----	-----	173	60	573	23	-----	-----	-----	-----	178	431	-----
Aug.....	24	-----	-----	-----	193	59	573	23	-----	-----	-----	-----	178	436	-----
Sept.....	-----	-----	-----	-----	-----	57	-----	-----	-----	-----	-----	-----	-----	-----	-----

End of month	Sweden	Switzerland	Turkey	United Kingdom	Uruguay	Venezuela <sup>7</sup>	Yugoslavia	B.I.S.	Other countries <sup>8</sup>
1936—Dec.....	240	657	26	2,584	77	59	48	11	183
1937—Dec.....	244	650	29	2,689	74	52	51	5	185
1938—Dec.....	321	701	29	2,690	69	52	57	14	142
1939—Dec.....	308	549	29	<sup>9</sup> 1	68	52	59	7	149
1940—Sept.....	152	490	87	1	87	51	71	9	145
Oct.....	150	500	87	1	86	51	74	14	145
Nov.....	157	501	87	1	88	51	77	11	145
Dec.....	160	502	88	1	90	51	82	12	145
1941—Jan.....	165	520	87	1	95	52	83	13	145
Feb.....	171	524	87	1	97	52	83	13	145
Mar.....	172	527	89	1	100	52	-----	13	145
Apr.....	174	528	95	1	105	52	-----	12	145
May.....	180	530	96	1	108	52	-----	9	145
June.....	192	528	96	1	108	52	-----	10	144
July.....	189	533	95	1	108	52	-----	9	144
Aug.....	191	525	-----	1	-----	52	-----	9	144
Sept.....	-----	-----	-----	1	-----	52	-----	-----	146

Government gold reserves <sup>1</sup> not included in previous figures				
End of month	United States	United Kingdom	France	Belgium
1937—June.....	169	<sup>2</sup> 934	-----	115
Dec.....	-----	<sup>3</sup> 1,395	-----	81
1938—Mar.....	-----	1,489	-----	62
June.....	44	-----	-----	-----
Sept.....	-----	750	-----	-----
Oct.....	-----	-----	<sup>4</sup> 103	-----
Dec.....	80	-----	331	44
1939—Mar.....	154	1,732	559	-----
May.....	-----	-----	477	-----
June.....	85	-----	-----	17
Sept.....	164	-----	-----	-----
Dec.....	156	-----	-----	17
1940—Mar.....	145	-----	-----	-----
June.....	86	-----	-----	17
Sept.....	105	-----	-----	-----
Dec.....	48	-----	-----	17
1941—Mar.....	88	-----	-----	-----
June.....	89	-----	-----	-----

<sup>1</sup> Figures relate to last official report dates for the respective countries, as follows: Germany—June 15, 1939; Italy—late in Mar. 1940; Norway—Mar. 30, 1940; Poland—July 31, 1939.

<sup>2</sup> Beginning Apr. 1940, reports on certain Argentine gold reserves no longer available.

<sup>3</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>4</sup> Change from previous December due largely to inclusion of gold formerly not reported.

<sup>5</sup> Figures for Dec. 1936 and Dec. 1937 are those officially reported on Aug. 1, 1936, and Apr. 1938, respectively.

<sup>6</sup> Beginning Mar. 29, 1941, gold reserves no longer reported separately.

<sup>7</sup> Beginning Dec. 1940, figures comprise largely reserves of new Central Bank but also include remaining holdings of four former banks of issue amounting since March 1941 to about \$12,000,000.

<sup>8</sup> These countries are: Albania, Algeria, Australia, Austria through Mar. 7, 1938, Belgian Congo, Bolivia, China, Danzig through Aug. 31, 1939, Ecuador, El Salvador, Estonia, Finland, Guatemala, Iceland, Latvia, Lithuania, Morocco, and Thailand (Siam). Figures for certain of these countries have been carried forward from last previous official report.

<sup>9</sup> Gold holdings of Bank of England reduced to nominal amount by gold transfers to British Exchange Equalization Account during 1939.

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> Figure for end of Mar. 1937, first date reported.

<sup>3</sup> Figure for end of Sept. 1937.

<sup>4</sup> First date reported. For complete monthly series from Oct. 1938-May 1939, see BULLETIN for February 1941, p. 170.

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	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	Colombia	Chile	Australia	British India <sup>6</sup>
<i>\$1=15.6/21 grains of gold 9/10 fine; i. e., an ounce of fine gold=\$35</i>													
1934	823,003	707,288	366,795	24,264	12,153	6,549	108,191	104,023	23,135	12,045	8,350	30,559	11,223
1935	882,533	751,979	377,090	25,477	13,625	7,159	126,325	114,971	23,858	11,515	9,251	31,240	11,468
1936	971,514	833,083	396,788	28,053	16,295	7,366	152,509	131,181	26,465	13,632	9,018	40,118	11,663
1937	1,041,576	892,535	410,710	28,296	20,754	8,018	168,159	143,367	29,591	15,478	9,544	46,982	11,607
1938	1,136,360	957,212	425,649	28,532	24,670	8,470	178,143	165,379	32,306	18,225	10,290	54,264	11,284
1939	1,212,796	1,016,791	448,753	28,009	28,564	8,759	196,391	178,303	29,426	19,951	11,376	56,182	11,078
1940	1,275,505	1,088,835	491,628	29,155	32,163	9,862	210,109	185,890	30,878	22,117	11,999	55,878	10,157
1940—July	109,760	92,665	41,936	2,459	2,590	—	19,109	16,007	3,010	1,952	850	4,263	490
August	109,305	92,557	41,989	2,498	2,725	—	16,294	10,343	4,027	2,184	1,243	4,693	560
September	106,505	89,672	40,958	2,450	2,652	—	17,324	15,440	2,596	2,016	673	4,616	945
October	113,330	97,803	42,362	2,477	2,709	—	22,004	16,386	2,337	1,789	1,121	5,638	980
November	108,080	92,522	41,620	2,404	2,687	—	19,952	15,775	1,905	1,713	929	4,592	945
December	107,800	91,852	41,188	2,433	2,668	—	19,694	15,780	2,221	1,675	879	4,333	980
1941—January	106,015	90,373	42,335	2,326	2,618	—	16,646	15,199	2,945	2,137	784	4,544	840
February	100,450	84,090	39,608	2,237	2,566	—	15,408	14,446	2,670	1,844	695	3,812	805
March	106,365	89,526	42,075	2,318	2,696	—	16,023	15,629	2,702	1,891	1,313	4,040	840
April	105,525	88,456	41,357	2,355	2,530	—	16,413	15,384	2,491	2,071	896	4,133	805
May	105,105	88,114	42,716	2,355	2,615	—	16,022	15,721	2,448	1,872	528	4,136	700
June	105,980	88,938	41,186	2,355	2,615	—	16,468	15,890	2,845	1,777	1,023	3,939	840
July	—	89,189	43,093	2,355	2,615	—	18,537	15,983	2,845	2,072	628	4,185	875
August	—	91,171	42,458	2,355	2,615	—	17,487	15,983	2,845	1,739	628	4,185	875

*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, \$135,000,000; 1935, \$158,000,000; 1936, \$187,000,000; 1937, \$185,000,000; 1938, \$180,000,000.

- <sup>1</sup> Preliminary.
  - <sup>2</sup> Figure carried forward from last previous figure without footnote.
  - <sup>3</sup> Annual figures through 1939 are estimates of U. S. Mint. Annual figure for 1940 and monthly figures are based on estimates of American Bureau of Metal Statistics given in thousands of fine ounces.
  - <sup>4</sup> Beginning April 1941, figures are for Gold Coast only.
  - <sup>5</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>6</sup> Includes Philippine Islands production received in United States. Monthly figures for U. S. for 1940 represent estimates of American Bureau of Metal Statistics revised by adding to each monthly figure \$242,602 so that aggregate for 1940 is equal to annual estimate compiled by Bureau of Mint in cooperation with Bureau of Mines.
  - <sup>7</sup> Figures for Canada beginning January 1941 are subject to official revision.
  - <sup>8</sup> Beginning May 1940, figures are those reported by American Bureau of Metal Statistics.
- NOTE.**—For monthly figures back to January 1929 and for explanation of table and sources see BULLETIN for March 1939, p. 227; February 1939, p. 151; June 1938, pp. 539-540; 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 1940, p. 101, 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	United Kingdom	France	Belgium	Netherlands	Sweden	Switzerland	Canada	Mexico	Colombia	Philippine Islands	Australia	South Africa	Japan	British India	All other countries	
Net imports from or net exports (-) to:																	
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	8	—	—	246,464	50,762
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	181	—	—	168,740	16,159
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
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
1940																	
Sept.	334,100	3,650	—	—	—	—	27	217,627	545	2,330	3,764	14,605	7,854	13,228	—	523	69,946
Oct.	325,964	1,738	—	—	—	—	—	222,726	538	7	2,673	14,770	6,704	11,815	—	784	64,208
Nov.	330,107	936	—	—	7	—	—	262,718	545	—	3,283	14,441	6,240	12,186	—	2,170	27,580
Dec.	137,176	99	—	—	—	—	—	80,389	347	2,814	3,268	14,994	1,751	13,262	—	7,446	12,805
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	—	—	—	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
Gross imports from: <sup>6</sup>																	
May	34,830	2	—	—	—	—	—	16,309	969	2,794	3,384	4,194	3,594	—	—	—	3,589
June	30,712	474	—	—	—	1	—	17,521	800	7	2,114	4,593	69	—	—	131	5,009
July	37,041	542	—	—	—	—	—	19,228	1,088	2,125	4,972	5,199	88	—	—	—	3,811
Aug.	36,973	79	—	—	—	—	—	10,845	843	2,230	5,098	6,742	137	—	—	1,995	9,011
Sept.	65,702	250	—	—	—	—	—	42,563	495	2,488	3,107	2,064	3,694	—	—	—	7,104

- <sup>1</sup> Differs from official customhouse 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 \$11,236,000 from U. S. S. R.
  - <sup>6</sup> Beginning May 1941, the Department of Commerce suspended publication of export statistics by country of destination.
  - <sup>7</sup> Includes \$5,652,000 from U. S. S. R.
- NOTE.**—For gross import and export figures and for additional countries see table on p. 1153.

# INTERNATIONAL CAPITAL TRANSACTIONS OF THE UNITED STATES

## NET CAPITAL MOVEMENT TO UNITED STATES SINCE JANUARY 2, 1935

[In millions of dollars. Minus sign indicates net movement from United States]

**TABLE 1.—TOTAL CAPITAL MOVEMENT**

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	Central bank funds in N. Y. <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	1,155.3	57.8
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.....	4,197.6	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
1940—Aug. 7.....	5,614.1	2,941.2	945.0	1,996.2	764.8	789.5	1,019.0	99.6
Aug. 14.....	5,647.4	2,984.9	996.2	1,988.6	769.2	790.2	1,004.0	99.1
Aug. 21.....	5,687.5	3,022.5	1,018.5	2,004.0	774.0	790.4	1,001.4	99.1
Aug. 28.....	5,699.3	3,034.2	1,047.9	1,986.3	778.3	790.5	996.5	99.9
Sept. 4.....	5,699.8	3,040.7	1,054.7	1,986.0	773.1	790.4	995.1	100.5
Sept. 11.....	5,668.4	3,014.1	1,012.8	2,001.3	768.4	790.8	995.2	99.9
Sept. 18.....	5,751.9	3,087.2	1,107.7	1,979.5	773.2	791.2	999.8	100.6
Sept. 25.....	5,731.9	3,062.6	1,087.0	1,975.5	782.0	791.6	995.0	100.8
Oct. 2.....	5,748.1	3,092.8	1,112.3	1,980.5	773.6	793.1	987.0	101.6
Oct. 9.....	5,767.0	3,108.5	1,133.6	1,975.0	781.8	793.5	981.9	101.3
Oct. 16.....	5,736.6	3,086.3	1,129.9	1,956.4	780.9	793.9	974.5	100.9
Oct. 23.....	5,744.0	3,118.7	1,140.1	1,978.6	765.6	793.9	964.7	101.2
Oct. 30.....	5,731.0	3,112.5	1,158.9	1,953.6	765.7	794.4	957.6	100.7
Nov. 6.....	5,745.0	3,137.0	1,190.7	1,946.3	762.3	795.4	950.3	100.0
Nov. 13.....	5,734.7	3,141.9	1,195.5	1,946.4	751.5	795.9	946.0	99.4
Nov. 20.....	5,786.9	3,199.3	1,248.7	1,950.6	752.3	797.9	936.0	101.4
Nov. 27.....	5,780.7	3,194.0	1,231.6	1,962.5	764.0	798.2	924.5	100.0
Dec. 4.....	5,758.0	3,177.8	1,209.1	1,968.7	763.0	800.2	917.4	99.6
Dec. 11.....	5,718.2	3,146.5	1,186.3	1,960.2	757.6	801.3	913.5	99.3
Dec. 18.....	5,763.7	3,182.1	1,209.7	1,972.4	771.1	802.9	907.5	100.2
Dec. 25.....	5,733.0	3,160.9	1,182.4	1,978.5	771.6	802.8	896.3	101.3
1941—Jan. 1.....	5,727.6	3,159.0	1,200.8	1,958.3	775.1	803.8	888.7	100.9
Jan. 8.....	5,704.0	3,152.9	1,198.8	1,954.1	775.8	804.6	869.4	101.3
Jan. 15.....	5,781.3	3,257.6	1,301.3	1,956.4	772.2	806.4	843.3	101.7
Jan. 22.....	5,747.5	3,255.2	1,303.3	1,951.9	757.1	807.6	827.8	99.8
Jan. 29.....	5,694.5	3,215.9	1,288.2	1,927.7	759.9	808.1	811.9	99.8
Feb. 5.....	5,644.3	3,175.9	1,269.0	1,906.9	763.1	809.0	799.3	97.0
Feb. 12.....	5,609.9	3,156.9	1,255.0	1,901.8	754.6	810.5	792.1	95.9
Feb. 19.....	5,563.8	3,108.1	1,228.8	1,879.4	764.6	811.5	783.1	96.5
Feb. 26.....	5,564.5	3,102.6	1,243.4	1,859.2	776.1	812.7	775.8	97.2
Mar. 5.....	5,560.8	3,128.1	1,249.6	1,878.5	764.9	814.0	757.3	96.6
Mar. 12.....	5,592.9	3,188.0	1,300.1	1,887.9	752.1	814.1	741.9	96.9
Mar. 19.....	5,598.8	3,202.4	1,346.2	1,856.2	756.2	814.8	726.9	98.4
Mar. 26.....	5,567.0	3,185.2	1,325.6	1,859.6	755.4	815.8	714.7	95.8
Apr. 2.....	5,526.5	3,148.8	1,307.7	1,841.0	767.4	812.7	701.8	95.9
Apr. 9.....	5,647.5	3,273.6	1,416.6	1,857.0	766.4	815.6	694.7	97.1
Apr. 16.....	5,678.3	3,299.2	1,434.7	1,864.5	772.4	816.2	691.9	98.7
Apr. 23.....	5,666.3	3,279.2	1,424.0	1,855.2	785.0	816.7	686.8	98.5
Apr. 30.....	5,652.5	3,257.3	1,406.4	1,850.9	798.9	815.7	682.4	98.2
May 7.....	5,639.1	3,243.5	1,400.4	1,843.1	791.6	832.9	673.8	97.2
May 14.....	5,602.2	3,224.2	1,414.8	1,809.4	792.4	833.5	655.2	96.8
May 21.....	5,627.8	3,252.0	1,421.2	1,830.0	794.6	834.5	649.6	97.0
May 28.....	5,635.8	3,266.4	1,417.5	1,848.9	794.9	835.4	641.6	97.5
June 4.....	5,608.9	3,235.2	1,418.6	1,816.6	803.6	836.3	637.1	96.8
June 11.....	5,602.7	3,226.9	1,401.3	1,825.6	811.6	832.6	634.4	97.2
June 18.....	5,627.8	3,249.3	1,407.9	1,841.4	815.7	831.6	634.4	96.7
June 25.....	5,620.7	3,240.9	1,410.3	1,830.7	817.8	833.1	632.4	96.5
July 2.....	5,575.4	3,193.3	1,375.1	1,818.2	818.6	834.1	631.2	98.2
July 9.....	5,584.6	3,194.6	1,366.2	1,828.4	826.2	835.5	630.0	98.3
July 16.....	5,561.8	3,171.5	1,362.8	1,808.7	826.2	837.8	628.2	98.2
July 23.....	5,534.0	3,153.6	1,342.7	1,810.9	819.4	838.3	624.8	97.9
July 30.....	5,506.9	3,141.4	1,320.3	1,821.1	803.5	838.9	623.6	99.5

<sup>1</sup> Including funds in accounts transferred from central bank to government names; for original explanation of funds included under this heading see BULLETIN for April 1939, p. 285.

<sup>2</sup> In the week ending August 7, a foreign central bank account amounting to \$55,000,000 was changed to a foreign private account.

NOTE.—Statistics reported by banks, bankers, brokers, and dealers. —For back figures and description of the statistics, see BULLETIN for April 1939, pp. 284-296; April 1938, pp. 267-277; and May 1937, pp. 394-431.

**INTERNATIONAL CAPITAL TRANSACTIONS OF THE UNITED STATES**  
**NET CAPITAL MOVEMENT TO THE UNITED STATES SINCE JANUARY 2, 1935—Continued**

[In millions of dollars. Minus sign indicates net movement from United States]

**TABLE 2.—TOTAL CAPITAL MOVEMENT, BY COUNTRIES**

From Jan. 2, 1935, through—	Total	United Kingdom	France	Netherlands	Switzerland	Germany	Italy	Other Europe	Total Europe	Canada	Latin America	Asia <sup>1</sup>	All other <sup>1</sup>
1935—Dec. (Jan. 1, 1936).....	1,412.5	554.9	210.2	114.5	130.4	36.6	24.0	130.0	1,200.6	(?)	70.9	128.3	12.7
1936—Dec. 30.....	2,608.4	829.3	299.5	229.7	335.5	83.1	45.6	228.5	2,051.3	150.5	201.2	184.0	21.4
1937—Dec. 29.....	3,410.3	993.7	281.7	311.9	607.5	128.9	22.1	312.2	2,653.0	106.3	410.6	224.6	15.9
1938—Dec. (Jan. 4, 1939).....	3,844.5	1,183.8	339.6	328.6	557.5	140.5	32.2	472.0	3,054.2	155.3	384.6	214.2	36.2
1939—Dec. (Jan. 3, 1940).....	5,021.2	1,101.3	468.7	470.3	773.0	165.9	58.0	752.9	3,790.1	229.4	483.4	431.0	87.4
1940—Oct. 30.....	5,731.0	931.3	679.9	456.9	896.7	173.9	75.9	930.0	4,144.6	384.4	601.0	515.4	85.6
Nov. 27.....	5,780.7	927.9	675.9	450.8	895.8	173.8	70.3	925.5	4,119.9	415.5	606.5	557.9	80.9
Dec. (Jan. 1, 1941).....	5,727.6	865.2	670.3	455.6	911.5	175.9	55.4	922.7	4,056.6	411.7	606.8	562.3	90.2
1941—Jan. 29.....	5,694.5	866.4	667.4	451.5	890.5	175.3	49.3	906.9	4,007.3	416.5	611.2	563.4	96.1
Feb. 26.....	5,564.5	771.7	667.7	451.0	879.2	176.4	47.5	905.0	3,898.5	410.5	597.5	558.7	99.3
Mar. (Apr. 2).....	5,526.5	716.7	665.4	471.0	853.6	177.1	47.4	898.1	3,859.3	394.9	623.7	547.0	101.7
Apr. 30.....	5,652.5	789.4	668.6	463.3	872.4	177.8	47.0	899.2	3,917.7	410.7	639.1	563.0	117.0
May 28.....	5,635.8	760.6	670.2	457.5	881.2	177.6	47.3	884.7	3,879.1	403.8	650.4	583.6	119.0
June (July 2).....	5,575.4	696.1	670.5	456.7	886.6	177.6	47.0	883.6	3,818.2	400.4	659.5	579.7	117.6
July 9.....	5,584.6	685.6	671.2	455.9	886.3	177.5	47.2	880.7	3,804.4	404.4	656.5	602.2	117.1
July 16.....	5,561.8	682.0	671.3	455.9	876.1	177.9	47.0	881.4	3,791.6	403.0	656.5	589.5	121.2
July 23.....	5,534.0	668.7	670.1	455.8	874.0	178.1	47.1	880.8	3,774.7	402.8	649.2	588.3	119.0
July 30.....	5,506.9	650.1	669.5	457.0	874.7	178.5	46.6	882.3	3,758.6	406.9	640.9	579.4	121.0

**TABLE 3.—FOREIGN BANKING FUNDS IN UNITED STATES, BY COUNTRIES**

From Jan. 2, 1935, through—	Total	United Kingdom	France	Netherlands	Switzerland	Germany	Italy	Other Europe	Total Europe	Canada	Latin America	Asia <sup>1</sup>	All other <sup>1</sup>
1935—Dec. (Jan. 1, 1936).....	603.3	128.6	129.6	55.7	72.4	— .8	7.3	60.7	453.5	46.0	33.5	58.8	11.5
1936—Dec. 30.....	930.5	163.5	144.2	65.9	109.8	2.7	23.0	79.7	588.9	86.8	149.3	90.4	15.2
1937—Dec. 29.....	1,168.5	189.3	111.8	76.3	288.4	9.6	6.9	109.4	791.7	76.3	166.3	126.2	8.0
1938—Dec. (Jan. 4, 1939).....	1,425.4	364.0	155.3	87.9	205.1	—11.8	1.7	208.6	1,010.7	101.6	127.6	163.3	22.2
1939—Dec. (Jan. 3, 1940).....	2,430.8	376.1	256.1	190.9	362.7	—20.1	19.7	470.0	1,655.4	174.5	215.1	325.4	60.5
1940—Oct. 30.....	3,112.5	306.6	468.7	165.1	476.3	—20.6	.6	615.6	2,012.4	307.9	325.1	410.3	56.8
Nov. 27.....	3,194.0	325.0	465.5	158.9	479.9	—21.6	.1	609.4	2,017.1	335.0	332.7	456.0	53.2
Dec. (Jan. 1, 1941).....	3,159.0	293.3	458.0	160.3	494.7	—22.9	— .9	603.7	1,986.3	334.1	326.4	450.9	61.3
1941—Jan. 29.....	3,215.9	349.7	455.1	156.1	482.3	—24.2	—2.8	587.5	2,004.7	343.4	336.1	465.0	67.7
Feb. 26.....	3,102.6	279.2	455.0	155.4	475.8	—22.7	—3.3	584.6	1,924.1	334.6	314.2	458.4	71.3
Mar. (Apr. 2).....	3,148.8	297.3	452.8	173.4	484.2	—24.0	—3.5	576.9	1,957.1	321.4	349.3	446.9	74.1
Apr. 30.....	3,257.3	382.8	455.6	165.8	475.4	—23.9	—3.8	576.7	2,028.7	333.9	358.0	446.9	89.9
May 28.....	3,266.4	389.9	456.1	159.8	493.5	—24.2	—4.1	560.6	2,031.7	312.0	367.2	462.5	93.0
June (July 2).....	3,193.3	334.4	451.0	157.3	500.5	—24.0	—4.4	559.6	1,974.4	317.8	371.9	433.7	95.5
July 9.....	3,194.6	324.8	450.4	156.6	500.4	—24.0	—4.3	556.7	1,960.7	323.4	366.9	448.8	94.9
July 16.....	3,171.5	322.7	449.8	156.6	490.2	—23.7	—4.4	556.7	1,948.1	320.8	365.8	438.4	98.5
July 23.....	3,153.6	311.9	448.7	156.4	488.4	—23.4	—4.3	556.0	1,933.6	320.6	358.8	443.9	96.7
July 30.....	3,141.4	297.7	447.6	157.5	488.5	—23.4	—4.3	557.3	1,920.8	324.5	353.7	442.3	100.0

**TABLE 4.—UNITED STATES BANKING FUNDS ABROAD, BY COUNTRIES**

From Jan. 2, 1935, through—	Total	United Kingdom	France	Netherlands	Switzerland	Germany	Italy	Other Europe	Total Europe	Canada	Latin America	Asia <sup>1</sup>	All other <sup>1</sup>
1935—Dec. (Jan. 1, 1936).....	361.4	208.8	48.1	— .4	1.6	29.7	13.7	8.8	310.2	—4.6	20.1	37.3	—1.6
1936—Dec. 30.....	431.5	178.0	62.0	—3.3	2.7	66.0	16.3	22.0	343.7	36.9	24.9	30.4	—4.4
1937—Dec. 29.....	449.1	207.4	65.3	—4.4	2.6	105.1	6.5	26.9	409.3	—21.7	51.6	18.7	—8.7
1938—Dec. (Jan. 4, 1939).....	510.1	206.2	68.4	—5.6	2.6	141.7	13.7	33.8	460.9	35.9	66.8	—46.5	—7.0
1939—Dec. (Jan. 3, 1940).....	650.4	252.2	73.8	12.9	2.9	177.8	15.5	28.4	563.5	56.5	52.6	—21.5	— .8
1940—Oct. 30.....	765.7	272.5	75.0	17.6	6.1	187.2	24.0	46.5	628.9	63.9	42.9	27.7	2.2
Nov. 27.....	764.0	270.7	74.4	17.5	6.2	188.2	25.0	47.8	629.8	66.5	40.1	26.4	1.2
Dec. (Jan. 1, 1941).....	775.1	269.2	74.6	17.7	6.5	191.6	25.3	49.8	634.7	60.3	43.2	34.8	2.1
1941—Jan. 29.....	759.9	269.2	75.4	17.8	5.9	192.4	25.5	48.7	634.8	62.6	40.1	20.2	2.0
Feb. 26.....	776.1	271.4	75.6	17.8	4.2	193.0	25.5	48.8	636.3	65.4	50.9	21.6	1.9
Mar. (Apr. 2).....	767.4	268.2	76.0	17.8	5.0	195.0	25.6	49.7	637.2	65.3	44.4	19.2	1.3
Apr. 30.....	798.9	269.6	75.9	17.7	5.3	195.7	25.5	50.7	640.4	71.3	47.7	38.7	.8
May 28.....	794.9	267.4	76.4	17.8	5.2	195.9	25.5	51.4	639.5	68.3	49.8	37.6	— .3
June (July 2).....	818.6	268.6	76.6	17.8	5.2	195.7	25.6	51.2	640.8	68.5	52.1	37.6	— .4
July 9.....	826.2	268.3	76.7	17.8	5.2	195.6	25.6	51.2	640.4	68.6	53.6	64.1	— .5
July 16.....	826.2	268.7	76.8	17.8	5.3	195.7	25.6	51.6	641.4	69.5	53.7	61.7	— .1
July 23.....	819.4	267.9	76.8	17.8	5.3	195.6	25.6	51.6	640.6	70.6	53.5	55.2	— .5
July 30.....	803.5	265.3	76.8	17.9	5.2	196.0	25.1	51.7	638.0	71.3	49.2	46.7	—1.7

<sup>1</sup> Prior to Jan. 3, 1940, the figures under Asia represent Far East only, the remaining Asiatic countries being included under "All other".

<sup>2</sup> Inflow less than \$50,000.

NOTE.—Statistics reported by banks, bankers, brokers, and dealers. For back figures and description of the statistics, see BULLETIN for April 1939, pp. 284-296; April 1938, pp. 267-277; and May 1937, pp. 394-431.

**INTERNATIONAL CAPITAL TRANSACTIONS OF THE UNITED STATES**  
**NET CAPITAL MOVEMENT TO THE UNITED STATES SINCE JANUARY 2, 1935—Continued**

[In millions of dollars. Minus sign indicates net movement from United States]

**TABLE 5.—FOREIGN SECURITIES, BY COUNTRIES**  
 Net Purchases by Foreigners

From Jan. 2, 1935, through—	Total	United Kingdom	France	Netherlands	Switzerland	Germany	Italy	Other Europe	Total Europe	Canada	Latin America	Asia <sup>1</sup>	All other <sup>1</sup>
1935—Dec. (Jan. 1, 1936).....	125.2	67.8	6.8	7.4	-1.2	13.3	2.9	46.1	143.1	-39.7	12.7	7.9	1.1
1936—Dec. 30.....	316.2	116.1	18.2	10.4	13.7	22.5	9.4	87.9	278.3	1.7	15.7	17.0	3.5
1937—Dec. 29.....	583.2	136.8	22.8	21.2	30.4	26.6	13.5	115.2	366.4	10.5	175.0	24.5	6.8
1938—Dec. (Jan. 4, 1939).....	641.8	127.7	26.1	27.3	36.1	33.5	22.0	167.8	440.6	-9.7	167.4	33.8	9.7
1939—Dec. (Jan. 3, 1940).....	725.7	125.5	42.1	29.4	45.0	36.6	27.6	189.0	495.2	-7.6	184.0	42.8	11.3
1940—Oct. 30.....	794.4	130.0	42.9	31.0	46.3	36.5	28.1	196.0	510.9	21.3	198.6	50.5	13.1
Nov. 27.....	798.2	129.7	42.9	31.0	46.0	36.5	28.1	196.1	510.4	23.5	199.8	51.2	13.3
Dec. (Jan. 1, 1941).....	803.8	128.6	43.4	31.0	46.0	36.5	28.1	196.4	510.0	25.0	202.3	53.0	13.5
1941—Jan. 29.....	808.1	128.7	43.5	31.0	46.1	36.5	28.1	197.2	511.2	25.8	203.5	54.2	13.5
Feb. 26.....	812.7	129.0	43.6	31.0	45.8	36.5	28.1	198.1	512.1	26.4	204.5	55.9	13.8
Mar. (Apr. 2).....	812.7	128.3	43.7	31.0	45.2	36.5	28.1	198.9	511.8	26.5	203.0	57.6	13.9
Apr. 30.....	815.7	127.8	43.8	31.0	45.2	36.5	28.1	199.1	511.5	25.9	206.0	58.2	14.2
May 28.....	835.4	127.7	43.8	31.0	44.8	36.5	28.1	199.5	511.4	42.7	208.1	59.0	14.2
June (July 2).....	834.1	127.2	49.1	31.0	44.7	36.5	28.1	199.6	516.2	37.0	210.5	60.1	10.4
July 9.....	835.5	127.5	50.3	31.0	44.6	36.5	28.1	199.6	517.6	36.3	210.7	60.4	10.5
July 16.....	837.8	127.5	50.5	31.0	44.6	36.5	28.1	199.7	517.8	37.2	211.6	60.5	10.5
July 23.....	838.3	127.5	50.6	31.2	44.5	36.5	28.1	199.7	518.1	37.2	211.8	60.7	10.5
July 30.....	838.9	127.7	50.8	31.2	44.5	36.5	28.1	199.8	518.5	36.8	212.3	60.8	10.5

**TABLE 6.—DOMESTIC SECURITIES, BY COUNTRIES**  
 Net Purchases by Foreigners

From Jan. 2, 1935, through—	Total	United Kingdom	France	Netherlands	Switzerland	Germany	Italy	Other Europe	Total Europe	Canada	Latin America	Asia <sup>1</sup>	All other <sup>1</sup>
1935—Dec. (Jan. 1, 1936).....	316.7	149.8	23.4	50.5	55.1	-5.4	-1	12.9	286.2	2.8	3.7	21.4	2.6
1936—Dec. 30.....	917.4	367.7	64.7	157.6	200.2	-7.5	-3.3	38.5	818.0	32.6	15.5	44.1	7.1
1937—Dec. 29.....	1,162.0	448.7	70.3	213.8	275.3	-17.4	-4.9	55.7	1,041.6	37.6	18.2	54.7	9.8
1938—Dec. (Jan. 4, 1939).....	1,219.7	472.6	76.9	212.1	304.1	-22.8	-5.5	56.6	1,094.1	25.7	23.7	65.2	11.1
1939—Dec. (Jan. 3, 1940).....	1,133.7	328.1	76.6	227.7	344.7	-28.2	-4.9	60.4	1,004.4	-2.6	30.1	87.6	14.3
1940—Oct. 30.....	957.6	205.0	74.1	230.6	349.6	-29.1	23.1	64.5	917.9	-19.0	26.2	20.0	12.6
Nov. 27.....	924.5	185.2	74.1	230.9	346.8	-29.1	17.0	64.6	889.6	-20.3	25.1	17.5	12.6
Dec. (Jan. 1, 1941).....	888.7	157.1	74.4	235.2	348.1	-29.1	2.7	64.9	851.3	-18.4	25.6	17.6	12.6
1941—Jan. 29.....	811.9	101.7	74.2	235.3	340.2	-29.2	-1.6	64.6	783.2	-25.7	24.7	17.7	12.0
Feb. 26.....	775.8	75.1	74.2	235.2	338.9	-30.2	-3.0	64.5	752.6	-26.9	21.8	16.8	11.4
Mar. (Apr. 2).....	701.8	6.2	74.2	234.9	334.7	-30.3	-3.0	64.8	681.5	-28.9	20.9	16.9	11.3
Apr. 30.....	682.4	-7.5	74.3	234.8	332.1	-30.3	-3.0	64.9	605.3	-31.8	20.6	17.0	11.3
May 28.....	641.6	-41.0	74.5	234.7	324.1	-30.4	-2.5	64.8	624.2	-31.3	19.5	17.9	11.3
June (July 2).....	631.2	-50.5	74.6	236.1	321.7	-30.4	-2.5	64.8	613.8	-34.4	19.3	21.1	11.4
July 9.....	630.0	-51.2	74.5	235.9	321.7	-30.4	-2.4	64.7	612.9	-35.6	19.5	21.7	11.4
July 16.....	628.2	-52.9	74.6	235.9	321.8	-30.4	-2.4	64.6	611.3	-36.3	19.6	22.1	11.4
July 23.....	624.8	-54.6	74.6	235.8	321.7	-30.4	-2.5	64.6	609.3	-36.9	19.3	21.7	11.5
July 30.....	623.6	-56.6	74.8	235.8	322.2	-30.4	-2.4	64.5	607.9	-37.8	19.2	22.9	11.4

**TABLE 7.—BROKERAGE BALANCES,<sup>1</sup> BY COUNTRIES**

From Jan. 2, 1935, through—	Total	United Kingdom	France	Netherlands	Switzerland	Germany	Italy	Other Europe	Total Europe	Canada	Latin America	Asia <sup>1</sup>	All other <sup>1</sup>
1935—Dec. (Jan. 1, 1936).....	6.0	( <sup>2</sup> )	2.4	1.3	2.5	-2	.1	1.4	7.6	-4.5	1.0	2.9	-9
1936—Dec. 30.....	12.9	4.0	10.4	-9	9.1	-7	.3	.4	22.6	-7.6	-4.2	2.1	( <sup>3</sup> )
1937—Dec. 29.....	47.5	11.5	11.5	5.0	10.8	( <sup>3</sup> )	.1	5.0	44.0	3.5	-5	5	( <sup>3</sup> )
1938—Dec. (Jan. 4, 1939).....	47.6	13.4	12.9	6.8	9.6	-2	.2	5.2	47.9	1.8	-9	-1.5	.3
1939—Dec. (Jan. 3, 1940).....	80.6	19.4	20.1	9.3	17.8	-1	.1	5.0	71.6	8.7	1.6	-3.4	2.1
1940—Oct. 30.....	100.7	17.1	19.1	12.5	18.3	-2	.2	7.3	74.4	10.2	8.3	6.8	1.0
Nov. 27.....	100.0	17.2	18.9	12.5	16.9	-2	.1	7.6	73.1	10.7	8.8	6.7	.7
Dec. (Jan. 1, 1941).....	100.9	17.0	19.9	13.4	16.2	-2	.2	7.9	74.3	10.7	9.2	6.0	.7
1941—Jan. 29.....	98.8	17.1	19.2	13.3	15.9	-2	.2	8.9	74.4	10.4	6.8	6.3	.9
Feb. 26.....	97.2	17.0	19.3	13.5	14.4	-2	.2	9.1	73.3	10.9	6.1	6.1	.9
Mar. (Apr. 2).....	95.9	16.7	18.7	13.9	14.5	-2	.2	7.9	71.7	10.6	6.1	6.4	1.1
Apr. 30.....	98.2	16.7	19.0	14.0	14.3	-2	.2	7.8	71.8	11.4	7.0	7.2	.8
May 28.....	97.5	16.6	19.4	14.3	13.6	-2	.2	8.4	72.3	12.0	5.8	6.7	.8
June (July 2).....	98.2	16.4	19.2	14.5	14.5	-2	.2	8.4	73.1	11.6	5.7	7.1	.7
July 9.....	98.3	16.1	19.4	14.5	14.3	-2	.2	8.5	72.8	11.6	5.7	7.3	.8
July 16.....	98.2	16.0	19.5	14.5	14.2	-2	.2	8.8	72.9	11.7	5.8	6.9	.8
July 23.....	97.9	16.1	19.3	14.6	14.1	-2	.2	8.9	73.1	11.4	5.8	6.8	.8
July 30.....	99.5	16.0	19.6	14.7	14.2	-2	.2	9.0	73.4	12.1	6.5	6.7	.7

<sup>1</sup> Prior to Jan. 3, 1940, the figures under Asia represent Far East only, the remaining Asiatic countries being included under "All other".

<sup>2</sup> For explanation see BULLETIN for May 1937, pp. 395-396.

<sup>3</sup> Inflow less than \$50,000.

<sup>4</sup> Outflow less than \$50,000.

# INTERNATIONAL CAPITAL TRANSACTIONS OF THE UNITED STATES

## OUTSTANDING SHORT-TERM ACCOUNTS, BY COUNTRIES

[Outstanding amounts in millions of dollars]

**TABLE 8.—SHORT-TERM LIABILITIES TO FOREIGNERS, BY COUNTRIES**

Date	Total	United Kingdom	France	Netherlands	Switzerland	Germany	Italy	Other Europe	Total Europe	Canada	Latin America	Asia <sup>1</sup>	All other <sup>1</sup>
<i>Reported by Banks in New York City</i>													
1929—Dec. 31	2,672.7	301.5	923.7	99.1	105.2	204.5	157.4	371.3	2,162.8	241.8	188.2	49.0	31.0
1930—Dec. 31	2,335.0	214.5	799.4	122.2	222.2	161.0	111.2	281.3	1,911.7	216.8	130.8	38.2	37.5
1931—Dec. 30	1,303.5	104.9	549.2	44.6	66.0	41.1	33.2	122.2	961.2	148.3	103.3	69.0	21.6
1932—Dec. (Jan. 4, 1933)	733.8	171.0	72.2	13.8	82.2	30.2	36.6	63.1	469.1	89.3	117.8	44.4	13.1
1933—Dec. (Jan. 3, 1934)	388.2	48.3	24.9	8.3	11.9	16.3	9.9	30.1	149.7	88.7	96.4	43.1	10.4
1934—Nov. 28 <sup>2</sup>	466.7	59.1	32.7	12.7	9.7	25.8	14.3	41.7	196.0	91.9	106.6	60.3	11.9
<i>Reported by Banks in United States</i>													
1934—Dec. 5 <sup>3</sup>	584.8	79.6	36.1	13.5	12.1	28.4	16.8	40.6	227.1	103.3	117.4	125.1	12.0
Dec. (Jan. 2, 1935)	597.0	76.9	33.9	12.9	13.7	29.9	18.8	46.8	232.9	99.3	122.8	130.1	12.0
1935—Dec. (Jan. 1, 1936)	1,200.2	205.5	163.5	68.6	86.1	29.0	26.1	107.5	686.3	145.3	156.3	188.9	23.4
1936—Dec. 30	1,491.6	235.7	176.3	78.8	123.5	32.0	41.7	126.3	814.3	186.1	263.9	200.2	27.1
1937—Dec. 29	1,729.6	261.5	143.9	89.1	302.1	39.0	25.7	156.0	1,017.1	175.6	280.9	236.0	20.0
1938—Dec. (Jan. 4, 1939)	1,996.6	436.1	187.4	101.8	218.8	17.8	20.4	255.5	1,237.8	201.8	248.5	274.3	34.1
1939—Mar. 29	2,318.8	473.9	219.5	143.9	247.1	18.7	14.8	314.7	1,432.7	236.6	300.7	305.5	43.3
June 28	2,683.0	607.4	284.4	146.0	240.8	15.1	12.2	366.9	1,672.7	291.7	363.0	306.0	49.7
Sept. 27	3,050.7	656.7	295.9	186.0	299.9	7.8	17.1	446.4	1,909.7	325.3	383.0	366.5	66.2
Dec. (Jan. 3, 1940)	3,057.0	448.2	288.2	204.9	376.3	9.5	38.5	516.9	1,882.6	274.6	336.0	491.4	72.5
1940—Mar. (Apr. 3)	3,165.2	361.3	290.7	199.7	432.2	8.4	69.3	618.7	1,980.3	250.1	365.5	515.2	54.1
Apr. (May 1)	3,188.3	326.6	286.7	213.1	447.6	8.5	71.3	616.1	1,969.9	255.3	380.9	517.6	55.6
May 29	3,178.7	354.5	319.1	198.3	413.6	9.9	65.0	619.3	1,979.8	236.0	402.4	501.9	58.6
June (July 3)	3,456.3	397.9	504.8	184.7	441.0	9.8	29.8	625.7	2,193.8	259.2	421.4	521.7	60.3
July 31	3,526.2	343.0	497.3	178.3	449.2	13.6	25.8	634.7	2,141.9	353.9	420.8	542.8	66.7
Aug. (Sept. 4)	3,666.9	385.7	515.2	182.7	478.4	10.5	26.1	651.7	2,248.4	395.9	432.3	527.6	62.7
Sept. (Oct. 2)	3,719.0	386.4	503.5	180.3	459.6	13.2	24.6	687.5	2,235.0	410.7	438.4	567.7	67.1
Oct. 30	3,738.7	378.8	500.8	179.1	490.0	9.1	19.4	662.5	2,239.6	408.1	446.0	576.3	68.7
Nov. 27	3,820.3	397.2	497.6	172.8	493.5	8.0	18.9	656.3	2,244.3	435.2	453.6	622.0	65.1
Dec. (Jan. 1, 1941)	3,785.2	365.5	490.1	174.3	508.4	6.7	17.9	650.6	2,213.5	434.3	447.3	616.9	73.6
1941—Jan. 29	3,842.1	421.9	487.2	170.0	496.0	5.5	16.0	634.4	2,230.9	443.6	457.0	631.0	79.3
Feb. 26	3,728.8	351.4	487.1	169.4	488.5	7.0	15.5	631.5	2,151.3	434.8	435.1	624.4	83.3
Mar. (Apr. 2)	3,775.0	369.4	484.9	187.3	497.8	5.6	15.3	623.8	2,184.3	421.5	470.2	612.9	86.1
Apr. 30	3,883.5	454.9	487.7	179.7	489.1	5.7	15.0	623.6	2,255.9	434.0	478.9	612.9	101.8
May 28	3,892.6	462.0	488.2	173.7	507.2	5.5	14.7	607.5	2,258.9	412.2	488.1	628.5	104.9
June (July 2)	3,819.5	406.6	483.1	171.2	514.2	5.7	14.4	606.5	2,201.6	417.9	492.8	599.7	107.5
July 9	3,820.9	397.0	482.5	170.5	514.1	5.7	14.5	603.6	2,187.8	423.6	487.9	614.8	106.8
July 16	3,797.7	394.9	481.9	170.6	503.9	6.0	14.4	603.6	2,175.2	420.9	486.7	604.3	110.5
July 23	3,779.8	384.0	480.8	170.3	502.1	6.2	14.4	602.9	2,160.8	420.7	479.7	609.9	108.7
July 30	3,767.6	369.8	479.7	171.5	502.2	6.2	14.4	604.2	2,148.0	424.7	474.6	608.3	112.0

**Additional Detail Available from January 3, 1940<sup>4</sup>**

Date	5 European countries					6 Latin American countries						4 Asiatic countries						
	Total	Belgium	Denmark	Finland	Norway	Sweden	Total	Argentina	Brazil	Chile	Cuba	Mexico	Panama and C. Z.	Total	China	Hong Kong	Japan	Philippine Islands
1940—Mar. (Apr. 3)	475.1	184.3	28.7	25.0	68.4	168.6	275.4	63.5	35.3	24.7	43.2	68.4	40.2	455.1	178.5	75.2	169.4	32.0
Apr. (May 1)	460.2	183.7	23.0	27.2	67.5	158.9	297.1	80.6	35.0	23.4	46.4	67.2	44.5	461.3	184.1	81.1	164.1	32.0
May 29	443.3	172.0	21.1	29.5	64.1	156.7	311.8	83.3	34.8	24.8	49.6	68.6	50.6	446.2	178.8	79.4	151.8	36.2
June (July 3)	457.0	161.3	19.5	29.6	59.0	187.6	326.5	88.7	39.0	30.2	49.7	65.3	53.5	448.4	181.8	78.4	152.6	35.6
July 31	457.7	154.9	18.4	29.1	57.8	197.5	321.3	93.1	38.0	29.2	48.1	60.3	52.7	446.6	181.6	84.3	142.6	38.2
Aug. (Sept. 4)	466.7	150.9	17.2	26.3	54.3	218.0	332.2	103.9	31.4	27.8	51.1	58.5	59.6	408.3	184.7	87.6	97.4	38.7
Sept. (Oct. 2)	470.3	147.9	16.8	29.1	51.2	225.3	338.8	110.1	33.4	26.1	48.7	63.2	57.3	431.6	192.7	87.0	106.8	45.2
Oct. 30	469.0	145.7	16.2	24.3	51.3	231.5	348.2	112.7	39.7	25.0	48.4	64.4	57.9	432.5	195.1	89.4	102.8	45.2
Nov. 27	466.2	145.7	16.1	22.0	50.1	232.4	353.3	115.1	44.1	26.9	46.4	62.6	58.6	475.2	218.6	92.2	119.3	45.1
Dec. (Jan. 1, 1941)	462.7	144.8	17.3	16.5	48.7	235.4	341.7	115.4	36.2	28.5	47.9	55.0	58.7	454.5	207.5	91.1	110.3	45.6
1941—Jan. 29	450.5	143.2	17.1	14.1	48.3	227.7	342.5	118.2	45.4	26.1	48.6	49.3	54.8	464.3	210.5	93.4	114.1	46.3
Feb. 26	437.9	140.7	17.0	12.3	46.2	221.6	319.6	103.3	35.1	25.3	47.3	52.6	55.9	464.4	217.5	97.5	103.4	46.0
Mar. (Apr. 2)	429.6	135.4	16.4	10.6	45.0	222.2	348.6	104.5	44.0	30.5	51.5	53.5	64.5	447.9	216.7	94.5	90.8	45.9
April 30	433.1	134.1	16.1	12.5	44.8	225.6	349.1	103.4	50.6	28.8	55.6	48.6	62.1	420.5	187.0	92.8	92.5	48.2
May 28	426.3	125.1	15.2	10.3	44.2	231.5	355.8	107.1	52.4	29.4	60.6	48.6	57.5	418.8	176.5	95.9	94.9	51.5
June (July 2)	425.7	125.5	15.9	5.4	43.7	235.2	364.2	119.4	53.4	29.4	60.1	42.8	59.4	393.4	164.4	101.3	79.2	48.5
July 9	425.2	124.4	16.8	5.4	43.7	235.0	362.2	119.3	52.4	29.9	60.0	43.3	57.4	393.8	163.6	102.3	81.3	46.6
July 16	423.8	124.0	16.7	5.4	43.5	234.2	362.6	123.3	49.0	29.8	60.8	43.8	55.9	387.9	163.3	102.1	76.3	46.2
July 23	423.6	123.3	16.7	5.6	43.3	234.8	358.6	117.7	49.9	28.9	63.2	42.9	55.9	386.9	162.3	103.7	77.5	43.4
July 30	425.5	123.4	17.8	5.5	43.2	235.5	353.6	118.6	46.6	28.0	66.4	42.3	51.7	381.1	159.9	102.3	76.3	42.6

<sup>1</sup> Prior to Jan. 3, 1940, the figures under Asia represent Far East only, the remaining Asiatic countries being included under "All other".

<sup>2</sup> Last report date on old basis.

<sup>3</sup> First report date on new basis.

<sup>4</sup> The figures in this supplementary table represent a partial analysis of the figures in the main table under the headings of Other Europe, Latin America, and Asia.

NOTE.—The figures given in this table are not fully comparable throughout as a result of certain changes or corrections in the reporting practice of reporting banks which occurred on Aug. 12, 1936, Jan. 5, 1938, Oct. 18, 1939, and May 7, 1941. (See BULLETIN for May 1937, p. 425; April 1939, p. 295; April 1940, p. 362; and September 1941, p. 947.)

# INTERNATIONAL CAPITAL TRANSACTIONS OF THE UNITED STATES

## OUTSTANDING SHORT-TERM ACCOUNTS, BY COUNTRIES

[Outstanding amounts in millions of dollars]

**TABLE 9.—SHORT-TERM FOREIGN ASSETS, BY COUNTRIES**

Date	Total	United Kingdom	France	Netherlands	Switzerland	Germany	Italy	Other Europe	Total Europe	Canada	Latin America	Asia <sup>1</sup>	All other <sup>1</sup>
<i>Reported by Banks in New York City</i>													
1931—Dec. 30	1,103.3	166.2	29.5	20.9	12.6	467.2	18.7	149.2	864.3	58.1	136.5	41.8	2.6
1932—Dec. (Jan. 4, 1933)	949.4	89.4	67.6	14.2	6.4	433.7	11.5	96.1	719.0	43.9	158.2	24.8	3.5
1933—Dec. (Jan. 3, 1934)	907.1	197.9	65.0	18.1	12.5	258.1	16.8	83.9	652.3	34.7	159.2	54.6	6.3
1934—Nov. 28 <sup>2</sup>	827.1	201.3	94.1	15.9	8.5	178.8	10.7	60.2	569.5	84.4	124.4	46.2	2.6
<i>Reported by Banks in United States</i>													
1934—Dec. 5 <sup>3</sup>	1,137.8	266.4	108.2	19.2	8.3	239.6	26.5	81.3	749.5	91.2	170.7	118.1	8.3
Dec. (Jan. 2, 1935)	1,139.9	296.9	80.5	18.6	8.2	231.7	27.2	80.0	743.2	96.3	174.6	117.4	8.5
1935—Dec. (Jan. 1, 1936)	778.6	88.1	32.5	19.0	6.6	202.0	13.5	71.2	433.0	100.9	154.6	80.1	10.1
1936—Dec. 30	672.6	114.1	16.8	21.9	5.4	165.1	10.9	57.8	392.1	59.4	141.1	67.2	12.9
1937—Dec. 29	655.0	84.8	13.5	23.0	5.5	126.1	20.8	52.9	326.5	118.0	114.4	78.9	17.2
1938—Dec. (Jan. 4, 1939)	594.0	86.0	10.3	24.2	5.5	89.4	13.5	45.9	274.9	60.4	99.1	144.1	15.5
1939—Mar. 29	553.6	83.0	13.8	20.1	3.6	81.4	16.4	48.8	267.1	46.3	99.5	125.7	14.9
June 28	496.6	55.4	10.7	19.7	4.5	77.4	9.5	39.9	217.0	54.0	110.3	100.5	14.8
Sept. 27	485.7	66.0	8.7	9.6	2.9	67.1	12.2	41.6	208.1	49.7	108.5	104.0	15.4
Dec. (Jan. 3, 1940)	508.7	39.9	4.9	6.7	5.2	63.4	11.8	51.4	172.2	39.7	113.3	174.1	9.3
1940—Mar. (Apr. 3)	527.5	39.7	4.9	6.7	6.2	50.1	16.9	48.6	173.2	42.2	110.7	192.6	8.9
Apr. (May 1)	515.7	36.8	8.4	8.0	6.4	49.4	17.2	48.6	174.7	37.1	114.3	181.0	8.6
May 29	475.0	30.1	7.9	3.2	5.0	47.3	18.3	44.6	156.5	26.7	113.3	169.5	9.0
June (July 3)	475.0	32.0	6.2	2.6	3.8	47.3	14.2	41.0	147.2	35.3	117.0	167.9	7.7
July 31	444.9	28.2	4.5	1.9	2.5	46.6	9.6	36.6	130.0	31.3	116.3	159.8	7.5
Aug. (Sept. 4)	386.0	22.6	4.2	1.2	1.9	46.0	4.1	34.9	115.0	31.2	112.3	118.6	8.9
Sept. (Oct. 2)	385.5	20.2	3.5	1.1	1.5	45.6	2.8	34.8	109.4	30.8	113.1	125.7	6.4
Oct. 30	393.4	19.6	3.7	1.0	1.9	44.0	3.3	33.3	106.8	32.4	123.1	124.9	6.3
Nov. 27	395.1	21.4	4.3	1.1	1.9	43.0	2.2	32.0	106.0	29.7	125.9	126.2	7.3
Dec. (Jan. 1, 1941)	384.0	23.0	4.2	.9	1.5	39.6	2.0	29.9	101.0	36.0	122.7	117.8	6.4
1941—Jan. 29	399.2	23.0	3.4	.8	2.1	38.8	1.7	31.1	100.9	33.6	125.8	132.4	6.5
Feb. 26	383.0	20.7	3.1	.8	3.8	38.2	1.7	31.0	99.4	30.8	115.1	131.0	6.6
Mar. (Apr. 2)	391.7	24.0	2.8	.8	3.1	36.1	1.7	30.1	98.6	30.9	121.6	133.4	7.2
Apr. 30	360.2	22.6	2.8	.9	2.7	35.5	1.7	29.1	95.3	25.0	118.3	113.9	7.7
May 25	364.2	24.7	2.4	.9	2.9	35.3	1.7	28.4	96.3	27.9	116.2	115.0	8.8
June (July 2)	340.5	23.5	2.1	.8	2.9	35.5	1.6	28.6	95.0	27.8	113.9	94.9	8.9
July 9	332.9	23.9	2.1	.8	2.8	35.6	1.6	28.6	95.3	27.6	112.4	88.5	9.0
July 16	332.9	23.5	2.0	.8	2.8	35.5	1.6	28.2	94.3	26.7	112.3	90.9	8.6
July 23	339.7	24.3	2.0	.8	2.8	35.6	1.6	28.2	95.2	25.7	112.4	97.4	8.9
July 30	355.6	26.9	2.0	.7	2.9	35.2	2.1	28.1	97.8	24.9	116.8	105.9	10.2

**Additional Detail Available from January 3, 1940<sup>4</sup>**

Date	5 European countries					6 Latin American countries						4 Asiatic countries						
	Total	Belgium	Denmark	Finland	Norway	Sweden	Total	Argentina	Brazil	Chile	Cuba	Mexico	Panama and C. Z.	Total	China	Hong Kong	Japan	Philippine Islands
1940—Mar. (Apr. 3)	19.4	7.9	2.2	.8	4.0	4.5	71.4	12.5	33.0	9.4	10.7	4.7	1.1	182.6	26.1	1.7	125.9	28.9
Apr. (May 1)	17.6	8.1	1.4	1.0	3.4	3.7	73.9	12.4	34.4	9.7	11.2	5.0	1.2	169.8	23.9	1.8	115.6	28.5
May 29	14.1	5.1	1.1	1.5	2.4	4.2	73.9	16.4	32.1	9.5	9.8	5.0	1.1	160.1	24.5	1.9	103.2	30.5
June (July 3)	10.6	3.4	.7	1.5	1.5	3.4	77.5	16.7	33.7	9.7	11.4	4.8	1.3	155.2	30.2	1.6	90.6	32.7
July 31	9.1	2.9	.4	1.6	1.3	2.8	75.6	16.4	32.8	10.3	9.9	4.7	1.5	145.3	30.5	2.7	78.6	33.6
Aug. (Sept. 4)	7.7	1.6	.3	1.7	1.2	2.9	72.1	15.1	31.3	9.6	9.9	4.5	1.7	102.3	24.0	3.8	45.0	29.5
Sept. (Oct. 2)	7.5	1.7	.3	1.7	1.2	2.7	72.5	14.8	30.8	10.0	10.6	4.5	1.9	109.8	24.2	4.3	53.2	28.2
Oct. 30	7.6	2.2	.3	1.9	1.1	2.1	81.4	13.2	40.2	10.8	10.9	4.6	1.7	110.7	24.2	3.0	58.0	25.4
Nov. 27	6.1	2.1	.3	1.9	1.0	.8	82.9	13.5	39.0	11.7	11.5	5.3	1.9	113.9	24.0	1.5	62.8	25.6
Dec. (Jan. 1, 1941)	5.5	1.5	.3	1.8	.9	1.0	78.4	11.9	33.1	13.4	11.7	6.1	2.1	103.8	23.7	1.7	55.8	22.6
1941—Jan. 29	5.6	1.4	.3	1.9	.8	1.2	80.0	11.1	34.0	14.9	11.8	6.1	2.1	117.9	24.2	1.1	71.8	20.7
Feb. 26	5.6	1.5	.3	1.9	.8	1.2	68.3	10.0	24.4	14.3	11.3	5.9	2.4	114.2	23.5	.9	68.3	21.5
Mar. (Apr. 2)	4.8	1.3	.1	1.9	.7	.9	71.1	10.4	30.0	12.2	10.7	5.4	2.5	115.2	26.5	.9	67.3	20.4
Apr. 30	4.4	1.3	.1	1.9	.7	.6	69.0	10.8	28.1	12.0	10.3	5.4	2.5	97.0	26.1	1.0	46.9	23.0
May 25	4.2	1.0	( <sup>5</sup> )	1.9	.6	.6	67.4	12.7	24.1	12.2	9.7	6.0	2.7	98.0	29.2	2.7	41.1	25.0
June (July 2)	4.4	1.1	( <sup>5</sup> )	2.0	.6	.6	69.5	12.6	25.4	13.2	9.8	5.9	2.7	78.2	31.1	2.7	17.3	27.1
July 9	4.5	1.1	( <sup>5</sup> )	2.0	.6	.7	68.2	12.2	25.7	12.9	9.8	5.1	2.5	73.0	29.2	2.8	16.3	24.7
July 16	4.4	1.1	( <sup>5</sup> )	2.0	.6	.6	68.6	12.1	26.2	12.8	9.9	5.2	2.5	76.2	29.7	2.9	19.0	24.6
July 23	4.4	1.1	.1	2.0	.6	.6	68.7	12.4	25.9	12.9	9.8	5.3	2.4	83.0	31.7	3.1	22.9	25.3
July 30	4.4	1.1	.1	2.0	.6	.6	72.4	13.8	27.3	13.5	10.0	5.6	2.3	90.6	34.1	3.0	27.1	26.4

<sup>1</sup> Prior to Jan. 3, 1940, the figures under Asia represent Far East only, the remaining Asiatic countries being included under "All other".

<sup>2</sup> Last report date on old basis.

<sup>3</sup> First report date on new basis.

<sup>4</sup> The figures in this supplementary table represent a partial analysis of the figures in the main table under the headings Other Europe, Latin America, and Asia.

<sup>5</sup> Less than \$50,000.

NOTE.—The figures given in this table are not fully comparable throughout as a result of certain changes or corrections in the reporting practice of reporting banks which occurred on Aug. 12, 1936, and Oct. 18, 1939 (see BULLETIN for May 1937, p. 431, and April 1940, p. 363).

## CENTRAL BANKS

Bank of England (Figures in millions of pounds sterling)	Assets of issue dept.		Assets of banking department				Note circulation <sup>3</sup>	Liabilities of banking department			Other liabilities
	Gold <sup>1</sup>	Other assets <sup>2</sup>	Cash reserves		Dis-counts and advances	Securi-ties		Deposits			
			Coin	Notes				Bankers'	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	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	323.4	220.0	.8	41.1	9.2	135.5	505.3	120.6	11.4	36.6	18.0
1938—Dec. 28	328.4	230.0	.8	51.7	28.5	90.7	504.7	102.0	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—Sept. 25	.2	630.0	.8	25.5	3.5	169.7	604.8	116.0	13.5	51.9	18.1
Oct. 30	.2	630.0	.5	38.7	3.0	153.3	591.6	108.0	18.3	51.5	17.7
Nov. 27	.2	630.0	1.0	36.9	6.9	161.2	593.3	110.8	27.1	50.3	17.8
Dec. 25	.2	630.0	.9	13.3	4.0	199.1	616.9	135.7	12.5	51.2	17.9
1941—Jan. 29	.2	630.0	1.0	31.0	3.8	175.4	599.2	107.9	32.4	53.0	18.0
Feb. 26	.2	630.0	1.4	27.0	3.7	175.4	603.2	121.7	14.6	53.0	18.1
Mar. 26	.2	630.0	1.1	18.8	45.3	145.8	611.5	118.6	22.0	52.3	18.1
Apr. 30	.2	680.0	1.5	56.9	28.3	133.7	623.4	131.8	13.6	57.2	17.7
May 28	.2	680.0	1.6	50.7	11.4	149.4	629.5	110.9	32.3	52.1	17.8
June 25	.2	680.0	1.7	41.3	6.9	156.2	639.0	112.5	25.3	50.4	17.8
July 30	.2	680.0	1.7	21.8	6.5	181.7	658.4	132.1	11.3	50.5	17.9
Aug. 27	.2	680.0	1.8	15.5	6.4	183.9	664.7	125.7	14.9	49.1	18.0
Sept. 24	.2	730.0	1.6	58.8	4.6	149.8	671.4	133.9	10.6	52.2	18.1

Bank of France (Figures in millions of francs)	Assets							Liabilities				Other liabilities	
	Gold <sup>4</sup>	Fore-ign ex-change	Domestic bills			Advances to Government		Other assets	Note circulation	Deposits			
			Open market <sup>7</sup>	Spe-cial <sup>7</sup>	Other	For occupa-tion costs <sup>8</sup>	Other <sup>7</sup>			Government	C.A.R. <sup>9</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	3,222	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	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	110,935	5,061	25,595	2,718		
1939—Dec. 28	197,267	112	11,273	2,345	5,149	34,673	20,094	151,322	1,914	14,751	2,925		
1940—Jan. 25	97,268	111	11,861	2,235	5,011	35,673	19,636	151,738	1,834	14,965	3,259		
Feb. 29	97,275	109	12,505	1,810	4,630	40,523	20,785	156,150	1,203	17,128	3,156		
Mar. 28	104,614	111	42,645	1,870	5,005	20,550	19,666	156,032	1,154	14,262	3,014		
Apr. 25	84,615	112	42,694	1,781	5,769	20,900	19,305	156,285	1,171	14,681	3,038		
May 30	84,616	102	44,083	1,889	14,473	32,600	22,729	170,853	1,046	25,782	2,811		
June 10	84,616	108	44,173	1,518	11,885	36,250	25,221	174,469	1,049	25,405	2,848		
Aug. 29 <sup>11</sup>	84,616	(12)	(12)	(12)	(12)	27,200	64,195	(12)	198,578	995	27,200	28,226	(12)
Sept. 26 <sup>11</sup>	84,616	(12)	(12)	(12)	(12)	39,200	69,340	(12)	205,439	990	34,930	25,700	(12)
Oct. 31 <sup>11</sup>	84,616	(12)	(12)	(12)	(12)	56,806	65,250	(12)	213,131	1,097	38,932	25,075	(12)
Nov. 28 <sup>11</sup>	84,616	(12)	(12)	(12)	(12)	64,397	61,200	(12)	214,176	748	39,107	24,941	(12)
Dec. 26 <sup>11</sup>	84,616	42	43,194	661	3,646	72,317	63,900	23,179	218,383	984	41,400	27,202	3,586
1941—July 31	84,598	37	40,776	6,418	117,715	69,500	22,605	242,000	3,795	260,600	31,513	3,741	

<sup>2</sup> Preliminary.

<sup>1</sup> Through February 1939, valued at legal parity of 85 shillings a fine ounce.

<sup>3</sup> Securities and silver coin held as cover for fiduciary issue, the amount of which is also shown by this figure.

<sup>4</sup> Notes issued less amounts held in banking department.

<sup>5</sup> On Jan. 6, 1939, £200,000,000 of gold (at legal parity) transferred from Bank to Exchange Equalization Account; on Mar. 1, 1939, about £5,500,000 (at current price) transferred from Exchange Account to Bank; on July 12, 1939, £20,000,000 of gold transferred from Exchange Account to Bank; on Sept. 6, 1939, £279,000,000 transferred from Bank to Exchange Account.

<sup>6</sup> Fiduciary issue increased by £50,000,000 on June 12, 1940, and Apr. 30 and Aug. 30, 1941.

<sup>7</sup> Gold revalued in Mar. 1940, Nov. 1938, July 1937, and Oct. 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>8</sup> For explanation of this item, see BULLETIN for July 1940, p. 732.

<sup>9</sup> By a series of Conventions between the Bank of France and the Treasury, dated Aug. 25, Oct. 29, Dec. 12, and Dec. 30, 1940, and Feb. 20, Apr. 30, May 10, June 11, and Sept. 23, 1941, advances of 130,000,000,000 francs have been authorized to meet the costs of the German army of occupation. (Dates of Conventions revised on basis of information in Bank's statement for July 31, 1941.)

<sup>10</sup> Central Administration of the Reichskreditkassen.

<sup>11</sup> In each of the weeks ending Apr. 20 and Aug. 3, 1939, 5,000,000,000 francs of gold transferred from Exchange Stabilization Fund to Bank of France; in week ending Mar. 7, 1940, 30,000,000,000 francs of gold transferred from Bank of France to Stabilization Fund.

<sup>12</sup> Figures taken from annual report of Bank for 1940.

<sup>13</sup> Figure not available.

NOTE.—For further explanation of tables see BULLETIN for February 1931, pp. 81-83.

Central Banks—Continued

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 1			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	—	11,392	30	804	393	2,498	11,798	2,018	1,378
1940—Sept. 30	78	—	13,206	16	50	422	2,184	12,847	1,795	1,314
Oct. 31	78	—	13,089	31	56	425	2,240	12,937	1,610	1,352
Nov. 30	78	—	13,532	26	51	427	2,223	13,198	1,708	1,433
Dec. 31	78	—	15,419	38	32	357	2,066	14,033	2,561	1,396
1941—Jan. 31	77	—	14,503	28	28	349	1,834	13,694	1,726	1,399
Feb. 28	77	—	15,284	34	24	351	1,445	13,976	1,935	1,305
Mar. 31	77	—	15,367	23	32	352	1,672	14,188	2,127	1,210
Apr. 30	78	—	15,644	32	22	488	1,548	14,689	2,006	1,117
May 31	78	—	15,918	23	18	438	1,922	15,210	2,012	1,174
June 30	78	—	16,258	20	45	416	2,336	15,565	2,373	1,215
July 31	78	—	16,754	27	12	359	2,302	16,031	2,243	1,259
Aug. 30	77	—	17,306	25	16	384	2,343	16,502	2,326	1,323
Sept. 30 <sup>2</sup>	77	—	18,016	25	24	( <sup>3</sup> )	( <sup>3</sup> )	16,918	2,511	( <sup>3</sup> )

<sup>2</sup> Preliminary.

<sup>1</sup> Not shown separately on Reichsbank statement after June 15, 1939.

<sup>3</sup> Figure not yet available.

NOTE.—For explanation of above table see BULLETIN for July 1935, p. 463, and February 1931, pp. 81-83.

Central Bank (Figures as of last report date of month)	1941			1940	Central Bank (Figures as of last report date of month)	1941			1940
	Sept.	Aug.	July	Sept.		Sept.	Aug.	July	Sept.
<b>Central Bank of the Argentine Republic</b> (millions of pesos):					<b>National Bank of Bohemia and Moravia—Cont.</b>				(June) <sup>1</sup>
Gold reported separately		1,069	1,071	1,170	Other assets				( <sup>3</sup> )
Other gold and foreign exchange		446	415	183	Note circulation				7,101
Negotiable Government bonds		365	357	218	Demand deposits				2,091
Rediscounted paper		2	9	16	Other liabilities				( <sup>3</sup> )
Other assets		210	228	220	<b>Central Bank of Bolivia</b> (thousands of bolivianos):			(Apr.) <sup>1</sup>	
Note circulation		1,248	1,263	1,175	Gold at home and abroad				104,959
Deposits—Member bank		545	669	365	Foreign exchange				42,607
Government		211	64	190	Loans and discounts				224,182
Other		13	13	2	Securities—Government				440,344
Foreign exchange sold forward		7	4	12	Other				8,513
Other liabilities		68	68	65	Other assets				292,454
<b>Commonwealth Bank of Australia</b> (thousands of pounds):					Note circulation				508,348
Issue department:					Deposits				422,463
Gold and English sterling		18,955	17,705	16,082	Other liabilities				92,248
Securities		53,859	52,614	54,305	<b>National Bank of Bulgaria</b> (millions of leva):			(May) <sup>1</sup>	
Banking department:					Gold				2,006
Coin, bullion, and cash		3,636	4,108	5,566	Net foreign exchange in reserve				40
London balances		33,645	42,489	45,680	Foreign exchange				5,807
Loans and discounts		22,307	22,176	31,259	Loans and discounts				905
Securities		56,676	52,111	44,137	Government debt				2,593
Deposits		106,202	110,484	119,075	Other assets				3,684
Note circulation		70,364	69,114	61,619	Note circulation				8,610
<b>National Bank of Belgium</b> (millions of belgas):			(Mar.) <sup>1</sup>		Deposits				3,522
Gold			4,331		Other liabilities				2,902
Foreign exchange			543		<b>Bank of Canada</b> (thousands of Canadian dollars):				
Credits to State and public bodies			2,186		Gold <sup>4</sup>				
Credits to private economy			125		Sterling and United States exchange	109,295	40,617	472	20,336
Due from Bank of Issue, Brussels			373		Canadian Gov't. securities:				
Other assets			491		2 years or less	516,422	519,716	522,302	412,359
Note circulation			7,596		Over 2 years	146,282	141,365	138,006	120,742
Demand deposits			296		Other assets	19,942	21,284	14,879	43,356
Other liabilities			157		Note circulation	435,288	422,230	404,674	331,957
<b>National Bank of Bohemia and Moravia</b> (millions of koruny):			(June) <sup>1</sup>		Deposits—Chartered banks	207,460	212,902	216,268	231,336
Gold			1,503	1,602	Dominion Gov't.	124,610	60,657	33,310	4,441
Foreign exchange			788	892	Other	6,362	9,965	4,721	9,961
Discounts			660	302	Other liabilities	18,219	17,227	16,686	19,098
Loans			( <sup>2</sup> )	407					

<sup>1</sup> Latest month for which report is available for this institution.

<sup>2</sup> Less than 500,000 koruny.

<sup>3</sup> Figure not available.

<sup>4</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).

Central Banks—Continued

Central Bank (Figures as of last report date of month)	1941			1940	Central Bank (Figures as of last report date of month)	1941			1940
	Sept.	Aug.	July	Sept.		Sept.	Aug.	July	Sept.
<b>Central Bank of Chile</b> (millions of pesos):					<b>Bank of Finland—Cont.</b>			(May) <sup>1</sup>	
Gold		147	147	146	Note circulation			5,659	
Discounts for member banks		209	183	168	Deposits			796	
Loans to Government		738	738	746	Other liabilities			3,520	
Other loans and discounts		530	522	375	<b>Bank of Greece</b> (millions of drachmas):			(Mar.) <sup>1</sup>	
Other assets		97	99	31	Gold and foreign exchange (net)			18,465	4,959
Note circulation		1,222	1,199	1,022	Loans and discounts			16,585	15,190
Deposits—					Government obligations			3,947	4,049
Bank		192	189	168	Other assets			3,589	3,086
Other		70	70	112	Note circulation			19,371	11,326
Other liabilities		237	231	165	Deposits			20,908	13,666
<b>Bank of the Republic of Colombia</b> (thousands of pesos):					Other liabilities			2,306	2,292
Gold	29,713	30,584	31,452	26,386	<b>National Bank of Hungary</b> (millions of pengö):				
Foreign exchange	9,823	7,209	13,587	12,594	Gold			124	124
Loans and discounts	38,158	33,501	26,200	26,258	Foreign exchange reserve			20	43
Government loans and securities	56,405	55,025	55,141	42,959	Discounts			887	815
Other assets	30,728	29,515	30,231	31,532	Loans—To Treasury			803	506
Note circulation	64,632	65,085	67,169	54,923	Other			41	39
Deposits	53,547	49,805	49,975	54,151	Other assets			467	318
Other liabilities	46,597	40,944	39,467	30,656	Note circulation			1,773	1,357
<b>National Bank of Denmark</b> (millions of kroner):					Demand deposits			251	172
Gold		100	100	117	Consolidated foreign credits of 1931			32	( <sup>4</sup> )
Foreign exchange		29	30	9	Other liabilities			286	316
Clearing accounts (net)		676	634	326	<b>Reserve Bank of India</b> (millions of rupees):				
Discounts		9	8	14	Issue department:			(June) <sup>1</sup>	
Loans—To Government agencies		16	17	68	Gold at home and abroad			444	444
Other		27	29	110	Sterling securities			1,188	1,315
Securities		136	142	159	Indian Gov't. securities			913	496
Other assets		787	764	344	Rupee coin			366	326
Note circulation		740	736	695	Note circulation			2,769	2,292
Deposits		843	789	269	<b>Banking department:</b>				
Other liabilities		198	198	183	Notes of issue department			142	290
<b>Central Bank of Ecuador</b> (thousands of sucres):			(Apr.) <sup>1</sup>		Balances abroad			371	344
Gold			65,674	56,960	Treasury bills discounted				9
Foreign exchange (net)			15,805	14,840	Loans to Government			2	14
Loans and discounts			59,678	62,781	Investments				84
Other assets			23,976	26,185	Other assets				15
Note circulation			76,988	73,328	Deposits				457
Demand deposits			55,668	46,617	Other liabilities				156
Other liabilities			32,476	40,821	<b>Bank of Japan</b> (millions of yen):				
<b>National Bank of Egypt</b> <sup>2</sup> (thousands of pounds):			(May) <sup>1</sup>		Cash, bullion, and foreign accounts			573	582
Gold			6,241	6,241	Special foreign exchange funds			300	300
Foreign exchange			1,272	329	Advances—To Government			2	3
Loans and discounts			3,086	8,237	Other <sup>6</sup>			561	554
British, Egyptian, and other Government securities			75,817	43,851	Government bonds			4,249	3,786
Other assets			6,537	( <sup>3</sup> )	Other assets			487	578
Note circulation			41,573	( <sup>3</sup> )	Note circulation			4,566	4,072
Deposits—Government			6,453	1,686	Deposits—Government			801	833
Other			35,012	18,919	Other			323	406
Other liabilities			9,913	8,855	Other liabilities			483	491
<b>Central Reserve Bank of El Salvador</b> (thousands of colones):					<b>Bank of Java</b> (millions of guilders):				
Gold	13,233	13,238	13,191		Gold			364	327
Foreign exchange	1,110	1,421	692		Foreign bills			19	19
Loans and discounts	1,298	1,359	2,523		Loans and discounts			97	78
Government debt and securities	6,308	6,317	5,726		Other assets			124	129
Other assets	1,697	1,606	1,396		Note circulation			249	237
Note circulation	15,587	15,783	13,551		Deposits			320	280
Deposits	3,947	3,572	4,585		Other liabilities			35	35
Other liabilities	4,111	4,587	5,392		<b>Netherlands Bank</b> (millions of guilders):				
<b>Bank of Finland</b> (millions of markkaa):			(May) <sup>1</sup>		Gold			1,023	1,023
Gold			556		Silver (including subsidiary coin)			8	12
Foreign assets			1,182		Foreign bills			452	397
Loans and discounts			5,610		Discounts			97	45
Domestic securities			414		Loans			187	185
Other assets			2,212		Other assets			257	274
					Note circulation			1,779	1,705
					Deposits—Government				
					Other			188	173
					Other liabilities			57	56

<sup>1</sup> Latest month for which report is available for this institution.

<sup>2</sup> Items for issue and banking departments consolidated.

<sup>3</sup> Figure not available.

<sup>4</sup> Included in "Other liabilities".

<sup>5</sup> No comparable figure available; gold alone was reported at 501 million yen.

<sup>6</sup> Includes bills discounted, no longer shown separately beginning Mar. 29, 1941.

**Central Banks—Continued**

Central bank (Figures as of last report date of month)	1941			1940	Central bank (Figures as of last report date of month)	1941			1940
	Sept.	Aug.	July	Sept.		Sept.	Aug.	July	Sept.
<b>Reserve Bank of New Zealand</b> (thousands of pounds):					<b>Swiss National Bank</b> (millions of francs):				
Gold	2,802	2,802	2,802	2,802	Gold	2,273	2,305	2,119	
Sterling exchange reserve	15,091	15,583	9,988	9,988	Foreign exchange	1,268	1,262	627	
Advances to State or State under- takings	24,307	24,408	28,015	28,015	Loans and Discounts	132	109	320	
Investments	3,773	3,773	2,552	2,552	Other assets	216	227	270	
Other assets	1,661	1,614	379	379	Note circulation	2,106	2,114	2,110	
Note circulation	22,119	21,776	20,109	20,109	Other sight liabilities	1,510	1,514	956	
Demand deposits	23,005	23,902	21,289	21,289	Other liabilities	274	275	270	
Other liabilities	2,511	2,501	2,339	2,339	<b>Central Bank of the Republic of Turkey</b> (thousands of pounds):				
<b>Bank of Norway</b> (millions of kroner):				(Mar. 1) <sup>1</sup>	Gold		119,258	108,538	
Gold				186	Foreign exchange—Free			39	
Foreign assets				102	In clearing accounts		44,986	18,538	
Total domestic credits and securities				435	Loans and discounts		444,128	321,257	
Discounts				(2)	Securities		190,853	195,076	
Loans				(2)	Other assets		36,302	35,172	
Securities				(2)	Note circulation		517,066	368,438	
Other assets				(2)	Deposits—Gold		79,358	78,250	
Note circulation				599	Other		101,230	97,016	
Demand deposits—Government				9	Other liabilities		137,872	134,916	
Other				112	<b>Bank of the Republic of Uruguay</b> (thousands of pesos):				
Other liabilities				(2)	Issue department:				
<b>Central Reserve Bank of Peru</b> (thousands of soles):					Gold and silver		86,235	86,235	
Gold and foreign exchange		55,418	56,700	56,700	Note circulation		109,857	93,604	
Discounts		24,593	15,018	15,018	Banking department:				
Government loans		166,620	129,651	129,651	Gold		82,841	50,683	
Other assets		8,447	11,316	11,316	Notes and coin		24,974	46,069	
Note circulation		171,696	134,928	134,928	Advances to State and to government bodies		40,402	41,225	
Deposits		62,356	53,644	53,644	Other loans and discounts		87,015	93,305	
Other liabilities		21,127	24,114	24,114	Other assets		107,697	65,022	
<b>Bank of Portugal</b> (millions of escudos):					Deposits		124,215	99,412	
Gold <sup>2</sup>			1,291	923	Other liabilities		218,713	196,892	
Other reserves (net)			1,262	448	<b>Central Bank of Venezuela</b> (thou- sands of bolivares):				
Non-reserve exchange			1,552	151	Gold	124,304	124,304	123,805	
Loans and discounts			367	472	Foreign exchange (net)	31,163	35,789	31,148	
Government debt			1,031	1,033	Credits to national banks	38,997	38,997	38,000	
Other assets			805	1,643	Other assets	9,546	8,160	7,567	
Note circulation			3,313	2,684	Note circulation—				
Other sight liabilities			2,355	1,009	Central Bank	84,892	83,289	79,385	
Other liabilities			638	978	National banks	77,107	81,464	85,978	
<b>National Bank of Rumania</b> (mil- lions of lei):					Deposits	33,194	34,509	27,720	
Gold <sup>4</sup>	33,673	33,605	31,930	31,930	Other liabilities	8,816	7,988	7,437	
Special exchange accounts	14,769	12,699	5,083	5,083	<b>National Bank of the Kingdom of Yugoslavia</b> (millions of dinars):			(Feb. 1) <sup>1</sup>	
Loans and discounts	30,846	30,102	25,270	25,270	Gold		2,790	2,380	
Special loans <sup>5</sup>	571	579	798	798	Foreign exchange		909	518	
Government debt	9,609	9,608	8,971	8,971	Loans and discounts		1,686	1,632	
Other assets	36,713	31,164	14,102	14,102	Government debt		3,061	3,073	
Note circulation	87,163	81,861	62,342	62,342	National defense bills		7,128	5,155	
Demand deposits	26,395	23,574	13,093	13,093	Other assets		3,465	2,913	
Other liabilities	12,624	12,323	10,719	10,719	Note circulation		13,973	12,403	
<b>South African Reserve Bank</b> (thou- sands of pounds):					Other sight liabilities		3,510	2,464	
Gold	52,926	52,255	38,081	38,081	Other liabilities		1,555	805	
Foreign bills	925	836	745	745	<b>Bank for International Settle- ments</b> (thousands of Swiss gold francs <sup>6</sup> ):				
Other bills and loans	2	13	4	4	Gold in bars		28,281	28,281	26,604
Other assets	43,231	44,478	35,367	35,367	Cash on hand and on current account with banks		39,072	36,862	31,674
Note circulation	27,179	23,807	22,771	22,771	Sight funds at interest		16,411	16,310	14,943
Deposits	65,699	69,357	46,663	46,663	Rediscountable bills and accept- ances (at cost)		140,891	142,113	145,318
Other liabilities	4,206	4,417	4,764	4,764	Time funds at interest		21,008	22,307	21,415
<b>Bank of Sweden</b> (millions of kronor):					Sundry bills and investments		220,543	220,643	216,215
Gold	422	417	335	335	Other assets		54	52	2,381
Foreign assets (net)	861	858	753	753	Demand deposits (gold)		22,951	22,981	14,724
Domestic loans and investments	765	707	709	709	Short-term deposits (various currencies):				
Other assets	878	898	929	929	Central banks for own ac- count		17,855	17,963	20,929
Note circulation	1,495	1,440	1,470	1,470	Other		4,114	4,780	2,804
Demand deposits	731	737	361	361	Long-term deposits: Special ac- counts		229,001	229,001	229,001
Other liabilities	699	702	895	895	Other liabilities		192,336	191,841	191,092

<sup>1</sup> Latest month for which report is available for this institution.

<sup>2</sup> Figure not available.

<sup>3</sup> On Oct. 16, 1940, gold revalued on basis of average cost.

<sup>4</sup> Gold revalued Apr. 1, 1941, at 0.0047 gram fine gold per leu.

<sup>5</sup> Agricultural and urban loans in process of liquidation.

<sup>6</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 Oct. 31	Date effective	Central bank of—	Rate Oct. 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						Bolivia	2	Jan. 25, 1940	Latvia	5	Feb. 17, 1940
Oct. 20					2½			Bohemia and Moravia	3½	Oct. 1, 1940	Lithuania	6	July 15, 1939
Oct. 26							1½				Mexico	4	Jan. 2, 1941
Nov. 26					2								
Dec. 3													
Jan. 28, 1937		4						Bolivia	6	Nov. 8, 1940	Netherlands	2½	June 27, 1941
June 15		6						British India	3	Nov. 29, 1935	New Zealand	1½	July 26, 1941
July 7		5						Bulgaria	5	Dec. 1, 1940			
Aug. 4		4						Canada	2½	Mar. 11, 1935	Norway	3	May 13, 1940
Sept. 3		3½						Chile	3-4½	Dec. 16, 1936	Peru	5	Aug. 1, 1940
Nov. 13		3						Colombia	4	July 18, 1933	Portugal	4	Mar. 31, 1941
May 10, 1938				4									
May 13		2½											
May 30				3									
Sept. 28		3						Denmark	4	Oct. 16, 1940	Rumania	3	Sept. 12, 1940
Oct. 27				2½				Ecuador	7	May 26, 1938	South Africa	3	June 2, 1941
Nov. 25		2½						El Salvador	3	Mar. 30, 1939	Spain	4	Mar. 29, 1939
Jan. 4, 1939		2						Estonia	4½	Oct. 1, 1935	Sweden	3	May 29, 1941
Apr. 17				4				Finland	4	Dec. 3, 1934	Switzerland	1½	Nov. 26, 1936
May 11				3									
July 6				2½									
Aug. 24	4							France	1¾	Mar. 17, 1941	Turkey	4	July 1, 1938
Aug. 29					3			Germany	3½	Apr. 9, 1940	United Kingdom		
Sept. 28	3							Greece	5	July 14, 1941		2	Oct. 26, 1939
Oct. 26	2							Hungary	3	Oct. 22, 1940	U. S. S. R.	4	July 1, 1936
Dec. 15						3		Italy	4½	May 18, 1936	Yugoslavia	5	Feb. 1, 1935
Jan. 25, 1940				2									
Apr. 9			3½										
May 17						3½							
Mar. 17, 1941		1¾											
May 29						3							
June 27					2½								
In effect Oct. 31, 1941	2	1¾	3½	2	2½	3	1½						

1 Not officially confirmed.

NOTE.—Changes since Sept. 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—Aug.	5.47	5.48	4.35	3½	7.18	7.42	5.06	4.68	4½-6½	3.33
1930—Aug.	2.21	2.17	1.85	1	3.24	3.73	1.83	1.63	3½-5½	1.75
1931—Aug.	4.28	4.21	3.59	2½	18.92	19.15	1.30	1.22	4-6	1.98
1932—Aug.	.74	.60	.73	½	4.50	5.82	.37	1.00	4-6	1.50
1933—Aug.	.41	.30	.62	½	3.87	4.94	1.11	1.08	3-5½	1.50
1934—Aug.	.79	.74	.81	½	3.75	4.72	.75	1.00	2½-5	1.50
1935—Aug.	.60	.58	.75	½	3.00	3.06	4.78	4.72	2½-4½	2.47
1936—Aug.	.55	.53	.75	½	2.88	3.01	1.29	1.20	2½-5	2.25
1937—Aug.	.55	.52	.75	½	2.88	2.85	.13	.53	2½-5	1.00
1938—Aug.	.53	.51	.75	½	2.88	2.51	.13	.50	2½-5	1.00
1939—Aug.	1.58	1.92	1.35	½-2	2.75	2.50	1.03	1.53	2½-5	1.00
1940—Aug.	1.03	1.02	1.00	½	2.31	1.77	(2)	3.00	3½-5½	1.50
1940—Sept.	1.03	1.03	1.00	½	2.25	2.03	2.25	2.68	3½-5½	1.50
Oct.	1.03	1.02	1.00	½	2.25	1.87	2.25	2.75	3½-5½	1.31
Nov.	1.03	1.02	1.00	½	2.25	1.93	2.25	2.75	3½-5½	1.25
Dec.	1.03	1.01	1.00	½	2.25	1.95	2.25	2.75	3½-5½	1.25
1941—Jan.	1.03	1.01	1.00	½	2.25	1.73	2.25	2.75	3½-5½	1.25
Feb.	1.03	1.02	1.00	½	2.25	1.68	2.25	2.75	3½-5½	1.25
Mar.	1.03	1.01	1.00	½	2.25	1.83	2.07	2.75	3½-5½	1.25
Apr.	1.03	1.01	1.00	½	2.25	1.67	2.06	2.75	3½-5½	1.25
May	1.03	1.00	1.00	½	2.25		1.93	2.36	3-5½	1.25
June	1.03	1.00	1.00	½	2.13		1.88	2.25	3-5½	1.25
July	1.03	1.00	1.00	½	2.13		1.88	2.25	3-5½	1.25
Aug.	1.03	1.00	1.00	½				2.25	3-5½	1.25

1 Based on data for part of month only

2 No figures available.

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> (Figures in millions of pounds sterling)	Assets							Liabilities			
	Cash reserves	Money at call and short notice	Bills discounted	Treasury deposit receipts <sup>2</sup>	Securities	Loans to customers	Other assets	Deposits			Other liabilities
								Total	Demand <sup>3</sup>	Time <sup>3</sup>	
<b>10 London clearing banks</b>											
1932—December.....	207	127	408	-----	472	778	208	1,983	991	963	216
1933—December.....	213	119	311	-----	565	740	237	1,941	1,015	900	244
1934—December.....	216	151	255	-----	594	759	247	1,971	1,044	910	251
1935—December.....	221	159	322	-----	605	784	231	2,091	1,140	924	231
1936—December.....	236	187	316	-----	630	864	238	2,238	(*)	(*)	232
<b>11 London clearing banks <sup>5</sup></b>											
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	252
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—September.....	288	144	401	92	697	948	287	2,597	1,570	1,027	260
October.....	270	137	373	180	723	948	284	2,661	1,635	1,026	254
November.....	285	140	339	236	743	941	274	2,702	1,671	1,031	256
December.....	324	159	265	314	771	924	293	2,800	1,770	1,030	250
1941—January.....	279	131	269	341	789	926	269	2,757	1,729	1,027	247
February.....	284	128	210	330	814	915	272	2,709	1,696	1,013	243
March.....	288	132	194	374	821	922	276	2,764	1,728	1,036	242
April.....	298	137	188	461	820	897	274	2,829	1,769	1,060	247
May.....	293	128	173	469	848	889	273	2,824	1,789	1,035	249
June.....	311	143	193	482	880	874	311	2,946	1,870	1,075	248
July.....	306	139	275	476	902	866	267	2,991	1,898	1,093	240
August.....	316	140	266	469	935	850	264	2,997	1,909	1,088	242

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 circulation	Deposits payable in Canada excluding interbank deposits			Other liabilities
	Cash reserves	Security loans	Other loans and discounts					Total	Demand	Time	
1932—December.....	211	103	1,104	155	778	600	115	1,916	538	1,378	821
1933—December.....	197	106	1,036	134	861	482	121	1,920	563	1,357	775
1934—December.....	228	103	977	155	967	491	124	2,035	628	1,407	761
1935—December.....	228	83	945	141	1,155	520	111	2,180	694	1,486	789
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—September.....	319	37	1,102	178	1,563	529	88	2,800	1,145	1,655	841
October.....	310	41	1,138	177	1,520	526	88	2,778	1,178	1,600	845
November.....	313	41	1,128	174	1,513	514	88	2,758	1,132	1,628	837
December.....	323	40	1,108	159	1,531	570	80	2,805	1,163	1,641	846
1941—January.....	312	36	1,092	164	1,677	522	79	2,873	1,205	1,668	851
February.....	293	34	1,104	170	1,788	531	80	2,989	1,302	1,687	850
March.....	296	35	1,115	178	1,766	521	80	2,972	1,270	1,703	858
April.....	325	31	1,109	189	1,820	544	79	3,064	1,356	1,708	877
May.....	321	29	1,132	183	1,812	537	80	3,045	1,350	1,695	889
June.....	288	33	1,292	191	1,688	575	80	3,075	1,608	1,467	913
July.....	314	34	1,279	188	1,681	559	80	3,068	1,579	1,489	907
August.....	299	35	1,255	190	1,698	553	81	3,031	1,509	1,522	919

France (4 large banks. End of month figures in millions of francs)	Assets					Liabilities				
	Cash reserves	Due from banks	Bills discounted	Loans	Other assets	Deposits			Own acceptances	Other liabilities
						Total	Demand	Time		
1932—December.....	9,007	1,766	22,014	7,850	1,749	37,759	36,491	1,268	295	4,331
1933—December.....	5,870	1,416	19,848	8,309	1,827	32,635	31,773	862	273	4,362
1934—December.....	5,836	1,421	18,304	8,159	1,717	30,943	30,039	904	193	4,301
1935—December.....	3,739	2,484	16,141	8,025	1,900	27,553	26,859	694	337	4,399
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	21,435	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—January.....	4,066	4,080	29,808	7,756	1,745	42,850	42,302	548	933	3,667
February.....	4,293	3,993	30,810	7,579	1,849	43,737	43,195	542	1,034	3,753
March.....	4,110	3,920	34,123	7,499	1,961	46,608	46,064	544	1,105	3,901

<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> Represents six-month loans to the Treasury at 1½ per cent, callable by the banks in emergency under discount at the bank rate.

<sup>3</sup> Through December 1937, excludes deposits in offices outside England and Wales which are included in total.

<sup>4</sup> Beginning 1936, figures on this basis available only for all 11 banks—see footnote 5.

<sup>5</sup> District Bank included beginning in 1936.

<sup>6</sup> No figures available since March 1940.

NOTE.—For other back figures and explanation of tables, and for figures for German commercial banks, see BULLETIN for August 1939, p. 699; June 1935, pp. 388-390; and October 1933, pp. 641-646.

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## 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 (milreis)		British India (rupee)	Bulgaria (lev)	Canada (dollar)		Chile (peso)		China (yuan Shanghai)	
	Official	Special Export	Official	Free		Official	Free			Official	Free	Official	Free		Official
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	5.8788	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	4.0000	29.606	
1938	32.597			389.55	16.894	5.8438		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	1.2111		96.018	5.1727	4.0000	11.879	
1940	29.773			322.80	16.880	6.0562	5.0214	30.155			90.909	5.1668	4.0000	6.000	
1940—Oct.	29.773			322.80	321.29		6.0575	5.0153	30.170		90.909	86.318	5.1680	4.0000	5.682
1940—Nov.	29.773			322.80	321.57		6.0575	5.0156	30.166		90.909	86.922	5.1663	4.0000	5.845
1940—Dec.	29.773			322.80	321.80		6.0575	5.0169	30.178		90.909	86.563	5.1665	4.0000	5.690
1941—Jan.	29.773			322.80	321.50		6.0575	5.0560	30.148		90.909	84.801	5.1674	4.0000	5.391
1941—Feb.	29.773			322.80	321.11		6.0575	5.0604	30.140		90.909	83.687	5.1663	4.0000	5.424
1941—Mar.	29.773	23.704		322.80	321.30		6.0575	5.0599	30.139		90.909	84.981	5.1660	4.0000	5.358
1941—Apr.	29.773	23.704		322.80	320.70		6.0575	5.0600	30.129		90.909	87.651	5.1660	4.0000	5.190
1941—May	29.773	23.704		322.80	321.19		6.0575	5.0600	30.129		90.909	87.421	5.1660	4.0000	5.255
1941—June	29.773	23.704		322.80	321.25		6.0575	5.0598	30.129		90.909	88.183			5.336
1941—July	29.773	23.704		322.80	321.31		6.0575	5.0616	30.128		90.909	88.271			5.243
1941—Aug.	29.773	23.704		322.80	321.25		6.0575	5.0646	30.130		90.909	88.961			
1941—Sept.	29.773	23.704		322.80	321.33		6.0575	5.0616	30.137		90.909	89.134			

Year or month	Colombia (peso)	Czechoslovakia (koruna)	Denmark (krone)	Finland (markka)	France (franc)	Germany (reichsmark)	Greece (drachma)	Hong Kong (dollar)	Hungary (pengő)	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	2.1905	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	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		19.308	1.8710	2.0827	40.021	.6715	22.958	18.475	5.0407	23.436	18.546	53.128	306.38
1940—Oct.	56.985			1.9652		39.975	.6602	23.077	19.364	5.0389	23.439	20.331		322.55
1940—Nov.	57.000			1.9482		39.983		23.396	19.505	5.0396	23.439	20.400		322.82
1940—Dec.	57.132			1.9472		39.982		23.585	19.770	5.0439	23.439	20.448		322.75
1941—Jan.	57.146			2.0104		39.979		23.648	19.770	5.0432	23.439	20.504		322.75
1941—Feb.	56.987			2.0101		39.969		24.142	19.770	5.0422	23.439	20.524		322.36
1941—Mar.	56.985			2.0100		39.960		24.421	19.770	5.0452	23.439	20.529		322.55
1941—Apr.	57.011			2.0100		39.962		24.393		5.0475	23.439	20.538		321.96
1941—May	57.022			2.0100		39.968		24.285		5.0805	23.439	20.537		322.45
1941—June	56.982			2.0098		39.970		24.372		5.2621	23.439	20.533		322.51
1941—July	56.981							24.524			23.439	20.542		322.57
1941—Aug.	56.982							25.110				20.538		322.54
1941—Sept.	56.982							25.099				20.542		322.60

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	25.316	18.846	4.6089	1.0006	498.29	13.615	59.005	25.982	32.366		503.93	79.956		2.2719	
1935	24.627	18.882	4.4575	.9277	484.66	13.678	57.173	25.271	32.497		490.18	80.251		2.2837	
1936	24.974	18.875	4.5130	.7382	491.65	12.314	58.258	25.626	30.189		497.09	79.874		2.2965	
1937	24.840	18.923	4.4792	.7294	489.62	6.053	57.973	25.487	22.938		494.40	79.072		2.3060	
1938	24.566	18.860	4.4267	.7325	484.16	5.600	56.917	25.197	22.871		488.94	64.370		2.3115	
1939	23.226	18.835	4.0375	.7111	440.17	10.630	51.736	23.991	22.525		443.54	62.011	36.789	2.2716	
1940	22.709		3.7110	.6896	397.99	9.322	46.979	23.802	22.676		403.50	383.00	65.830	37.601	2.2463
1940—Oct.			3.9841		398.00	9.130	47.101	23.814	23.148		403.50	403.26	65.830	37.629	2.2436
1940—Nov.			3.9849		398.00	9.131	47.100	23.818	23.202		403.50	403.56	65.830	38.994	2.2409
1940—Dec.			3.9915		398.00	9.132	47.100	23.824	23.201		403.50	403.50	65.830	39.480	2.2407
1941—Jan.			3.9986		398.00	9.130	47.089	23.826	23.220		403.50	403.42	65.830	39.491	2.2397
1941—Feb.			4.0069		398.00	9.130	47.094	23.829	23.217		403.50	402.97	65.830	39.649	
1941—Mar.			4.0039		398.00	9.130	47.106	23.824	23.210		403.50	403.19	65.830	39.566	
1941—Apr.			4.0009		398.00	9.130	47.107	23.825	23.201		403.50	402.48	65.830	40.065	
1941—May			4.0017		398.00	9.130	47.107	23.839	23.203		403.50	403.10	65.830	41.161	
1941—June			4.0026		398.00	9.130	47.138	23.836	23.206		403.50	403.16	65.830	42.706	
1941—July					398.00		47.160				403.50	403.23	65.830	43.789	
1941—Aug.					398.00		47.160				403.50	403.18	65.830	43.745	
1941—Sept.					398.00		47.160				403.50	403.27	65.830	43.836	

NOTE.—Developments affecting averages during 1941:

Special export rate for Argentina first reported in addition to official rate on Mar. 27; nominal.

No rates certified: Yugoslavia—since Jan. 28; Hungary—since Mar. 12; Chile—since May 21; Finland, Germany, Italy, Portugal, Spain, Sweden, and Switzerland—since June 14; China and Japan—since July 25.

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 1941, see BULLETIN for 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)	(1928-30=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	97	278	74	115	111
1940.....	79	83	137	-----	110	-----	311	88	146	143
1940—September.....	78	83	141	-----	111	-----	308	-----	148	152
October.....	79	83	143	-----	111	-----	310	-----	154	156
November.....	80	84	147	-----	111	-----	310	-----	158	161
December.....	80	84	149	-----	111	-----	312	-----	159	164
1941—January.....	81	85	150	-----	111	-----	313	-----	162	167
February.....	81	85	150	-----	112	-----	317	-----	165	168
March.....	82	86	151	-----	112	-----	322	-----	169	170
April.....	83	87	151	-----	112	-----	324	-----	170	175
May.....	85	89	151	-----	112	-----	326	-----	171	181
June.....	87	90	152	-----	<sup>p</sup> 112	-----	331	-----	173	184
July.....	89	91	153	-----	<sup>p</sup> 112	-----	329	-----	173	188
August.....	90	92	153	-----	-----	-----	330	-----	174	<sup>p</sup> 189
September.....	92	-----	154	-----	-----	-----	330	-----	-----	-----

<sup>p</sup> Preliminary.

<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 7 months; no data available since July 1939, when figure was 96.

<sup>4</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)			United Kingdom (1930=100)		France (1913=100)		Germany (1913=100)			
	Farm products	Foods	Other commodities	Foods	Industrial products	Farm and food products	Industrial products	Agricultural products	Provisions	Industrial raw and semi-finished products	Industrial finished products
1926.....	100	100	100	-----	-----	581	793	129	132	130	150
1930.....	88	91	85	100	100	526	579	113	113	120	150
1931.....	65	75	75	89	87	542	464	104	96	103	136
1932.....	48	61	70	88	85	482	380	91	86	89	118
1933.....	51	61	71	83	87	420	380	87	75	88	113
1934.....	65	71	78	85	90	393	361	96	76	91	116
1935.....	79	84	78	87	90	327	348	102	84	92	119
1936.....	81	82	80	92	96	426	397	105	86	94	121
1937.....	86	86	85	102	112	562	598	105	96	96	125
1938.....	69	74	82	97	104	641	663	106	91	94	126
1939.....	65	70	81	97	106	<sup>1</sup> 653	<sup>1</sup> 707	108	<sup>1</sup> 93	95	126
1940.....	68	71	83	133	138	(?)	(?)	111	(?)	99	129
1940—September.....	66	72	82	140	142	-----	-----	111	-----	99	131
October.....	66	71	84	143	142	-----	-----	110	-----	99	131
November.....	68	73	84	143	149	-----	-----	111	-----	99	131
December.....	70	74	84	145	150	-----	-----	111	-----	100	131
1941—January.....	72	74	84	145	152	-----	-----	111	-----	100	132
February.....	70	74	84	144	153	-----	-----	111	-----	100	133
March.....	72	75	85	144	154	-----	-----	111	-----	100	133
April.....	74	78	86	144	154	-----	-----	112	-----	100	133
May.....	76	80	87	144	155	-----	-----	113	-----	100	132
June.....	82	83	89	145	156	-----	-----	114	-----	100	132
July.....	86	85	90	146	157	-----	-----	<sup>p</sup> 114	-----	<sup>p</sup> 100	<sup>p</sup> 132
August.....	87	87	91	146	157	-----	-----	<sup>p</sup> 114	-----	<sup>p</sup> 100	<sup>p</sup> 132
September.....	91	90	92	147	-----	-----	-----	-----	-----	-----	-----

<sup>p</sup> Preliminary.

<sup>1</sup> Average based on figures for 8 months.

<sup>2</sup> No data available since August 1939, when figures were 616 and 726 respectively for France, and 92 for Germany.

Sources.—See BULLETIN for March 1935, p. 180, and March 1931, p. 159.

*Price Movements—Continued*

**RETAIL FOOD PRICES**

[Index numbers]

Year or month	United States (1935-39 =100)	United Kingdom (July 1914 =100)	France (July 1914 =100)	Germany (1913-14 =100)	Netherlands (1911-13 =100)	Switzerland (June 1914 =100)
1932-----	87	126	536	116	119	125
1933-----	84	120	491	113	120	117
1934-----	94	122	481	118	124	115
1935-----	100	125	423	120	118	114
1936-----	101	130	470	122	120	120
1937-----	105	139	601	122	127	130
1938-----	98	141	702	122	130	130
1939-----	95	141	<sup>2</sup> 742	123	130	132
1940-----	97	164	-----	128	<sup>4</sup> 140	146
1940-September	97	166	-----	130	-----	149
October-----	96	169	-----	127	-----	152
November-----	96	172	-----	126	-----	157
December-----	97	173	-----	127	-----	158
1941-January....	98	172	-----	127	-----	160
February....	98	171	-----	127	-----	160
March-----	98	169	-----	128	-----	161
April-----	101	170	-----	129	-----	167
May-----	102	171	-----	-----	-----	172
June-----	106	170	-----	-----	-----	178
July-----	107	167	-----	-----	-----	179
August-----	108	167	-----	-----	-----	166
September-----	-----	166	-----	-----	-----	-----

**COST OF LIVING**

[Index numbers]

Year or month	United States (1935-39 =100)	United Kingdom (July 1914 =100)	France (1930 =100)	Germany (1913-14 =100)	Netherlands (1911-13 =100)	Switzerland (June 1914 =100)
1932-----	98	144	91	121	141	138
1933-----	92	140	87	118	139	131
1934-----	96	141	83	121	140	129
1935-----	98	143	78	123	136	128
1936-----	99	147	86	125	<sup>1</sup> 132	130
1937-----	103	154	102	125	137	137
1938-----	101	156	117	126	139	137
1939-----	99	158	<sup>3</sup> 122	126	140	138
1940-----	100	184	-----	130	<sup>5</sup> 148	151
1940-September	100	187	-----	132	-----	153
October-----	100	189	-----	130	-----	157
November-----	100	192	-----	130	-----	159
December-----	101	195	-----	131	-----	160
1941-January....	101	196	-----	132	-----	163
February....	101	197	-----	132	-----	163
March-----	101	197	-----	132	-----	164
April-----	102	198	-----	132	-----	169
May-----	103	200	-----	-----	-----	171
June-----	105	200	-----	-----	-----	175
July-----	105	199	-----	-----	-----	177
August-----	106	199	-----	-----	-----	-----
September-----	-----	199	-----	-----	-----	-----

<sup>1</sup> Revised index from March 1936 (see BULLETIN for April 1937, p. 373).

<sup>2</sup> Average based on figures for 8 months; no data available since August 1939, when figure was 749.

<sup>3</sup> Average based on two quarterly quotations; no data available since May 1939, when figure was 123.

<sup>4</sup> Average based on figures for 3 months; no data available since March 1940, when figure was 141.

<sup>5</sup> Average based on figures for 5 months; no data available since May 1940, when figure was 149.

Sources.—See BULLETIN for 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....	10	87	36	<sup>4</sup> 139	8	402	278	300	<sup>4</sup>	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>5</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	90.0	90.9	94.2	75.9	98.3	94.1	89.7
1940-----	115.9	118.3	84.7	100.7	<sup>7</sup> 77.9	88.1	70.8	-----	114.6	<sup>8</sup> 95.0
1940-September	116.5	117.9	-----	101.0	-----	85.5	66.2	-----	120.8	94.3
October-----	117.2	119.2	-----	101.7	80.7	86.0	68.1	-----	125.1	104.1
November-----	118.0	119.9	-----	101.9	80.0	86.7	70.2	-----	127.7	112.7
December-----	117.7	121.0	-----	101.4	79.8	84.9	70.2	-----	128.0	116.1
1941-January....	117.7	122.2	-----	102.2	80.1	85.0	71.8	-----	131.5	120.0
February....	116.7	121.9	-----	102.8	74.3	80.1	70.5	-----	133.0	113.4
March-----	116.9	122.5	-----	102.8	73.2	80.3	69.9	228.3	131.1	115.1
April-----	116.8	121.7	100.5	103.0	78.5	77.9	69.7	269.5	131.0	126.5
May-----	117.0	122.7	98.4	103.2	82.1	77.1	70.4	274.6	133.2	121.6
June-----	117.7	122.9	-----	-----	-----	79.5	70.7	-----	-----	-----
July-----	118.7	124.7	-----	-----	-----	83.2	72.5	-----	-----	-----
August-----	118.5	124.5	-----	-----	-----	83.2	73.8	-----	-----	-----
September-----	118.1	-----	-----	-----	-----	83.6	-----	-----	-----	-----

<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 10 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 April 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 Jan. 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 inclusion in 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 Apr.-Dec. only—see note 2. Average Jan.-Mar. on old basis was 95.9.

<sup>7</sup> Average based on figures for 7 months; no data available May-September.

<sup>8</sup> Average based on figures for 9 months; no data available May-July.

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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### WEEKLY

**Monday:**

**Condition of Reporting Member Banks in Leading Cities.**

**Bank Debits—Debits to Deposit Accounts, except Inter-Bank Accounts.**

**Tuesday:**

**Money Rates—Open-Market Rates in New York City.** (Also monthly.)

**Thursday:**

**Condition of the Federal Reserve Banks.**

**Condition of Reporting Member Banks in Central Reserve Cities.** (Also included in statement of Condition of Reporting Member Banks in Leading Cities, released on following Monday.)

**Department Store Sales—Index for United States and Percentage Changes by Federal Reserve Districts.**

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**Chart Book I, Federal Reserve Charts on Bank Credit, Money Rates, and Business.** New edition, revised September 1941. 73 pages. Space for plot-

**Brokers' Balances.** Released about the 20th of the month.

**National Summary of Business Conditions.** Released about the 18th of the month.

**Business Indexes.** Released about the 18th of the month.

**Bank Debits—Debits to Deposit Accounts, except Inter-Bank Accounts.** Released between the 6th and 12th of the month.

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**Department Store Sales—Percentage Changes by Federal Reserve Districts and by Cities.** Released about the 22nd of the month.

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**Annual Report,** covering operations for the preceding calendar year.

## BOOKS

ting through 1942. 50 cents per single copy; in quantities of 10 or more, 45 cents per copy.

**Chart Book II, Federal Reserve Charts on Industrial Production.** October 1940. 224 pages. Space for plotting through 1946. \$1 per single copy; in quantities of 10 or more, 85 cents per copy.

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Federal Reserve Publications

REPRINTS

(From Federal Reserve BULLETIN except as stated otherwise. Partial list.)

**Constitutionality of Legislation Providing a Unified Commercial Banking System for the United States.** Opinion of the Board's General Counsel. 21 pages. March 1933.

**Supply and Use of Member Bank Reserve Funds.** Explanation of analysis of sources of member bank reserve funds and uses to which such funds are put. 31 pages. July 1935.

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**Revised Indexes of Factory Employment.** Bureau of Labor Statistics indexes adjusted for seasonal variation by Board of Governors. 32 pages, October 1938; 10 pages, October 1939.

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**The Gold Stock.** 2 pages. September 1940.

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