

FEDERAL RESERVE
BULLETIN

JUNE 1943



BOARD OF GOVERNORS
OF THE FEDERAL RESERVE SYSTEM
WASHINGTON

CONTENTS

	PAGE
Review of the Month—Decline in Consumer Credit . .	485-491
Treasury Bills for Smaller Banks . . .	492
Law Department:	
U. S. Obligations as Collateral for Federal Reserve Notes .	493
Stabilization Fund Legislation	493
Foreign Funds Control—Treasury Department Releases . .	493-496
Loans for Purchasing or Carrying Government Obligations . .	496
Currency in Circulation . . .	497-499
Member Bank Earnings in 1942	500
Postwar International Monetary Stabilization . .	501-521
Current Events	522
National Summary of Business Conditions	523-524
Financial, Industrial, Commercial Statistics, U. S. (See p. 525 for list of tables) . .	525-570
International Financial Statistics (See p. 571 for list of tables)	571-583
Board of Governors and Staff; Open Market Committee and Staff; Federal Advisory Council	584
Senior Officers of Federal Reserve Banks; Managing Officers of Branches . . .	585
Map of Federal Reserve Districts	586
Federal Reserve Publications (<i>See inside of back cover</i>)	

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FEDERAL RESERVE BULLETIN

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DECLINE IN CONSUMER CREDIT

During the past year and a half the volume of consumer credit outstanding has been reduced by $4\frac{1}{2}$ billion dollars. Several factors have been responsible for this decline. The most important has been the decline in the supply of consumer goods available for purchase; thus current purchases on which new credits could be extended were limited. Another factor is the enlarged income of consumers which has enabled them to reduce indebtedness previously incurred. To these economic factors working toward a reduction of consumer credit was added the influence of governmental policy exercised through the operation of Regulation W by the Board of Governors of the Federal Reserve System. This regulation was put into effect in September 1941, when the total volume of consumer credit was at its all-time maximum. In May 1942, through Amendment 4 of the Regulation, its scope was enlarged and its terms were made more restrictive.

Experience during the past 18 months has been contrary to the usual trend in periods of expanding incomes. As incomes have grown, the number of persons incurring debt has declined and those who have obtained credit have retired their obligations more promptly than was customary at other times. The background of policy in regard to consumer credit in wartime was the fact that, since increased incomes were not accompanied by expansion in consumer goods, restriction of consumer buying on

credit diminished pressure for higher prices. The regulation of consumer credit has diverted current income that otherwise might have increased inflationary pressures into liquidation of consumer debt.

EVIDENCES OF DEBT LIQUIDATION

That consumers are repaying their obligations more rapidly than heretofore is evidenced in various ways. The volume of consumer credit outstanding at the end of April 1943 was 5.2 billion dollars, which represented a decrease of 4.5 billion since September 1941. Most of this decline—about 3.3 billion dollars—occurred during the calendar year 1942. According to current estimates almost one-half of the reduction was attributable to declines in credit on motor vehicles alone, but substantial liquidation has occurred also in the amounts outstanding on all the other principal types of consumer indebtedness. All instalment cash lenders are reporting a gradual shortening of maturities. At department stores it now appears that the average instalment contract is completed in five or six months, whereas a year ago it was eight or nine months. Instalment accounts at furniture stores, which formerly had been relatively long-dated, also appear much shorter now. Even at jewelry stores, where the typical terms have always been shorter than the maximum maturity established under regulation, there has been some shortening of maturities. Charge-account

REVIEW OF THE MONTH

sales and receivables declined after they became subject to regulation. Although charge-account sales subsequently increased along with other sales, the average period of collection of such accounts has continued shorter than before regulation, and accounts outstanding have declined.

Rapid reduction in consumer indebtedness has been accompanied by an expansion in cash buying by consumers. Early partial returns from the 1942 Retail Credit Survey, conducted by the Federal Reserve System, show that cash buying has increased in all lines of trade, whether subject to the regulation, as in the case of department and furniture stores, or largely free of such regulation, as in the case of grocery stores. The increase in cash buying was under way even prior to last spring, but the movement was given a substantial boost by the term limitation imposed on charge accounts by Amendment 4 to Regulation W. At department stores, for example, cash sales in 1941 were less than half of total sales. In the early months of 1942 cash buying advanced to about half of total sales. At present the proportion is almost three-fifths.

CHANGES IN VOLUME OF CONSUMER CREDIT

Since the end of 1942 there has been some slackening in the rate of decline in the total volume of consumer credit. The course of the major kinds of credit is shown in the following table and chart. During 1942 the monthly average rate of decline was nearly 280 million dollars. In the first quarter of 1943 the average was about 265 million dollars. Since the first quarter, for seasonal reasons, usually shows more decline or less increase than other quarters of the year this represents an appreciable slackening in the rate of decline. Some further decrease in the rate of decline may

be expected during the remainder of this year.

CHANGES IN CONSUMER CREDIT OUTSTANDING, By Quarters

[Estimates of short-term credit. In millions of dollars]

	Total consumer credit ¹	Instalment		Single-payment loans	Charge accounts
		Sale credit	Loans ²		
Increase or decrease during quarter ending:					
1941					
Dec. 31.....	-226	-262	-59	+31	+52
1942					
Mar. 31.....	-905	-644	-169	-18	-87
June 30.....	-1,081	-629	-152	-61	-247
Sept. 30.....	-956	-612	-211	-30	-110
Dec. 31.....	-401	-367	-214	-23	+193
1943					
Mar. 31.....	-805	-424	-176	-41	-170
Amount outstanding:					
Sept. 30, 1941.....	9,725	4,009	2,233	1,173	1,712
Mar. 31, 1943.....	5,351	1,071	1,252	1,031	1,343
Apr. 30, 1943.....	5,216	1,004	1,206	1,020	1,331

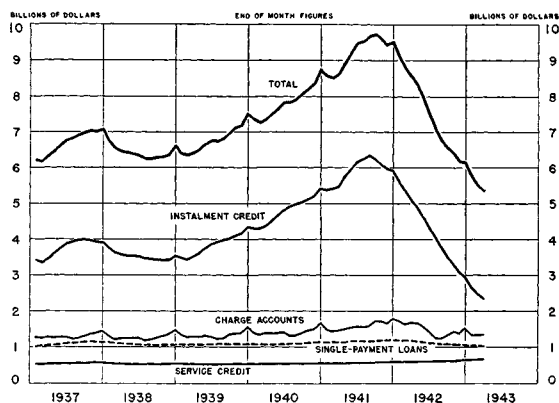
¹ Includes service credit not shown separately.

² Includes repair and modernization loans.

NOTE.—April 1943 figures preliminary and subject to revision.

Slackening in the rate of consumer debt liquidation is inevitable as the hard core of

CONSUMER CREDIT



Estimates of short-term consumer credit outstanding, by type of credit. For the period 1929 through August 1942 these estimates were prepared by the Bureau of Foreign and Domestic Commerce, United States Department of Commerce, and were based to some extent on data prepared by the National Bureau of Economic Research. Currently basic data are collected and end-of-month estimates made by the Division of Research and Statistics of the Board of Governors of the Federal Reserve System.

indebtedness is approached. Liquidation that has already occurred in some lines is considerable. For example, total credit on

motor vehicles at the end of April was only one-ninth of the amount outstanding at the peak. Other types of instalment sale credit have declined nearly three-fifths. Instalment cash loans have also declined substantially and are now more than 45 per cent below the peak level. Charge-account credit, after sharp declines in the middle months of 1942 following its inclusion in Regulation W by Amendment 4, has stabilized temporarily at the low levels of recent months and hereafter is expected to follow the general pattern of retail trade. Single-payment loans have been declining slightly, while service credit has increased somewhat.

As a result of differences in rate of liquidation there has been a radical change in the composition of consumer credit outstanding. At the peak in 1941 durable goods were the basis, directly or indirectly, of approximately two-thirds of total consumer indebtedness. This proportion has shrunk to one-third and by the end of the year it may decline to something like one-sixth.

INSTALMENT SALE CREDIT

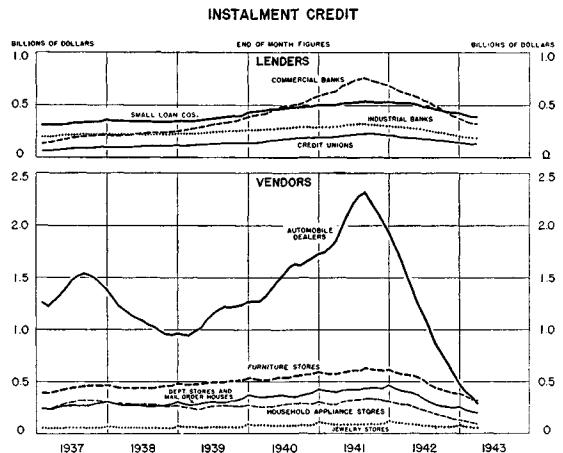
At the end of April 1943 instalment sale credit was slightly more than one billion dollars, a decline of three-fourths from the peak of over 4 billion dollars in the autumn of 1941. Credit on motor vehicles, as shown in the next chart, has accounted for a major part of this decline but the decrease of the remainder has also been sharp, about 4 per cent per month. Furniture dealers have become the most important originators of instalment sale credit. This is largely due to the fact that production has been curtailed less in the case of furniture than for other types of consumer durable goods.

INSTALMENT SALE CREDIT

Vendor	Out-standing Apr. 30, 1943 (in millions of dollars)	Percentage decline, Sept. 30, 1941 to Apr. 30, 1943
Automobile dealers.....	249	89
Other—total ¹	755	58
Department stores and mail-order houses	187	58
Furniture stores.....	319	49
Household appliance stores.....	79	77
Jewelry stores.....	51	47
Total instalment sale credit.....	1,004	75

¹ Includes miscellaneous vendors not shown separately.
NOTE.—April 1943 figures preliminary and subject to revision.

The decline in instalment sale credit, while considerable in amount, has proved smaller than might have been expected early last year, when many limitation and conversion orders were issued to prohibit or greatly curtail the manufacture of most of the durable goods on which the greater part of such credit is based. That sales of such goods have not declined as much as might have been expected has been due to



Estimates of consumer instalment credit outstanding, by principal classes of lender and vendor.

several factors: (1) inventories of fabricated consumer goods in the hands of retailers and others were greater than was believed at the time and permitted continued retail sales at higher levels than had been expected; (2) inventories of semifabricated

materials permitted the production of more consumer goods than had been expected; (3) manufacturers of many lines worked with extraordinary ingenuity and diligence to stretch scarce materials over a larger volume of production; and (4) price rises have made for a greater dollar volume of sales on a basis of diminished physical transactions.

Most of these factors, however, are such that they can not continue to be an influence in maintaining sales of goods. As the accumulated inventories are exhausted, a further considerable decline of instalment sale credit may be expected. Credit extended on automobiles and household appliances will almost disappear by the end of the year. In fields such as furniture, production is likely to be sharply reduced, and in the case of jewelry, limitations on supplies of precious metals, together with difficulties of securing merchandise, are likely to reduce sales. The use of substitute materials and the introduction of new lines can be only a partial offset to the other factors tending to reduce sales.

INSTALMENT CASH LOANS

At the end of April 1943 instalment cash loans of the principal consumer lending agencies had fallen to 1,200 million dollars, representing a decline of about 45 per cent from the 1941 peak. The rate of decline during the first four months of 1943 was roughly 4 per cent per month. Instalment cash loans for the first time have become relatively more important than instalment sale credit. The extent of decline of instalment loans outstanding at various types of lending institutions since September 1941 is shown below. As has been true for some time the fastest decline among cash lenders has been at commercial banks and the slowest at small loan companies.

INSTALMENT CASH LOANS OUTSTANDING

Lender	Out-standing Apr. 30, 1943 (in millions of dollars)	Percentage decline, Sept. 30, 1941 to Apr. 30, 1943
Commercial banks.....	299	59
Small loan companies.....	378	29
Industrial banking companies.....	179	41
Credit unions.....	122	46
Total ¹	1,206	46

¹ Includes miscellaneous lenders and repair and modernization loans not shown separately.

NOTE.—April 1943 figures preliminary and subject to revision.

Part of the decline in instalment loans outstanding has been due to the shorter maturities but part has been due to the decrease in volume of new loans made. Some of the lenders have been affected more by maturity limitations, others more by a decline in loan volume. As shown in the following table, commercial banks have had very large decreases in the volume of loans made but only a slight decrease in average maturity. On the other hand, small loan companies appear to have been influenced more by shortened maturities than by diminished loan volume. Since the comparison is made between the first quarter of this year and the first quarter of 1942, the differences are not due to changes in the volume of direct automotive loans, which had nearly stopped at the beginning of 1942. Differences in the decline of loan volume may be due in part to the extent to which the various classes of lenders have succeeded in promoting new business and possibly, in part, to differences in the income groups with which they typically deal. The reduction in average maturity is presumably due largely to the influence of regulation but evidence to support this point is not conclusive. In addition to limiting the maturity of new loans and renewals, the regulation requires that monthly payments on revised loans be maintained at the former rate.

REVIEW OF THE MONTH

INSTALMENT LOANS

Lender	Loan volume			Maturity ¹		
	First quarter 1943 (in millions of dollars)	First quarter 1942	Percentage change	First quarter 1943 (in months)	First quarter 1942	Percentage change
Commercial banks.....	124	226	-45	9.7	11.0	-11
Small loan companies.....	181	217	-17	9.8	12.6	-22
Industrial banking companies.....	89	117	-24	9.5	11.9	-20
Credit unions.....	46	62	-26	11.8	13.4	-12

¹ Derived by formula: two times geometrical reciprocal of ratio of repayments to amount outstanding minus one.

To some extent instalment cash loans have declined for the same reasons that instalment sale credit has decreased, the more important among them being that there are fewer goods to purchase and more cash income with which to purchase them or to repay debt. Nevertheless, the volume of cash lending is still large, far in excess of that in 1929 or in any depression or post-depression year until 1936. The sizeable volume of instalment loans to pay Federal income taxes in March this year, estimated at 75 million dollars, is evidence that many persons still borrow to meet large unit payments.

There is likely to be a continued decline in cash loans, owing in part to regulatory limitations, but particularly to a dwindling demand. All factors considered, a continued decline of instalment loans seems likely; probably at a slower rate than for instalment sale credit for a time but also probably not tending to level off quite so soon.

CHARGE-ACCOUNT CREDIT

Charge-account credit is one field in which the hastening of collections has been the most influential factor in the decline of the amount outstanding. Last year following the adoption of Amendment 4 and roughly through August 1942, the ratio of charge-account sales to total sales at depart-

ment stores declined and the volume of charge accounts receivable was reduced. Since September, however, charge-account sales have shared in the increase in total sales, and the ratio of charge-account sales to the total, although continuing less than before May 1942, has shown no further decline. The period of collection, however, has remained much shorter so that charge accounts outstanding are considerably reduced. The average period of outstanding department store charge accounts is now around 48 days. This means that a majority of customers, probably around two-thirds, pay their accounts promptly and in full when billed.

In the following table there is shown a division of department store sales by type, collection ratios for both instalment and charge-account credit, and the derived maturities for each type of credit.

DEPARTMENT STORE SALES, ACCOUNTS RECEIVABLE, AND COLLECTIONS

Year and month	Ratio to total sales (percentage)			Ratio of collections to accounts receivable ¹ (percentage)		Average period outstanding	
	Cash sales	Instalment sales	Charge-account sales	Instalment	Charge accounts	Instalment accounts (mos.) ²	Charge accounts (days) ³
1941—January.	49	8	43	18	49	10	62
April....	47	9	44	19	46	10	65
July....	49	10	41	18	46	10	65
October.	48	8	44	19	47	9	64
1942—January.	50	7	43	20	50	9	60
April....	50	7	43	21	47	8	64
July....	59	5	36	23	60	8	50
October.	58	6	36	29	65	6	46
1943—January.	59	5	36	28	61	6	50
April....	60	5	35	31	63	5	48

¹ Ratio of collections during the month to accounts receivable at the beginning of the month.

² Derived by formula: two times geometrical reciprocal of collection ratio minus one.

³ Derived by dividing collection ratio into 30 days.

Evidence from the 1942 Retail Credit Survey suggests that the decline in charge-account credit was largely the result of Regulation W. Unlike instalment sale credit and instalment cash loans the charge-

account field is one in which the influence of regulation may be to a large extent separated statistically from other influences. It appears that the regulated trades had much larger declines in charge accounts outstanding than those not regulated. It also appears that the influence of Regulation W was mainly to expedite collection, rather than to discourage sales transactions on this basis.

RECENT TRENDS IN RETAIL TRADE

Although instalment sales are well below the levels of prior years and charge-account sales at about early 1942 levels, the total volume of retail trade in dollar terms has been larger this year than in the corresponding period of 1942. The increase has been in cash sales. Greater cash sales have occurred in all lines of trade. In department stores, where monthly figures are available, current levels are almost a third above those of last year and almost three-fourths above the level of 1941.

Increase in total value of retail sales has been due in large part to price advances and represents little change in quantity of goods sold. As would be expected, sales of consumer durable goods have decreased sharply owing to curtailment or complete cessation in the production of most such items during the past year. Sales of nondurable goods have increased on balance, reflecting to a considerable extent price advances. During February there was a sharp rise in sales of clothing, particularly women's apparel and piece goods, when a buying wave swept the country after the sudden announcement of shoe rationing early in the month. The buying wave subsided somewhat after a

few weeks but sales in March, April, and May continued above the levels of previous years.

Data available on department store sales by departments indicate the changes that occurred through the first quarter of this year as compared with the corresponding period last year. As the table shows, sales of women's clothing and accessories during the first quarter of the year were 29 per cent larger than in the corresponding period of last year and those of piece goods were 47 per cent larger. On the other hand, sales of men's clothing were 3 per cent smaller than in the first quarter of 1942, reflecting the fact that during the early part of last year there was a buying wave that was particularly marked in these items, whereas the buying wave this year was much less apparent in men's clothing and furnishings than in women's clothing. The table also shows the marked decline

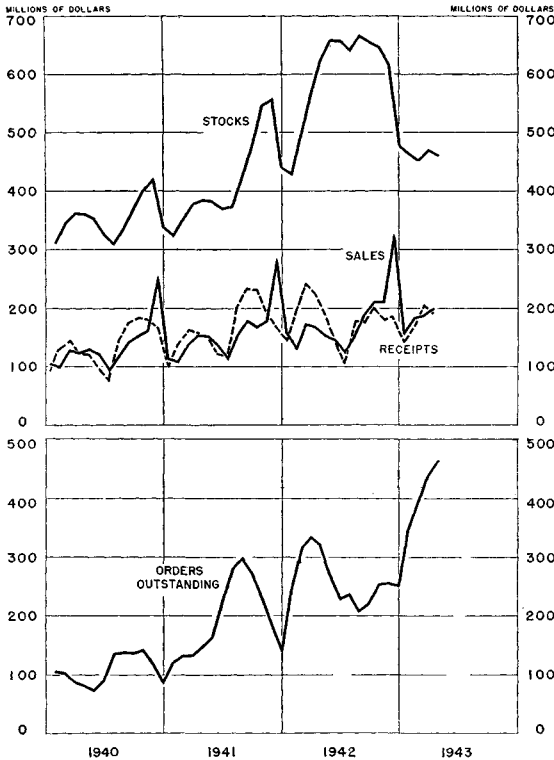
DEPARTMENT STORE SALES AND STOCKS, BY MAJOR DEPARTMENTS
[Percentage change from corresponding period a year ago]

Department	Sales in first quarter 1943 (value)	Stocks on Mar. 31, 1943 (value)
Grand total—entire store.....	+14	-17
Main store		
Women's apparel and accessories.....	+29	-11
Men's and boys' wear.....	-3	-14
Home furnishings:		
Furniture, beds, mattresses, springs.....	-3	-22
Draperies, curtains, upholstery.....	+14	-14
Major household appliances.....	-72	-66
Domestics, blankets, linens.....	+1	-23
Piece goods.....	+47	-18
Small wares.....	+15	-16
Miscellaneous.....	+17	-24
Basement store		
Women's apparel and accessories.....	+18	-7
Men's and boys' clothing and furnishings.....	-1	-18
Home furnishings.....	+6	-23
Piece goods.....	+33	-13

that took place in sales of major household appliances.

REVIEW OF THE MONTH

DEPARTMENT STORE SALES, STOCKS, AND ORDERS



Based on data for 296 independent department stores. Figures for stocks and orders are as of the end of the month; those for sales and receipts are monthly totals. The "Receipts" series is derived from sales and changes in stocks and represents approximately the new merchandise received by the stores in each month. The data shown are not adjusted for seasonal variation. Latest figures shown are for April.

Accompanying the large sales this year stocks at department stores have not shown the customary seasonal increase and there has been a sharp rise in the amount of outstanding orders for merchandise. As is shown on the chart, at the end of April outstanding orders were at record levels and in relation to sales were about three times larger than is customary at this time of year. Stocks of merchandise were 26 per cent smaller than a year ago and approximated a $2\frac{1}{4}$ months' supply at the April rate of sales as compared with about a $3\frac{3}{4}$ months' supply last year and a customary ratio of about $2\frac{3}{4}$ months' supply. Decreases in stocks over the past year have been general throughout all departments, as is shown in the table. The principal factors accounting for these decreases have been the continuing large volume of sales this year, the difficulties encountered in obtaining merchandise, and to some extent, reductions in stocks by some stores in anticipation of the consumer goods inventory limitation order which, for most department stores, became effective at the beginning of May.

TREASURY BILLS FOR SMALLER BANKS

For the purpose of promoting a wider distribution of Treasury bills among smaller banks the Treasury, beginning with the issue dated May 12, inaugurated the practice of allotting in full at a fixed price all subscriptions to bills in amounts not exceeding \$100,000. The price was established at 99.905, which gives a return of about $\frac{3}{8}$ of 1 per cent, or \$3,750 a year for a million dollars invested in Treasury bills. This practice is expected to be more convenient for smaller banks, many of which do not have ready access to current information regarding the money market, are not familiar with the process of bidding, and have felt in this respect at a disadvantage in competition with larger banks. Under the new procedure all banks can purchase on subscription \$100,000 a week, or a total of \$1,300,000 over a 13-week period, with assurance of obtaining the full amount at a fixed price. In the first week full allotments of Treasury bills at the fixed price totaled over 80 million dollars. The amount is expected to increase substantially in succeeding weeks.

It will be recalled that under arrangements put into effect last year the Federal Reserve Banks stand ready to purchase at a rate of $\frac{3}{8}$ of 1 per cent all the Treasury bills offered to them, and the sellers have the privilege of retaining an option to re-

purchase these bills at any time prior to maturity at the same rate. Many banks have found this provision to be very helpful in making adjustments to fluctuations in their reserve positions. When they lose funds they sell Treasury bills to the Federal Reserve Bank and when they gain funds they repurchase the bills at the same rate. With Treasury bills left in safekeeping at the Federal Reserve Bank these transactions can be arranged on short notice. By this method banks are able to operate without difficulty with a small amount of excess reserves.

In the present circumstances it is desirable both from the point of view of the individual bank and in the public interest for all banks to keep their funds fully invested. This can be achieved now without inconvenience by investing a portion of available funds in Treasury bills which for all practical purposes are equivalent to excess reserves. The Board consequently urges all banks to place tenders for Treasury bills up to the extent consistent with their position with the objective of keeping their funds invested as fully as possible.

The Federal Reserve Banks and branches will gladly furnish more detailed information on Treasury bills and provide subscription forms.

LAW DEPARTMENT

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

United States Obligations as Collateral for Federal Reserve Notes

There is set forth below the text of an Act of Congress approved May 25, 1943, extending until June 30, 1945, the period during which direct obligations of the United States may be used as collateral security for Federal Reserve notes.

[PUBLIC LAW 58—78TH CONGRESS]
[CHAPTER 102—1ST SESSION]
[S. 1041]

AN ACT

To extend the period during which direct obligations of the United States may be used as collateral security for Federal Reserve notes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the second paragraph of section 16 of the Federal Reserve Act, as amended, is hereby amended by striking therefrom the words "until June 30, 1943" and by inserting in lieu thereof the words "until June 30, 1945."

Approved, May 25, 1943.

Stabilization Fund Legislation

There is set forth below the text of an Act of Congress approved April 29, 1943, extending the time within which the President may exercise his powers relating to the stabilization fund under the Gold Reserve Act of 1934, and adding a new provision to the Act which, according to the report of the Committee on Coinage, Weights, and Measures of the House of Representatives "will carry out the view expressed by the Secretary of the Treasury that the stabilization fund should not be included in any international fund without the approval of the Congress."

JUNE 1943

[PUBLIC LAW 42—78TH CONGRESS]

[CHAPTER 76—1ST SESSION]

[S. 991]

AN ACT

To extend the time within which the powers relating to the stabilization fund may be exercised.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (b) of section 10 of the Gold Reserve Act of 1934, approved January 30, 1934, as amended, is amended by inserting after the second sentence thereof the following new sentence: "Such fund shall not be used in any manner whereby direct control and custody thereof pass from the President and the Secretary of the Treasury."

SEC. 2. Subsection (c) of section 10 of the Gold Reserve Act of 1934, approved January 30, 1934, as amended, is amended to read as follows:

"(c) All the powers conferred by this section shall expire June 30, 1945, unless the President shall sooner declare the existing emergency ended and the operation of the stabilization fund terminated."

Approved April 29, 1943.

Foreign Funds Control

Treasury Department Releases

The following releases relating to transactions in foreign exchange, etc., in addition to those heretofore published in the Federal Reserve BULLETIN, have been issued by the Office of the Secretary of the Treasury under authority of the Executive Order of April 10, 1940, as amended, and the Regulations issued pursuant thereto:

493

LAW DEPARTMENT

Treasury Department
Office of the Secretary

May 18, 1943

GENERAL LICENSE NO. 29, AS AMENDED

*Under Executive Order No. 8389, as Amended, Executive Order No. 9193, Sections 3(a) and 5(b) of the Trading with the Enemy Act, as Amended by the First War Powers Act, 1941, Relating to Foreign Funds Control**

Application of Certain General Licenses to General Ruling No. 6 Accounts

The provisions of the following general licenses are hereby made applicable to General Ruling No. 6 accounts:

- (a) General License No. 2 only with respect to the payment or reimbursement for normal service charges (as therein defined) other than interest due;
- (b) General License No. 4;
- (c) General License No. 5 only with respect to the payment of withholding taxes on income derived from securities in General Ruling No. 6 accounts; and
- (d) General License No. 27;

provided, however, that this general license shall not be deemed to authorize the removal of any coupons for collection or otherwise from any General Ruling No. 6 account unless the bonds to which such coupons relate are in such General Ruling No. 6 account.

RANDOLPH PAUL,
Acting Secretary of the Treasury.

Treasury Department
Office of the Secretary

May 18, 1943

GENERAL LICENSE NO. 53, AS AMENDED

*Under Executive Order No. 8389, as Amended, Executive Order No. 9193, Sections 3(a) and 5(b) of the Trading with the Enemy Act, as Amended by the First War Powers Act, 1941, Relating to Foreign Funds Control**

(1) A general license is hereby granted licensing all transactions ordinarily incident to the importing and exporting of goods, wares and merchandise between the United States and any of the members of the generally licensed trade area or between the members of the generally licensed trade area if (i) such transaction is by, or on behalf of, or pursuant to the direction of any national of a blocked country within the generally licensed trade area, or (ii) such transaction involves property in which any such national has at any time on or since the effective date of the Order had any interest, provided the following terms and conditions are complied with:

- (a) Such transaction is not by, or on behalf of, or pursuant to the direction of (i) any person whose name appears on "The Proclaimed List of Certain

Blocked Nationals", or (ii) any blocked country or national thereof not within the generally licensed trade area;

- (b) Such transaction does not involve property in which (i) any person whose name appears on "The Proclaimed List of Certain Blocked Nationals", or (ii) any blocked country or national thereof not within the generally licensed trade area, has at any time on or since the effective date of the Order had any interest; and
- (c) Any banking institution within the United States, prior to issuing, confirming or advising letters of credit, or accepting or paying drafts drawn, or reimbursing themselves for payments made, under letters of credit, or making any other payment or transfer of credit, in connection with any importation or exportation pursuant to this general license, or engaging in any other transaction herein authorized, shall satisfy itself (from the shipping documents or otherwise) that: (i) any such transaction is incident to a bona fide importation or exportation and is customary in the normal course of business, and that the value of such importation or exportation reasonably corresponds with the sums of money involved in financing such transaction; and (ii) such importation or exportation is or will be made pursuant to all the terms and conditions of this license.

(2) Subject to all other terms and conditions of this general license any national of a blocked country doing business within the United States pursuant to a license is also hereby authorized, while so licensed, to engage in any transaction referred to in paragraph (1) to the same extent that such national is licensed to engage in such transaction involving persons within the generally licensed trade area who are not nationals of a blocked country.

(3) This General License shall also authorize any transaction engaged in by a bank within the generally licensed trade area pursuant to the order of or for the account of any national of a blocked country within the generally licensed trade area to the same extent, and under the same circumstances, as though such transaction were solely for the account of such bank; provided, however, that this paragraph shall not be deemed to permit any payment, transfer or withdrawal from any blocked account; and provided further that the following terms and conditions are complied with:

- (a) Such transaction is not by, or on behalf of, or pursuant to the direction of (i) any person whose name appears on "The Proclaimed List of Certain Blocked Nationals", or (ii) any blocked country or national thereof not within the generally licensed trade area;
- (b) Such transaction does not involve property in which (i) any person whose name appears on "The Proclaimed List of Certain Blocked Nationals", or (ii) any blocked country or national thereof not within the generally licensed trade area, has at any time on or since the effective date of the Order had any interest.

* Sec. 5(b), 40 Stat. 415 and 966; Sec. 2, 48 Stat. 1; 54 Stat. 179; Public No. 354, 77th Congress, 55 Stat. 838; Ex. Order 8389, April 10, 1940, as amended by Ex. Order 8785, June 14, 1941, Ex. Order 8832, July 26, 1941, Ex. Order 8963, Dec. 9, 1941, and Ex. Order 8998, Dec. 26, 1941; Ex. Order 9193, July 6, 1942; Regulations, April 10, 1940, as amended June 14, 1941, and July 26, 1941.

LAW DEPARTMENT

(4) As used in this general license:

(a) The term "generally licensed trade area" shall mean the following:

- (i) the American Republics, *i.e.*, (1) Argentina, (2) Bolivia, (3) Brazil, (4) Chile, (5) Colombia, (6) Costa Rica, (7) Cuba, (8) The Dominican Republic, (9) Ecuador, (10) El Salvador, (11) Guatemala, (12) Haiti, (13) Honduras, (14) Mexico, (15) Nicaragua, (16) Panama, (17) Paraguay, (18) Peru, (19) Uruguay, and (20) Venezuela;
- (ii) the British Commonwealth of Nations, *i.e.*, (1) the United Kingdom (England, Wales, Scotland and Northern Ireland), (2) the British Dominions (Canada, Australia, New Zealand, the Union of South Africa and Newfoundland), (3) Eire, (4) the Isle of Man, (5) India, (6) Egypt, (7) Anglo-Egyptian Soudan, (8) Iraq, (9) all colonies and protectorates under the British Crown, and (10) all mandated territories administered by the United Kingdom or by any British Dominion;
- (iii) the Union of Soviet Socialist Republics;
- (iv) the Faroe Islands;
- (v) the Netherlands West Indies;
- (vi) the Belgian Congo and Ruanda-Urundi;
- (vii) Greenland;
- (viii) Iceland;
- (ix) (1) Syria and Lebanon; and (2) the New Hebrides Islands; and
- (x) (1) French Equatorial Africa, including the Cameroons; (2) New Caledonia; (3) Tahiti; (4) the French Establishments in India;

Provided, however, that the term "generally licensed trade area" shall not include any territory which is controlled or occupied by the military, naval or police forces or other authority of Japan, Germany, or Italy, or allies thereof.

- (b) The term "member" of the generally licensed trade area shall mean any of the foreign countries or political subdivisions comprising the generally licensed trade area.
- (c) The term "any national of a blocked country within the generally licensed trade area" shall mean any national of a blocked country who was situated within and doing business within such area on and since June 14, 1941 except that with respect to transactions authorized by paragraph (3) hereof, such term shall mean any national of a blocked country who is situated within such area.
- (d) The term "The Proclaimed List of Certain Blocked Nationals" shall mean "The Proclaimed List of Certain Blocked Nationals" as amended and supplemented promulgated pursuant to the proclamation of July 17, 1941.

RANDOLPH PAUL,
Acting Secretary of the Treasury.

Treasury Department
Office of the Secretary

May 18, 1943

GENERAL RULING NO. 6, AS AMENDED

*Under Executive Order No. 8389, as Amended, Executive Order No. 9193. Sections 5(a) and 5(b) of the Trading with the Enemy Act, as Amended by the First War Powers Act, 1941, Relating to Foreign Funds Control**

(1) The provisions of General Ruling No. 5 of June 6, 1940, and all instructions issued pursuant thereto, are hereby continued in full force and effect, *provided*, that any Federal Reserve Bank to whom securities or evidences thereof (hereinafter referred to as securities) have been forwarded under such general ruling may, as fiscal agent of the United States, deliver the securities, at any time, under appropriate arrangements with the addressee of the securities, to a domestic bank.

(2) Prior to such delivery by a Federal Reserve Bank of any such security, a complete description of the security shall be made or received and retained by such Federal Reserve Bank, and in any case in which a security bears a stamp, seal or other mark not lending itself to precise description, a photostat of such mark shall be made at the expense of the addressee and retained by such Federal Reserve Bank. This requirement may be dispensed with in any case in which appropriate arrangements are entered into for furnishing such Federal Reserve Bank with this description within a reasonable time after such delivery.

(3) Upon the delivery of any such security by a Federal Bank to any domestic bank, such bank shall execute such form of receipt as may be prescribed by the Secretary of the Treasury.

(4) Any domestic bank to which any such security shall be delivered by a Federal Reserve Bank shall place such security in a General Ruling No. 6 account in such bank.

(5) Any outstanding account in which securities or the proceeds thereof have been placed pursuant to the provisions of General Ruling No. 6 prior to this amendment shall be deemed to be a General Ruling No. 6 account.

(6) Federal Reserve Banks shall release any security referred to in paragraph (1) hereof, or shall authorize the release of the contents of any General Ruling No. 6 account, if and when the Treasury Department is satisfied that no blocked country, or national thereof, has, at any time, on or since the effective date of the Order, had any interest in such security or in such account.

(7) Any application for a license authorizing any transaction or dealing with respect to a General Ruling No. 6 account (including the contents thereof) shall specifically indicate that such account is a General Ruling No. 6 account.

* Sec. 5(b), 40 Stat. 415 and 966; Sec. 2, 48 Stat. 1; 54 Stat. 179; Public No. 354, 77th Congress, 55 Stat. 838; Ex. Order 8389, April 10, 1940, as amended by Ex. Order 8785, June 14, 1941, Ex. Order 8832, July 26, 1941, Ex. Order 8963, December 9, 1941, and Ex. Order 8998, December 26, 1941, Ex. Order 9193, July 6, 1942; Regulations, April 10, 1940, as amended June 14, 1941, and July 26, 1941.

LAW DEPARTMENT

(8) As used in this general ruling and in any other rulings, licenses, instructions, etc., the term "General Ruling No. 6 Account" shall mean an account of the type referred to in paragraphs (4) and (5) hereof, and no payments, transfers, or withdrawals may be made from, and no other transaction or dealing may be effected with respect to, any such account except pursuant to paragraph (6) above or pursuant to license, provided, that:

(a) No license shall be deemed to authorize transactions with respect to a General Ruling No. 6 account unless the provisions of such license are specifically made applicable to a General Ruling No. 6 account.

(b) In the event that any security placed in a General Ruling No. 6 account is sold or otherwise dealt with under license, except a license of the type referred to in paragraph (8) (c) below, the proceeds thereof shall be placed in a General Ruling No. 6 account in the same domestic bank and in the same name in which the security sold or otherwise dealt with was held.

(c) The contents of a General Ruling No. 6 account can not be transferred to a blocked account, except pursuant to a license specifically authorizing such transfer. Applications for licenses authorizing the transfer of the contents of any General Ruling No. 6 account to a blocked account shall be accompanied by adequate evidence respecting the interest therein of blocked countries or nationals thereof.

(9) Domestic banks maintaining General Ruling No. 6 accounts in which securities, the proceeds of securities, or income derived from securities are held, shall keep detailed records with respect to each such General Ruling No. 6 account which will indicate clearly and accurately the specific security or securities with respect to which each payment or transfer to or from such General Ruling No. 6 account is made, except that the foregoing requirement shall not be applicable to payments or transfers representing service charges.

RANDOLPH PAUL,
Acting Secretary of the Treasury.

LOANS FOR PURCHASING OR CARRYING GOVERNMENT OBLIGATIONS

Beginning with March 31, 1943, weekly reporting member banks in New York City have reported separate figures on loans made to brokers and dealers for the purpose of purchasing or carrying United States Government obligations. This information was first published in the weekly member bank condition statement dated May 13, 1943, and it will be shown hereafter in the BULLETIN tables for weekly reporting member banks (see page 540 of this BULLETIN).

The figures for loans to brokers and dealers

reported by New York City banks since March 31 are shown below.

[In millions of dollars]

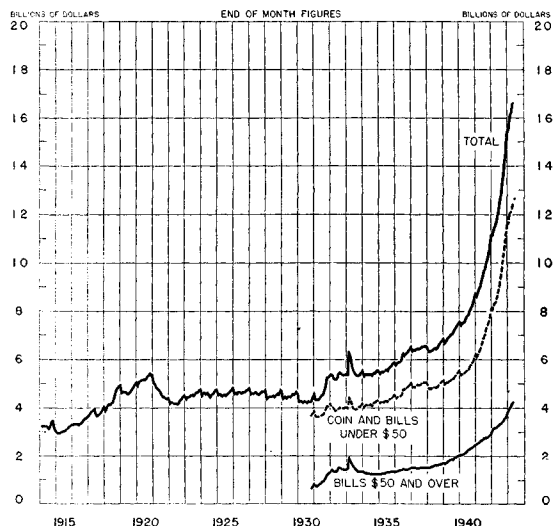
Wednesday	Total loans to brokers and dealers	For purchasing or carrying Government obligations	For purchasing or carrying other securities
March 31.....	497	194	303
April 7.....	536	217	319
14.....	665	328	337
21.....	1,262	910	352
28.....	1,396	1,031	365
May 5.....	1,330	941	389
12.....	1,188	788	400
19.....	1,020	584	436

CURRENCY IN CIRCULATION

At the end of April the amount of currency in circulation—that is, outside the Treasury and Federal Reserve Banks—reached the all-time high of $16\frac{2}{3}$ billion dollars. This figure reflects an increase of almost 5 billion dollars, or about 40 per cent, over the amount in circulation a year before, and is double the amount in circulation in the middle of 1940. The magnitude of this increase is impressively shown by the accompanying chart. A similar rise occurred during World War I, when currency in circulation rose from 3 billion dollars in 1915 to 5

These demands include a supply or inventory for current business and personal needs, that is, for meeting transactions settled in cash. This supply consists largely of pocket money of individuals, till money of businesses, and a large part of the vault cash of banks. Changes in transaction needs for currency are reflected mainly in the denominations of under \$50, shown as a separate line on the chart. The extremely rapid increase during the past four years in this small denomination currency can be associated for the most part with the growth in income payments, particularly factory pay rolls and farm income. (The Bureau of Labor Statistics index of factory pay rolls, 1939 = 100, rose to 291 at the end of 1942. Cash farm income, which was estimated at 8.7 billion dollars in 1939 and 9.1 billions in 1940, totaled about 16 billion dollars in 1942.)

CURRENCY IN CIRCULATION



billions in 1918. After reaching a peak of 5.4 billion dollars in 1920, money in circulation fell to 4.1 billions in 1922 and then for nine years remained almost constant, varying little except for seasonal fluctuations. In the latter part of 1931 at the time of widespread bank suspensions, it rose substantially, going above 5 billions for the first time in ten years. Beginning in 1934 there has been a steady increase, which has been greatly accentuated by the spectacular rise during the past four years.

The amount of currency in circulation depends entirely on the demands of the public.

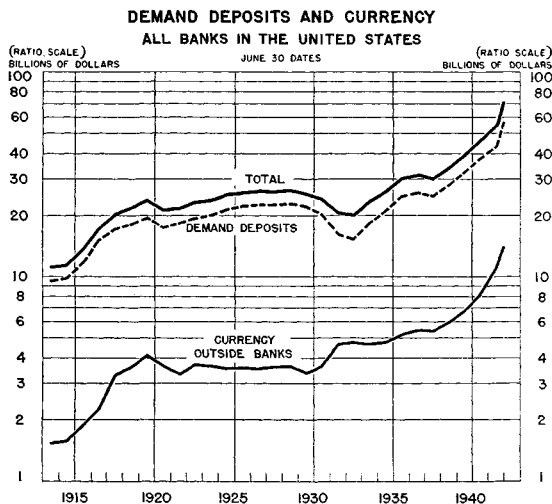
Beyond the requirements of the public for money to take care of current transactions settled in cash, there is a varying demand for currency as a store of value. In this connection it is important to bear in mind that bank deposits and currency are alternative forms of liquid funds. Uninvested income may be held as currency or bank deposits. Thus, broadly speaking, "money" in the sense of cash or its equivalent consists of currency and deposits together.¹ Currency, when regarded in this light, excludes that held by banks in their vaults, and the accompanying chart of Demand Deposits and Currency shows currency outside banks and demand deposits in banks. Roughly, currency held by banks has varied between $\frac{2}{3}$ of a billion and $1\frac{1}{2}$ billion dollars during the period covered by the chart, being highest before 1917, when member banks of the Federal Reserve System were permitted to keep part of their legal reserves in the form of cash in vault, and again during the past two years. The chart

¹ Demand deposits in banks are meant primarily. Time deposits, share deposits in savings and loan associations and credit unions, and other highly liquid claims to cash have most of the characteristics of "money," and for some purposes should be classed as such. See article on "Money System of United States" in *Banking Studies*, a publication of the Board of Governors.

CURRENCY IN CIRCULATION

shows that currency outside banks increased more and at a faster rate during the period 1914-1920 than "currency in circulation."

The chart of Demand Deposits and Currency has been drawn on ratio-ruled paper so as to show changes on a relative basis. Thus, the increase in currency during the period 1915-1918 is seen to have been somewhat greater relative to the amount outstanding prior to the increase than that which has taken place in the four years 1939-1942, a fact which is not revealed in the chart on the preceding page. A further interesting fact revealed by the chart of deposits and currency is that demand deposits and currency outside banks have moved in the same direction, and generally rather closely together, during the entire period with the exception of the depression years 1931-1933, when there were widespread bank suspensions and consequent hoarding of currency. Between 1930 and 1933 demand deposits fell, while currency increased; since then demand deposits have



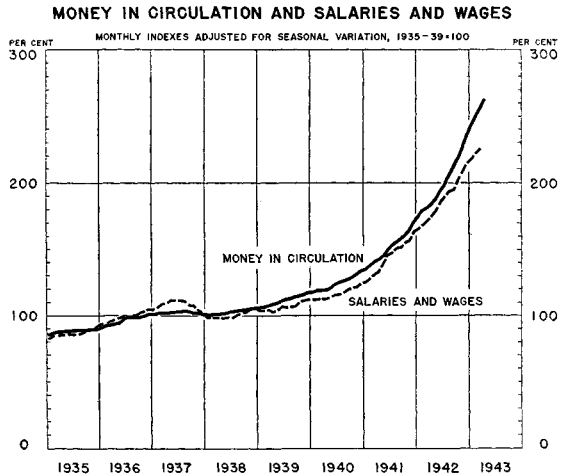
Latest figure is December 1942. Demand deposits include U. S. Government deposits.

risen steadily, while currency increased little until 1936.² Since 1939 currency has increased at a more rapid rate than demand deposits.

The accompanying chart of salaries and wages compared with currency in circulation since

² There was a sharp increase in currency during the bank holiday, but most of it soon returned from circulation after the banks were reopened on an unrestricted basis. This fluctuation is shown in the first chart, which is based on monthly data.

1934 shows a close relationship between these two series. While the chart indicates the important role played by pay roll needs in explaining the currency growth, it reflects also that a considerable part of income saved by individuals out of salaries and wages is being held in the form of cash. This is believed to



be true also of increased income payments going to farmers. These two groups contain a relatively large number of persons who have no banking connections or, because of inaccessibility of banking facilities, keep relatively large amounts of cash on hand. While there is little statistical data available to support these conclusions, it is known from reports made by banks in certain industrial centers that cash paid out for pay roll purposes, which in more normal times finds its way back to the banks in almost equivalent amount, has been returning only in part. Moreover, from studies of currency shipments and receipts made by Federal Reserve Banks it is known that the largest net outflow has been in communities where increased income payments to industrial workers have been greatest and that the largest net outflow percentage-wise has been in farming communities.³

No discussion of currency in circulation is complete without the mention of hoarding. According to the dictionary a hoard is a store

³ See pp. 208-211, Federal Reserve BULLETIN, March 1943.

laid up, or a hidden supply. While these are rather vague definitions for purposes of analyzing money in circulation, they do afford a possible basis for breaking down the increase in currency circulation occurring since 1930. As indicated in the preceding discussion, a substantial part of the increase in currency during the past four years can be accounted for by increased income payments to industrial workers and farmers. That part of this income being held in the form of currency represents the use of money as a store of value, instead of bank deposits, and might more accurately be termed currency "holding." It reflects a tendency on the part of a sector of the public to use currency rather than bank checks as a means of effecting money payments and also to some extent a tendency to hold substantial amounts of savings in the form of currency. The more important contributory causes of this phenomenon are as follows:

1. Banks now impose service charges on checking accounts and pay a smaller rate of interest on savings deposits than formerly.
2. Many people among the low income groups (which are now receiving a larger proportion of the national income than formerly) have never had bank accounts and continue to get along without the benefits thereof.
3. There has been a considerable shifting of the population, beginning in the depression years and intensified by the establishment of military camps and war industries, with consequent disruption of banking connections.

The use of currency as a "hidden supply"—the second dictionary definition—is "hoarding"

in the popular sense. This sort of currency holding is usually done to conceal wealth, for the purpose of avoiding taxes or otherwise; to conceal illegal transactions; or through fear—fear of bank failures, etc. While there is evidence of an increase in currency holding of this type in recent years, mostly traceable to vague fears generated by uneasiness due to the war, the increase is not believed to bulk large in aggregate amount. For the three years prior to the bank holiday in 1933, currency holding of the "fear type" was probably a large factor in the increase in currency in circulation which occurred during that period.

Various aspects of the subject of hoarding were discussed in the Federal Reserve BULLETINS of April and May 1942 and need not be repeated here.⁴ However, it may be said that those who should be the most concerned about currency hoarding are the hoarders themselves. They are taking unnecessary risks with their savings, putting themselves to considerable inconvenience, and are losing the income their savings could otherwise be earning. The individual holding excess currency would be far better off investing it in War Savings Bonds or other Government securities. To the extent that currency is needlessly kept idle in a pocketbook or in some hideaway, it is contributing nothing toward the war effort.

In conclusion, it may be said that as long as incomes increase and the wartime factors encouraging the increased holding of currency are present, the amount of currency in circulation will expand further, although the recent rapid rate of expansion may not continue.

⁴ See p. 312, Federal Reserve BULLETIN, April 1942, and p. 453, Federal Reserve BULLETIN, May 1942.

MEMBER BANK EARNINGS IN 1942

Member bank earnings, expenses, and net current earnings were higher in 1942 than in any year since the depression, but net profits declined slightly from 1941. As shown in the accompanying table, larger gross earnings were only partially offset by larger expenses, and net current earnings increased 22 million dollars, or 5 per cent. Profits on securities declined considerably. Losses and charge-offs also declined to the lowest point since 1928 but the decline was not sufficient to offset the decline in profits and recoveries, with the result that net profits showed a small decline as compared with 1941.

Reversing the trend of the past few years the proportion of total earnings accounted for by interest on loans declined in 1942. The volume of loans held by banks declined during the year and the rate of return also declined. The decline in rate of return was due at least partly to the decrease in holdings of consumer instalment paper, which generally carries a relatively high interest rate. The proportion of earnings from securities increased, and the amount of earnings from securities and banks' holdings of securities were the highest in history. The rate of return on securities declined further in 1942 to 1.7 per cent. As compared with predepression years,

income from loans is small and income from securities very large in relation to total earnings. Other items of income showed little change.

Salaries and wages paid to officers and employees continued to increase and were higher than in any other year since 1929. Interest payments on deposits continued to decline, and in 1942 were at a rate of about 1.0 per cent on aggregate time deposits. Taxes increased by 20 million dollars and other items of expenses were also larger than in other recent years.

Net current earnings, at 451 million dollars, were larger than in any year since 1931 but net profits declined slightly as compared with 1941. For the past several years the margin between losses and charge-offs, and recoveries, profits on securities, etc., had narrowed with the result that a greater proportion of net current earnings was being carried through to net profits. In 1942 the margin increased and *net* losses and charge-offs were 29 million dollars higher than in 1941. Dividends in 1942 declined somewhat and amounted to 3.4 per cent of total capital accounts and to 8.6 per cent of capital stock.

Detailed figures of member bank earnings and related items together with selected ratios will appear in the July BULLETIN.

MEMBER BANK EARNINGS, CALENDAR YEARS, 1929-1942
[Amounts in millions of dollars]

Item	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938	1939	1940	1941	1942
Earnings	2,399	2,158	1,841	1,554	1,237	1,244	1,207	1,271	1,321	1,274	1,296	1,323	1,417	1,487
Interest and dividends on securities.....	473	472	480	458	426	474	467	487	481	448	444	431	445	540
Interest and discount on loans.....	1,563	1,349	1,073	851	604	540	498	513	553	544	560	595	665	640
Service charges on deposit accounts.....	(¹)	(¹)	(¹)	(¹)	21	28	36	39	45	51	54	59	65	68
All other earnings.....	363	336	288	245	186	202	205	231	243	232	237	238	242	239
Expenses	1,684	1,604	1,335	1,143	859	849	833	872	902	890	895	921	988	1,036
Salaries and wages.....	464	452	413	357	306	327	334	352	372	380	388	400	426	461
Interest on time deposits ²	445	451	387	302	232	227	196	175	174	171	159	147	140	128
Interest on interbank deposits.....	68	73	53	35	13	3	3	2	2	(²)	(²)	(²)	(²)	(²)
Interest on demand deposits (excl. inter-bank).....	246	225	141	98	43	12	9	7	5	(²)	(²)	(²)	(²)	(²)
Taxes.....	112	113	86	67	58	62	64	81	86	82	85	100	129	149
All other expenses.....	348	290	256	285	207	216	226	255	263	257	262	273	293	298
Net current earnings	715	554	506	410	378	394	374	399	419	384	401	402	429	451
Recoveries, profits on securities, etc.....	137	118	127	113	125	254	376	508	256	279	327	303	278	188
Losses and charge-offs.....	295	365	620	778	858	873	538	442	338	398	380	356	318	256
Net profits	557	307	12	-255	-356	-225	212	465	337	265	347	349	390	383
Cash dividends declared³.....	387	367	335	245	150	173	187	199	201	198	207	210	211	203
Number of banks ⁴	8,522	8,052	7,246	6,816	6,011	6,442	6,387	6,376	6,341	6,338	6,362	6,486	6,619	6,679

¹ Included in "all other earnings."

² Beginning with 1938 "interest on time deposits" comprises all interest on deposits except interest (if any) on demand deposits.

³ Includes interest on capital notes and debentures. ⁴ At end of year.

NOTE.—The amounts in this table are rounded to the nearest million and consequently do not balance exactly. Details will be shown in the July BULLETIN; for prior figures see p. 711 of the July 1942 BULLETIN and p. 465 of the May 1940 BULLETIN.

POSTWAR INTERNATIONAL MONETARY STABILIZATION

On April 6, 1943 the United States Treasury Department made public a provisional outline of a plan for postwar international monetary stabilization drafted by American technical experts. The next day the British Government issued in London tentative proposals drafted by British experts with the same general objective. The texts of these two plans (currently referred to as the White plan and the Keynes plan)—are presented below together with brief introductory statements issued with the plans

by the Treasury Department and the British Government respectively. Both plans were drawn up as a basis for discussion and exchange of views; neither Government is committed to the proposals put forward by its experts. These plans have been submitted to the Governments of the other United and Associated Nations, and are now being discussed with technical experts from these countries. A number of modifications are under consideration.

A. PLAN SUBMITTED BY UNITED STATES EXPERTS

INTRODUCTORY STATEMENT

It is still too soon to know the precise form and magnitude of postwar monetary problems. But it is certain that we shall be confronted with the task of dealing with three inseparable monetary problems: to prevent the disruption of foreign exchanges, to avoid the collapse of some monetary systems, and to facilitate the restoration and balanced growth of international trade. Clearly, such a formidable task can be successfully handled only through international action.

The creation of instrumentalities adequate to deal with the inevitable postwar monetary problems should not be postponed until the end of hostilities. It would be ill-advised if not dangerous to leave ourselves unprepared at the end of the war for the difficult task of international monetary cooperation. We should begin now to devise an international monetary agency, for the task is certain to take many months at least. Specific and practical proposals must be formulated by the experts and must be carefully considered by the policy-shaping officials of the various countries. In each country acceptance of a definitive plan can follow only upon legislative or executive action. And even when a plan is finally adopted, much time will be consumed in gathering personnel and in establishing an organization before an international institution for monetary cooperation can begin effective work.

There is another important reason for initiating now concrete discussions of specific proposals. A plan for international monetary cooperation can be a factor in winning the war.

It has been suggested, and with much cogency, that the task of assuring the defeat of the Axis powers would be made easier if the victims of aggression, actual and potential, could have greater assurance that a victory of the United Nations will not mean in the economic sphere a repetition of the exchange instability and monetary collapse that followed the last war. That assurance should be given now. The people in all of the United Nations must be encouraged to feel themselves on solid ground. They must be given to understand that a victory of the United Nations will not usher in another two decades of widespread economic disruption. The people must know that we at last recognize the fundamental truth that prosperity, like peace, is indivisible.

One of the appropriate agencies to deal with international economic and monetary problems would be an international stabilization fund with resources and powers adequate to the task of helping to achieve monetary stability and to facilitate the restoration and balanced growth of international trade. A proposal drafted by American technical experts is appended. The draft presents only the essential elements of an international stabilization fund. The provisions of the proposal are in every sense tentative, intended as a basis for discussion and exchange of views. Obviously, there are many details that have been omitted and that can be better formulated after there is agreement on the general principles.

It is recognized that an international stabilization fund is only one of the instrumentalities

which may be needed in the field of international economic cooperation. Other agencies are also needed to provide capital for postwar reconstruction and development, to provide funds for rehabilitation and relief, and to promote stability in the prices of primary international commodities. There is a strong temptation to embrace within a single international agency the responsibility for dealing with these and other international economic problems. We believe, however, that international economic institutions can operate more effectively if they are not burdened with important but extraneous duties for which they have not been devised and for which they are unsuited. For example, the highly specialized nature of international monetary stabilization and the provision of long-term capital would seem to call for separate institutions, each designed to deal with its distinct problems.

It should be emphasized that the appended draft deals only with an international stabilization fund. It is anticipated that there will also be submitted for consideration a preliminary draft of a proposal for an international agency whose function will be to provide capital for reconstruction and development. It is hoped that the appended draft will call forth from the experts of the United Nations, critical comment and constructive suggestions. It is our belief that a workable and acceptable plan can emerge only from the joint efforts of the United Nations.

PRELIMINARY DRAFT OUTLINE OF PROPOSAL FOR A
UNITED AND ASSOCIATED NATIONS
STABILIZATION FUND

I. Purposes of the Fund

1. To stabilize the foreign exchange rates of the currencies of the United Nations and nations associated with them.
2. To shorten the periods and lessen the degree of disequilibrium in the international balance of payments of member countries.
3. To help create conditions under which the smooth flow of foreign trade and of productive capital among the member countries will be fostered.
4. To facilitate the effective utilization of the abnormal foreign balances accumulating in some countries as a consequence of the war situation.
5. To reduce the use of foreign exchange controls that interfere with world trade and the international flow of productive capital.
6. To help eliminate bilateral exchange clearing arrangements, multiple currency devices, and discriminatory foreign exchange practices.

II. Composition of the Fund

1. The Fund shall consist of gold, currencies of member countries, and securities of member governments.

2. Each of the member countries shall subscribe a specified amount which will be called its quota. The aggregate of quotas of the member countries shall be the equivalent of at least 5 billion dollars.

The quota for each member country shall be determined by an agreed upon formula. The formula should give due weight to the important factors relevant to the determination of quotas, e.g., a country's holdings of gold and foreign exchange, the magnitude of the fluctuations in its balance of international payments, and its national income.

3. Each member country shall provide the Fund with 50 per cent of its quota on or before the date set by the Board of Directors of the Fund on which the Fund's operations are to begin.

4. The initial payment of each member country (consisting of 50 per cent of its quota) shall be 12.5 per cent of its quota in gold, 12.5 per cent in local currency, and 25 per cent in its own (i.e., government) securities. However, any country having less than 300 million dollars in gold need provide initially only 7.5 per cent of its quota in gold, and any country having less than 100 million dollars in gold need provide initially only 5 per cent of its quota in gold, the contributions of local currency being increased correspondingly. A country may, at its option, substitute gold for its local currency or securities in meeting its quota requirement.

5. The member countries of the Fund may be called upon to make further provision toward meeting their quotas pro rata at such times, in such amounts, and in such form as the Board of Directors of the Fund may determine, provided that the proportion of gold called for shall not exceed the proportions indicated in II-4 above, and provided that a four-fifths vote of the Board shall be required for subsequent calls to meet quotas.

6. Any changes in the quotas of member countries shall be made only with the approval of a four-fifths vote of the Board.

III. Powers and Operations

The Fund shall have the following powers:

1. To buy, sell, and hold gold, currencies, bills of exchange, and government securities of member countries; to accept deposits and to earmark gold; to issue its own obligations, and

to discount or offer them for sale in member countries; and to act as a clearing house for the settling of international movements of balances, bills of exchange, and gold.

All member countries agree that all of the local currency holdings shall be free from any restrictions as to their use. This provision does not apply to abnormal war balances acquired in accordance with the provisions of III-9, below.

2. To fix the rates at which it will buy and sell one member's currency for another, and the rates in local currencies at which it will buy and sell gold. The guiding principle in the fixing of such rates shall be stability in exchange relationships. Changes in these rates shall be considered only when essential to correction of a fundamental disequilibrium and be permitted only with the approval of four-fifths of member votes.

3. To sell to the Treasury of any member country (or stabilization fund or central bank acting as its agent) at a rate of exchange determined by the Fund, currency of any member country which the Fund holds, provided that:

- a. The foreign exchange demanded from the Fund is required to meet an adverse balance of payments on current account with the country whose currency is being demanded.
- b. The Fund's holdings of the currency of any member country shall not exceed during the first year of the operation of the Fund, the quota of that country; it shall not exceed during the first two years 150 per cent of such quota; and thereafter it shall not exceed 200 per cent of such quota; except that upon approval by four-fifths of the member votes, the Fund may purchase any local currency in excess of these limits, provided that at least one of the following two conditions is met:
 - i. The country whose currency is being acquired by the Fund agrees to adopt and carry out measures recommended by the Fund designed to correct the disequilibrium in the country's balance of payments, or
 - ii. It is believed that the balance of payments of the country whose currency is being acquired by the Fund will be such as to warrant the expectation that the excess currency holdings of the Fund can be disposed of within a reasonable time.
- c. When the Fund's net holdings of any local currency exceed the quota for that country, the country shall deposit with the Fund a special reserve in accordance with regula-

tions prescribed by the Board of Directors. This provision does not apply to currencies acquired under III-9 below.

- d. When a member country is exhausting its quota more rapidly than is warranted in the judgment of the Board of Directors, the Board may place such conditions upon additional sales of foreign exchange to that country as it deems to be in the general interest of the Fund.
- e. A charge at the rate of 1 per cent per annum, payable in gold, shall be levied against any member country on the amount of its currency held by the Fund in excess of the quota of that country. Abnormal war balances acquired by the Fund (in accordance with III-9 below) shall not be included in the computed balance of local currency used as a basis for this charge.
- f. When the Fund's holdings of the local currency of a member country exceed the quota of that country, upon request by the member country, the Fund shall resell to the member country the Fund's excess holdings of the currency of that country for gold or acceptable foreign exchange.
- 4. The right of a member country to purchase foreign exchange from the Fund with its local currency for the purpose of meeting an adverse balance of payments on current account is recognized only to the extent of its quota, subject to the limitation in III-3 above and III-7 below.
- 5. With the approval of four-fifths of the member votes, the Fund in exceptional circumstances may sell foreign exchange to a member country to facilitate transfer of capital, or repayment or adjustment of foreign debts, when in the judgment of the Board such a transfer is desirable from the point of view of the general international economic situation.
- 6. When the Fund's holdings of any particular currency drop below 15 per cent of the quota of that country, and after the Fund has used for additional purchases of that currency,
 - (a) Gold in an amount equal to the country's contribution of gold to the Fund, and
 - (b) The country's obligations originally contributed,
 the Fund has the authority and the duty to render to the country a report embodying an analysis of the causes of the depletion of its holdings of that currency, a forecast of the prospective balance of payments in the absence of special measures, and finally, recommendations designed to increase the Fund's holdings of that currency. The Board member of the country in question should be a member of the

Fund committee appointed to draft the report. This report should be sent to all member countries and, if deemed desirable, made public.

Member countries agree that they will give immediate and careful attention to recommendations made by the Fund.

7. Whenever it becomes evident to the Board of Directors that the anticipated demand for any particular currency may soon exhaust the Fund's holdings of that currency, the Board of Directors of the Fund shall inform the member countries of the probable supply of this currency and of a proposed method for its equitable distribution, together with suggestions for helping to equate the anticipated demand and supply for the currency.

The Fund shall make every effort to increase the supply of the scarce currency by acquiring that currency from the foreign balances of member countries. The Fund may make special arrangements with any member country for the purpose of providing an emergency supply under appropriate conditions which are acceptable to both the Fund and the member country.

The privilege of any country to acquire an amount of other currencies equal to or in excess of its quota shall be limited by the necessity of assuring an appropriate distribution among the various members of any currency the supply of which is being exhausted. The Fund shall apportion its sales of such scarce currency. In such apportionment, it shall be guided by the principle of satisfying the most urgent needs from the point of view of the general international economic situation. It shall also consider the special needs and resources of the particular countries making the request for the scarce currency.

8. In order to promote the most effective use of the available and accumulating supply of foreign exchange resources of member countries, each member country agrees that it will offer to sell to the Fund, for its local currency or for foreign currencies which it needs, all foreign exchange and gold it acquires in excess of the amount it possessed immediately after joining the Fund. For the purpose of this provision, including computations, only free foreign exchange and gold are considered. The Fund may accept or reject the offer.

To help achieve this objective each member country agrees to discourage the unnecessary accumulation of foreign balances by its nationals. The Fund shall inform any member country when, in its opinion, any further growth of privately-held foreign balances appears unwarranted.

9. To buy from the governments of member countries, abnormal war balances held in other countries, provided all the following conditions are met:

- a. The abnormal war balances are in member countries and are reported as such (for the purpose of this provision) by the member government on date of its becoming a member.
- b. The country selling the abnormal war balances to the Fund agrees to transfer these balances to the Fund and to repurchase from the Fund 40 per cent of them (at the same price) with gold or such free currencies as the Fund may wish to accept, at the rate of 2 per cent of the transferred balances each year for 20 years beginning not later than 3 years after the date of transfer.
- c. The country in which the abnormal war balances are held agrees to the transfer to the Fund of the balances described in (b) above, and to repurchase from the Fund 40 per cent of them (at the same price) with gold or such currencies as the Fund may wish to accept, at the rate of 2 per cent of the transferred balances each year for 20 years beginning not later than 3 years after the date of transfer.
- d. A charge of 1 per cent, payable in gold, shall be levied against the country selling its abnormal war balances and against the country in which the balances are held. In addition a charge of 1 per cent, payable in gold, shall be levied annually against them on the amount of such balances remaining to be repurchased by each country.
- e. If the country selling abnormal war balances to the Fund asks for foreign exchange rather than local currency, the request will not be granted unless the country needs the foreign exchange for the purpose of meeting an adverse balance of payments not arising from the acquisition of gold, the accumulation of foreign balances, or other capital transactions.
- f. Either country may, at its option, increase the amount it repurchases annually. But, in the case of the country selling abnormal war balances to the Fund, not more than 2 per cent per annum of the original sum taken over by the Fund shall become free, and only after 3 years shall have elapsed since the sale of the balances to the Fund.
- g. The Fund has the privilege of disposing of any of its holdings of abnormal war balances as free funds after the 23-year period

is passed, or sooner under the following conditions:

- i. its holdings of the free funds of the country in which the balances are held fall below 15 per cent of its quota; or
 - ii. the approval is obtained of the country in which the balances are held.
- b. The country in which the abnormal war balances are held agrees not to impose any restrictions on the use of the instalments of the 40 per cent portion gradually repurchased by the country which sold the balances to the Fund.
- i. The Fund agrees not to sell the abnormal war balances acquired under the above authority, except with the permission or at the request of the country in which the balances are being held. The Fund may invest these balances in ordinary or special government securities of that country. The Fund shall be free to sell such securities in any country provided that the approval of the issuing government is first obtained.
- j. The Fund shall determine from time to time what shall be the maximum proportion of the abnormal war balances it will purchase under this provision.

Abnormal war balances acquired under this provision shall not be included in computing the amount of foreign exchange available to member countries under their quotas.

10. To buy and sell currencies of nonmember countries, but shall not be authorized to hold such currencies beyond sixty days after date of purchase, except with the approval of four-fifths of the member votes.

11. To borrow the currency of any member country, provided four-fifths of the member votes approve the terms of such borrowing.

12. To sell member-country obligations owned by the Fund provided that the Board representative of the country in which the securities are to be sold approves.

To use its holdings to obtain rediscounts or advances from the central bank of any country whose currency the Fund requires.

13. To invest any of its currency holdings in government securities and prime commercial paper of the country of that currency provided four-fifths of the member votes approve, and provided further that the Board representative of the country in which the investment is to be made approves.

14. To lend to any member country its local currency from the Fund for one year or less up

to 75 per cent of the currency of that country held by the Fund, provided such loan is approved by four-fifths of the member votes.

15. To levy upon member countries a pro rata share of the expenses of operating the Fund, payable in local currency, not to exceed $\frac{1}{10}$ per cent per annum of the quota of each country. The levy may be made only to the extent that the earnings of the Fund are inadequate to meet its current expenses, and only with the approval of four-fifths of the member votes.

The Fund shall make a service charge of $\frac{1}{4}$ per cent or more on all exchange and gold transactions.

16. The Fund shall deal only with or through

- a. The treasuries, stabilization funds, or fiscal agents of member governments;
- b. The central banks, only with the consent of the member of the Board representing the country in question; and
- c. Any international banks owned predominantly by member governments.

The Fund may, nevertheless, with the approval of the member of the Board representing the government of the country concerned, sell its own securities, or securities it holds, directly to the public or to institutions of member countries.

IV. Monetary Unit of the Fund

1. The monetary unit of the Fund shall be the Unitas (UN) consisting of $137\frac{1}{7}$ grains of fine gold (equivalent to \$10 U.S.). The accounts of the Fund shall be kept and published in terms of Unitas.

2. The value of the currency of each member country shall be fixed by the Fund in terms of gold or Unitas and may not be altered by any member country without the approval of four-fifths of the member votes.

3. Deposits in terms of Unitas may be accepted by the Fund from member countries upon the delivery of gold to the Fund and shall be transferable and redeemable in gold or in the currency of any member country at the rate established by the Fund. The Fund shall maintain a 100 per cent reserve in gold against all Unitas deposits.

4. No change in the value of the currencies of member countries shall be permitted to alter the value in gold or Unitas of the assets of the Fund. Thus if the Fund approves a reduction in the value of the currency of a member country (in terms of gold or Unitas) or if, in the opinion of the Board, the currency of a member country had depreciated to a significant extent, that country must deliver to the Fund when

requested an amount of its local currency equal to the decreased value of that currency held by the Fund. Likewise, if the currency of a particular country should appreciate, the Fund must return to that country an amount (in the currency of that country) equal to the resulting increase in the gold or Unitas value of the Fund's holdings. The same provisions shall also apply to the government securities of member countries held by the Fund. However, this provision shall not apply to currencies acquired under III-9 (abnormal war balances).

V. Management

1. The administration of the Fund shall be vested in a Board of Directors. Each government shall appoint a director and an alternate, in a manner determined by it, who shall serve for a period of three years subject to the pleasure of their government. Directors and alternates may be reappointed.

In all voting by the Board, the director or alternate of each member country shall be entitled to cast an agreed upon number of votes. The distribution of voting power shall be closely related to the quotas of member countries, although not in precise proportion to the quotas. An appropriate distribution of voting power would seem to be the following: Each country shall have 100 votes plus 1 vote for the equivalent of each 100,000 Unitas (1 million dollars) of its quota.

Notwithstanding the approved formula for distributing voting power, no country shall be entitled to cast more than one-fourth of the aggregate votes regardless of its quota. All decisions, except where specifically provided otherwise, shall be made by a majority of the member votes.

2. The Board of Directors shall select a Managing Director of the Fund and one or more assistants. The Managing Director shall become an ex officio member of the Board and shall be chief of the operating staff of the Fund. The Managing Director and the assistants shall hold office for two years, shall be eligible for reelection, and may be removed for cause at any time by the Board.

The Managing Director of the Fund shall select the operating staff in accordance with regulations established by the Board of Directors. Members of the staff may be made available, upon request of member countries, for consultation in connection with international economic problems and policies.

3. The Board of Directors shall appoint from among its members an Executive Committee to

consist of not less than eleven members. The Chairman of the Board shall be Chairman of the Executive Committee, and the Managing Director of the Fund shall be an ex officio member of the Executive Committee.

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

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

5. The Board of Directors may at any meeting, by a four-fifths vote, authorize any officers or committees of the Fund to exercise any specified powers of the Board. The Board may not delegate, except to the Executive Committee, any authority which can be exercised only by a four-fifths vote.

Delegated powers shall be exercised only until the next meeting of the Board, and in a manner consistent with the general policies and practices of the Board.

6. The Board of Directors may establish procedural regulations governing the operations of the Fund. The officers and committees of the Fund shall be bound by such regulations.

7. The Board of Directors shall hold an annual meeting and such other meetings as it may be desirable to convene. On request of member countries casting one-fourth of the votes, the chairman shall call a meeting of the Board for the purpose of considering any matters placed before it.

8. A country failing to meet its obligations to the Fund may be suspended provided a majority of the member votes so decides. While under suspension, the country shall be denied the privileges of membership but shall be subject to the same obligations as any other member of the Fund. At the end of two years the country shall be automatically dropped from membership unless it has been restored to good standing by a majority of the member votes.

Any country may withdraw from the Fund by giving notice, and its withdrawal will take effect two years from the date of such notice. During the interval between notice of withdrawal and the taking effect of the notice, such country shall be subject to the same obligations as any other member of the Fund.

A country which is dropped or which withdraws from membership shall have returned to it an amount in its own currency equal to its contributed quota, plus other obligations of the Fund to the country, and minus any sum owed by that country to the Fund. Any losses of the Fund may be deducted pro rata from the contributed quota to be returned to the country that has been dropped or has withdrawn from membership. The Fund shall have five years in which to liquidate its obligation to such a country. When any country is dropped or withdraws from the Fund, the rights of the Fund shall be fully safeguarded.

9. Net profits earned by the Fund shall be distributed in the following manner:

- a. 50 per cent to reserves until the reserves are equal to 10 per cent of the aggregate quotas of the Fund.
- b. 50 per cent to be divided each year among the members in proportion to their quotas. Dividends distributed to each country shall be paid in its own currency or in *Unitas* at the discretion of the Fund.

VI. Policies of Member Countries

Each member country of the Fund undertakes the following:

1. To maintain by appropriate action exchange rates established by the Fund on the currencies of other countries, and not to alter exchange rates except with the consent of the Fund and only to the extent and in the direction approved by the Fund. Exchange rates of member countries may be permitted to fluctuate within a specified range fixed by the Fund.

2. To abandon, as soon as the member country decides that conditions permit, all restrictions and controls over foreign exchange transactions (other than those involving capital transfers) with other member countries, and not to impose any additional restrictions without the approval of the Fund.

The Fund may make representations to member countries that conditions are favorable for the abandonment of restrictions and controls over foreign exchange transactions, and each member country shall give consideration to such representations.

3. To cooperate effectively with other member countries when such countries, with the approval of the Fund, adopt or continue controls for the purpose of regulating international movements of capital. Cooperation shall include, upon recommendation by the Fund, measures that can appropriately be taken:

- a. Not to accept or permit acquisition of deposits, securities, or investments by nationals of any member country imposing restrictions on the export of capital except with the permission of the Government of that country and the Fund;
- b. To make available to the Fund or to the Government of any member country full information on all property in the form of deposits, securities and investments of the nationals of that member country; and
- c. Such other measures as the Fund shall recommend.

4. Not to enter upon any new bilateral foreign exchange clearing arrangements, nor engage in multiple currency practices, except with the approval of the Fund.

5. To give consideration to the views of the Fund on any existing or proposed monetary or economic policy, the effect of which would be to bring about sooner or later a serious disequilibrium in the balance of payments of other countries.

6. To furnish the Fund with all information it needs for its operations and to furnish such reports as it may require in the form and at the times requested by the Fund.

7. To adopt appropriate legislation or decrees to carry out its undertakings to the Fund and to facilitate the activities of the Fund.

B. PLAN SUBMITTED BY BRITISH EXPERTS

INTRODUCTORY STATEMENT

In Parliament on February 2, the Chancellor of the Exchequer mentioned the need, after the war, of "an international monetary mechanism which will serve the requirements of international trade and avoid any need for unilateral action in competitive exchange depreciation . . . a system in which blocked balances and unilateral clearances would be unnecessary . . . an orderly and agreed method of determining the

value of national currency units . . . we want to free the international monetary system from those arbitrary, unpredictable and undesirable influences which have operated in the past as a result of large scale speculative movements of short-term capital."

On the directions of H. M. Government, this problem has been under close examination by the Treasury in consultation with other Departments. The present paper has been prepared,

and the Government has decided that it should be published, as a preliminary contribution to the solution of one of the problems of international economic co-operation after the war.

H. M. Government is not committed to the principles or details of the scheme. Any proposals for a satisfactory international monetary mechanism after the war can only be framed after full consideration of all aspects of a very difficult problem. It is hoped that these proposals will afford a basis for discussion, criticism and constructive amendment, together with similar plans having similar objectives which may be prepared by experts of other Governments.

On these terms it has been presented for technical examination by experts of the U. S. Government. On these terms also it has been discussed in an informal and exploratory manner with officials of the Governments of the Dominions and of India. These discussions were on the expert plane, and did not commit the Governments concerned in any way. It has also been discussed with representatives of the European Allies, and has been communicated to representatives of the other United Nations.

PROPOSALS FOR AN INTERNATIONAL CLEARING UNION

PREFACE

Immediately after the war, all countries which have been engaged will be concerned with the pressure of relief and urgent reconstruction. The transition out of this into the normal world of the future cannot be wisely effected unless we know into what we are moving. It is therefore not too soon to consider what is to come after. In the field of national activity occupied by production, trade and finance, both the nature of the problem and the experience of the period between wars suggest four main lines of approach.

1. The mechanism of currency and exchange.
2. The framework of a commercial policy regulating conditions for exchange of goods, tariffs, preferences, subsidies, import regulations and the like.
3. Orderly conduct of production, distribution and price of primary products so as to protect both producers and consumers from the loss and risk for which extravagant fluctuations of market conditions have been responsible in recent times.
4. Investment aid, both medium and long term, for countries whose economic development needs assistance from outside.

If the principles of these measures and the form of institutions to give effect to them can be settled in advance, in order that they may be in operation when need arises, it is possible that taken together they may help the world to control the ebb and flow of the tides of economic activity which have, in the past, destroyed security of livelihood and endangered international peace.

All these matters will need to be handled in due course. The proposal that follows relates only to the mechanism of currency and exchange in international trading. It appears on the whole convenient to give it priority, because some general conclusions have to be reached under this head before much progress can be made with other topics.

In preparing these proposals care has been taken to regard certain conditions, which the groundwork of an international economic system to be set up after the war should satisfy if it is to prove durable.

(1) There should be the least possible interference with internal national policies, and the plan should not wander from the international *terrain*. Since such policies may have important repercussions on international relations they cannot be left out of account. Nevertheless, in the realm of internal policy, the authority of the governing board of the proposed institution should be limited to recommendations, or, at most, to imposing conditions for more extended enjoyment of the facilities which the institution offers.

(2) The technique of the plan must be capable of application irrespective of the type and principle of government and the economic policy existing in the prospective member States.

(3) Management of the institution must be genuinely international, without preponderant power of veto or enforcement lying with any country or group. And the rights and privileges of smaller countries must be safeguarded.

(4) Some qualification of the right to act at pleasure is required by any agreement or treaty between Nations. But in order that such arrangements may be fully voluntary so long as they last and terminable when they have become irksome, provision must be made for voiding the obligation at due notice. If many member States were to take advantage of this, the plan would have broken down, but if they are free to escape from its provisions if necessary, they may be more willing to go on accepting them.

(5) The plan must operate not only to the general advantage but also to the individual advantage of each of the participants, and must

not require a special economic or financial sacrifice from certain countries. No participant must be asked to do or offer anything which is not to his own true long-term interest.

It must be emphasized that it is not for the Clearing Union to assume the burden of long term lending which is the proper task of some other institution. It is also necessary for it to have the means of restraining improvident borrowers. But the Clearing Union must also seek to discourage creditor countries from having unused large liquid balances which ought to be devoted to some positive purpose. For excessive credit balances necessarily create excessive debit balances for some other party. In recognising that the creditor as well as the debtor may be responsible for a want of balance, the proposed institution would be breaking new ground.

I. The Objects of the Plan

About the primary objects of an improved system of International Currency there is, today, a wide measure of agreement:—

- (a) We need an instrument of international currency having general acceptability between nations, so that blocked balances and bilateral clearings are unnecessary; that is to say, an instrument of currency used by each nation in its transactions with other nations, operating through whatever national organ, such as a Treasury or a Central Bank, is most appropriate, private individuals, businesses and banks other than Central Banks, each continuing to use their own national currency as heretofore.
- (b) We need an orderly and agreed method of determining the relative exchange values of national currency units, so that unilateral action and competitive exchange depreciations are prevented.
- (c) We need a *quantum* of international currency, which is neither determined in an unpredictable and irrelevant manner as, for example, by the technical progress of the gold industry, nor subject to large variations depending on the gold reserve policies of individual countries; but is governed by the actual current requirements of world commerce, and is also capable of deliberate expansion and contraction to offset deflationary and inflationary tendencies in effective world demand.
- (d) We need a system possessed of an internal stabilising mechanism, by which pressure

is exercised on any country whose balance of payments with the rest of the world is departing from equilibrium in either direction, so as to prevent movements which must create for its neighbours an equal but opposite want of balance.

- (e) We need an agreed plan for starting off every country after the war with a stock of reserves appropriate to its importance in world commerce, so that without due anxiety it can set its house in order during the transitional period to full peace-time conditions.
- (f) We need a central institution, of a purely technical and non-political character, to aid and support other international institutions concerned with the planning and regulation of the world's economic life.
- (g) More generally, we need a means of reassurance to a troubled world, by which any country whose own affairs are conducted with due prudence is relieved of anxiety, for causes which are not of its own making, concerning its ability to meet its international liabilities; and which will, therefore, make unnecessary those methods of restriction and discrimination which countries have adopted hitherto, not on their merits, but as measures of self-protection from disruptive outside forces.

2. There is also a growing measure of agreement about the general character of any solution of the problem likely to be successful. The particular proposals set forth below lay no claim to originality. They are an attempt to reduce to practical shape certain general ideas belonging to the contemporary climate of economic opinion, which have been given publicity in recent months by writers of several different nationalities. It is difficult to see how any plan can be successful which does not use these general ideas, which are born of the spirit of the age. The actual details put forward below are offered, with no dogmatic intention, as the basis of discussion for criticism and improvement. For we cannot make progress without embodying the general underlying idea in a frame of actual working, which will bring out the practical and political difficulties to be faced and met if the breath of life is to inform it.

3. In one respect this particular plan will be found to be more ambitious and yet, at the same time, perhaps more workable than some of the variant versions of the same basic idea, in that it is fully international, being based on one general agreement and not on a multiplicity of

bilateral arrangements. Doubtless proposals might be made by which bilateral arrangements could be fitted together so as to obtain some of the advantages of a multilateral scheme. But there will be many difficulties attendant on such adjustments. It may be doubted whether a comprehensive scheme will ever in fact be worked out, unless it can come into existence through a single act of creation made possible by the unity of purpose and energy of hope for better things to come, springing from the victory of the United Nations, when they have attained it, over immediate evil. That these proposals are ambitious is claimed, therefore to be not a drawback but an advantage.

4. The proposal is to establish a Currency Union, here designated an *International Clearing Union*, based on international bank-money, called (let us say) *bancor*, fixed (but not unalterably) in terms of gold and accepted as the equivalent of gold by the British Commonwealth and the United States and all the other members of the Union for the purpose of settling international balances. The Central Banks of all member States (and also of non-members) would keep accounts with the International Clearing Union through which they would be entitled to settle their exchange balances with one another at their par value as defined in terms of *bancor*. Countries having a favourable balance of payments with the rest of the world as a whole would find themselves in possession of a credit account with the Clearing Union, and those having an unfavourable balance would have a debit account. Measures would be necessary (see below) to prevent the piling up of credit and debit balances without limit, and the system would have failed in the long run if it did not possess sufficient capacity for self-equilibrium to secure this.

5. The idea underlying such a Union is simple, namely, to generalise the essential principle of banking as it is exhibited within any closed system. This principle is the necessary equality of credits and debits. If no credits can be removed outside the clearing system, but only transferred within it, the Union can never be in any difficulty as regards the honouring of cheques drawn upon it. It can make what advances it wishes to any of its members with the assurance that the proceeds can only be transferred to the clearing account of another member. Its sole task is to see to it that its members keep the rules and that the advances made to each of them are prudent and advisable for the Union as a whole.

II. The Provisions of the Plan

6. The provisions proposed (the particular proportions and other details suggested being tentative as a basis of discussion) are the following:—

(1) All the United Nations will be invited to become original members of the International Clearing Union. Other States may be invited to join subsequently. If ex-enemy States are invited to join, special conditions may be applied to them.

(2) The Governing Board of the Clearing Union shall be appointed by the Governments of the several member States, as provided in (12) below; the daily business with the Union and the technical arrangements being carried out through their Central Banks or other appropriate authorities.

(3) The member States will agree between themselves the initial values of their own currencies in terms of *bancor*. A member State may not subsequently alter the value of its currency in terms of *bancor* without the permission of the Governing Board except under the conditions stated below; but during the first five years after the inception of the system the Governing Board shall give special consideration to appeals for an adjustment in the exchange value of a national currency unit on the ground of unforeseen circumstances.

(4) The value of *bancor* in terms of gold shall be fixed by the Governing Board. Member States shall not purchase or acquire gold, directly or indirectly, at a price in terms of their national currencies in excess of the parity which corresponds to the value of their currency in terms of *bancor* and to the value of *bancor* in terms of gold. Their sales and purchases of gold shall not be otherwise restricted.

(5) Each member State shall have assigned to it a *quota*, which shall determine the measure of its responsibility in the management of the Union and of its right to enjoy the credit facilities provided by the Union. The initial quotas might be fixed by reference to the sum of each country's exports and imports on the average of (say) the three pre-war years, and might be (say) 75 per cent of this amount, a special assessment being substituted in cases (of which there might be several) where this formula would be, for any reason, inappropriate. Subsequently, after the elapse of the transitional period, the quotas should be revised annually in accordance with the running average of each country's actual volume of trade in the three preceding years, rising to a five-year average when figures

for five post-war years are available. The determination of a country's quota primarily by reference to the value of its foreign trade seems to offer the criterion most relevant to a plan which is chiefly concerned with the regulation of the foreign exchanges and of a country's international trade balance. It is, however, a matter for discussion whether the formula for fixing quotas should also take account of other factors.

(6) Member States shall agree to accept payment of currency balances, due to them from other members, by a transfer of bancor to their credit in the books of the Clearing Union. They shall be entitled, subject to the conditions set forth below, to make transfers of bancor to other members which have the effect of over-drawing their own accounts with the Union, provided that the maximum debit balances thus created do not exceed their quota. The Clearing Union may, at its discretion, charge a small commission or transfer fee in respect of transactions in its books for the purpose of meeting its current expenses or any other outgoings approved by the Governing Board.

(7) A member State shall pay to the Reserve Fund of the Clearing Union a charge of 1 per cent per annum on the amount of its average balance in bancor, whether it is a credit or a debit balance, in excess of a quarter of its quota; and a further charge of 1 per cent on its average balance, whether credit or debit, in excess of a half of its quota. Thus, only a country which keeps as nearly as possible in a state of international balance on the average of the year will escape this contribution. These charges are not absolutely essential to the scheme. But if they are found acceptable, they would be valuable and important inducements towards keeping a level balance, and a significant indication that the system looks on excessive credit balances with as critical an eye as on excessive debit balances, each being, indeed, the inevitable concomitant of the other. Any member State in debit may, after consultation with the Governing Board, borrow bancor from the balances of any member State in credit on such terms as may be mutually agreed, by which means each would avoid these contributions. The Governing Board may, at its discretion, remit the charges on credit balances, and increase correspondingly those on debit balances, if in its opinion unduly expansionist conditions are impending in the world economy.

(8)—(a) A member State may not increase its debit balance by more than a *quarter* of its quota within a year without the permission of

the Governing Board. If its debit balance has exceeded a quarter of its quota on the average of at least two years, it shall be entitled to reduce the value of its currency in terms of bancor provided that the reduction shall not exceed 5 per cent without the consent of the Governing Board; but it shall not be entitled to repeat this procedure unless the Board is satisfied that this procedure is appropriate.

(b) The Governing Board may require from a member State having a debit balance reaching a *half* of its quota the deposit of suitable collateral against its debit balance. Such collateral shall, at the discretion of the Governing Board, take the form of gold, foreign or domestic currency or Government bonds, within the capacity of the member State. As a condition of allowing a member State to increase its debit balance to a figure in excess of a half of its quota, the Governing Board may require all or any of the following measures:—

- (i) a stated reduction in the value of the member's currency, if it deems that to be the suitable remedy;
- (ii) the control of outward capital transactions if not already in force; and
- (iii) the outright surrender of a suitable proportion of any separate gold or other liquid reserve in reduction of its debit balance.

Furthermore, the Governing Board may recommend to the Government of the member State any internal measures affecting its domestic economy which may appear to be appropriate to restore the equilibrium of its international balance.

(c) If a member State's debit balance has exceeded *three-quarters* of its quota on the average of at least a year and is excessive in the opinion of the Governing Board in relation to the total debit balances outstanding on the books of the Clearing Union, or is increasing at an excessive rate, it may, in addition, be asked by the Governing Board to take measures to improve its position, and, in the event of its failing to reduce its debit balance accordingly within two years, the Governing Board may declare that it is in default and no longer entitled to draw against its account except with the permission of the Governing Board.

(d) Each member State, on joining the system, shall agree to pay to the Clearing Union any payments due from it to a country in default towards the discharge of the latter's debit balance and to accept this arrangement in the event of falling into default itself. A member State which resigns from the Clearing Union

without making approved arrangements for the discharge of any debit balance shall also be treated as in default.

(9) A member State whose credit balance has exceeded *half* of its quota on the average of at least a year shall discuss with the Governing Board (but shall retain the ultimate decision in its own hands) what measures would be appropriate to restore the equilibrium of its international balances, including—

- (a) Measures for the expansion of domestic credit and domestic demand.
- (b) The appreciation of its local currency in terms of *bancor*, or, alternatively, the encouragement of an increase in money rates of earnings.
- (c) The reduction of tariffs and other discouragements against imports.
- (d) International development loans.

(10) A member State shall be entitled to obtain a credit balance in terms of *bancor* by paying in gold to the Clearing Union for the credit of its clearing account. But no one is entitled to demand gold from the Union against a balance of *bancor*, since such balance is available only for transfer to another clearing account. The Governing Board of the Union shall, however, have the discretion to distribute any gold in the possession of the Union between the members possessing credit balances in excess of a specified proportion of their quotas, proportionately to such balances, in reduction of their amount in excess of that proportion.

(11) The monetary reserves of a member State, *viz.*, the Central Bank or other bank or Treasury deposits in excess of a working balance, shall not be held in another country except with the approval of the monetary authorities of that country.

(12) The Governing Board shall be appointed by the Governments of the member States, those with the larger quotas being entitled to appoint a member individually, and those with smaller quotas appointing in convenient political or geographical groups, so that the members would not exceed (say) 12 or 15 in number. Each representative on the Governing Board shall have a vote in proportion to the quotas of the State (or States) appointing him, except that on a proposal to increase a particular quota, a representative's voting power shall be measured by the quotas of the member States appointing him, increased by their credit balance or decreased by their debit balance, averaged in each case over the past two years. Each member State, which is not individually represented on the Governing Board, shall be en-

titled to appoint a permanent delegate to the Union to maintain contact with the Board and to act as *liaison* for daily business and for the exchange of information with the Executive of the Union. Such delegates shall be entitled to be present at the Governing Board when any matter is under consideration which specially concerns the State he represents, and to take part in the discussion.

(13) The Governing Board shall be entitled to reduce the quotas of members, all in the same specified proportion, if it seems necessary to correct in this manner an excess of world purchasing power. In that event, the provisions of 6 (8) shall be held to apply to the quotas as so reduced, provided that no member shall be required to reduce his actual overdraft at the date of the change, or be entitled by reason of this reduction to alter the value of his currency under 6 (8) (a), except after the expiry of two years. If the Governing Board subsequently desires to correct a potential deficiency of world purchasing power, it shall be entitled to restore the general level of quotas towards the original level.

(14) The Governing Board shall be entitled to ask and receive from each member State any relevant statistical or other information, including a full disclosure of gold, external credit and debit balances and other external assets and liabilities, both public and private. So far as circumstances permit, it will be desirable that the member States shall consult with the Governing Board on important matters of policy likely to affect substantially their *bancor* balances or their financial relations with other members.

(15) The executive offices of the Union shall be situated in London and New York, with the Governing Board meeting alternately in London and Washington.

(16) Members shall be entitled to withdraw from the Union on a year's notice, subject to their making satisfactory arrangements to discharge any debit balance. They would not, of course, be able to employ any credit balance except by making transfers from it, either before or after their withdrawal, to the Clearing Accounts of other Central Banks. Similarly, it should be within the power of the Governing Board to require the withdrawal of a member, subject to the same notice, if the latter is in breach of agreements relating to the Clearing Union.

(17) The Central Banks of non-member States would be allowed to keep credit clearing accounts with the Union; and, indeed, it would be

advisable for them to do so for the conduct of their trade with member States. But they would have no right to overdrafts and no say in the management.

(18) The Governing Board shall make an annual Report and shall convene an annual Assembly at which every member State shall be entitled to be represented individually and to move proposals. The principles and governing rules of the Union shall be the subject of reconsideration after five years' experience, if a majority of the Assembly desire it.

III. What Liabilities Ought the Plan to Place on Creditor Countries?

7. It is not contemplated that either the debit or the credit balance of an individual country ought to exceed a certain maximum—let us say, its *quota*. In the case of debit balances this maximum has been made a rigid one, and, indeed, counter-measures are called for long before the maximum is reached. In the case of credit balances no rigid maximum has been proposed. For the appropriate provision might be to require the eventual cancellation or compulsory investment of persistent *bancor* credit balances accumulating in excess of a member's *quota*; and, however desirable this may be in principle, it might be felt to impose on creditor countries a heavier burden than they can be asked to accept before having had experience of the benefit to them of the working of the plan as a whole. If, on the other hand, the limitation were to take the form of the creditor country not being required to accept *bancor* in excess of a prescribed figure, this might impair the general acceptability of *bancor*, whilst at the same time conferring no real benefit on the creditor country itself. For, if it chose to avail itself of the limitation, it must either restrict its exports or be driven back on some form of bilateral payments agreements outside the Clearing Union, thus substituting a less acceptable asset for *bancor* balances which are based on the collective credit of all the member States and are available for payments to any of them, or attempt the probably temporary expedient of refusing to trade except on a gold basis.

8. The absence of a rigid maximum to credit balances does not impose on any member State, as might be supposed at first sight, an unlimited liability outside its own control. The liability of an individual member is determined, not by the quotas of the other members, but by its own policy in controlling its favourable balance of payments. The existence of the Clearing Union does not deprive a member State of any

of the facilities which it now possesses for receiving payment for its exports. In the absence of the Clearing Union a creditor country can employ the proceeds of its exports to buy goods or to buy investments, or to make temporary advances and to hold temporary overseas balances, or to buy gold in the market. All these facilities will remain at its disposal. The difference is that in the absence of the Clearing Union, more or less automatic factors come into play to restrict the volume of its exports after the above means of receiving payment for them have been exhausted. Certain countries become unable to buy and, in addition to this, there is an automatic tendency towards a general slump in international trade, and, as a result, a reduction in the exports of the creditor country. Thus, the effect of the Clearing Union is to give the creditor country a choice between voluntarily curtailing its exports to the same extent that they would have been involuntarily curtailed in the absence of the Clearing Union, or, alternatively, of allowing its exports to continue and accumulating the excess receipts in the form of *bancor* balances for the time being. Unless the removal of a factor causing the involuntary reduction of exports is reckoned a disadvantage, a creditor country incurs no burden but is, on the contrary, relieved, by being offered the additional option of receiving payment for its exports through the accumulation of a *bancor* balance.

9. If, therefore, a member State asks what governs the maximum liability which it incurs by entering the system, the answer is that this lies entirely within its own control. No more is asked of it than that it should hold in *bancor* such surplus of its favourable balance of payments as it does not itself choose to employ in any other way, and only for so long as it does not so choose.

IV. Some Advantages of the Plan

10. The plan aims at the substitution of an expansionist, in place of a contractionist, pressure on world trade.

11. It effects this by allowing to each member State overdraft facilities of a defined amount. Thus each country is allowed a certain margin of resources and a certain interval of time within which to effect a balance in its economic relations with the rest of the world. These facilities are made possible by the constitution of the system itself and do not involve particular indebtedness between one member State and another. A country is in credit or debit with the Clearing Union as a whole. This means

that the overdraft facilities, whilst a relief to some, are not a real burden to others. For the accumulation of a credit balance with the Clearing Union would resemble the importation of gold in signifying that the country holding it is abstaining voluntarily from the immediate use of purchasing power. But it would not involve, as would the importation of gold, the withdrawal of this purchasing power from circulation or the exercise of a deflationary and contractionist pressure on the whole world, including in the end the creditor country itself. Under the proposed plan, therefore, no country suffers injury (but on the contrary) by the fact that the command over resources, which it does not itself choose to employ for the time being, is not withdrawn from use. The accumulation of bancor credit does not curtail in the least its capacity or inducement either to produce or to consume.

12. In short, the analogy with a national banking system is complete. No depositor in a local bank suffers because the balances, which he leaves idle, are employed to finance the business of someone else. Just as the development of national banking systems served to offset a deflationary pressure which would have prevented otherwise the development of modern industry, so by extending the same principle into the international field we may hope to offset the contractionist pressure which might otherwise overwhelm in social disorder and disappointment the good hopes of our modern world. The substitution of a credit mechanism in place of hoarding would have repeated in the international field the same miracle, already performed in the domestic field, of turning a stone into bread.

13. There might be other ways of effecting the same objects temporarily or in part. For example, the United States might redistribute her gold. Or there might be a number of bilateral arrangements having the effect of providing international overdrafts, as, for example, an agreement by the Federal Reserve Board to accumulate, if necessary, a large sterling balance at the Bank of England, accompanied by a great number of similar bilateral arrangements, amounting to some hundreds altogether, between these and all the other banks in the world. The objection to particular arrangements of this kind, in addition to their greater complexity, is that they are likely to be influenced by extraneous, political reasons; that they put individual countries in a position of particular obligation towards others; and that the distribution of the assistance between dif-

ferent countries may not correspond to need and to the real requirements, which are extremely difficult to foresee.

14. It should be much easier, and surely more satisfactory for all of us, to enter into a general and collective responsibility, applying to all countries alike, that a country finding itself in a creditor position *against the rest of the world as a whole* should enter into an arrangement not to allow this credit balance to exercise a contractionist pressure against world economy and, by repercussion, against the economy of the creditor country itself. This would give everyone the great assistance of multilateral clearing, whereby (for example) Great Britain could offset favourable balances arising out of her exports to Europe against unfavourable balances due to the United States or South America or elsewhere. How, indeed, can any country hope to start up trade with Europe during the relief and reconstruction period on any other terms?

15. The facilities offered will be of particular importance in the transitional period after the war, as soon as the initial shortages of supply have been overcome. Many countries will find a difficulty in paying for their imports, and will need time and resources before they can establish a readjustment. The efforts of each of these debtor countries to preserve its own equilibrium, by forcing its exports and by cutting off all imports which are not strictly necessary, will aggravate the problems of all the others. On the other hand, if each feels free from undue pressure, the volume of international exchange will be increased and everyone will find it easier to re-establish equilibrium without injury to the standard of life anywhere. The creditor countries will benefit, hardly less than the debtors, by being given an interval of *time* in which to adjust their economies, during which they can safely move at their own pace without the result of exercising deflationary pressure on the rest of the world, and by repercussion, on themselves.

16. It must, however, be emphasized that the provision by which the members of the Clearing Union start with substantial overdraft facilities in hand will be mainly useful, just as the possession of any kind of reserve is useful, to allow time and method for necessary adjustments and a comfortable safeguard behind which the unforeseen and the unexpected can be faced with equanimity. Obviously, it does not by itself provide any long-term solution against a continuing disequilibrium, for in due course the more improvident and the more impecunious, left to themselves, would have run through

their resources. But, if the purpose of the overdraft facilities is mainly to give time for adjustments, we have to make sure, so far as possible, that they *will* be made. We must have, therefore, some rules and some machinery to secure that equilibrium is restored. A tentative attempt to provide for this has been made above. Perhaps it might be strengthened and improved.

17. The provisions suggested differ in one important respect from the pre-war system because they aim at putting some part of the responsibility for adjustment on the creditor country as well as on the debtor. This is an attempt to recover one of the advantages which were enjoyed in the nineteenth century, when a flow of gold due to a favourable balance in favour of London and Paris, which were then the main creditor centres, immediately produced an expansionist pressure and increased foreign lending in those markets, but which has been lost since New York succeeded to the position of main creditor, as a result of gold movements failing in their effect, of the breakdown of international borrowing and of the frequent flight of loose funds from one depository to another. The object is that the creditor should not be allowed to remain entirely passive. For if he is, an intolerably heavy task may be laid on the debtor country, which is already for that very reason in the weaker position.

18. If, indeed, a country lacks the productive capacity to maintain its standard of life, then a reduction in this standard is not avoidable. If its wage and price levels in terms of money are out of line with those elsewhere, a change in the rate of its foreign exchange is inevitable. But if, possessing the productive capacity, it lacks markets because of restrictive policies throughout the world, then the remedy lies in expanding its opportunities for export by removal of the restrictive pressure. We are too ready to-day to assume the inevitability of unbalanced trade positions, thus making the opposite error to those who assumed the tendency of exports and imports to equality. It used to be supposed, without sufficient reason, that effective demand is always properly adjusted throughout the world; we now tend to assume, equally without sufficient reason, that it never can be. On the contrary, there is great force in the contention that, if active employment and ample purchasing power can be sustained in the main centres of the world trade, the problem of surpluses and unwanted exports will largely disappear, even though, under the most prosperous conditions, there may remain

some disturbances of trade and unforeseen situations requiring special remedies.

V. The Daily Management of the Exchanges under the Plan

19. The Clearing Union restores unfettered multilateral clearing between its members. Compare this with the difficulties and complications of a large number of bilateral agreements. Compare, above all, the provisions by which a country, taking improper advantage of a payments agreement (for the system is, in fact, a *generalized* payments agreement), as Germany did before the war, is dealt with not by a single country (which may not be strong enough to act effectively in isolation or cannot afford to incur the diplomatic odium of isolated action), but by the system as a whole. If the argument is used that the Clearing Union may have difficulty in disciplining a misbehaving country and in avoiding consequential loss, with what much greater force can we urge this objection against a multiplicity of separate bilateral payments agreements.

20. Thus we should not only obtain the advantages, without the disadvantages, of an international gold currency, but we might enjoy these advantages more widely than was ever possible in practice with the old system under which at any given time only a minority of countries were actually working with free exchanges. In conditions of multilateral clearing, exchange dealings would be carried on as freely as in the best days of the gold standard, without its being necessary to ask anyone to accept special or onerous conditions.

21. The principles governing transactions are: first, that the Clearing Union is set up, not for the transaction of daily business between individual traders or banks, but for the clearing and settlement of the ultimate outstanding balances between Central Banks (and certain other super-national Institutions), such as would have been settled under the old gold standard by the shipment or the earmarking of gold, and should not trespass unnecessarily beyond this field; and, second, that its purpose is to increase *freedom* in international commerce and not to multiply interferences or compulsions.

22. Many Central Banks have found great advantage in centralising with themselves or with an Exchange Control the supply and demand of all foreign exchange, thus dispensing with an outside exchange market, though continuing to accommodate individuals through the existing banks and not directly. The further extension of such arrangements would be

consonant with the general purposes of the Clearing Union, inasmuch as they would promote order and discipline in international exchange transactions in detail as well as in general. The same is true of the control of capital movements, further described below, which many States are likely to wish to impose on their own nationals. But the structure of the proposed Clearing Union does not *require* such measures of centralisation or of control on the part of a member State. It is, for example, consistent alike with the type of Exchange Control now established in the United Kingdom or with the system now operating in the United States. The Union does not prevent private holdings of foreign currency or private dealings in exchange or international capital movements, if these have been approved or allowed by the member States concerned. Central Banks can deal direct with one another as heretofore. No transaction in *bancor* will take place except when a member State or its Central Bank is exercising the right to pay in it. In no case is there any direct control on capital movements by the Union, even in the case of 6 (8) (b) (ii) above, but only by the member States themselves through their own institutions. Thus the fabric of international banking organisation, built up by long experience to satisfy practical needs, would be left as undisturbed as possible.

23. It is not necessary to interfere with the discretion of countries which desire to maintain a special intimacy within a particular group of countries associated by geographical or political ties, such as the existing sterling area, or groups, like the Latin Union of former days, which may come into existence covering, for example, the countries of North America or those of South America, or the groups now under active discussion, including Poland and Czechoslovakia or certain of the Balkan States. There is no reason why such countries should not be allowed a double position, both as members of the Clearing Union in their own right with their proper quota, and also as making use of another financial centre along traditional lines, as, for example, Australia and India with London, or certain American countries with New York. In this case, their accounts with the Clearing Union would be in exactly the same position as the independent gold reserves which they now maintain, and they would have no occasion to modify in any way their present practices in the conduct of daily business.

24. There might be other cases, however, in which a dependency or a member of a federal

union would merge its currency identity in that of a mother country, with a quota appropriately adjusted to the merged currency area as a whole, and *not* enjoy a separate individual membership of the Clearing Union, as, for example, the States of a Federal Union, the French colonies or the British Crown Colonies.

25. At the same time countries, which do not belong to a special geographical or political group, would be expected to keep their reserve balances with the Clearing Union and not with one another. It has, therefore, been laid down that balances may not be held in another country except with the approval of the monetary authorities of that country; and, in order that sterling and dollars might not appear to compete with *bancor* for the purpose of reserve balances, the United Kingdom and the United States might agree together that they would not accept the reserve balances of other countries in excess of normal working balances except in the case of banks definitely belonging to a Sterling Area or Dollar Area group.

VI. The Position of Gold under the Plan

26. Gold still possesses great psychological value which is not being diminished by current events; and the desire to possess a gold reserve against unforeseen contingencies is likely to remain. Gold also has the merit of providing in point of form (whatever the underlying realities may be) an uncontroversial standard of value for international purposes, for which it would not yet be easy to find a serviceable substitute. Moreover, by supplying an automatic means for settling some part of the favourable balances of the creditor countries, the current gold production of the world and the remnant of gold reserves held outside the United States may still have a useful part to play. Nor is it reasonable to ask the United States to demonetise the stock of gold which is the basis of its impregnable liquidity. What, in the long run, the world may decide to do with gold is another matter. The purpose of the Clearing Union is to supplant gold as a governing factor, but not to dispense with it.

27. The international bank-money which we have designated *bancor* is defined in terms of a weight of gold. Since the national currencies of the member States are given a defined exchange value in terms of *bancor*, it follows that they would each have a defined gold content which would be their official buying price for gold, above which they must not pay. The fact that a member State is entitled to obtain a credit in terms of *bancor* by paying actual gold

to the credit of its clearing account, secures a steady and ascertained purchaser for the output of the gold-producing countries, and for countries holding a large reserve of gold. Thus the position of producers and holders of gold is not affected adversely, and is, indeed, improved.

28. Central Banks would be entitled to retain their separate gold reserves and ship gold to one another, provided they did not pay a price above parity; they could coin gold and put it into circulation, and, generally speaking, do what they liked with it.

29. One limitation only would be, for obvious reasons, essential. No member State would be entitled to demand gold from the Clearing Union against its balance of bancor; for bancor is available only for transfer to another clearing account. Thus between gold and bancor itself there would be a one-way convertibility, such as ruled frequently before the war with national currencies which were on what was called a "gold exchange standard." This need not mean that the Clearing Union would only receive gold and never pay it out. It has been provided above that, if the Clearing Union finds itself in possession of a stock of gold, the Governing Board shall have discretion to distribute the surplus between those possessing credit balances in bancor, proportionately to such balances, in reduction of their amount.

30. The question has been raised whether these arrangements are compatible with the retention by individual member States of a full gold standard with two-way convertibility, so that, for example, any foreign central bank acquiring dollars could use them to obtain gold for export. It is not evident that a good purpose would be served by this. But it need not be prohibited, and if any member State should prefer to maintain full convertibility for internal purposes it could protect itself from any abuse of the system or inconvenient consequences by providing that gold could only be exported under licence.

31. The value of bancor in terms of gold is fixed but not unalterably. The power to vary its value might have to be exercised if the stocks of gold tendered to the Union were to be excessive. No object would be served by attempting further to peer into the future or to prophesy the ultimate outcome.

VII. The Control of Capital Movements

32. There is no country which can, in future, safely allow the flight of funds for political reasons or to evade domestic taxation or in anticipation of the owner turning refugee.

Equally, there is no country that can safely receive fugitive funds, which constitute an unwanted import of capital, yet cannot safely be used for fixed investment.

33. For these reasons it is widely held that control of capital movements, both inward and outward, should be a permanent feature of the post-war system. It is an objection to this that control, if it is to be effective, probably requires the machinery of exchange control for *all* transactions, even though a general permission is given to all remittances in respect of current trade. Thus those countries which have for the time being no reason to fear, and may indeed welcome, outward capital movements, may be reluctant to impose this machinery, even though a general permission for capital, as well as current transactions reduces it to being no more than a machinery of record. On the other hand, such control will be more difficult to work by unilateral action on the part of those countries which cannot afford to dispense with it, especially in the absence of a postal censorship, if movements of capital cannot be controlled *at both ends*. It would, therefore, be of great advantage if the United States, as well as other members of the Clearing Union, would adopt machinery similar to that which the British Exchange Control has now gone a long way towards perfecting. Nevertheless, the universal establishment of a control of capital movements cannot be regarded as essential to the operation of the Clearing Union; and the method and degree of such control should therefore be left to the decision of each member State. Some less drastic way might be found by which countries, not themselves controlling outward capital movements can deter inward movements not approved by the countries from which they originate.

34. The position of abnormal balances in overseas ownership held in various countries at the end of the war presents a problem of considerable importance and special difficulty. A country in which a large volume of such balances is held could not, unless it is in a creditor position, afford the risk of having to redeem them in bancor on a substantial scale, if this would have the effect of depleting its bancor resources at the outset. At the same time, it is very desirable that the countries owning these balances should be able to regard them as liquid, at any rate over and above the amounts which they can afford to lock up under an agreed programme of funding or long-term expenditure. Perhaps there should be some special over-riding provision for dealing with

the transitional period only by which, through the aid of the Clearing Union, such balances would remain liquid and convertible into bancor by the creditor country whilst there would be no corresponding strain on the bancor resources of the debtor country, or, at any rate, the resulting strain would be spread over a period.

35. The advocacy of a control of capital movements must not be taken to mean that the era of international investment should be brought to an end. On the contrary, the system contemplated should greatly facilitate the restoration of international loans and credits for legitimate purposes in ways to be discussed below. The object, and it is a vital object, is to have a means—

- (a) of distinguishing long-term loans by creditor countries, which help to maintain equilibrium and develop the world's resources, from movements of funds out of debtor countries which lack the means to finance them; and
- (b) of controlling short-term speculative movements or flights of currency whether out of debtor countries or from one creditor country to another.

36. It should be emphasised that the purpose of the overdrafts of bancor permitted by the Clearing Union is, not to facilitate long-term, or even medium-term, credits to be made by debtor countries which cannot afford them, but to allow time and a breathing space for adjustments and for averaging one period with another to all member States alike, whether in the long run they are well-placed to develop a forward international loan policy or whether their prospects of profitable new development in excess of their own resources justifies them in long-term borrowing. The machinery and organisation of international medium-term and long-term lending is another aspect of post-war economic policy, not less important than the purposes which the Clearing Union seeks to serve, but requiring another, complementary institution.

VIII. Relation of the Clearing Union to Commercial Policy

37. The special protective expedients which were developed between the two wars were sometimes due to political, social or industrial reasons. But frequently they were nothing more than forced and undesired dodges to protect an unbalanced position of a country's overseas payments. The new system, by helping to provide a register of the size and where-

abouts of the aggregate debtor and creditor positions respectively, and an indication whether it is reasonable for a particular country to adopt special expedients as a temporary measure to assist in regaining equilibrium in its balance of payments, would make it possible to establish a general rule *not* to adopt them, subject to the indicated exceptions.

38. The existence of the Clearing Union would make it possible for member States contracting commercial agreements to use their respective debit and credit positions with the Clearing Union as a test, though this test by itself would not be complete. Thus, the contracting parties, whilst agreeing to clauses in a commercial agreement forbidding, in general, the use of certain measures or expedients in their mutual trade relations, might make this agreement subject to special relaxations if the state of their respective clearing accounts satisfied an agreed criterion. For example, an agreement might provide that, in the event of one of the contracting States having a debit balance with the Clearing Union exceeding a specified proportion of its quota on the average of a period, it should be free to resort to import regulation, to barter trade agreements, or to higher import duties of a type which was restricted under the agreement in normal circumstances. Protected by the possibility of such temporary indulgences, the members of the Clearing Union should feel much more confidence in moving towards the withdrawal of other and more dislocating forms of protection and discrimination and in accepting the prohibition of the worst of them from the outset. In any case, it should be laid down that members of the Union would not allow or suffer among themselves any restrictions on the disposal of receipts arising out of current trade or "invisible" income.

IX. The Use of the Clearing Union for Other International Purposes

39. The Clearing Union might become the instrument and the support of international policies in addition to those which it is its primary purpose to promote. This deserves the greatest possible emphasis. The Union might become the pivot of the future economic government of the world. Without it, other more desirable developments will find themselves impeded and unsupported. With it, they will fall into their place as parts of an ordered scheme. No one of the following suggestions is a necessary part of the plan. But they are illustrations of the additional purposes of high

importance and value which the Union, once established, might be able to serve:—

(1) The Union might set up a clearing account in favour of international bodies charged with post-war relief, rehabilitation and reconstruction. But it could go much further than this. For it might supplement contributions received from other sources by granting preliminary overdraft facilities in favour of these bodies, the overdraft being discharged over a period of years out of the Reserve Fund of the Union, or, if necessary, out of a levy on surplus credit balances. So far as this method is adopted it would be possible to avoid asking any country to assume a burdensome commitment for relief and reconstruction, since the resources would be provided in the first instance by those countries having credit clearing accounts for which they have no immediate use and are voluntarily leaving idle, and in the long run by those countries which have a chronic international surplus for which they have no beneficial employment.

(2) The Union might set up an account in favour of any supernational policing body which may be charged with the duty of preserving the peace and maintaining international order. If any country were to infringe its properly authorised orders, the policing body might be entitled to request the Governors of the Clearing Union to hold the clearing account of the delinquent country to its order and permit no further transactions on the account except by its authority. This would provide an excellent machinery for enforcing a financial blockade.

(3) The Union might set up an account in favour of international bodies charged with the management of a Commodity Control, and might finance stocks of commodities held by such bodies, allowing them overdraft facilities on their accounts up to an agreed maximum. By this means the financial problem of buffer stocks and "ever-normal granaries" could be effectively attacked.

(4) The Union might be linked up with a Board for International Investment. It might act on behalf of such a Board and collect for them the annual service of their loans by automatically debiting the clearing account of the country concerned. The statistics of the clearing accounts of the member States would give a reliable indication as to which countries were in a position to finance the Investment Board, with the advantage of shifting the whole system of clearing credits and debits nearer to equilibrium.

(5) There are various methods by which the Clearing Union could use its influence and its powers to maintain stability of prices and to control the Trade Cycle. If an International Economic Board is established, this Board and the Clearing Union might be expected to work in close collaboration to their mutual advantage. If an International Investment or Development Corporation is also set up together with a scheme of Commodity Controls for the control of stocks of the staple primary products, we might come to possess in these three Institutions a powerful means of combating the evils of the Trade Cycle, by exercising contractionist or expansionist influence on the system as a whole or on particular sections. This is a large and important question which cannot be discussed adequately in this paper; and need not be examined at length in this place because it does not raise any important issues affecting the fundamental constitution of the proposed Union. It is mentioned here to complete the picture of the wider purposes which the foundation of the Clearing Union might be made to serve.

40. The facility of applying the Clearing Union plan to these several purposes arises out of a fundamental characteristic which is worth pointing out, since it distinguishes the plan from those proposals which try to develop the same basic principle along bilateral lines and is one of the grounds on which the Plan can claim superior merit. This might be described as its "anonymous" or "impersonal" quality. No particular member States have to engage their own resources as such to the support of other particular States or of any of the international projects or policies adopted. They have only to agree in general that, if they find themselves with surplus resources which for the time being they do not themselves wish to employ, these resources may go into the general pool and be put to work on approved purposes. This costs the surplus country nothing because it is not asked to part permanently, or even for any specified period, with such resources, which it remains free to expend and employ for its own purposes whenever it chooses; in which case the burden of finance is passed on to the next recipient, again for only so long as the recipient has no use for the money. As pointed out above, this merely amounts to extending to the international sphere the methods of any domestic banking system, which are in the same sense "impersonal" inasmuch as there is no call on the particular depositor either to support as such

the purposes for which his banker makes advances or to forgo permanently the use of his deposit. There is no countervailing objection except that which applies equally to the technique of domestic banking, namely that it is capable of the abuse of creating excessive purchasing power and hence an inflation of prices. In our efforts to avoid the opposite evil, we must not lose sight of this risk, to which there is an allusion in 39 (5) above. But it is no more reason for refusing the advantages of international banking than the similar risk in the domestic field is a reason to return to the practices of the seventeenth century goldsmiths (which are what we are still following in the international field) and to forgo the vast expansion of production which banking principles have made possible. Where financial contributions are required for some purpose of general advantage it is a great facility not to have to ask for specific contributions from any named country, but to depend rather on the anonymous and impersonal aid of the system as a whole. We have here a genuine organ of truly international government.

X. The Transitional Arrangements

41. It would be of great advantage to agree the general principles of the Clearing Union before the end of the war, with a view to bringing it into operation at an early date after the termination of hostilities. Major plans will be more easily brought to birth in the first energy of victory and whilst the active spirit of united action still persists, than in days of exhaustion and reaction from so much effort which may well follow a little later. Such a proposal presents, however, something of a dilemma. On the one hand, many countries will be in particular need of reserves of overseas resources in the period immediately after the war. On the other hand, goods will be in short supply and the prevention of inflationary international conditions of much more importance for the time being than the opposite. The expansionist tendency of the plan, which is a leading recommendation of it as soon as peace-time output is restored and the productive capacity of the world is in running order, might be a danger in the early days of a sellers' market and an excess of demand over supply.

42. A reconciliation of these divergent purposes is not easily found until we know more than is known at present about the means to be adopted to finance post-war relief and reconstruction. If the intention is to provide resources on liberal and comprehensive lines

outside the resources made available by the Clearing Union and additional to them, it might be better for such specific aid to take the place of the proposed overdrafts during the "relief" period of (say) two years. In this case credit clearing balances would be limited to the amount of gold delivered to the Union, and the overdraft facilities created by the Union in favour of the Relief Council, the International Investment Board or the Commodity Controls. Nevertheless, the immediate establishment of the Clearing Union would not be incompatible with provisional arrangements, which could take alternative forms according to the character of the other "relief" arrangements, qualifying and limiting the overdraft quotas. Overdraft quotas might be allowed on a reduced scale during the transitional period. Or it might be proper to provide that countries in receipt of relief or Lend-Lease assistance should not have access at the same time to overdraft facilities, and that the latter should only become available when the former had come to an end. If, on the other hand, relief from outside sources looks like being inadequate from the outset, the overdraft quotas may be even more necessary at the outset than later on.

43. We must not be over-cautious. A rapid economic restoration may lighten the tasks of the diplomatists and the politicians in the resettlement of the world and the restoration of social order. For Great Britain and other countries outside the "relief" areas the possibility of exports sufficient to sustain their standard of life is bound up with good and expanding markets. We cannot afford to wait too long for this, and we must not allow excessive caution to condemn us to perdition. Unless the Union is a going concern, the problem of proper "timing" will be nearly insoluble. It is sufficient at this stage to point out that the problem of timing must not be overlooked, but that the Union is capable of being used so as to aid rather than impede its solution.

XI. Conclusion

44. It has been suggested that so ambitious a proposal is open to criticism on the ground that it requires from the members of the Union a greater surrender of their sovereign rights than they will readily concede. But no greater surrender is required than in a commercial treaty. The obligations will be entered into voluntarily and can be terminated on certain conditions by giving notice.

45. A greater readiness to accept super-

national arrangements must be required in the post-war world. If the arrangements proposed can be described as a measure of financial disarmament, there is nothing here which we need be reluctant to accept ourselves or to ask of others. It is an advantage, and not a disadvantage, of the scheme that it invites the member States to abandon that licence to pro-

mote indiscipline, disorder and bad-neighbourliness which, to the general disadvantage, they have been free to exercise hitherto.

46. The plan makes a beginning at the future economic ordering of the world between nations and "the winning of the peace." It might help to create the conditions and the atmosphere in which much else would be made easier.

CURRENT EVENTS

Federal Reserve Meetings

A meeting of the Federal Open Market Committee was held on May 15, 1943.

The Federal Advisory Council held its second meeting of the year on May 23-24, 1943. On May 24 the members of the Council met with the Board of Governors.

Appointment of Class C Director

The Board of Governors of the Federal Reserve System on May 10, 1943 announced the appointment of Mr. Lyle L. Hague, Cherokee, Oklahoma, as Class C Director of the Federal Reserve Bank of Kansas City for the unexpired portion of the term ending December 31, 1945. Mr. Hague owns and operates a farm in Alfalfa County, Oklahoma.

Election of Class B Director

The Federal Reserve Bank of Chicago on May 18, 1943 announced the election of Mr. William C. Heath, President, A. O. Smith Corporation, Milwaukee, Wisconsin, as a Class B director of the Federal Reserve Bank of Chicago to fill the unexpired portion of the term ending December 31, 1945.

Appointment of Branch Directors

On May 17, 1943 the Board of Governors of the Federal Reserve System announced the appointment of Mr. Charles S. Lee of Oviedo, Florida, as a director of the Jacksonville Branch of the Federal Reserve Bank of Atlanta for the unexpired portion of the term ending December 31, 1945. Mr. Lee is engaged in farming and cattle raising.

The Board on May 24, 1943 announced the appointment of Mr. W. C. Arthur, President of Talon, Inc., Meadville, Pennsylvania, as a director of the Pittsburgh Branch of the Federal Reserve Bank of Cleveland for the unexpired portion of the term ending December 31, 1944.

Admissions of State Banks to Membership

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

District of Columbia

Anacostia—The Anacostia Bank, Anacostia, D. C.

Illinois

Chicago—Austin State Bank
Forest Park—First State Bank of Forest Park
Melvin—Commercial State Bank of Melvin
Sidell—Sidell State Bank

Indiana

New Albany—Mutual Trust and Deposit Company

Michigan

Leslie—The Peoples Bank of Leslie

Montana

Havre—The Hill County State Bank of Havre

New York

Gouverneur—Bank of Gouverneur

Ohio

Andover—The Andover Bank
Delta—The Farmers State Savings Bank
Elyria—The Lorain County Savings & Trust Company
Fayette—The Farmers State Bank Company
McClure—The Farmers State Bank of McClure, Ohio
Stryker—The Farmers State Bank of Stryker
Wauseon—The Peoples State Bank

Pennsylvania

Walnutport—Walnutport State Bank

Texas

Avinger—The First State Bank

Utah

Tremonton—Bear River State Bank

Virginia

Boydton—Farmers Bank of Boydton
Clarksville—Citizens Bank and Trust Company of Clarksville

Washington

Chelan—Miners' and Merchants' Bank

FEDERAL RESERVE BULLETIN

NATIONAL SUMMARY OF BUSINESS CONDITIONS

Compiled May 19 and released for publication May 22. Figures shown on charts may differ from preliminary figures used in text.

Industrial activity in April and the early part of May increased somewhat further, and retail trade was maintained in large volume.

INDUSTRIAL PRODUCTION

The Board's index of total industrial output rose slightly in April, reflecting further increases in activity in war industries, while output in most other lines showed little change.

Production of armaments in the machinery and transportation equipment industries rose to new high levels. Activity at steel mills increased somewhat further. Lumber production showed the usual seasonal rise in April and was at a level about 10 per cent less than a year ago, when problems of maintaining an adequate labor supply in the industry began to develop. In the cement industry, where production usually advances sharply during the spring months, production has shown little change this year, reflecting chiefly the restricted volume of current construction activity.

Total output of manufactured foods in April continued below the seasonally adjusted peak level reached at the end of last year. Meat-packing and flour production showed decreases

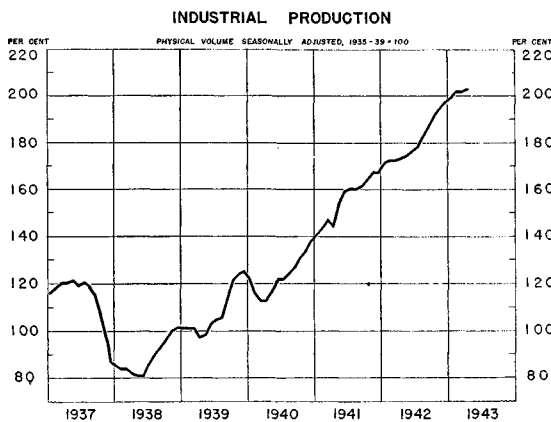
in April, while output of dairy products and other manufactured food products was maintained. Volume of output in chemical plants continued to gain. Production of other non-durable manufactures showed little change.

There was a decline in bituminous coal production in the last week of April, following the breaking off of negotiations for a new wage contract, but output increased in the early part of May. Production of coal in March had been at an exceptionally high level. Stocks on May 1 were considerably higher than a year ago and for bituminous coal were estimated to be equivalent to 55 days' supply for industrial purposes. In May the Government took over the bituminous coal mines.

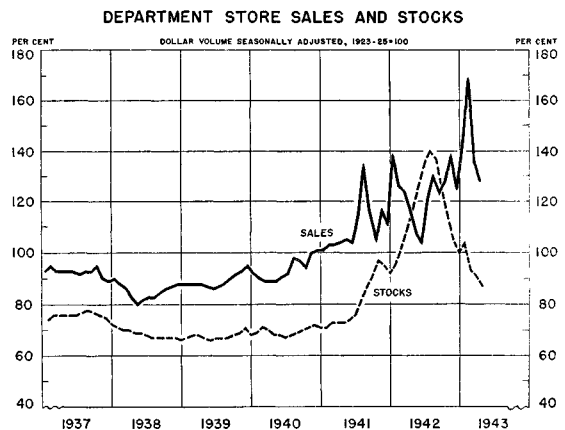
Value of construction contracts awarded declined in April, reflecting reductions in contracts for Federal work, according to the F. W. Dodge Corporation. Total residential awards in March and April were at the lowest levels for these months in a number of years.

DISTRIBUTION

Sales at department and variety stores increased in April, but the rise was less than



Federal Reserve index. Monthly figures, latest shown is for April.



Federal Reserve indexes. Monthly figures, latest shown are for April.

NATIONAL SUMMARY OF BUSINESS CONDITIONS

usually occurs when Easter falls late in the month. Mail-order sales, principally to persons in small towns and rural areas, showed about the usual seasonal rise. Value of sales in April continued at a level substantially higher than a year ago but, with prices higher, the physical volume of goods sold was probably about the same as in the corresponding period last year.

Carloadings of revenue freight were maintained in large volume in April and the first week of May. Ore shipments showed a seasonal rise beginning in the last half of April, a month later than in 1942 when the movement was unusually early.

COMMODITY PRICES

Wholesale prices of most commodities showed little change from the middle of April to the middle of May. Retail food prices continued to advance sharply in the latter part of March and the early part of April and the indexes showed increases of 6 per cent as compared with January. Retail prices of most other items in the cost of living showed smaller increases in that period. Plans for more effective enforcement of price ceilings have been announced.

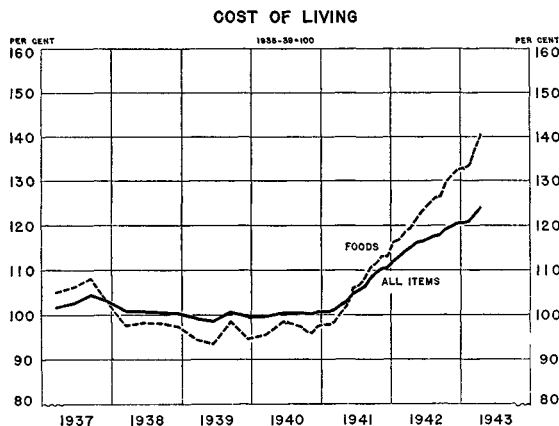
BANK CREDIT

During May, as the Treasury made disbursements out of war loan accounts, which had been

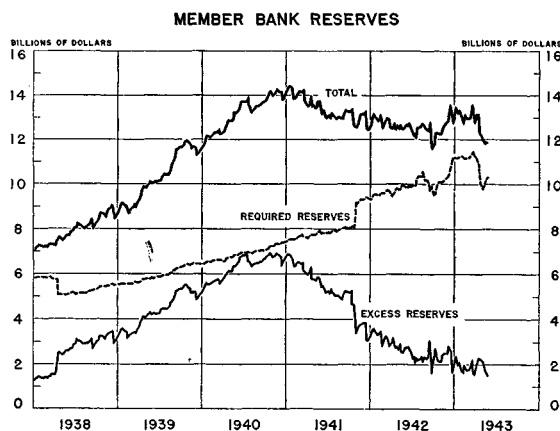
built up during the recent drive, there was a growth of bank deposits subject to reserve requirements and a decrease in member bank excess reserves. Continued withdrawals of currency also reduced bank reserves. Nevertheless, the reserves of member banks were sufficient to enable them to make substantial repurchases of bills which had been sold to the Reserve Banks under option. In addition, the Federal Reserve System sold some bonds in response to a market demand.

Government security holdings at reporting member banks in 101 leading cities increased by 4.3 billion dollars in the four weeks ending May 12. These increases reflected purchases of new issues during the War Loan Drive, as well as substantial market purchases.

In New York City, loans to brokers and dealers for purchasing or carrying securities increased by 860 million dollars during the three weeks of the War Loan Drive, and subsequently declined in the first three weeks of May; these changes reflected almost entirely activity in loans for purchasing or carrying Government securities, which on May 19 amounted to 580 million dollars of the total 1,020 million dollars outstanding; other loans to brokers and dealers by New York City banks rose by 90 million dollars from the end of March to May 19.



Bureau of Labor Statistics' indexes. Last month in each calendar quarter through September 1940, monthly thereafter. Mid-month figures, latest shown are for April.



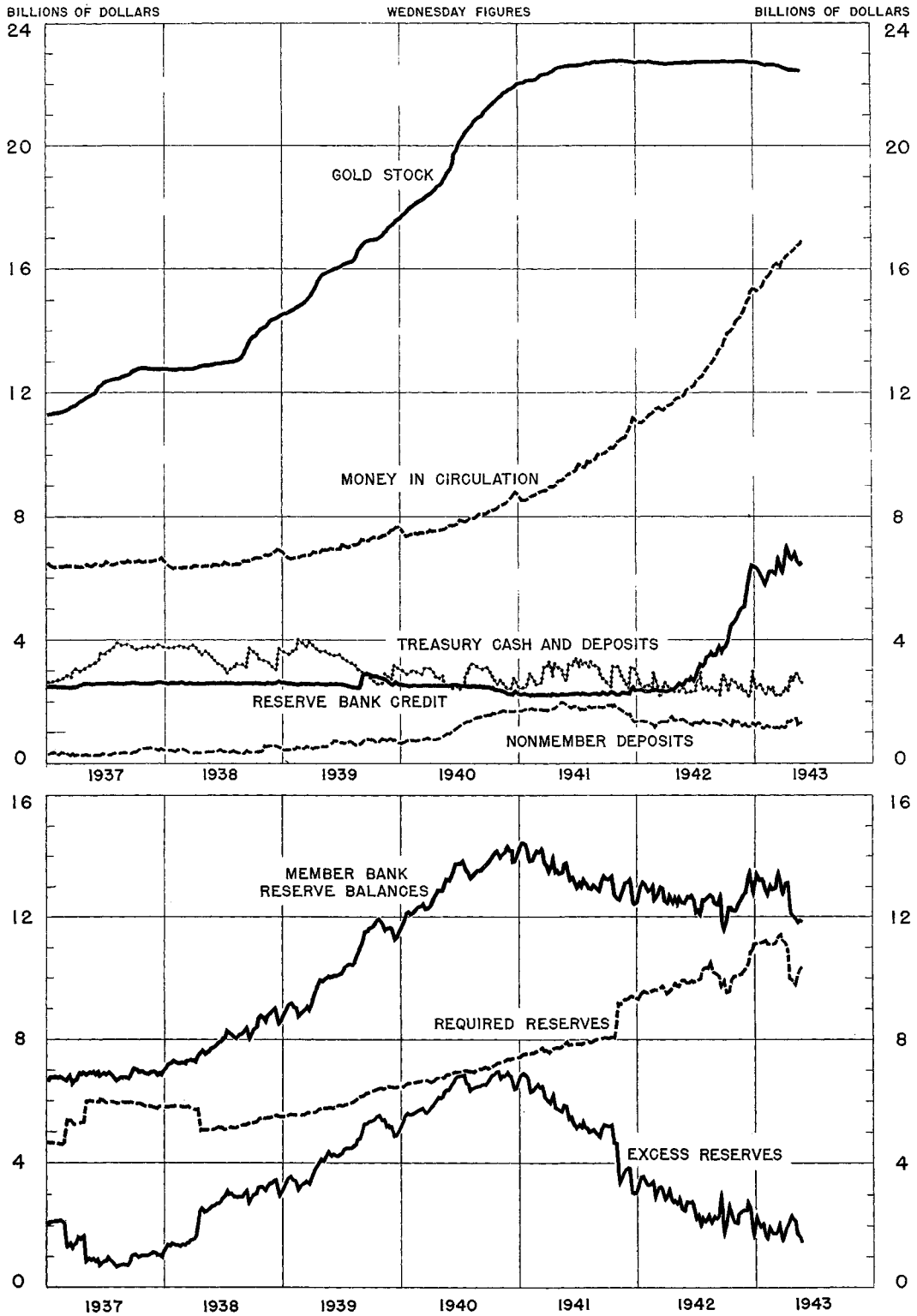
Breakdown between required and excess reserves partly estimated. Wednesday figures, latest shown are for May 19.

FINANCIAL, INDUSTRIAL, AND COMMERCIAL STATISTICS UNITED STATES

	PAGE
Member bank reserves, Reserve Bank credit, and related items	527
Federal Reserve Bank discount rates; rates on time deposits, reserve requirements, margin requirements	528
Federal Reserve Bank statistics	529-533
Guaranteed war production loans	533
Reserve position of member banks; deposits in larger and smaller centers	534
Money in circulation	535
Gold stock; Postal Savings System; bank suspensions; bank debits . . .	536
All banks in the United States, number, deposits, loans and investments	537
Condition of all member banks	538-539
Weekly reporting member banks	540-543
Commercial paper, bankers' acceptances, and brokers' balances . . .	544
Money rates and bond yields	545
Security markets	546-547
Corporate profits	548
Treasury finance	549-551
Government corporations and credit agencies	552
Business indexes	553-561
Department store statistics	562-563
Consumer credit statistics	564-565
Wholesale prices	566
Employment in nonagricultural establishments . . .	567
Current statistics for Federal Reserve chart book	568-569
Condition of insured commercial banks in United States and possessions, Dec. 31, 1942 and June 30, 1942	570

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.

MEMBER BANK RESERVES AND RELATED ITEMS



Latest figures for May 19. See page 527.

FEDERAL RESERVE BANK DISCOUNT RATES
[In effect May 31. Per cent per annum]

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

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

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

Maturity	Rate on May 31	In effect beginning—	Previous rate
Treasury bills ¹	¾	Apr. 30, 1942	—
Bankers' acceptances: ²			
1-90 days.....	1½	Oct. 20, 1933	1
91-120 days.....	¾	do.....	1
121-180 days.....	1	do.....	1½

¹ Established rate at which Federal Reserve Banks stand ready to buy all Treasury bills offered.
² Minimum buying rates on prime bankers' acceptances.

MEMBER BANK RESERVE REQUIREMENTS
[Per cent of deposits]

	Net demand deposits ¹			Time deposits (all member banks)
	Central reserve city banks	Reserve city banks	Country banks	
June 21, 1917-Aug. 15, 1936.....	13	10	7	3
Aug. 16, 1936-Feb. 28, 1937.....	19½	15	10½	4½
Mar. 1, 1937-Apr. 30, 1937.....	22¾	17½	12¼	5¼
May 1, 1937-Apr. 15, 1938.....	26	20	14	6
Apr. 16, 1938-Oct. 31, 1941.....	22¾	17½	12	5
Nov. 1, 1941-Aug. 19, 1942.....	26	20	14	6
Aug. 20, 1942-Sept. 13, 1942.....	24	20	14	6
Sept. 14, 1942-Oct. 2, 1942.....	22	20	14	6
Effective Oct. 3, 1942.....	20	20	14	6

¹ See footnote to table on p. 534 for explanation of method of computing net demand deposits.

MARGIN REQUIREMENTS¹
[Per cent of market value]

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

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

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

FEDERAL RESERVE BANK RATES ON INDUSTRIAL ADVANCES AND COMMITMENTS UNDER SECTION 13b OF THE FEDERAL RESERVE ACT
Maturities not exceeding five years
[In effect May 31. Per cent per annum]

Federal Reserve Bank	To industrial or commercial businesses		To financing institutions		
	On advances ¹	On commitments	Discounts or purchases		On commitments
			On portion for which institution is obligated	On remaining portion	
Boston.....	2½-5	1½-1	(²)	(³)	1½-1
New York.....	2½-5	1½-1¼	(²)	(³)	1½-1¼
Philadelphia.....	2½-5	1½-1¼	4 ²	(³)	1½-1¼
Cleveland.....	2½-5	1½-1¼	(²)	(³)	1½-1¼
Richmond.....	2½-5	1½-1¼	(²)	(³)	1½-1¼
Atlanta.....	2½-5	1½-1¼	(²)	(³)	1½-1¼
Chicago.....	2½-5	1½-1¼	2½-5	2½-5	1½-1¼
St. Louis.....	2½-5	1½-1¼	1-1½	(³)	1½-1¼
Minneapolis.....	2½-5	1½-1¼	(²)	(³)	1½-1¼
Kansas City.....	2½-5	1½-1¼	(²)	(³)	1½-1¼
Dallas.....	2½-5	1½-1¼	(²)	(³)	1½-1¼
San Francisco.....	2½-5	1½-1¼	(²)	(³)	1½-1¼

¹ Including loans made in participation with financing institutions.
² Rate charged borrower less commitment rate.
³ Rate charged borrower.
⁴ May charge same rate as charged borrower by financing institution, if lower.
⁵ Financing institution is charged ¼ per cent on undisbursed portion of loan under commitment.

MAXIMUM RATES ON TIME DEPOSITS

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

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

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

PRINCIPAL ASSETS AND LIABILITIES OF ALL FEDERAL RESERVE BANKS

[In thousands of dollars]

	Wednesday figures								End of month		
	1943								1943	1942	
	May 19	May 12	May 5	Apr. 28	Apr. 21	Apr. 14	Apr. 7	Mar. 31	Apr.	Mar.	Apr.
Assets											
Gold certificates on hand and due from U. S. Treasury.....	20,234,915	20,234,912	20,255,915	20,258,915	20,274,915	20,294,417	20,337,416	20,371,412	20,257,915	20,371,412	20,495,411
Redemption fund—F. R. notes..	44,846	46,950	47,187	45,612	41,083	42,245	40,708	41,990	45,298	41,990	14,551
Other cash.....	365,092	354,831	352,111	357,756	353,514	359,266	361,702	371,270	353,263	371,270	314,130
Total reserves.....	20,644,853	20,636,693	20,655,213	20,662,283	20,669,512	20,695,928	20,739,826	20,784,672	20,656,476	20,784,672	20,824,092
Bills discounted:											
For member banks.....	10,083	25,170	15,043	25,743	11,133	10,938	12,280	10,221	13,163	10,221	7,024
For nonmember banks, etc..						1,000	1,000	2,500		2,500	1
Total bills discounted....	10,083	25,170	15,043	25,743	11,133	11,938	13,280	12,721	13,163	12,721	7,025
Industrial advances.....	13,047	13,333	13,773	12,795	14,590	13,771	12,947	12,658	12,668	12,658	9,948
U. S. Government securities:											
Direct:											
Bonds.....	1,790,451	1,831,051	1,907,351	2,016,551	2,016,551	2,034,351	2,027,251	1,983,651	2,016,551	1,983,651	1,569,124
Notes.....	933,800	946,600	954,700	956,700	956,700	956,700	953,200	957,100	956,700	957,100	692,500
Certificates:											
Special one-day.....											
Other.....	1,099,200	1,099,200	1,066,150	997,375	997,375	997,375	983,375	849,675	997,375	849,675	
Bills:											
Under repurchase option.....	1,199,029	1,232,596	1,436,326	1,270,613	1,182,459	1,545,071	1,473,027	1,240,286	1,377,028	1,240,286	
Other.....	961,592	1,009,389	1,114,214	1,052,173	1,122,338	1,117,690	1,059,977	846,227	1,052,573	846,227	91,302
Guaranteed.....	53,616	53,616	52,116	53,491	53,491	53,491	52,191	42,191	54,491	42,191	3,600
Total U. S. Government securities, direct and guaranteed.....	6,037,688	6,172,452	6,530,857	6,346,903	6,328,914	6,704,678	6,549,021	5,919,130	6,454,718	5,919,130	2,356,526
Other Reserve Bank credit outstanding.....	373,474	314,711	290,308	269,629	360,237	373,357	272,514	246,942	365,317	246,942	94,796
Total Reserve Bank credit outstanding....	6,434,292	6,525,666	6,849,981	6,655,070	6,714,874	7,103,744	6,847,762	6,191,451	6,845,866	6,191,451	2,468,295
Liabilities											
F. R. notes in actual circulation.	13,254,742	13,200,501	13,158,375	13,068,002	12,969,906	12,905,494	12,839,092	12,758,496	13,127,755	12,758,496	8,821,063
Deposits:											
Member bank—reserve account.....	11,882,033	11,805,329	11,909,223	12,148,981	12,318,156	13,143,680	13,110,156	12,759,300	12,204,316	12,759,300	12,657,628
U. S. Treasurer—general account.....	379,051	630,214	721,867	442,690	471,488	128,040	213,257	54,843	556,867	54,843	200,908
Foreign.....	929,595	902,319	994,295	910,841	911,865	915,252	876,420	879,395	899,756	879,395	958,995
Other deposits.....	377,860	369,700	473,490	499,269	460,489	460,874	298,964	287,085	469,704	287,085	386,471
Total deposits.....	13,568,539	13,707,562	14,098,875	14,001,781	14,161,998	14,647,846	14,498,797	13,980,623	14,130,643	13,980,623	14,204,002
Ratio of total reserves to deposit and F. R. note liabilities combined (per cent)	77.0	76.7	75.8	76.3	76.2	75.1	75.9	77.7	75.8	77.7	90.4

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
Bills discounted:										
Apr. 21.....	11,133	7,703	2,630	100	700					
Apr. 28.....	25,743	24,788	255	700						
May 5.....	15,043	14,018	50	700	275					
May 12.....	25,170	19,275	4,880	700	315					
May 19.....	10,083	5,113	3,955	740	275					
Industrial advances:										
Apr. 21.....	14,590	11,330	156	239	218	992	827	650	178	
Apr. 28.....	12,795	9,670	157	192	238	989	701	670	178	
May 5.....	13,773	9,939	149	218	1,456	391	782	665	173	
May 12.....	13,333	6,327	4,194	224	667	355	749	661	156	
May 19.....	13,047	10,389	39	221	654	351	579	658	156	
U. S. Government securities, direct and guaranteed:										
Apr. 21.....	6,328,914	489,839	463,130	865,785	947,743	314,250	571,400	351,100	883,221	1,442,446
Apr. 28.....	6,346,903	606,067	453,965	841,831	879,423	317,450	571,400	351,100	883,221	1,442,446
May 5.....	6,530,857	438,040	317,824	1,146,963	1,014,923	500,340	544,100	349,100	886,121	1,333,446
May 12.....	6,172,452	413,165	188,100	1,244,997	778,968	491,855	570,100	342,600	886,521	1,256,146
May 19.....	6,037,688	272,055	445,795	1,009,238	806,103	502,530	570,100	336,000	880,321	1,215,546

RESERVE POSITION OF MEMBER BANKS, APRIL 1943

[Averages of daily figures. In millions of dollars]

Classes of banks and districts	Gross demand deposits	Net demand deposits ¹	Time deposits	Reserves with Federal Reserve Banks		
				Re-quired	Held	Ex-cess
				All member banks.....	66,469	53,403	13,343	10,769	12,717	1,949
Central reserve city banks:						
New York.....	20,711	17,798	772	3,606	3,657	51
Chicago.....	4,445	3,788	458	785	814	29
Reserve city banks:						
Boston district.....	1,936	1,608	92	327	370	43
New York district.....	397	333	150	76	83	7
Philadelphia district.....	2,137	1,764	131	361	438	78
Cleveland district.....	3,318	2,703	736	585	786	201
Richmond district.....	1,494	1,201	251	255	324	68
Atlanta district.....	1,550	1,211	188	254	301	48
Chicago district.....	3,041	2,368	848	525	642	118
St. Louis district.....	1,578	1,274	176	265	279	14
Minneapolis district.....	785	600	85	125	142	17
Kansas City district.....	2,010	1,501	166	310	371	61
Dallas district.....	1,483	1,116	138	232	297	65
San Francisco district.....	5,095	4,262	2,323	992	1,158	166
Total.....	24,823	19,942	5,284	4,306	5,191	886
Country banks:						
Boston district.....	1,757	1,352	615	226	311	85
New York district.....	2,570	2,034	1,608	381	523	141
Philadelphia district.....	1,217	930	879	183	264	81
Cleveland district.....	1,429	1,029	809	193	332	139
Richmond district.....	1,355	932	430	156	217	60
Atlanta district.....	1,340	909	278	144	211	67
Chicago district.....	2,082	1,490	989	268	402	134
St. Louis district.....	919	635	271	105	153	48
Minneapolis district.....	684	492	313	88	127	40
Kansas City district.....	1,022	652	162	101	164	63
Dallas district.....	1,235	795	97	117	193	76
San Francisco district.....	881	624	381	110	159	48
Total.....	16,491	11,875	6,830	2,072	3,054	982

¹ 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 tables on p. 528 for percentages of deposits required to be held as reserves.

MEMBER BANK RESERVE BALANCES BY CLASSES OF BANK

[Averages of daily figures. In millions of dollars]

	All member banks ¹	Central reserve city banks		Reserve city banks	Country banks ¹
		New York	Chi-cago		
Total reserves held:					
1942—April.....	12,649	5,028	1,140	4,293	2,188
May.....	12,510	4,870	1,049	4,325	2,265
June.....	12,624	4,859	979	4,448	2,338
July.....	12,409	4,609	1,000	4,447	2,353
August.....	12,623	4,616	1,009	4,574	2,423
September.....	12,299	4,150	944	4,676	2,529
October.....	12,234	4,093	834	4,711	2,597
November.....	12,618	4,086	859	4,990	2,684
December.....	13,152	4,303	877	5,122	2,850
1943—January.....	13,344	4,352	898	5,190	2,905
February.....	12,933	3,999	875	5,141	2,918
March.....	13,255	4,001	892	5,319	3,042
April.....	12,717	3,657	814	5,191	3,054
Week ending (Friday):					
1943—Apr. 2.....	12,857	3,961	834	5,115	2,947
Apr. 9.....	12,916	3,916	832	5,212	2,985
Apr. 16.....	13,150	3,803	841	5,357	3,149
Apr. 23.....	12,550	3,434	825	5,054	3,237
Apr. 30.....	12,229	3,393	811	5,018	3,006
May 7.....	12,098	3,329	779	4,862	3,128
May 14.....	12,017	3,341	773	4,878	3,025
Excess reserves:					
1942—April.....	2,951	795	262	1,175	718
May.....	2,667	546	178	1,171	772
June.....	2,704	556	89	1,232	827
July.....	2,237	269	64	1,105	799
August.....	2,248	286	60	1,091	812
September.....	2,300	302	73	1,069	857
October.....	2,328	557	27	921	823
November.....	2,362	455	45	1,035	827
December.....	2,376	416	35	1,020	904
1943—January.....	2,132	337	22	913	860
February.....	1,712	97	10	784	820
March.....	1,884	96	34	852	903
April.....	1,949	51	29	886	982
Week ending (Friday):					
1943—Apr. 2.....	1,560	55	35	670	799
Apr. 9.....	1,678	39	37	758	844
Apr. 16.....	2,042	50	24	931	1,038
Apr. 23.....	2,179	66	50	876	1,187
Apr. 30.....	1,987	50	45	887	1,006
May 7.....	2,034	43	20	793	1,178
May 14.....	1,849	57	11	757	1,025

² Preliminary.

¹ 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	
	Apr.	Mar.	Apr.	Mar.	Apr.	Mar.	Apr.	Mar.	Apr.	Mar.	Apr.	Mar.
Boston.....	3,693	3,555	706	701	3,468	3,329	577	574	225	226	129	128
New York.....	23,678	23,153	2,530	2,518	12,428	12,446	11,197	11,194	539	543	562	556
Philadelphia.....	3,354	3,230	1,010	1,003	2,878	2,753	543	542	476	477	467	461
Cleveland.....	4,747	4,646	1,544	1,506	4,199	4,106	1,168	1,135	548	540	376	371
Richmond.....	2,849	2,828	681	673	2,424	2,404	459	453	424	424	221	219
Atlanta.....	2,890	2,860	467	472	2,546	2,522	374	381	344	338	93	91
Chicago.....	9,568	9,620	2,295	2,266	14,323	14,350	11,441	11,417	800	800	396	390
St. Louis.....	2,497	2,502	447	444	1,956	1,963	323	320	541	539	124	124
Minneapolis.....	1,468	1,459	397	392	1,124	1,119	209	207	344	340	189	186
Kansas City.....	3,032	3,031	328	326	2,433	2,332	219	216	599	699	109	110
Dallas.....	2,718	2,694	235	233	2,058	2,025	195	192	660	669	40	40
San Francisco.....	5,976	5,842	2,703	2,679	5,692	5,561	2,575	2,552	283	281	129	127
Total.....	66,469	65,420	13,343	13,214	135,529	134,910	19,279	19,183	5,784	5,875	2,834	2,804

¹ 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
1942—February.....	11,485	61	61	1,695	1	475	206	309	8,514	19	143
March.....	11,566	60	62	1,697	1	482	208	307	8,587	19	142
April.....	11,767	60	64	1,707	1	488	209	309	8,767	19	141
May.....	12,074	60	65	1,745	1	496	211	316	9,022	19	140
June.....	12,383	59	66	1,754	1	504	213	317	9,310	19	139
July.....	12,739	59	67	1,764	1	510	215	315	9,650	19	138
August.....	13,200	59	69	1,786	1	521	218	321	10,068	18	138
September.....	13,703	59	71	1,754	1	537	222	324	10,580	18	137
October.....	14,210	59	73	1,704	1	551	225	326	11,118	18	136
November.....	14,805	58	74	1,731	1	565	227	327	11,667	18	136
December.....	15,410	58	76	1,751	1	575	228	317	12,082	188	135
1943—January.....	15,590	58	77	1,700	1	567	226	312	12,152	362	135
February.....	16,088	58	78	1,703	1	573	226	317	12,523	474	134
March.....	16,250	58	79	1,674	1	583	228	316	12,643	534	134
April.....	16,660	57	81	1,667	1	593	230	318	13,023	557	133

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 ¹	Coin and small denomination currency ²						Large denomination currency ²						Unassorted ²		
		Total	Coin	\$1 ³	\$2	\$5	\$10	\$20	Total	\$50	\$100	\$500	\$1,000		\$5,000	\$10,000
1942—March.....	11,566	8,396	752	673	42	1,351	2,834	2,744	3,174	779	1,528	268	561	9	29	5
April.....	11,767	8,560	757	680	43	1,362	2,898	2,820	3,204	792	1,549	268	558	9	29	1
May.....	12,074	8,841	771	696	44	1,402	3,004	2,924	3,235	801	1,566	260	570	9	28	1
June.....	12,383	9,083	783	704	45	1,427	3,099	3,024	3,301	824	1,602	262	576	8	29	2
July.....	12,739	9,398	793	712	45	1,464	3,234	3,149	3,343	840	1,628	263	574	8	30	2
August.....	13,200	9,795	809	731	48	1,517	3,379	3,310	3,409	868	1,663	266	575	8	29	4
September.....	13,703	10,207	830	754	50	1,555	3,532	3,487	3,500	904	1,715	268	576	9	29	4
October.....	14,210	10,629	848	764	51	1,597	3,684	3,686	3,584	940	1,762	274	570	9	30	3
November.....	14,805	11,122	867	782	53	1,647	3,887	3,885	3,686	972	1,824	278	575	9	28	3
December.....	15,410	11,576	880	801	55	1,693	4,051	4,096	3,837	1,019	1,910	287	586	9	25	3
1943—January.....	15,590	11,665	869	773	54	1,678	4,107	4,183	3,928	1,047	1,962	293	592	10	25	3
February.....	16,088	12,065	877	786	56	1,718	4,279	4,349	4,026	1,079	2,013	298	599	11	25	3
March.....	16,250	12,121	890	791	56	1,713	4,280	4,391	4,129	1,104	2,069	306	616	11	23	1
April.....	16,660	12,428	904	804	58	1,741	4,391	4,531	4,232	1,131	2,128	312	621	15	26	1

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

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

³ Paper currency only; \$1 silver coins reported under coin.

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

STOCK OF UNITED STATES MONEY, APRIL 30, 1943
(On basis of circulation statement of United States money. In millions of dollars)

Kind of money	Total outstanding	Money held in the Treasury			Money held by Federal Reserve Banks and agents	Money in circulation ¹
		As security against gold and silver certificates	Treasury cash	For Federal Reserve Banks and agents		
Gold.....	22,473	20,360	2,112			
Gold certificates.....	² 20,360			17,488	2,815	57
Federal Reserve notes.....	13,646		43		580	13,023
Treasury currency—total.....	44,012	1,947	79		353	3,580
Standard silver dollars.....	547		35		2	81
Silver bullion.....	1,518	1,518				
Silver certificates and Treasury notes of 1890.....	³ 1,947				279	1,668
Subsidiary silver coin.....	642		37		12	593
Minor coin.....	241		5		6	230
United States notes.....	347		2		26	318
Federal Reserve Bank notes.....	584		(5)		27	557
National bank notes.....	134		(5)		1	133
Total—Apr. 30, 1943.....	\$40,131	\$22,307	\$2,235	17,488	3,749	16,660
Mar. 31, 1943.....	\$39,879	\$22,429	\$2,224	17,598	3,808	16,250
Apr. 30, 1942.....	\$35,219	\$22,535	\$2,182	17,694	3,576	11,767

¹ Includes any paper currency held outside the continental limits of the United States; figures for other end-of-month dates shown in table above and totals by weeks are shown in table on page 527.

² Includes \$1,800,000,000 Exchange Stabilization Fund, \$143,675,211 balance of increment resulting from reduction in weight of the gold dollar, and \$156,039,431 held as reserve against United States notes and Treasury notes of 1890.

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

⁴ Figures for total Treasury currency outstanding and for total Treasury cash by weeks and months are shown in the table on p. 527.

⁵ Less than \$500,000.

NOTE.—There is maintained in the Treasury—(i) as a reserve for United States notes and Treasury notes of 1890—\$156,039,431 in gold bullion; (ii) as security for Treasury notes of 1890—an equal dollar amount in standard silver dollars (these notes are being canceled and retired on receipt); (iii) as security for outstanding silver certificates—silver in bullion and standard silver dollars of a monetary value equal to the face amount of such silver certificates; and (iv) as security for gold certificates—gold bullion of a value at the legal standard equal to the face amount of such gold certificates. Federal Reserve notes are obligations of the United States and a first lien on all the assets of the issuing Federal Reserve Bank. Federal Reserve notes are secured by the deposit with Federal Reserve agents of a like amount of gold certificates or of gold certificates and such discounted or purchased paper as is eligible under the terms of the Federal Reserve Act, or, until June 30, 1943, of direct obligations of the United States if so authorized by a majority vote of the Board of Governors of the Federal Reserve System. Federal Reserve Banks must maintain a reserve in gold certificates of at least 40 per cent, including the redemption fund which must be deposited with the Treasurer of the United States, against Federal Reserve notes in actual circulation. "Gold certificates" as herein used includes credits with the Treasurer of the United States payable in gold certificates. Federal Reserve Bank notes and National bank notes are in process of retirement.

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

Period	Gold stock at end of period	Increase in gold stock	Net gold import	Earmarked gold: decrease or increase (-)	Domestic gold production ¹
1935.....	10,125	1,887.2	1,739.0	.2	110.7
1936.....	11,258	1,132.5	1,116.6	-85.9	131.6
1937.....	12,760	1,502.5	1,585.5	-200.4	143.9
1938.....	14,512	1,751.5	1,973.6	-333.5	148.6
1939.....	17,644	3,132.0	3,574.2	-534.4	161.7
1940.....	21,995	4,351.2	4,744.5	-644.7	170.2
1941.....	22,737	741.8	982.4	-407.7	169.1
1942.....	22,726	-10.3	(³)	-458.4	126.0
1942—April.....	22,691	3.3		-20.1	11.4
May.....	22,714	23.6		-38.2	11.2
June.....	22,737	22.3		-14.8	10.5
July.....	22,744	7.6		-24.4	12.8
August.....	22,756	11.4		-21.8	10.2
September.....	22,754	-1.3		-27.8	11.8
October.....	22,740	-14.3		-56.4	12.0
November.....	22,743	3.3		-10.8	7.8
December.....	22,726	-17.2		-31.0	6.2
1943—January.....	22,683	-43.3		-76.1	4.7
February.....	22,644	-39.3		-63.4	4.1
March.....	22,576	-68.0		-59.0	4.5
April.....	22,473	-103.1		-101.0	4.5
Jan.—Apr.....	22,473	-253.6		-299.5	17.8

¹ Figure carried forward. ² Preliminary. ³ Revised.
¹ Annual figures are estimates of the United States Mint. Monthly figures are those published in table on p. 573, adjusted to exclude Philippine Islands production received in United States.
² Figures based on rate of \$20.67 a fine ounce in January 1934, and \$35 a fine ounce thereafter.
³ Includes gold in the Inactive Account amounting to 27 million dollars on Dec. 31, 1936, and 1,228 million on Dec. 31, 1937.
⁴ The net gold import figures for months subsequent to December 1941 have not been released for publication.
⁵ Gold held under earmark at Federal Reserve Banks for foreign account amounted to 2,973.3 million dollars on Apr. 30, 1943.
 NOTE.—For back figures through 1937, see Annual Report for 1937 (table 29).

BANK SUSPENSIONS¹

Number of banks suspended:	Total, all banks	Member banks		Nonmember banks	
		National	State	Insured ²	Not insured
1935.....	34	1	22	8	
1936.....	44	1	40	3	
1937.....	59	4	47	6	
1938.....	55	1	47	6	
1939.....	42	4	25	10	
1940.....	22	1	18	3	
1941.....	8	4	3	1	
1942.....	9	1	6	3	
1943—Jan.—Apr.....	3	1	2		
Deposits of suspended banks (in thousands of dollars): ³					
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	10,156	480	
1938.....	13,012	36	11,721	1,044	
1939.....	34,998	1,341	6,589	2,439	
1940.....	5,943	256	5,341	346	
1941.....	3,726	3,144	503	79	
1942.....	1,702		1,375	327	
1943—Jan.—Apr.....	2,103	862	1,241		

¹ 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).
² Federal deposit insurance became operative Jan. 1, 1934.
³ Deposits of member banks and insured nonmember banks suspended are as of dates of suspension, and deposits of noninsured nonmember banks are based on the latest data available at the time the suspensions were reported.
 Back figures.—See Annual Report for 1937 (table 76).

POSTAL SAVINGS SYSTEM
[In millions of dollars]

End of month	Depositors' balances ¹	Assets					
		Total	Cash in depository banks	U. S. Government securities			Cash reserve funds etc. ²
				Total	Direct	Guaranteed	
1934—June.....	1,198	1,225	695	453	418	35	76
Dec.....	1,207	1,237	540	597	467	130	100
1935—June.....	1,205	1,236	385	777	630	147	74
Dec.....	1,201	1,237	287	853	706	147	98
1936—June.....	1,232	1,265	203	967	800	167	95
Dec.....	1,260	1,296	145	1,058	892	167	93
1937—June.....	1,268	1,307	136	1,000	933	167	71
Dec.....	1,270	1,308	130	1,097	931	167	80
1938—June.....	1,252	1,290	115	1,103	936	167	73
Dec.....	1,252	1,291	86	1,132	965	166	73
1939—June.....	1,262	1,304	68	1,157	1,011	146	78
Dec.....	1,279	1,319	53	1,192	1,046	146	74
1940—June.....	1,293	1,337	43	1,224	1,078	146	69
Dec.....	1,304	1,348	36	1,224	1,078	146	88
1941—June.....	1,304	1,356	30	1,251	1,104	146	75
Dec.....	1,314	1,396	26	1,274	1,128	146	95
1942—Apr.....	1,306	1,483	25	1,272	1,126	146	186
May.....	1,307	1,504	24	1,272	1,126	146	208
June.....	1,316	1,525	24	1,272	1,146	126	229
July.....	1,329	1,554	21	1,271	1,146	126	262
Aug.....	1,344	1,575	20	1,271	1,146	126	283
Sept.....	1,358	1,415	19	1,267	1,141	126	129
Oct.....	1,377	1,429	18	1,266	1,140	126	146
Nov.....	1,396	1,444	17	1,266	1,140	126	161
Dec.....	1,417	1,464	16	1,345	1,220	126	102
1943—Jan.....	1,445	1,493	14	1,381	1,255	126	98
Feb.....	² 1,469						
Mar.....	² 1,492						
Apr.....	² 1,517						

¹ Preliminary.
² Outstanding principal, represented by certificates of deposit. Does not include accrued interest nor outstanding savings stamps.
³ Includes working cash with postmasters, 5 per cent reserve fund and miscellaneous working funds with the Treasurer of the United States, accrued interest on bond investments, and accounts due from late postmasters.
 Back figures.—See BULLETIN for August 1935, pp. 501-502.

BANK DEBITS

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

Year and month	Total, all reporting centers	New York City	140 other centers ¹	133 other reporting centers ²
1937.....	469,463	197,836	235,206	36,421
1938.....	405,929	168,778	204,745	32,406
1939.....	423,932	171,382	218,298	34,252
1940.....	445,863	171,582	236,952	37,329
1941.....	537,343	197,724	293,225	45,694
1942.....	607,071	210,961	342,430	53,679
1942—March.....	49,161	17,056	27,764	4,341
April.....	46,613	16,023	26,451	4,138
May.....	48,342	16,985	27,241	4,116
June.....	50,107	17,394	28,292	4,421
July.....	50,087	17,110	28,505	4,472
August.....	49,179	17,051	27,847	4,282
September.....	52,712	18,593	29,530	4,589
October.....	55,056	18,323	31,627	5,105
November.....	59,673	17,016	29,040	4,616
December.....	64,991	23,921	35,562	5,508
1943—January.....	54,779	19,877	30,263	4,639
February.....	51,875	19,635	28,005	4,235
March.....	62,228	22,373	34,707	5,148
April.....	70,137	27,174	37,533	5,430

¹ Revised.
² National series, for which bank debit figures are available beginning with 1919.
³ Except that 1929 figure is for 128 centers only.
 Back figures.—Annual Report for 1937, p. 157. Annual totals, beginning with 1919, by Federal Reserve districts and for individual centers, are available for distribution and will be furnished upon request.

ALL BANKS IN THE UNITED STATES

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

NUMBER OF BANKS						DEPOSITS, EXCLUSIVE OF INTERBANK DEPOSITS ¹							
						[In millions of dollars]							
Call date	Total	Member banks ²			Nonmember banks		Call date	All banks	Member banks ²			Nonmember banks	
		Total	National	State	Mutual savings banks	Other non-member banks			Total	National	State	Mutual savings banks	Other non-member banks
1929—June 29.....	25,110	8,707	7,530	1,177	611	15,792	1929—June 29.....	53,852	32,284	19,411	12,873	8,983	12,584
Dec. 31.....	24,630	8,522	7,403	1,119	609	15,499	Dec. 31.....	55,289	33,865	20,290	13,575	8,916	12,508
1933—June 30.....	14,519	5,606	4,897	709	576	8,337	1933—June 30.....	37,998	23,338	14,772	8,566	9,713	4,946
Dec. 30.....	15,011	6,011	5,154	857	579	8,421	Dec. 30.....	38,505	23,771	15,386	8,385	9,708	5,026
1938—June 30.....	15,287	6,338	5,242	1,096	563	8,386	1938—June 30.....	52,195	34,745	22,553	12,193	10,296	7,153
Dec. 31.....	15,206	6,338	5,224	1,114	556	8,312	Dec. 31.....	54,054	36,211	23,497	12,714	10,365	7,478
1939—June 30.....	15,082	6,330	5,203	1,127	553	8,199	1939—June 30.....	55,992	38,027	24,534	13,493	10,521	7,444
Dec. 30.....	15,037	6,362	5,187	1,175	552	8,123	Dec. 30.....	58,344	39,930	25,661	14,269	10,613	7,801
1940—June 29.....	14,953	6,398	5,164	1,234	551	8,004	1940—June 29.....	60,582	42,039	26,931	15,108	10,631	8,712
Dec. 31.....	14,895	6,486	5,144	1,342	551	7,858	Dec. 31.....	65,021	46,007	29,214	16,793	10,658	8,356
1941—Apr. 4.....	14,871	6,528	5,138	1,390	550	7,793	1941—Apr. 4.....	65,211	46,179	29,467	16,712	10,684	8,347
June 30.....	14,855	6,556	5,130	1,426	547	7,752	June 30.....	67,172	48,076	30,684	17,392	10,641	8,456
Sept. 24.....	14,852	6,596	5,125	1,471	546	7,710	Sept. 24.....	68,449	49,160	31,500	17,660	10,643	8,646
Dec. 31.....	14,825	6,619	5,117	1,502	545	7,661	Dec. 31.....	70,792	51,192	32,672	18,520	10,525	9,075
1942—June 30.....	14,773	6,647	5,101	1,546	544	7,582	1942—June 30 ⁵	72,382	53,434	34,036	19,397	10,387	8,562
Dec. 31.....	14,680	6,679	5,081	1,598	543	7,458	Dec. 31.....	88,436	67,276	43,069	24,208	10,664	10,494

For footnotes see table below.

For footnotes see table below.

LOANS AND INVESTMENTS

[In millions of dollars]

Call date	All banks			Member banks ²			Nonmember banks					
	Total	Loans	Investments	Total	Loans	Investments	Mutual savings banks			Other nonmember banks		
							Total	Loans	Investments	Total	Loans	Investments
1929—June 29.....	58,474	41,531	16,943	35,711	25,658	10,052	9,556	5,892	3,664	13,207	9,981	3,227
Dec. 31.....	58,417	41,918	16,499	35,934	26,150	9,784	9,463	5,945	3,518	13,020	9,823	3,197
1933—June 30.....	40,076	22,203	17,872	24,786	12,858	11,928	10,044	5,941	4,103	5,246	3,404	1,841
Dec. 30.....	40,319	21,977	18,342	25,220	12,833	12,386	9,985	5,906	4,079	5,115	3,238	1,877
1938—June 30.....	47,381	21,130	26,252	30,721	12,938	17,783	10,196	4,961	5,235	6,465	3,231	3,234
Dec. 31 ⁴	48,929	21,354	27,575	32,070	13,208	18,863	10,255	4,930	5,325	6,604	3,217	3,387
1939—June 30.....	49,616	21,318	28,299	32,603	13,141	19,462	10,342	4,931	5,411	6,671	3,245	3,425
Dec. 30.....	50,885	22,169	28,716	33,941	13,962	19,979	10,314	4,961	5,353	6,630	3,246	3,384
1940—June 29.....	51,335	22,341	28,995	34,451	13,969	20,482	10,188	4,926	5,262	6,696	3,445	3,251
Dec. 31.....	54,188	23,741	30,448	37,126	15,321	21,805	10,248	4,959	5,289	6,815	3,461	3,353
1941—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	40,659	16,729	23,930	10,314	4,955	5,360	6,972	3,628	3,344
Sept. 24.....	59,296	26,187	33,109	41,943	17,546	24,397	10,348	4,949	5,399	7,005	3,692	3,313
Dec. 31.....	61,098	26,616	34,483	43,521	18,021	25,500	10,372	4,903	5,470	7,205	3,692	3,513
1942—June 30 ⁵	63,976	25,078	38,897	46,800	16,928	29,872	10,353	4,819	5,534	6,822	3,331	3,492
Dec. 31.....	78,097	23,913	54,185	59,263	16,088	43,175	10,746	4,698	6,048	8,088	3,126	4,962

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

² Includes, subsequent to Apr. 4, 1941, two mutual savings banks in Wisconsin and one in Indiana.

³ 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.

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

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

Note.—Beginning with the Apr. 4, 1942 call, spring and fall figures are not being compiled for "All banks."

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 ¹							Investments ¹									
		Total ¹	Com-mercial and industrial ²	Open-market paper	Agricultural ²	Loans for purchasing or carrying securities		Real estate loans	Other loans ⁴	Total	U. S. Government obligations						Obligations of States and political subdivisions	Other securities
						To brokers and dealers	To others ³				Total	Bills	Certificates of indebtedness	Notes	Bonds	Guaranteed		
Total—All Member Banks																		
1929—Dec. 31	35,934	26,150	583	2,463	7,685	3,191	12,229	9,784	3,863	97	152	520	3,094	1,393	4,528			
1933—June 30	24,786	12,858	595	953	3,752	2,372	5,187	11,928	6,887	554	559	2,049	3,725	1,744	3,297			
1939—Dec. 30	33,941	13,962	5,386	455	730	790	2,957	2,944	19,979	14,328	563	2,223	8,398	3,144	2,692			
1940—June 29	34,451	13,969	5,538	450	736	447	668	3,062	20,482	14,722	797	2,543	8,261	3,121	2,888			
Dec. 31	37,126	15,321	6,204	456	865	642	652	3,228	3,273	21,805	15,823	652	2,594	9,091	3,486			
1941—June 30	40,659	16,729	7,270	537	738	575	635	3,365	3,609	23,930	18,078	1,127	2,631	10,481	3,839			
Dec. 31	43,521	18,021	8,064	607	972	594	598	3,494	3,692	25,500	19,539	971	3,007	11,729	3,832			
1942—Apr. 4	44,287	17,834							26,453	20,449			3,471	3,173	2,871			
June 30	46,800	16,928	7,888	495	726	554	562	3,501	3,203	29,872	24,098	1,509	1,872	3,546	2,685			
Dec. 31	59,263	16,088	7,387	1,089	934	538	3,423	2,717	43,175	37,546	4,363	6,285	5,409	18,948	2,540			
New York City⁵																		
1929—Dec. 31	8,774	6,683	195	1,257	2,145	169	2,917	2,091	1,112	34	23	166	889	222	758			
1933—June 30	7,133	3,424	364	759	1,044	157	1,099	3,709	2,551	330	309	987	926	478	680			
1939—Dec. 30	9,339	3,296	1,768	7	611	188	133	4,469	6,043	4,772	315	797	2,385	1,275	579			
1940—June 29	9,829	3,014	1,801	6	320	188	137	458	6,815	5,486	421	1,092	2,650	1,324	634			
Dec. 31	10,910	3,384	2,025	100	6	465	190	130	468	7,527	6,044	207	1,245	2,977	1,615			
1941—June 30	12,493	3,778	2,405	97	3	422	186	129	536	8,715	7,268	577	1,526	3,415	1,751			
Dec. 31	12,896	4,072	2,716	91	8	412	169	123	554	8,823	7,265	311	1,623	3,652	1,679			
1942—Apr. 4	13,123	4,173							8,950	7,381			1,515	773	796			
June 30	14,019	4,066	2,775	9	430	167	121	499	9,953	8,350	402	663	1,746	4,572	1,166			
Dec. 31	17,957	4,116	2,546	21	787	193	117	451	13,841	12,547	1,855	2,144	2,056	5,420	1,071			
City of Chicago⁵																		
1929—Dec. 31	1,757	1,448	19	251	533	21	623	309	116	1	2	19	94	96	96			
1933—June 30	1,287	677	69	61	251	30	267	610	384	149	57	82	97	87	138			
1939—Dec. 30	2,105	569	365	6	41	66	13	60	1,536	1,203	153	176	701	172	170			
1940—June 29	2,205	603	417	16	8	23	61	62	1,602	1,258	254	161	710	134	167			
Dec. 31	2,377	696	476	17	5	42	54	19	1,681	1,307	297	145	752	112	188			
1941—June 30	2,707	846	609	21	5	36	55	20	1,861	1,483	417	125	803	138	190			
Dec. 31	2,760	954	711	21	6	48	52	22	1,806	1,430	256	153	903	119	182			
1942—Apr. 4	2,806	923							1,883	1,490			108	207	193			
June 30	3,116	906	697	15	3	29	50	22	2,210	1,858	357	181	162	1,068	90			
Dec. 31	3,973	832	658	6	34	32	23	80	3,141	2,789	397	637	391	1,282	83			
Reserve City Banks																		
1929—Dec. 31	12,029	9,084	168	664	2,775	1,538	3,937	2,944	1,368	25	66	165	1,112	448	1,128			
1933—June 30	8,492	4,482	126	108	1,340	1,131	1,777	4,011	2,483	73	131	681	1,597	598	930			
1939—Dec. 30	12,272	5,329	2,100	119	222	1,335	1,177	6,943	5,194	63	819	3,339	972	890	860			
1940—June 29	12,160	5,365	2,134	176	87	210	1,372	4,230	6,795	4,947	87	839	3,052	969	881			
Dec. 31	13,013	5,931	2,436	263	115	207	1,436	1,322	7,081	5,204	103	771	3,281	1,049	984			
1941—June 30	14,013	6,498	2,879	202	175	100	198	1,477	7,515	5,700	73	606	3,858	1,162	979			
Dec. 31	15,347	7,105	3,206	250	300	114	194	1,527	8,243	6,467	295	751	4,248	1,173	956			
1942—Apr. 4	15,605	6,989							8,616	6,832			1,051	941	844			
June 30	16,535	6,564	3,103	215	152	78	177	1,524	9,971	8,188	579	674	981	5,149	806			
Dec. 31	20,915	6,102	2,957	290	97	153	1,486	1,119	14,813	13,038	1,441	2,253	1,723	6,810	811			
Country Banks																		
1929—Dec. 31	13,375	8,936	201	291	2,231	1,462	4,750	4,439	1,267	37	59	171	999	627	2,546			
1933—June 30	7,873	4,275	35	25	1,117	1,055	2,043	3,598	1,469	2	63	299	1,106	581	1,549			
1939—Dec. 30	10,224	4,768	1,151	495	20	224	1,477	1,238	5,456	3,159	31	431	1,972	725	1,061			
1940—June 29	10,257	4,987	1,187	546	17	208	1,544	1,311	5,270	3,030	36	451	1,849	695	1,097			
Dec. 31	10,826	5,309	1,267	590	21	201	1,644	1,400	5,517	3,269	45	433	2,081	710	1,146			
1941—June 30	11,446	5,607	1,377	555	17	195	1,739	1,507	5,839	3,627	60	374	2,404	788	1,165			
Dec. 31	12,518	5,890	1,431	659	20	183	1,823	1,530	6,628	4,377	110	481	2,926	861	1,222			
1942—Apr. 4	12,753	5,749							7,004	4,746			797	1,253	1,005			
June 30	13,130	5,393	1,314	198	562	16	169	1,834	7,737	5,502	171	355	657	3,696	624			
Dec. 31	16,419	5,038	1,226	772	17	161	1,797	1,066	11,380	9,172	671	1,251	1,240	5,436	574			

¹ 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. Further revision of loan classification made Dec. 31, 1942; for explanation see p. 300 of the BULLETIN for April 1943. Beginning June 30, 1939, detailed classifications available on June and December dates only.

² Not shown in call reports prior to December 1938.
³ 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.

⁴ This is a residual item and includes loans to banks. Because of the revised loan classifications, figures beginning Dec. 31, 1938, are not comparable with earlier figures.

⁵ Central reserve city banks.
 Back figures.—See Annual Report for 1937 (tables 52-58).

COMMERCIAL PAPER AND BANKERS' ACCEPTANCES OUTSTANDING

[In millions of dollars]

End of month	Commer- cial paper out- standing ¹	Dollar acceptances outstanding									
		Total out- standing	Held by				Based on				
			Accepting banks			Others ²	Imports into United States	Exports from United States	Dollar exchange	Goods stored in or shipped between points in	
			Total	Own bills	Bills bought					United States	Foreign countries
1942—January.....	381	197	154	103	52	43	116	17	3	51	11
February.....	388	190	144	92	53	46	112	18	2	44	13
March.....	384	183	146	89	57	37	103	17	2	45	16
April.....	373	177	139	86	53	38	97	17	1	48	14
May.....	354	174	133	82	51	41	101	16	1	43	13
June.....	315	163	122	78	44	41	94	13	(³)	52	4
July.....	305	156	119	77	42	38	92	8	(³)	45	11
August.....	297	139	108	71	37	31	78	8	(³)	41	11
September.....	282	123	97	64	33	26	66	6	(³)	41	10
October.....	271	119	94	63	31	25	60	6	(³)	40	12
November.....	261	116	90	61	29	26	57	6	(³)	39	12
December.....	230	118	93	60	34	25	57	9	(³)	38	14
1943—January.....	220	120	95	60	35	24	57	12	(³)	38	12
February.....	209	127	102	64	38	25	60	14	(³)	41	12
March.....	201	130	101	62	39	29	69	12	3(³)	39	10
April.....	179	128	99	61	38	29	71	9	(³)	38	11

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

² None held by Federal Reserve Banks.

³ Less than \$500,000.

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

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

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

End of month	Debit balances				Money borrowed ²	Credit balances				
	Customers' debit balances (net) ¹	Debit balances in partners' investment and trading accounts	Debit balances in firm investment and trading accounts	Cash on hand and in banks		Customers' credit balances ¹		Other credit balances		
						Free	Other (net)	In partners' investment and trading accounts	In firm investment and trading accounts	In capital accounts (net)
1936—June.....	1,267	67	164	219	985	276	86	24	14	420
December.....	1,395	64	164	249	1,048	342	103	30	12	424
1937—June.....	1,489	55	161	214	1,217	266	92	25	13	397
December.....	985	34	108	232	688	278	85	26	10	355
1938—June.....	774	27	88	215	495	258	89	22	11	298
December.....	991	32	106	190	754	247	60	22	5	305
1939—June.....	834	25	73	178	570	230	70	21	6	280
December.....	906	16	78	207	637	266	69	23	7	277
1940—June.....	653	12	58	223	376	267	62	22	5	269
December.....	677	12	99	204	427	281	54	22	5	247
1941—June.....	616	11	89	186	395	255	65	17	7	222
December.....	600	8	86	211	368	289	63	17	5	213
1942—April.....	515	8	68	195	300	247	61	16	5	196
May.....	502	8	79	177	300	238	59	16	3	194
June.....	496	9	86	180	309	240	56	16	4	189
July.....	491	7	95	172	307	238	57	16	4	185
August.....	⁴ 490	.....	.....	.....	³ 300	² 240	.....	.....	.....	.....
September.....	⁵ 500	.....	.....	.....	³ 310	² 240	.....	.....	.....	.....
October.....	⁵ 510	.....	.....	.....	³ 310	² 250	.....	.....	.....	.....
November.....	⁵ 520	.....	.....	.....	³ 320	² 250	.....	.....	.....	.....
December.....	543	7	154	160	378	270	54	15	4	182
1943—January.....	⁵ 540	.....	.....	.....	² 290	² 280	.....	.....	.....	.....
February.....	⁵ 550	.....	.....	.....	³ 320	³ 310	.....	.....	.....	.....
March.....	⁶ 610	.....	.....	.....	³ 350	³ 340	.....	.....	.....	.....
April.....	⁶ 670	.....	.....	.....	⁴ 410	³ 350	.....	.....	.....	.....

⁶ Estimated. Complete reports now collected semiannually; monthly figures for three items estimated on basis of reports from a small number of large firms.

¹ 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.

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

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

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

OPEN-MARKET MONEY RATES IN NEW YORK CITY
[Per cent per annum]

Year, month, or week	Prime commercial paper, 4- to 6-months ¹	Prime bankers' acceptances, 90 days ¹	Stock exchange call loan renewals ²	Yields on U. S. Government securities		
				3-month bills ³	9- to 12-month certificates of indebtedness	3- to 5-year taxable notes
1940 average.....	.56	.44	1.00	.014		
1941 average.....	.54	.44	1.00	.103		.76
1942 average.....	.66	.44	1.00	.326		1.13
1942—April.....	.63	.44	1.00	.299		.98
May.....	.63	.44	1.00	.364		1.03
June.....	.69	.44	1.00	.363		1.15
July.....	.69	.44	1.00	.368		1.20
August.....	.69	.44	1.00	.370	4.80	1.25
September.....	.69	.44	1.00	.370	.76	1.27
October.....	.69	.44	1.00	.372	.75	1.28
November.....	.69	.44	1.00	.371	.80	1.28
December.....	.69	.44	1.00	.363	.80	1.34
1943—January.....	.69	.44	1.00	.367	.76	1.29
February.....	.69	.44	1.00	.372	.73	1.24
March.....	.69	.44	1.00	.373	.75	1.33
April.....	.69	.44	1.00	.373	.78	1.39
Week ending:						
Apr. 24.....	$\frac{5}{8}-\frac{3}{4}$	$\frac{7}{16}$	1.00	.372	.77	1.38
May 1.....	$\frac{5}{8}-\frac{3}{4}$	$\frac{7}{16}$	1.00	.373	.78	1.39
May 8.....	$\frac{5}{8}-\frac{3}{4}$	$\frac{7}{16}$	1.00	.372	5.81	1.39
May 15.....	$\frac{5}{8}-\frac{3}{4}$	$\frac{7}{16}$	1.00	.373	.80	1.38
May 22.....	$\frac{5}{8}-\frac{3}{4}$	$\frac{7}{16}$	1.00	.373	.77	1.34

¹ Monthly figures are averages of weekly prevailing rates.
² The average rate on 90-day stock exchange time loans was 1.25 per cent during the entire period.
³ Rate on new issues offered within period. Tax-exempt bills prior to March 1941; taxable bills thereafter.
⁴ Average for Aug. 15 to 31.
⁵ Number of issues included increased from 1 to 2 on May 3.
Back figures.—See Annual Report for 1937 (tables 43 and 44). Figures on Treasury bills and Treasury notes available on request.

COMMERCIAL LOAN RATES
AVERAGES OF RATES CHARGED CUSTOMERS BY BANKS IN PRINCIPAL CITIES
[Per cent per annum]

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

¹ 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 ¹
[Per cent per annum]

Year, month, or week	U. S. Government ²		Municipal (high-grade) ³	Corporate (high-grade) ⁴	Total	Corporate (Moody's) ⁵						
	Partially tax-exempt	Taxable				By ratings				By groups		
			Aaa	Aa		A	Baa	Industrial	Railroad	Public utility		
Number of issues.....	2-6	2	15	5	120	30	30	30	30	40	40	40
1940 average.....	2.21	2.50	2.77	3.55	2.84	3.02	3.57	4.75	3.10	4.30	3.25	
1941 average.....	1.95	2.10	2.67	3.34	2.77	2.94	3.30	4.33	2.95	3.95	3.11	
1942 average.....	2.02	2.36	2.75	3.34	2.83	2.98	3.28	4.28	2.96	3.96	3.11	
1942—April.....	1.98	2.44	2.77	3.34	2.83	2.98	3.30	4.26	2.96	3.95	3.13	
May.....	1.97	2.45	2.76	3.36	2.85	3.00	3.31	4.27	2.97	3.97	3.13	
June.....	1.97	2.38	2.75	3.37	2.85	3.01	3.31	4.33	2.97	4.03	3.12	
July.....	2.00	2.32	2.74	3.35	2.83	2.99	3.28	4.30	2.94	4.02	3.09	
August.....	2.02	2.28	2.73	3.34	2.81	2.99	3.27	4.28	2.94	3.98	3.09	
September.....	2.03	2.25	2.73	3.33	2.80	2.98	3.26	4.26	2.95	3.95	3.08	
October.....	2.05	2.22	2.72	3.31	2.80	2.95	3.24	4.24	2.94	3.92	3.07	
November.....	2.06	2.20	2.71	3.31	2.79	2.94	3.24	4.25	2.93	3.93	3.06	
December.....	2.09	2.26	2.72	3.32	2.81	2.96	3.23	4.28	2.94	3.96	3.07	
1943—January.....	2.06	2.27	2.70	3.27	2.79	2.93	3.20	4.16	2.90	3.86	3.05	
February.....	2.06	2.22	2.68	3.23	2.77	2.89	3.17	4.08	2.88	3.78	3.02	
March.....	2.08	2.21	2.70	3.20	2.76	2.88	3.14	4.01	2.87	3.73	3.00	
April.....	2.02	2.20	2.68	3.19	2.76	2.88	3.14	3.96	2.87	3.69	3.01	
Week ending:												
Apr. 24.....	1.99	2.19	2.68	3.19	2.76	2.88	3.14	3.97	2.86	3.69	3.01	
May 1.....	1.99	2.17	2.68	3.18	2.75	2.88	3.14	3.95	2.87	3.68	3.01	
May 8.....	1.96	2.14	2.66	3.18	2.75	2.88	3.14	3.93	2.86	3.66	3.01	
May 15.....	1.92	2.14	2.65	3.17	2.75	2.88	3.14	3.91	2.86	3.65	3.00	
May 22.....	1.90	2.12	2.65	3.16	2.74	2.87	3.13	3.91	2.86	3.63	3.00	

¹ Monthly and weekly data are averages of daily figures, except for municipal bonds, which are based on Wednesday figures.
² Average of yields on all outstanding issues due or callable in more than 12 years.
³ Standard and Poor's Corporation.
⁴ U. S. Treasury Department.
⁵ 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 5 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, pp. 21-24. Figures for U. S. Government bonds available on request.

NEW CORPORATE SECURITY ISSUES¹
PROPOSED USES OF PROCEEDS, ALL ISSUERS
(In millions of dollars)

Year or month	Estimated gross proceeds ²	Estimated net proceeds ³	Proposed uses of net proceeds							
			New money			Retirement of securities			Repayment of other debt	Other purposes
			Total	Plant and equipment	Working capital	Total	Bonds and notes	Preferred stock		
1934.....	397	384	57	32	26	231	231	.....	84	11
1935.....	2,332	2,266	208	111	96	1,865	1,794	71	170	23
1936.....	4,572	4,431	858	380	478	3,368	3,143	226	154	49
1937.....	2,310	2,239	991	574	417	1,100	911	190	111	36
1938.....	2,155	2,110	681	504	177	1,206	1,119	87	215	7
1939.....	2,164	2,115	325	170	155	1,695	1,637	59	69	26
1940.....	2,677	2,615	569	424	145	1,854	1,726	128	174	19
1941.....	2,667	2,623	868	661	207	1,583	1,483	100	144	28
1942.....	1,008	987	441	268	173	380	352	28	133	35
1941—May.....	269	262	67	54	13	189	188	1	6	.....
June.....	250	246	87	75	12	142	131	10	16	1
July.....	122	119	51	35	16	56	54	2	12	.....
August.....	417	413	185	167	17	210	194	15	14	5
September.....	182	180	27	17	10	150	148	2	3	.....
October.....	204	201	91	64	27	92	91	1	14	5
November.....	155	152	92	61	31	37	37	1	22	.....
December.....	144	142	57	36	21	62	52	10	17	6
1942—January.....	164	161	71	38	33	80	80	.....	9	.....
February.....	78	76	40	34	5	23	12	11	2	11
March.....	102	100	39	35	4	46	42	5	15	.....
April.....	121	118	70	55	15	12	11	1	36	.....
May.....	126	124	59	27	33	11	11	.....	53	1
June.....	142	139	72	57	15	60	55	5	5	2
July.....	53	52	14	11	3	29	29	.....	8	.....
August.....	89	88	39	33	6	34	34	.....	3	12
September.....	62	60	23	8	15	28	26	2	1	8
October.....	18	17	2	2	1	15	15	.....	.....	.....
November.....	27	27	2	.....	2	24	24	.....	.....	.....
December.....	26	26	8	7	1	17	13	4	.....	.....
1943—January.....	9	8	1	.....	1	6	6	.....	2	.....
February.....	49	49	12	10	2	34	34	.....	3	.....
March.....	98	96	39	6	32	48	42	7	1	8
April.....	91	88	9	3	6	76	74	2	3	.....

PROPOSED USES OF PROCEEDS, BY MAJOR GROUPS OF ISSUERS
(In millions of dollars)

Year or month	Railroad				Public utility				Industrial				Other			
	Total net proceeds	New money	Retirement of securities	All other purposes ⁴	Total net proceeds	New money	Retirement of securities	All other purposes ⁴	Total net proceeds	New money	Retirement of securities	All other purposes ⁴	Total net proceeds	New money	Retirement of securities	All other purposes ⁴
1934.....	172	21	120	31	130	11	77	42	62	25	34	2	20	.....	.....	19
1935.....	120	57	54	10	1,250	30	1,190	30	774	74	550	150	122	46	72	4
1936.....	774	139	558	77	1,987	63	1,897	27	1,280	439	761	80	390	218	152	20
1937.....	338	228	110	1	751	89	611	50	1,079	616	373	90	71	57	7	7
1938.....	54	24	30	.....	1,208	180	943	86	831	469	226	136	16	8	7	1
1939.....	182	85	97	.....	1,246	43	1,157	47	584	188	353	43	102	9	88	5
1940.....	319	115	186	18	1,180	245	922	13	961	167	738	56	155	42	9	104
1941.....	361	253	108	.....	1,340	317	993	30	828	244	463	121	94	55	18	21
1942.....	47	32	15	.....	441	135	279	27	497	272	85	140	2	2	.....	.....
1941—May.....	45	45	.....	.....	141	6	134	1	76	16	54	.....	.....	.....	.....	.....
June.....	58	51	7	.....	113	12	97	4	75	24	38	13	.....	.....	.....	.....
July.....	23	23	.....	.....	39	13	26	.....	48	9	29	10	6	1	2	.....
August.....	24	24	.....	.....	307	138	169	.....	76	22	40	14	6	1	1	5
September.....	42	7	35	.....	114	6	106	2	23	13	9	1	1	1	.....	.....
October.....	25	21	4	.....	79	11	63	5	75	49	13	14	22	10	12	.....
November.....	1	1	.....	.....	59	46	11	1	85	41	24	21	6	4	2	.....
December.....	28	28	.....	.....	62	3	46	12	46	25	15	6	6	.....	.....	5
1942—January.....	10	10	.....	.....	107	18	80	9	43	43	.....	1	1	.....	.....	.....
February.....	4	4	.....	.....	34	25	10	.....	11	38	14	13	.....	.....	.....	.....
March.....	6	6	.....	.....	48	8	40	.....	46	25	6	15	.....	.....	.....	.....
April.....	.....	.....	.....	.....	11	11	.....	.....	107	59	12	36	.....	.....	.....	.....
May.....	.....	.....	.....	.....	21	10	.....	6	102	49	6	48	.....	.....	.....	.....
June.....	9	3	6	.....	69	17	49	3	61	51	6	4	1	1	.....	.....
July.....	2	2	.....	.....	3	2	1	.....	46	9	29	8	.....	.....	.....	.....
August.....	2	2	.....	.....	68	34	34	.....	18	4	.....	15	.....	.....	.....	.....
September.....	1	1	.....	.....	44	7	28	9	15	14	.....	1	.....	.....	.....	.....
October.....	9	.....	9	.....	3	.....	2	.....	5	2	3	.....	.....	.....	.....	.....
November.....	.....	.....	.....	.....	15	.....	14	.....	12	2	10	.....	.....	.....	.....	.....
December.....	4	4	.....	.....	19	3	17	.....	3	2	1	.....	.....	.....	.....	.....
1943—January.....	.....	.....	.....	.....	.....	.....	.....	.....	8	1	6	2	.....	.....	.....	.....
February.....	8	8	.....	.....	39	2	34	3	2	2	.....	.....	.....	.....	.....	.....
March.....	15	5	10	.....	22	1	20	1	59	33	18	8	.....	.....	.....	.....
April.....	3	3	.....	.....	58	1	55	3	27	5	22	.....	.....	.....	.....	.....

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

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

Year or quarter	Net profits, ¹ by industrial groups												Profits and dividends		
	Total	Iron and steel	Ma-chin-ery	Au-tomobiles	Other transportation equipment	Non-ferrous metals and products	Other durable goods	Foods, beverages, and tobacco	Oil prod. and refining	Industrial chemicals	Other non-durable goods	Miscellaneous services	Net profits ¹	Dividends	
														Pre-ferred	Com-mon
Number of companies.....	629	47	69	15	68	77	75	49	45	30	80	74	152	152	152
1939.....	1,465	146	115	223	102	119	70	151	98	186	134	122	847	90	564
1940.....	1,818	278	158	242	173	133	88	148	112	194	160	132	1,028	90	669
1941.....	2,169	325	193	274	227	153	113	159	174	207	187	159	1,144	92	705
1942.....	*1,792	*226	*159	*209	*202	138	*90	*151	*152	164	*136	*165	*883	88	554
Quarterly															
1939-1.....	284	13	20	64	23	25	8	31	14	36	28	24	173	21	114
2.....	311	14	25	61	21	22	16	36	21	40	29	27	185	22	119
3.....	320	35	26	12	20	30	23	44	26	45	32	29	167	21	125
4.....	550	85	44	86	39	42	23	41	37	66	45	42	321	26	207
1940-1.....	422	47	33	69	41	33	14	34	34	46	41	29	246	21	136
2.....	412	51	39	53	36	29	21	38	30	45	41	30	230	21	158
3.....	396	79	34	17	33	30	25	33	25	52	39	29	211	22	158
4.....	588	101	52	103	63	40	28	43	24	51	39	44	342	25	217
1941-1.....	510	86	44	79	53	39	23	36	29	49	44	29	286	22	150
2.....	549	84	48	73	56	36	28	43	42	53	48	36	297	23	165
3.....	560	81	46	60	56	38	30	44	56	52	49	46	284	23	170
4.....	550	72	55	61	62	40	32	37	46	52	46	48	276	24	221
1942-1.....	419	52	38	46	751	36	19	32	35	39	39	32	204	21	134
2.....	364	52	35	25	748	32	18	32	27	35	27	34	174	23	136
3.....	*451	*51	*36	*46	*749	*34	*22	*42	*41	*35	*52	*34	*211	21	126
4.....	*557	*72	*49	*92	*754	36	*30	*44	*49	*48	*35	*47	*294	23	158
1943-1.....	437	51	39	45	755	37	18	41	37	41	36	37	213	21	127

PUBLIC UTILITY CORPORATIONS
 [In millions of dollars]

Year or quarter	Railroad ²				Electric power				Telephone ³			
	Operat-ing revenue	Income before income tax ⁴	Net income ¹		Divi-dends	Operat-ing revenue	Income before income tax ⁴	Net income ¹	Divi-dends ⁵	Operat-ing revenue	Net income ¹	Divi-dends
			All roads	Insolvent roads								
Number of companies.....						28	28	28	28	32	32	32
1939.....	3,995	126	93	-102	126	692	159	137	116	1,067	191	175
1940.....	4,297	249	189	-73	159	735	177	142	118	1,129	194	178
1941.....	5,347	674	500	23	186	799	202	133	115	1,235	178	172
1942.....	7,466	1,718	959	173	196	847	228	120	98	*1,362	163	163
Quarterly												
1939-1.....	898	-38	-43	(⁶)	21	175	46	39	19	259	44	42
2.....	906	-43	-47	(⁶)	23	166	37	32	19	267	49	42
3.....	1,058	68	58	(⁶)	21	167	34	30	19	266	47	43
4.....	1,133	139	126	-4	61	184	43	36	22	274	51	48
1940-1.....	986	-3	-12	-29	25	187	48	41	19	274	49	44
2.....	1,010	15	3	-33	29	176	42	34	19	281	50	44
3.....	1,130	92	71	-14	29	177	41	31	19	281	45	44
4.....	1,171	145	127	3	78	194	47	37	20	294	50	46
1941-1.....	1,152	96	69	-5	28	201	59	43	18	295	43	44
2.....	1,272	145	103	0	36	191	48	33	24	308	44	45
3.....	1,468	267	189	23	34	196	46	25	18	311	45	44
4.....	1,454	166	138	5	87	211	50	34	19	321	46	40
1942-1.....	1,483	179	90	12	29	216	63	33	19	324	47	44
2.....	1,797	389	199	37	35	202	53	25	19	336	48	42
3.....	2,047	556	283	60	34	208	57	28	19	344	46	39
4.....	2,139	594	387	64	98	221	56	35	19	*358	⁸ 22	38
1943-1.....	2,091	513	209	52	28	230	73	36	19	366	42	40

¹ Revised.
² "Net profits" and "net income" refer to income after all charges and taxes, and before dividends.
³ Class I line-haul railroads.
⁴ Series excludes American Telephone and Telegraph Company, the greater part of whose income consists of dividends received on stock-holdings in the 32 companies. Dividend payments shown here include amounts paid to parent companies, as well as to the public.
⁵ After all charges and taxes except Federal income and excess profits taxes.
⁶ Quarterly dividend data are not available for all companies in the group and, therefore, do not add to the yearly totals shown.
⁷ Not available.
⁸ Partly estimated.
⁹ Unlike other industrial groups in this table, deductions for Federal income and excess profits taxes in the first three quarters of 1942 were at rates specified in the Revenue Act of 1941. Most of the increase in taxes for the year is therefore reflected in the fourth quarter figure.
 Sources.—Interstate Commerce Commission for railroads; Federal Communications Commission for telephone companies; published reports for industrial and electric power companies. Figures for the current and preceding year subject to revision. For description of data and back figures, see pp. 214-217 of the March 1942 BULLETIN.

UNITED STATES GOVERNMENT DEBT—VOLUME AND KIND OF SECURITIES

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

End of month	Total gross direct debt	Total interest-bearing direct debt	Marketable public issues ¹					Nonmarketable public issues			Special issues	Non-interest-bearing debt	Fully guaranteed interest-bearing securities
			Total ²	Treasury bills	Certificates of indebtedness	Treasury notes	Treasury bonds	Total ²	U. S. savings bonds	Treasury tax notes			
1940—June	42,968	42,376	34,436	1,302	.....	6,383	26,555	3,166	2,905	.....	4,775	591	5,498
Dec.	45,025	44,458	35,645	1,310	.....	6,178	27,960	3,444	3,195	.....	5,370	566	5,901
1941—June	48,961	48,387	37,713	1,603	.....	5,698	30,215	4,555	4,314	.....	6,120	574	6,360
Dec.	57,938	57,451	41,562	2,002	.....	5,997	33,367	8,907	6,140	2,471	6,982	487	6,317
1942—Apr.	64,961	64,496	45,137	1,953	1,507	5,571	35,910	12,002	8,951	2,744	7,358	465	5,666
May	68,571	68,108	47,615	2,257	1,507	5,571	38,085	12,976	9,569	3,100	7,518	462	5,667
June	72,422	71,968	50,573	2,508	3,096	6,689	38,085	13,510	10,188	3,015	7,885	454	4,548
July	77,136	76,694	53,826	3,663	3,096	6,689	40,182	14,743	11,078	3,357	8,125	442	4,551
Aug.	81,685	81,244	57,176	4,168	4,705	6,689	41,418	15,805	11,751	3,739	8,262	441	4,567
Sept.	86,483	85,847	60,402	4,619	6,211	7,958	41,418	16,936	12,479	4,137	8,509	637	4,552
Oct.	92,904	92,265	65,008	5,126	6,211	10,095	43,381	18,672	13,381	4,964	8,585	639	4,243
Nov.	96,116	95,458	66,554	5,721	7,161	10,095	43,381	20,117	14,079	5,703	8,787	657	4,244
Dec.	108,170	107,308	76,488	6,627	10,534	9,863	49,268	21,788	15,050	6,384	9,032	862	4,283
1943—Jan.	111,069	110,024	77,496	7,423	10,741	9,863	49,273	23,356	16,246	6,749	9,172	1,045	4,277
Feb.	114,024	112,851	78,726	8,232	11,161	9,863	49,273	24,560	17,067	7,125	9,565	1,173	4,275
Mar.	115,507	114,287	79,662	9,234	11,161	9,797	49,273	24,622	17,891	6,346	10,004	1,219	4,350
Apr.	129,849	128,643	91,392	10,044	16,154	9,797	55,201	27,456	19,267	7,783	9,795	1,206	4,363

¹ Including amounts held by Government agencies and trust funds, which aggregated \$2,792,000,000 on Mar. 31, and \$3,142,000,000 (preliminary) on Apr. 30, 1943.

² Total marketable public issues includes Postal Savings and prewar bonds, and total nonmarketable public issues includes adjusted service and depositary bonds not shown separately.

³ Including special one-day certificates of indebtedness not shown separately amounting to \$422,000,000 on Nov. 30 and \$202,000,000 on Jan. 31.

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

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

Issue	Amount	Issue	Amount
Treasury bonds		Treasury notes—Continued	
June 15, 1943-47 ¹	454	Sept. 15, 1944	283
Oct. 15, 1943-45	1,401	Sept. 15, 1944	635
Apr. 15, 1944-46	1,519	Mar. 15, 1945	718
Dec. 15, 1944-54	1,037	Mar. 15, 1945	1,606
Sept. 15, 1945-47	1,214	Dec. 15, 1945	531
Dec. 15, 1945	541	Mar. 15, 1946	503
Mar. 15, 1946-56	489	Dec. 15, 1946	3,261
June 15, 1946-48	1,036	Cert. of indebtedness.	
June 15, 1946-49	819	May 1, 1943	1,506
Oct. 15, 1947-52	759	Aug. 1, 1943	1,609
Dec. 15, 1947	701	Nov. 1, 1943	2,035
Mar. 15, 1948-50	1,115	Dec. 1, 1943	3,800
Mar. 15, 1948-51	1,223	Feb. 1, 1944	2,211
June 15, 1948	3,062	Apr. 1, 1944	4,993
Sept. 15, 1948	451	Treasury bills	
Dec. 15, 1948-50	571	May 5, 1943	702
June 15, 1949-51	1,014	May 12, 1943	708
Sept. 15, 1949-51	1,292	May 19, 1943	703
Dec. 15, 1949-51	2,098	May 26, 1943	701
Dec. 15, 1949-52	491	June 2, 1943	701
Dec. 15, 1949-53	1,786	June 9, 1943	705
Mar. 15, 1950-52	1,963	June 16, 1943	802
Sept. 15, 1950-52	1,186	June 23, 1943	802
Sept. 15, 1950-52	2,368	June 30, 1943	805
June 15, 1951-54	1,627	July 7, 1943	805
Sept. 15, 1951-55	755	July 14, 1943	804
Dec. 15, 1951-53	1,118	July 21, 1943	905
Dec. 15, 1951-55	510	July 28, 1943	902
Mar. 15, 1952-54	1,024	Total direct issues.....	91,392
June 15, 1952-55	1,501	Guaranteed securities	
June 15, 1953-55	725	Commodity Credit Corp.	
June 15, 1954-56	681	May 1, 1943	289
Mar. 15, 1955-60	2,611	Feb. 15, 1945	412
Mar. 15, 1956-58	1,449	Fed. Farm Mortgage Corp.	
Sept. 15, 1956-59	982	Mar. 15, 1944-64	95
June 15, 1958-63	919	May 15, 1944-49	835
Dec. 15, 1960-65	1,485	Fed. Public Housing	
June 15, 1962-67	2,118	Authority	
Dec. 15, 1963-68	2,831	Feb. 1, 1944	114
June 15, 1964-69	3,560	Home Owners' Loan Corp.	
Sept. 15, 1967-72	2,716	May 1, 1944-52	779
Postal Savings bonds	117	June 1, 1945-47	755
Conversion bonds	29	Reconstruction Fin. Corp.	
Panama Canal loan	50	July 15, 1943	324
Treasury notes		Apr. 15, 1944	571
June 15, 1943	629	Jan. 1, 1945	90
Sept. 15, 1943	279	Federal Housing Admin.	
Dec. 15, 1943	421	Various	23
Mar. 15, 1944	515	Total guaranteed issues	4,288
June 15, 1944	416		

¹ Called for redemption on June 15, 1943.

UNITED STATES SAVINGS BONDS

[In millions of dollars]

Month	Amount outstanding at end of month ¹	Funds received from sales during month				Redemptions
		All series	Series E	Series F	Series G	All series
1941—May	4,008	370	101	38	211	14
June	4,314	315	103	29	183	15
July	4,649	342	145	27	170	18
Aug.	4,908	266	118	20	128	13
Sept.	5,132	232	105	18	109	14
Oct.	5,394	271	123	23	125	14
Nov.	5,620	234	110	19	105	13
Dec.	6,140	529	341	33	154	16
1942—Jan.	7,198	1,061	667	78	316	15
Feb.	7,893	703	398	52	253	16
Mar.	8,436	558	338	41	179	22
Apr.	8,951	551	327	40	164	21
May	9,569	634	422	43	170	22
June	10,188	634	433	41	160	23
July	11,078	901	508	74	319	25
Aug.	11,751	697	454	52	191	32
Sept.	12,479	755	510	61	184	34
Oct.	13,381	935	665	61	210	40
Nov.	14,079	735	542	45	148	43
Dec.	15,050	1,014	726	66	222	55
1943—Jan.	16,246	1,240	815	77	348	63
Feb.	17,067	887	634	48	205	76
Mar.	17,891	944	720	44	180	131
Apr.	19,267	1,470	1,007	110	353	103

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

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

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

Industry	1942										1943			
	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.
Manufactured Food Products—Continued														
Meat packing	144	142	140	153	146	153	159	145	147	158	145	153	154	143
Pork and lard	161	156	163	177	168	174	187	157	167	193	170	180	189	179
Beef	132	134	121	137	130	136	129	133	122	119	126	134	127	113
Veal	98	96	94	103	103	113	127	129	128	107	76	76	73	61
Lamb and mutton	128	119	105	104	116	127	137	141	156	156	122	117	108	111
Other manufactured foods	138	137	136	140	147	146	153	151	159	165	165	161	156	P156
Alcoholic Beverages														
Malt liquor	119	111	111	104	122	135	139	126	122	111	105	123	112	P103
Whiskey	120	117	116	104	118	133	147	134	146	131	122	146	133	123
Other distilled spirits	62	63	53	63	96	82	49	14						
Rectified spirits	44	53	80	61	83	71	35	62	62	37	42	63	35	
	201	153	158	163	183	223	238	226	159	159	159	161	157	141
Tobacco Products														
Cigars	125	127	120	122	126	130	133	141	136	160	140	131	131	133
Cigarettes	121	120	108	112	109	112	107	116	98	200	127	116	101	108
Manufactured tobacco and snuff	137	140	137	136	146	152	159	166	167	166	162	153	159	160
	94	97	89	94	89	88	91	102	98	94	94	86	87	87
Paper and Paper Products¹														
Paper and pulp	152	148	143	134	125	131	132	135	135	132	133	135	135	
Pulp	158	154	147	135	125	132	133	137	137	133	135	137	137	
Groundwood pulp	189	183	184	177	164	169	162	162	159	152	147	149	146	
Soda pulp	138	129	120	116	113	117	112	114	111	104	103	107	103	
Sulphate pulp	155	148	147	129	127	125	126	137	141	131	96	95	91	
Sulphite pulp	239	236	245	228	211	221	211	208	200	195	199	200	199	
Paper	181	174	173	173	157	161	154	153	149	143	140	142	137	
Paperboard	154	149	142	129	119	126	128	134	134	130	133	135	136	
Fine paper	168	157	141	120	109	123	131	136	137	134	137	143	150	150
Newsprint production	150	146	147	138	132	125	125	130	133	127	127	123	120	
Printing paper	106	109	104	103	103	108	106	107	100	97	92	93	90	89
Tissue and absorbent paper	140	135	124	110	109	113	117	130	129	121	124	*128	122	
Wrapping paper	164	169	175	178	148	161	166	163	174	175	177	*170	170	
	151	152	150	139	127	132	125	128	123	120	125	129	127	
Printing and Publishing²														
Newsprint consumption	121	117	112	104	106	111	109	116	118	114	113	*114	110	P111
	103	98	100	97	103	108	101	102	110	106	102	99	97	100
Petroleum and Coal Products														
Petroleum refining	122	118	116	115	118	121	122	123	123	119	117	120	118	
Gasoline	116	111	109	108	111	114	116	117	117	112	109	113	110	
Fuel oil	112	104	103	101	105	109	109	111	110	104	99	102	99	P102
Lubricating oil	122	123	122	123	127	130	137	137	138	137	137	143	137	
Kerosene	131	126	122	123	117	117	112	113	114	113	111	114	118	
Coke	112	106	100	103	105	106	107	112	110	99	104	117	118	
Byproduct coke	162	162	163	164	163	165	166	166	166	166	166	169	169	P169
Beehive coke	152	152	153	153	153	155	155	155	156	156	157	158	158	P158
	504	514	508	539	502	505	523	524	500	498	485	543	546	P540
Chemicals														
	161	165	167	172	174	173	179	187	197	205	210	213	211	P217
Rubber Products														
Rubber consumption	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Tires and tubes	26	25	*	*	*	*	*	*	*	*	*	*	*	*
Pneumatic tires	26	25	*	*	*	*	*	*	*	*	*	*	*	*
Inner tubes	27	27	*	*	*	*	*	*	*	*	*	*	*	*
Minerals—Total														
	126	125	126	127	126	130	131	129	130	*127	*125	*131	133	P131
Fuels														
Bituminous coal	122	121	121	121	121	126	129	127	130	126	124	131	133	P131
Anthracite	140	150	147	144	141	140	150	145	154	143	145	157	161	P151
Crude petroleum	116	122	115	117	122	118	129	117	124	105	102	129	128	P129
	115	109	111	113	112	121	120	121	121	121	118	121	122	P123
Metals														
Metals other than gold and silver	153	152	157	159	155	152	145	139	133	*132	*132	*133	133	P133
Iron ore shipments	184	184	193	199	197	196	189	183	181	187	189	*194	193	P194
Copper	219	217	232	236	241	239	227	218	211	223	232	234	235	235
Lead	162	164	174	*	*	*	*	*	*	*	*	*	*	*
Zinc	134	132	*	*	*	*	*	*	*	*	*	*	*	*
Gold	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Silver	106	109	106	104	98	99	88	82	74	73	73	72		

¹ Revised. ² Preliminary. * Included in total and group indexes but not available for publication separately.

¹ Includes also paperboard container production held constant, on a seasonally adjusted basis, at 128 since July 1940 when figures were last reported.

² Includes also printing paper production shown under "Paper."

NOTE.—For description and back figures see BULLETIN for September 1941, pp. 878-881 and 933-937, and August 1940, pp. 753-771 and 825-882.

INDUSTRIAL PRODUCTION, BY INDUSTRIES

(Without Seasonal Adjustment)

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

Industry	1942										1943			
	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.
Industrial Production—Total	168	172	175	177	180	187	193	195	195	194	194	197	199	^P 201
Manufactures—Total	177	181	183	185	189	196	203	205	206	207	208	211	212	^P 215
Durable	228	234	240	246	251	260	267	276	279	283	287	292	296	^P 300
Nondurable	137	138	137	136	139	144	^T 151	148	147	146	143	^T 146	144	^P 146
Iron and Steel	200	199	200	198	196	197	199	207	203	200	204	208	210	209
Pig iron	192	192	192	194	192	190	194	199	199	197	197	201	202	197
Steel	218	219	219	216	216	218	219	229	224	221	226	231	233	235
Open hearth and Bessemer	182	181	182	178	175	177	179	186	182	179	182	185	188	186
Electric	477	487	488	489	506	507	503	536	527	523	542	560	559	580
Machinery	268	273	279	287	289	299	310	320	329	340	348	352	359	^P 362
Government Arsenals and Quartermaster Depots	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Transportation Equipment	330	350	372	396	425	458	479	507	525	547	559	572	583	^P 592
Aircraft	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Automobile bodies, parts, and assembly	105	104	107	112	116	124	129	135	141	146	151	155	158	^P 159
Railroad cars	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Locomotives	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Shipbuilding	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Private yards	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Government yards	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Nonferrous Metals and Products	181	177	180	186	188	191	193	192	197	202	200	199	192	^P 194
Nonferrous metal smelting	156	162	164	*	*	*	*	*	*	*	*	*	*	*
Copper smelting	147	155	161	*	*	*	*	*	*	*	*	*	*	*
Zinc smelting	184	185	184	*	*	*	*	*	*	*	*	*	*	*
Lead production	131	135	*	*	*	*	*	*	*	*	*	*	*	*
Copper deliveries	208	195	205	*	*	*	*	*	*	*	*	*	*	*
Lead shipments	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Zinc shipments	148	145	146	*	*	*	*	*	*	*	*	*	*	*
Tin consumption	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Lumber and Products	129	132	135	138	140	138	135	135	125	116	107	114	119	^P 125
Lumber	120	127	131	138	141	139	134	131	118	101	91	99	106	^P 116
Furniture	147	142	143	139	137	136	136	141	139	144	139	144	144	^P 143
Stone, Clay, and Glass Products	140	151	163	158	151	160	163	163	157	139	138	132	133	^P 141
Cement	141	161	178	183	186	195	200	202	186	156	139	126	^T 126	128
Unglazed brick	90	116	118	115	111	104	*	*	*	*	*	*	*	*
Glass containers	176	176	190	171	151	167	166	167	171	159	187	184	185	194
Polished plate glass	43	43	35	37	32	30	38	37	39	39	38	40	39	42
Textiles and Products	153	157	156	152	154	154	156	156	158	156	157	160	157	^P 158
Textile fabrics	143	148	146	143	145	144	146	147	148	145	147	150	147	166
Cotton consumption	169	177	175	169	166	169	172	172	171	163	171	171	166	166
Rayon deliveries	175	170	169	169	168	169	170	174	177	178	180	181	181	^P 182
Silk deliveries	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Wool textiles	148	153	150	151	160	154	155	156	161	163	154	166	164	164
Carpet wool consumption	70	34	5	46	43	27	34	43	43	44	29	39	39	39
Apparel wool consumption	196	203	201	194	208	206	198	205	212	218	208	^T 230	207	231
Woolen yarn	161	173	172	165	175	173	175	178	182	184	176	190	189	189
Worsted yarn	143	164	168	166	176	173	168	171	175	175	167	177	172	172
Woolen and worsted cloth	167	177	179	172	184	177	179	175	180	185	177	187	183	183
Leather and Products	129	131	124	116	114	115	112	117	115	114	120	^T 123	114	114
Leather tanning	127	131	126	118	113	113	114	121	121	119	122	128	113	113
Cattle hide leathers	141	147	145	136	134	134	134	145	144	141	144	151	127	127
Calf and kip leathers	91	90	90	90	88	100	94	96	97	91	93	98	90	90
Goat and kid leathers	119	119	102	94	78	69	77	81	79	85	89	93	93	93
Shoes	130	131	123	114	115	117	112	115	111	110	118	119	114	114
Manufactured Food Products	121	123	130	139	156	165	^P 181	^P 156	^P 151	^P 150	^P 140	^P 135	^P 134	^P 135
Wheat flour	98	92	96	95	105	106	116	118	119	121	130	129	123	114
Cane sugar meltings	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Manufactured dairy products	124	152	193	210	207	192	^P 143	^P 109	^P 91	^P 88	^P 89	^P 102	^P 119	^P 141
Ice cream	113	154	197	232	259	248	*	*	*	*	*	*	*	*
Butter	96	109	143	147	132	119	101	88	78	82	86	94	98	108
Cheese	157	189	242	241	205	185	158	134	106	101	107	119	132	153
Canned and dried milk	194	211	257	249	200	177	154	134	109	117	126	141	156	179

^T Revised. ^P Preliminary.

* Included in total and group indexes but not available for publication separately.

¹ Beginning in January 1942 includes industrial alcohol produced in the alcoholic beverage industry. Figures not available for publication separately.

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

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

Industry	1942										1943			
	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.
Manufactured Food Products—Continued														
Meat packing.....	131	134	140	149	138	132	147	146	166	186	171	147	140	136
Pork and lard.....	145	148	163	172	151	131	150	147	200	249	221	180	171	170
Beef.....	120	125	121	134	131	137	144	144	128	119	126	121	115	105
Veal.....	93	95	98	104	102	114	140	142	131	101	73	67	69	61
Lamb and mutton.....	124	115	108	99	110	125	153	150	152	148	128	117	105	108
Other manufactured foods.....	121	121	123	133	157	173	198	170	161	158	145	140	138	^P 137
Alcoholic Beverages...	113	113	120	116	133	140	140	123	103	94	90	110	105	^P107
Malt liquor.....	112	124	136	134	148	152	149	121	111	105	100	128	123	130
Whiskey.....	77	69	54	50	53	45	39	13						
Other distilled spirits.....	29	32	48	36	39	34	48	164	130	46	27	38	23	
Rectified spirits.....	191	136	139	130	183	223	238	226	159	159	159	161	157	141
Tobacco Products....	117	119	123	132	131	135	144	149	141	137	132	122	123	125
Cigars.....	111	114	107	120	113	115	123	140	117	154	103	101	93	103
Cigarettes.....	127	130	142	150	153	160	170	169	167	147	159	144	148	149
Manufactured tobacco and snuff.....	96	96	89	96	91	89	98	104	97	83	91	85	89	86
Paper and Paper Products¹...	155	151	144	133	122	130	134	138	134	129	132	137	137	...
Paper and pulp.....	161	157	149	134	121	130	132	138	137	131	135	140	139	...
Pulp.....	194	187	186	174	156	166	159	164	159	147	149	154	150	...
Groundwood pulp.....	148	144	133	118	100	100	98	106	114	108	107	111	110	...
Soda pulp.....	160	152	147	127	119	125	127	137	141	127	96	98	94	...
Sulphate pulp.....	243	236	245	226	207	221	211	212	200	185	201	206	203	...
Sulphite pulp.....	185	178	173	169	150	161	154	156	151	139	140	146	140	...
Paper.....	156	152	143	128	115	125	128	134	133	129	132	^r 138	138	...
Paperboard.....	168	157	141	120	109	123	131	136	137	134	137	143	150	150
Fine paper.....	160	159	151	135	120	118	118	130	129	124	128	132	129	...
Newsprint production.....	106	109	105	104	101	105	106	107	103	98	92	92	90	89
Printing paper.....	145	140	127	108	102	110	116	131	127	120	124	^r 132	126	...
Tissue and absorbent paper.....	166	172	173	177	140	161	172	169	172	168	172	^r 177	172	...
Wrapping paper.....	151	152	150	139	127	132	125	128	123	120	125	129	127	...
Printing and Publishing²...	126	123	115	103	96	103	109	120	121	114	111	^r115	114	^P117
Newsprint consumption.....	107	105	104	98	90	95	102	109	115	108	97	98	101	107
Petroleum and Coal Products...	122	118	117	115	117	121	122	123	123	119	116	120	118	...
Petroleum refining.....	116	111	110	108	110	114	116	117	117	112	109	113	110	...
Gasoline.....	112	104	103	101	105	109	109	111	110	104	99	102	99	^P 102
Fuel oil.....	122	123	122	123	127	130	137	137	138	137	137	143	137	...
Lubricating oil.....	130	131	127	123	115	116	112	113	114	112	108	113	117	...
Kerosene.....	115	108	101	97	97	101	106	112	113	102	106	123	120	...
Coke.....	162	162	163	164	163	165	166	166	166	166	166	169	169	^P 169
Byproduct coke.....	152	152	153	153	153	155	155	155	156	156	157	158	158	^P 158
Beehive coke.....	504	514	508	539	502	505	523	524	500	498	485	543	546	^P 540
Chemicals...	166	168	166	166	167	170	181	192	199	206	209	213	216	^P220
Rubber Products.....	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Rubber consumption.....	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Tires and tubes.....	26	25	*	*	*	*	*	*	*	*	*	*	*	*
Pneumatic tires.....	26	25	*	*	*	*	*	*	*	*	*	*	*	*
Inner tubes.....	27	27	*	*	*	*	*	*	*	*	*	*	*	*
Minerals—Total...	118	126	131	132	131	136	137	134	132	^r119	^r116	^r122	124	^P124
Fuels...	122	121	121	121	121	126	129	127	130	126	124	131	133	^P131
Bituminous coal.....	140	150	147	144	141	140	150	145	154	143	145	157	161	^P 151
Anthracite.....	116	122	115	117	122	118	129	117	124	105	102	129	128	^P 129
Crude petroleum.....	115	109	111	113	112	121	120	121	121	121	118	121	122	^P 123
Metals.....	97	155	190	195	192	194	184	176	143	^r79	^r68	^r69	69	^P85
Metals other than gold and silver.....	94	195	259	266	264	264	249	239	192	93	80	85	85	^P 114
Iron ore shipments.....	23	237	372	382	393	388	358	335	229	19	*	*	*	60
Copper.....	165	169	174	*	*	*	*	*	*	*	*	*	*	*
Lead.....	131	135	*	*	*	*	*	*	*	*	*	*	*	*
Zinc.....	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Gold.....	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Silver.....	110	110	105	100	97	97	89	82	75	73	73	73	73	...

^r Revised. ^P Preliminary.

* Included in total and group indexes but not available for publication separately.

¹ Includes also paperboard container production which has been carried forward on the basis of seasonal changes since July 1940 when figures were last reported.

² Includes also printing paper production shown under "Paper."

NOTE.—For description and back figures, see BULLETIN for September 1941, pp. 878-881 and 933-937, and August 1940, pp. 753-771 and 825-882.

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

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

Industry and group	Factory employment								Factory pay rolls					
	1942			1943				1942				1943		
	Mar.	Apr.	Dec.	Jan.	Feb.	Mar.	Apr.	Feb.	Mar.	Apr.	Dec.	Jan.	Feb.	Mar.
<i>Printing and Publishing</i>	101.7	100.9	104.3	102.2	103.0	101.8	100.8	112.9	112.5	111.8	126.5	121.8	122.5	121.9
Newspapers and periodicals.....	99	99	100	96	95	95	.....	106	106	106	113	107	107	108
Book and job.....	101	100	106	105	107	105	.....	116	113	112	133	130	131	130
<i>Chemical and Allied Products</i>	191.1	199.7	243.7	248.0	250.3	252.2	256.8	245.4	263.4	282.1	383.4	391.2	399.2	407.6
Paints, varnishes, and colors.....	115	113	103	103	104	103	.....	140	142	140	139	137	140	141
Drugs, medicines, and insecticides.....	133	133	152	154	156	159	.....	153	157	159	197	203	212	220
Rayon and allied products.....	108	107	106	106	106	107	.....	140	141	140	149	149	151	154
Chemicals, n.e.c.....	157	158	160	*160	*161	162	.....	200	207	211	241	*247	*250	255
Cottonseed oil.....	103	86	143	138	128	117	.....	141	127	110	234	219	198	181
Fertilizers.....	157	147	109	115	138	159	.....	184	209	214	173	185	224	265
<i>Products of Petroleum and Coal</i>	117.5	118.4	117.4	116.0	115.2	115.6	114.9	144.3	145.4	144.9	165.1	162.8	165.3	167.7
Petroleum refining.....	108	108	107	106	106	108	.....	132	133	132	152	149	152	155
Coke and by-products.....	120	122	119	119	118	117	.....	154	153	151	161	168	169	170
<i>Rubber Products</i>	121.0	117.0	149.0	151.6	152.8	153.8	153.3	149.8	156.5	149.9	228.6	234.6	238.3	246.2
Rubber tires and inner tubes.....	107	107	147	150	151	153	.....	130	136	135	220	227	229	240
Rubber boots and shoes.....	128	126	145	148	150	146	.....	165	171	159	238	241	241	239
Rubber goods, other.....	124	115	135	137	139	140	.....	166	172	155	209	*212	220	225
<i>Miscellaneous Industries</i>	145.4	147.7	156.7	157.0	159.5	162.1	164.1	186.6	195.8	206.1	261.3	*263.1	*270.6	281.4
Photographic apparatus.....	131	131	151	152	157	161	.....	177	176	178	230	231	*241	251
Games, toys, and dolls.....	123	122	79	75	79	81	.....	143	158	158	134	124	134	140

† Revised.

FACTORY EMPLOYMENT
(Adjusted for Seasonal Variation)
[Index numbers of the Board of Governors, 1939 = 100]

Group and year	1942										1943			
	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.
Total.....	145.3	147.1	149.1	150.9	153.4	155.1	156.9	158.9	160.9	164.4	*167.1	*167.7	168.4	168.2
Durable.....	176.5	180.2	184.2	188.9	193.9	198.5	201.6	205.6	209.6	215.4	219.3	*222.3	224.8	225.8
Nondurable.....	120.6	121.0	121.4	121.0	121.4	120.9	121.6	122.0	122.5	124.3	*126.0	*124.7	123.9	122.8

NOTE.—Figures for April 1943 are preliminary. Revised indexes based on new Bureau of Labor Statistics data released in February 1943. For back figures see p. 14 of January 1943 BULLETIN and p. 259 of March 1943 BULLETIN.

HOURS AND EARNINGS OF WAGE EARNERS IN MANUFACTURING INDUSTRIES
[Compiled by the Bureau of Labor Statistics]

Industry and group	Average hours worked per week							Average hourly earnings (cents per hour)						
	1942				1943			1942				1943		
	Feb.	Mar.	Nov.	Dec.	Jan.	Feb.	Mar.	Feb.	Mar.	Nov.	Dec.	Jan.	Feb.	Mar.
<i>All Manufacturing</i>	42.4	42.7	44.0	44.4	44.2	44.5	44.8	80.3	81.1	90.5	90.7	91.9	92.4	93.4
<i>Durable Goods</i>	44.5	45.0	46.1	46.1	45.9	46.2	46.4	89.2	89.9	100.5	100.4	101.7	*102.0	103.0
Iron and Steel and Products.....	43.0	43.5	44.8	45.3	45.0	45.7	46.0	89.6	90.4	98.4	98.6	99.8	*99.7	100.8
Electrical Machinery.....	45.6	46.0	47.0	47.0	47.0	46.9	47.1	87.3	87.5	94.2	94.3	95.1	*94.9	95.3
Machinery Except Electrical.....	49.2	49.7	49.5	49.6	49.6	49.6	49.6	91.4	91.9	100.3	101.1	102.2	103.0	103.8
Automobiles.....	43.1	44.5	45.5	45.5	45.7	*46.0	45.7	115.4	115.4	120.2	119.8	122.2	*121.1	121.7
Transportation Equipment Except Automobiles.....	48.0	47.9	47.7	47.5	46.9	46.7	46.8	104.0	104.3	116.3	114.2	114.4	115.2	116.6
Nonferrous Metals and Products.....	43.8	44.1	46.0	46.1	*46.0	*45.9	46.6	85.8	86.9	95.9	97.6	*98.5	*98.6	99.0
Lumber and Timber Basic Products.....	40.0	40.0	41.7	41.3	39.8	*41.9	42.4	59.7	60.5	68.5	67.9	68.1	*68.7	70.0
Furniture and Finished Lumber Products.....	40.9	41.1	42.8	43.7	*42.8	43.6	43.9	62.9	63.6	68.5	68.9	*69.6	*70.6	71.5
Stone, Clay, and Glass Products.....	40.1	40.3	41.4	41.8	41.7	42.0	42.4	74.9	75.2	81.0	81.0	81.9	82.2	82.9
<i>Nondurable Goods</i>	39.9	40.1	41.3	42.1	*41.8	42.0	42.5	68.9	69.6	75.6	76.2	76.8	77.4	78.2
Textiles—Mill and Fiber Products.....	40.1	40.1	40.8	41.5	41.3	41.5	42.1	57.1	57.3	64.2	64.4	*65.2	*65.4	65.8
Apparel and other Finished Products.....	36.8	37.5	37.0	37.4	*37.4	*38.4	38.9	62.4	62.8	64.8	64.9	*65.5	*68.0	70.0
Leather and Manufacturers.....	39.9	40.0	39.0	40.3	40.3	40.2	40.5	65.3	65.8	71.3	71.9	*72.1	*71.9	72.9
Food and Kindred Products.....	40.5	40.7	42.4	43.9	43.2	43.0	43.4	70.2	70.7	75.1	76.1	*76.9	*77.1	77.7
Tobacco Manufactures.....	37.0	36.6	40.6	41.2	*39.6	38.6	39.4	55.0	54.3	61.1	61.3	*61.3	*60.3	61.3
Paper and Allied Products.....	42.3	42.3	44.0	44.9	44.2	44.5	44.9	71.4	71.6	77.2	77.1	77.4	78.1	78.2
Printing, Publishing, and Allied Industries.....	38.4	38.0	39.5	40.2	39.8	*39.7	39.9	92.2	96.1	97.6	98.0	*97.3	*97.3	98.5
Chemicals and Allied Products.....	41.7	42.1	43.9	44.7	44.5	45.0	45.2	79.9	81.0	86.7	87.8	*88.6	*88.8	89.2
Products of Petroleum and Coal.....	39.2	39.0	41.8	41.8	41.1	42.3	42.5	102.3	102.4	109.3	109.2	110.5	110.2	110.7
Rubber Products.....	40.0	40.8	43.4	44.5	*44.4	44.6	45.1	87.4	89.0	95.5	96.6	*97.1	*97.7	99.2
Miscellaneous Industries.....	42.9	43.2	45.3	46.1	45.7	46.0	46.5	72.5	73.5	82.9	82.7	83.8	*84.6	85.6

† Revised.

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

(Table of "Estimated Employment in Nonagricultural Establishments by Industry Division" appears on p. 567.)

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	
					Factories		Commercial		Educational		Other			
	1942	1943	1942	1943	1942	1943	1942	1943	1942	1943	1942	1943	1942	1943
January	316.8	350.7	102.8	110.8	75.4	73.1	17.7	7.2	9.1	5.6	21.0	68.2	90.9	85.8
February	433.6	393.5	168.0	93.3	84.5	87.7	21.8	22.7	9.2	4.2	54.2	72.7	95.9	113.0
March	610.8	339.7	219.3	71.8	112.7	63.8	36.8	25.2	10.7	4.5	71.6	51.5	159.7	123.0
April	498.7	303.4	162.1	79.4	145.1	40.7	30.9	6.6	12.4	5.9	46.5	43.0	101.7	127.7
May	673.5		148.0		178.0		23.8		10.1		86.0		227.7	
June	1,190.3		185.5		271.8		46.2		15.4		234.9		436.4	
July	943.8		127.4		303.5		34.7		26.6		124.3		327.3	
August	721.0		100.6		261.1		21.3		17.1		107.7		213.2	
September	723.2		126.7		377.8		6.1		6.2		76.8		129.6	
October	780.4		161.2		240.3		18.9		10.6		103.3		246.2	
November	654.2		156.7		106.7		14.1		11.6		124.1		241.0	
December	708.7		159.7		70.6		30.0		8.9		168.6		271.0	
Year	8,255.1		1,817.7		2,227.5		302.2		147.9		1,219.1		2,540.6	

CONSTRUCTION CONTRACTS AWARDED, BY OWNERSHIP

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

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

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	1943		1942
	April	March	April
	Boston	7,567	7,424	49,414
New York	26,518	27,376	100,130
Philadelphia	17,572	24,740	39,729
Cleveland	26,446	28,211	48,414
Richmond	37,278	60,621	91,138
Atlanta	41,248	43,078	35,516
Chicago	42,072	58,207	58,032
St. Louis	36,411	21,604	41,145
Minneapolis	5,591	1,619	5,314
Kansas City	25,285	50,821	10,574
Dallas	37,383	15,997	19,336
Total (11 districts)	303,371	339,698	498,742

LOANS INSURED BY FEDERAL HOUSING ADMINISTRATION
[In millions of dollars]

Year or month	Total	Title I Loans		Mortgages on		
		Property improvement	Small home construction	1- to 4-family houses (Title II)	Rental and group housing (Title II)	War housing (Title VI)
935	320	224		94	2	
936	557	246		309	2	
937	495	60		424	11	
1938	694	160	13	473	48	
1939	954	208	25	669	51	
1940	1,026	251	26	736	13	
1941	1,186	262	21	877	13	13
1942	1,137	141	15	691	6	284
1942-Apr	83	13	2	55	1	11
May	92	15	2	60	1	14
June	96	13	2	66	*	16
July	97	11	1	63	2	21
Aug.	89	10	1	52	*	25
Sept.	95	10	*	48		37
Oct.	99	11	1	44	*	42
Nov.	92	10	1	39		43
Dec.	97	9	1	39		49
1943-Jan.	80	7	*	31		42
Feb.	64	5	*	20	*	39
Mar.	73	6	1	19		47
Apr.	59	7		16		37

* Less than \$500,000.

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

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

End of month	Total	Com-mercial banks	Mut-ual sav-ings banks	Sav-ings and loan associations	Insur-ance com-panies	Fedral agen-cies ¹	Other ²
1937-Dec	771	430	27	110	118	32	53
1938-Dec	1,199	634	38	149	212	77	90
1939-June	1,478	759	50	167	271	137	94
Dec.	1,793	902	71	192	342	153	133
1940-Mar	1,949	971	90	201	392	171	124
June	2,075	1,026	100	208	432	182	127
Sept.	2,232	1,093	111	216	480	190	141
Dec.	2,409	1,162	130	224	542	201	150
1941-Mar	2,598	1,246	146	230	606	210	160
June	2,755	1,318	157	237	668	220	154
Sept.	2,942	1,400	171	246	722	225	178
Dec.	3,107	1,465	186	254	789	234	179
1942-Mar	3,307	1,549	201	264	856	237	200
June	3,491	1,623	219	272	940	243	195
Dec.	3,620	1,669	236	276	1,032	245	163

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

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

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

MERCHANDISE EXPORTS AND IMPORTS

[In millions of dollars]

Month	Merchandise exports ¹					Merchandise imports ²					Excess of exports				
	1939	1940	1941	1942	1943	1939	1940	1941	1942	1943	1939	1940	1941	1942	1943
January.....	213	370	325	479	^p 698	178	242	229	254	^p 228	35	128	96	226	^p 470
February.....	219	347	303	478	^p 679	158	200	234	254	^p 234	61	147	69	225	^p 445
March.....	268	351	357	611	^p 931	190	217	268	272	^p 248	77	134	89	339	^p 682
April.....	231	323	387	695	.....	186	212	287	234	.....	45	111	100	461	.....
May.....	249	324	385	525	.....	202	211	297	191	.....	47	112	88	335	.....
June.....	236	350	330	618	.....	179	211	280	215	.....	57	138	50	403	.....
July.....	230	317	365	^p 627	.....	169	232	278	^p 214	.....	61	84	87	^p 412	.....
August.....	250	351	460	^p 694	.....	176	221	282	^p 184	.....	74	130	178	^p 510	.....
September.....	289	295	425	^p 718	.....	182	195	262	^p 196	.....	107	101	162	^p 522	.....
October.....	332	344	^p 666	^p 776	.....	215	207	304	^p 199	.....	117	137	^p 362	^p 577	.....
November.....	292	328	492	^p 750	.....	235	224	281	^p 174	.....	57	104	211	^p 576	.....
December.....	368	322	653	^p 853	.....	247	253	344	^p 356	.....	121	69	309	^p 497	.....
Jan.-Mar.....	699	1,068	984	1,569	^p 2,308	527	659	730	779	^p 711	173	409	254	790	^p 1,597

^p Preliminary.

¹ Including both domestic and foreign merchandise.

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

³ Figure overstated due to inclusion in October export statistics of an unusually large volume of shipments actually exported in earlier months.

Source.—Department of Commerce.

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

FREIGHT CAR LOADINGS, BY CLASSES

[Index numbers; 1935-39 average=100]

	Total	Coal	Coke	Grain	Livestock	Forest products	Ore	Miscellaneous	Merchandise I.c.l.
Annual									
1939.....	101	98	102	107	96	100	110	101	97
1940.....	109	111	137	101	96	114	147	110	96
1941.....	130	123	168	112	91	139	183	136	100
1942.....	138	135	181	121	104	155	206	146	69
SEASONALLY ADJUSTED									
1942—February.....	139	116	150	131	95	159	187	151	100
March.....	137	122	168	119	97	149	292	143	92
April.....	143	160	200	117	101	^r 160	289	141	80
May.....	143	164	197	115	98	155	289	142	62
June.....	141	160	199	113	103	159	183	144	60
July.....	142	155	205	95	90	172	180	149	57
August.....	143	154	208	106	106	165	176	152	57
September.....	136	135	188	126	102	154	174	146	55
October.....	133	121	180	130	110	149	221	144	56
November.....	134	125	176	126	114	140	221	144	58
December.....	134	116	177	143	117	137	210	146	59
1943—January.....	135	119	161	157	102	130	202	149	57
February.....	141	127	154	170	113	135	193	153	61
March.....	136	140	182	152	117	133	216	141	61
April.....	141	158	208	145	118	138	205	142	62
UNADJUSTED									
1942—February.....	129	132	184	110	76	153	47	135	96
March.....	129	125	175	102	77	149	76	139	92
April.....	136	135	176	100	90	^r 160	218	142	81
May.....	138	139	181	99	89	161	303	144	62
June.....	139	135	179	111	81	165	318	145	60
July.....	142	132	177	138	76	173	325	148	57
August.....	144	136	175	129	100	173	308	152	57
September.....	152	142	184	139	135	167	304	162	57
October.....	150	138	180	139	169	158	260	163	58
November.....	140	139	186	123	144	138	206	150	59
December.....	126	132	193	130	113	122	59	135	56
1943—January.....	124	135	193	138	98	117	50	132	55
February.....	130	145	189	142	90	129	48	137	58
March.....	130	144	189	131	92	133	56	138	62
April.....	132	133	183	124	105	138	106	143	63

^r Revised.

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

REVENUES, EXPENSES, AND INCOME OF CLASS I RAILROADS

[In millions of dollars]

	Total railway operating revenues	Total railway expenses	Net railway operating income	Net income
Annual				
1939.....	3,995	3,406	589	^r 93
1940.....	^r 4,297	^r 3,614	^r 682	^r 189
1941.....	5,347	4,348	998	^r 500
1942.....	7,466	^r 5,985	^r 1,481	^r 959
SEASONALLY ADJUSTED				
1942—February.....	519	423	96	^r 56
March.....	542	^r 447	^r 94	^r 53
April.....	584	471	113	^r 71
May.....	618	487	131	88
June.....	627	500	128	^r 85
July.....	643	519	124	79
August.....	669	536	130	85
September.....	663	535	128	82
October.....	661	533	128	81
November.....	722	563	159	^r 121
December.....	708	554	155	^r 110
1943—January.....	710	577	134	92
February.....	744	591	153	111
March.....	740	616	124	^p 82
April.....	.....	.....	.....	.....
UNADJUSTED				
1942—February.....	462	398	64	^r 22
March.....	540	^r 450	^r 91	47
April.....	573	470	102	58
May.....	601	491	110	64
June.....	624	505	119	78
July.....	665	532	133	90
August.....	684	549	135	89
September.....	698	543	155	105
October.....	746	561	185	136
November.....	690	541	149	111
December.....	703	532	171	137
1943—January.....	671	566	105	63
February.....	664	557	106	62
March.....	756	627	130	^p 85
April.....	.....	.....	.....	.....

^r Revised. ^p Preliminary.

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

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

Department	Number of stores reporting	Sales during month (value)			Stocks at end of month (value)			Ratio of stocks to sales	
		Percentage change			Percentage change			March	
		Mar. 1943 from Mar. 1942	Mar. 1943 from Feb. 1943	Mar. 1942 from Feb. 1942	Mar. 1943 from Mar. 1942	Mar. 1943 from Feb. 1943	Mar. 1942 from Feb. 1942	1943	1942
GRAND TOTAL—entire store.....	350	+8	+2	+30	-17	+5	+14	2.6	3.4
MAIN STORE—total.....	350	+9	+1	+28	-17	+5	+14	2.7	3.6
Women's apparel and accessories.....	348	+15	+1	+50	-11	+11	+12	1.8	2.4
Women's and misses' coats and suits.....	328	+7	-4	+85	-5	+10	+3	0.8	0.9
Women's and misses' dresses.....	333	+19	-1	+55	+7	+32	+6	1.2	1.3
Blouses, skirts, sportswear, sweaters, knit apparel.....	310	+22	-5	+47	+1	+21	+20	1.8	2.2
Juniors' and girls' wear.....	297	+1	+9	+118	+6	+22	+8	1.4	1.3
Infants' wear.....	301	+35	+21	+45	-24	+5	+17	1.9	3.3
Aprons, housedresses, uniforms.....	282	+36	0	+26	-16	+17	+22	1.5	2.4
Women's underwear, slips, negligees.....	319	+38	-7	+13	-28	+8	+21	2.2	4.2
Corsets, brassieres.....	327	+5	-1	+14	-12	-4	+16	2.6	3.1
Hosiery (women's and children's).....	341	+9	+8	+25	-24	+7	+21	2.5	3.6
Gloves (women's and children's).....	319	+4	+19	+79	-22	+6	+10	3.2	4.3
Shoes (women's and children's).....	237	-2	+5	+62	-8	+7	+6	3.6	3.8
Furs.....	259	+74	-25	-22	+4	0	-3	2.0	3.4
Men's and boys' wear.....	219	-17	-4	+55	-14	+3	+13	4.2	4.1
Men's clothing.....	326	-37	-11	+77	-3	-2	+4	4.2	2.7
Men's furnishings, hats, caps.....	299	+13	-6	+13	-20	+5	+22	4.4	6.4
Boys' clothing and furnishings.....	274	-19	+17	+126	-18	+8	+10	3.3	3.3
Men's and boys' shoes and slippers.....	167	-13	-1	+22	-15	+7	+13	6.5	6.7
Home furnishings.....	311	-3	+2	+5	-24	-1	+14	4.3	5.4
Furniture, beds, mattresses, springs.....	232	+3	-15	-19	-22	-3	+8	4.1	5.3
Domestic floor coverings.....	232	+6	+16	+16	-22	-3	+20	4.7	6.4
Draperies, curtains, upholstery.....	287	+16	+24	+30	-14	+2	+15	4.0	5.4
Major appliances (refrigerators, washers, stoves, etc.).....	203	-73	+10	+15	-66	-10	-2	3.8	3.0
Domestics, blankets, linens, etc.....	288	+35	-7	-8	-23	+1	+21	3.9	6.8
China and glassware.....	222	+2	-7	-4	-14	+1	+10	6.6	7.8
Housewares.....	221	+1	+23	+21	-28	-2	+16	3.8	5.3
Piece goods (dress and coat yard goods, all materials).....	281	+35	-13	+25	-18	+5	+10	2.2	3.6
Cotton wash goods.....	117	+46	-11	+31	-21	+3	+10	2.1	3.9
Small wares.....	328	+26	+6	+1	-16	+7	+17	3.3	4.9
Notions.....	212	+29	+18	+14	-18	+3	+22	2.8	4.4
Toilet articles, drug sundries, prescriptions.....	317	+26	+1	-9	-16	+5	+16	3.1	4.6
Jewelry and silverware.....	262	+25	+8	+14	-15	+8	+16	4.0	5.8
Miscellaneous.....	292	+13	+10	+25	-24	+6	+15	3.2	4.8
BASEMENT STORE—total.....	215	0	+6	+47	-14	+7	+17	2.4	2.7
Women's apparel and accessories.....	201	+5	+8	+56	-7	+12	+18	1.7	1.9
Men's and boys' clothing and furnishings.....	163	-15	+2	+55	-18	+4	+15	3.7	3.8
Home furnishings.....	118	+9	+7	+17	-23	-1	+21	3.2	4.5
Piece goods.....	53	+29	-8	+20	-13	+10	+17	2.6	3.8
Shoes.....	130	-30	+10	+55	-9	+12	+11	4.6	3.6

NOTE.—Group totals include sales in departments not shown separately. Figures for basement store are not strictly comparable with those for main store owing chiefly to inclusion in basement of fewer departments and somewhat different types of merchandise. The ratio of stocks to sales is obtained by dividing stocks at the end of the month by sales during the month and hence indicates the number of months' supply on hand at the end of the month in terms of sales for that month.

SALES, ACCOUNTS RECEIVABLE, AND COLLECTIONS

Year and month	Index numbers, without seasonal adjustment, 1941 average = 100								Percentage of total sales		
	Sales during month				Accounts receivable at end of month		Collections during month		Cash sales	Instalment sales	Charge-account sales
	Total	Cash	Instalment	Charge account	Instalment	Charge account	Instalment	Charge account			
1942—February.....	85	87	85	83	98	104	106	115	49	9	42
March.....	111	113	107	108	97	106	114	104	50	8	42
April.....	109	113	95	108	94	107	112	107	50	7	43
May.....	97	108	66	92	86	99	111	116	53	6	41
June.....	95	111	54	84	77	83	104	120	56	5	39
July.....	79	97	50	66	70	64	94	109	59	5	36
August.....	98	117	73	81	67	64	92	81	58	6	36
September.....	120	140	76	105	63	76	90	83	56	6	38
October.....	133	160	89	113	62	83	99	106	57	6	37
November.....	135	162	89	114	62	84	96	113	58	6	36
December.....	208	263	112	166	64	109	103	116	61	5	34
1943—January.....	100	123	63	82	58	83	96	142	59	5	36
February.....	116	140	70	99	55	78	89	109	58	5	37
March.....	120	147	67	100	51	77	93	105	59	5	36
April.....	129	161	75	104	49	78	86	104	60	5	35

NOTE.—These data are based on reports from a smaller group of department stores than that included in the monthly index of sales shown on the preceding page.

CONSUMER CREDIT STATISTICS
TOTAL CONSUMER CREDIT, BY MAJOR PARTS
 [Estimated amounts outstanding. In millions of dollars]

End of month or year	Total consumer credit	Instalment credit					Single-payment loans ²	Charge accounts	Service credit
		Total instalment credit	Sale credit			Loans ¹			
			Total	Automotive	Other				
1929.....	7,089	3,167	2,515	1,318	1,197	652	1,577	1,749	596
1930.....	6,341	2,706	2,032	928	1,104	674	1,451	1,611	573
1931.....	5,177	2,214	1,595	637	958	619	1,051	1,381	531
1932.....	3,846	1,515	999	322	677	516	726	1,114	491
1933.....	3,717	1,581	1,122	459	663	459	588	1,081	467
1934.....	4,159	1,846	1,317	576	741	529	659	1,203	451
1935.....	5,148	2,599	1,805	940	865	794	785	1,292	472
1936.....	6,396	3,466	2,436	1,289	1,147	1,030	991	1,419	520
1937.....	7,054	3,919	2,752	1,384	1,368	1,167	1,119	1,459	557
1938.....	6,618	3,539	2,313	970	1,343	1,226	1,069	1,487	523
1939.....	7,518	4,351	2,792	1,267	1,525	1,559	1,089	1,544	534
1940.....	8,767	5,434	3,450	1,729	1,721	1,984	1,123	1,650	560
1941.....	9,499	5,921	3,747	1,942	1,805	2,174	1,204	1,742	610
1942.....	6,156	2,923	1,495	482	1,013	1,428	1,072	1,513	648
1942									
Mar.....	8,594	5,103	3,163	1,513	1,590	2,005	1,186	1,677	623
Apr.....	8,364	4,886	2,919	1,369	1,550	1,967	1,171	1,682	625
May.....	7,952	4,611	2,705	1,239	1,465	1,905	1,151	1,561	629
June.....	7,513	4,327	2,474	1,120	1,354	1,853	1,125	1,430	631
July.....	7,007	4,037	2,247	1,004	1,243	1,789	1,112	1,225	634
Aug.....	6,719	3,748	2,032	874	1,158	1,716	1,102	1,232	637
Sept.....	6,557	3,504	1,862	769	1,093	1,642	1,095	1,320	638
Oct.....	6,403	3,255	1,704	664	1,040	1,551	1,088	1,419	641
Nov.....	6,169	3,051	1,571	573	998	1,483	1,085	1,386	644
Dec.....	6,156	2,923	1,495	482	1,013	1,428	1,072	1,513	648
1943									
Jan.....	^r 5,703	^r 2,661	^r 1,315	404	^r 911	1,346	1,058	1,333	651
Feb.....	5,490	2,465	1,190	351	839	1,275	1,038	1,333	654
Mar.....	^p 5,351	^p 2,323	^p 1,071	^p 287	^p 784	^p 1,252	^p 1,031	^p 1,343	^p 654
Apr.....	^p 5,216	^p 2,210	^p 1,004	^p 249	^p 755	^p 1,206	^p 1,020	^p 1,331	^p 655

^p Preliminary. ^r Revised.

¹ Includes repair and modernization loans.

² An estimated total of noninstalment consumer loans; i.e., single-payment loans of commercial banks and loans by pawnbrokers.

NOTE.—National estimates of consumer short-term credit for the period from January 1929 through August 1942 were prepared by the Bureau of Foreign and Domestic Commerce, United States Department of Commerce, and published in the November 1942 issue of the *Survey of Current Business* with a description of sources of data and methods of estimation. Later estimates, comparable with those formerly published by the Department of Commerce, were made at the Board of Governors of the Federal Reserve System.

CONSUMER INSTALMENT SALE CREDIT, EXCLUDING AUTOMOTIVE

[Estimated amounts outstanding. In millions of dollars]

End of month or year	Total, excluding auto-motive	Department stores and mail-order houses	Furniture stores	Household appliance stores	Jewelry stores	All other retail stores
1929.....	1,197	160	583	265	56	133
1930.....	1,104	155	539	222	47	141
1931.....	958	138	454	185	45	136
1932.....	677	103	313	121	30	110
1933.....	663	119	299	119	29	97
1934.....	741	146	314	131	35	115
1935.....	865	186	336	171	40	132
1936.....	1,147	256	406	255	56	174
1937.....	1,368	314	469	307	68	210
1938.....	1,343	302	485	266	70	220
1939.....	1,525	377	536	273	93	246
1940.....	1,721	439	599	302	110	271
1941.....	1,805	469	619	313	120	284
1942.....	1,013	254	391	130	78	160
1942						
Mar.....	1,590	406	567	272	95	250
Apr.....	1,550	396	561	258	91	244
May.....	1,466	367	543	240	85	231
June.....	1,354	332	512	218	79	213
July.....	1,243	300	475	201	71	196
Aug.....	1,158	277	449	183	67	182
Sept.....	1,093	261	428	169	63	172
Oct.....	1,040	253	408	154	61	164
Nov.....	998	247	392	141	61	157
Dec.....	1,013	254	391	130	78	160
1943						
Jan.....	^r 911	228	359	116	^r 65	^r 143
Feb.....	839	210	338	102	57	132
Mar.....	^p 784	^p 196	^p 322	^p 90	^p 53	^p 123
Apr.....	^p 755	^p 187	^p 319	^p 79	^p 51	^p 119

^p Preliminary. ^r Revised.

CONSUMER INSTALMENT LOANS

[Estimated amounts outstanding. In millions of dollars]

End of month or year	Total	Commercial banks ¹	Small loan companies	Industrial banking companies	Credit unions	Miscellaneous lenders	Repair and modernization loans
1929.....	652	43	263	219	32	95	.....
1930.....	674	45	287	218	31	93	.....
1931.....	619	39	289	184	29	78	.....
1932.....	516	31	257	143	27	58	.....
1933.....	459	29	232	121	27	50	.....
1934.....	529	39	246	125	32	60	27
1935.....	794	71	267	156	44	79	177
1936.....	1,030	130	301	191	66	102	240
1937.....	1,167	215	350	221	93	125	163
1938.....	1,226	248	346	230	113	117	172
1939.....	1,559	380	435	257	147	96	244
1940.....	1,984	586	505	288	189	99	317
1941.....	2,174	687	535	298	217	102	335
1942.....	1,428	370	424	202	141	91	200
1942							
Mar.....	2,005	601	521	282	196	101	304
Apr.....	1,967	586	517	277	190	100	297
May.....	1,906	564	504	268	184	99	287
June.....	1,853	546	493	261	179	98	276
July.....	1,789	521	481	253	173	97	264
Aug.....	1,716	491	466	246	166	95	252
Sept.....	1,642	460	452	236	160	94	240
Oct.....	1,551	421	437	222	152	92	227
Nov.....	1,483	393	428	211	145	91	215
Dec.....	1,428	370	424	202	141	91	200
1943							
Jan.....	1,346	345	403	193	132	89	184
Feb.....	1,275	319	387	185	126	88	170
Mar.....	^p 1,252	^p 312	^p 387	^p 184	^p 127	^p 87	^p 155
Apr.....	^p 1,206	299	378	179	122	87	^p 141

^p Preliminary.

¹ These figures for amounts outstanding include only personal instalment cash loans and retail automotive direct loans, which are shown on the following page and a small amount of other retail direct loans (13 million dollars at the end of April 1943), which are not shown separately.

CONSUMER CREDIT STATISTICS—Continued

CONSUMER INSTALMENT CREDITS OF COMMERCIAL BANKS, BY TYPE OF CREDIT
[Estimates. In millions of dollars]

Month or year	Total	Automotive retail		Other retail, purchased and direct	Repair and modernization loans	Personal instalment cash loans
		Purchased	Direct loans			
Outstanding at end of period:						
1939	1,020	210	160	150	220	280
1940	1,340	300	230	210	260	340
1941	1,588	396	303	279	246	364
1942	787	136	122	143	154	232
1942—March						
March	1,403	331	245	267	221	339
April	1,338	308	235	254	207	334
May	1,273	283	224	243	201	322
June	1,211	265	211	223	196	316
July	1,139	242	196	208	187	306
August	1,072	227	182	189	182	292
September	998	203	167	175	176	277
October	922	190	148	159	168	257
November	860	166	136	151	165	242
December	787	136	122	143	154	232
1943—January						
January	726	116	111	136	144	219
February	662	101	100	121	135	205
March	619	87	95	108	125	204
April	581	78	91	100	117	195
Volume extended during month:						
1942—March						
March	138	27	22	23	9	57
April	125	19	20	28	10	48
May	110	17	18	25	9	41
June	102	15	16	16	9	46
July	95	16	16	13	9	41
August	93	23	14	11	9	36
September	82	14	13	12	8	35
October	77	11	11	14	9	32
November	64	7	9	14	7	27
December	69	6	10	15	6	32
1943—January						
January	59	6	9	14	4	26
February	52	6	9	8	4	25
March	74	8	13	9	5	39
April	64	9	12	10	5	28

NOTE.—For descriptive material and back figures, see BULLETIN for October 1942, pp. 992-994.

CONSUMER INSTALMENT LOANS MADE BY PRINCIPAL LENDING INSTITUTIONS

[Estimates of volume made in period. In millions of dollars]

Month or year	Commercial banks ¹	Small loan companies	Industrial banking companies	Credit unions
1930		503	380	41
1931		498	340	38
1932		376	250	34
1933		304	202	33
1934		384	234	42
1935		423	288	67
1936		563	354	105
1937		619	409	148
1938		604	417	179
1939		763	489	257
1940		927	536	320
1941		983	558	343
1942	705	798	408	215
1941				
October		76	43	25
November		82	41	23
December		104	45	25
1942				
January	80	66	40	18
February	66	65	35	19
March	80	86	42	25
April	71	72	37	19
May	61	58	34	18
June	64	68	36	20
July	58	63	34	18
August	52	60	33	16
September	49	60	31	16
October	44	59	30	14
November	37	59	25	14
December	45	82	31	18
1943				
January	36	45	25	11
February	35	50	26	13
March	53	86	38	22
April	41	62	31	15

¹ These figures for loans made include only personal instalment cash loans and retail automotive direct loans, which are shown elsewhere on this page, and a small amount of other retail direct loans (one million dollars in April 1943), which are not shown separately.

FURNITURE STORE STATISTICS

Item	Percentage change from preceding month			Percentage change from corresponding month of preceding year		
	Apr. 1943	Mar. 1943	Feb. 1943	Apr. 1943	Mar. 1943	Feb. 1943
	Net sales:					
Total	+12	+18	+8	+2	-6	-4
Cash sales	+11	+13	+5	+49	+53	+53
Credit sales:						
Instalment	+14	+20	+11	-5	-19	-14
Charge account	+8	+18	+8	+5	+11	+4
Accounts receivable, at end of month:						
Total	-1	-4	-6	-40	-40	-39
Instalment	-1	-5	-6	-40	-41	-39
Collections during month:						
Total	-1	+7	-10	-6	-3	-5
Instalment	-3	+7	-8	-9	-6	-7
Inventories, end of month, at retail value	-3	+5	-1	-10	-4	-3

RATIO OF COLLECTIONS TO ACCOUNTS RECEIVABLE¹

Month	Instalment accounts				Charge accounts
	Department stores	Furniture stores	Household appliance stores	Jewelry stores	
1942					
January	20	12	12	19	50
February	19	11	12	18	45
March	22	13	13	19	46
April	21	13	13	19	47
May	22	13	13	20	50
June	22	14	13	22	56
July	23	14	13	22	60
August	24	16	13	25	59
September	25	16	14	26	60
October	29	18	15	30	65
November	29	17	15	31	63
December	31	18	15	45	65
1943					
January	28	17	15	30	61
February	28	17	16	29	61
March	31	19	18	29	62
April	31	20	17	30	63

¹ Ratio of collections during month to accounts receivable at beginning of month.

ESTIMATED EMPLOYMENT IN NONAGRICULTURAL ESTABLISHMENTS, BY INDUSTRY DIVISION

[Thousands of persons]

Year and month	Total	Manufacturing	Mining	Construction*	Transportation and public utilities	Trade	Finance, service, and miscellaneous	Federal, State, and local government
SEASONALLY ADJUSTED								
1942—April.....	36,063	14,081	938	1,826	3,408	6,690	4,257	4,863
May.....	36,274	14,220	933	1,791	3,435	6,695	4,257	4,943
June.....	36,461	14,382	929	1,768	3,446	6,610	4,266	5,060
July.....	37,051	14,640	929	1,851	3,471	6,609	4,296	5,255
August.....	37,433	14,819	918	1,916	3,490	6,607	4,317	5,366
September.....	37,645	15,006	900	1,959	3,482	6,523	4,313	5,462
October.....	37,962	15,162	888	1,902	3,466	6,619	4,324	5,601
November.....	38,325	15,349	883	1,889	3,508	6,673	4,333	5,690
December.....	38,842	15,687	884	2,004	3,535	6,635	4,331	5,766
1943—January.....	^r 38,791	^r 15,932	870	1,843	3,549	6,513	4,350	5,734
February.....	^r 38,821	15,975	873	1,748	3,545	6,458	^r 4,356	^r 5,866
March.....	38,725	16,043	864	1,564	3,551	6,424	4,347	5,932
April.....	38,478	16,030	856	1,330	3,562	6,432	4,334	5,934
UNADJUSTED								
1942—April.....	35,908	14,019	929	1,771	3,389	6,679	4,265	4,856
May.....	36,346	14,133	928	1,909	3,442	6,667	4,309	4,958
June.....	36,666	14,302	921	1,991	3,485	6,606	4,324	5,037
July.....	37,234	14,641	923	2,108	3,519	6,504	4,355	5,184
August.....	37,802	14,980	918	2,181	3,533	6,496	4,371	5,323
September.....	38,348	15,233	910	2,185	3,542	6,561	4,397	5,520
October.....	38,478	15,313	902	2,028	3,539	6,697	4,327	5,672
November.....	38,533	15,434	894	1,896	3,520	6,771	4,295	5,723
December.....	38,942	15,684	885	1,674	3,502	7,107	4,279	5,811
1943—January.....	37,862	15,743	867	1,470	3,463	6,371	4,259	5,689
February.....	^r 37,958	15,851	867	1,386	3,456	6,291	4,270	^r 5,837
March.....	38,184	15,958	861	1,357	3,475	6,328	4,281	5,924
April.....	38,341	15,963	849	1,295	3,544	6,422	4,339	5,929

^r Revised.

* Includes contract construction and Federal force account construction.

NOTE.—Unadjusted data compiled by Bureau of Labor Statistics. Estimates exclude proprietors of unincorporated businesses, self-employed persons, domestics employed in private homes, public emergency employees (WPA, NYA, and CCC), and personnel in the armed forces. Figures for April 1943 are preliminary. Revised seasonally adjusted estimates for months prior to November 1941 are shown on p. 1156 of the November 1942 BULLETIN.

CURRENT STATISTICS FOR FEDERAL RESERVE CHART BOOK—Continued
Revised Edition of Chart Book

	Chart book page	1943		
		Feb.	Mar.	Apr.
MONTHLY FIGURES (cont.)		<i>In unit indicated</i>		
BUSINESS CONDITIONS				
Income payments (mill. dollars), total ³	38	11,252	11,470	^P 11,582
Salaries and wages	38	7,894	7,983	^P 8,104
Other	38	3,358	3,487	^P 3,478
Cash farm income (mill. dollars), total	39	1,205	1,402	^P 1,349
Livestock and products	39	756	900	^P 917
Crops	39	370	410	^P 367
Govt. payments	39	79	92	^P 65
Industrial production: ³				
Total (1935-39 = 100)	41, 42	202	202	^P 203
Groups (points in total index)				
Durable manufactures	41	111.9	113.1	^P 113.7
Machinery, etc.	42	73.2	74.6	^P 75.4
Iron and steel	42	22.8	23.1	23.0
Other durable	42	15.9	15.3	^P 15.3
Non-durable manufactures	41	^P 70.5	69.0	^P 69.3
Textiles and leather	42	20.7	20.2	^P 20.3
Paper and printing	42	^P 11.6	11.3	^P 11.4
Foods, liquor, and tobacco	42	20.8	20.2	^P 19.9
Other non-durable	42	17.4	^P 17.3	^P 17.7
Minerals	41, 42	^P 19.9	20.2	^P 20.0
Primary products (1935-39 = 100):				
Steel	43	231	233	235
Cement	43	156	^P 146	134
Lumber	43	121	114	^P 115
Coal	43	151	154	^P 146
Crude petroleum	43	121	122	^P 123
Cotton consumption	43	171	166	166
Wool yarn	43	184	182	
Paper	43	135	136	
Leather	43	^P 118	113	^P 142
Meats and dairy products	43	147	148	^P 156
Other manufactured foods	43	161	156	
Labor force and employment (mill. persons):				
Labor force	44	52.3	52.0	52.1
Employment, total	44	50.9	51.0	51.2
Non-agricultural	44	42.1	42.0	41.6
Agricultural	44	8.8	9.0	9.6
Male	44	35.9	35.8	36.0
Female	44	15.0	15.2	15.2
Non-agricultural employment (mill. persons), total ³	45	38.8	38.7	^P 38.5
Manufacturing and mining	45	16.8	16.9	^P 16.9
Trade	45	6.5	6.4	^P 6.4
Government	45	5.9	5.9	^P 5.9
Transportation and utilities	45	3.5	3.6	^P 3.6
Construction	45	1.7	1.6	^P 1.3
Factory employment and pay rolls (1939 = 100):				
Pay rolls	47	297.2	304.4	
Employment	47	^P 166.2	167.3	^P 167.4
Hours and earnings at factories:				
Weekly earnings (dollars)	48	41.12	41.84	
Hourly earnings (cents)	48	92.4	93.4	
Hours worked (per week)	48	44.5	44.8	
New orders, shipments, and inventories (1939 = 100):				
New orders, total	49	242	^P 254	
Durable	49	327	^P 355	
Non-durable	49	179	^P 179	
Shipments, total	49	255	^P 249	
Durable	49	337	^P 328	
Non-durable	49	192	^P 186	
Inventories, total	49	176	^P 175	
Durable	49	210	^P 210	
Non-durable	49	146	^P 144	
Residential contracts (mill. dollars): ³				
Total	53	100	68	66
Public	53	72	43	46
Private, total	53	28	24	20
1- and 2-family dwellings	53	22	18	19
Other	53	5	6	1
Construction contracts (3-mo. moving av., mill. dollars): ³				
Total	55	420	347	^P 281
Residential	55	103	78	^P 66
Other	55	317	269	^P 215
Freight car loadings: ³				
Total (1935-39 = 100)	57	141	136	141
Groups (points in total index)				
Miscellaneous	57	83.8	77.4	77.8
Coal	57	27.1	29.7	33.7
All other	57	29.6	29.4	29.3
Department stores (1923-25 = 100): ³				
Sales	59	^P 168	136	128
Stocks	59	93	^P 91	^P 87

	Chart book page	1943		
		Feb.	Mar.	Apr.
MONTHLY FIGURES (cont.)		<i>In unit indicated</i>		
BUSINESS CONDITIONS (cont.)				
Exports and imports (mill. dollars):				
Exports	61	^P 678.9	^P 690.7	.....
Imports	61	^P 234.3	^P 248.5	.....
Excess of exports	61	^P 444.6	^P 682.2	.....
Including Lend-Lease exports	61	^P 35.4	^P 29.6	.....
Wholesale prices, total (1926 = 100)	63	102.5	103.4	103.7
Farm products	63	119.0	122.8	123.9
Other than farm and food	63	96.2	96.5	96.6
Cost of living, all items (1935-39 = 100)	65	^P 121.0	122.8	124.1
Food	65	133.6	137.4	140.6
Clothing	65	^P 126.2	127.6	127.8
Rent	65	108.0	108.0	.....
QUARTERLY FIGURES		1942		1943
		July-Sept.	Oct.-Dec.	Jan.-Mar.
<i>In millions of dollars</i>				
Budget receipts and expenditures:				
Expenditures, total	24	16,307	18,800	19,845
War activities	24	14,766	17,348	18,460
Net receipts	24	3,861	3,909	6,950
Internal revenue collections, total	24	3,622	3,727	6,686
Corporate income taxes	24	1,735	1,789	3,364
Individual income taxes	24	774	616	2,234
Misc. internal revenue	24	1,114	1,323	1,088
Corporate security issues:				
Net proceeds	36	200	70	153
New money, total	36	76	13	51
Industrial	36	27	6	35
Railroad	36	6	4	12
Public utility	36	43	3	3
Bank rates on customers' loans:				
Total, 19 cities	29	2.70	2.63	2.76
New York City	31	2.28	2.09	2.36
Other Northern and Eastern cities	31	2.66	2.63	2.76
Southern and Western cities	31	3.25	3.26	3.21
CALL DATE FIGURES		1942		
		Apr. 4, 1942	June 30, 1942	Dec. 31, 1942
<i>In billions of dollars</i>				
ALL BANKS IN THE U. S.				
Total deposits and currency	11	⁸⁰ 0.00	81.93	99.67
Demand deposits adjusted	11	⁴⁰ 0.00	41.84	48.85
Time deposits	11	²⁷ 20.20	27.31	28.40
Currency outside banks	11	¹⁰ 0.40	10.94	13.95
MEMBER BANKS				
Loans and investments, total	12	44.29	46.80	59.26
U. S. Govt. obligations	12	20.45	24.10	37.55
Other securities	12	6.00	5.77	5.63
State and local obligations	13	3.17	2.93	2.97
Other domestic securities	13	⁽⁴⁾	2.69	
Foreign securities	13	⁽⁴⁾	.15	2.66
Loans, total	12	17.83	16.93	16.09
Commercial loans	13	⁽⁴⁾	9.11	8.48
Real estate loans	13	⁽⁴⁾	3.50	3.42
Street loans (brokers' loans)	13	⁽⁴⁾	.43	.79
Holdings of U. S. Govt. securities:				
By classes of banks:				
New York City	16	7.38	8.55	12.55
Chicago	16	1.49	1.86	2.79
Reserve city banks	16	6.83	8.19	13.04
Country banks	16	4.75	5.50	9.17
By kinds of securities:				
Bonds	16	⁽⁴⁾	14.49	18.95
Notes	16	⁽⁴⁾	3.55	5.41
Certificates	16	⁽⁴⁾	1.87	6.29
Bills	16	⁽⁴⁾	1.51	4.36
Guaranteed	16	3.47	2.69	2.54

For footnotes see preceding page.

**CONDITION OF INSURED COMMERCIAL BANKS IN UNITED STATES AND POSSESSIONS,
DECEMBER 31, 1942 AND JUNE 30, 1942**

[Amounts in thousands of dollars]

	Dec. 31, 1942				June 30, 1942			
	All banks	National banks members Federal Reserve System	State banks members Federal Reserve System ¹	Banks not members Federal Reserve System	All banks ²	National banks members Federal Reserve System	State banks members Federal Reserve System ¹	Banks not members Federal Reserve System ²
<i>Assets</i>								
Loans, discounts, and overdrafts (including rediscounts).....	18,905,525	10,183,351	5,901,924	2,820,250	19,922,804	10,880,073	6,045,009	2,997,722
United States Government obligations, direct and fully guaranteed.....	40,711,697	23,744,082	13,799,428	3,168,187	25,936,082	14,877,737	9,218,383	1,839,962
Other bonds, stocks, and securities.....	6,632,557	3,648,427	1,978,763	1,005,367	6,790,346	3,705,955	2,066,234	1,018,157
Total loans and securities.....	66,249,779	37,575,860	21,680,115	6,993,804	52,649,232	29,463,765	17,329,626	5,855,841
Customers' liability on account of acceptances.....	40,808	23,285	17,222	301	59,333	32,306	26,524	503
Total bank premises, furniture and fixtures, and other real estate.....	1,348,246	691,035	440,714	216,497	1,400,175	711,950	455,642	232,583
Reserve with Federal Reserve Banks.....	13,071,533	8,204,834	4,866,699	.....	12,294,505	7,464,826	4,829,679	.....
Coin and currency.....	1,306,806	721,246	297,253	288,307	1,290,745	715,044	306,587	269,114
Balances with other banks ³	9,098,277	4,704,048	1,454,253	2,939,976	8,119,105	4,422,732	1,358,650	2,337,723
Cash items in process of collection.....	4,116,759	2,553,839	1,475,974	86,946	2,677,505	1,671,543	949,971	55,991
Income accrued but not yet collected.....	133,493	74,604	51,683	7,206	115,819	63,349	45,999	6,471
Prepaid expenses.....	12,498	5,435	5,768	1,295	12,495	5,576	5,067	1,852
Other assets.....	79,568	36,753	26,293	16,522	90,541	33,244	44,771	12,526
Total assets.....	95,457,767	54,590,939	30,315,974	10,550,854	78,709,455	44,584,335	25,352,516	8,772,604
<i>Liabilities</i>								
Demand deposits of individuals, partnerships, and corporations.....	47,128,273	26,669,426	15,469,810	4,989,037	39,266,281	21,899,019	13,747,282	3,619,980
Time deposits of individuals, partnerships, and corporations.....	15,704,991	8,259,153	4,098,114	3,347,724	14,889,560	7,806,098	3,858,971	3,224,491
Public funds of states and political subdivisions.....	4,393,493	2,682,316	967,599	743,578	4,337,016	2,731,251	898,989	706,776
U. S. Govt. and postal savings deposits.....	8,228,698	4,788,641	3,191,021	249,036	1,827,528	1,159,389	613,982	54,157
Deposits of other banks; cash letters of credit; certified officers, and travelers' checks outstanding, etc. ³	12,363,628	8,068,926	4,072,994	221,708	10,842,046	6,937,910	3,743,533	160,603
Bills payable, rediscounts, and other liabilities for borrowed money.....	9,748	3,516	1,291	4,941	11,509	2,014	3,993	5,502
Acceptances executed by or for account of reporting banks and outstanding.....	46,478	25,999	20,176	303	68,844	37,222	31,101	521
Dividends declared but not yet payable.....	39,915	22,776	14,710	2,429	41,840	25,865	14,392	1,583
Income collected but not yet earned.....	58,030	30,114	16,400	11,516	77,844	42,035	20,290	15,519
Expenses accrued and unpaid.....	127,390	75,036	41,711	10,643	132,799	73,375	48,453	10,971
Other liabilities.....	300,889	235,678	51,627	13,584	261,368	199,552	52,517	9,299
Total liabilities, excluding capital accounts.....	88,401,533	50,861,581	27,945,453	9,594,499	71,756,635	40,913,730	23,033,503	7,809,402
Capital stock, notes, and debentures.....	2,848,630	1,499,882	878,712	470,036	2,858,709	1,503,870	875,251	479,588
Surplus.....	2,801,594	1,435,949	1,062,330	303,315	2,741,404	1,408,751	1,036,661	295,992
Undivided profits.....	972,042	540,071	306,657	125,314	935,727	515,619	289,935	130,173
Reserves.....	433,968	253,456	122,822	57,690	416,980	242,365	117,166	57,449
Total liabilities, including capital accounts.....	95,457,767	54,590,939	30,315,974	10,550,854	78,709,455	44,584,335	25,352,516	8,772,604
Number of banks.....	13,347	5,081	1,595	6,671	13,403	5,101	1,543	6,759

¹ Excludes 3 mutual savings banks members of the Federal Reserve System; figures, therefore, differ from those published in the Member Bank Call Report.

² Revised to include 4 insured State banks not members of the Federal Reserve System which do not accept deposits.

³ Beginning June 30, 1942 excludes reciprocal interbank demand deposits with banks in the United States, except private banks and American branches of foreign banks. On June 30, 1942, and Dec. 31, 1942, respectively, reciprocal balances were as follows: all insured commercial banks, \$614,029,000 and \$525,324,000; national banks members of the Federal Reserve System, \$409,596,000 and \$348,964,000; State banks members of the Federal Reserve System, \$190,175,000 and \$164,207,000; banks not members of the Federal Reserve System, \$14,258,000 and \$12,153,000. June 30, 1942 figures for national banks have been revised.

INTERNATIONAL FINANCIAL STATISTICS

	PAGE
Gold reserves of central banks and governments...	572
Gold production...	573
Gold movements... ..	573
Net capital movements to United States since January 2, 1935...	574
Central banks... ..	575-578
Money rates in foreign countries....	579
Commercial banks.....	580
Foreign exchange rates....	581
Price movements:	
Wholesale prices.....	582
Retail food prices and cost of living.....	583
Security prices.....	583

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.

NET CAPITAL MOVEMENT TO UNITED STATES SINCE JANUARY 2, 1935

[In millions of dollars]

From Jan. 2, 1935, through—	Total	Increase in foreign banking funds in U. S.			Decrease in U. S. banking funds abroad	Foreign securities: Return of U. S. funds	Domestic securities: Inflow of foreign funds	Inflow in brokerage balances
		Total	Official ¹	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
Sept. (Oct. 2)	5,748.1	3,092.8	1,112.3	1,980.5	773.6	793.1	987.0	101.6
Dec. (Jan. 1, 1941)	5,727.6	3,159.0	1,200.8	1,958.3	775.1	803.8	888.7	100.9
1941—Mar. (Apr. 2)	5,526.5	3,148.8	1,307.7	1,841.0	767.4	812.7	701.8	95.9
June (July 2)	5,575.4	3,193.3	1,375.1	1,818.2	818.6	834.1	631.2	98.2
Sept. (Oct. 1)	5,510.3	3,139.5	1,321.7	1,817.7	805.3	841.1	623.5	100.9
Dec. 31	5,230.7	2,856.2	1,053.7	1,802.6	791.3	855.5	626.7	100.9
1942—Jan. 7	5,225.3	2,841.7	1,052.6	1,789.1	798.5	856.2	627.6	101.4
Jan. 14	5,199.1	2,816.9	1,012.3	1,804.6	796.5	856.7	627.0	102.0
Jan. 21	5,178.5	2,787.7	980.3	1,807.4	803.0	857.8	627.9	102.0
Jan. 28	5,163.7	2,771.6	977.6	1,793.9	801.6	857.5	631.0	102.0
Feb. 4	5,098.2	2,703.5	936.7	1,766.8	803.5	858.8	630.2	102.1
Feb. 11	5,081.6	2,687.5	926.4	1,761.1	802.9	859.1	630.0	102.2
Feb. 18	5,035.7	2,646.2	866.1	1,780.2	806.8	855.9	624.5	102.4
Feb. 25	5,069.0	2,675.5	879.4	1,796.0	809.2	856.2	626.2	102.0
Mar. 4	5,105.8	2,706.1	941.0	1,765.1	814.6	855.4	627.0	102.6
Mar. 11	5,112.1	2,714.6	955.6	1,759.0	815.8	852.7	626.6	102.4
Mar. 18	5,070.3	2,672.5	917.8	1,754.7	817.5	851.6	625.6	103.1
Mar. 25	5,051.7	2,654.4	908.1	1,746.3	817.2	851.4	625.0	103.7
Apr. 1	5,082.4	2,684.0	932.0	1,752.0	819.7	849.6	624.9	104.3
Apr. 8	5,079.5	2,675.1	918.2	1,756.9	827.3	847.2	625.2	104.7
Apr. 15	5,300.8	2,893.6	1,132.1	1,761.6	830.1	845.3	627.1	104.6
Apr. 22	5,317.1	2,912.9	1,129.7	1,783.2	829.1	844.4	626.6	104.1
Apr. 29	5,309.6	2,906.1	1,106.7	1,799.4	829.8	843.2	626.6	103.9
May 6	5,375.2	2,971.0	1,160.1	1,811.0	831.2	841.9	627.2	104.0
May 13	5,358.6	2,951.4	1,140.1	1,811.3	834.3	841.4	626.5	105.0
May 20	5,358.4	2,948.5	1,153.3	1,795.2	836.4	841.7	626.9	104.8
May 27	5,384.8	2,974.7	1,153.5	1,821.2	836.5	840.9	627.3	105.4
June 3	5,413.4	2,996.8	1,144.0	1,852.8	839.8	843.2	629.0	104.6
June 10	5,456.4	3,039.1	1,193.0	1,846.0	841.7	840.9	630.0	104.8
June 17	5,497.8	3,077.9	1,210.3	1,867.6	842.8	840.7	631.1	105.2
June 24	5,515.3	3,095.9	1,220.0	1,875.9	843.7	839.1	631.6	105.0
June 30 ²	5,495.3	3,075.9	1,211.7	1,864.2	842.3	838.8	632.0	106.2
July 7	5,542.6	3,121.4	1,242.7	1,878.7	854.9	829.3	633.3	103.7
Aug. 31	5,599.9	3,184.8	1,293.1	1,891.7	839.9	828.6	642.7	103.9
Sept. 30	5,654.9	3,212.6	1,339.1	1,873.5	858.2	830.5	646.1	107.5
Oct. 31	5,694.7	3,204.2	1,341.1	1,863.2	890.0	842.1	654.3	104.1
Nov. 30	5,761.6	3,250.2	1,366.1	1,884.1	901.6	844.8	661.0	104.1
Dec. 31	5,835.0	3,320.3	1,412.0	1,908.3	888.8	848.2	673.3	104.4
1943—Jan. 30	*5,907.0	3,470.4	1,536.1	1,934.3	*889.8	761.3	*678.5	107.0
Feb. 27	6,010.2	³ 3,585.4	³ 1,667.3	³ 1,918.1	³ 890.5	751.9	676.0	³ 106.4

⁷ Revised.

¹ This category made up as follows: through Sept. 21, 1938, funds held by foreign central banks at the Federal Reserve Bank of New York; beginning Sept. 28, 1938, also funds held at commercial banks in New York City by central banks maintaining accounts at the Federal Reserve Bank of New York; beginning July 17, 1940, also funds in accounts at the Federal Reserve Bank of New York which had been transferred from central bank to government names; beginning with the new series commencing with the month of July 1942, all funds held with banks and bankers in the United States by foreign central banks and by foreign central governments and their agencies (including official purchasing missions, trade and shipping missions, diplomatic and consular establishments, etc.).

² Reported figures for capital movement through July 1 have been adjusted to represent the movement through June 30 on the basis of certain significant movements known to have occurred on July 1. Subsequent figures are based upon new monthly statistical series. For further explanation, see BULLETIN for January 1943, p. 98.

³ Amounts outstanding on Feb. 27, in millions of dollars: total foreign banking funds in United States, 4,252.6, including official funds, 2,281.8, and other funds, 1,970.8; United States banking funds abroad, 245.0; and brokerage balances (net due "foreigners") 29.6.

NOTE.—Statistics reported by banks, bankers, brokers, and dealers. Data by countries and geographic areas through December 1941, have been published in earlier BULLETINS for all types of capital movement in the above table (except columns 3 and 4), and for outstanding short-term liabilities to and claims on "foreigners" as reported by banks and brokers. For description of the statistics, see BULLETIN for January 1943, p. 98; April 1939, pp. 284-296; and May 1937, pp. 394-431.

CENTRAL BANKS

Bank of England (Figures in millions of pounds sterling)	Assets of issue department		Assets of banking department				Note circulation ³	Liabilities of banking department			
	Gold ¹	Other assets ²	Cash reserves		Dis-counts and advances	Securi-ties		Deposits			Other liabili-ties
			Coin	Notes				Bankers ⁷	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	326.4	220.0	.8	41.1	9.2	135.5	505.3	120.6	11.4	36.6	18.0
1938—Dec. 30	326.4	230.0	.8	51.7	28.5	90.7	504.7	101.0	15.9	36.8	18.0
1939—Dec. 27	4.2	580.0	1.0	25.6	4.3	176.1	554.6	117.3	29.7	42.0	17.9
1940—Dec. 25	.2	630.0	.9	13.3	4.0	199.1	616.9	135.7	12.5	51.2	17.9
1941—Dec. 31	.2	780.0	.3	28.5	6.4	267.8	751.7	219.9	11.2	54.1	17.9
1942—May 27	.2	830.0	1.2	41.6	6.6	170.5	788.6	146.6	7.6	47.8	17.8
June 24	.2	830.0	1.3	34.2	5.5	165.8	796.0	133.6	8.0	47.3	17.8
July 29	.2	880.0	1.2	56.1	7.1	146.9	824.1	136.9	8.7	47.8	17.9
Aug. 26	.2	880.0	1.2	51.7	6.7	158.4	828.6	146.0	7.3	46.8	18.0
Sept. 30	.2	880.0	1.4	42.2	2.4	169.6	838.0	135.7	10.3	51.5	18.1
Oct. 28	.2	880.0	1.4	29.1	2.5	178.6	851.2	141.1	3.8	48.9	17.7
Nov. 25	.2	880.0	1.1	10.2	2.7	206.6	870.0	148.8	7.7	46.3	17.8
Dec. 30	.2	950.0	.9	26.8	3.5	267.9	923.4	223.4	9.0	48.8	17.9
1943—Jan. 27	.2	950.0	.5	42.2	4.4	208.0	908.1	175.9	4.7	56.6	17.9
Feb. 24	.2	950.0	.8	32.8	5.1	218.5	917.4	178.2	7.1	53.9	18.0
Mar. 31	.2	950.0	1.2	15.7	9.9	198.4	934.5	144.3	5.9	56.8	18.1
Apr. 28	.2	1,000.0	1.0	46.8	5.3	196.2	953.4	170.1	8.3	53.1	17.7

Bank of Canada (Figures in millions of Canadian dollars)	Assets					Note circulation ⁷	Liabilities			Other liabilities
	Gold	Sterling and United States dollars	Dominion and provincial government securities		Other assets		Deposits			
			Short-term ⁶	Other			Chartered banks	Dominion government	Other	
1935—Dec. 31	180.5	4.2	30.9	83.4	8.6	99.7	181.6	17.9	.8	7.7
1936—Dec. 31	179.4	9.1	61.3	99.0	8.2	135.7	187.0	18.8	2.1	13.4
1937—Dec. 31	179.8	14.9	82.3	91.6	21.7	165.3	196.0	11.1	3.5	14.4
1938—Dec. 31	185.9	28.4	144.6	40.9	5.2	175.3	200.6	16.7	3.1	9.3
1939—Dec. 30	225.7	64.3	181.9	49.9	5.5	232.8	217.0	46.3	17.9	13.3
1940—Dec. 31	(8)	38.4	448.4	127.3	12.4	359.9	217.7	10.9	9.5	28.5
1941—Dec. 31		200.9	391.8	216.7	33.5	496.0	232.0	73.8	6.0	35.1
1942—May 30		187.4	430.8	223.8	12.9	528.6	186.0	96.7	23.4	20.1
June 30		.9	493.7	322.1	26.2	541.2	221.3	31.3	26.7	22.4
July 31		33.7	501.0	338.8	36.7	563.8	271.6	26.0	15.7	33.0
Aug. 31		1.0	518.7	351.3	14.7	592.6	225.4	15.5	28.1	24.1
Sept. 30		.8	628.7	284.7	22.1	625.4	246.0	18.5	24.7	21.6
Oct. 31		.5	797.5	199.3	21.7	657.6	304.6	19.3	12.2	25.3
Nov. 30		.5	780.6	204.2	17.8	666.3	273.2	24.6	13.8	25.2
Dec. 31		.5	807.2	209.2	31.3	693.6	259.9	51.6	19.1	24.0
1943—Jan. 30		.3	768.0	231.8	17.6	677.6	237.7	14.8	61.3	26.3
Feb. 27		.3	722.2	263.8	18.5	691.7	258.5	21.5	15.3	17.9
Mar. 31		.3	752.5	276.4	16.2	719.1	261.0	21.2	24.7	19.4
Apr. 30		.6	850.4	278.0	34.2	744.1	284.5	56.5	35.5	42.6

¹ Through February 1939, valued at legal parity of 85 shillings a fine ounce; thereafter at market price, which fluctuated until Sept. 6, 1939, when it was officially set at 168 shillings per fine ounce.

² Securities and silver coin held as cover for fiduciary issue, the amount of which is also shown by this figure.

³ Notes issued less amounts held in banking department.

⁴ On Jan. 6, 1939, 200 million pounds sterling of gold (at legal parity) transferred from Bank to Exchange Equalization Account; on Mar. 1, 1939, about 5.5 million pounds (at current price) transferred from Exchange Account to Bank; on July 12, 1939, 20 million pounds transferred from Exchange Account to Bank; on Sept. 6, 1939, 279 million pounds transferred from Bank to Exchange Account.

⁵ Fiduciary issue increased by 50 million pounds on June 12, 1940, Apr. 30, Aug. 30, and Dec. 3, 1941, and Apr. 22 and July 28, 1942; by 70 million pounds on Dec. 2, 1942; and by 50 million pounds on Apr. 13, 1943.

⁶ Securities maturing in two years or less.

⁷ Includes notes held by the chartered banks, which constitute an important part of their reserves.

⁸ On May 1, 1940, gold transferred to Foreign Exchange Control Board in return for short-term government securities (see BULLETIN for July 1940, pp. 677-678).

NOTE.—For further explanation of table for Bank of England see BULLETIN for February 1931, pp. 81-83. The headings in the table for the Bank of Canada correspond to the items in that Bank's statements, except that the headings "Other assets" and "Other liabilities" include certain small asset and liability items shown separately in the statements.

CENTRAL BANKS—Continued

Bank of France (Figures in millions of francs)	Assets							Liabilities					
	Gold ¹	Foreign ex- change	Domestic bills			Advances to Government		Other assets	Note circula- tion	Deposits			Other liabili- ties
			Open market ²	Special ²	Other	For oc- cupation costs ³	Other ²			Government	C.A.R. ⁴	Other	
1929—Dec. 27	41,668	25,942	5,612		8,624			8,124	68,571	11,737		7,850	1,812
1930—Dec. 26	53,578	26,179	5,304		8,429			9,510	76,436	12,624		11,698	2,241
1931—Dec. 30	68,863	21,111	7,157		7,389			11,275	85,725	5,898		22,183	1,989
1932—Dec. 30	83,017	4,484	6,802		3,438			11,712	85,028	2,311		20,072	2,041
1933—Dec. 29	77,098	1,158	6,122		4,739			11,173	82,613	2,322		13,414	1,940
1934—Dec. 28	82,124	963	5,837		3,971			11,500	83,412	3,718		15,359	1,907
1935—Dec. 27	66,296	1,328	5,800		9,712			11,705	81,150	2,862		8,716	2,113
1936—Dec. 30	60,359	1,460	5,640	1,379	8,465		17,698	12,642	89,342	2,089		13,655	2,557
1937—Dec. 30	58,933	911	5,580	652	10,066		31,909	11,733	93,837	3,461		19,326	3,160
1938—Dec. 29	87,265	821	7,422	1,797	7,880		20,627	18,498	110,935	5,061		25,595	2,718
1939—Dec. 28	⁶ 97,267	112	11,273	2,345	5,149		34,673	20,094	151,322	1,914		14,751	2,925
1940—Dec. 26	⁵ 84,616	42	43,194	661	3,646	72,317	63,900	23,179	218,383	984	41,400	27,202	3,586
1941—Dec. 31	84,598	38	42,115	12	4,517	142,507	69,500	22,121	270,144	1,517	64,580	25,272	3,894
1942—Jan. 29	84,578	38	42,071	16	4,855	149,562	64,700	20,138	273,281	1,350	59,649	27,797	3,900
Feb. 26	84,598	38	42,043	18	5,588	149,754	67,400	20,086	278,392	1,173	59,203	27,287	3,469
Mar. 26	84,598	38	42,314	16	4,433	156,386	67,000	20,056	282,848	852	56,396	30,251	4,493
Apr. 30	84,598	38	42,651	13	4,581	162,898	68,300	21,365	291,654	775	59,668	28,955	3,391
May 28	84,598	38	42,804	11	4,176	168,930	66,250	19,953	296,903	755	54,410	30,653	4,040
June 25	84,598	38	42,699	9	4,000	174,938	62,950	19,486	304,379	768	48,093	30,724	4,753
July 30	84,598	38	43,743	9	4,744	180,678	57,650	20,740	315,617	726	39,908	31,963	3,985
Aug. 27	84,598	37	43,427		4,525	180,999	63,850	19,607	323,494	768	35,371	33,298	4,111
Sept. 24	84,598	37	43,869		4,038	183,758	67,500	19,818	334,370	717	31,100	32,142	5,293
Dec. 31 ⁶	84,598	37	43,661	169	5,368	210,965	68,250	21,749	382,774	770	16,857	29,935	4,461

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 circula- tion	Deposits	Other liabili- ties
	Total reserves	Gold			Eligible as note cover	Other				
1929—Dec. 31	2,687	2,283	2,848	251		92	656	5,044	755	736
1930—Dec. 31	2,685	2,216	2,572	256		102	638	4,778	652	822
1931—Dec. 31	1,156	984	4,242	245		161	1,065	4,776	755	1,338
1932—Dec. 31	920	806	2,806	176		398	1,114	3,560	540	1,313
1933—Dec. 30	396	386	3,226	183		259	322	3,645	640	836
1934—Dec. 31	84	79	4,066	146		445	319	3,901	984	1,001
1935—Dec. 31	88	82	4,552	84		349	315	4,285	1,032	923
1936—Dec. 31	72	66	5,510	74		221	303	4,980	1,012	953
1937—Dec. 31	76	71	6,131	60		106	286	5,493	1,059	970
1938—Dec. 31	76	(⁷)	8,244	45		557	298	1,621	8,223	1,527
1939—Dec. 30	78		11,392	30		804	393	2,498	11,798	2,018
1940—Dec. 31	78		15,419	38		32	357	2,066	14,033	2,561
1941—Dec. 31	77		21,656	32		107	283	2,311	19,325	3,649
1942—Jan. 31	77		20,884	28		151	288	1,406	18,987	2,417
Feb. 28	77		21,458	23		144	288	1,343	19,443	2,426
Mar. 31	77		21,673	23		72	227	1,751	19,774	2,762
Apr. 30	77		21,529	19		17	202	2,212	20,047	2,701
May 30	77		22,093	19		16	204	2,344	20,548	2,840
June 30	77		22,848	21		18	202	2,180	20,954	2,990
July 31	77		23,114	17		21	205	2,162	21,344	2,804
Aug. 31	77		23,611	14		34	204	2,262	21,808	2,864
Nov. 30 ⁸	77		25,449	13		71	210	2,146	23,052	3,241
Dec. 31	76		29,283	25		87	210	1,664	24,375	5,292
1943—Jan. 30	77		26,270	22		51	185	2,477	23,664	3,892
Feb. 27	77		26,758	21		49	180	2,370	24,266	3,820

¹ Gold revalued March 1940, November 1938, July 1937, and October 1936. For further details see BULLETIN for May 1940, pp. 406-407; January 1939, p. 29; September 1937, p. 853; and November 1936, pp. 878-880.

² For explanation of this item, see BULLETIN for July 1940, p. 732.

³ By a series of Conventions between the Bank of France and the Treasury, dated from Aug. 25, 1940, through Nov. 19, 1942, advances of 211,000 million francs were authorized to meet the costs of the German army of occupation.

⁴ Central Administration of the Reichskreditkassen.

⁵ In each of the weeks ending Apr. 20 and Aug. 3, 1939, 5,000 million francs of gold transferred from Exchange Stabilization Fund to Bank of France; in week ending Mar. 7, 1940, 30,000 million francs of gold transferred from Bank of France to Stabilization Fund.

⁶ Figures for October and November not available.

⁷ Gold not shown separately on Reichsbank statement after June 15, 1939.

⁸ Figures for September and October not available.

NOTE.—For further explanation of tables see BULLETIN for February 1931, pp. 81-83, and July 1935, p. 463.

CENTRAL BANKS—Continued

Central Bank (Figures as of last report date of month)	1943			1942	Central Bank (Figures as of last report date of month)	1943			1942
	Apr.	Mar.	Feb.	Apr.		Apr.	Mar.	Feb.	Apr.
Central Bank of the Argentine Republic (millions of pesos):					Bank of the Republic of Colombia—Cont.				
Gold reported separately		1,076	1,077	1,077	Deposits		92,503	88,105	59,021
Other gold and foreign exchange		1,192	1,090	529	Other liabilities		44,162	46,882	43,682
Negotiable Government bonds		368	365	376	National Bank of Denmark (millions of kroner):			(Jan.) ²	
Rediscounted paper				1	Gold			97	98
Other assets		240	246	223	Foreign exchange			18	21
Note circulation		1,624	1,609	1,472	Clearing accounts (net)			1,168	952
Deposits—Member bank		827	799	588	Loans and discounts			37	42
Government		285	237	30	Securities			88	45
Other		37	31	24	Govt. compensation account ⁴			125	125
Foreign exchange sold forward		2	2	3	Other assets			1,407	994
Other liabilities		101	100	88	Note circulation			939	835
Commonwealth Bank of Australia (thousands of pounds):					Deposits—Government			590	114
Issue department:					Other			1,124	1,095
Gold and English sterling		33,891	32,641	24,954	Other liabilities			288	230
Securities		106,779	103,796	78,453	Central Bank of Ecuador ⁵ (thousands of sucres):			(Dec.) ²	
Banking department:					Gold			133,445	71,205
Coin, bullion, and cash		6,360	5,164	6,702	Foreign exchange (net)			73,412	68,305
London balances		47,595	45,357	29,148	Loans and discounts			76,124	86,960
Loans and discounts		28,864	26,814	29,447	Other assets			38,963	34,761
Securities		207,160	191,139	103,213	Note circulation			169,340	126,862
Deposits		188,187	172,834	122,222	Demand deposits			125,461	101,547
Note circulation		131,356	127,106	95,864	Other liabilities			27,143	32,823
National Bank of Belgium and Bank of Issue of Brussels (millions of belga): ¹			(Jan.) ²		National Bank of Egypt ⁵ (thousands of pounds):			(Dec.) ²	
Gold			4,332	4,332	Gold			6,251	6,251
Foreign exchange			5,774	2,506	Foreign exchange			8,604	4,372
Credits to State and public bodies			4,126	4,223	Loans and discounts			5,983	2,185
Credits to private economy			148	159	British, Egyptian, and other Government securities			140,090	111,159
Reichskreditkasse			733	766	Other assets			5,853	5,741
Other assets			541	498	Note circulation			75,347	52,736
Note circulation			13,861	10,725	Deposits—Government			26,551	20,281
Demand deposits			756	750	Other			52,908	44,357
Postal Checking Office			811	796	Other liabilities			11,975	12,333
Other liabilities			225	215	Central Reserve Bank of El Salvador (thousands of colones):				
National Bank of Bohemia and Moravia (millions of koruny):			(Jan.) ²		Gold ⁶		21,202	24,206	15,241
Gold			1,515	1,514	Foreign exchange		21,911	20,460	11,738
Foreign exchange			728	779	Loans and discounts			766	928
Discounts			875	917	Government debt and securities			6,824	6,765
Loans					Other assets			522	678
Other assets			17,084	13,684	Note circulation			32,815	32,312
Note circulation			13,809	9,917	Deposits			15,688	15,047
Demand deposits			3,524	3,449	Other liabilities			5,721	5,678
Other liabilities			2,869	3,528	Bank of Finland ³				
Central Bank of Bolivia (thousands of bolivianos):			(Dec.) ²		Bank of Greece ⁵				
Gold at home and abroad			497,407	379,519	National Bank of Hungary (millions of pengö):			(Jan.) ²	
Foreign exchange			438,353	308,492	Gold			100	100
Loans and discounts			230,625	332,113	Foreign exchange reserve			4	15
Securities—Government			536,565	479,199	Discounts			2,065	1,166
Other			40,623	11,170	To Treasury			725	760
Other assets			58,537	50,327	To foreign countries			500	276
Note circulation			818,299	669,348	Other			31	36
Deposits			797,779	733,143	Other assets			806	468
Other liabilities			186,032	158,329	Note circulation			2,973	2,038
National Bank of Bulgaria ⁴					Demand deposits			480	345
Central Bank of Chile (millions of pesos):					Consolidated foreign credits of 1931			18	23
Gold		222	204	148	Other liabilities			760	370
Discounts for member banks		150	168	317	Reserve Bank of India (millions of rupees):				
Loans to Government		725	725	733	Issue department:			(Jan.) ²	
Other loans and discounts		952	950	836	Gold at home and abroad			444	444
Other assets		679	538	93	Sterling securities			3,558	2,419
Note circulation		2,000	1,903	1,579	Indian Govt. securities			1,894	1,382
Deposits—Bank		335	308	211	Rupee coin			146	295
Other		120	114	120	Note circulation			5,932	4,426
Other liabilities		273	260	217	Banking department:				
Bank of the Republic of Colombia (thousands of pesos):					Notes of issue department			109	114
Gold		52,653	49,757	28,288	Balances abroad			852	416
Foreign exchange		78,701	77,377	28,213	Treasury bills discounted			19	10
Loans and discounts		11,331	15,462	31,124	Loans to Government			4	117
Government loans and securities		56,223	55,213	58,245	Other assets			93	145
Other assets		36,280	36,153	32,528	Deposits			891	586
Note circulation		93,524	98,977	75,695	Other liabilities			186	215

¹ Separate figures for National Bank of Belgium not available. The Bank of Issue of Brussels was founded by the German Military Administration on June 27, 1940; it has no note issue, drawing its resources principally from advances from the National Bank and deposits by the Postal Checking Office.

² Latest month for which report is available for this institution.

³ For last available reports from the central banks of Bulgaria (May 1941), Finland (May 1941), and Greece (March 1941), see BULLETIN for March 1942, pp. 280-281.

⁴ Represents Bank's claim on the Government for the Bank's foreign exchange losses resulting from the revaluation of the krone on Jan. 23, 1942.

⁵ Items for issue and banking departments consolidated.

⁶ Gold revalued June 30, 1942, at 0.3555 gram fine gold per colon, a 20 per cent reduction in the gold value of the colon.

CENTRAL BANKS—Continued

Central Bank (Figures as of last report date of month)	1943			1942	Central Bank (Figures as of last report date of month)	1943			1942
	Apr.	Mar.	Feb.	Apr.		Apr.	Mar.	Feb.	Apr.
Central Bank of Ireland (thousands of pounds): ¹					Bank of Spain ²				
Gold		2,646	2,646		Bank of Sweden (millions of kronor):				
Sterling funds		20,329	20,143		Gold	758	757	753	616
Note circulation		22,975	22,789		Foreign assets (net)	584	567	554	620
Bank of Japan ²					Swedish Govt. securities and advances to National Debt Office ³	1,236	1,176	1,132	913
Bank of Java ²					Other domestic bills and advances	136	128	119	
Bank of Mexico (thousands of pesos):					Other assets	814	808	802	1,094
Metallic reserves ⁴		336,687	311,776	205,831	Note circulation	1,923	1,931	1,916	1,638
"Authorized" holdings of securities, etc.		938,697	866,594	550,058	Demand deposits—Government	884	653	653	409
Bills and discounts		130,644	130,548	115,340	Other	151	244	211	681
Other assets		71,389	65,163	54,781	Other liabilities	570	608	579	495
Note circulation		823,552	789,693	563,073	Swiss National Bank (millions of francs):				
Demand liabilities		523,196	457,412	260,251	Gold	3,717	3,682	3,642	3,443
Other liabilities		130,668	126,976	102,686	Foreign exchange	56	56	47	129
Netherlands Bank (millions of guilders):			(Jan.) ⁴		Loans and discounts	111	111	345	223
Gold			895	958	Other assets	(8)	(8)	(8)	281
Silver (including subsidiary coin)			4	8	Note circulation	2,605	2,579	2,532	2,241
Foreign bills			1,817	934	Other sight liabilities	1,370	1,308	1,522	1,535
Discounts			244	210	Other liabilities	(8)	(8)	(8)	300
Loans			160	168	Central Bank of the Republic of Turkey (thousands of pounds):			(Jan.) ⁴	
Other assets			239	234	Gold			155,539	134,176
Note circulation			3,059	2,251	Foreign clearing accounts			76,281	67,867
Deposits—Government					Loans and discounts			742,513	544,856
Other			231	198	Securities			192,191	191,824
Other liabilities			71	63	Other assets			41,645	18,815
Reserve Bank of New Zealand (thousands of pounds):					Note circulation			699,787	590,704
Gold		2,802	2,802	2,802	Deposits—Gold			79,358	79,358
Sterling exchange reserve		22,231	31,262	20,614	Other			239,438	116,098
Advances to State or State undertakings		32,444	34,217	31,191	Other liabilities			189,586	171,377
Investments		10,458	4,458	4,146	Bank of the Republic of Uruguay (thousands of pesos):			(Dec. 1942) ⁴	
Other assets		2,350	2,393	861	Issue department:			90,875	92,305
Note circulation		30,348	30,033	24,077	Gold and silver			112,764	113,376
Demand deposits		36,757	41,967	32,592	Note circulation				
Other liabilities		3,180	3,131	2,945	Banking department:				
Bank of Norway ²					Gold and silver			55,451	66,839
Central Reserve Bank of Peru (thousands of soles):					Notes and coin			36,805	38,979
Gold and foreign exchange			118,660	67,254	Advances to State and to government bodies			41,135	29,467
Discounts			18,182	27,112	Other loans and discounts			102,301	105,230
Government loans			275,746	208,330	Other assets			113,316	119,006
Other assets			25,865	11,069	Deposits			130,584	127,800
Note circulation			285,981	222,437	Other liabilities			218,425	231,722
Deposits			132,748	70,331	Central Bank of Venezuela (thousands of bolivares):				
Other liabilities			19,687	20,996	Gold	233,144	220,784	214,604	170,677
Bank of Portugal (millions of escudos):			(Sept. 1942) ⁴		Foreign exchange (net)	37,025	32,091	24,534	17,925
Gold ⁵			1,380	1,365	Credits to national banks	31,230	31,230	31,230	35,230
Other reserves (net)			2,720	1,715	Other assets	6,210	6,492	7,785	13,473
Nonreserve exchange			5,356	4,560	Note circulation—Central Bank	201,075	201,339	191,648	141,155
Loans and discounts			258	299	National banks	34,269	34,616	35,497	50,298
Government debt			1,028	1,028	Deposits	65,681	48,139	44,869	39,811
Other assets			1,355	1,238	Other liabilities	6,584	6,503	6,139	6,041
Note circulation			4,944	4,458	National Bank of the Kingdom of Yugoslavia ²				
Other sight liabilities			5,942	4,641	Bank for International Settlements (thousands of Swiss gold francs ⁹):			(Sept. 1942) ⁴	
Other liabilities			1,211	1,106	Gold in bars			61,916	45,493
National Bank of Rumania (millions of lei):			(Nov. 1942) ⁴		Cash on hand and on current account with banks			39,692	33,729
Gold			45,109	38,216	Sight funds at interest			15,644	15,942
Special exchange accounts			30,065	14,029	Rediscountable bills and acceptances (at cost)			141,486	147,553
Loans and discounts			37,849	33,864	Time funds at interest			20,936	21,050
Special loans (in liquidation)			364	471	Sundry bills and investments			200,434	212,383
Government debt			21,229	9,323	Other assets			39	142
Other assets			45,900	46,191	Demand deposits (gold)			33,832	29,026
Note circulation			112,307	95,889	Short-term deposits (various currencies):				
Demand deposits			42,446	34,856	Central banks for own account			15,464	16,135
Other liabilities			25,762	11,348	Other			6,938	5,955
South African Reserve Bank (thousands of pounds):					Long-term deposits: Special accounts			229,001	229,001
Gold			63,533	52,036	Other liabilities			194,912	196,176
Foreign bills			5,619	1,060					
Other bills and loans			167	25					
Other assets			83,022	53,493					
Note circulation			40,333	28,567					
Deposits			106,448	73,599					
Other liabilities			5,560	4,448					

^c Corrected.

¹ The Central Bank of Ireland began operations on Feb. 1, 1943. The text of the Central Bank Act is given in the BULLETIN for February 1943, pp. 122-127.

² For last available reports from the central banks of Japan (September 1941), Norway (March 1940), and Yugoslavia (February 1941), see BULLETIN for March 1942, pp. 281-282; from Bank of Java (January 1942), see BULLETIN for March 1943, p. 278; and from Bank of Spain (December 1942), see BULLETIN for May 1943, p. 414.

³ Includes gold, silver, and foreign exchange forming required reserve (25 per cent) against notes and other demand liabilities.

⁴ Latest month for which report is available for this institution.

⁵ Valued at average cost beginning October 1941.

⁶ Includes advances to the Government shown in the bank's statement under "Other assets" prior to June 1942.

⁷ Includes small amount of non-Government bonds.

⁸ Figure not available.

⁹ 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 May 31	Date effective	Central bank of—	Rate May 31	Date effective
	United Kingdom	France	Germany	Belgium	Netherlands	Sweden	Switzerland						
In effect Oct. 2, 1936	2	3	4	2	3	2½	2	Albania	5½	Mar. 21, 1940	Japan	3.29	Apr. 7, 1936
Oct. 9		2½						Argentina	3½	Mar. 1, 1936	Java	3	Jan. 14, 1937
Oct. 16		2						Belgium	2	Jan. 25, 1940	Latvia	5	Feb. 17, 1940
Oct. 20					2½			Bohemia and Moravia	3½	Oct. 1, 1940	Lithuania	6	July 15, 1939
Nov. 26											Mexico	4½	June 4, 1942
Dec. 3					2								
Jan. 28, 1937		4											
June 15		6											
July 7		5						Bolivia	6	Nov. 8, 1940	Netherlands	2½	June 27, 1941
Aug. 4		4						British India	3	Nov. 28, 1935	New Zealand		
Sept. 3		3½						Bulgaria	5	Dec. 1, 1940		1½	July 26, 1941
Nov. 13		3						Canada	2½	Mar. 11, 1935	Norway	3	May 13, 1940
May 10, 1938				4				Chile	3-4½	Dec. 16, 1936	Peru	5	Aug. 1, 1940
May 13		2½						Colombia	4	July 18, 1933	Portugal	3	Apr. 8, 1943
May 30				3									
Sept. 28		3											
Oct. 27				2½									
Nov. 25		2½						Denmark	4	Oct. 16, 1940	Rumania	3	Sept. 12, 1940
Jan. 4, 1939		2						Ecuador	7	May 26, 1938	South Africa	3	June 2, 1941
Apr. 17				4				El Salvador	3	Mar. 30, 1939	Spain	4	Dec. 1, 1938
May 11				3				Estonia	4½	Oct. 1, 1935	Sweden	3	May 29, 1941
July 6				2½				Finland	4	Dec. 3, 1934	Switzerland	1½	Nov. 26, 1936
Aug. 24		4											
Aug. 29					3								
Sept. 28		3						France	1¾	Mar. 17, 1941	Turkey	4	July 1, 1938
Oct. 26		2						Germany	3½	Apr. 9, 1940	United Kingdom	2	Oct. 26, 1939
Dec. 15				2				Greece	6	Mar. 1, 1942	U. S. S. R.	4	July 1, 1936
Jan. 25, 1940								Hungary	3	Oct. 22, 1940	Yugoslavia	5	Feb. 1, 1935
Apr. 9			3½					Italy	4½	May 18, 1936			
May 17		1¾											
Mar. 17, 1941													
May 29													
June 27					2½								
In effect May 31, 1943	2	1¾	3½	2	2½	3	1½						

NOTE.—Changes since April 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—Mar.	5.33	5.30	4.51	3½	6.31	6.97	4.64	5.05	4½-6½	3.39
1930—Mar.	2.78	2.55	3.20	2½-1½	5.12	5.57	2.50	2.61	4-6	2.60
1931—Mar.	2.60	2.56	2.20	1	4.76	5.00	1.09	1.04	3-5	.99
1932—Mar.	2.59	2.28	2.40	3-1½	6.10	7.76	1.22	1.06	5-7	1.50
1933—Mar.	.62	.46	.64	½	3.88	4.97	.64	1.11	3½-5½	1.50
1934—Mar.	.95	.84	.88	½	3.88	4.89	1.24	1.07	2½-5	1.50
1935—Mar.	.57	.50	.72	½	3.38	3.94	.60	1.00	2½-4½	1.50
1936—Mar.	.56	.52	.75	½	3.00	2.99	1.11	1.68	2½-5	2.26
1937—Mar.	.55	.51	.75	½	3.00	3.10	.19	1.00	2½-5	1.00
1938—Mar.	.53	.50	.75	½	2.88	2.86	.13	.50	2½-5	1.00
1939—Mar.	.63	.70	.75	½	2.88	2.70	.29	.50	2½-5	1.00
1940—Mar.	1.03	1.02	.99	½	2.50	2.16	1.35	2.49	3-5	1.25
1941—Mar.	1.03	1.01	1.00	½	2.25	1.83	2.07	2.75	3½-5½	1.25
1942—Mar.	1.03	1.00	1.03	½	2.13	1.95				1.25
1942—Apr.	1.03	1.01	1.00	½	2.13	1.96				1.25
May	1.03	1.00	1.03	½	2.13	1.71				1.25
June	1.03	1.00	1.00	½	2.13	1.90				1.25
July	1.03	1.00	1.00	½	2.13	1.75				1.25
Aug.	1.03	1.00	1.00	½	2.13	1.68				1.25
Sept.	1.03	1.00	1.05	½	2.13	1.83				1.25
Oct.	1.03	1.00	1.04	½	2.13	1.80				1.25
Nov.	1.03	1.00	1.00	½	2.13	1.75				1.25
Dec.	1.03	1.01	1.00	½	2.13	1.96				1.25
1943—Jan.	1.03	1.01	1.08	½	2.13	1.84				1.25
Feb.	1.03	1.00	1.10	½	2.13					1.25
Mar.	1.03	1.00	.90	½						1.25

NOTE.—For figures for other countries and references to explanation of tables see BULLETIN for September 1940, p. 1018.

COMMERCIAL BANKS

United Kingdom ¹ (11 London clearing banks. Figures in millions of pounds sterling)	Assets						Liabilities				
	Cash reserves	Money at call and short notice	Bills dis- counted	Treasury deposit receipts ²	Securities	Loans to customers	Other assets	Deposits			Other liabilities
								Total	Demand ³	Time ³	
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—December	324	159	265	314	771	924	293	2,800	1,770	1,030	250
1941—December	366	141	171	758	999	823	324	3,329	2,168	1,161	253
1942—May	326	133	291	471	1,049	822	277	3,131	2,036	1,095	238
June	355	147	292	543	1,058	814	289	3,263	2,141	1,122	234
July	342	132	273	607	1,075	807	261	3,264	2,138	1,126	232
August	351	133	283	634	1,082	795	257	3,305	2,161	1,143	231
September	349	127	277	693	1,097	785	263	3,358	2,218	1,140	233
October	350	136	271	744	1,108	785	263	3,424	2,261	1,163	232
November	367	135	241	804	1,117	774	269	3,472	2,287	1,185	234
December	390	142	198	896	1,120	794	325	3,629	2,429	1,200	236
1943—January	379	146	197	935	1,112	773	271	3,577	2,369	1,207	237
February	373	154	148	933	1,109	775	272	3,525	2,324	1,201	237
March	377	139	173	884	1,132	789	283	3,542	2,362	1,180	235

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 circula- tion	Deposits payable in Canada excluding interbank deposits			Other liabilities
	Cash reserves	Security loans	Other loans and dis- counts					Total	Demand	Time	
1936—December	240	114	791	161	1,384	554	103	2,303	755	1,548	837
1937—December	255	76	862	102	1,411	575	96	2,335	752	1,583	850
1938—December	263	65	940	166	1,463	535	88	2,500	840	1,660	843
1939—December	292	53	1,088	132	1,646	612	85	2,774	1,033	1,741	963
1940—December	323	40	1,108	159	1,531	570	80	2,805	1,163	1,641	846
1941—December	356	32	1,169	168	1,759	653	71	3,105	1,436	1,669	962
1942—May	285	29	1,215	175	1,878	601	71	3,118	1,562	1,556	993
June	327	28	1,137	181	1,883	639	72	3,121	1,523	1,598	1,002
July	369	26	1,096	182	1,958	614	73	3,174	1,521	1,654	999
August	333	24	1,064	183	2,192	595	71	3,311	1,612	1,700	1,008
September	366	27	1,050	185	2,340	594	69	3,486	1,738	1,748	1,006
October	413	25	1,078	194	2,379	602	68	3,604	1,895	1,709	1,018
November	395	29	1,236	194	2,304	618	64	3,680	2,050	1,630	1,032
December	387	31	1,168	231	2,293	657	60	3,657	1,984	1,673	1,049
1943—January	347	29	1,100	242	2,302	582	58	3,494	1,772	1,723	1,050
February	357	29	1,044	239	2,380	589	57	3,533	1,738	1,796	1,048
March	377	24	1,003	223	2,689	599	54	3,816	1,927	1,890	1,044

France (End of month figures in millions of francs)	Assets					Liabilities				
	Cash reserves	Due from banks	Bills dis- counted	Loans	Other assets	Deposits			Own accept- ances	Other liabilities
						Total	Demand	Time		
4 large banks										
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	4,599	3,765	29,546	7,546	2,440	42,443	41,872	571	844	4,609
3 large banks										
1939—December	4,499	3,520	27,512	7,155	2,170	39,647	39,271	375	786	4,423
1940—December	6,258	3,546	44,243	7,984	1,999	58,890	58,413	477	535	4,604
1941—May	5,549	3,279	52,961	7,720	1,351	66,229	65,712	516	454	4,176
June	5,641	3,359	54,826	8,035	1,371	68,376	67,867	509	474	4,383
July	5,837	3,239	53,951	7,511	1,526	67,148	66,640	508	460	4,456
August	5,436	3,272	56,141	7,306	1,431	68,600	68,094	506	418	4,568
September	5,790	3,241	56,788	7,640	1,464	69,763	69,269	495	388	4,772
October	6,034	3,270	55,716	8,807	1,571	70,229	69,754	475	398	4,771
November	5,840	3,287	56,837	7,719	1,693	70,070	69,619	451	432	4,873
December	6,424	3,260	57,707	7,860	1,744	71,736	71,304	433	393	4,865
1942—May ⁵	5,737	3,024	62,885	9,057	1,127	76,792	76,431	361	331	4,707
June	5,901	2,976	64,313	9,592	1,249	78,876	78,514	362	334	4,821

¹ 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.
² Represent six-month loans to the Treasury at 1½ per cent, callable by the banks in emergency at a discount equal to the Bank of England rate.
³ Through December 1937, excludes deposits in offices outside England and Wales which are included in total.
⁴ For figures for four banks for months January–March 1940, see BULLETIN for August 1942, p. 861.
⁵ No figures available January through April 1942.
NOTE.—For other back figures and explanation of tables, and for figures for German commercial banks, see BULLETIN for June 1941, p. 596; August 1939, p. 699; June 1935, pp. 388–390; and October 1933, pp. 641–646.

PRICE MOVEMENTS IN PRINCIPAL COUNTRIES
WHOLESALE PRICES—ALL COMMODITIES

[Index numbers]

Year or month	United States	Canada	United Kingdom	France	Germany	Italy	Japan	Netherlands	Sweden	Switzerland
	(1926=100)	(1926=100)	(1930=100)	(1913=100)	(1913=100)	(1928=100)	(October 1900=100)	(1926-30=100)	(1935=100)	(July 1914=100)
1926.....	100	100	¹ 124	695	134		237	106	¹ 126	144
1930.....	86	87	100	554	125	85	181	90	¹ 103	126
1931.....	73	72	88	500	111	75	153	76	¹ 94	110
1932.....	65	67	86	427	97	70	161	65	¹ 92	96
1933.....	66	67	86	398	93	63	180	63	¹ 90	91
1934.....	75	72	88	376	98	62	178	63	¹ 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	² 681	107	99	278	74	115	111
1940.....	79	83	137		110	116	311	³ 88	146	143
1941.....	87	90	153		112	132	329		172	184
1942.....	99	96	159		114				189	
1942—April.....	99	95	160		114				186	208
May.....	99	95	161		114				187	209
June.....	99	96	160		114		^p 355		188	210
July.....	99	96	160		115		^p 353		193	212
August.....	99	96	159		115		^p 357		192	211
September.....	100	96	159		115		^p 358		192	212
October.....	100	97	160		115				193	^p 212
November.....	100	97	161		115				195	
December.....	101	97	161		115				195	
1943—January.....	102	97	162		116				196	^p 215
February.....	103	98	162		116				^p 197	
March.....	103	99	162		116				^p 197	
April.....	104	^p 99	^p 163							

^p Preliminary.

¹ Approximate figure, derived from old index (1913=100).

² Average based on figures for 8 months; no data available since August 1939, when figure was 674.

³ Average based on figures for 5 months; no data available since May 1940, when figure was 89.

Sources.—See BULLETIN for January 1941, p. 84; April 1937, p. 372; March 1937, p. 276; and October 1935, p. 678.

WHOLESALE PRICES—GROUPS OF COMMODITIES

[Indexes for groups included in total index above]

Year or month	United States (1926=100)			Canada (1926=100)			United Kingdom (1930=100)		Germany (1913=100)		
	Farm products	Foods	Other commodities	Farm products	Raw and partly manufactured goods	Fully and chiefly manufactured goods	Foods	Industrial products	Agricultural products	Industrial raw and semi-finished products	Industrial finished products
1926.....	100	100	100	100	100	100			129	130	150
1930.....	88	91	85	82	82	87	100	100	113	120	150
1931.....	65	75	75	56	62	75	89	87	104	103	136
1932.....	48	61	70	48	55	70	88	85	91	89	118
1933.....	51	61	71	51	57	70	83	87	87	88	113
1934.....	65	71	78	59	64	73	85	90	96	91	116
1935.....	79	84	78	64	66	73	87	90	102	92	119
1936.....	81	82	80	69	71	74	92	96	105	94	121
1937.....	86	86	85	87	84	81	102	112	105	96	125
1938.....	69	74	82	74	73	78	97	104	106	94	126
1939.....	65	70	81	64	67	75	97	106	108	95	126
1940.....	68	71	83	67	75	82	133	138	111	99	129
1941.....	82	83	89	71	82	89	146	156	112	100	133
1942.....	106	100	96	82	90	92	158	160	115	102	134
1942—April.....	105	99	96	80	89	92	160	159	113	102	133
May.....	104	99	96	80	89	92	163	159	115	102	133
June.....	104	99	96	82	91	92	160	159	115	102	134
July.....	105	99	96	81	90	92	159	160	116	102	134
August.....	106	101	96	81	90	92	155	160	117	102	134
September.....	108	102	96	84	91	92	154	161	117	102	134
October.....	109	103	96	86	93	92	156	162	116	102	134
November.....	111	104	96	86	93	92	158	162	116	102	134
December.....	114	104	96	87	93	93	159	162	117	102	134
1943—January.....	117	105	96	88	93	93	160	163	119	102	134
February.....	119	106	96	89	94	93	160	^p 163	118	103	134
March.....	123	107	97	91	96	93	160	163	118	103	135
April.....	124	108	97	^p 92	^p 97	^p 93					

^r Revised. ^p Preliminary

Sources.—See BULLETIN for May 1942, p. 451; March 1935, p. 180; and March 1931, p. 159.

PRICE MOVEMENTS IN PRINCIPAL COUNTRIES—Continued
RETAIL FOOD PRICES

Year or month	[Index numbers]					
	United States (1935-39 =100)	Canada (1935-39 =100)	United Kingdom (July 1914 =100)	Germany (1913-14 =100)	Netherlands (1911-13 =100)	Switzerland (June 1914 =100)
1932.....	87	86	126	116	119	125
1933.....	84	85	120	113	120	117
1934.....	94	93	122	118	124	115
1935.....	100	95	125	120	118	114
1936.....	101	98	130	122	120	120
1937.....	105	103	139	122	127	130
1938.....	98	104	141	122	130	130
1939.....	95	101	141	123	130	132
1940.....	97	106	164	128	140	146
1941.....	106	116	168	129	140	175
1942.....	124	127	161	132		
1942—April.....	120	124	160	132		197
May.....	122	124	160	134		199
June.....	123	126	159	136		199
July.....	125	130	160	139		203
August.....	126	130	160	136		202
September.....	127	129	160	129		203
October.....	130	130	162	128		
November.....	131	132	163	129		
December.....	133	133	164	129		
1943—January.....	133	127	164	131		209
February.....	134	127	164	132		
March.....	137	128	165	133		
April.....	141	129	165	133		

COST OF LIVING

Year or month	[Index numbers]					
	United States (1935-39 =100)	Canada (1935-39 =100)	United Kingdom (July 1914 =100)	Germany (1913-14 =100)	Netherlands (1911-13 =100)	Switzerland (June 1914 =100)
1932.....	98	99	144	121	141	138
1933.....	92	94	140	118	139	131
1934.....	96	96	141	121	140	129
1935.....	98	96	143	123	136	128
1936.....	99	98	147	125	132	130
1937.....	103	101	154	125	137	137
1938.....	101	102	156	126	139	137
1939.....	99	102	158	126	140	138
1940.....	100	106	184	130	148	151
1941.....	105	112	199	133		174
1942.....	117	117	200	137		193
1942—April.....	115	116	199	137		191
May.....	116	116	200	138		192
June.....	116	117	199	139		193
July.....	117	118	200	140		196
August.....	118	118	201	139		195
September.....	118	117	200	135		195
October.....	119	118	200	135		197
November.....	120	119	200	135		199
December.....	120	119	200	136		200
1943—January.....	121	117	199	137		201
February.....	121	117	199	137		
March.....	123	117	199	138		
April.....	124	118	198	138		

² Preliminary.

¹ Revised index from March 1936 (see BULLETIN for April 1937, p. 373).

² Average based on figures for 3 months; no data available since March 1940, when figure was 141.

³ Average based on figures for 5 months; no data available since May 1940, when figure was 149.

Sources.—See BULLETIN for May 1942, p. 451; October 1939, p. 943; and April 1937, p. 373.

SECURITY PRICES

[Index numbers except as otherwise specified]

Year or month	Bonds					Common stocks				
	United States (derived price) ¹	United Kingdom (December 1921=100)	France (1913=100)	Germany (average price) ²	Netherlands ³	United States (1935-39 =100)	(1926=100)			Netherlands (1930=100)
							United Kingdom	France	Germany	
Number of issues.....	15	87	36	² 139	8	402	278	300	(4)	100
1926.....	90.1	110.0	57.4			105.6	100.0	100.0	100.0	
1932.....	84.4	113.2	88.6	⁵ 67.1	94.8	51.2	67.9	105.2	⁵ 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	⁶ 95.1	107.8	82.9	86.3	79.7	82.9	55
1936.....	¹ 109.5	131.2	76.3	95.8	109.1	117.5	97.0	77.2	91.6	66
1937.....	110.2	124.6	75.1	98.7	⁸ 101.8	117.5	96.3	97.4	102.6	104.2
1938.....	111.1	121.3	77.3	99.9	105.9	88.2	80.8	89.7	100.1	95.8
1939.....	113.8	112.3	83.9	99.0	90.9	94.2	75.9	98.3	94.1	89.7
1940.....	115.9	118.3	⁷ 84.7	100.7	⁸ 77.9	88.1	70.8	⁷ 120.6	114.6	⁹ 95.0
1941.....	117.8	123.8	⁹ 98.7	¹⁰ 103.0		80.0	72.5	¹¹ 289.7	¹⁰ 136.8	
1942.....	118.3	127.3				69.4	75.3	⁴ 476		
1942—April.....	117.8	127.5	99.5	103.5		63.3	72.5	454	142.5	
May.....	117.7	126.8	100.2	103.5		63.2	73.0	466	142.7	
June.....	118.0	126.7				66.1	73.7	⁴ 455	143.2	
July.....	118.9	127.7				68.2	73.8	⁴ 455	142.2	
August.....	118.7	127.5				68.3	74.4	⁴ 518	142.4	
September.....	119.0	127.8				69.4	75.7	⁴ 511		
October.....	119.3	128.1				74.2	78.4	⁴ 507		
November.....	119.5	127.5				75.2	80.4	⁴ 529		
December.....	118.9	127.3				75.9	80.1	⁴ 583		
1943—January.....	119.5	129.0				79.7	82.4			
February.....	120.0	128.9				84.8	82.2			
March.....	119.8	128.8				88.2	82.6			
April.....	119.9					91.3				

² Preliminary.

¹ Figures represent calculated prices of a 4 per cent, 20-year bond offering a yield equal to the monthly average yield for 15 high-grade corporate bonds for the series beginning 1937 and for a varying number of high-grade bonds for the series prior to that date. The yearly average for 1937 is the same for both series. Source.—Standard and Poor's Corporation.

² Since Apr. 1, 1935, the 139 bonds included in the calculation of the average price have all borne interest at 4½ per cent. The series prior to that date is not comparable to the present series, principally because the 169 bonds then included in the calculation bore interest at 6 per cent.

³ Indexes of reciprocals of average yields. For old index, 1929-1936, 1929=100; average yield in base year was 4.57 per cent. For new index beginning January 1937, Jan.-Mar. 1937 = 100; average yield in base period was 3.39 per cent.

⁴ This number, originally 329, has declined as the number of securities eligible for the index has diminished. In May 1941, it was down to 287.

⁵ Average May-Dec. only; exchange closed Jan. 1-Apr. 11.

⁶ Average Apr.-Dec. only. Average Jan.-Mar. on old basis was 95.9.

⁷ Average based on figures for 5 months; no data available June-Dec.

⁸ Average based on figures for 7 months; no data available May-Sept.

⁹ Average based on figures for 9 months; no data available Jan.-Feb.

¹⁰ Average based on figures for 11 months; no data available for December.

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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¹ Cashier.

² Also Cashier.

³ Vice President.

⁴ Manager.

FEDERAL RESERVE SYSTEM

BOUNDARIES OF FEDERAL RESERVE DISTRICTS AND THEIR BRANCH TERRITORIES

